



भारतीय विमानपत्तन प्राधिकरण  
AIRPORTS AUTHORITY OF INDIA

# वाणिज्य नियमावली COMMERCIAL MANUAL 2019



वाणिज्य नियमावली  
**COMMERCIAL MANUAL**  
2019





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## FOREWORD

With immense focus on Non-Aeronautical Revenues, quantum of commercial concessions has increased manifold across the Airports. The nature and complexities of commercial concessions is also changing very fast, so are the procedures to manage these concessions. I am glad to know that Directorate of Commercial has come out with the updated Commercial Manual.

The manual will provide insight to the executives working in Commercial Department in AAI to adopt standard practices and procedures covering various aspects of planning, designing, award and management of commercial concessions. Efforts have been made to incorporate the latest procedures and standards so that the manual acts as a master reference document obviating the use of any other guidance requirements.

The updated manual will help in strengthening the procedures and enable AAI in increasing commercial revenues in an effective manner and avoiding inadvertent delays.

Comments about the manual are always welcome and will be considered in future update.

(Dr. Guruprasad Mohapatra)





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## PREFACE


The National Civil Aviation Policy-2016 stipulates that the future tariffs at all airports will be calculated on hybrid till basis viz 30% of non-aeronautical revenues shall be used to cross subsidize aeronautical charges.

Airports Authority of India (AAI)'s Corporate Plan 2017-26 has observed that a significant proportion of AAI revenue currently comes from lease revenue from JV Airports and from Air Navigation Services. To reduce its reliance on these revenue streams, one of the key priorities for AAI will be to increase the share and amount of non-aeronautical revenue.

Commercial Directorate in Airports Authority of India functions to evolve Policies and Guidelines and is responsible for maximizing non-aeronautical (or commercial) revenue and enhanced passenger convenience in its airports. With a view to maximize non-aeronautical revenue at airports, Commercial Directorate has taken initiative for transformation in commercial activities viz; adoption of hybrid model as against legacy system of fixed license fee model, new license creation, concession planning and management, EPoS management, Effective & Efficient AUDIT AND CONTRACT PERFORMANCE MANAGEMENT. To ensure that the objectives of the Commercial Directorate is met, it is introducing a revised commercial manual.

The last Commercial Manual was published in the year 2010. Thereafter, Commercial Instructions/Circulars have been issued from time to time. With a view to simplify the procedures and taking note of changing business environment, the New Commercial Manual has been formulated incorporating commercial instructions issued from time to time and also views expressed by internal as well as external stakeholders. Feedback/suggestions, if any, are also welcome.

AAI Board in its 187th Meeting has approved the Commercial Manual. I am hopeful that new Commercial Manual would be useful to AAI Commercial Team and other Stakeholders in implementing the new commercial policies of AAI.

  
(Anuj Aggarwal)



# Table of Contents

## Aknowledgement

<b>Chapter 1:</b>	<b>Overview</b> .....	1
<b>Chapter 2:</b>	<b>Mission, Vision &amp; Objectives</b> .....	4
<b>Chapter 3:</b>	<b>Document Management</b> .....	6
Chapter 3.1:	File Numbering System .....	6
Chapter 3.2:	File Management .....	7
Chapter 3.3:	Drafting of Communication .....	10
Chapter 3.4:	Records Management .....	11
Chapter 3.5:	E-Office .....	13
<b>Chapter 4:</b>	<b>Classification of Airports</b> .....	14
Chapter 4.1:	Classification of Airports .....	14
Chapter 4.2:	Revision of Category of Airports .....	15
<b>Chapter 5:</b>	<b>Manpower &amp; Knowledge Management</b> .....	16
Chapter 5.1:	Organization Structure in Commercial Directorate .....	16
Chapter 5.2:	Roles and Responsibilities .....	17
<b>Chapter 6:</b>	<b>Concession Planning: Non-Aero Revenue Strategy</b> .....	27
Chapter 6.1:	Category Definitions .....	27
Chapter 6.2:	Concession Locations and Identification/ Creation of Commercial Facilities .....	28
Chapter 6.3:	Consumer Research .....	28
Chapter 6.4:	Layout Finalization and Approvals .....	29
Chapter 6.5:	Design, Fabrication of Outlets and Offices .....	30
<b>Chapter 7:</b>	<b>Concession Procedure: Design, Develop &amp; Award</b> .....	31
Chapter 7.1:	Selection / Eligibility Criteria .....	31
Chapter 7.2:	Turnover Criteria .....	32
Chapter 7.3:	MRLF Fixation .....	33
Chapter 7.4:	Annual Escalation .....	36
Chapter 7.5:	Schedule and Stages of Tendering Process .....	37
Chapter 7.6:	Integrity Pact & Independent External Monitor (IEM) .....	40
Chapter 7.7:	EMD and Tender Processing Fees .....	40
Chapter 7.8:	Preparation of NIT/Tender Document .....	42
Chapter 7.9:	Evaluation of Technical and Financial Bids .....	43
Chapter 7.10:	Complaint Handling Mechanism .....	47
Chapter 7.11:	Single Tender .....	49
Chapter 7.12:	Gestation Period .....	49

Chapter 7.13:	Security Deposit .....	50
Chapter 7.14:	Short Term Tender under Stop Gap Arrangements .....	53
Chapter 7.15:	Short Term Commercial Facilities .....	54
<b>Chapter 8:</b>	<b>Concession/License Management .....</b>	<b>55</b>
Chapter 8.1:	Handing Over/Taking Over of Site/Facility .....	55
Chapter 8.2:	Required clearances .....	57
Chapter 8.3:	Electronic Point of Sale (EPoS) .....	57
Chapter 8.4:	Billing & Revenue Realization .....	59
Chapter 8.5:	Management of Bank guarantee .....	61
Chapter 8.6:	Provision of Rebate .....	65
Chapter 8.7:	Temporary Extension of concession/ license .....	66
Chapter 8.8:	Audit & Concessionaire Performance Management .....	66
Chapter 8.9:	Dispute/ Grievance Redressal and resolution .....	77
Chapter 8.10:	Arbitration .....	78
Chapter 8.11:	Concession/ License Termination .....	79
Chapter 8.12:	Process for Debarring .....	81
<b>Chapter 9:</b>	<b>Debtors Management .....</b>	<b>83</b>
<b>Chapter 10:</b>	<b>Innovative Commercial Facility .....</b>	<b>87</b>
<b>Chapter 11:</b>	<b>Management Information Systems (MIS) .....</b>	<b>90</b>
<b>Chapter 12:</b>	<b>Space Allotment to Airlines &amp; other agencies .....</b>	<b>91</b>
Chapter 12.1:	Airlines .....	92
Chapter 12.2:	Other Agencies .....	93
<b>Chapter 13:</b>	<b>Audit &amp; Vigilance (Efficiency cum Performance Audit) .....</b>	<b>96</b>
Chapter 13.1:	Audit .....	96
Chapter 13.2:	Vigilance .....	98
<b>Chapter 14:</b>	<b>Miscellaneous .....</b>	<b>99</b>
Chapter 14.1:	Additional Gestation Period .....	99
Chapter 14.2:	Settlement Advisory Committee .....	100
Chapter 14.3:	Constitution and Roles and Responsibilities of CAB/CAC/ RCAC/ LCAC .....	101
Chapter 14.4:	Regional Connectivity Scheme (RCS) .....	101
Chapter 14.5:	Execution of Agreement .....	103
<b>Annexure I:</b>	<b>List of Airports as per their categories .....</b>	<b>104</b>
<b>Annexure II:</b>	<b>List of Concessions .....</b>	<b>108</b>

<b>Annexure III: Context, Objective, Guideline for Consumer Research .....</b>	<b>123</b>
<b>Annexure IV: Selection/Eligibility Criteria .....</b>	<b>129</b>
1. FOOD & BEVERAGES .....	131
2. GENERAL RETAIL SERVICES .....	134
3. DUTY FREE SHOPS .....	136
4. EXCLUSIVE ADVERTISEMENT RIGHT .....	137
5. GROUND TRANSPORTATION SERVICES .....	142
6. EXECUTIVE LOUNGE .....	149
7. SPA AND WELLNESS CENTRE .....	151
8. MONEY EXCHANGE COUNTER .....	152
9. LICENCE FOR ADVERTISEMENT RIGHTS CUM TROLLEY RETRIEVAL .....	153
10. COMPREHENSIVE LICENCE FOR MEET AND GREET SERVICES AND PAID PORTAGE SERVICES .....	153
11. TOUR OPERATOR CUM HOTEL RESERVATION COUNTER .....	153
12. AIRPORTS ENTRY TICKET: .....	154
13. BAGGAGE WRAPPING SERVICES: .....	154
14. AUTOMATED TELLER MACHINE (ATM) .....	155
15. SIM CARDS: GLOBAL SIM CARD / INTERNATIONAL CALLING CARD COUNTER & .....	156
NATIONAL / LOCAL SIM CARD COUNTER:	
16. ALLOTMENT OF SPACE FOR INSTALLATION/PROVISION OF INFRASTRUCTURE TO .....	156
PROVIDE CUSTOMIZED SHARED IN-BUILDING SOLUTION TO CELLULAR OPERATORS AT AIRPORTS:	
17. GAMES & ENTERTAINMENT FACILITY: .....	157
18. SMOKING LOUNGE & SALES KIOSK .....	158
19. DUTY PAID LIQUOR SHOPS: .....	158
20. AUTOMATIC VENDING MACHINE FOR SOFT BEVERAGES .....	159
21. MONETIZATION OF IN-FLIGHT/ONBOARD SHOPPING SERVICES IN ARRIVAL AREA .....	159
22. SHORT TERM COMMERCIAL ACTIVITY .....	162
23. DONATION BOXES .....	164
24. MEDICAL TOURISM .....	166
25. MISCELLANEOUS COMMERCIAL ACTIVITY .....	166
<b>Annexure IV-A: Vehicle Parking Policy .....</b>	<b>167</b>
ANNEXURE-A of Annexure-IV-A .....	179
ANNEXURE-B of Annexure-IV-A .....	181
ANNEXURE-C of Annexure-IV-A .....	183

ANNEXURE-D of Annexure-IV-A .....	192
ANNEXURE-E of Annexure-IV-A .....	194
ANNEXURE-F of Annexure-IV-A .....	196
<b>Annexure IV-B : Trolley Advertisement Rights Cum Retrieval Licence Policy .....</b>	<b>197</b>
<b>Annexure IV-C : Comprehensive License For Meet And Greet Services And Paid Porterage Services Policy .....</b>	<b>204</b>
ANNEXURE-A of Annexure-IV-C .....	208
ANNEXURE-B of Annexure-IV-C .....	212
ANNEXURE-C of Annexure-IV-C .....	213
<b>Annexure V: Draft NIT/ Tender Document .....</b>	<b>214</b>
ANNEXURE : A of Annexure-V .....	235
ANNEXURE : B of Annexure-V .....	249
ANNEXURE : C of Annexure-V .....	251
ANNEXURE: D of Annexure-V .....	254
ANNEXURE: E of Annexure-V .....	255
ANNEXURE: F of Annexure-V .....	256
ANNEXURE : G of Annexure-V .....	257
ANNEXURE : H of Annexure-V .....	258
ANNEXURE : I of Annexure-V .....	259
ANNEXURE : J of Annexure-V .....	260
ANNEXURE : K of Annexure-V .....	261
ANNEXURE : L of Annexure-V .....	263
ANNEXURE : M of Annexure-V .....	264
<b>Annexure VI: Comparative Statement .....</b>	<b>266</b>
<b>Annexure VII: Sample of Financial E-Bid BOQ .....</b>	<b>269</b>
<b>Annexure VIII: Evaluation Sheet .....</b>	<b>270</b>
<b>Annexure IX: Format for recording findings of Space audit .....</b>	<b>272</b>
<b>Annexure X: Form of Bank Guarantee .....</b>	<b>273</b>
<b>Annexure XI: Format for publishing debarment on AAI Website/ notice board .....</b>	<b>275</b>
<b>Annexure XII: Format for Outstanding dues certificate .....</b>	<b>276</b>
<b>Annexure XIII: Outstanding dues Notice .....</b>	<b>278</b>
<b>Annexure XIV : Adjustment of outstanding dues .....</b>	<b>280</b>
<b>Annexure XV: Handing/Taking over Note .....</b>	<b>281</b>

<b>Annexure XVI: Additional guidelines on EPoS .....</b>	<b>282</b>
<b>Annexure XVII: Sample for Show Cause Notice .....</b>	<b>283</b>
<b>Annexure XVIII: Termination of Contract .....</b>	<b>284</b>
<b>Annexure XIX: Comprehensive list of Parameters in MIS .....</b>	<b>285</b>
<b>Annexure XX: SOP for Arbitration .....</b>	<b>288</b>
<b>Annexure XXI: SOP for execution of Tender for .....</b>	<b>291</b>
<b>Annexure XXII: Special Terms and Conditions .....</b>	<b>292</b>
I. SMOKING LOUNGES .....	292
II. AIRPORT ENTRY TICKET .....	293
III. MONEY EXCHANGE COUNTERS .....	295
IV. DUTY PAID LIQUOR SHOP .....	298
V. ALLOTMENT OF SPACE FOR INSTALLATION/PROVISION OF INFRASTRUCTURE TO ..... PROVIDE CUSTOMIZED SHARED IN-BUILDING SOLUTIONS (IBS)	299
VI. EXECUTIVE LOUNGE .....	300
VII. SPA & WELLNESS CENTRE .....	303
VIII. BAGGAGE WRAPPING CHARGES .....	306
IX. APPLICATION BASED CAB AGGREGATOR .....	308
X. SIM CARDS: GLOBAL SIM CARD / INTERNATIONAL CALLING CARD COUNTER & ..... NATIONAL / LOCAL SIM CARD COUNTER	313
XI. MAXI CAB SERVICE .....	313
XII. PRE-PAID TAXI SERVICE .....	315
<b>Annexure XXIII : Rate Card for Advertisement .....</b>	<b>319</b>
<b>Annexure XXIV : Reckoner for Penalty to be imposed .....</b>	<b>320</b>
<b>Annexure XXV : Reckoner: Finance Dept. Involvement .....</b>	<b>321</b>
<b>Annexure XXVI : Long Term Approach for Eligibility Criteria .....</b>	<b>322</b>
<b>Annexure XXVII : Long Term Approach for MRLF Fixation .....</b>	<b>324</b>
<b>Annexure XXVIII : Formula &amp; Sample calculation for Classification of Airport .....</b>	<b>326</b>
<b>Annexure XXIX : General Understanding of Consortium .....</b>	<b>330</b>
<b>Annexure XXX : Check-list for Concession Procedure .....</b>	<b>331</b>
<b>Annexure XXXI : Check-list for Concession/License Management .....</b>	<b>333</b>
<b>Annexure XXXII : Brief on Commercial Module of AIMS Portal .....</b>	<b>334</b>
<b>Annexure XXXIII : Glossary - Definitions &amp; General Explanations .....</b>	<b>336</b>





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## ACKNOWLEDGEMENT

The purpose of this revamped Commercial Manual - 2019 edition is to provide all employees, especially Commercial Managers, with a reference manual containing policies and procedures established by AAI. This manual will help with understanding of the rules and policies while dealing with commercial matters at airports in a PSU environment.

The manual was drafted to capture the business opportunities at airports due to the changing passenger preferences and dynamic nature of aviation industry. I am glad to say that, this manual is compiled of inputs from the stake holders and in line with the Government Vision of "ease of doing business".

The new manual has been made possible with the excellent support of AAI management and our in-house talent. I am sure with the introduction of Commercial Manual 2019 the officials will be better equipped to handle commercial matters in a systematic and professional way and will also help to scale the non-aeronautical revenue of AAI into new heights. I am very sure that the new Commercial Manual will be catalyst to continue our success story and institutional excellence.

All attempts have been made to include relevant issues related to the Commercial Directorate in the manual, however we welcome any constructive feedback for further consideration.

I would like to acknowledge the dedicated efforts of Ms. Radhika R., General Manager (Comml), Mr. Amrit Garg, Manager (Comml) and Mr. Abhishek Verma, JE (Comml) and other officers who have individually provided their valuable inputs in the revision of this Manual.

(K.L. SHARMA)



# **Chapter 1:**

## **Overview**



# Chapter 1: Overview

## Salient points covered in the chapter:

- History of Commercial Directorate in AAI
- Scope and coverage of the manual and periodicity of review
- New inclusions in the manual Periodicity of review

**1.1** The main function of Commercial Directorate is to maximize commercial revenues by providing world class shopping experience and service/facilities at the airports. Besides planning of commercial activities, framing of policies and procedures, Transparent and competitive selection of bidders to develop, manage and operate commercial concessions viz., Duty Free Outlets, F&B Outlets, General Retail Services, Advertisements, Foreign exchange/banking/ATM counters, Ground Transportation including Vehicle Parking Management and miscellaneous service concession/ license at airports, which also includes allotment of space in Airport Premises/ Terminal Buildings (within/outside) to Scheduled/Non-Scheduled Airlines and other user agencies at applicable rentals, identifying new ventures for commercial exploitation, Commercial Directorate has also to ensure managing and monitoring of concessions.

**1.2** In April, 1995, after merger of International Airport Authority and National Airport Authority, a unified Commercial Manual was evolved initially in 2001 and subsequently updated in 2003, 2005 and last revised version was introduced in October, 2010. The Aviation Sector is ever evolving and growing industry with phenomenal changes in the business perspective and in order to align with the same and also to incorporate several policy and procedural changes that have taken place in AAI since 2010 (in the form of Commercial Instructions, Master Concessionaire concept, switch over from revenue licence fee to revenue share etc.), and also keeping in view the functional requirements, simplification of concession/ license management and the adaptability of level playing field in augmenting best suited passengers' conveniences and amenities, the review of the Commercial Manual is being carried out and the same is an ongoing process.

The Commercial Instructions/Guidelines issued from time to time as well as inputs/suggestions made by the field officers of all levels in the Workshops conducted by Department of Vigilance and the suggestions made by Corporate Vigilance Department on Systematic Improvement based on the periodic vigilance inspections carried out at various airports have been suitably incorporated in the present Manual.

**1.3** The Commercial Manual deals with Planning, Designing, Development and Management of various commercial Concessions across AAI airports. It includes detailed policies, SOPs and draft documents relating to allotment of the built-up space, and other Revenue Concessions/ Licenses in respect of all the Domestic and International Airports keeping in view the highest standards of services by the experienced and quality concessionaires in order to derive appropriate return



on investment to AAI and to adopt the best industry practices. The efforts have been made in the Commercial Manual to minimize the discretionary powers and ambiguities with the focus to give maximum administrative and financial autonomy/independence to the In-Charge of the Airports/Regions for maximizing the revenue keeping in mind the good services to the valued passengers/service providers/ agencies.

- 1.4** The Commercial Manual outlines the Mission/Vision Statement, Description of Organization and Objectives, Hierarchy Chart, Policies and General Procedures for Office Management and File/Record Management Systems and process right from conceiving of a facility to award of the concession/ license and simplification of fixation of Minimum Reserve License Fee (MRLF) / Minimum Monthly Guarantee (MMG) by the Regions and Airports. A Separate Section on Concession/ License management post award of concession has also been incorporated to smoothen post award concession/ license management.
- 1.5** This Commercial Manual also further strengthens the Regions/Airports with flexible approach in designing the conditions based on the ground realities. The procedures and provisions laid down in the Commercial Manual should be uniformly and comprehensively followed in respect of all the Domestic and International Airports/ Airport Premises.
- 1.6** An attempt has been made to define commonly used commercial terminology in concessions/tenders for uniform application at airports and to avoid ambiguity and disputes.
- 1.7** This Commercial Manual supersedes Commercial Manual, 2010 and all commercial instructions, circulars and guidelines issued since 2010 till the date of implementation of the present manual. However, further clarification (s) and/or policy guideline/ circular (s) shall be issued in the form of Commercial Instructions which will become part and parcel of the Commercial Manual.
- 1.8** Any policy not covered in the above Commercial Manual or some conditions not applicable at a particular airport due to peculiar geographical/ topographical/ seasonal factors and requiring modifications may be sent to Directorate of Commercial, AAI, CHQ for consideration and appropriate directions.
- 1.9** The activities relating to Cargo, GHA, WIFI, Hangars, CUTE & CUSS, Grass cutting, Garbage disposal, Staff canteen and other Commercial activities shall be dealt with by the concerned Directorates dealing with the subject.
- 1.10** In case of overlapping provisions in the Manual and Delegation of Powers, then the provisions of DOP shall prevail. In the absence of any guidelines, standard practices/conventions shall be followed.
- 1.11** For any further amendments and issuance of new policy circulars, Chairman shall be the competent Authority.
- 1.12** While preparing/reviewing this manual, all care has been taken so as to ensure that different aspects of Commercial contracts are covered exhaustively.



However, in case, any aspect is not covered in the manual, the same may be brought to the notice of Executive Director (Commercial) at CHQ for review and approval by the competent authority. In order to judiciously take decision in increasing/generating non traffic commercial revenue, ample provisions have been made and leverage given for making local level decisions.

- 1.13** All circulars, rules, instructions, procedures issued from time to time have been incorporated in the manual. If any errors, omissions are pointed out subsequent to the implementation, then the same may be issued in the form of Commercial Instruction in future. These Commercial Instructions will contain serial number which will be continuous till the manual itself is revised in a future date. The Commercial Instruction will be issued only in the signature of the head of Dept. of Commercial at CHQ. Any letter or correspondence issued in any other form will be construed as clarification or correspondence for case specific. Only Commercial Instruction duly numbered will be treated at amendment or modification of the manual.
- 1.14** Wherever the tender for any facility is invited, the license for such facility shall be awarded to the highest bidder. The license fees should be the fixed license fee / MMG / Revenue share as defined in the tender document. Further it may be indicated that in addition to the license fee the successful bidder is required to pay utility facilitation charges, space rent (if applicable), utility charges as per actual consumption or any other charges as defined in tender document. All applicable taxes will be in addition to the license fee.
- 1.15** Various rates defined in Commercial Manual such as Airport Entry Ticket rates, Access Fee and Car Parking charges, rates for miscellaneous commercial activities, Advertisement rate card, rates for counter allotment to AAI Airlines, tender processing cost EMD amount, etc. are subject to review at CHQ level and revision after every three years.
- 1.16** All the terms and conditions of this Commercial Manual, 2019 shall have prospective effect from 1<sup>st</sup> April, 2019.





## **Chapter 2:**

# **Mission, Vision & Objectives**



## Chapter 2: Mission, Vision & Objectives

**Salient point covered in the chapter:**

- Mission and Vision of Airports Authority of India (AAI)
- Mission, Vision and Objectives of Directorate of Commercial in AAI

### 2.1 MISSION & VISION

<b>Airports Authority of India</b>	<b>Directorate of Commercial</b>
<b><u>VISION</u></b>	<b><u>VISION</u></b>
AAI’s Vision till 2026 is to be the principal aviation services provider in the country, AAI shall adopt and facilitate the use of contemporary air navigation services, upgrade and develop airport infrastructure, support improving air connectivity at unserved and underserved airports, have a restructured organization, focus on profitable operations at major airports though continuing efforts on cost reduction and enhancing Non-aeronautical revenue.	To provide highest quality of services to valued customers through a diverse range of commercial concessions available at leading airports under the verticals of Duty Free, General Retail, Food & Beverage, Ground Transportation, Advertising and Miscellaneous services so as to enhance non-aeronautical revenue resulting in increase in revenue per passenger as well as revenue per sq. mtr. at AAI airports.
<b><u>MISSION</u></b>	<b><u>MISSION</u></b>
To be the foundation of an enduring Indian Aviation Network, providing high quality, safe and customer oriented airports and air navigation services thereby acting as a catalyst for economic growth in the areas we serve.	To provide world class services to travelling/valued passengers and airport users while maximizing the non-aeronautical revenues by adopting best industry practices thereby supporting AAI’s long-term objectives of reducing dependency on aeronautical revenues.



## **2.2 OBJECTIVES**

- 2.2.1** To increase Non-Aeronautical revenue in line with internal revenue targets of AAI and as set by Govt. of India.
- 2.2.2** Optimum utilization of available commercial space to achieve targeted revenue.
- 2.2.3** Standard, Transparent and Timely Tender Action for award of Commercial licenses/ concessions.
- 2.2.4** Efficient Management of Commercial Concession/ License including realization of dues, ensuring compliance of the terms and conditions of the Concession/ License Agreement.
- 2.2.5** Evolve a platform for data management and knowledge sharing to benchmark best practices which will streamline overall functioning and decision making.



## **Chapter 3:**

# **Document Management**



## Chapter 3: Document Management

### Salient point covered in the chapter:

- File Numbering System
- File Management
- Drafting of Communication
- Records Management
- E-Office

### Chapter 3.1 : File Numbering System

#### 3.1.1 Subject classification based file numbering system

- (i) Each Section/Desk will maintain approved lists of:
  - a) Standard heads i.e. main subject's headings concerning it.
  - b) Standard sub-heads i.e. aspects of the main subject headings.
- (ii) The standard heads will bear consecutive serial numbers. No such numbers, however, will be allocated to standard sub-heads.
- (iii) Separate file to be created for separate facility as.
  - a) Separate file for pre award activities till the issuance of LOIA,
  - b) Separate file for post award activities and through the currency of tender.
  - c) Separate file for arbitration and related activities.

Each file should be properly linked up with copies of details placed from pre award activities to post award activities and if required for arbitration files also.

- (iv) The dealing hand will ascertain the standard to which the paper under consideration relates and then propose a suitable title subject to review by the Senior Officers.
- (v) As far as possible, there should be a separate file for each distinct aspect of the subject.
- (vi) If the issue raised in the fresh receipt or in the note on a current file goes beyond the original scope, a sub file may be opened to deal with it by placing photocopies of relevant extracts.

#### 3.1.2 Part File

- (i) If the main file on a subject is not likely to be available for some time and it is necessary to process a fresh receipt or a note without waiting for its return, a part file may be opened to deal with it. Where two or more part files are



opened, each will be identified by a distinct number, e.g. part file I, part file II or part file A, part file B and so on. Once the main file returns, the part files will be merged with it, after removing duplicate papers, if any.

- (ii) In a computerized environment appropriate entry will be made in the computer, so that easy tracking is facilitated for the purpose of merging of the part file with the main file.

### **3.1.3 Unique e-file number:**

In a computer environment, a unique e-file number will also be generated automatically as and when a new e-file is opened. The e-files which are entered in the system will be automatically traceable on any of the following parameters:

- (i) no. of the file.
- (ii) date of opening of the file.
- (iii) as many catch words as possible from out of the subject on the file.
- (iv) any other parameter(s) at the discretion of the Department concerned.

### **3.1.4 Transfer, reconstruction and numbering of files**

Whenever work is transferred from one department/section to another, the former shall transfer all the related records including file both current and closed to the latter. In case of transfer of files from one Department to the other a list will be prepared and approval of the Head of the Department is to be taken. The department/section taking over the records will not divide, reclassify or renumber the closed files transferred to it. In the case of current files, the endeavor should be to close them at the earliest possible stage and open new files/e-files according to the Department's/Section's own scheme for dealing with the matter further.

A paper based file will be reconstructed if it is misplaced. The copies of the various correspondences will be obtained from the corresponding department and papers will be arranged in chronological orders and a new duplicate file prepared. A self-contained note will be prepared based on the correspondences.

### **3.1.5 Movement of files**

Movement of files shall be entered in the file movement register. This may also be done through the electronic based File Tracking System.

## **Chapter 3.2 : File Management**

### **3.2.1 Guidelines for noting**

- (i) All notes shall be concise and to the point. Only noting pages is to be given e.g. Page-1/N, Page-2/N .....Additional material, if any, may be placed in the appendix. Black or Blue ink shall be used by all categories of staff and officers.



- (ii) The dealing hand shall append full signature, name and date on the left below the note. An officer shall append full signature on the right hand side of the note with name, designation and date.

### **3.2.2 Modification of notes or orders**

- (i) Senior officers should not require any modification in, or replacement of, the notes recorded by their juniors once they have been submitted to them. Instead, the higher officers should record their own notes giving their views on the subject, wherever necessary correcting or modifying the facts given in earlier notes.
- (ii) Pasting over a note or a portion of it to conceal, shall not be done. Where a note recorded in the first instance requires any modification on account of additional facts or any error having come to notice, a subsequent note may be recorded, keeping the earlier note intact.
- (iii) In cases of a final decision already communicated to a party is found later on to have been given on a mistaken ground or incorrect facts or wrong interpretation of rules due to misunderstanding, such withdrawal may have also legal implications. In all such cases, approval of an officer one level higher than the original approving authority who took the original decision, must be obtained and reasons for the reversal or modification of the earlier decision must be duly recorded on the file.

### **3.2.3 Noting on Files received from other Department**

- (i) If the reference seeks the opinion, ruling or concurrence of the receiving Department and requires detailed examination, such examination may be done separately through routine notes on a separate file (which will be created by the receiving Department). Only the final result will be recorded on the file by the officer concerned.
- (ii) The receiving Department shall open subject-wise file each year in which such routine notes will be kept. The inter-departmental note recorded on the file of the originating department will bear the subject file number to facilitate retrieval for future reference and storage in electronic environment.
- (iii) Where the reference requires information of a factual nature or other action based on a clear precedent or practice, the dealing hand in the receiving department may note on the received file straightaway.
- (iv) Where a note is recorded by an officer after obtaining the orders of a higher officer, the fact that the views expressed therein have the approval of the latter should be specifically mentioned, in the note to be recorded on the file of the originating Department.



### **3.2.4 Aids in processing:**

- (i) Each section shall keep in the knowledge management system of the Department both the physical and electronic form of records of the important subjects dealt with by it such as:
  - a) Record Registers (Security Deposit Register, Contract Register, Tender Register etc.)
  - b) Copies of AAI Acts, Arbitration and Conciliation Act, RTI Act, RTI rule books, D.O.P, Commercial Manual, Circulars and Instructions concerning the subjects dealt with by Department shall be maintained.

### **3.2.5 Filing of papers**

- (i) Papers required to be filed will be punched neatly on the left hand top corner and tagged onto the appropriate part of the file viz. notes, correspondence, appendix to notes and appendix to correspondence, in chronological order, from right to left.
- (ii) Both 'notes portion' and 'correspondence portion' will be placed in a single file cover.
- (iii) Reference to previous communications should invariably be indicated in the fresh receipt, if there is a mention about it.
- (iv) If the file is not bulky, appendix to notes and appendix to correspondence may be kept along with the respective note portion or the correspondence portion of the main file if these are considered as integral and important part.
- (v) If the file is bulky, separate file covers may be used for keeping appendix to notes and appendix to correspondence.
- (vi) When the 'notes plus the `correspondence' portion of the file become bulky (say exceeds 150-200 pages), it will be marked `Volume I'. Further papers on the subject will be added to the new volume of the same file, which will be marked `Volume II', and so on. In Volume II and subsequent volumes of the same file, page numbering in notes portion and correspondence portion will be made in continuity of the last page number in note portion/correspondence portion of the earlier volume.
- (vii) On top of the first page of the note portion in each volume of the file, file number, name of the Department, name of station/RHQ/CHQ subject of the file and classification of file will be mentioned. A similar procedure will be followed on file cover also.

### **3.2.6 Arrangement of papers in a case:**

The papers in a case will be arranged in the following order from top downwards:

- (i) Reference books;
- (ii) Notes portion of the current file ending with the note for consideration;
- (iii) Running summary of facts;



- (iv) Draft for approval, if any;
- (v) Correspondence portion of the current file ending with the latest receipt or issue, as the case may be;
- (vi) Appendix to notes and correspondence;
- (vii) Standing guard file, standing note or reference folder, if any;
- (viii) Other papers, if any, referred to e.g., extracts of notes or correspondence from other files, copies of orders, resolutions, gazettes, arranged in chronological order, the latest being placed on the top;
- (ix) Recorded files, if any, arranged in chronological order, the latest being placed on the top; and
- (x) Routine notes and papers arranged in chronological order and placed in a separate cover.

### **3.2.7 Referencing of Files:**

- (i) Every page in each part of the file (viz. Notes, correspondence, appendix to notes and appendix to correspondence) will be consecutively numbered in separate series on the top right-hand corner. In an electronic environment the number of page and Serial number of Receipts/Issue will be generated automatically. The docketing will also take place immediately below the note which has culminated in issuance of fair signed communication(s) in question.
- (ii) The drafts of letters issued having crucial policy, financial and vigilance implications, where the drafts have been changed by Senior Officers in the process of movement of files upwards, barring grammatical corrections should also form a part of the correspondence portion, which shall be numbered ad seriatim.
- (iii) To facilitate the identification of reference to documents contained in other files after the removal of linked file(s), the number of the file referred to will be quoted invariably in the note. Similarly, the number and date of orders, notifications and the resolutions, and, in the case of acts, rules and regulations, their brief title together with the number of the relevant section, rule paragraph or clause, referred to shall be quoted in the notes.

### **3.2.8 Linking of Files:**

If the issues raised in two or more current files are inter-connected, the relevant files shall be linked. After completion of action, the linked files be de-linked after taking relevant extracts.

## **Chapter 3.3 : Drafting of Communication**

### **3.3.1 Procedure for drafting**

Draft is not required to be prepared in straight-forward cases or those for which standard forms of communication exist.



### **3.3.2 General instructions for drafting**

- (i) A draft shall be clear and concise.
- (ii) The number and date of the last communication in the series, and if this is not from the addressee, his last communication on the subject, shall always be referred to. Where it is necessary to refer to more than one communication or a series of communications, this shall be done on the margin of the draft. When two or more communications are to be issued from the same file on the same date, a separate serial number may be inserted before the numeral identifying the year to avoid confusion in reference.
- (iii) The name, designation, telephone number, fax number and e-mail (wherever applicable) of the officer signing the communication shall be indicated in the communication.

### **3.3.3 Addressing Communications to officers by name**

Normally no communication, other than that of a classified nature or a demi-official letter, shall be addressed or marked to an officer by name, unless it is intended that the matter raised therein shall receive his personal attention either because of its special nature, urgency or importance, or because some ground has already been covered by personal discussions with him and he would be in a better position to deal with it.

## **Chapter 3.4 : Records Management**

### **3.4.1 Activities involved in Records Management**

Records management covers the activities concerning mainly recording, retention, retrieval and disposal.

### **3.4.2 Stage/procedure of recording**

Files shall be recorded after action on the issues considered thereon has been completed. Recording of such files shall be governed by the provisions in the Record Retention Schedule (RRS) issued from time to time. Extract from the file, copies of important decisions, documents, etc. as are considered useful for future reference and add them to the standing guard file/standing note/precedent book/reference folder etc.;

### **3.4.3 Precedent Book**

Commercial Department shall update its precedent book for keeping note of important rulings and decisions having a precedent value for ready reference.



### 3.4.4 Record Retention Schedule

To ensure that files etc. are neither prematurely destroyed, nor kept for periods longer than necessary. However, the Record Retention Schedule guidelines as issued by Directorate of HR should be strictly adhered to.

### 3.4.5 Documents/papers maintained by officers and their personal staff

Departmental instructions to regulate the review and weeding out/deleting of documents/papers maintained by officers and their personal staff.

Record retention schedule and weeding out of files may be done as per CHRM Circular No. 03/2013 dated 16.03.2013 wherein files/documents etc. retention categorization has been done as under.

S. No.	Subject/Record-groups	Category	Retention Period
1.	<b><u>Contracts &amp; Agreements</u></b> Records and document pertaining to contract agreement/award of license with respect to various trading concessionaires executed with AAI. Commercial Manual/policy guidelines.	B	25 years
2.	<b><u>General Files</u></b> Consists of original incoming and copies of outgoing letters and memoranda. Reports conference/training notes.	C-5	5 years
3.	<b><u>Arbitration Matters</u></b> Arbitration matters	B	25 years
4.	<b><u>Files related to Commercial Contracts</u></b> Pertaining to various commercial constraints where no claim and/or dispute between AAI and the licensees	B	25 years
5.	<b><u>Publication/Magazines</u></b> Brochures, pamphlets, studies, proposals, magazines, newsletters, materials and similar materials received and made available to this Department.	C-1	1 year
6.	<b><u>Files</u></b> Copies of outgoing letters, memoranda, messages or other records used for periodic review by office staff as a cross reference to the record copies filed in the same office, preparation of periodic reports, or for similar administrative purposes.	C-3	3 years



Other terms and conditions for retention/weeding out of files/documents shall be as per above mentioned AAI Circular No. 03/2013 and the procedure/guidelines issued by Govt./AAI from time to time.

#### **3.4.6 Requisitioning of records**

- (i) No recorded file shall be sent from the Sections, Departmental Record Room or Archival records except under a requisition in form prescribed under Public Records Act, 1993.
- (ii) Requisitions of files belonging to other Departments and are in the custody of the NAI, will have to be endorsed by that Department concerned, before they are sent by the Archives. Records, bearing security classification, are not transferred to the Archives, as per section 10 of the Public Records Act, 1993.

#### **3.4.7 Handing over/taking over on transfer**

- (i) Handing /taking over report containing particulars of files/records etc. has to be jointly signed by officers in/out at the time of transfer.
- (ii) List of ongoing works, important pending issues, tender status etc. has to be handed over by officer transfer out to officer transfer in.
- (iii) List of Court cases, arbitration cases, DRC matters, Eviction cases etc. has to be handed over by officer transfer out to officer transfer in.

### **Chapter 3.5 : E-Office**

**3.5.1** E-Office is a workflow based system that includes the features of existing manual handling of files with addition of more efficient electronic system. This system involves all stages including creation of files, movement of receipts and files and archival of records. Each and every action taken on a file is recorded electronically. This simplifies decision making, as all the required information is available at a single point.

**3.5.2** It envisions a paperless office, with increased transparency, efficiency and accountability of the organization.

**3.5.3** For workflow and detailed learning, login with AAI credentials in [www.eoffice.aai.aero](http://www.eoffice.aai.aero) and refer to link: [https://eoffice.aai.aero/eFile/eFilehelp/eFileV4\\_HTML/eFileV4\\_MainFrame.html](https://eoffice.aai.aero/eFile/eFilehelp/eFileV4_HTML/eFileV4_MainFrame.html)



## **Chapter 4:**

# **Classification of Airports**



## Chapter 4: Classification of Airports

### Salient point covered in the chapter:

- Classification of Airports
- Revision of Category of Airports

### Chapter 4.1 : Classification of Airports

**4.1.1** In AAI, Airports are classified in different categories to fulfill following objectives:

- Fixation of Minimum Monthly Guarantee (MMG)/Minimum Reserve License fee (MRLF)
- Categorization and presence of commercial activities
- Concession planning & management

**4.1.2** All airports within a category will be treated in similar fashion for the purpose of MMG/MRLF fixation, categorization of commercial facility, process of concession planning & management.

#### **4.1.3 Classification of Airports:**

- This policy manual classifies the airports under AAI based on Annual passenger movement data that directly impacts the non-aero commercial revenue of the airport.
- The categories are defined in the following table:

Category of Airport	Passenger Traffic Criteria
<b>Mega</b>	12 million and above pax per annum
<b>A</b>	4 to 12 million pax per annum
<b>B</b>	2 to 4 million pax per annum
<b>C</b>	1 to 2 million pax per annum
<b>D</b>	0.1 to 1 million pax per annum
<b>Other</b>	< 0.1 million pax per annum

- The categorization is based on passenger traffic data for the year 2017-18. The list of airports and their categories are attached in Annexure – I.



## Chapter 4.2 : Revision of Category of Airports

- 4.2.1** Classification of airports is for a period of 3 years.
- 4.2.2** An airport has to cross the threshold of next category for two consecutive years to be eligible for change of category.  
(ex: An airport in category 'B' has to achieve 4 million passenger threshold for two consecutive years to be changed into category 'A')
- 4.2.3** For the purpose of a said contract, the categorization done at the time of tendering will continue to remain the same. The change in category will be applicable for invitation of fresh tenders only.
- 4.2.4** The process of reclassification is the responsibility of CHQ and should begin before 6 months of expiry of the 3 year period.

***NOTE:** For cases in which user fee is fixed by AAI and varies with categories (for example car parking fee, Airport Entry Ticket fee) the existing licensee shall operate as per the terms and conditions of agreement. After the expiry of concession/ license, the new MRLF will be proposed as per the new category in which the airport has transitioned.*



## **Chapter 5:**

# **Manpower & Knowledge Management**



## Chapter 5: Manpower & Knowledge Management

### Salient point covered in the chapter:

- Organization Structure in Commercial Directorate
- Roles and Responsibilities

### Chapter 5.1 : Organization Structure in Commercial Directorate

**5.1.1** Department of Commercial in Airports Authority of India is headed by Executive Director – Commercial under Concerned Member in CHQ, Rajiv Gandhi Bhawan, New Delhi.

**5.2.2** The manpower in Department of Commercial is graded in following three bands:

(i) **Senior Level:**

- a) Executive Director (ED)
- b) General Manager (GM)

(ii) **Mid-Career Level:**

- a) Joint General Manager (JGM)/ Deputy General Manager (DGM)
- b) Assistant General Manager (AGM)/ Senior Manager (SM)

(iii) **Junior/ Entry Level:**

- a) Manager (M)
- b) Assistant Manager (AM) /Junior Executive (JE)

**5.2.3** For commercial section work at Airports, Regional Headquarters, Commercial Officers one level below the Airport-in-charge or region-in-charge be positioned along with the required assisting technical and secretarial/administrative staff.

**5.2.4** The same norm cannot be equally applied for all the field units at airports in view of the varying magnitude and complexity of the contracts/revenue generation and airport category. Accordingly, these are categorized (i) to (viii) and the minimum need based manpower to be positioned is listed below: -

S.No.	Airport	GM	JGM/DGM	AGM/SM	Mgr	AM	JE
I	CHQ	2	4	3	2	5	4
II	RHQ	1	1	2	1	2	2
III	Mega	0	1	2	2	1	2
IV	A	0	1	1	0	2	1
V	B	0	0	1	1	1	1
VI	C	0	0	0	1	1	1
VII	D	0	0	0	0	1	1
VIII	Others	0	0	0	0	0	1



## Chapter 5.2 : Roles and Responsibilities

### 5.2.1 Section 1: Duties and Responsibilities of Commercial Officers

Duties and responsibilities of Commercial officers of different levels in A.A.I. should be as mentioned hereinafter. However, these are not exhaustive. Commercial Officers at different levels should be responsible to carryout duties and tasks assigned from time to time as per the requirements and directions issued by the Authority.

### 5.2.2 Section 2: Junior Executive (Comml.)/AM (Comml.) and below (if applicable)

(i) **Station:**

- a) To put up all proposals/requests/ draft replies to RTIs/VIP references/other correspondences for further evaluation and processing.
- b) Initiate tender action by evaluation of fresh proposals/as per requirement/as per directives of commercial directorate/before 6 months of expiry of contracts.
- c) For space measurement and layout finalization and putting up for necessary approvals.
- d) Put up draft for MMG/MRLF fixation
- e) Take necessary approvals and conduct LCAC meeting. Prepare draft minutes of meeting.
- f) Preparing documents to put up to RHQ for approval.
- g) Preparing draft tender documents
- h) Assisting bid manager in tender evaluation.
- i) Preparation of draft award letter.
- j) Put up for refund of EMD to unsuccessful bidders.
- k) Updation of AIMS and in relevant registers. Raising bill in coordination with Finance department.
- l) Monitoring of concession to verify adherence to clauses of license agreement.
- m) Put up of dues notice statements
- n) Recommendation of AEPs.
- o) Preparation of draft termination letter
- p) Monitoring and evaluation of proposals to allot space for airlines/regulatory agencies etc.
- q) Monitoring and evaluation of proposals to allot advertisement on card rate
- r) Put up draft replies to e-mails/letters/Grievances/proposals
- s) Prepare draft MIS
- t) Put up data for forwarding to RHQ/CHQ
- u) File management and maintaining registers.
- v) Any other duties assigned by senior officers, from time to time.
- w) Ensure timely submission of replies to audit paras.



(ii) **RHQ:**

- a) To put up all proposals/requests/ draft replies to RTIs/ other correspondences for further evaluation and processing.
- b) Put up for approval of MMG/MRLF received from stations.
- c) Put up for tender approval as per requests received from stations as per DOP.
- d) Put up for airport specific tender conditions approval.
- e) Compilation of data/MIS and forwarding to CHQ.
- f) Put up for initiation of tender of RCS airports/as per instructions of commercial directorate.
- g) Put up draft for MMG/MRLF fixation
- h) Take necessary approvals and conduct LCAC meeting. Prepare draft minutes of meeting.
- i) Preparing documents to put up to RHQ for approval.
- j) Preparing draft tender documents
- k) Assisting responsible officer in tender evaluation.
- l) Preparation of draft award letter.
- m) Put up regarding clarifications received from stations regarding policies
- n) Updation of AIMS and relevant registers.
- o) Preparation of database of concessionaires of region for various facilities for communication of latest tenders floated in the region to ensure sufficient participation.
- p) Put up regarding meetings/conferences with stations in the region for feedback.
- q) Any other duties as may be assigned from time to time.
- r) Ensure timely submission of replies to audit paras.

(iii) **CHQ:**

- a) To put-up all proposals/ approval requests/ issues etc. received from RHQs/ Stations or Third Parties/ Concessionaires etc. for further processing and action.
- b) Assist PIO in giving timely replies to RTI
- c) Put-up VIP References received
- d) Seek information/ data as desired by management from time to time, from all stations.
- e) Prepare periodic MIS and various reports as desired by management from time to time. Monitor AIMS updation and coordinate with stations/RHQ to update the same timely.
- f) Assist senior officers in preparing CAB Agendas and CAB minutes
- g) Attend meetings/workshops to prepare minutes of meetings/record of discussion.



- h) Ensure timely submission of replies to audit paras.
- i) Any other duties assigned from time to time by the competent authority.

### **5.2.3 SECTION 3: Manager (Comml)/ SM (Comml)/AGM (Comml)**

The officer shall carryout all the duties and responsibilities of Jr.Exe/AM, if Jr. Executive/AM is not posted under him/her in additions to his own duties and responsibilities. Whenever Jr. Executive/AM are posted, Manager/SM/AGM shall verify the works carried out by Jr. Executive/AM under his jurisdiction, in addition to the following: -

(i) **Station:**

- a) The officer will be overall incharge for contract award, management and execution of all works under the scope of commercial department, in case, AGM/DGM/Jt. GM is not posted at the station.
- b) To examine, comment, and forward drafts/notings put-up by Jr. Exe/AM for further processing and approval of competent authority.
- c) Attend LCAC to listen and record views of all members. Subsequently, prepare draft minutes of meeting and put-up to LCAC members
- d) APD shall propose / approve the MRLF on the recommendations of LCAC.
- e) Bid Manager for all Commercial tenders
- f) Evaluation and processing of tenders (technical & financial)
- g) Put up to competent authority for approval of award post evaluation of financial bids. The competent authority shall accord the approval on the recommendations of LCAC.
- h) Issuance of LOIA.
- i) Conduct timely Space Audit.
- j) Handing over/Taking Over formalities after ensuring compliance of all pre-award formalities by the LOIA Holder.
- k) Coordination with other departments such as Security, Civil, Electrical, Ops etc. to facilitate and support new and existing concessions.
- l) Verification of AIMS updation module.
- m) Ensuring adherence to License agreement.
- n) Handle recurring grievances.
- o) Monitor timely billing.
- p) Revenue realization, dues management and SD management.
- q) Putting up of draft parawise comments and providing assistance to legal department in respect of arbitration and court cases.
- r) Process requests for short term/miscellaneous commercial facilities such as film shooting/photography/allotment of welcome desk etc.
- s) Review and send MIS/data/information (compiled by JE/AM or below) to CHQ/RHQ



- t) Review File and Register management from time to time.
- u) Other duties as assigned by senior officials.
- v) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.

**(ii) RHQ:**

- a) To examine, comment, and forward drafts/notings put-up by Jr. Exe/AM for further processing and approval of competent authority.
- b) Monitor approval of MMG/MRLF received from stations after due deliberation with stakeholders.
- c) Monitor tender approval as per requests received from stations and forward as per DOP.
- d) Deliberate upon airport specific tender conditions and put up for approval.
- e) Bid manager for all commercial tenders at RHQ level.
- f) Attend RCAC to listen and record views of all members. Subsequently, prepare draft minutes of meeting and put-up to RCAC members
- g) RED shall propose / approve the MRLF on the recommendations of RCAC.
- h) Bid Manager for all Commercial tenders
- i) Evaluation and processing of tenders (technical & financial)
- j) Put up to competent authority for approval of award post evaluation of financial bids. The competent authority shall accord the approval on the recommendations of RCAC.
- k) Issuance of LOIA.
- l) Monitor performance of each airport along with dues management and suggest directives from time to time.
- m) Handover the relevant documents to stations (RCS/normal) for post award processing.
- n) Conduct timely Space/Commercial Audit
- o) Verification of AIMS updation module.
- p) Handle recurring grievances.
- q) Monitor timely billing.
- r) Revenue realization, dues management and SD management.
- s) Putting up of draft parawise comments and providing assistance to legal department in respect of arbitration and court cases.
- t) Review and send MIS/data/information (compiled by JE/AM or below) to CHQ/RHQ
- u) Review File and Register management from time to time.
- v) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.
- w) Other duties as assigned by senior officials.

**(iii) CHQ:**

- a) To examine, record observations/submissions and forward all proposals/ approval requests/ issues etc. received from RHQs/ Stations or Third Parties/ Concessionaires etc. for further processing and action.



- b) Examine and draft timely replies to all RTIs and VIP References.
- c) Assist in drafting replies to audit and vigilance queries
- d) Assist in new policy formulation, amendments in existing policies, issuance of systemic improvement circulars.
- e) Consolidate and prepare the desired information/ data as received from Airports/ RHQs.
- f) Monitor performance of Stations and Regions with respect to subject assigned to them in terms of dues position, timely awards, disputes resolution, arbitration and court cases etc. and periodically update the same to reporting officer.
- g) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.

**5.2.4 SECTION 4: Dy. General Manager (Comml)/Joint General Manager (Jt.GM) (Comml)**

The officer shall carryout all the duties and responsibilities of Mgr/SM/AGM, if Mgr/SM/AGM is not posted under him/her in additions to his own duties and responsibilities. Whenever junior officers are posted, DGM/Jt. GM shall verify the works carried out by junior officers under his jurisdiction, in addition to the following:-

**(i) Station:**

- a) Assistant General Manager/ Deputy General Manager /Jt. General Manager will be overall in-charge for contract award, management and execution of all works under the scope of commercial department.
- b) Clearly recommend and forward all proposals/notings (based on the information facts and observations placed on file by junior officers/dealing hands) for the approval of competent authority.
- c) To review and recommend Draft NIT for approval of competent authority.
- d) All correspondences/ LOIAs will be issued by the commercial in-charge.
- e) To plan concession mix, layout planning etc.
- f) Take appropriate action on non-complying concessionaires such as levying penalty for infractions (as provisioned in agreement), SD encashment etc.
- g) Finalize replies/parawise comments to legal section/vigilance observations and submit in stipulated time.
- h) Attend meetings and make decisions in coordination with other departments
- i) Dealing with consultants for surveys/upcoming projects
- j) To ensure that management policies are implemented according to time schedule.
- k) Monitoring performance management of concessionaires.
- l) To put up case for extension of time with full justification and recommendation along with contractors applications on prescribed form for obtaining approval of competent authority.



- m) Ensure strict compliance of DOP, Commercial Manual and Commercial Instructions issued from time to time.
- n) Delegation of tasks to junior officers and monitoring of progress of work.
- o) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.
- p) Any other duties as assigned from time to time by senior officers.

(ii) **RHQ:**

- a) Assistant General Manager/ Deputy General Manager /Jt. General Manager will be overall in-charge for contract award, management and execution of all works under the scope of commercial department at RHQ.
- b) Clearly recommend and forward all proposals/notings (based on the information facts and observations placed on file by junior officers/dealing hands) for the approval of competent authority.
- c) Recommend and expedite necessary approvals for MRFL and tenders put up by stations.
- d) To review and recommend Draft NIT for approval of competent authority for tenders floated at RHQ for RCS airports/airports in region as per directions of commercial directorate.
- e) All correspondences/ LOIAs will be issued by the commercial in-charge.
- f) To coordinate with commercial in charges at stations as well as CHQ regarding policy related issues/clarifications.
- g) Finalize replies/parawise comments to legal section/vigilance observations and submit in stipulated time.
- h) Monitor space/commercial audit of stations.
- i) To ensure that management policies are implemented according to time schedule.
- j) To put up case for extension of time with full justification and recommendation along with contractors applications on prescribed form for obtaining approval of competent authority.
- k) Delegation of tasks to junior officers and monitoring of progress of work.
- l) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.
- m) Any other duties as assigned from time to time by senior officers.



(iii) **CHQ:**

- a) To examine and recommend course of action in respect of all proposals/ approval requests/ issues etc received from RHQs/ Stations or Third Parties/ Concessionaires etc for further processing and action.
- b) Ensure timely replies to RTIs and VIP references pertaining to subjects assigned to them.
- c) Handle parliamentary questions and put up draft replies.
- d) Prepare and propose draft policy notes, policy amendment notes and draft systemic improvement circulars.
- e) Put up timely reply to audit and vigilance queries.
- f) Monitor, advise and co-ordinate with RHQs and Stations so as to for streamlining commercial contract management across AAI managed Airports, and maximization of commercial revenues.
- g) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.
- h) Nodal point for arbitration and court cases pertaining to Dte. of Commercial at CHQ.

**5.2.5 Section 5: Airport Director (Grade I, II, III & IV)**

- (i) Shall exercise overall control of all the activities in commercial department at station.
- (ii) Recommend/ approve all proposals of commercial department as per DOP Provisions.
- (iii) APD will have the discretion whether to seek recommendation/ views of LCAC in making any decision/ recommendation (to higher office) on any issue pertaining to commercial department.
- (iv) To ensure that proper and timely support is accorded by other departments (such as civil, electrical, operations security, finance etc.) to commercial department so as to ensure smooth contract management and avoid disputes with the licensees.
- (v) To monitor that timely action is being taken by commercial department in critical activities such as initiation of tender process, dues management, BG management etc.
- (vi) To monitor timely disposal of complaints received from airport users, audit queries, vigilance queries, VIP references pertaining to department of Commercial.
- (vii) To take actions for effective implementation of management's policy, direction and decision;
- (viii) Monitoring the various activities undertaken by commercial department, periodic follow-up meeting to review the progress and taking action to remove causes of hold-ups for projects;



- (ix) With assistance of commercial in-charge ensure that there is optimal utilization of all commercially viable spaces available at the station, so as to maximize commercial revenues.
- (x) Give commercial revenue targets to commercial department, on the basis of existing contracts, new activities and tenders planned for the year and projections. Timely review of the same and take appropriate corrective steps.
- (xi) To ensure commercial manpower requirement and its deployment is fulfilled and follow-up with higher office if the same is not available;
- (xii) To appoint consultants for making effective commercial related decisions such as layout planning, business potential assessment etc as provisioned in commercial manual and DOP.
- (xiii) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.
- (xiv) Any other duties assigned from time to time by the Competent Authority.

#### **5.2.6 Section 6: Regional Executive Director**

- (i) Shall exercise overall control of all the activities in commercial department in Airports and RHQ.
- (ii) Recommend/ approve all proposals of commercial department as per DOP provisions.
- (iii) APD will have the discretion whether to seek recommendation/ views of LCAC in making any decision/ recommendation (to higher office) on any issue pertaining to commercial department.
- (iv) To ensure that proper and timely support is accorded by other departments (such as civil, electrical, ops, security, finance etc.) to commercial department so as to ensure smooth contract management and avoid disputes with the licensees.
- (v) To monitor that timely action is being taken by commercial department in critical activities such as initiation of tender process, dues management, BG management etc.
- (vi) To monitor timely disposal of complaints received from airport users, audit queries, vigilance queries, VIP references pertaining to department of Commercial.
- (vii) To take actions for effective implementation of management's policy, direction and decision;
- (viii) Monitoring the various activities undertaken by commercial department, periodic follow-up meeting to review the progress and taking action to remove causes of hold-ups for projects;
- (ix) With assistance of commercial in-charge ensure that there is optimal utilization of all commercially viable spaces available at the station, so as to maximize commercial revenues.



- (x) Give commercial revenue targets to commercial department, on the basis of existing contracts, new activities and tenders planned for the year and projections. Timely review of the same and take appropriate corrective steps.
- (xi) To ensure commercial manpower requirement and its deployment is fulfilled and follow-up with higher office if the same is not available;
- (xii) To appoint consultants for making effective commercial related decisions such as layout planning, business potential assessment etc as provisioned in commercial manual and DOP.
- (xiii) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.
- (xiv) Any other duties assigned from time to time by the Competent Authority.

### **5.2.7 SECTION 7: General Manager (GM) (Comml)**

#### **RHQ/CHQ:**

- (i) General Manager shall function as head of unit and shall provide all technical support and assist in all technical/administrative work to ED (Commercial), Regional Executive Director.
- (ii) Shall plan new scheme/ opportunities right from the conceptual stage;
- (iii) Monitoring the scheme/ opportunities, periodic follow-up, meeting to review the progress and taking steps to remove causes of hold-ups for projects;
- (iv) Revenue projections and target formulations for individual regions/stations;
- (v) Recommendations of approvals required at regions/stations for smooth functioning of department to higher authorities.
- (vi) Co-ordination with other departments to formulate mechanisms for smooth co-operation with commercial department.
- (vii) To issue technical and administrative directions to all field units including standardization of procedures;
- (viii) Administrative planning and monitoring of its execution under their jurisdiction.
- (ix) To decide commercial manpower requirement and its deployment;
- (x) To arrange training programme and course for commercial personnel;
- (xi) To recommend cases of extension of contract/gestation period etc.
- (xii) To perform duties and responsibilities as prescribed in commercial manual and as per Delegation of Powers.
- (xiii) Any other duties assigned from time to time by Senior Officers.



### **5.2.8 SECTION 8: Executive Director (ED) (Comml)**

- (i) To function as Commercial Adviser to the Management;
- (ii) Shall function as Head of Department and shall exercise overall control of all the commercial personnel of all field units, airports, Corporate headquarter;
- (iii) To take actions for effective implementation of management's policy, direction and decision;
- (iv) Monitoring the projects, periodic follow-up meeting to review the progress and taking action to remove causes of hold-ups for projects;
- (v) Target revenue formulations, controls and re-appropriation of funds;
- (vi) Regular monitoring and revisit targets quarterly to check the progress.
- (vii) Approvals/Recommendations to board/chairman as per DOP upon deliberation with General Manager.
- (viii) To issue technical and administrative directions to all field units including standardization of procedures;
- (ix) To decide commercial manpower requirement and its deployment;
- (x) To advise management on the matter of transfer, promotion and recruitment and disciplinary proceedings of commercial manpower;
- (xi) To perform duties and responsibilities as prescribed in Commercial Manual and Delegation of Powers [DOP].
- (xii) To appoint consultants and empanel agencies to be eligible for tenders across all AAI controlled airports.
- (xiii) Monitor space/commercial audits and formulate measures to reduce deviations in work process.
- (xiv) To monitor and guide on CVC observations and in arbitration proceedings;
- (xv) Should be responsible to issue orders establishing chain of command and control authorities for all the works for which, tenders are accepted at CHQ.
- (xvi) Any other duties assigned from time to time by the Competent Authority.

#### **NOTE:**

- In the case of non-availability of officer at a particular level (as per sanction strength for various offices), the officer at a particular matrix level shall exercise and perform the duties of officers at immediate next level in the matrix.
- Commercial Incharge (SM (Commercial) and above) shall be the agreement signing authority for commercial licenses awarded at Airports/RHQ/CHQ. At Airports where Commercial Incharge is below SM level, APD shall be the agreement signing authority.





## **Chapter 6:**

# **Concession Planning: Non-Aero Revenue Strategy**



## Chapter 6: Concession Planning: Non-Aero Revenue Strategy

### Salient point covered in the chapter:

- Category Definitions
- Concession Locations and Identification/ Creation of Commercial Facilities
- Consumer Research
- Layout Finalization and Approvals
- Designs, Fabrication of Outlets and Offices

### Chapter 6.1: Category Definitions

Commercial activities at airports are categorized under multiple categories like General retail services, Food & Beverages, Advertisement etc. To optimize the Commercial exploitation of the activities at the airport, various categories and the sub-categories have been defined in Annexure II.

**6.1.1** The list of categories of concession (in Annexure II) is indicative, but depending on commercial potential at different classification of airports (Chapter 4) commercial activities would be different across all airports and has to be optimized for both passenger experience and commercial revenue of the airport.

**6.1.2** Based on Chapter 6.2, 6.3 and 6.4, list of commercial activity across all airports would be finalized as illustrated below:

Category	Airport Name	Commercial Activity									
		F&B			Retail			Ground Transportation			...
		Cat1	Cat2	...	Cat1	Cat2	...	Cat1	Cat2	...	...
<b>Mega</b>	Kolkata	Must Have	Must Have	Must Have/ Good to have	Must Have	Must Have	Must Have/ Good to have	Must Have	Must Have	Must Have	Must Have/ Good to have
A											
B											
C											
D											
Others											

**6.1.3** Commercial Directorate, CHQ/ RHQ would empanel agencies to conduct survey for planning layout of commercial facilities at the airport and based upon such survey, it will be decided as to which facility is to be operated at each airport.



## **Chapter 6.2: Concession Locations and Identification/ Creation of Commercial Facilities**

While “finalizing, altering and reviewing” of concession locations, concession mix or identification/ creation of commercial facilities, following points should be considered:

### **6.2.1 Optimize Airport Revenue while enhancing passenger experience:**

The selection should be for those concessions which are likely to yield highest net revenue while ensuring that public convenience is considered.

### **6.2.2 Increase Customer Engagement:**

The concessions should be such that it offers right categories, right product positioning to cater to multiple groups of passengers. This would make the experience compelling for passenger to loosen their purse strings resulting in the increase of percentage of passengers and visitors using a concession as well as an increase in the average transaction levels (the average amount spent per transaction).

### **6.2.3 Ensure Security and Operational Requirements:**

The selection of locations for all facilities/site should not interfere with any security and operational requirement and passenger movement at the airport.

## **Chapter 6.3: Consumer Research**

**6.3.1** To achieve the objective of optimizing concession revenue, increase customer penetration and to ensure security so as to meet operational requirements, consumer research is to be conducted by empaneled agencies from time to time as per table for frequency of consumer research given later in the section or as may be decided by Airport Director.

**6.3.2** The outcome from these surveys/ research activities may provide critical data, necessary for making commercial decisions. For example:

- (i) Passenger Profile in terms of psychographics, demographics, nature of travel, spending behavior, preferences etc.
- (ii) Category/Facility wise average spends of customer
- (iii) Fixing of optimal concession mix

**6.3.3** Such knowledge and data may also help Airport in achieving passenger satisfaction thereby leading to better ASQ ratings.

**6.3.4** For context, objective, guideline and sample questionnaire, refer Annexure III.

**6.3.5** Initially surveys must be conducted across AAI managed airports (Mega category to D Category) so that a database is created with the required information and a good



insight is available to the system. Thereafter, frequency of surveys can be altered accordingly.

**6.3.6** Further, the passenger survey to be conducted across Mega, A, B, C and D category of airports will be as per following:

Category of Airports	Sample size (N)	Frequency of surveys	Total passenger surveys per cycle
<b>Mega</b>	6000	Annual	6000
<b>Category A</b>	4500	Annual	4500
<b>Category B</b>	3500	Annual	3500
<b>Category C and D</b>	2800	Alternate years	2800

#### **Chapter 6.4: Layout Finalization and Approvals**

**6.4.1** In addition to the mandatory services for passenger facilitation at airports, facility/ site layout/ concession mix shall be finalized *inter-alia* based on the passenger survey results and further analysis to derive actionable insights.

**6.4.2** Detailed Proposal that includes justifications for the choice of layout shall be forwarded to RHQ/CHQ, as the case may be, for approval.

**6.4.3** Proposal shall be graded into following categories:

- (i) Passenger Facilitation
- (ii) Revenue earning projects

**6.4.4** Detailed drawings to be prepared by the Planning Department in coordination with commercial department and should be screened to ascertain commercial potential of the proposed buildings in future.

**6.4.5** Feasibility of proposals/requirements shall be evaluated for:

- (i) Viability of proposal from physical location and clearance from planning
- (ii) Usefulness of services proposed
- (iii) Value addition to passengers

**6.4.6** Once the feasibility of the proposal/ requirement is assessed, the facility would be earmarked as under:

- (i) Specify physical dimensions and precise location of the proposed scheme/facility
- (ii) Indicate the purpose for which it is earmarked as a part of master plan.
- (iii) Site clearance approval from BCAS.



- (iv) No Objection Certificate, if required from Customs and Immigration
- (v) To check for availability of utility services like water, electricity and outlet for disposal of water, removal of garbage disposal and service lift etc.
- (vi) Time required for earmarking the facility and whether it meets the expectations.

**6.4.7 Approvals/Clearances to be taken:**

- (i) Security and Site Clearance from BCAS
- (ii) Operational clearance
- (iii) Clearance of other departments of AAI (Civil/Electrical/CNS etc.).
- (iv) Clearance of regulatory agencies, if any.

### **Chapter 6.5: Design, Fabrication of Outlets and Offices**

- 6.5.1** The design of outlet shall be in line with overall aesthetics of the terminal building, the fabrication of outlets and offices shall be with the prior approval of layout (including height etc.) and design by AAI. In any case, the height of the outlet/shop, inside terminal building, shall not be more than 3 meters.
- 6.5.2** Airport Director shall ensure that the Color/Design of Front Elevation should be uniform across all outlets.
- 6.5.3** On the front elevation, the display of name of the agency and/ or brand is permitted.
- 6.5.4** In-shop advertisements to be restricted to the brand/agency name /product line of the licensee, and no other advertisement shall be displayed in the shop premises.
- 6.5.5** Vertical shadow area or projection of counter is not permitted.
- 6.5.6** The Display of rates of items/goods should be inside the shop/outlet, and not on front on the structure of front elevation, preferably through LED/LCD display.



## **Chapter 7:**

# **Concession Procedure: Design, Develop & Award**



## Chapter 7: Concession Procedure: Design, Develop & Award

### Salient point covered in the chapter:

- Selection / Eligibility Criteria
- Turnover Criteria
- MRLF Fixation
- Annual Escalation
- Schedule and Stages of Tendering Process
- Integrity Pact & Independent External Monitor (IEM)
- EMD and Tender Processing Fees
- Preparation of NIT/Tender Document
- Evaluation of Technical and Financial Bids
- Complaint Handling Mechanism
- Single Tender
- Gestation Period
- Security Deposit
- Stop Gap Arrangements
- Commercial activities for Short Term

Once the concession mix and layout plan for commercial activities is finalized as discussed in previous chapter. In this chapter, detailed description of standard procedures to be adopted to execute the concession plan.

### Chapter 7.1: Selection / Eligibility Criteria

Selection/ eligibility criteria for a particular concession is a set of evaluation parameters that define a minimum benchmark that the bidder must fulfill so as to be considered for further processing of its bid for award of concession. The typical eligibility criteria consist of two components:

**7.1.1 Financial Capability:** Unless otherwise specified, bidders are assessed on following parameters:

- (i) Gross Turnover
- (ii) Qualifying Turnover from similar business (for which experience is claimed as per eligibility criteria defined in NIT)

**7.1.2 Technical Capability:**

- (i) Nature of experience required. For example: the bidder should have experience of operating a restaurant in any of the airports, bus terminal, ferry terminals, malls, metro rail, railway stations etc., to participate in tender process for award of concession for operating a restaurant at the airport.
- (ii) Minimum years of relevant experience to highlight domain expertise for the concession. For example: bidder should have minimum two years' experience (as



stated in point a. above) during last seven years to be eligible for a restaurant concession.

- (iii) Total years of experience, as required by type of concession is to be reckoned from the date of opening of the technical bid, i.e. on the date of opening of technical bid, the party should fulfill the experience criteria as claimed.
- (iv) The experience, as claimed by the bidders should be duly supported by documents establishing the claim of the bidders. An indicative list of such documents can be copies of award letters supported by experience certificate issued by the contract awarding authority; copy of work completion certificate issued by the contract awarding authority. Books of accounts shall clearly depict the incomes from the claimed business. In the absence of above-mentioned supporting documents, merely submitting an experience certificate issued by CA will not be considered to testify the claimed experience. An undertaking/self declaration that the furnished information is true also needs to be submitted along with supporting documents.

Refer Annexure – IV for eligibility Criteria of various concessions. Long term approach for defining eligibility criteria is as per Annexure XXVII.

## **Chapter 7.2: Turnover Criteria**

**7.2.1** Gross Turnover Criteria covers two parameters of the eligibility criteria,

- (i) Minimum Gross Turnover requirement
- (ii) Qualifying percentage turnover from same business as concession/license

**7.2.2** Gross Turnover Criteria requirement for a concession is either part of eligibility criteria (mentioned in Annexure -IV) or calculated based on MMG or MRLF for that facility.

- (i) Unless defined otherwise, the Minimum gross turnover shall be 12 months of MMG/MRLF. If the gross turnover criteria is specifically mentioned in the eligibility criteria for that particular facility, the same shall become mandatory requirement to be submitted by the party as part of technical bid along with other specified documents.

Abbreviations used in calculating gross turnover criteria based on MRLF are as below:

- **MAG** – Minimum Annual Guarantee (MMG x 12)
- **MMG** – Minimum Monthly Guarantee
- **MRLF** – Minimum Reserve License Fee

- (ii) Qualifying Turnover (Unless otherwise specifically mentioned in the eligibility criteria for that particular facility) for all facilities will be 50% from, the business for which experience has been claimed, of Minimum Turnover Requirement;

- a) Turnover details, Profit & Loss account and related experience details should be duly certified by a Chartered Accountant/Statutory Auditor.



- b) The turnover of the company/agency should be in any one of the last three (03) financial years from the date of publication of NIT.
- c) Unless otherwise specified, net worth of the bidder should be positive.
- d) In case of multiple businesses of bidder, the breakup of the turnover (certified by statutory auditor /chartered accountant) with the specific head as from the tendered facility should be submitted.
- e) Duly notarized and stamped undertaking by bidder regarding overall as well as breakup of turnover should also be submitted.

### **Chapter 7.3 : MRLF Fixation**

Before any tender is floated, the MRLF is to be approved by the competent authority as per Para 5.2 of Chapter 5 DoP, 2017. However, the MRLF is to be fixed as under:

**7.3.1 For continuation of existing facility** - If the tender is floated for continuation of an existing facility and the previous contract has completed more than 50% of the contract period then the last license fee received plus 10% may be kept as the MRLF. This will be subject to all ground conditions remaining unchanged. If the business potential changes then increase or decrease up to 20% of the amount as calculated above can be approved by the competent authority depending upon the change in the potential in terms of area, passengers/visitors, flights etc. If EPOS data is available, Sales data from EPOS (average monthly sales for last three years) shall be considered for MRLF fixation while factoring in cost of operations and reasonable margin for the licensee.

#### **Guiding Principles for Potential Assessment in respect of MRLF fixation:**

1. If historic sales data in respect of existing facility is available, co-relation between sales growth and growth in passenger movement can be established to calculate MRLF for fresh award of contract taking base as existing license fees.
2. In case similar facility is functional at some other similar airport, present license fees for the concerned facility at that airport may be taken as benchmark, this figure may be appropriately modified with feedback from that airport and license operator.
3. Appropriate factoring of average commercial space rent per sq. m with the passenger dwell time can be done to arrive at a guiding figure for MRLF fixation.
4. A passenger survey can be conducted through a third party as detailed in chapter 6, to gauge the potential of a particular concession at a particular location to arrive at MRLF amount.



- 7.3.2** If the previous contract has been terminated on any ground before the 50% tenure of the contracted period, then the amount of MRLF based on the last licence fee received/billed may be considered by giving reduction of 15% on the existing licence fee with appropriately documenting reasons for the same.
- 7.3.3** In case of MRLF/MMG fixed as per above paras does not result in any party quoting above the MRLF/MMG i.e., no response is received after one-time extension of 15 days in normal tenders, (Refer 7.11) then MRLF downward revision is to be reconsidered up to a maximum of 30% by the Competent Authority subject to proper justification to be recorded. The reduction should be done only once. In case, the tender process after reduction also yields no response, then the fixation of revised MRLF to be considered by one authority above as per provisions of DOP.
- 7.3.4** In case Letter of Intent of Award (LOIA) is issued for the existing floated facility and H1 emerged bidder could not commence operation, following case would be considered for MRLF fixation.

**Case I - The last tender was of single tender**

MRLF may be fixed considering last MRLF plus annual escalation, if applicable, and ground realities i.e. passenger flow/location advantage, passenger profile, business potential etc.

**Case II - The last tender was multi-bidder**

MRLF may be fixed considering the rate quoted by H2 bidder plus annual escalation, if applicable.

**7.3.5 For New Facility (guiding principle):**

- (i) Licence Fee of the similar facility, if existing, at same category of airport may be made the base for fixation of MRLF (search for tender documents in AAI portal and the station may be consulted, if required).
- (ii) The prevailing space rent of the terminal building as per AAI policy (minimum required).
- (iii) Total licence fee of the facilities available at the location where the facility is proposed divided by total area of licences. Alongwith it, the consideration of ground realities of passenger footfall and business potential needs to be taken.
- (iv) To find out the prevailing rate per sqft. area of such facilities at local malls or/and other airports.



**IN CASE MMG/MRLF CANNOT BE DETERMINED BY ANY OF THE ABOVE METHODS, MARKET SURVEY, INVITING VENDOR MEETS/CONSULTANCY ASSISTANCE AND LOCAL CONDITIONS MAY BE CONSIDERED AS GUIDING FACTORS FOR FIXATION OF MMG/MRLF.**

**Stakeholders Meeting:**

1. Before finalizing MRLF calculated using any of the above-mentioned methods, it is advisable to call a stakeholder meeting and take a market feedback on the proposed MRLF. Accordingly, MRLF may be modified on relevant grounds – in case of fresh facility or repeated failure of tenders.
2. This will help in fixation of realistic MRLF and better participation in the tender process.
3. The minutes of such stakeholder meetings shall be shared by the station with RHQ.
4. RHQ shall compile general relevant points that may be of concern to other airports also. This compilation may be circulated at other airports on quarterly basis, so as to enable them to take an informed decision in similar situation.
5. This compilation of stakeholder views will also be useful in formulating business friendly policies as it will be a mirror of market.

**7.3.6 F&B and Retail (Master Concessionaire):**

- (i) Total licence fee currently being collected may be enhanced by 10%. (if not enhanced in the current Calendar year)
- (ii) Above may be divided by total allotted area. This will determine the Unit Rate.
- (iii) In case of F&B, the Unit Rate be multiplied with total allotted area + Rs.25,000/- per vending machine (minimum 6 nos. and maximum 8 nos);

**AND**

IN CASE OF Retail facility, the Unit Rate be multiplied with total allotted area. Also, in case additional area is to be allotted than the existing allotted area, then the MMG be fixed as under:

**Case 1:**

If additional area is upto 50% of current area then prorata i.e. unit rate will be charged.

**MMG = (Existing Area x Unit Rate) + (Additional Area x Unit Rate)  
+ Licence Fee of Vending Machines**



**Case 2:**

If additional area is more than 50% and upto 100 % then 90 % of the unit rate will be applicable.

**MMG = (Existing Area x Unit Rate) + (Additional Area x 90% of Unit Rate) + Licence Fee of Vending Machines**

**Case 3:**

If additional area is more than 100% then 80% of the unit rate will be applicable.

**MMG = (Existing Area x Unit Rate) + (Additional Area x 80% of Unit Rate) + Licence Fee of Vending Machines.**

**NOTE:**

The above approach will continue to prevail till such time the long term plan for fixation of MRLF, as referred in Annexure XXVII is finalized by CHQ by engaging a consultant to carry out the scientific and professional study in a time bound manner i.e. not exceeding one year.

**Chapter 7.4 : Annual Escalation**

**Escalation rate of license fee for concession/ license:**

**7.4.1** The first annual escalation will be applicable after completion of one year + six months license period. Thereafter the same will be applicable after completion of subsequent one year period there from. In case extension in gestation period is given due to whatsoever reason, the date of first escalation period shall be reckoned from the original date of commencement of contract (i.e. commencement date had there been no extension in gestation period).

**7.4.2** The annual escalation is of following two types:

- (i) 10% annual escalation rate.

**OR**

- (ii) Annual escalation in the license fee/MMG linked with passenger growth in the following manner:

<b>S.No.</b>	<b>Passenger Growth (in the preceding 12 months from the month in which escalation is due)</b>	<b>Annual Escalation</b>
1.	0 to less than or equal to 5%	5%
2.	Greater than 5% and less than or equal to 18%	10%
3.	Greater than 18%	15%



**7.4.3** Unless otherwise communicated by RHQ/ CHQ for a license/ concession, 10% annual escalation rate would be applicable for all concession/ license other than master concession.

## **Chapter 7.5 : Schedule and Stages of Tendering Process**

**7.5.1** Stages involved in tender process are:

<b>S.No.</b>	<b>Pre-Tendering Activity</b>	<b>Timeline</b>
1.	MRLF Proposal to be put up to competent authority for approval	Six Months Prior to Expiry of Existing Contract
2.	MRLF Approval by Competent Authority	Case to be examined and decision to be communicated within 15 days of receipt of MRLF Proposal
3.	Preparation & Approval of NIT and Tender Documents	Within 15 days of receipt of MRLF Approval.
4.	Publish Tender on E-Tendering Portal, AAI Website and NIT publication in newspaper (if applicable)	Within 07 working days of NIT Approval.

- (i) MRLF Fixation and Approval (As per chapter 7.3). MRLF fixation process has to be started 07 months prior of expiry of contract.
  - (ii) Commercial Executive (as per roles and responsibilities defined in chapter 5.2) or any officer appointed by the APD/RED, as the case may be, will be the Bid Manager.
  - (iii) **Preparation and Approval of NIT/Tender Document** on the basis of Draft NIT enclosed in Commercial Manual (**Annexure V**).APD shall be the approving authority in case tender is floated by Airport/Station. RED shall be the approving authority in case of tender floated by Region and Members or any other officer as per DOP shall be the approving authority in case tender is floated by CHQ.
  - (iv) **Constitution and approval of Tender Opening Committee:** The committee shall comprise of **three members** out of which the member from Commercial (bid manager) and Finance are must. However, the other member(s) will be the representative from Operations, Engineering or as maybe nominated by APD/RED/ED (Comml).
- In case of e-tendering, two out of three members shall be the tender opening committee.**
- (v) Floating of E-Tender on e-tendering portal only unless approved by Competent Authority. Same to be uploaded on AAI website for publicity and press notification as per threshold limit.



(vi) Opening and Evaluation of Technical Bids

**Note:** In case of single or nil bids received (checked in 'Bids Submitted Tender' page of CPP Portal) the bid submission date shall be extended for 15 days before the technical bid opening date with approval from NIT approving authority. Even after extension only single bid remains the tender may be opened and processed after approval of competent authority. In case no bids are received, even after extension tender is to be cancelled and retendered.

(vii) Opening of Financial bids of technically qualified bidders.

(viii) Evaluation and Processing of Financial Bids.

(ix) Acceptance by the competent authority as per provisions of DOP.

(x) Issuance of LOIA to H-1 bidder.

(xi) Acceptance of Award by the H-1 bidder.

(xii) Update of the process in AIMS & Office records (overall & at every stage).

(xiii) In case of open tenders, post opening of financial bids, Commercial In-charge/ APD (if approving authority is RED) to put up its recommendation in respect of award within 05 working days, the approving authority to communicate the decision within 07/15 working days from APD/RED accordingly. On receipt of decision of competent authority, LOIA is to be issued within 03 working days.

**7.5.2** In case of existing license, tender process has to be initiated six months prior to expiry of incumbent license.

**7.5.3** The following indicative schedule is to be followed for completion of the tendering process,

<b>Nature of E-Tender</b>	<b>Publicity/ Downloading/ Receipt of Tender</b>	<b>Technical Evaluation / (From the date of opening of Technical Bids)</b>	<b>Evaluation of Financial Bids, Decision/ Processing for award (From the date of the opening of Financial Bids)</b>	<b>Completion of all the formalities by the successful Tenderers (From the date of the letter of intent / award)</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>	<b>(5)</b>
<b>Global</b>	30 days	30 days	15 days	As per NIET Conditions. (Chapter 8, annexure -V) of Commercial manual under reference.
<b>Open</b>	21 days	21 days	10 days	
<b>Limited</b>	14 days	15 days	10 days	
<b>Stop Gap/Short Term</b>	07 days	3-5 Days	03 days	07 days



**Note:**

- In case of exceptional circumstances or as directed, any deviation to be considered in the above procedure has to be approved by competent authority
- In case the date of opening of tender falls on a holiday, the tender will be opened on next working day.
- In case of any changes the competent authority shall be as per DOP.

- **Definitions:**

- **Global Tenders:**

The tenders in which eligible agencies (as per laid out eligibility criteria in NIT) across the globe can participate. The CHQ as a policy shall decide from time to time the facilities for which the global tenders are to be called and the same will be processed at CHQ unless otherwise specified.

- **Limited Tenders:**

Limited tenders are the tenders invited from only the empaneled agencies. The empanelment has to be done through due process carried out by CHQ (unless otherwise specified). After empanelment, the tenders are to be floated by stations/RHQ as per directives of CHQ.

- **Open Tenders:**

A tender which is open to all eligible parties (as per eligibility criteria specified by NIT) all across India. All concessions/ licenses save and exception defined, have to be awarded based on open tenders. Generally, open tenders for award of concessions/ licenses are invited by station unless otherwise specified.

- **Short Term/Stop Gap Tenders:**

A tender which is open to all eligible parties (as per eligibility criteria specified by NIT) all across India but with shorter timelines than an open tender so as to fast-track the entire process of award. Short tender process should be initiated only in case:

- a. the award of regular contract through open tender process could not be finalized.

AND

- b. the existing concession/license has expired or is likely to expire shortly.

AND

- c. the facility is a contingency services.

However, the license period for award of such facilities should be as defined in DoP for Stop Gap Arrangement. Detailed guidelines for Stop gap Arrangements are in Ch-7.14.



## Chapter 7.6 : Integrity Pact & Independent External Monitor (IEM)

- 7.6.1** Integrity Pact, a tool developed in 1990 by Transparency International, to help government, businesses and civil society to fight corruption in the field of public contracting.
- 7.6.2** Integrity Pact should cover all concession/ license above a specified threshold value, and is implemented through a panel of Independent External Monitors (IEMs)
- 7.6.3** IEMs are a panel of eminent personalities of high integrity and reputation appointed by Airports Authority of India and approved by CVC to review independently and objectively, whether and to what extent parties (concessionaire/ licensee/ AAI) have complied with their obligations under Integrity Pact. List of AAI empaneled IEMs (from time to time) are available in AAI portal.
- 7.6.4** At present all concession/license above an annual threshold value of Rupees two and half crores (Rs. 2.50 cr.) shall have independent external monitor (IEM), under the provision of integrity pact 1990 amended till date. However, AAI may review the said threshold limit from time to time.
- 7.6.5** The name of the IEMs to be mentioned in the NIT document with value above threshold limit. A one-page brief of the work is to be forwarded to the IEMs by e-mail while releasing NIT and a copy of the same should be endorsed to [gmpmq@aaiaero](mailto:gmpmq@aaiaero).
- 7.6.6** The correspondences to IEMs should be preferably through e-mail and the NIT documents should mention name, e-mail id and phone numbers only.
- 7.6.7** NIT approving authority shall be responsible for incorporation of IP in the concession/ license.

## Chapter 7.7 : EMD and Tender Processing Fees

- 7.7.1** Tenders submitted will be accompanied with EMD as per amount stated below:

S.No.	MRLF (per annum)	Amount* (In Rupees)
1.	Up to Rs. 10 lakhs	50,000/-
2.	Above Rs. 10 lakhs up to Rs. 50 lakhs	1,00,000 plus 5% of the annual MRLF/MAG amount above 10 lakhs
3.	Above Rs. 50 lakhs up to Rs. 2.5 Crore	3,00,000 plus 2.5% of annual MRLF/MAG amount above 50 lakhs
4.	Above Rs. 2.5 Crore	8,00,000 plus 2.5% of annual MRLF/MAG amount above 2.5 crore



**Note:**

- (i) If MRLF per annum is 40 Lakhs. Then 1,00,000 + 5% of 30,00,000 i.e. Rs. 2,50,000/- shall be fixed as EMD.
- (ii) The amount of EMD so calculated shall be rounded off to the nearest thousand rupees.
- (iii) In case of Global Tender (DFS etc.), the EMD shall be in currency as defined in RFQ/RFP.

**7.7.2** EMD details to be recorded in the tender opening register.

**7.7.3** In case of E-Tender, the amount of EMD to be remitted through CPP Portal or as per procedure defined in tender document. In case of manual tendering, EMD received through demand draft/pay-order are to be forwarded to Department of Finance for realization.

**7.7.4** The EMD refund of all unsuccessful bidders (e-tenders/manual tender) to be initiated by the bid manager within 15 days of issuance of LOIA/award letter. In case of payment received through RTGS, refund order should be processed accordingly.

**7.7.5** The EMD of successful bidder to be forwarded to Department of Finance within 15 days of issuance of LOIA/award letter for adjustment/refund, as the case may be.

**7.7.6** The EMD of the agency is to be forfeited in following circumstances:

- (i) In case bidder withdraws from tender process before last date of submission of technical bid, 10% of EMD amount shall be forfeited.
- (ii) After last date of submission of bid, at any stage if an agency withdraws from tender process, entire EMD amount shall be forfeited.
- (iii) After opening of technical bid and before opening of financial bid, if any agency withdraws from tender process; entire EMD shall be forfeited.
- (iv) The agency does not complete the formalities within the stipulated date after award of license/concession; entire EMD shall be forfeited.
- (v) The agency submits false document(s) in the tender and his/their tender is cancelled, entire EMD shall be forfeited.

**7.7.7** Cost of Tender Document (Non-Refundable) inclusive of applicable tax:

<b>S. No.</b>	<b>Annual value of MRLF</b>	<b>Amount (In Rupees) (Non-Refundable)</b>
i.	Up to Rs. 05 lakhs	2000
ii.	Above Rs. 05 lakhs to Rs. 10 lakhs	4000
iii.	Above Rs. 10 lakhs to Rs. 50 lakhs	10000
iv.	Above Rs. 50 lakhs to Rs. 2.5 crore	25000
v.	Above Rs. 2.5 crore	50000



**Note:**

- (i) Amount indicated is inclusive of all taxes and levies. The station concerned shall ensure collection and remittance of taxes/levies as applicable to appropriate authorities.
- (ii) Cost of tender documents is to be refunded to the concerned agency, with the approval of tender inviting authority, in case AAI decides to cancel the tenders due to administrative reasons or otherwise, before opening of technical bids.

**Chapter 7.8 : Preparation of NIT/Tender Document**

- 7.8.1** Draft NIT/Tender Document, Draft License Agreement with General Terms & Conditions, along with special conditions for specific concessions is *annexed* with this manual.
- 7.8.2** Normally, no change in the terms & conditions indicated in the basic tender document set is to be made while inviting tenders. However, depending upon the nature and requirement of the concession/ license which are considered necessary, keeping in view the geographical/topographical/seasonal constraints/site conditions/upcoming terminal building expansion or modification project or commissioning of new terminal building/moderate density of traffic, the REDs/APDs Grade I/APDs Grade II can consider specifying Station specific terms or suitably reduced periodicity of contract with duly recorded justification and without altering the fundamental structure of the tender documents.
- 7.8.3** NIT/ Tender Documents are to be prepared by the Commercial Department in line with the provisions of the Commercial Manual/policy guidelines issued from time to time.
- 7.8.4** It should be ensured that the date and time of opening of financial bid is mentioned without exception in all tender documents. In case at any stage it is envisaged that the date of opening of financial bid is likely to be delayed, then approval of the tender accepting authority (Concerned Member will have full powers) to be obtained within two working days in advance and inform all the bidders and change in the tender portal to be carried out.
- 7.8.5** NIT/ Tender Documents is to be approved by competent authority as per the provisions made hereunder. APD shall be the approving authority in case tender is floated by Airport/ Station. RED shall be the approving authority in case tender is floated by Region and ED (Commercial), shall be the approving authority in case tender is floated by CHQ. Any modifications/addition in the terms and conditions of the basic document is to be approved by one authority above.
- 7.8.6** Sketches of the area with marked guidelines have to be attached in the NIT/ tender Document. Joint measurement to be conducted by the commercial department along with Engg./Civil department.
- 7.8.7** Condition for Integrity pact/ Independent External Monitor has to be checked and the relevant document needs to be attached. (The details may be updated from time to time from Vigilance hyperlink from AAI website.)



- 7.8.8** Dates for Query/ Clarification as well as stakeholder meet have to be updated after due deliberation with APD/RED.
- 7.8.9** All the pages of tender document should be numbered, and the e-tender document should be digitally signed by the bid manager in case of e-tendering. In case of manual tender, each page of tender document should be signed by an officer of department of commercial or by commercial in-charge. Bid manager's contact details have to be shared as a part of tender document.
- 7.8.10** All tenderers/bidders irrespective of manual or e-tendering shall mandatorily be required to submit their official email id as part of technical bid documents for faster communication.
- 7.8.11** In case of Master Concessions for Advertisement, Duty Free, General Retail and Food & Beverage etc., the model RFP / RFQ documents prepared and vetted by CHQ shall be followed.
- 7.8.12** In respect of E-Tendering process and Guidelines, refer necessary instructions issued by E-Tendering portal and IT department of AAI from time to time. The present guidelines are part of draft NIT/Tender document that is *annexed* as Annexure V with this manual. However, subsequent changes/ modifications, if any, hereafter shall be duly incorporated in the NIT.
- 7.8.13** Publicity of tenders for wider participation:
- (i) All the tenders, unless defined otherwise, shall be floated through e-tendering platform as per the tendering guidelines issued by IT Department of AAI /Govt. of India.
  - (ii) Wide publicity be given to attract fair competition through AAI website, press notification and circulation to other regions/airports, based on policies determined from time to time.
  - (iii) No press notification is to be issued for a facility carrying annual MRLF/MAG value up to Rs.25,00,000/- (Rupees Twenty Five Lakh only). However, press notification for facilities carrying annual MRLF/MAG over and above Rs.25,00,000/- (Rupees Twenty Five Lakh only) shall be published in all the editions of at least one of the national dailies in Hindi and English language.
  - (iv) In case of Global tenders, notification/NIT to be published in atleast one Internationally renowned Trade Journals or India Trade Journal or Internationally renowned websites or in an International newspaper.

**Refer table in 7.5 for timelines.**

### **Chapter 7.9 : Evaluation of Technical and Financial Bids**

- 7.9.1** Tenders are to be floated in the form of two bid system viz.
- (i) Technical Bid
  - (ii) Financial Bid
- 7.9.2** If any complaint received after publication of NIT then the same will be examined in parallel without suspending/blocking the tender process. However, tender



processing authority shall take all measures to examine the complaints in most expeditious manner, preferably prior to the opening of financial bid if the content and intent of the complaint is related to terms and conditions of the NIT and AAI guidelines and practices.

**7.9.3** Technical bid evaluation to be conducted by Commercial Department. The detailed methodology is defined below.

**7.9.4** In case, assistance/comments/opinion is required from Finance Department with respect to financial aspects of technical bid documents viz. constitution of bidder (Sole proprietorship/Company/LLP/Partnership/Consortium), meeting Turnover criteria (P&L/ Balance Sheet), Dues position, applicability of tax registrations etc., the same may be sought from Finance Department with the approval of Tender Inviting Authority.

**7.9.5** During scrutiny process, if it is observed that one or two documents are deficient i.e. the party has not submitted one or two documents as per NIT, then, with the approval of APD/RED/ED (Comml), as the case may be, copy of the said document(s) can be sought through e-tendering portal only. But, in case if series of documents are not submitted by the party, then the said bid may be rejected straightaway. Additional clarification (if required) on the already submitted documents can also be sought with the approval of APD/RED/ED (Comml) as the case may be, through e-tendering portal only. Such an exercise can be done only once during the tender process.

**7.9.6 Evaluation of bids:**

**Technical Bid:**

- (i) Ascertain whether the bidder has deposited EMD and Tender Fees as per directions given in Tender Document.
- (ii) Letter of Authorization in favor of person who has signed the bid documents on behalf of bidder.
- (iii) Whether the bidder has provided unconditional acceptance letter as per the proforma given in NIT/Tender document.
- (iv) Whether the bidder has given all declarations as stipulated in tender document.
- (v) Each page of all documents which are part of Technical bid and have been submitted by the bidder should be stamped and signed by the authorized signatory representing the bidder.
- (vi) Whether the bidder has submitted supporting documents in favor of meeting Eligibility criteria.
- (vii) Prepare a comparative statement on the basis of the technical bid evaluation. The format of comparative statement of Technical bid is as per Annexure VI.




- (viii) Ascertain constitution of bidder, meeting Turnover criteria, Dues position, any other financial documents (based upon supporting documents submitted by the bidder) establishing whether the bidder fulfills the technical eligibility criteria.
- (ix) A list of technically eligible and ineligible bidders shall be prepared by officer in charge of commercial department with proper justification which shall be duly approved by APD/RED/ED(Commercial), as the case may be.
- (x) Bidders who have been declared ineligible at Technical bid stage shall be informed through fastest mode of communication with proper mention of grounds on which they have been disqualified.
- (xi) **Financial bids of duly qualified technical bidders shall be opened with the approval of Competent Authority.** Information in this respect shall be communicated to eligible bidders.

**Financial Bid:**

- (i) Financial e-bid should be in the prescribed format as per Annexure VII.
- (ii) The amount of license fee should be clearly written both in figures as well as in words. Any over writing, correction or insertion should be duly signed by the authorized signatories of the tenderer(s).
- (iii) In case of discrepancy between the amount offered in figures and words, the offer written in words will only be considered.
- (iv) Credentials in respect of experience of the highest emerged bidder (only if new agency) at AAI airports in Commercial tender may necessarily be got verified before award of licence/concession. **Credentials of the highest emerged bidder including of all technical documents, profile of the company/tenderer, comparative statements in respect of technical/financial documents should be enclosed along with proposal while forwarding the tenders to RHQ/CHQ, as the case may be.**
- (v) Evaluation sheet as per Annexure VIII shall be prepared and Airport Director/ RED shall recommend/approve (as per DOP) award of license, on the recommendations of LCAC/RCAC.
  - i. The decision/approval of CHQ (as per Clause 5.4 (a), (b); 5.5 (i, ii & iii) and 5.6 of DOP 2017) is to be conveyed to Region (Copy to respective Airport Director)/ Airport Director Grade-I, within 15 days from the date of receipt of proposal/tender document.
  - ii. The decision/approval of RHQ (as per Clause 5.4 (a), (b); 5.5 (i, ii & iii) and 5.6 of DOP 2017) is to be conveyed to Airport, within 15 days from the date of receipt of proposal/tender document.
- (vi) After opening of the technical bid and before opening of financial bid, if any agency withdraws from tender process, the EMD of the party shall be forfeited and the party shall be debarred for participation in any tender at the said airport for one year from the date of debarment. However, after opening of financial bid, being H1 in the tender if the party withdraws its



bid or after issuance of award letter, the party does not complete the requisite formalities, EMD shall be forfeited and the said bidder will be debarred from participating in any tender of AAI for one year.

(vii) With the approval of **competent authority** LOIA (Letter of Intent to Award) shall be issued to the successful bidder within 03 days from the date of receipt of the decision/approval of competent authority. 

- i. The terms and conditions in the LOIA should be strictly in accordance with the Notice Inviting Tenders and no change in the conditions should be made in the award letter in deviation to NIT conditions invited for a particular concession/ license.
- ii. Copy of award letter is to be sent to RHQ and Head of Commercial Department at CHQ.
- iii. Copy of the award letter including location plan to be furnished to the user Departments (Finance, Electrical, Ops., Civil, etc.) at the airport.

(viii) At all stages of E-Tendering Process:

- i. CPP Portal shall be updated without delay.
- ii. AIMS module shall be updated.

(ix) Completion of Formalities by Successful Tenderer

- i. RED / APD / Head/In-charge of Commercial at Airports have to ensure completion of formalities by successful Tenderer within time frame specified in the Tender Document prior to handing-over of sites/facilities. In the event of failure to do so, the reasons/ conditions have to be documented and have to be sent to RHQ/ CHQ for due approval. However, agreement has to be executed within business incubation period.
- ii. Award as per terms and conditions of Tender Documents/RFQ/ RFP shall be accepted by the tenderer within 10 days from the date of the letter of intent/award.
- iii. Payment of advance monthly / annual license fee, as the case may be, shall be made within 15 days from the date of the letter of intent / award.
- iv. Payment of security deposits shall be made within 30 days from the date of issuance of letter of award or as stipulated in the Tender Documents/RFQ/RFP.
- v. The joint measurement of the area/facility should 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 as defined in Chapter 8.1. The joint measurement should form part of the agreement.



- (x) License/Concession Agreement shall be prepared and executed strictly as per the draft Specimen Attached along with the tender/RFP/RFQ documents. The non-judicial stamp paper of the state where the airport is situated as per applicable stamp duty, shall be procured by the agency and the copy of the agreement shall be printed from AAI system where the specimen copy has been uploaded in the tender/RFP/RFQ and then agreement shall be executed/witnessed by the licensee/concessionaire and concerned Station in-charge/RHQ/CHQ.

### **Chapter 7.10: Complaint Handling Mechanism**

Tender process for Award of license in Commercial is taking lot of time and many a times such delay has been on account of numerous complaints received during the tendering process of Commercial licence. Majority of such complaints were dampening and limiting the tender process which in turn results in substantial delay in award of licence and revenue loss to AAI. In order to address such eventualities and expeditious award of Commercial licences, following are to be adhered:

#### **7.10.1 PART – A - TENDER PROTOCOL**

- (i) In order to minimize complaints/grievances during the tender process, fair & transparent tendering practices must be followed.
- (ii) GOI policy on e-tender should be strictly adhered. AAI tender document shall be available on e-portal for viewing and downloading to each and every interested entities without any charge. Interested entities may purchase the tender if he/she chooses to do so.
- (iii) Tender document should be drafted in such a way that it is complete in all respect to avoid any ambiguity. Special care should be taken that there is no conflicting and vague clause in NIT.
- (iv) Preferably a pre-bid meeting should be conducted within 10 days of floating/publication of tender. It can be in person or under e-communication mode through e-portal.
- (v) Pre-bid query should be expeditiously responded with clarity i.e. the response should explicitly cater to the query with full completeness in written format and the same should be uploaded along with the tender document on e-portal.
- (vi) Technical issues raised by interested bidders will be entertained through e-portal only and will be responded conclusively at least five days prior to submission date of the tender.
- (vii) Financial bid opening date shall not be deferred beyond 7 days from decided date of financial bid on account of such complaints.

#### **7.10.2 PART – B - COMPLAINT PROTOCOL**

Usually complaints are received through letter or email mode of communication.

- (i) Complaints received during tender will be recorded in the following manner:

Tender No. – CHQ/RHQ/Station Code – Department Code – Unique number in 2 digits. For example:



<b>Tender No. on NIC Portal</b>	<b>Complaint Received at</b>	<b>Complaint Number</b>
2018_AAI_XXXX	CHQ	2018_AAI_XXXX/11000/18/xx
2018_AAI_XXXX	WR	2018_AAI_XXXX/12000/18/xx
2018_AAI_XXXX	Ahmedabad	2018_AAI_XXXX/12002/18/xx
2018_AAI_XXXX	Lucknow	2018_AAI_XXXX/14013/18/xx

CHQ/RHQ/Station Code may be obtained from SAP. SAP Code for Commercial Directorate is 18.

- (ii) Action on Anonymous/Pseudonymous complaints:
- Complaints sent on email should contain postal address and mobile/telephone number, if any, of the sender. Complaints on email received without this information will be treated as anonymous or pseudonymous and filed. (Refer para 3.4.2(v) of Chapter III of CVC Vigilance Manual, 2017).
  - Anonymous/pseudonymous complaints will be settled/addressed as per para 3.10 of Chapter III of CVC Vigilance Manual, 2017.
- (iii) It shall be promptly acknowledged under intimation to reporting authority i.e. RHQ of the bidding authority.
- (iv) Any complaint received after opening of Technical Bid will be examined in parallel without suspending/blocking the tender process. However, tender processing authority shall take all measures to examine the complaints in most expeditious manner, preferably prior to the opening of financial bid if the content and intent of the complaint is related to terms and conditions of the NIT and AAI guidelines and practices.
- (v) (a) Station shall maintain record of all complaints as per format mentioned below:

<b>S.No.</b>	<b>Date of receipt of complaint, Name &amp; Address of complainant</b>	<b>Name &amp; Address of complainant.</b>	<b>Complaint Number</b>	<b>Brief of complaint</b>	<b>Action Taken Report</b>	<b>Remarks</b>

- (b) RED/APD should review the proceeds on complaints on regular basis to conclusively close the complaint and may recommend the findings for systematic improvement, if the case is so.
- (vi) Complaints received after opening of Financial Bid will be dealt with as per AAI guidelines and practices without holding the tender process as NIT has various provisions like forfeiture of security deposit, black listing/debarring and penalty



upto termination in case the bidder has misrepresented or suppressed relevant information.

- (vii) If the complaint is found to be malicious with intention to derail the tender process, Airport Director should initiate action under IPC section 182/195(i)(e) CrPC and/or to the process of debarring/blacklisting.
- (viii) The above listed guidelines/instruction shall be followed alongwith the compliance of terms and conditions of NIT.

### **Chapter 7.11 : Single Tender**

- 7.11.1** If against an open/limited/short tender only one or nil response is received, the last date of receipt of tender shall be extended by 15 days (by 5 days in case of short term tender).
- 7.11.2** Even after extended time, if only single response is received, then it should be treated as single tender and processed for opening of technical/ financial bid and subsequent award of concession/ license in terms of relevant DOP provisions (Presently Clause 5.4 (b) of DOP 2017).
- 7.11.3** If against open/limited/short term tender, there are minimum two responses but resulting in single valid bid, it will be treated as single tender and shall be processed for opening of technical/financial bid and subsequent award of concession/ license in terms of relevant DOP provisions.
- 7.11.4** In case three or more bids are received, and single bidder emerges as technically qualified/eligible, then, the case to be processed in line with DOP Para 2.38 (b).

### **Chapter 7.12 : Gestation Period**

- 7.12.1** Other than master concessionaire RFP documents for F&B/Retail/Duty Free/ Advertisement, gestation period for all the other facilities is to be permitted as specified in the eligibility criteria of commercial manual, for each category.
- 7.12.2** Gestation period shall be reckoned from the date of handing over of site/Access Date as per chapter 8.1.
- 7.12.3** Business Incubation period is the time after issuance of LOIA and before handing over of site is the period in which the concessionaire shall fulfill the contract formalities (like acceptance of the LOIA, submission of security deposit, signing of agreement etc.) as mentioned in LOIA. The site shall only be handed-over after fulfillment of these formalities which shall not be later than 30 days (unless otherwise specified) from the date of issuance of LOIA.
- 7.12.4** "Access Date" shall mean the date on which the concessionaire is handed over physical possession of at least 50% of the location designated in the RFP/RFQ (after completion of the contractual formalities like acceptance of the LOIA, submission of security deposit, signing of agreement etc.) within the incubation period. In case the agency fails to take over the approved sites the date of 30 days from date of LOIA shall be treated as access date.



- 7.12.5** The licenses with periodicity of up to one (01) year or less, the gestation period will be 15 days.
- 7.12.6** In case no gestation period is defined, then the same may be permitted for 30 days.
- 7.12.7** No gestation period is to be permitted in case of renewal/award of the concession/ license in favor of the existing licensee in the same place (i.e. same area as well as location). However,
- (i) where there is change in location or due to suspension of the business to carry-out modification at the existing area etc. in the concession/ license premises, normal gestation period, as defined for the said facility, may be permitted.
  - (ii) If there is increase in the area in the new license at the same location awarded to existing licensee, the gestation period would be applicable for the incremental area only (if he continues with the business from the existing area and needs development period for the incremental area). In this scenario, licensee shall continue to be billed on the basis of quoted license fee on pro-rata basis for existing area. Billing for the newly developed/incremental area shall be started after expiry of gestation period.
- 7.12.8** In case the space is handed over in phases, a gestation period of 30 days is to be given for subsequent phase.

### **Chapter 7.13 : Security Deposit**

- 7.13.1** The tenderer/agency has to deposit Security Deposit for the License/ Concession/ Allotment of space (wherever applicable) in the form of DD/PO/RTGS/NEFT/ Bank Guarantee as appended below:

<b>S.No.</b>	<b>License/ Concession Period</b>	<b>Security Deposit</b>	<b>Mode of payment</b>
(i)	Up to 01 year	Equivalent to three 03 months License Fee / Minimum Monthly Guarantee Amount (MMG) as the case may be.	SD to be furnished in the form of Bank Guarantee only to be issued by Scheduled Bank having a validity period of 180 days from the date of expiry of contract.  However, BG from Cooperative Bank (even scheduled) or in the form of FDR is not acceptable.
(ii)	More than 1 year but up to 3 years	Equivalent to four 04 months License Fee / MMG, as the case may be, of first year.	
(iii)	More than 03 Years but up to 05 years	Equivalent to six 06 months License Fee / MMG, as the case may be, of first year.	
(iv)	More than 05 years to 07 years	Equivalent to eight 08 months license fees/MMG, as the case may be, applicable during the first year of license/concession.	



(v)	More than 07 years to 10 years	Equivalent to 10 (ten) months licence fee/MMG, as the case may be, applicable during the first year of licence/concession.	
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**\*Bank Guarantee:** Shall mean Bank Guarantee issued from Nationalized / Scheduled commercial Banks as per Reserve Bank of India guidelines in the format as per **Annexure X**. No Bank Guarantee shall be acceptable from Co-operative Banks (even scheduled)/Societies/Payment Banks or by means of FDR. Bank charges shall be borne by the agency.

**Note:** This framework is only applicable in case of fixed escalation, which leads to the calculation of last year's license fee. However, where the escalation clause is variable, the security deposit conditions are to be defined separately.

- 7.13.2** In case of licenses/allotment of space to airlines and other statutory agencies which are renewable in nature where Security Deposit is applicable (as per Commercial Manual/prevaling policy), it may be ensured that the Security Deposit amount is equivalent to the current license fee payable at the time of renewal i.e. Security Deposit should also be periodically reviewed and enhanced to take care of the escalation/revision in the license fee.
- 7.13.3** The amount of Security Deposit shall be calculated by considering quoted license fee, space rent (wherever applicable), utility facilitation charges/CAM charges, or any other component etc.payable by the licensee/concessionaire.
- 7.13.4** On the SD deposited in the form of DD/PO/RTGS/NEFT, no interest shall be payable.
- 7.13.5** The Security Deposit for Common Area Maintenance (CAM) and Utilities (electricity, water etc.) is to be deposited in the form of Bank Guarantee/Demand Draft/Pay Order/RTGS/NEFT in favor of Airports Authority of India.
- 7.13.6** The value for Security Deposit for utilities charges will be determined equivalent to 5% of annual license/concession value subject to minimum deposit of Rs.10, 000 and a maximum deposit of Rs.10 lakhs. The said Security Deposit will cover Security Deposits towards all types of utilities (such as Electricity, Water, Data Port, Telephone etc.).
- 7.13.7** As far as possible, the BG should be unconditional and any claim thereunder should be payable on a simple written demand from AAI authorized official.
- 7.13.8** The date of expiry and claim period if any to be borne in mind so as to ensure that claim maybe lodged within validity BG.
- 7.13.9** Location of the bank and branch where the claim is to be made, should be duly noted well in advance so that the notice for invocation may be within validity BG.
- 7.13.10** The Officer-in charge who is authorized to sign the Agreement shall, before acceptance of the bank Guarantee, ensure the Bank guarantee so received is in conformity with the format provided in the Tender Document (NIT) and ensure that it is in order.



- 7.13.11** In case of any deviations/discrepancies found in Bank Guarantee which do not appear to have any material effect on the interests of AAI, the same can be considered for acceptance by Officer-in Charge with the concurrence of Concerned Section of F&A Department.
- 7.13.12** Bank guarantee should be routed by Applicant's Bank to AAI Nodal/Beneficiary Bank through Structured Financial Messaging System (SFMS), who in turn will advise AAI of the same. This will ensure authenticity of the guarantee.
- 7.13.13** The details of secure SFMS (in case of BGs issued from within India) or SWIFT (in case of BGs issued from outside India) sent by Bidder's Bank to AAI Beneficiary Bank details must be furnished with the BG.
- 7.13.14** The detailed guidelines for SFMS will be issued separately on selection & finalization of Terms & conditions with the Nodal Bank/Beneficiary Bank.
- 7.13.15** The custody of the Original Bank Guarantees is proposed to be with the respective pre-check/payment section of the AAI units while the onus of recording, monitoring, tracking, updation, extension invocation etc. will be with the user departments.
- 7.13.16** Dues of a license/concession can be adjusted with SD of same/other license/concession of the same party at same/other airports after giving proper intimation to the party.
- 7.13.17** Upon completion of the license/concession period and award of new license/concession, SD is to be refunded after it is ascertained that no dues are payable by the licensee/concessionaire. In any case no interest shall be payable on SD amount.
- 7.13.18** If the license/concessions terminated/surrendered and the new concession/license has not been awarded, SD will be refunded only after the concessionaire/licensee has cleared all the dues; vacated and handed over the possession of the premises/facility to AAI in the original condition as it was given at the time of handing over. If under any circumstances he fails to do so, he shall be liable to pay to AAI, the deemed justifiable amount ascertained by AAI otherwise the amount to the extent of damage shall be adjusted from the security deposit.
- 7.13.19** If the license/concessions terminated and the matter of dues is in arbitration proceedings, then the SD in the form of DD/PO/RTGS/NEFT available with AAI will not be refunded. If the SD is in the form of BG then it should be en-cashed before the instrument lapses, if the party is not willing to get the BG renewed. The proceeds of the instrument are to be credited to AAI's account and shown as SD available in the books of account till the same is adjusted or refunded.
- 7.13.20** If the concession/licence has been terminated within 50% of the licence period or the party has not served the requisite notice of 30/60/90/120/180 days (depending upon the licence period) for surrender of licence/concession after completion of 50% licence period, then the Security Deposit equivalent to current license fee/MMG shall be forfeited as demurrage charges, as per the details below:



S. No.	If termination of concession/ license occurs	Security deposit equivalent to current license fee/MMG to be forfeited (in months)		
		For contract period of more than 3 years	For contract period of 1-3 years	For contract period of less than 1 year
(i)	Before 50 % of contract period	6	4	2
(ii)	between 50% to 75%	4	3	2
(iii)	between 75% to 100%	2	2	1

**NOTE:** If the licensee does not operate the license upto 50% of the contract period then the party is liable to be debarred for one year from the date of issuance of orders.

**7.13.21** When allocation of space is done to airlines/other non-tendered agencies then also SD shall be collected for a period according to table 7.13.1 for space rent, utility charges and electricity bills.

**7.13.22** The Detailed BG Management Guidelines are in Chapter 8.5.

**7.13.23** Central/State Govt. Departments are exempted from Security Deposit.

#### **Chapter 7.14 : Short Term Tender under Stop Gap Arrangements**

**7.14.1** Under normal circumstances, no commercial contract shall be awarded without call of tenders. However, for any contingency service, if the existing license has already expired or will expire shortly and award of work through regular tender will take more time, as a stop gap arrangement, contract on the basis of short term tender under stop gap arrangement for a period as provisioned in DOP shall be awarded.

**7.14.2** Those services and facilities which are essential for the running of the airport operations in terms of passenger facilitation will be termed as “Contingency Services”. Airport Director are empowered to define the contingency services considering the smooth operation of the airport as well as passenger facilitation.

**7.14.3** The award of work through short term tender mode is to be resorted to only in case of disruption of contingency services (as defined above). In this scenario commercial in-charge shall initiate a proposal for short term tender after recording detailed reasons and type of contingency in each case.

**7.14.4** NIT/ Tender Document, eligibility criteria etc. shall remain same as that in the case of regular tender. MRLF shall be fixed at Airport level with the approval of Airport Director, in the range of plus/minus (+/-) 25% of last license fee with proper justifications. Since the award of license under stop gap arrangement is for a period as defined in DOP.



(ii) EMD Calculation shall be as follows:

S.No.	Monthly MRLF Multiplied by Period of Contract for Short Term Tender	Amount* (In Rupees)
1.	Up to Rs. 10 lakhs	50,000/-
2.	Above Rs. 10 lakhs up to Rs. 50 lakhs	1,00,000/- plus 5% of the annual MRLF/MAG amount above 10 lakhs
3.	Above Rs. 50 lakhs up to Rs. 2.5 Crore	3,00,000/- plus 2.5% of annual MRLF/MAG amount above 50 lakhs
4.	Above Rs. 2.5 Crore	8,00,000/- plus 2.5% of annual MRLF/MAG amount above 2.5 crore

(ii) Cost of Tender Document (Non-Refundable) inclusive of applicable tax:

S. No.	Monthly MRLF Multiplied by Period of Contract for Short Term Tender	Amount (In Rupees) (Non-Refundable)
i.	Up to Rs.05 lakhs	2000
ii.	Above Rs.05 lakhs to Rs.10 lakhs	4000
iii.	Above Rs.10 lakhs to Rs.50 lakhs	10000
iv.	Above Rs.50 lakhs to Rs.2.5 crore	25000
v.	Above Rs.2.5 crore	50000

(iii) Other Details, terms and conditions in respect of EMD and Tender Processing Fees shall be as per Chapter 7.7.

- 7.14.5** Based on bids received, once the party is shortlisted for award, proposal shall be forwarded to competent authority to approve award of work under stop gap arrangement, as per DOP.
- 7.14.6** In case emergency situation arises, APD may provisionally award the facility finalized through Short Term Tender as above and simultaneously forward the proposal/recommendations for the approval of competent authority as per DoP, as the case may be. Station may also simultaneously process their regular tenders / re invitation.
- 7.14.7** In the event of unsuccessful attempt, as above, the Airport Director may ensure managing these facilities departmentally through DGR sponsored agencies/registered manpower agencies temporarily.
- 7.14.8** In case, the existing agency gets the award for stop gap arrangement/ extension, a fresh agreement needs to be prepared/relevant clauses needs to be incorporated in award letter.

## Chapter 7.15 : Short Term Commercial Facilities

- 7.15.1** Short term commercial activities as defined in para 22 of Annexure – IV shall be awarded as per Para 5.5 (iii) of DOP 2017.



## **Chapter 8:**

# **Concession Procedure: Design, Develop & Award**



## Chapter 8: Concession/License Management

### Salient point covered in the chapter:

- Handing Over/Taking Over of Site/Facility
- Required clearances
- Electronic Point of Sale (EPoS)
- Billing & Revenue Realization
- Management of Bank guarantee
- Provision of Rebate
- Temporary Extension of concession/ license
- Audit & Concessionaire Performance Management
- Dispute/ Grievance Redressal and Resolution
- Arbitration
- Concession/ License Termination
- Process for Debarring

### Chapter 8.1 : Handing Over/Taking Over of Site/Facility

- 8.1.1** Post issuance of LOIA the acceptance of award should be submitted by the agency duly acknowledging the terms and conditions of award letter.
- 8.1.2** Thereafter, the advance license fee needs to be deposited by the agency within the stipulated time as per the award letter which will be duly adjusted as and when the first bill/ subsequent license fee bill is raised.
- 8.1.3** The agency should proceed with the submission of Security Deposit (as described in the award letter/NIT) and the details of Bank Guarantee will be confirmed by AAI.
- 8.1.4** Submission of non-judicial stamp papers (valued as per state guidelines) as per requirement of award letter for execution of license agreement for the concession/ license.
- 8.1.5** Date of handing over of site should be on or before 31<sup>st</sup> day of issuance of award letter, upon fulfillment of contract formalities to be done by the licensee during business incubation period. If the licensee fails to complete the contractual formalities which are pre-requisite for handing over of site, then the gestation period will be deemed to have commenced on 31<sup>st</sup> day of issuance of LOIA.
- 8.1.6** In case tender process has been completed and successful tenderer has been awarded LOIA, but, concession/ license period of incumbent licensee is not over, then, date of hand over of site should not be later than 7<sup>th</sup> day of expiry of incumbent license or access date (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. This shall be suitably incorporated in the NIT.

- 8.1.7** Proper earmarking of the site/facility as per the layout given in the NIT and verified by physically measuring in the presence of authorized representative of the licensee on the day of handing over/taking over which should be duly acknowledged by the agency in the prescribed format of handing over/taking over report.
- 8.1.8** The built-up space allotted (already constructed) by AAI, will be measured based on the actual carpet area (inside).
- 8.1.9** In case of bare space handed over to the agency on which the agency has to construct their infrastructure, it shall be measured on the basis of bare space area allotted to the agency. The structure made by the agency should be within the allotted bare space. Any extra area (up to 10%) occupied by the agency for furthering its concession activities and found subsequently by AAI shall be charged on pro rata basis. In case extra area is beyond 10%, licensee will be charged at double the pro-rata amount. The height of the outlet should ideally be restricted to 10 ft. or availability of height, as the case may be.
- 8.1.10** Any shade or projection from the structure made by the agency to protect the main entry from dust/water etc. in the form of canopy/overhang/dropdowns etc. is permitted only up to a maximum of 1 feet from the main entry of and from the frontage allotted without any extra charge for providing signage/any facia decoration etc. without intruding the space of any other concessionaire, and not to be used for any direct commercial purpose related to business. The above shall be subjected to approval from APD without compromising the ambiance and uniformity of the premises
- 8.1.11** Common area like stairs, passage, toilet etc. shall be for the utility purpose of public/licensee at large of that area/floor. However, no licensee shall make any claim of having its exclusive use and obstruct the public access.
- 8.1.12** Standard pictograph and proper signage indicating the location/ facility/service is to be provided by AAI. However, the shops signage mandatorily as per specifications/dimensions approved by AAI is to be adhered to, by the concessionaire.
- 8.1.13** Arrangement of internal telephone connectivity/electricity/water connections etc. is to be ensured by AAI as per provisions and other terms and conditions of the concession/ license. Tariffs for all the mentioned services will be charged as per AAI notified rates.
- 8.1.14** The approval (NOC) for civil work/electric work should be processed by the concerned Department within 5 working days of submitting the plan or be returned to the concessionaire for compliance of the observations of AAI, if any.
- 8.1.15** All the above should be carried out by commercial department unless otherwise specified.



### **Taking over:**

- (i) After the contract expires, the concessionaire shall stop business and shall be given a maximum of 07 days to vacate the premises (after settlement of dues). The onus of clearing all the dues and vacating the premises within 07 days lies on the licensee.
- (ii) If the agency fails to vacate the premises within 07 days of expiry of contract, double the amount of normal notified space rent of that area shall be charged from date of expiry of license to the date of vacation.
- (iii) If agency fails to vacate even after 15 days, the agency ceases to claim any ownership of the un-cleared materials. AAI shall make arrangements to remove the leftovers and charge the costs incurred to the agency/adjusted from available SD along with outstanding dues if any.
- (iv) In case, the incumbent licensee continues the business operation even after expiry of contract period, exponential penalty at the rate of double the license fees shall be levied and eviction process as per AAI Act etc. to be initiated.
- (v) Taking over document has to be signed after clearance of premises by the concessionaire.

### **Chapter 8.2 : Required clearances**

- 8.2.1** Airport In-Charge to ensure the necessary clearance(s) from all concerned Departments viz. Planning, Engineering (Civil & Electrical), Operations (including Security, Fire & Electronics).
- 8.2.2** Any assistance, if required with respect to clearances from Regulatory authorities for which concessionaires have to apply separately, has to be provided by office of airport director in consultation with concerned departments.

### **Chapter 8.3 : Electronic Point of Sale (EPOS)**

- 8.3.1** All commercial licensees in Airports under classification Mega, A, B and C to be linked with EPOS terminals at the airport. For airports in category D and others, guideline for EPOS terminal would be circulated from time to time.
- 8.3.2** All the EPOS terminals to be integrated with AAI information management systems to ensure monitoring of sale of products/ services in real time basis.
- 8.3.3** With provision for mandatory EPOS terminal across all commercial licenses, licensee must have automatic receipt printing facility wherein it will be mandatory to issue a computerized receipt to the passenger who avails their services and the receipt to reflect the charges along with the breakup of mandatory taxes etc.



- 8.3.4** The EPOS system used in the airport licensee to be on par with industry standards (similar to used in other airports/ malls/ MBOs) and should have provision to capture data from boarding passes & Passports.
- 8.3.5** The software to have the capability of exporting reports to other formats that shall include but not be limited to Excel, PDF, CSV and HTML
- 8.3.6** Following data points and reports of all the licensee to be accessed through EPOS in real time on daily basis:
- (i) Daily sales transactions by licensee
  - (ii) Category-wise sales by the licensee and by outlet
- 8.3.7** The licensee to submit a monthly MIS to airport on monthly basis with following detailing:
- (i) Details of opening stock at the start of the month
  - (ii) Stock purchased in the month
  - (iii) Closing stock at the end of the month
  - (iv) Stock returned/ Damaged
- 8.3.8** AAI to additionally get reporting from licensee's EPOS terminals' minimum but not limited to following:
- (i) Name of Category/ Product/ Brand and Supplier
  - (ii) Outlet/ POS machine ID
  - (iii) Date/ period Boundaries and ranges (Hour, Day, MTD, YTD and Yearly)
  - (iv) Time of sale/ Ranges
- 8.3.9** The EPOS system shall be capable of conducting following analysis:
- (i) Concessionaire performance analysis**
    - a) By concessionaire type
    - b) By product category
    - c) By time period (current year vs. previous year etc.)
    - d) By terminal & zone
    - e) Category-wise performance – 12 month rolling index
  - (ii) Promotion analysis**
    - a) Performance analysis before and after promotion
    - b) Promotional analysis before and after campaigns
    - c) By terminal and zone
  - (iii) Peer to Peer Performance analysis**
    - a) By product category
    - b) By concessionaire
    - c) By terminal and zone
  - (iv) Buyer Behavior Analysis**
    - a) Footfall analysis
    - b) Buyer behavior - (most sold SKU's etc.)
    - c) Passenger wallet share and spend rate



- 8.3.10** Licensee shall abide by rules and regulations as may be determined by AAI from time to time regarding the interface of AAI's host system and the Licensee's EPOS terminals.
- 8.3.11** AAI reserves the right to install its own EPOS system during the concession term.
- 8.3.12** Airport commercial team is authorized to inspect EPOS terminal at the locations at any time.
- 8.3.13** AAI may appoint a third-party agency for the purpose of data audit/mystery audit of the Licensee's EPOS terminals, from time to time. The licensee shall keep the audit rolls of Licensee's EPOS terminals and upon request by AAI submit to AAI such audit rolls.
- 8.3.14** The licensee to require an approval from commercial team for any relocation of the EPOS terminal.
- 8.3.15** There shall be no direct billing by licensee and airport shall have the right to take action on those licensees conducting direct billing without entering the data into the EPOS system (issuing manual receipt without a genuine cause /without prior intimation to AAI).
- 8.3.16** The licensee to fulfill, AAI's passenger data requirements and any such requirement from time to time
- 8.3.17** The Concessionaire further agrees that cost of all consumables such as the cost of UPS batteries printer heads, supplies, stationery and consumables shall be borne by the licensee.
- 8.3.18** The licensee shall not share the data available within the EPOS with any third agency except as required under any applicable laws.
- 8.3.19** In case of any dispute on the uptime of the machines, the data from the manageability solution by AAI shall be relied upon.
- 8.3.20** Licensee to be penalized if it fails to inform AAI commercial team and the supplier immediately and solve the following issues within one day (24 hours)
- (i) Network breakdown
  - (ii) POS software problems
  - (iii) POS software update
  - (iv) POS hardware problems
  - (v) Change of POS hardware or software
- 8.3.21** Refer Annexure XVI for further detail on EPoS.

## **Chapter 8.4 : Billing & Revenue Realization.**

### **8.4.1 Billing:**

- (i) First time billing shall be coordinated between Commercial and Finance departments to make sure all the chargeable items as per License agreement are charged from the Licensee.



- (ii) Date of handing-over to be intimated along with copy of handing-over/taking-over of the concession/ license. Date of commencement of license to be indicated.
- (iii) If further information is required to be sought/communicated, the same is mediated between AAI and the Licensee.
- (iv) AIMS module shall be updated with the bill information. It shall be checked from time to time to verify the escalations and other charges levied (as applicable).
- (v) Bill delivery and communication to the licensee shall be ensured.

#### **8.4.2 Revenue Realization**

- (i) AAI shall raise bill on or before 07<sup>th</sup> of every month. The concessionaire has to make the payment of License Fees etc. by 10<sup>th</sup> of every month, failing which interest at the rate of 12% per annum shall be charged from the due date.
- (ii) In case the licensee fails to make the payment before due date, licensee shall be issued notice (as per Annexure XIII) for clearance of outstanding dues. Even after notice, if the concessionaire/ licensee still fails to clear the dues and the dues become equivalent to 50% of the security deposit amount or three months licence fee, whichever is lower, the dues along with penal interest shall be adjusted from the security deposit, as per Annexure XIV, without grant of any extension whatsoever.
- (iii) After the adjustment of outstanding dues and penal interest from security deposit, the licensee will have to recoup the shortfall in SD amount within 10 days.
- (iv) If the licensee fails to recoup the security deposit amount within the stipulated time limit, then AAI will issue a notice of intent to terminate the license/ concession. After expiry of notice period, if the default still persists, AAI is at liberty to terminate the license/concession forthwith.
- (v) In case of ex-licensee, their security deposits, if any, may be encashed and adjusted against outstanding dues. Balance amount, if any, may be recovered in consultation with Department of Law. The details of outstanding dues against the ex-licensee may be reported to RHQ/CHQ. This exercise to encash the deposits/invoking the Bank Guarantee may be completed and action under AAI Act, 1994 (Unauthorized Occupants) for recovery of balance outstanding dues may also be initiated.
- (vi) In case, the outstanding dues exceeds 50% of the SD available or as envisaged in the agreement provisions, whichever is lower, action to be initiated for encashment of BG/adjustment of SD by Airport Director against such outstanding dues. The party will immediately be asked to recoup the said SD as well as clearance of dues, if any, within 15 days failing which, process for termination of contract shall be initiated. In case the termination process is required to be initiated against existing licensee, fresh tender action for award of regular contract should be simultaneously initiated. Invocation of BG submitted by Govt. agencies/CPSUs, shall be done after approval from CHQ.



## **Chapter 8.5 : Management of Bank guarantee**

### **8.5.1 Receipt of BG**

- (i) User department at the time of receipt of BG will check that the amount, tenor and the text are as agreed with tender documents/RFQ/RFP etc. Properly scrutinize to ensure that the original BG with all relevant pages including stamp paper as applicable is available
- (ii) Bank Guarantee to be submitted by the contractors/suppliers should be valid for the period stipulated in contract.
- (iii) Any deviation in the text is to be brought to the notice of Concerned Section in F&A. for their consent for acceptance or otherwise.
- (iv) User Department will enter/update the records of Original BG with particulars of underlying contract in the SAP module and will also upload scanned copy of BG in SAP Module. And will also upload scanned copy of BG in SAP Module. Thereafter, submit the original BG to Treasury/Pre-check section in CHQ & Bank Section/cash Section at Units having safe locker for safe custody, against proper written acknowledgement with a copy to Concerned Section in F & A Department. [Concerned Section in F&A, CHQ are Revenue Section for airline/concessionaire BGs, Pre-check Section for airline/concessionaire BGs, Pre-check Section for custody of Bank Guarantees]. In all other Units the Finance In charge should ensure the same is marked to the concerned officers in Finance Dept. under him.

### **8.5.2 CONFIRMATION OF BG**

- (i) Concerned Section of F&A to obtain confirmation of issuance of BG from issuing bank branch or their controlling office or other branch, as the case may be, if the BG is not issued through SFMS.
- (ii) For this purpose, Concerned Section of F&A to contact the concerned bank branch and send a letter seeking the confirmation, along with a copy of the BG.
- (iii) On receipt of confirmation the particulars of Confirmation letter shall be entered and also will be uploaded in the SAP module.

### **8.5.3 RELEASE OF BG**

- (i) For release of BG, user departments to submit request for release of BG in prescribed format to F&A Section to review the request and submit the BG request form after due approval to Treasury/Pre-check, for making note of the BG release in the SAP system.
- (ii) The Treasury/Pre-Check Section will release the original BG to user department after approval of the competent authority and will confirm the release of original BG to concerned F & A Section/User Department.
- (iii) Concerned user departments to obtain acknowledgement from vendors/concessionaires for having released the BGs and copy of acknowledgement to be forwarded to Concerned F & A Section and Treasury/Pre-check Section and enter requisite details in SAP as well upload the same acknowledgement.



#### 8.5.4 Tracking of BG

- (i) User Department will maintain the database in SAP system with the complete BG particulars and update and track the database at regular interval, and intimate the Concerned Section in F&A regarding the BGs maturing over the next three months, on a rolling basis.
- (ii) Concerned Section in F&A Department to take up with the respective User Department regarding the course of action with regard to the BG.
- (iii) User departments shall independently track the BGs for their department so as to ensure timely action with regard to the renewal, enhancement or invocation of the BG as the case may be.
- (iv) Concerned Section of F&A Department shall review the bank guarantees periodically and send a monthly report to the User Department listing those bank guarantees which are slated to expire within a period of next two months for timely appropriate action for renewal, if any or otherwise. However, the responsibility for the timely renewal action lies with the User Department.

#### 8.5.5 Disposal of BG: The scenarios that may prevail regarding a BG during its tenor and the steps to be followed are as given below:

- (i) **Contract expiry:** In case the underlying contract is not being renewed, User Department to review and confirm whether any claim is to be made against the BG or whether the BG is to be released. In case of release of BG. Office note with approval as per authority matrix to be submitted by User Department of Concerned Section of F&A Department which in turn will intimate Custodian Section of F&A Department to make a note of BG release and forward the Original BG duly discharged, or release letter, may be handed over to User Department against acknowledgement.
- (ii) **Invocation of BG:** User Department may decide to invoke part of whole amount of the BG for various reasons. This decision should preferably be taken well in advance of the expiry date, so as to allow sufficient time to the Concerned Section of F&A Department to submit the invocation claim to the issuing bank. The office note seeking the invocation of the BG. Duly approved as per authority matrix, should be submitted to Concerned Section of F&A Department by respective User Department. Concerned Section of F&A Department shall obtain the original BG from Custodian and issue invocation letter duly signed by authorized signatories and ensure it reaches the issuing bank under acknowledgement before claim expiry date. Concerned Section of F&A Department will also follow up for settlement of the claim expeditiously. On receipt of the BG amount, to inform Pre-check Section of F&A to ensure the proceeds are accounted for.

In case there is default/failure on the part of contractors/suppliers to comply with the terms and condition of the contract and it is intended that the bank guarantee be encashed to compensate the loss to AAI, the concerned Department may inform the contractor/supplier to that effect in writing well in advance, linking with the agreement clause in this regard and ensuring that the Bank Guarantee is encashed before the expiry of its validity.



**8.5.6** Draft Template for invocation of BG Draft Template for Issue of letter for invocation of BG is as per Annexure: \_\_\_

**8.5.7 Renewal/Extension of BG:** In case the underlying contract is renewed, contractor may either submit an amendment to the BG for extension of validity, amount, etc. or may submit a fresh BG for the required amount. All precautions and steps applicable to receipt of new BG to be taken with regard to amendment too, so as to ensure AAI's interest are protected.

**8.5.8 Dealing with expired BGs:** As far as possible, instruction for disposal of BGs should be made available to F&A/Treasury well in advance of the expiry date of the BG. In case no instructions are received, the expiry BGs would be tracked by Concerned Section of F&A Department and kept with Pre-check/Treasury Section until the same is claimed by the contractor. Upon submission of expired BG to the contractor, same would be deleted from the SAP System.

### 8.5.9 RESPONSIBILITY

#### Responsibility matrix

S.No.	Description of activity	Responsibility
1.	Ensuring the format of BG is as per Tender Document/RFQ/RFP requirement.	User department.
2.	Collection of BG from vendor/airline etc. within the agreed timeline and submission to Pre-Check/Treasury Section.	User department/Concerned Section of F&A Department as applicable.
3.	Submission of BG with Pre-Check/Treasury Section.	User Department/Concerned Section of F&A Department as applicable.
4.	Updation of BG Database.	User department/Concerned Section of F&A Department as applicable.
5.	Confirmation of BG from Bank.	Concerned Section of F&A Department.
6.	Safe Custody.	Treasury/Pre-check Section/Cash/Bank Section.
7.	MIS on BG.	Concerned Section of F&A Department.
8.	Follow-up with vendor/airline etc. before expiry date.	User department/Concerned Section of F&A Department as applicable.

**8.5.10 SAP SOP for Handling Bank Guarantees:** In order to have a systematic control over keeping record receipt, confirmation & custody of BG's a new



functionality has been developed in SAP-ERP system implemented in AAI,  
**Salient features of the same are as follows:**

- (i) Online Process for capturing details of each BG with complete Audit trail
- (ii) Roles & Responsibilities of each department involved shall be predefined
- (iii) Alerts for monitoring by management are configured.
- (iv) Extensions of BG cross referenced to original BG & complete extension history shall be available.
- (v) Notifications shall be triggered in advance to various departments for expiring BG's.
- (vi) Inbuilt checks for tracking confirmations for BG authentications.
- (vii) Facility to upload scanned copy of original BG with subsequent extensions.
- (viii) Register of all BG's received from vendors/customers incorporation all details shall be available.
- (ix) Details of BG's encashed, expired and closed during a defined period shall also be available.

**8.5.11** An alert for expiring BG's highlighted in red color will be initiated by Jt.GM (SAP) at least 60 days in advance with fortnightly reminders (Till renewed) which will be emailed to concerned directorate head and a copy be marked to Chairman and Member(F).

**8.5.12** The detailed user manual as Annexure for monitoring through SAP system inter alia provides for:

- (i) Creation of Bank guarantee for both customers and vendors.
- (ii) Upload of Bank guarantees.
- (iii) Display and edit of created bank guarantees.
- (iv) Extension of Bank guarantees.
- (v) Closure of Bank guarantees.
- (vi) Bank guarantees register/report.
- (vii) Early watch/ alert report for expiring bank guarantee.

**8.5.13** The validity of Bank Guarantees (if the tender condition provides for) should be for the concession/ license period plus six months.

**8.5.14** Bank guarantees to be accepted from a Branch of Scheduled Commercial Bank (listed by RBI) located in India. However, bank guarantee from any Co-operative bank or/ and in the form of FDR will not be acceptable.

**8.5.15 Refund/Adjustment of Security Deposit**

- (i) If the concession/ license is terminated in the normal course that is after the period has exhausted and the new concession/ license has been awarded then the SD is to be refunded after it is ascertained that no dues are payable by the party.



- (ii) If the concession/ license is terminated but the new concession/ license has not been awarded and the process of extension is not yet approved, then the SD will be refunded only after the party has vacated and handed over the possession of the place/facility and also cleared the outstanding dues to AAI.
- (iii) If the concession/ license is terminated and the party has not yet cleared the dues then the calculated dues by the station to be adjusted against the SD available and the balance is to be refunded.
- (iv) If the concession/ license is terminated and the matter of dues are in arbitration proceedings, then the SD in form of DD/PO/TRGS/NEFT available with AAI will not be liable for refund. If the SD is in the form of BG then it will be mandatory to get the dates extended for sufficient time considering the time likely to be taken for the proceedings. If the party is not taking any action for extending the same, then the same should be encashed before the instrument lapses. The proceeds of the instrument are to be credited to AAI's account and shown as SD available in the books of account till the same is adjusted or refunded.

#### **8.5.16 Duty, Responsibility and competent authority - Security Deposit**

- (i) The station concerned will be the competent authority and would be responsible for the concession/ license management, debtors control and also the refund or adjustment of the SD.
- (ii) If the SD is maintained at the station, the APD/ station in-charge will be the competent authority to approve/ authorize the encashment/release/ adjustment or any of other actions and authorize the concerned commercial and/ or finance department accordingly.
- (iii) In case the SD is maintained centrally at the regional office or CHQ then the station concerned should give approval with details of the amount related to the concession/ license for the release or adjustment or both. The RED in the region and ED (Commercial) at CHQ will take further necessary inputs from the other stations concerned with the concession/ license and Issue the consolidated approval for encashment/release/ adjustment or any of other actions and authorize the concerned commercial and/ or finance department accordingly.
- (iv) If the release of Security Deposit involves payment of foreign currency, then the approval of concerned Member needs to be obtained.

### **Chapter 8.6 : Provision of Rebate**

- 8.6.1** The rebate will be considered only if the same is provided in the NIT.
- 8.6.2** The rebate shall be approved by the tender accepting authority on the recommendations of LCAC/RCAC as the case may be.
- 8.6.3** In case of any ban imposed by Government/BCAS/AAI on visitors' entry at airport, proportionate rebate in the license fee may be given in relation to the ban period.



However, the rebate in the license fee as mentioned above may be granted only for the ban period of visitors or the suspension of the operation exceeding continuously for 3 days in a calendar month. Pro-rata rebate can also be considered if the total number of days for which entry is banned equals or exceeds 15 days in a calendar month.

### **Chapter 8.7 : Temporary Extension of concession/ license**

Commercial Manual enjoins upon to license the commercial activities at the airport through regular tenders. Advance tender action is to be initiated 07 months prior to the expiry of existing concession/ license and extensions of existing licenses (save and except the provisions of commercial manual/ DOP or any other guideline issued from time to time) are not to be permitted.

- 8.7.1** However, in case of external factors/extreme circumstances/ situations beyond the control of Airport Director requiring extension of the concession/ license, proactive measures and timely decisions have to be taken on valid grounds; reasons and justification have to be provided. Such cases must be submitted to competent authority for grant of extension with supporting facts and documents in advance viz. willingness letter to continue the license, no dues confirmation etc.
- 8.7.2** APD to ensure that the license shall not continue beyond bona-fide concession/ license period in any circumstance and such license must be properly concluded/closed on expiry date including handing/taking over of premises/site. No bills should be raised beyond the bona-fide concession/ license period and outstanding dues shall also be settled promptly.
- 8.7.3** Continuance of existing license including passenger facilitation licenses shall be permitted only if extension of license is duly approved by Competent Authority as per DOP Provisions, prior to expiry date of the bona-fide concession/ license subject to clearance of dues except current month dues.
- 8.7.4** In case of expiry/cessation of existing license, including passenger facilitation related license, or non-finalization of tender for award of license, provision under clause 5.5(ii) (stop-gap arrangement of commercial activities) and 5.5(iii) (short term commercial activities) of DOP, 2017 should be activated and administered to ensure availability of such essential/operational facility.
- 8.7.5** No extension is to be considered in respect of the concessions/ licenses awarded under innovative / temporary basis /new facilities.

### **Chapter 8.8: Audit & Concessionaire Performance Management**

To ensure licensee/ concessionaire's compliance with the terms of agreement and collect feedback from user to improve passenger convenience, Airports/ RHQ/ CHQ to conduct monitoring activities at airports as under:



1. Monitor terms of license agreement
2. Space Audit
3. Commercial Audit
4. Managing performance of concessionaire

Following is a snapshot of frequency and responsibility for the above-mentioned activities.

S. No.	Activity	Frequency	Responsibility <sup>1</sup>				Remarks
			Q1	Q2	Q3	Q4	
1	Monitor terms of license agreement	Quarterly	AP D	RH Q	APD	External Consultant	
2	Space Audit	Annual				APD	External Consultant every alternate year
3	Commercial Audit	Annual				RHQ	
4	Managing concession performance	Annual				RHQ	

Detailed Standard Operating Procedure, formats, Checklist and scope under each activity is as follows:

### 8.8.1 Monitoring terms of license agreement

- (i) Airport director to ensure monitoring activity for the terms of license agreement for randomly selected licensee at the airports
- (ii) Monitoring committee would consist of one (01) executive from commercial and one (01) from operations department.
- (iii) The activity would be a quarterly exercise and would be conducted by committee as under:
  - Quarter 1** : Committee with team from the airport
  - Quarter 2** : Committee with team from nearby airport
  - Quarter 3** : Committee with team from the airport
  - Quarter 4** : Team of external agencies on case to case basis, as per requirement
- (iv) The monitoring activity to be a three (03) step process and would include following as under:

#### **Step i. Ensure terms of license is consistently met**

1. Concessionaire compliance to the Terms of license would be conducted for randomly selected commercial facility/ site.
2. The compliance would be for following (but not limited to) terms of license, these terms to be reviewed and updated by CHQ from time to time:
  - a) Proper display of products and signages
  - b) Compliance to list of approved product categories to be sold at the licensee outlet

<sup>1</sup>“Q” stands for financial quarter. The responsibility of the activity is by quarter



- c) Whether sufficient stock of approved product categories is available or not and there shouldn't be any empty shelves.
  - d) Compliance for pricing policy
    - i. Whether price display for all SKUs (stock keeping units) in place or not
    - ii. MRP compliance
  - e) Hours of operations as per AAI directives
  - f) Store staff:
    - i. Properly dressed
    - ii. Trained to serve/ handle walk-in customers
    - iii. Well-versed to handle customer queries
  - g) Permits & approval for employment of foreign nationals
  - h) Compliance for Procurement policy
  - i) Recycling of waste materials
  - j) Compliance to environmental standards
  - k) Checking compliance to safety, health/ hygiene requirements
3. The final report/check-list prepared as per above activities also to be jointly signed by representative from the licensee.

**Step ii. Report, if any deviation from terms of the license agreement**

- 1. In case of deviation from the terms of license agreement, the licensee to be informed for the same and given a show cause notice in the format in Annexure XVII.
- 2. In case reply is not satisfactory, a penalty as deemed fit by Airport Director would be imposed to the licensee.

**Step iii. Collect user feedback for the services received**

- 1. Passenger survey to be carried out for their feedback on following parameters:
  - a) Experience from offering at the airports
    - i. Availability of products at the outlets
    - ii. Quality of products
    - iii. Proper display of price and selling price less or equal to MRP
    - iv. Staff behavior at the airport
    - v. Safety/Hygiene conditions
  - b) List of facilities/ offering passengers would like to see at the airport
  - c) Feedback on pain areas from facilities at airport
- 2. Market Survey Consultants or interns can be employed from nearby college/ university.

The template to assessing the compliance to key terms of agreement is as under:



Key Compliance Parameters	Compliance (Yes/ No)	Remarks
Proper display of products and signages		
Compliance to list of approved product categories		
Sufficient stock of approved product		
Compliance for pricing policy		
Price display for all SKUs		
MRP compliance		
Hours of operations		
Store staff:		
Properly dressed		
Trained to serve/ handle customers		
Permits & approval for employment of foreign nationals		
Compliance for Procurement policy		
Recycling of waste materials		
Compliance to environmental standards		
Checking compliance to safety, health/hygiene requirements		

### 8.8.2 Space Audit

- (i) An annual Space Audit to be conducted for all commercial spaces under the purview of Commercial Manual and the period will be reckoned from the corresponding financial year. In case of complaint or otherwise, APD/ RHQ/ CHQ shall have full authority to conduct random space audit of licensee.
- (ii) Airport Director shall constitute a three-membered committee comprising of executives from any of the department at the airport viz. Commercial, Finance and Engineering - Civil department or as may be decided by APD. However, the representative from commercial department is a must.



- (iii) Airport Director should ensure that the space audit is completed in a time bound manner.
- (iv) Department of Commercial will issue a notice to all the agencies stating the date and time of conducting the space audit which will be conducted in the presence of the representative of the licensee. However, in certain cases a surprise space audit can also be conducted by the audit team.
- (v) Mode of measurement:
  - a) For built-up space allotment, carpet area to be measured.
  - b) For open space allotment, plinth area to be measured.
- (vi) Space audit process guideline:
  - a) The details of area handed over at the time of handing over of site with layout diagram and dimension to be kept ready before audit of the space.
  - b) The audit/ measurement of space is to be conducted in presence of agency representative and the representative will sign the audit sheet (occupancy & measurement).
  - c) The space audit report will be signed by a third party (representative/ staff from nearby facility/ site).
  - d) In case the representative is not present or refuses to sign, the same will be recorded by the Committee. A copy of the report will be sent to the agency.
  - e) In case of any objection from the agency, the space will again be measured by the Committee in presence of agency representative and final findings will be recorded.
- (vii) Provision for charging incremental license fee for non-compliance
  - a) If during a surprise space audit, the agency is found to be occupying extra space, the agency will be given a show cause notice and if the reply being not satisfactory, the agency shall be notified to pay the incremental license fee for the extra space occupied and vacate the same.
  - b) If during a scheduled space audit, it is found that the agency is occupying extra space, the agency shall be notified to pay the incremental license fee for the extra space occupied and vacate the same.
  - c) In case of extra area related to built-up structure like office/ cabin (space allotment for airline, Govt. agencies), space rent will be charged for the extra area, from the date of occupation/construction of the structure. In case of shop (trading concession) space used for business, the agency should pay an incremental license fee for the extra area from the date of last audit or since inception, as the case may be. However, where sufficient documentary evidence is available towards such excess occupation, the concerned date may be considered.
  - d) In case, the extra area is open space like gas bank area, area around shop mainly used for storage, it will be charged space rent from the date of last audit/detection as it is difficult to ascertain the date of actual occupancy. However, in case, the date of occupancy can be determined it will be charged from the date of occupancy.
- (viii) Provision of penalty for non-compliance
  - a) In case, an agency is found to occupy extra space but decide to vacate the space and later on again found to occupy the space then the agency is to be



charged at penal rent i.e. double the normal rate rent of license fee from the date of extra area occupied originally.

Refer **Annexure IX** for standard format of recording the findings of space audit.

### **8.8.3 Commercial Audit- Third Party**

#### **(i) Background**

It is felt necessary to establish an internal audit mechanism for commercial department/function in AAI. This will be a review process to provide the management meaningful and timely information in respect of people, processes and functioning. Audit will go through tasks and processes undertaken at airport level, scrutinize the documents and present the findings to the management. It shall be diagnostic in nature to pinpoint the issues for which timely remedial action required to be taken. It will help the management to know how efficiently contracts are being managed at airports and the licensees are performing to their obligations. It will also flag the visible risks/probable risk areas requiring mitigation to prevent losses.

Such audits shall be conducted by engaging external agencies.

#### **(ii) Objective of the Audit**

- a) An independent assessment and presentation of state of affairs in commercial department at airports, to the management by a third party.
- b) It is to examine adherence to the laid down guidelines and procedures, system and controls, operational efficiency, risk assessment etc. to bring out systemic deficiencies, absence of controls or their ineffective functioning and compliance failures so that timely remedial/corrective measures could be taken by the management.
- c) To determine whether the airport is maximizing all potential revenue opportunities and is effectively monitoring its revenue contracts to ensure all entitled revenue is billed, collected, and promptly accounted for.
- d) Assist the management in exercising effective oversight and control over the policy objectives and their implementation at Airport level.

It is presumed that such audit shall help in improving overall functioning of commercial department at airports to meet organizational goals of AAI.

#### **(iii) Scope of Audit**

The audit is required to check during the audit reference period and present findings/ give opinion on the following:

##### **a) Pre award and post award tender processes and documentation**

The audit is required to examine tenders awarded during the audit reference period to check and give opinion on the following:



- 1) Whether tender register maintained
- 2) Whether new tender process initiated in advance as per guidelines.
- 3) Whether timelines adhered to w.r.t Pre tender award and post award of tenders as per guidelines
- 4) Whether site handed over with proper measurement and documentation
- 5) Whether EMD refunded as per guidelines
- 6) Whether SD obtained as per tender norms
- 7) Whether SD/BG register maintained.
- 8) Whether BG obtained from banks as per specification in the NIT, verification obtained from the controlling office of the bank branch and such confirmation is held on record.
- 9) Whether LOIA is duly signed and acknowledged by the authorized person of H1 bidder.
- 10) Whether handing over/taking over is duly acknowledged by the agency in the prescribed format of handing over/taking over report.
- 11) Whether contact agreement was duly signed by both the parties and proper authority letter submitted by the person signing on behalf of the licensee.
- 12) Whether contract agreement properly stamped.

**b) Contract Management**

- 1) Compliance of rates for various items/services/car parking fee/car rental charges/display of rates in the premises/cleanliness in the premises etc. as defined in the Agreement.
- 2) Whether bills are raised timely and as per the contract agreement. Whether it is realized as per guidelines in force.
- 3) Whether all the chargeable items as per License agreement are charged from the Licensee
- 4) Whether penal interest charged and recovered as per guidelines.
- 5) Whether licensee issued notice for clearance of outstanding dues
- 6) Whether there is any case where outstanding dues is more than SD amount.
- 7) Whether mandatory quarterly reconciliation (between AAI and concessionaires) of agency-wise accounts of commercial licenses operating at a particular airport is carried out and signed by the concessionaire for acceptance.
- 8) To verify the escalations in license fee and other charges levied as per contract agreement conditions and specified date.
- 9) Whether any license is continuing beyond bona-fide concession/ license period.
- 10) Whether licensee has handed over the site after completion of contract period as per guidelines and proper documentation



- 11) Whether performance review of licenses by the airport is taken.
- 12) Concessionaire compliance to the Terms of license
- 13) In case of deviation from the terms of license agreement whether proper action is taken or not.
- 14) Whether complaint register maintained and complaints are promptly being recorded and addressed as per complaint handling policy.
- 15) Performance of concessionaries on Service level agreements.

**c) Performance assessment of licensees**

- 1) Whether performance assessment activity completed as envisaged in the guidelines.
- 2) Whether licensees assessed for their performance on stipulated parameters such as dues payment, grievances, violations, penalties against their non-compliance to terms of agreement etc.
- 3) Whether notice to the low performing concessionaire sent for further improvement and performance being monitored.
- 4) Any other issue observed w.r.t. performance assessment process

**d) EPOS**

- 1) Whether EPOS implemented for the licenses wherever envisaged.
- 2) Whether sales data, performance measurement reports and other MIS getting generated from EPOS.
- 3) Whether sales and other MIS reports being examined by commercial department and appropriate action being taken for rectification of irregularity.
- 4) Whether sales data generated from EPOS is tallied with certified financial statements submitted by the licensee.
- 5) Any other issue observed w.r.t. functioning of EPOS system at airport during the audit.

**e) MIS & Record keeping**

- 1) Whether AIMS module updated with tender/contract /bill information.
- 2) Whether register is properly maintained and timely updated containing all the details of the SDs/BGs and its validity period etc.
- 3) Records and file management

**f) Previous Audits**

- 1) To go through the previous reports for various audits and verify that:
  - Replies are submitted or not, its timeliness etc.
  - irregularities reported are rectified or not
  - prepare a list all outstanding audit paras/observations and include in report
- 2) Space Audit:



- To check whether space audit has been done as envisaged in the guidelines
- Whether all the observations/irregularities attended and rectified.
- Undertake Random Space Measurement of Commercial Concessionaire from the space audit report.
- List out all outstanding observations/irregularity and include in the report.

**g) Miscellaneous**

- 1) The audit is required to go through the inventory of commercial space at the airport. Prepare licensee wise/facility wise details for occupied spaces and also for the vacant & available commercial spaces.
- 2) Whether space audit conducted or not. Status of rectification of irregularities reported in such audit.
- 3) Status of reply and rectification of other audit observations/paras
- 4) Whether airport is maintaining proper records of all the court cases/ arbitration matters, attending court /arbitration proceedings on regular basis.

**(iv) Selection of Auditor**

- a) Empanelment will be done by Commercial Dte, CHQ.
- b) Empanelment shall be valid for Two years.
- c) Region wise empanelment shall be done.
- d) List of empaneled auditors would be published by Commercial Dte, CHQ.
- e) Performance shall be assessed on the basis of quality and timeliness of the report.

**(v) Periodicity of audit**

Twice in the introductory year, thereafter once in a year

**(vi) Period of audit**

- a) For Mega Airports : 8 to 10 working days
- b) For Category A & B : 6 to 8 working days
- c) For Category C, D, E and RCS : 4 to 6 working days

**(vii) Allocation of Audit assignments**

- a) Member in Charge of Commercial Dte, CHQ will allocate audit assignments for airports of CHQ jurisdiction.
- b) REDs will allocate audit assignments for airports of their jurisdiction.
- c) Rotation policy: No auditor shall be assigned same airport for consecutive audits.



(viii) **Audit Process:**

**a) Role & responsibilities of auditors**

- 1) The auditors shall have to complete the audit and submit final report within one month after allotment of audit work.
- 2) Audit team shall finalize the schedule of audit in consultation with Airport Director (APD)/commercial head of the airport.
- 3) Audit team shall conduct opening meeting with APD and commercial staff at the start of audit to familiarize with airport organization and commercial processes and also to finalize draft audit program
- 4) Audit team shall provide an indent, to commercial department of the airport, listing documents/files/information required, activities to be performed etc. preferably in advance.
- 5) Comment sheets prepared for each issue identified in the audit should be shared with commercial dept. at the end of the day.
- 6) Auditors should make effort for spot rectification of observation/irregularities.
- 7) A draft report should be prepared and shared with airport director/commercial head before exit conference.
- 8) Exit conference to be held with airport director/commercial team for finalization of audit report.
- 9) Final report shall be submitted directly to the appointing authority and a copy to be provided to the Airport director.
- 10) Bills to be submitted to appointing authority at the time of report submission.

**b) Role & responsibilities of Commercial Department at Airport**

- 1) Shall co-ordinate and organize opening meeting at the start of the audit.
- 2) Shall make all necessary arrangements and provide necessary support infrastructure, stationary etc. to the audit team for smooth and timely completion of audit.
- 3) Shall provide information/document etc. as per indent provided by the auditors from time to time.
- 4) Shall obtain comment sheets prepared for each issue identified in the audit at the end of the day from the auditors and to ensure spot rectification of observation/irregularities so as to minimize audit observations in the final report.
- 5) Shall obtain draft report from auditors and discuss it with APD for finalization.
- 6) Shall coordinate and organize exit conference with audit team.
- 7) APD shall counter sign the final audit report.
- 8) Shall have to ensure that the audit is completed within the stipulated period in the guidelines.



- 9) Shall have to ensure that all observation/irregularities reported in the final report is properly addressed/rectified and replies are submitted to RED/ED(commercial),CHQ within 15 days from the receipt of the report.

**c) Role and responsibilities of RHQ/CHQ**

- 1) Prepare a schedule for audit at airports.
- 2) As per schedule allot audit work to empaneled auditors.
- 3) Follow up with auditors to start and complete the audit work as per timeline.
- 4) Organize quarterly meeting with auditors/airport officials to know and address issues if any.
- 5) Undertake performance assessment of auditors and submit report to CHQ for review of auditors' performance and extension of empanelment.
- 6) Follow up and obtain replies/compliance of audit observations/ reports from airports as per specified timeline.
- 7) The commercial head at RHQ/GM (commercial), CHQ shall examine the replies/compliance submitted by the airports and RED/ED (commercial),CHQ shall be authority to close the report.
- 8) Audit reports should be closed within 90 days from the submission of final audit report.
- 9) To examine, recommend and take staff side action in case of serious lapses/irregularity.

**8.8.4 Performance management**

- (i) The information from monitoring the agreement of license terms, space audit and commercial audit would be used to further assess the performance of the concessionaire.
- (ii) The performance assessment is an annual process to be reckoned from the corresponding financial year.
- (iii) Commercial team at the RHQ would be responsible for the performance assessment activity
- (iv) Performance assessment activity should be completed within fifteen (15) days from the date of completion of commercial audit.
- (v) All licensee would be assessed for their performance related to dues payment, grievances, penalties against their non-compliance to terms of agreement.
- (vi) Concessionaire with higher number of deviations from the contract would be considered low performing and given a notice for non-compliance
- (vii) A suitable notice to the low performing concessionaire to be sent for further improvisation to improve and performance to be monitored.



## **Chapter 8.9 : Dispute/ Grievance Redressal and resolution**

### **8.9.1 Constitution of DRC**

- (i) Standing dispute resolution committee should be set up at the Airports, Regions and CHQ.
- (ii) At the regions, incharge of commercial (member secretary), in charge of finance, in charge of Legal and one representative to be nominated by RED.
- (iii) At Airports, incharge of commercial (member secretary), in charge of finance, in charge of legal (if available) and one representative to be nominated by APD.
- (iv) At CHQ the cases to be approved by ED commercial will be recommended by a committee consisting of GM(Commercial), GM(Finance) and GM(Law)
- (v) For cases to be approved by Member or CAB or Chairman then the committee will consist of ED(Commercial),ED(Finance) and HOD of Law section in CHQ.

### **8.9.2 Role and responsibility of the DRC**

- (i) The committee should give clear recommendations within thirty (30) days of the reference of the case.
- (ii) The commercial department concerned will prepare the gist of the case and put up to the committee. A written application should be obtained from the party and the points should be clearly spelt out.
- (iii) The party should be given an opportunity to present his/their views. In person in addition the written statement
- (iv) The recommendations of the committee will be put up to the tender accepting authority for a decision.
- (v) The whole process should be completed within 45 days of reference.
- (vi) The officer concerned working as member secretary for this committee should maintain all the details of the progress and should ensure the completion of the process within the stipulated time period.

### **8.9.3 Status**

- (i) The dues referred to the committee will be treated as disputed. However, the status will remain disputed till the settlement or 45 days from the date of reference whichever is earlier.
- (ii) In case the dispute is not resolved within 45 days of the reference then the arbitration clause can be invoked by either of the parties.
- (iii) On completion of 45 days from the date of reference the DRC process will cease to be operative.



- (iv) However, Chairman will have full powers to extend the period specified above.
- (v) Once the arbitration clause has been invoked the DRC process will cease to be operative.

## **Chapter 8.10 : Arbitration**

**8.10.1** All disputes and differences arising out of or in any way touching or concerning this Agreement (except those the decision herein before expressly provided for or to which the AAI Act -1994 as amended upto date and the rules framed there under which are now enforced or which may hereafter come Into force are applicable), shall, in the first Instance, be referred to a Dispute Resolution Committee (DRC) setup at the airports, for which a written application should be obtained from the party and the points clearly spelt out.

**8.10.2** If dispute is not resolved within 45 days of reference or within the extended period, the then either party can invoke the arbitration clause as per agreement and provisions of Arbitration and Conciliation Act 1996 as amended from time to time. The arbitration shall be conducted by a sole arbitrator appointed by the Chairman/Member/Executive Director of the Authority. The award of the Arbitrator so appointed shall be final and binding on both the parties. Once the arbitration clause has been invoked, the DRC process shall cease to be operative. The Arbitration & Conciliation Act 1996 as amended till date shall be applicable.

**8.10.3** Acceptance of arbitration award will be done by Competent Authority as defined in DoP after obtaining the views/recommendations of the concerned RED/APD in consultation with Law Department.

**8.10.4** The disputed amounts which are referred for Dispute Resolution/Arbitration by the Competent Authority shall not be considered as outstanding dues provided the agency has furnished an additional validated Security Deposit (in addition to the Security Deposit as per the terms & conditions of the existing license/concession) equivalent to 50% of the value of the disputed amount. The period of this Security Deposit of disputed dues under arbitration shall be **minimum 2 years** from the date of DRC/Arbitration and further renewable.

### **8.10.5 Mechanism for dispute resolution in the existing and future concessions/ licenses**

#### **(i) Pending Arbitration Cases**

- a) All the pending arbitration cases should be pursued vigorously by the concerned department at CHQ in coordination with stations and endeavor should be made to resolve the issue expeditiously by providing requisite information of the proceeding to the advocate or to the arbitrator within the time schedule given by the arbitrator.
- b) In all the future concessions/ licenses, venue of the arbitration shall be mentioned as CHQ/concerned RHQ in the agreement.

#### **(ii) Post Award Process**

- a) Commercial directorate should form a committee at CHQ/ RHQ to study the arbitration award and put up their recommendations to the competent authority for challenging / accepting the arbitration award



within statutory period of 90 days as prescribed under the statute. As such a copy of the arbitration award along with the comments of the concerned department should be immediately forwarded to said committee at RHQ/ CHQ as the case maybe within a period of fifteen (15) days. The committee will submit its recommendations within next 15 days to the competent authority for decision.

(iii) **Change in future concessions/ licenses**

- a) In all future concessions/ licenses, Competent Authority for Appointment of Arbitrator should be as per DOP 2017.
- b) The arbitrator so appointed should be an expert in the relevant field for which the issue is under the reference e.g., for example, commercial related matters.

**8.10.6** Further, SOP for Arbitration in as per Annexure XX.

**Chapter 8.11 : Concession/ License Termination**

**8.11.1 Termination**

The notice of termination can be served by either side which should be acknowledged by the concessionaire/airport incharge. The date of receiving the notice at AAI or by the concessionaire will be treated as the date of commencement of notice period and it should be defined in the tender document invariably as detailed below:

1.	<b>For all contracts upto 1 year</b>	30 days
2.	<b>Contracts above 1 to 3 years</b>	60 days
3.	<b>Contracts above 3 to 5 years</b>	120 days
4.	<b>Contracts above 5 years</b>	180 days

Once the notice for termination has been served, airport in charge should take immediate action for processing fresh tender action.

**8.11.2 Exit Clause in Concession/ License**

Every commercial concession/ license signed between AAI and the concessionaires/ licensees should incorporate the exit clause explicitly. Types of termination and conditions are given below:

(i) **Normal termination:**

The concession/ license will deem to be terminated on the last date as given in the agreement provided the extension or renewal is approved by the competent authority on or before the last date and communicated to the party in writing and duly accepted. The liability of the party will continue to be payable along with the delayed interest (at the rate mentioned in the concession/ license) till the same is settled. The concessionaire/ licensee cannot claim the dues to be time barred or ultra vires even if after the concession/ license is deemed to have terminated by operation of this clause.



(ii) **Termination for cause:**

If the party or AAI has invoked the Internal dispute resolution clause (as per which the dispute referred to the DRC is to be completed within a period of 45 days) and the same remains unresolved after the specified time period, it will be deemed that the notice period for the termination has commenced from the next date within which the dispute should have been resolved. No extra notice need be served by either party or the concession/ license will terminate after the expiry of the notice period. If such termination happens to fall within 50% of the concession/ license period, then the party is liable to pay AAI the value of license fee equal to the amount of current license fee *equivalent to SD as mentioned in 7.13as* demurrage charges. The agreement should also provide for Invocation of arbitration clause only after the internal dispute mechanism has been exhausted. However, the notice for termination will deem to have commenced Irrespective of the arbitration proceedings.

(iii) **Termination for convenience**

Either party, AAI on one part or the contractor on the other party can serve the notice for termination by giving the requisite notice period. The notice by AAI to be served only after obtaining the approval of the acceptance authority. Similarly, the notice given by the party should be approved by the acceptance authority. However, the date on which notice was received at AAI will be the commencement of the notice period and the administrative time required for the approval will not be added. If the concession/license has been terminated within 50% of the license period or the party has not served the requisite notice of \_\_\_\_ days, for surrender of license/concession after completion of 50% licence period, then the Security Deposit equivalent to current license fee/MMG shall be forfeited as demurrage charges, as per the details below:

S. No.	If termination of concession/ license occurs	Security deposit equivalent to current license fee/MMG to be forfeited (in months)		
		For contract period of more than 3 years	For contract period of 1-3 years	For contract period of less than 1 year
(i)	Before 50 % of contract period	6	4	2
(ii)	between 50% to 75%	4	3	2
(iii)	between 75% to 100%	2	2	1

**NOTE:** If the licensee does not operate the license upto 50% of the contract period then the party is liable to be debarred for one year from the date of issuance of orders.

(iv) **Termination for regulatory/legislative or supervisory requirements**

If any provision of law or legislation of India makes it mandatory to stop/prohibits the continuation of any concession/ license at any particular



location or otherwise, then it will be deemed to be closed from the date of such enactment. No compensation is payable by AAI.

Exponential Penalty on licensees at double the license fee per month in the form of damage charges can be imposed on licensees occupying in unauthorized manner the premises after expiry of concession/ license period. The term unauthorized shall mean as per definition under Chapter VA of AAI Act, 1994.

## **Chapter 8.12 : Process for Debarring**

**8.12.1** In case of breach of terms of concession/ license, i.e. non-compliance to terms and conditions of the agreement/ NIT and/or non-adherence to the laws of the land, minimum seven (07) days preliminary notice is to be issued to concessionaire/ licensee seeking clarifications and rectifying the non-compliance.

However, in case of no fulfillment of preliminary notice by the concessionaire/ licensee, a show cause notice is to be issued, the reply to which has to be submitted by the concessionaire within 10 working days from the issue of show cause notice.

If warranted, the concession/ license may be terminated by the competent authority on recommendation of LCAC/RCAC and necessary action may also be taken to debar the agency from future participation.

**8.12.2** The following circumstances/conditions shall form the basis for debarment of an agency:

- (i) In case after opening of the technical bid and before opening of the financial bid, if any agency withdraws from tender process, the EMD of the party shall be forfeited and the party shall be debarred for participation in any tender at the said airport for one year from the date of debarment.
- (ii) However, after opening of financial bid, being H1 in the tender if the party withdraws its bid or after issuance of award letter, the party does not complete the requisite formalities within the prescribed period, EMD shall be forfeited and the said bidder will be debarred from participating in any tender of AAI for one year.
- (iii) If the licensee/concessionaires terminate the licence without serving the requisite notice of 30/60/90/120 days (depending upon the licence period) its security deposit is liable to be forfeited/adjusted as per para 20 of Chapter 7.13.
- (iv) If any concession/ license is terminated due to fraud, providing wrong information, or misrepresentation of the facts in the tender.
- (v) In case if any license is terminated due to any illegal activity which is punishable under any of the Laws of the Land then the party will be debarred till the case is cleared by the concerned legal authority of the land.
- (vi) In case the license is terminated due to outstanding dues being un cleared / unpaid by the licensee even after adjustment of Security Deposit against dues and at least 3 notices for recovery of dues have been served upon the licensee.



**8.12.3** The debarring of an agency shall be for a period of one year in cases (i), (ii), (iii) and in the case of (iv) and (vi), the debarment period shall be for a period of three years.

**8.12.4** Steps to be taken for debarring an Agency:

- (i) In the first instance, a show cause notice shall be issued by the concerned Airport Director for violation of breach of concession/ license in respect of circumstances/conditions as mentioned above, as the case may be. A time frame i.e. 10 days from the issue of show case notice should be indicated for replying to the show cause notice.
- (ii) On receipt of the reply or after time period to reply is over, as the case may be, the tender processing officer of the station concerned will process the case with all facts and supporting documents and place the same before LCAC/RCAC for consideration/deliberation.
- (iii) An opportunity should be given for a personal hearing to the delinquent agency to place his submission by the accepting authority.
- (iv) The LCAC/RCAC will examine and verify the facts and recommend the course of action for the approval of the accepting authority. The competent authority as per DOP shall give its decision on the recommendation of LCAC/RCAC/CAB, as the case may be, for debarment.
- (v) Once the approval is received by the Department of Commercial, a communication shall be sent to the delinquent agency for debarment outlining the breaches mentioning the period of debarment and description of concessions/ licenses etc. PAN of the agency should also be mentioned in the debarment order. A general notice is to be issued and circulated to all the Airports, Regional Offices and also pasted on the notice boards / uploaded on AAI website for wide publicity. [Link: AAI website → Tenders → Restraint on Issue of tender for AAI works] (format for the debarment is in Annexure XI)
- (vi) The agency will be intimated about the debarring by Airport/ RHQ/ CHQ, as the case may be.
- (vii) The complete process should be done within a maximum period of 60 days from the date of show cause notice.
- (viii) The debarred agency may make an appeal to the next higher authority against the debarment who after deliberation will give its decision.



## **Chapter 9:**

# **Debtors Management**



## Chapter 9 : Debtors Management

### Salient point covered in the chapter:

- Guidelines for dues monitoring
- Standard Operating Procedure for issuance of outstanding dues certificate
- Provision of on boarding factoring agencies for efficient and effective debtors management

For effective concession/ license management, at all stages there should be seamless flow of information between Department of Commercial and Department of Finance, which shall be responsibility of Airport Director and in charges of Commercial & Finance departments.

### 9.1 Dues Monitoring

**9.1.1** Department of Finance is to intimate the details about the payment performance including confirmation about the timely payment and position of outstanding dues (Detailed breakup with interest on delayed payment clearly indicated), if any, of each licensee to Department of Commercial on first day of every month.

**9.1.2** Department of Commercial will maintain close scrutiny on position of outstanding dues for each licensee, compare it with security deposit amount, issue reminder letters, notice for clearance of outstanding, initiate encashment of security deposit and termination if required.

### 9.2 Issuance of Outstanding Dues Certificate:

The guidelines with reference to issuance of Outstanding Dues Certificates (ODC) relating to commercial concessions/licenses are as follows: -

**9.2.1** The existing / past concessionaires/licensees of AAI intending to participate in response to RFQ/RFP/tenders should have 'NIL' outstanding dues in respect of all the units of AAI (where the participating tenderer is operating concessions/licenses or had operated concessions/licenses) as on the scheduled date of submission of RFQ/RFP/tender document as per the following criteria.

S. No.	Month of submission of RFQ/RFP/Tenders	No Dues Certificate required to be submitted along with RFQ/RFP/Tenders
1	April	For the period upto 31 <sup>st</sup> December (preceding one)
2	May	For the period upto 31 <sup>st</sup> March (preceding one)
3	June	For the period upto 31 <sup>st</sup> March (preceding one)
4	July	For the period upto 31 <sup>st</sup> March (preceding one)



5	August	For the period upto 30 <sup>th</sup> June (preceding one)
6	September	For the period upto 30 <sup>th</sup> June (preceding one)
7	October	For the period upto 30 <sup>th</sup> June (preceding one)
8	November	For the period upto 30 <sup>th</sup> September (preceding one)
9	December	For the period upto 30 <sup>th</sup> September (preceding one)
10	January	For the period upto 30 <sup>th</sup> September (preceding one)
11	February	For the period upto 31 <sup>st</sup> December (preceding one)
12	March	For the period upto 31 <sup>st</sup> December (preceding one)

**Note:** In case, the license award date is shifted to next quarter, due to prolonged tendering process, the tenderers shall have to clear the dues correspondingly upto the preceding quarter before award of the license. This would lead to delay in award of the concession/ license. Hence, to be omitted.

#### **9.2.2 Mandatory quarterly re-conciliation:**

- (i) A mandatory quarterly reconciliation (between AAI and concessionaires) of agency-wise accounts of commercial licenses operating at a particular airport is to be carried out by 20<sup>th</sup> April, 20<sup>th</sup> July, 20<sup>th</sup> October and 20<sup>th</sup> January of every quarter up to the previous quarter i.e. Jan – March, April – June, July – September and October – December.
- (ii) The verified and reconciled accounts statement has to be signed by the concessionaire for acceptance.
- (iii) AAI to issue jointly reconciled quarterly statement of accounts latest by 20<sup>th</sup> (April/July/October/January) for the respective quarter which should be communicated to agencies through e-mail and could be used by them as 'Nil' outstanding dues certificate in case they have cleared all dues payable to AAI at respective airport.
- (iv) Such statement is to be prepared and uploaded on AAI website by Department of Finance which can be seen and downloaded by the parties.
- (v) The Commercial In-Charge has to monitor such statements are uploaded by the due date and report noncompliance to higher authorities in case of any failure i.e. RHQ/CHQ.
- (vi) Any discrepancy observed by the Concessionaire should be informed to the Finance/Commercial Dept. within 7 days of uploading of said statement at AAI site and/or intimation to the concession.

- 9.2.3** In case the quarterly re-conciliation statement indicates outstanding dues against a particular agency who intends to participate in the tender, the agency shall have to pay the said dues pertaining to the previous quarter and specifically apply for



'Nil' outstanding dues certificate(s) and specific ODC shall be issued to the particular agency indicating that they have cleared the outstanding dues pertaining to the previous quarter and have 'No Dues' payable to AAI.

**9.2.4** In case, the agency submits a proof of payment of outstanding dues at the time of tender submission along with outstanding dues statement, this would entitle the agency of meeting the requirement of having 'Nil' outstanding dues.

**9.2.5** Accordingly, at the time of submission of tenders, the bidders shall have the liberty to submit any one of the following documents to claim 'NIL' outstanding dues:

'NIL' outstanding dues certificate issued by AAI

**OR**

Jointly reconciled quarterly statement of accounts uploaded on AAI website showing 'NIL' outstanding

**OR**

Jointly reconciled quarterly statement of accounts uploaded on AAI website showing outstanding amount along with proof of payment of such outstanding dues made by the bidder (s).

**9.2.6** During the intervening period i.e. after the submission of tender and before finalization of award, if any amount is found as outstanding against the H-1 emerged bidder, the bidder shall clear such dues (undisputed ones) before award of the license. For this purpose, all the bidders shall submit an undertaking along with tenders, that in case the bidder emerges as H-1, it shall clear all such dues before the award of license.

**9.2.7** In addition to above duly validated ODC, the participating bidder has also to ensure that valid Security Deposit as per the terms & conditions of the existing license/concession is also available with AAI and is reflected in the ODC. **Note:** RHQ shall compile the reconciliation statement at the regions for ready reference.

**9.2.8** A standardized proforma for issuance of ODC in respect of commercial concessions/licenses is enclosed as Annexure-XII.

**9.2.9** The disputed amounts which are referred for Dispute Resolution/Arbitration by the Competent Authority shall not be considered as outstanding dues provided the agency has furnished an additional validated Security Deposit (in addition to the Security Deposit as per the terms & conditions of the existing license/concession) equivalent to 50% of the value of the disputed amount. The period of this Security Deposit of disputed dues under arbitration shall be minimum 2 years from the date of DRC/Arbitration and further renewable.

**9.2.10** In the event of specific Order/judgment from a Judicial Court / Arbitral Tribunal staying/withholding the realization of certain dues, the adherence to the above condition will be exempted and regulated in accordance with the specific orders.

**9.2.11** The ODC will refer the application of the agency and will be addressed to the agency by AAI and should be duly signed / sent from the official e-mail of the authorized signatory of AAI who has been assigned the said task by the respective Airport Directors.



### 9.2.12 Standard Operating Procedure (SOP) for issuance of ODC:

Activity	Action
<p>i. Specific request letter / e-mail to be received from the agency along with duly signed statement of AAI's account in the Books of Agency. (This condition to be indicated in RFQ/RFP/Tender documents)</p> <p>ii. In case of agency/agencies operating at multiple airports, separate requests addressed to the designated Commercial officers at the concerned airport are to be made in the form of request letter/e-mail.</p> <p>iii. The overall responsibility to ensure issuance of ODC within the specified time-limit shall rest with Airport Director since the same involves coordination between the agency and Departments of Commercial and Finance</p>	<p>The request letter / e-mail of the agency for reconciliation of dues to be forwarded by Department of Commercial to Department of Finance within 02 working days along with an intimation to the agency.</p> <p>The Finance department to confirm the dues and intimate to Department of Commercial within a period of 03 working days. The designated officer in the Department of Commercial to inform the agency within 02 working days requesting it to clear such dues within 03 working days.</p> <p>In case, there are no dues, the ODC in the prescribed proforma to be prepared by Department of Finance and forwarded to the designated officer in the Department of Commercial within 07 working days from the receipt of such request from Department of Commercial for its issuance to the agency.</p> <p>The designated officer in Department of Commercial to ensure issuance of validated ODC to the agency within a period of 12 working days from the date of receipt of original request.</p>

### 9.3 Factoring Services

- (i) To hire the services of factoring agencies to ensure effective & efficient debtors management leading to strengthening of liquidity position, short term solvency aspect and higher debtors turnover ratio, APDs are empowered to hire the services of factoring agencies through call of quotation and L-1 should be awarded the concession/ license.
- (ii) The annual ceiling on account of such expenses should be kept not exceeding 1% of monthly billing amount.
- (iii) Further, detailed SOP and terms and conditions towards such services may be deliberated separately and subsequently.



## **Chapter 10:**

# **Innovative Commercial Facility**



## Chapter 10: Innovative Commercial Facility

### Salient point covered in the chapter:

- Definition of innovation commercial facility in non-aero commercial operations.
- Guideline for opportunity identification
- Procedure for concession/ license design, develop and award
- Examples of Innovative Commercial Facility

With increasing passenger preferences, rising disposable income, certain passenger needs may be un-served by the existing commercial facilities in the commercial manual. Also, with changing time, a new passenger need or a potential source of revenue may arise. Such untapped avenues with opportunities for commercial exploitation which will add further value to passenger experience shall be explored under 'Innovative Commercial Facility' category.

**10.1** Identification of Innovative Commercial Facility: New or un-served passenger needs having commercial revenue potential may be identified/discovered through passenger feedbacks, market surveys or feedback from stakeholders, business proposals from aspiring agencies etc.

**10.2** The innovation in commercial facility could be either of the following:

**10.2.1 Incremental Innovation:**

An innovation based on passenger need and untapped revenue potential and requires "an expansion/modification of scope of an existing" commercial facility.

**10.2.2 Radical Innovation:**

An innovation based on passenger need and untapped revenue potential and requires for design of a new commercial facility (only if no such commercial activities, direct or indirect, are specified in commercial manual).

**10.3** Proposals in respect of the above-mentioned innovations shall be justified and backed by clearly defined scope of facility, and the estimated size and positive impact on commercial revenue and the value addition to airports are envisaged.

**10.4** Following points is to be considered for identification of an Opportunity/proposal of an Innovative commercial facility:

**10.4.1** Passenger's need for such facility

**10.4.2** Method and means applied to fulfill the need

**10.4.3** Estimated positive impact on commercial revenue potential

**10.4.4** Infringing rights of other licensees (current/future)

**10.4.5** Ease of getting clearance from security, civil, engineering department etc.

**10.4.6** Location best suited for the facility (Departure/Public Concourse/SHA/Arrival/City side)



- 10.4.7 Experience of the agency to be invited for setting up the facility. (If radical innovation, a one-week trial counter may be proposed)
- 10.4.8 Time required for establishing the facility – The lower the better.
- 10.4.9 Space required – Facility shall be restricted to 20 sq. mtrs. in initial implementation
- 10.4.10 Financial and Operating Model (Average amount of sale, costs involved, support required from airport)
- 10.4.11 Possibility of a concession/license developed from the model. (IP rights)

**10.5 Financial Valuation:** The financial valuation of the facility would be based on based on period assessment and would undergo revision after first three (03) months.

**10.5.1 Initial Valuation:**

- (i) If the facility is present in leading private airports, their feedback/ inputs on business potential
- (ii) Based on the size of target passenger segment (N) and their estimated usage of the facility. This would be either done by a analyzing the data from past passenger survey/feedback at the airport or a short passenger survey.
- (iii) Average price ( $P_{avg}$ ) of the services offered at the facility.
- (iv) Financial value of the facility =  $N \times P_{avg}$

**10.5.2 Valuation after three (03) months:**

- (i) This would be based on total revenue generated from the facility in third month and the month-on-month growth rate in last three months.
- (ii) Estimated Financial Value of the facility: Revenue in 3rd month x Monthly % Growth rate.

**10.6 License fee model**

**10.6.1**The innovative commercial facility at an airport is a commercial facility not covered exclusively in the manual or commercial instruction and is a venture that might face some unforeseen challenges; hence for an initial period of one (01) year. Generally, the license fee would be on % revenue share model. However, based on ground realities and nature of commercial activity, suitable license fee model may be adopted with proper justifications.

**10.6.2** Further, after first year of operation:

- (i) The license fee would be based on Minimum monthly guarantee or revenue share (%) whichever is higher.
- (ii) MMG to be calculated based on financial valuation.
- (iii) MMG = 10% of estimated expected revenue generated (Rounded to nearest 1000).
- (iv) MMG or Revenue Share whichever is higher shall be charged by AAI.



- (v) All sale details of the facility shall be closely monitored by Commercial team (Authorized Bill book/EPOS).
  - (vi) Space rentals and Utility/CAM charges shall apply as other concession/ license.
- 10.7** Competent Authority to approve award of any commercial facility as an innovative facility shall be as per provisions of DOP.
- 10.8 Exit Clause:**
- 10.8.1** Either party, AAI or the agency can issue a notice for termination of thirty (30) days.
  - 10.8.2** If Airport has issued termination notice, there shall be no dispute/ litigation from the agency.
  - 10.8.3** If the agency has issued a termination notice, they shall vacate and handover the premises peacefully and shall be liable to pay the dues, till the date of termination of contract or handover of the site by agency to AAI.
- 10.9** In case such facility is already running under innovative commercial facility at some other airport and it has been more than six months since its inception - views and experience of that airport may be sought and if it justifies introduction of facility at concerned airport also, then the said facility may be treated as innovative facility and may be processed accordingly.
- 10.10** All details pertaining to innovative facility introduced at an airport shall be shared with RHQ as well as CHQ. CHQ may share details of such innovations across all airports.
- 10.11** APDs will monitor the performance of the license granted on innovative basis and share all performance metrics (revenue generated, passenger convenience enhanced, feedback of passengers) and status updates on the said facility with RHQ and CHQ on monthly basis.
- 10.12** After one-year period of the license awarded under Innovative commercial facility, APD will send a detailed proposal with recommendation of LCAC which will have complete performance report, revenue details and problems faced to RHQ. RHQ with its comments and recommendations will forward the same to CHQ. CHQ will decide whether innovation needs to be scaled up and included as part of Commercial Manual. The decision will be communicated to the airport and accordingly Airport may initiate the process of award of regular tender or discontinue the facility after expiry of concession/ license period. By the instructions of CHQ, the tender may be initiated at other airports after one year of completion of the facility. An undertaking of 'No objection' may be sought from the initiating agency in this regard, as a part of License Agreement.
- 10.13** An undertaking may be obtained from such licensee to the effect that grant of license on innovative basis shall not confer and /or give any right for continuation of the concession/ license after expiry of award period and shall vacate and handover the premises without any dispute and demur and shall not enter into dispute and/or litigation.
- 10.14** REDs/Airport Directors shall ensure that any innovative activity inducted at the airport does not infringe rights of the regular licensee(s) so as to avoid litigation from existing licensees.





## **Chapter 11:**

# **Management Information Systems (MIS)**



## Chapter 11: Management Information Systems (MIS)

### Salient point covered in the chapter:

- Guideline for managing information in AAI.

- 11.1** MIS system helps management in short/long term planning, target setting and controlling functions.
- 11.2** All airports should be covered under AIMS (Airport Information Management System) module which will be providing information pertaining to various interfaces like Commercial/Legal/Finance/ANS etc. and needs to be updated by the concerned departments on monthly basis.
- 11.3** AIMS module shall have the capability to generate MIS reports as per requirement at various levels and desired formats.
- 11.4** Officials at the station should update all the data on AIMS module pertaining to commercial department on a regular basis of all the actions taken and as per provisions of data entry.
- 11.5** RHQ should be responsible for Data validation and analysis so that the data is usable as per the requirement (based on the information updated).
- 11.6** There shall be seamless information sharing between AIMS system and ERP(SAP) data system of AAI so that real time information in respect of outstanding dues, current status of Security deposit and its mode (BG/Cash) for each licensee is reflected on the AIMS system also.
- 11.7** Consolidated data from EPOS systems shall be channeled to AIMS system.
- 11.8** Prior to that, relevant data shall be furnished by concessionaires (especially the ones with revenue sharing model) in the format requested by AAI. Commercial department shall conduct random audits to check the authenticity of data. Any inconsistencies/violation of terms and conditions shall be penalized.
- 11.9** Any other additional field or data point as required at all airports has to be reviewed by CHQ and informed to AIMS solution provider to upgrade accordingly.
- 11.10** Refer Annexure XIX for Comprehensive list of Parameters in MIS.
- 11.11** User manual for commercial module of AIMS is downloadable from AIMS portal.
- 11.12** Refer Annexure – XXXII for brief on Commercial module of AIMS portal.





## **Chapter 12:**

# **Space Allotment to Airlines & other agencies**



## Chapter 12: Space Allotment to Airlines & other agencies

### Salient point covered in the chapter:

- Airlines
- Other agencies

**12.1** The space available within inside/ outside terminal building within the airport premises are categorized into 3 categories:

#### **12.1.1 Premium Location –**

The locations in the airport premises which has (i.e. departure hall, SHA, public concourse and city side etc.) highest commercial business potential.

The locations under premium category are: Departure hall, SHA and City side, spaces which have accessibility from city side as well as terminal building.

(The space rent for premium locations to be two (2) times the normal AC space rent.)

#### **12.1.2 Standard location –**

The location where airline/ govt. agencies needs space for their operational requirement and have less commercial business potential. An example of standard location is Arrival hall.

(The space rent for standard location will be equal to normal AC space rent.)

#### **12.1.3 Concessional location –**

The locations where there is low/ negligible business potential and such area do not have access by passengers/General Public. Space Allotment to Central/ State Government Agencies for regulatory/ statutory functions shall also be categorized as concessional locations irrespective of its location.

(Space rent for concessional locations to be fifty per cent (50%) of the normal AC space rent.)

#### **Note:**

The above rates are being reviewed at CHQ level and shall be implemented only after issuance of detailed instruction in respect of space rent. Till such time, existing policies shall prevail.

**12.2** The following agencies are to be provided with space as per requirement without call of tender for the period as defined in DoP:

**12.2.1** Mandatory/Regulatory agencies (Immigration, Customs, Health, Security, Meteorological Dept., Plant Quarantine and Scheduled PSU banks in case of collection of FTT & Customs Duty etc.). Mandatory-essential services provided



by the Government departments like Department of Immigration, Customs, Health, Police, Plant Quarantine, IB etc. will not attract any rentals or electricity charges for providing counters etc. in the common area/passenger handling area. However, the requirement of office space or back up area will be allotted based on applicable space rent, electricity and other charges.

**Note:** The guidelines for space allotment to Bureau of Immigration, Customs Department, APHO, Animal and Plant Quarantine are under review at CHQ and shall be implemented only after issuance of detailed instruction in this respect. Till such time, existing policies shall prevail.

- 12.2.2** Central/State Government departments
- 12.2.3** PSU Oil Companies
- 12.2.4** Airlines and its ancillary service providers
- 12.2.5** Other statutory and allied agencies

### **Chapter 12.1 Airlines**

Allotment of check-in counters to airlines/parties shall be at the following rates:

**12.1.1 Category ‘Mega’/‘A’/‘B’ Airports:**

Rs. 1250/- per flight covering arrival and departure	For one counter
Rs. 1600/- per flight covering arrival and departure	Upto 3 counters for serving the same flight having economy, business and first class passenger
Rs. 1250/- per flight per counter (more than 3 counters) covering arrival and departure	For additional counters for each flight

**12.1.2 Other Category Airports:**

Rs. 950/- per operation covering arrival and departure	For one counter
Rs. 1250/- operation covering arrival and departure	Upto 3 counters for serving the same flight having economy, business and first class passenger
Rs. 950/- per flight per counter (more than 3 counters) covering arrival and departure	For additional counters for each flight



**Notes:**

- (i) The counter and allied accessories are to be provided by AAI.
- (ii) A separate agreement for Check-in Counters may be signed with each airline valid for 5 years.
- (iii) No SD is proposed to be collected against this agreement.
- (iv) Station-in-charge is provided with requisite powers to stop use of counters by the airlines if the payment of these charges is due for more than 2 billing cycle.
- (v) All applicable taxes/ charges etc. shall be payable by the airlines
- (vi) Based on availability & requirement of operations the allotment of counter to be approved by the in-charge of airport for any party/airlines. The party/airlines should have the other requisite permissions etc. to operate a flight from the airport.
- (vii) In case due to any reason, the station is not able to provide the counter & accessories and the party is willing to provide the same then the charges mentioned above will be reduced to 50% of the rates. However, this clause to be used very sparingly without affecting the overall aesthetics and requirements of operations and maintenance.
- (viii) A gestation period of maximum 30 days or actual commencement of commercial operation whichever is earlier will be permitted.
- (ix) The rates as defined above are subject to revision from time to time.
- (x) The allotment of space (Check-in counters/built-up space/bare space) to operative airlines will be allotted on first come first serve basis.

**Chapter 12.2 Other Agencies**

- 12.2.1** Periodicity – Up to 5 years, as per DOP. Shall be renewed by the original approving authority based on operational requirement, clearance of outstanding dues and availability of space.
- 12.2.2** Space to regulatory/security/statutory/government agencies etc. to be allotted based on requirement.
- 12.2.3** In case of allotment within the terminal buildings or its annexes, the rate as applicable for the built-up space will be applied as per policy in this regard.
- 12.2.4** In case of remote buildings not falling within the airport area and the rentals are likely to be different from the terminal buildings then,
  - a. The commercial rent prevalent in the vicinity of the area to be ascertained through market survey by a constituted committee.
  - b. The annual escalation rate of 5% shall be applicable from the date of award of concession/ license.
- 12.2.5** Electricity/Utility/CAM/other charges etc. may be included in agreement payable in addition to space rent.



**12.2.6** Gestation period of maximum 30 days or actual commencement of operation whichever is earlier.

**12.2.7** ALLOTMENT OF SPACE TO DGCA

- i) Whenever new built up area is constructed on AAI land as combined office space of DGCA, BCAS and AAI where capital cost is shared, such allotment may be done at rental of Rs.1/- per month. The normal maintenance charges, electricity and water charges etc. shall be charged separately. This is in view of no land rental and cost of construction is already shared by DGCA.
- ii) The area which is in possession with DGCA prior to formation of NAA in 1986, shall be with DGCA without any space rental where allotment to DGCA at a nominal fee of Rs.1/- per month and shall be continued for the operational purposes of DGCA.
- iii) If the area allotted to DGCA prior to 1986 is vacated and same area is allotted afresh as replacement, the same may be provided free. If the area to be allotted post vacation is more than the area allotted prior to 1986, the area originally allotted shall be provided free and area over and above the original allotted area, to be charged as 50% of the normal space rent. For example, DGCA has been provided an area of 300 sqmtr prior to formation of NAA in 1986 and after replacement (post 1986), DGCA is to be allotted an area of 500 sqm, then the space rent to be calculated on the following principle:
  - a) Upto 30 sqm – Free
  - b) Over and above 300 sqm i.e. remaining 200 sqmt – To be charged as 50% of the normal space rent.

**12.2.8** Allotment of space to Govt. Agencies

As per availability of space for such allotment in airport, space can be allotted to Govt. agencies subject to:

- (i) Allotment is not more than 5 years period.
- (ii) The space allotted to state government agencies at the airports on negotiation basis subject to minimum charges of terminal building, space rent plus other applicable utility charges to maximum limit of 15 sq.mts. Any space beyond 15 sq.mts is to be charged at the average commercial space rent obtained through tender for similar facility. Airport Directors will be empowered to allot the space on recommendations/approval by LCAC for a maximum period of five years
- (iii) The state Government Department shall run the shop themselves and not sublet to other parties.
- (iv) Annual escalation shall be applied as per policy of AAI.
- (v) The allotment will be restricted to the particular State Govt. Organization where the airport is located.



### **12.2.9 Advertisement to Govt. Agencies**

- (i) For Central/State Govt. department request for advertisement/displays at the airports – To be permitted with 50% of the advertisement charges applicable at the respective airport for advertisement/display of Govt. initiative/schemes/projects/public information etc. for not exceeding 3 months in a calendar year per display. No rebate/discounted rate is applicable to PSU's. The rebate for State Govt. Dept. will be applicable for the airports situated in that particular state only.
- (ii) Allotment of Reception counter/ Delegation desk at Airports for conference/meetings etc. by Central/State Govt. depts. – To permitted free of cost up to a period not exceeding 7 days subject to :
  - a) Counter Space should not exceed 8 sq.mts
  - b) Normal charges will be applicable to PSU's
  - c) Third Party Sponsored message/banner/displays/standees etc. are not permitted.

**Note:**

The discounted advertisement concession at the airports to Central Govt./State Govt. Department is generally meant for displays of public interests and not for any displays having commercial interests. The concession will not apply in favour of any kind of commercial promotions including Public Sector Undertakings allotment shall be done by respective Airport Directors judiciously and without any infringement of the rights of advertisement licensee at airports.





## **Chapter 13:**

# **Audit & Vigilance (Efficiency cum Performance Audit)**



## **Chapter 13: Audit & Vigilance (Efficiency cum Performance Audit)**

### **Salient point covered in the chapter:**

- Audit
- Vigilance

### **Chapter 13.1: Audit**

Within AAI Commercial Dte, three audits are conducted for assessing the efficiency and effectiveness of the directorate as detailed below:

- i.** Government Audit, conducted by Comptroller & Auditor General (CAG) of India
- ii.** Internal Audit, conducted by internal audit team and chartered accountant appointed by AAI
- iii.** Audit & Concessionaire Performance assessment, conducted by AAI Commercial Dte.

#### **13.1.1 Government Audit**

- (i) This audit is conducted by Comptroller & Auditor General of India to assess the efficiency and effectiveness of the commercial Dte.:
- (ii) The audit shall be conducted at CHQ, RHQ and Station.
- (iii) The overall process of CAG audit reports creation is completed in four (04) stages as below:
  - i. Audit in Commercial Dte.
  - ii. Creation of half-Margin
  - iii. Observation Generation
  - iv. Audit Para Generation
- (iv) Audit process involves visiting the commercial directorate and auditing the activities, processes and compliance and non-compliance.
- (v) Once the audit is complete, the auditor shall make the list of observations based on the audit
- (vi) Commercial in-charge shall offer supporting files or part of a file to counter the observation in the audit.
- (vii) An attempt should be made by the commercial team to provide justification, documents to the auditor's observation at the time of observation.
- (viii) In case of disagreement or total compromise on the auditor's opinion on the observation is not there between commercial team and auditor's team, the



justification/ supporting documents must be recorded in the file by the commercial team.

- (ix) The report so generated by the auditor team is called “half-margin”.
- (x) Sincere effort by the commercial team is required to clarify the observation in case of any inconsistencies at the “half-margin” stage.
- (xi) Once half-margin report is submitted, list of observation would be generated called “Observation report”.
- (xii) The file recorded with argument/justification/documents shall be conveyed that commercial team provided argument/justification/documents while the observation was recorded by the auditor.
- (xiii) Commercial in-charge shall ensure the observations are clarified and supporting document are provided in the observation stage. After the observation, no further justification or clarifications would be accepted.
- (xiv) Further, in case the observation is not clarified at observation stage, it will form part of the “Audit Para” and will be shared with CAG and finally form part of their report to Parliamentary Standing Committee.
- (xv) APD shall be the responsible authority at Airport, RED at RHQ and ED – Commercial for commercial related matter in CHQ for Government Audit and Vigilance.

### **13.1.2 Internal Audit**

Internal Audit to be an independent appraisal activity, conducted by Internal Audit department with support from appointed chartered accountant for the review of accounting, financial and performance (economy, efficiency and effectiveness) of the commercial department. It helps the organization accomplish its vision, mission and objectives by bringing a systematic, disciplined approach to evaluate and improve the efficiency and effectiveness of the organization:

- (i) For an effective and timely completion of audit conducted by internal audit team, it shall be imperative to be compliant with the guidelines outlined in the commercial manual.
- (ii) Under the Comptroller and Auditor General (C&AG) of India Act 1971, the scope and extent of “Internal Audit” is determined by the C&AG and is an annual activity. The date of commencement of internal audit for commercial to be communicated by internal audit department of the Authority.
- (iii) Commercial team at Airports, RHQ and CHQ to ensure that all the required documents for the audit is up to date and complied with the directions of the commercial manual.
- (iv) Commercial In-charge is responsible for providing the clarifications/ justifications/ supporting document for the inconsistent audit observation at commercial activities at airport, RHQ and CHQ.



### **13.1.3 Audit & Concessionaire performance management:**

To ensure compliance to the terms of agreement with the concessionaire and hence, high audit standards, commercial directorate would periodically conduct audit and concessionaire performance management of the concession/ license. Detailed guideline for the audit and performance management for concessionaire shall be as per Chapter 8.3 of the commercial manual.

## **Chapter 13.2: Vigilance**

Vigilance Directorate in AAI aims at creating a corruption-free environment conducive for high-level performance by each individual towards achieving AAI's Mission and Vision. The guideline to ensure a corruption-free environment for high-level performance by individuals of commercial directorate is as under:

**13.2.1 In tendering process:** Tender conditions must be framed in such a way that all bidders are given equal, transparent & fair opportunity.

- (i) The eligibility/ pre-qualification, evaluation criteria, whatever AAI commercial adopts, shall be made explicit at the time of inviting tenders.
- (ii) Terms and Conditions of a concession/ license should be framed in such a way that there is maximum participation and no agency get advantage above others.
- (iii) Ensure that the bidders are not connected to each other.
- (iv) Agencies don't violate the conditions of the tender by creating rights over the shareholdings for transfer of shares in favor of one of the directors of the agency or otherwise.
- (v) There shall be provision of exit clause in the agreement.
- (vi) The acceptance/ rejection of any bid should not be arbitrary but on justified grounds as per laid out specifications, evaluation/exclusion criteria.
- (vii) Appointment of Independent External Monitors by AAI to all commercial tenders with annual license fee of more than Rs. 2.5 Crores.

**13.2.2** Procurement and appointment of consulting and other services shall be as per the "Manual for Procurement of consultancy & other services 2017". The hyperlink for the manual is below:

<http://doe.gov.in/sites/default/files/Manual%20for%20Procurement%20of%20Consultancy%20and%20Other%20Services%202017.pdf>





**Chapter 14:**  
**Miscellaneous**



## Chapter 14: Miscellaneous

### Chapter 14.1: Additional Gestation Period

- 14.1.1** At times proposal are received for additional gestation period over and above as specified in the tender documents for the approval of the competent authority.
- 14.1.2** There may be certain situations where commencement of business before or on expiry of gestation period could not be achieved by the licensee because of factors beyond the licensee's control such as non-receipt of BCAS clearance in spite of timely application, delay in timely provision of essential utility/services such as electric load, water supply, etc. by AAI which may be a pre-requisite for setting up the outlet and commencing the operations, etc.
- 14.1.3** Grant of additional gestation period will not be considered. However, under exceptional circumstances, grant of additional gestation period shall be considered by the competent authority as defined below, if the same is appropriately justified and premised on the documentary/supporting documents with explicit recommendations of the station as well as concerned Region.
- 14.1.4** Competent authority for granting additional gestation period:

S.No.	Additional Gestation Period Required	Approving Authority
1.	Upto 30% of original gestation period as per NIT	APD/RED/ED(Commercial) for tenders invited at Station/RHQ/CHQ respectively.
2.	More than 30% to upto 100% of original gestation period as per NIT	i. RED in case of tenders accepted by APD under their respective region. ii. Concerned Member in case of tender accepted by RED/APD Gr.I/ED (Commercial).
3.	More than 100% of original gestation period as per NIT	Concerned Member in case of tenders invited at Station level/RHQ. Chairman in case of tenders invited at CHQ.

- 14.1.5** Further only the space rental shall be charged for the additional gestation period over and above the gestation period, as stipulated in the tender document/NIT.



## Chapter 14.2 : Settlement Advisory Committee

Formation of settlement advisory committee for one-time settlement of disputes on account of license to agencies & other commercial contracts at airports managed by AAI.

### **BACKGROUND**

- 14.2.1** There are numbers of disputes arising out of agreements executed by AAI for commercial contracts at various airports which ultimately leads to long lengthy process of resolution either through Arbitration/ Legal Proceedings or through process of eviction of unauthorized occupants from AAI and recovery of dues through Recovery Proceedings as per provisions of AAI Act.
- 14.2.2** The disputes are mainly due to following reasons:
- (i) Applicability of revised rental during the period of lease/licence.
  - (ii) Interpretation w.r.t certain like built up area viz-a-viz plot area related to Floor Space Index.
  - (iii) Quantum of damage charges to be levied on unauthorized occupation.
  - (iv) Quantum on percentage of interest to be charged on delayed payments.
  - (v) Disputes related with gestation period viz-a-viz liability of payment of Minimum Guaranteed Amount due delay in grant of NOC / approval of construction drawings.
- 14.2.3** The above disputes leads to accumulation of huge amount of dues which locks AAI's cash flow apart from AAI incurring sizable expenditure on defending its interest in legal/court/arbitration proceedings.
- 14.2.4** Further, AAI continue to raise bills / invoices resulting in payment of Services Tax / GST as well as corporate Tax on actual invoice being raised without getting revenue therefrom. Further, accumulation of sundry debtors ultimately needs to be written off as bad debts.
- 14.2.5** In various cases, the disputes/legal cases continue from years together in courts or in arbitration proceedings. However, agencies are keeping possession / utilizing the allotted space but either not paying the dues or paying on much lower rates, on one pretext or the other. In some of the cases, even C&AG have commented adversely with regard to non-recovery of dues by AAI.
- 14.2.6** In an endeavor to resolve the old ongoing / pending cases, the issues have been deliberated upon at various levels and it has been felt to identify those issues which can be amicably settled (out of Court) through formation of Settlement Advisory Committee.
- 14.2.7** In order to resolve such cases, it is proposed to form a SAC to advise and recommend AAI Board for OTS proposal in order to enable AAI to resolve the issues expeditiously. The details with respect to formation of SAC i.e. constitution SAC, eligibility criteria, tenure of each references to SAC, scope of work and remuneration thereof, a detailed Standard Operating Procedure (SOP) has been prepared.



### **Financial Implication:**

In case AAI Board accepts the recommendation of SAC for One Time Settlement of the case, AAI will be able to part recover the dues from the agencies (which may not be strictly in terms of the agreement). The financial consideration for acceptance of the recommendation of SAC will vary from case to case.

### **Precedence:**

In a few land/space related agreements executed between AAI and agency, there is provision of Resolution of Dispute through Dispute Resolution Committee (DRC) apart from arbitration clause. But in most of the agreements, this provision does not exist. However, this practice exists in other organizations such as financial Institution. Banks, Municipal Corporation, NHAI, Jal Board, Electricity Supply Dept./Agency. Statutory Tax Depts, in various states who have been coming up with such schemes i.e. waiver/concession/exemption of dues on various heads.

### **Justification:**

1. In view of the pending/ongoing commercial disputes in various courts as well as arbitration proceedings, AAI is unable to recover its dues from the agency.
2. AAI is also making huge expenditure for defending cases in various courts/arbitration proceedings by appointing Advocates. Sr. counsel, Attorney Generals, Arbitrators and other recurring expenditure thereon.
3. AAI may not be able to recover the dues as per agreement but may realize the major dues as per decision of SAC and also agency would continue to pay the dues on revised terms for the further renewal period of the agreement. In addition AAI will get rid of making heavy expenditure on legal cases, stated above.
4. Further, the crucial land under litigation will be available for development or for generating new commercial assets.

## **Chapter 14.3 : Constitution and Roles and Responsibilities of CAB/CAC/ RCAC/ LCAC**

Constitution and roles and responsibilities of Commercial Advisory Board / Commercial Advisory Committee / Regional Commercial Advisory Committee / Station Level Commercial Advisory Committee shall be as per DOP.

## **Chapter 14.4 : Regional Connectivity Scheme (RCS)**

In order to ensure minimum basic required Commercial facility for the passenger at the time of operationalization of AAI airports covered under Regional Connectivity Scheme {RCS}, the following basic Commercial facilities are identified:-

- a) Tea / Snacks Bar



- b) Baggage Trolley
- c) Car Parking
- d) Taxi Service
- e) Airport Entry Ticket

**14.4.1** Nodal officer should club the above facilities as per ground realities of the concerned airport to make it viable licenses. Generally, first three facilities (Tea/Snacks Bar, Baggage Trolley, and Car parking) can be clubbed.

**14.4.2** Having considered and configured the licenses, Nodal Officer should fix a realistic MRLF, based on the ground realities and if he is unable to do so, quotation may be invited with MRLF of Rs.1/- p.m., in order to ensure the availability of the said services, before the commencement of scheduled operations, with following eligibility criteria :-

- (i) Party having 6 months' experience of operating any of the three business (Tea/Snacks Bar or Baggage Trolley or Car Parking) in airport/Bus stand/Railway Station/ Commercial Complexes, with annual Gross turnover of Rs.50,000/.
  - a) In case of clubbing of facilities, experience of any of the clubbed facilities may be considered for which tender/quotation is invited.
  - b) In case of non-clubbing of facilities, experience of specific facility may be considered for which tender / quotation is invited.
- (ii) Party should submit: -
  - a) Copy of PAN
  - b) Copy of VAT Registration
  - c) Copy of GST Registration Certificate
  - d) Certified copy by Chartered Accountant, showing annual Gross turnover of more than Rs.50,000/-.

**14.4.3** Security deposit equal to three months License Fee should be deposited by the Licensee before commencement of the License.

**14.4.4** For Taxi service, agency should be allotted a space on justified space rent with a fixed amount per trip / booking, minimal to the pre-paid taxi rates of Rs. 25/- per trip, including Service Tax.

**14.4.5** Designated Nodal Officer is authorized to arrange these facilities either through Quotation or through direct communication to the interested party for the period of 6 months, extendable for further 6 months.

**14.4.6** Nodal Officer should keep record of passengers, flights, Vehicle /Taxi movements to assess commercial viability for fixation of MRLF of various Commercial facilities for regular tender.



- 14.4.7** Based on the feedback and business potential, regular tender shall be invited after 06 months with determined MRLF for various commercial facilities, with the help of Commercial Manager of nearby airport.
- 14.4.8** Airport Entry Ticket facility will be on need basis and on the discretion of APD/ incharge of RCS Airports or concerned RED's of respective region as many of the airports under RCS may not have the provisions of segregated visitor area for the purpose of visitor entry inside of terminal building.
- 14.4.9** However, wherever such spaces are available and considered by APD / Incharge of Airport, this facility may be included.

### **Chapter 14.5: Execution of Agreement**

- 14.5.1** After execution of license agreement, certified true copy should be given to the licensee.
- 14.5.2** The agreement will consist of following documents duly signed by both the parties:
- (i) NIT including Tender Document
  - (ii) Corrigendum/Addendum to NIT, if any
  - (iii) Bid documents submitted by the successful bidder
  - (iv) Copy of LOIA
  - (v) Acceptance letter of LOIA received from the licensee
  - (vi) Handing over taking over note
  - (vii) Duly executed License Agreement along with all annexures, schedule of premises and location layouts
  - (viii) Copy of Bank Guarantee
  - (ix) Proof of payment towards advance license fee
  - (x) Duly executed Integrity Pact, if applicable



## Annexure I: List of Airports as per their categories\*

S.No.	Int./Dom.	Airport	Pax in millions	Category
1	Int.	Chennai	20.361	Mega
2	Int.	Kolkata	19.893	Mega
3	Int.	Ahmedabad	9.174	A
4	Int.	Pune	8.165	A
5	Int.	Goa	7.607	A
6	Int.	Jaipur	4.757	A
7	Int.	Lucknow	4.753	A
8	Int.	Guwahati	4.668	A
9	Int.	Trivandrum	4.393	A
10	Int.	Bhubaneswar	3.251	B
11	Int.	Calicut	3.139	B
12	Int.	Patna	3.111	B
13	Int.	Vishakhapatnam	2.48	B
14	Int.	Srinagar	2.44	B
15	Int.	Coimbatore	2.404	B
16	Int.	Amritsar	2.32	B
17	Dom.	Indore	2.27	B
18	Int.	Mangalore	2.27	B
19	Int.	Bagdogra	2.256	B
20	Int.	Varanasi	2.088	B
21	Dom.	Ranchi	1.778	C
22	Dom.	Raipur	1.628	C
23	Int.	Port Blair	1.55	C
24	Int.	Trichy	1.513	C
25	Dom.	Jammu	1.444	C
26	Int.	Madurai	1.443	C
27	Dom.	Agartala	1.379	C
28	Dom.	Udaipur	1.147	C
29	Dom.	Dehradun	1.125	C
30	Dom.	Vadodara	1.009	C
31	Int.	Imphal	0.988	D
32	Int.	Vijayawada	0.746	D
33	Dom.	Bhopal	0.722	D
34	Dom.	Leh	0.692	D
35	Dom.	Surat	0.681	D
36	Int.	Tirupati	0.585	D
37	Dom.	Jodhpur	0.469	D
38	Dom.	Silchar	0.367	D
39	Dom.	Rajkot	0.365	D



S.No.	Int./Dom.	Airport	Pax in millions	Category
40	Int.	Aurangabad	0.344	D
41	Dom.	Dibrugarh	0.337	D
42	Dom.	Rajahmundry	0.268	D
43	Dom.	Jabalpur	0.223	D
44	Int.	Gaya	0.187	D
45	Dom.	Dimapur	0.186	D
46	Dom.	Bhuj	0.171	D
47	Dom.	Juhu	0.166	D
48	Dom.	Belgaum	0.148	D
49	Dom.	Guggal (Kangra)	0.139	D
50	Dom.	Gorakhpur	0.102	D
51	Dom.	Tuticorn	0.096	Others
52	Dom.	Jorhat	0.075	Others
53	Dom.	Jamnagar	0.072	Others
54	Dom.	Khajuraho	0.056	Others
55	Dom.	Hubli	0.049	Others
56	Dom.	Allahabad	0.046	Others
57	Dom.	Cuddapah	0.043	Others
58	Dom.	Porbandar	0.042	Others
59	Dom.	Agatti	0.039	Others
60	Dom.	Jaisalmer	0.036	Others
61	Dom.	Bhavnagar	0.036	Others
62	Dom.	Bhuntar	0.03	Others
63	Dom.	Gwalior	0.025	Others
64	Dom.	Bikaner	0.023	Others
65	Dom.	Diu	0.021	Others
66	Dom.	Bhatinda	0.018	Others
67	Dom.	Pantnagar	0.015	Others
68	Dom.	Agra	0.014	Others
69	Dom.	Lakhimpur (Lilabari)	0.013	Others
70	Dom.	Barapani (Shillong)	0.013	Others
71	Dom.	Ludhiana	0.011	Others
72	Dom.	Shimla	0.01	Others
73	Dom.	Tezpur	0.009	Others
74	Dom.	Kanpur (Chakeri)	0.002	Others
75	Dom.	Kolhapur	0.000014	Others
76		Pakyong		Others
77		Aizwal		Others
78		Akola		Others
79		Balughat		Others
80		Behala		Others



S.No.	Int./Dom.	Airport	Pax in millions	Category
81		Cooch Bihar		Others
82		Daparizo		Others
83		Dessa		Others
84		Jhansi		Others
85		Kandla		Others
86		Keshod		Others
87		Kota		Others
88		Mysore		Others
89		Passighat		Others
90		Pondicherry		Others
91		Rupsi		Others
92		Salem		Others
93		Satna		Others
94		Sholapur		Others
95		Thanjavur		Others
96		Gondia		Others
97		Jalgaon		Others
98		Kishangarh		Others
99		Jharsaguda		Others
101		Safdarjung		Others
102		Khandwa		Others
103		Panna		Others
104		Hirasar		Others
105		Bengluru		Others
106		Vellore		Others
107		Warangal		Others
108		Khowai		Others
109		Along		Others
110		Jogbani		Others
111		Raxaul		Others
112		Deesa		Others
113		Tezu		Others
114		Zero		Others
115		Nadirgul		Others
116		Malda		Others
117		Muzzafarpur		Others
118		Lalitpur		Others
119		Kailashhar		Others
120		Kamalpur		Others
121		Donakonda		Others
122		Bilaspur		Others



<b>S.No.</b>	<b>Int./Dom.</b>	<b>Airport</b>	<b>Pax in millions</b>	<b>Category</b>
123		Begumpet – Hyderabad		Others
124		Chandigarh		Others

**Note:**

Int./Dom – International/Domestic Airports

Pax in millions – Passenger data (in millions) for the year 2017-18

\*An airport has to cross the threshold of next category for two consecutive years to be eligible for change of category.



## Annexure II: List of Concessions

### 1. **Food & Beverages**

The following categories will be considered in the F&B Segment for allotment of space at various airports to enhance non-aeronautical revenue and passenger experience.

The categories and their respective definitions are as below:

- 1.1 **Casual Dining Restaurant (CDR):** A restaurant that serves moderately priced food in a casual friendly and informal atmosphere. These types of restaurant provide popular dishes at economical prices.
- 1.2 **Functional Food - Quick Service Restaurant (QSR):** QSR, also known as fast food restaurants that provides minimal table service. These type of restaurant offers food from a limited menu and cooked in bulk in advance and kept hot, finished, and packaged to order and available for take away.
- 1.3 **Hangout format:** It is an all-day destination, where all ages and genders come together to soak in the unique blend of rustic and natural appeal. The category shall include Pub, Bar, Café, Sweet & Confectionary outlets.
- 1.4 **Food court:** Food court shall be defined as an indoor plaza or common area within a facility which is contiguous with the counters of multiple F&B outlets and provide a common area for self-serve dining. For a brief on Food court facility, refer Annexure XXXII.

Sub- categories of restaurants and indicative list of brands within each of the above-mentioned categories are detailed below:

S.No.	Food & Beverages Format	Sub-Category	Indicative brands
<b>A. Standalone Licensed, Banded Chains, Licensed (Hotel)</b>			
1	Casual Dining Restaurant	Indian/ Mughlai  Chinese/ Thai cuisine  Japanese cuisine/ Other Asian Italian cuisine  Local cuisine  Ethnic food cuisine  American/ Continental  Mexican	AnandBhavan, Haldiram, Punjab Grill Yo China! China Bowl, Bercos  Big Chill, Chilli's MTR, Kareem's, TundeyKabab UdupiVihar, Rasovara, RajdhaniSuruchi Summer Housecafe, United coffee house Taco Bell



S.No.	Food & Beverages Format	Sub-Category	Indicative brands
2	Functional Food QSR (Quick Service Restaurant)	American Italian Indian Regional Indian	McDonald's, Burger King, KFC, Subway Domino's, Pizza Hut GoliVadapav, Chaat Corner Vango, SagarRatna, Shiv Sagar
3	Hangout Formats	Café PBCL (Pub, Bar, Café and Lounge) Bakery & Cakery Juice & Shakes corner Sweets & Confectionary Shop	Starbucks, Costa Coffee, Café Coffee Day Socials, Smoke Deli House, Beer Café Theobroma, Chokola Juice Junction, Keventers Haldiram, K. C. Das, Banchharam, Bikanervala
<b>B. Food court</b>			
1.	Full-Meal (QSR)	Indian Chinese/ Thai cuisine Local cuisine Ethnic food cuisine Mexican	Anand Bhavan, Haldiram, Anand Sweets Yo China! China Bowl, Bercos, Wow Momos MTR, Kareem's, TundayKabab UdupiVihar, Rasovara, RajdhaniSuruchi Taco Bell
2.	Functional Food (QSR)	American Italian Indian Regional Indian	McDonald's, Burger King, KFC, Subway Domino's, Pizza Hut GoliVadapav, Chaat Corner Vango, SagarRatna, Shiv Sagar
3.	Café (QSR)	Café Bakery & Cakery Juice & Shakes corner	Starbucks, Costa Coffee, Café Coffee Day, Theobroma, Chokola Juice Junction, Keventers
<b>C. Others</b>			
1.	Automatic Vending Machines for Soft Beverages	Soft beverage, packed beverages, Fruit & Flavoured drinks	Pepsico., Coco Cola
2.	Any stall or shops or kiosks related to Food & Beverage.		



2. General Retail Services

S. No.	Retail Category	Sub-Category	Indicative brands	Example
1	Apparel / Apparel +	<b>Men's Wear</b>		
		Casual Wear	Levi's, Flying Machine, Duke, Jack & Jones, Wildcraft, Espirit, Tommy Hilfiger	Formal Shirts, Formal Trousers, Blazers & Coats, Jackets, Suits
		Formal Wear	Van Heusen, Calvin Klein, Polo Ralph Lauren, Raymond, Arrow Sport, Monte Carlo	T-Shirts, Jeans, Casual Shirts, Casual Trousers, Sweaters & Sweatshirts, Shorts, Track Pants/Joggers
		Sports & Active Wear	Adidas, Nike, Converse, Reebok, SEVEN,	Active T-Shirts, Track Pants & Shorts, Jackets & Sweatshirts, Swimwear, Smart Wearables, Sports Accessories, Sports Equipment, Sports Shoes
		Indian & Festive Wear	Manyavar, Manu, Even, British Club, The Indian Garage Co., Khadi	Kurtas & Kurta Sets, Sherwanis, Nehru Jackets
		Innerwear & Sleepwear	Calvin Klein, Jockey, Basiics, Chromozome, FCUK	Briefs & Trunks, Boxers, Vests, Sleepwear & Loungewear, Thermals
		<b>Women's Wear</b>		
		Indian & Fusion Wear	Fabindia, Amoli, Biba, Global Desi, W, Khadi	Kurtas & Suits, Kurtis, Tunics & Tops, Leggings, Salwars, Churidars, Skirts & Palazzos, Sarees & Blouses, Dress Material, LehengaCholi, Dupattas & Shawls, Jackets & Waistcoats
		Western Wear	AND, Madame, Vero Moda, Forever 21,	Dresses & Jumpsuits, Tops, T-Shirts & Shirts, Jeans & Jeggings, Trousers & Capris, Shorts & Skirts, Shrugs, Sweaters & Sweatshirts, Jackets & Waistcoats, Coats & Blazers
		Lingerie &	Zivame, Pretty	Bras & Lingerie Sets,



S. No.	Retail Category	Sub-Category	Indicative brands	Example
		Sleepwear	Secrets, Amante, Clovia,	Briefs, Shapewear, Sleepwear & Loungewear, Swimwear, Camisoles & Thermals
		Sports & Active Wear	Adidas, Reebok, Puma,	Clothing, Footwear, Accessories, Sports Equipment
		<b>Kids' Wear</b>		
		Boys Clothing	Mothercare, Gini and Jony, U.S. Polo Assn. Kids, United Colors of Benetton, YK, Allen Solly Junior, Mango Kids, Marks & Spencer, Tommy Hilfiger, 612 League	T-Shirts, Shirts, Jeans & Trousers, Shorts & Dungarees, Track Pants & Pyjamas, Clothing Sets, Indian Wear, Sweaters, Sweatshirts & Jackets, Rompers & Sleepwear
		Girls' Clothing	Mothercare, Gini and Jony, U.S. Polo Assn. Kids, United Colors of Benetton, YK, Allen Solly Junior, Mango Kids, Marks & Spencer, Tommy Hilfiger, 612 League	Dresses, Tops & T-Shirts, Clothing Sets, Indian Wear, Skirts, Shorts & Jumpsuits, Tights & Leggings, Jeans, Trousers & Capris, Track Pants, Sweaters, Sweatshirts & Jackets, Rompers & Sleepwear
2	Handbags +	Bags & Luggage	Teakwood Leathers, Hidesign, Nike, Victorinox, Chumbak, Lavie, Skybags, Da Milano	Laptop Bags, Messenger Bags, Gym Bags, Laptop Sleeves & Cases, Daily Needs Bags, Women's Handbags, School Bags
		Handbags & Clutches	Puma, Lino Perros, Swiss Military	Handbags, Clutches, Utility Bags
3	Jewellery	Fashion Jewellery	Swarovski, Zaveri Pearls, Dress Berry, Nakshatra, Bhima Jewellers, Kalyan Jewellers, Tanishq, Gitanjali, TBZ	Necklaces & Sets, Bangles & Bracelets, Earrings, Pendant & Sets, Rings, Mangalsutra, Wedding Accessories, Anklets, Toe-rings & More, Chains, Religious Jewellery
		Precious Jewellery	Malabar Gold, TBZ, Joyalukkas, Tanishq, Gitanjali, Joyalukkas, Tanishq, Tanishq, Gitanjali	Gold Coins & Bars, Loose Gemstones, Silver Jewellery, Pendants, Precious Gifts & Articles, Silver Coins & Bars, Nose pins



S. No.	Retail Category	Sub-Category	Indicative brands	Example
				& Nose rings
4	Toys & Games	Toys & Games	Fisher-price, Quechua, Toys"R"Us, RCS Toys, Hamleys, Firstcry, Funskool,	Prams & Baby Gear, Electronic Toys, Ride On & Scooters, Soft Toys, Bicycles & Tricycles, Action Toys & Figures, Outdoor & Sports, Educational Toys, Kids Room Decor, Musical Toys, Dolls & Doll Houses, Puzzles & Cubes, Activity Sets, Die Cast Vehicle, Indoor Games, Party Supplies, Toddler Toys, Toys Gift Store, Prams & Strollers, Board Games
		Gaming	Games the Shop, Croma, Redwolf,	Gaming Accessories, Gaming Consoles, Gaming Merchandise, Gaming Titles PS3 Games, Gaming Titles PS4 Games, Gaming Titles Xbox 360 Games,
5	Packaged Food	World Food / Indian Food	Food world Express, Godrej Nature's Basket, Relay, Reliance Fresh, Spar Hypermarket, Reliance Fresh, Godrej Nature's Basket, Godrej Nature's Basket, Spar Hypermarket, Amul, Reliance Fresh, Godrej Nature's Basket, MTR, Food world Express, Godrej Nature's Basket, Reliance Fresh	Rice & Flours, Dry Fruits & Spices, Chocolates, Mints & Candies, Tea, Coffee & Beverages, Staples, Oils & Spices, Breakfast Foods, Biscuits & Snacks, Noodles, Soups & Pastas, Baby Food, Dairy, Baking Essentials, Sauces & Dressings, Ready to Cook & Eat, Oils & Vinegars, Jams, Honey & Spreads, Dairy & Chilled Foods
6	Accessories	Cameras & Accessories	Croma, Nikon, Samsung, Croma, Canon, Zeiss, Panasonic, Sony	Selfie Sticks, DSLR, Digital Cameras, Camera Accessories, Camera Lenses, Binoculars & Telescopes, Camcorders, Digital Photo Frames
		Fashion Accessories	Hidesign, Teakwood Leathers, Being	Wallets, Belts, Men's Jewellery, Socks, Hats



S. No.	Retail Category	Sub-Category	Indicative brands	Example
			Huma, Jockey, Nike, Lino Perros, Peter England, Flying Machine, Swiss Military, Happily Unmarried, Tommy Hilfiger, Allen Solly, Celio, Marks & Spencer, Chumbak, Fastrack, Columbia, Peter England, Adidas, Louis Philippe, Marks & Spencer, Louis Philippe, Chumbak, Marks & Spence, Da-Milano	& Caps, Gift Sets, Necktie, Card Holders, Key Chains, Hair Accessories, Suspenders, Handkerchiefs, Stoles & Scarves, Umbrella, Headwraps, Kid's Accessories, Gloves, Pocket Squares, Mufflers, Cufflinks, Cravats, Men's Accessories, Movie Merchandise, Party Accessories
		Men's Sports Accessories	Jockey, Ed Hardy, Adidas	Sports Socks, Sports Belts, Sports Caps
		Non-Electronic Accessories	Chumbak, Croma, Croma, Reliance Digital, The Mobile Store, Croma, The Mobile Store, Vodafone, Croma, The Mobile Store	Mobile Cases & Covers, Mobile Screen Guards, Cables & Chargers, Tablet Accessories, Mobile Spare Parts, Mobiles Selfie Sticks Stands, Mobile Enhancements, Mobile Services, Mobiles Insurance & Warranty, International SIM Cards, Anti-Radiation Chips
		Women's Accessories	Zaveri Pearls, Forever21, Biba, Lino Perros, The North Face, Columbia, Marks & Spencer, Fabindia, Chumbal, Kama Ayurveda, CathKidston	Women's Hair Accessories, Women's Socks & Stockings, Women's Stoles & Scarves, Women's Belts, Women's Hats & Caps, Women's Gloves, Women's Umbrellas, Women's Mufflers, Women's Handkerchiefs, Women's Keychains, Women's Gift Sets, Women's Card Holders
		Women's Sports Accessories	Nike	Sports Women's Socks
		Binoculars	Zeiss	



S. No.	Retail Category	Sub-Category	Indicative brands	Example
		& Telescopes		
		Camcorders		Panasonic
		Digital Photo Frames	Sony	
7	Footwear	Kids Footwear	Adidas Originals, Clarks, Crocs	Boys Footwear, Girls Footwear, Infants Footwear
		Men's Footwear	Bata, Nike, Adidas	Men's Shoe Laces, Casual Shoes, Sports Shoes
		Men's Sports Footwear	Adidas, Nike, Puma	Sports Flip Flops, Sports Casual Shoes, Sports Floater Sandals
		Women's Footwear	Mochi, Carlton London, METRO	Heeled Slip-on & Pump, Flat Slip-on & Sandal, Ballerinas
		Women's Sports Footwear	Adidas, Nike, Puma	Sports Ballerinas,
8	Fragrances	Men Fragrances	Boutique, Adidas, Ajmal India,	Men's Perfumes, Deodorants, Attars,
		Women Fragrances	Dolce & Gabbana, Nike, The Body Shop, GUESS, SKINN	Women's Perfumes, Women Deodorants, Body Mists, Women Fragrances, Women Giftsets
9	Make-up & Cosmetics	Face	The Body Shop, MAC, Health & Glow, Lakme, Clinique, Maybelline, Colorbar Cosmetics	Face Primer, Concealer, Foundation, Compact, Contour, Loose Powder, Blush, Bronzer, Tinted Moisturizer, BB & CC Cream, Highlighters, Makeup Remover
		Eye	Faces, Loreal, Maybelline, Clinique, Lakme, Colorbar Cosmetics, MAC, The Body Shop, Bausch & Lomb	Kajal, Eyeliner, Mascara, Eye Shadow, Eye Brow Enhancers, Eye Primer, False Eyelashes, Eye Makeup Remover, Under Eye Concealer, Contact Lenses
		Lips	MAC, Maybelline, Colorbar Cosmetics, The Body Shop, Lakme, Loreal, Clinique	Lipstick, Liquid Lipstick, Lip Crayon, Lip Balm, Lip Gloss, Lip Liner, Lip Plumper, Lip Stain
		Nails	MAC, Loreal Paris,	Nail Polish, Nail Art



S. No.	Retail Category	Sub-Category	Indicative brands	Example
			Colorbar Cosmetics, The Body Shop, Health & Glow	Kits, Nail Polish Sets, Nail Care, Nail Polish Remover, Manicure & Pedicure Kits
		Tools & Brushes	Health & Glow, Maybelline, The Body Shop, MAC, Shopper's Stop, Clinique, Colorbar Cosmetics, Faces, HOK Makeup	Face Brush, Blush Brush, Eye Brush, Lip Brush, Brush Sets, Sponges & Applicators, Eyelash Curlers, Tweezers, Sharpeners, Mirrors, Makeup Pouches
		Makeup Kits	Lakme, Faces, MAC	Eye Palettes, Face Palettes, Customize Your Palette
10	Eyewear	Eyewear	Fastrack, John Jacobs, Zeiss, Bausch & Lomb, Lenskart, Ray Ban	Sunglasses, Spectacle Frames, Contact Lenses, Power Eyeglasses, Cases & Pouches, Eyeglasses
		Kids Eyewear	Carrera	Frames & Eyeglasses
11	Home Fashion	Hobbies	D'Décor, Pepperfry	Antiques & Collectibles, Art & Hobbies
		Home Decorative	D'Décor, Pepperfry, Durian	Lamps & Lighting, Wall Decor, LED Bulbs & CFLs, Home Decor, Clocks, Religion & Spirituality, Paintings, Candles & Fragrances
		Home Furnishing	Bombay Dyeing, D'Décor, Kurl-On, Pepperfry	Bed Linen, Curtains & Accessories, Mattresses, Cushions & Covers, Mats & Carpets, Bath Linen, Blankets & Quilts, Table & Kitchen Linen, Pillows & Covers, Kids Bedding & More, Fabrics
		Home Improvement	Zuari, IKEA, Pepperfry, Durian	Home Utility, Home Cleaning, Plants & Gardening, Innovative Products, Pet Supplies
12	Consumer Electronics	Appliances	Philips, Godrej, USHA, Bajaj, Brother, Eureka Forbes, Luminous, Voltas, LG, Bosch, Samsung, A O Smith, V Guard, Symphony, O General, Daikin,	Personal Care Appliances, Home Security, Fans, Iron, Outdoor Utility Appliances, Vacuum Cleaners, Solar Appliances, Emergency Light & CFLs, Air



S. No.	Retail Category	Sub-Category	Indicative brands	Example
			Honeywell, Blue Star	Conditioners Split AC, Refrigerator, Washing Machines & Dryers, Microwave Ovens & OTGs, Geysers & Heating Appliances, Inverters & Stabilizers, Air Coolers, Air Conditioners Window AC, Air Conditioner, Air Purifiers & Humidifiers, Dishwashers & Sonic Cleaners, Air Conditioners Tower AC, Air Conditioners Portable AC
		Computers & Peripherals	Dell, HP, Sony, Sandisk, Samsung, Logitech, Reliance Digital, Asus, Lapcare, Apple, Imagine	Laptops, Printers & Scanners, External Hard Disks, Pen Drives, Memory Cards, Cartridges & Toners, Monitors, Computer Accessories, Software, Keyboard, Routers & Modems, Laptop Batteries, Desktops, Internal Hard Drives, Mouse, Data Cards, Laptop Adapters, Computer Components, RAM, Processor, Motherboards, Graphics Card, Webcams, Cooling Pads/Laptop Tables, Extended Warranty & Insurance, Cabinets, Camera Memory Card, Adapters
		Electronic Accessories	Harman Kardon, Croma, Mi, Helios	Bluetooth Devices, Batteries, Power Banks, Wearable & Smartwatches
		Mobiles & Tablets	Reliance Digital, Croma, Imagine	Mobile Phones, Feature Phone, Tablets, Cables Chargers, Mobile Accessories, Earphones
13	Books, Music & Video	Books	Crossword, A H Wheeler, DC Books, Delhi Book Store, Gita Press, Oxford	Biographies and Autobiographies, Academic and Professional, Literature



S. No.	Retail Category	Sub-Category	Indicative brands	Example
			Books, Higginbothams, Landmark	and Fiction, Non-Fiction, School Books, Children and Young Adults, Reference, Self-Help, Crafts and Hobbies, Religion and Spirituality, Other Books, Computers and Internet, Philosophy, Family and Relationships, Medical, Nature and Outdoors, History and Politics, Travel, Science and Technology
		Movies & Music	Landmark, Crossword	Mixed Bag, Hollywood Movies, Indian Music, TV Shows, Bollywood Movies, International Music, Regional Movies, Educational Audio
		Musical Instruments	Yamaha Music Square, Furtados	Keyboards & MIDI Controllers, Guitars & Bass, Live & Recording, Public Address Systems, Accessories, Effects & Amplifiers, Indian Instruments, Drums & Percussions, Brass & Wind Instruments, DJ Equipment, Other Instruments, Violins
		TVs, Audio & Video	BOSE, Skullcandy, Imagine, Sony, Next, Croma, Reliance Digital, Yamaha Music Square	Headphones & Earphones, Headsets with Mic, Portable Audio Players, Home Theatre Systems, Speakers, Projectors, Computer Speakers, Landline Phones, Video Players, DTH Services, Audio & Video Accessories, MP3 & Media Players, DJ & Karaoke, Stereo Components, Extended Warranty, Televisions
14	Travel Luggage	Bags & Luggage	Skybags, Samsonite, Wildcraft, Aristocrat,	Backpacks, Luggage & Suitcases, Hiking Bags



S. No.	Retail Category	Sub-Category	Indicative brands	Example
			VIP, Swiss Military	& Rucksacks, Travel Duffles, Briefcases, Travel Accessories
15	Skincare, Health & Beauty	Baby Care	The Body Shop, Health & Glow	Bath, Skin & Health Care, Baby Health & Safety
		Beauty & Personal Care	Lakme, The Body Shop, Kaya Skin Clinic	Spa & Salon Equipments, Kits & Combos, Hair Loss Treatments
		Personal Care & Grooming	Health & Glow, Schwarzkopf Professional, Happily Unmarried, Shopper's Stop, The Body Shop	Skin Care, Hair Care, Shaving & Grooming, Deodorants & Roll-ons, Feminine Care, Bath & Body, Oral Care, Waxing & Hair Removal
16	Gifting	Gifting & Events	Hallmarks, Archies gallery, Ferns N Petals	Gifts for Him, Gifts for Her, Festival gifts, special occasion
17	Watches	Couple Watches, Kids Watches, Men's Watches, Watch Accessories, Women's Watches,	Titan, Maxima, Rado, Reliance Digital, Helios, Tommy Hilfiger	Sports Watch, Dress Watch, Chronograph Watch, Quartz Watch, Smart Watches
18	Home & Lifestyle	Furniture	Zuari, Home Town, Versace Home, Durian, Godrej Interio, Pepperfry, Nilkamal @ home, Style Spa, Urban Ladder, Evok	Sofas, Sectionals & Recliners, Chairs, Beds, Storage Cabinets, Tables, Wardrobes & Dressers, Living Room Furniture, Bedroom Furniture, Bean Bags, Kitchen, Dining & Bar, Outdoor & Garden Furniture, Office Furniture, Space Saving Furniture, Ottomans, Benches & Stools, Kids Furniture,
		Hardware & Sanitary Fittings	Kohler,	Showers,
		Household Essentials	Spencer's, Spar	Detergents & Fabric Care, House & Kitchen Cleaners, Air Fresheners, Repellents



S. No.	Retail Category	Sub-Category	Indicative brands	Example
		Kitchenware & Kitchen Appliances	Elica, Reliance Digital, Croma, Black & Decker, Prestige, Glen, Pepperfry, Style Spa, Urban Ladder, Spar	Gas Stoves & Hobs, Water Purifiers, Juicer Mixer Grinders, Induction Cookers, Coffee Maker & Kettles, Cookers & Steamers, Choppers & Blenders, Toasters & Sandwich maker, Roti maker & Snack maker, Food Processors, Grills & Tandoor, Snack Makers, Imported Appliances, Chimney & Hoods, Cookware & Bakeware, Kitchen Storage, Dining & Serving, Kitchen Tools, Tea & Coffee Service ware, Bar & Glassware, Microwave Cooking, Disposables, Hotel & Catering Supplies, Flasks & Tiffin's, Cutting & Cooking Tools,
		Tools & Hardware	Jaguar, Pepperfry, Kohler, Hettich, Philips, Asian Paints, Pergo, ACC	Sanitary Ware & Sinks, Tools & Hardware, Taps & Faucets, Door & Door Fittings, Electrical Fixtures, Bathroom Accessories, Sanitaryware, Kitchen Fittings & Sinks, Safety Gear & Equipment, Paints and Paint Tools, Wall and Floorings, Building Material, Tools, Weighing & Measuring Tools, Bathroom Accessories & Fittings, Power Tools
		Sports & Fitness	Decathlon, Schwinn, Puma, Nike, Umbro, Wildcraft, Metco, Reliance Digital, Asics, Adidas, Casino Sutra, Planet Sports,	Fitness Equipment, Bicycles & Accessories, Badminton, Cricket, Fitness Accessories, Football, Outdoor Adventure Gear, Skating & Scooters, Table Tennis, Active Wear, Fitness Gadgets,



S. No.	Retail Category	Sub-Category	Indicative brands	Example
	Chemist & Nutrition			Boxing, Volleyball, Running, Tennis, Basketball, Leisure Sports, Other Sports, Fishing, Casino Games, Squash, Golf, Billiards & Pool, Hockey, Track & Field Sports, Swimming & Water Sports, Martial arts, Archery, Fan Shop, Horse Riding
		Chemist Outlets	Apollo Pharmacy, Medplus, Apollo Pharmacy, Apollo Pharmacy, Medplus, Vigen India, Medplus, Apollo Pharmacy, Apollo Pharmacy, Medplus, Generic Medicines	Thermometers, Diabetic Care, Health Monitors & Devices, BP & Heart Rate Monitors, Respiratory Care, Supports & Rehabilitation, Alternative Health Therapies, Weighing Scales & Daily Needs, Health & Safety Utilities, Pharmacy Products, Hospital & Medical Equipment
		Nutrition & Supplements	Bodymart, Amway	Proteins & Sports Nutrition, Family Nutrition, Vitamins & Minerals
20	Convenience Retail	Day to day sell items and assist customers in travelling purposes	Bags & Leather Goods, Confectionary/sweets /candies, packaged water, Travel, News, Magazines, Books, Mobile/Cellular Phone Handset and Accessories.	
21	Specialty Retail	Focus on specific product categories	Perfumes & Cosmetics, Watches, Electronics and Gadgets, Ayurvedic and Herbal Products, Wellness and Personal Care Products, Pens and related accessories, Lifestyle Accessories, Women Fashion Accessories, Packed	



S. No.	Retail Category	Sub-Category	Indicative brands	Example
			Masalas, Spices, Herbs & Condiments, factory sealed tea leaves and coffee beans, Gifting items / Souvenir Shops	

3. Duty Free Shops
4. Advertisement Rights
5. Ground Transportation Services:
  - 5.1 Management of Vehicle Parking Rights
  - 5.2 Radio Taxi Operator
  - 5.3 Car Rental Services
  - 5.4 Prepaid Taxi
  - 5.5 Inter-State A/C Coach Services / City Coach Service
  - 5.6 Car Aggregator
6. Executive Lounge
7. Spa and Wellness Centre / Ayurveda Centre
8. Money Exchange Counters
9. IBS (In Building Solutions)
10. Meet and Greet and Facilitation Services:
  - 10.1 Swagat Seva (Meet & Greet)
  - 10.2 Trolley Retrieval Maintenance cum Advertisement/Passenger Baggage Trolley Facility (Advertisement) (In case tenders are not successful with maintenance)
  - 10.3 Passenger Baggage Trolley Facility (Maintenance Contract)
11. Tour Operator Cum Hotel Reservation Counter
12. Airports Entry Ticket
13. Baggage Wrapping Services
14. ATM
15. Games & Entertainment Facility
16. Smoking Lounge & Sales Kiosk
17. Duty Paid Liquor Shops
18. In-flight Monetization
19. Art Gallery



20. Short Term Commercial Activity
21. Donation Boxes
22. Medical Tourism
23. Miscellaneous Commercial Activity



## **Annexure III: Context, Objective, Guideline for Consumer Research**

Increasing disposable income, changing consumer behavior towards travel with high preference on air travel and convenience, understanding the voice of consumer (VOC) has become important. To provide seamless experience at airport with easy access to products and services, AAI shall mandate the airports to organize survey/ research activities at the airports.

1. Under the provision of organizing surveys at airports to enhance passenger experience and make informed commercial decisions, all airports to conduct passenger surveys at airports.
2. Surveys can be done but it should not be the case that major focus is given to surveys& related activities and the short-term actions which could have added to the commercial growth be ignored.

### **OBJECTIVES:**

The objective of the consumer research is to understand following (including but not limited to):

- (a) Demographic characteristics of passenger – Age, Gender, Marital status, income level, type of travel (business, leisure, others)
- (b) Psychographics characteristics of customer – interests, activities and, opinions etc.
- (c) Satisfaction on existing commercial facilities at airport
- (d) Pain points and improvement areas
- (e) Passenger need and gap in the facilities offered

For conducting the passenger surveys, market survey consultants to be hired and surveys will be conducted with their support at all the airport as per the frequency and sample size with following key expectations from them:

- (a) Setting up the entire process of survey and guideline design and roll-out at airports
  - (b) Analysis template design and reporting
  - (c) List of recommendations/ actionable insights for AAI in their commercial decisions to increase non-aero revenue and customer convenience
3. Once passenger survey on all airports are conducted, the frequency to conduct next set of surveys can be determined as per requirement by Airport/Region.
  4. The empaneled market survey consultants would conduct the survey on periodic basis and fix fees to be paid to these survey firms based upon the type of survey and category of Airports.



## **QUESTIONNAIRE GUIDELINE DESIGN (INDICATIVE)**

1. The guideline for passenger survey will be designed by the on boarded market survey consultant with focus on understanding the list of objectives and inputs from AAI and airports.
2. A sample passenger survey questionnaire (for illustration only) is in next section
3. RHQ would be the approving authority for approval of guideline for passenger survey at airports and would be considered final
4. The questionnaire will be re-revisited for necessary change every cycle based on the findings from preceding year and inputs from AAI or airports.

## **SAMPLE PASSENGER SURVEY QUESTIONNAIRE (INDICATIVE)**

(Please undertake the survey below and help us serve you better)

1. Age : \_\_\_\_\_
2. Gender : \_\_\_\_\_
3. Travel with : Alone/Family/Business partners
4. Type of traveler : Domestic/International/Both
5. Frequency of travel to \_\_\_\_\_ (airport name) in last 12 months:  
a. 0-1                      b. 2-5                      c. 6-10                      d. >10
6. Frequency of travel to \_\_\_\_\_ (destination name) in last 12 months – in all modes of travel:  
a. 0-1                      b. 2-5                      c. 6-10                      d. >10
7. Annual Income:  
a. < 3 lakhs  
b. 3-7 lakhs  
c. 7-15 lakhs  
d. >15 lakhs
8. Purpose of visit to \_\_\_\_\_ (station name)  
a. Leisure (Tourism) purpose  
b. Business purpose  
c. Home Town  
d. Others.                      Please Specify: \_\_\_\_\_
9. Travel Class:  
a. Economy  
b. Premium economy  
c. Business



10. How much do you spend per Domestic air ticket :
- < Rs.2000
  - Rs. 2001 – Rs. 5000
  - Rs. 5001 – Rs. 10000
  - > Rs. 10000
11. How much do you spend per International air ticket :
- < Rs.6000
  - Rs. 6001 – Rs. 15000
  - Rs. 12001 – Rs. 35000
  - > Rs. 35000
12. How much time do you spend at the airport (Including baggage drop/check in) before departure:
- <45 minutes
  - 45 minutes – 1 hour 30 minutes
  - 1 hour 31 minutes – 3 hours
  - > 3 hours
13. How do you spend your free time at airport:

S.No	Description/ facility	Time spent				Amount spent			
		< 15 mts	15 mts to 45 mts	45 mts to 2 hr	>2 hr	<2000	>2001 to 5000	5001 to 10000	>10000
a.	Shopping/Getting services (ex: Spa/Salon)								
b.	Consuming Food & Beverages								
c.	Both of the above								
d.	Playing games								
e.	Sleeping/Phone calls/Reading book/Watching TV/Surfing internet etc.,								



14. On a scale of 1-5, with 1 being 'Very Dissatisfied' and 5 being 'Very Satisfied', how would you rate the following aspects for your recent trips from \_\_\_\_\_ (Station Name)

Aspects	1	2	3	4	5
a. Connectivity to airport from city					
b. Entering/Exiting airport					
c. Boarding					
d. Kiosk Self-Check in					
e. Security					
f. Traditional Check in					
g. Shopping options					
h. F & B options					
i. Emergency services					
j. Entertainment options					

15. If you have rated from 1-3 for any of the aspects above, please mention suggestions to improve for the airport:

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16. Amount spent on Food & Beverages at Airport:

- a. <Rs. 500
- b. Rs. 501 – Rs. 2500
- c. Rs. 2501 – Rs. 5000
- d. > Rs. 4000

Feedback on F & B services:

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17. Amount spent on Retail items at Airport:

- a. <Rs. 500
- b. Rs. 501 – Rs. 2500
- c. Rs. 2501 – Rs. 5000
- d. > Rs. 5000

Feedback on Retail services:

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18. Amount spent on other services(Spa/Books/Luggage etc.) at Airport:

- a. <Rs. 500
- b. Rs. 501 – Rs. 2500
- c. Rs. 2501 – Rs. 5000
- d. > Rs. 5000

Feedback on Other services:

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19. Please specify services that you find in other airports and want in this airport too:

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Note: Any survey should include the above data points along with any customized additions from Airport directors and Commercial In charges, as per requirement.



## **LIST OF ANALYSES AND OUTPUT TEMPLATE DESIGN**

1. The market survey consultant shall design the output template and final report of the same will be circulated with AAI and Airports for approval. Once approved, survey will be rolled out.
2. The survey format, data with analysis and actionable insights to be sent to RHQ and copied to CHQ after every successful completion of survey.
3. Finally, the RHQ will share the survey output with CHQ as MIS.
4. In the event of additional set of analysis required, CHQ will direct the RHQ for a communication to market survey consultant to incorporate the changes required and share the updated output with recommended list of additional analysis



## Annexure IV: Selection/Eligibility Criteria

### 1. **FOOD & BEVERAGES**

Commercial activities in Food & Beverages is categorized under following four (4) categories and further segmentation for the same is provided in Annexure II:

- (i) Casual Dining Restaurant (CDR)
- (ii) Functional Food - Quick Service Restaurant (QSR)
- (iii) Hangout format
- (iv) Food Court

S. No.	F&B FACILITY (IES)	SEGMENT	PERIODICITY OF CONTRACT (IN YEARS)
1.	Restaurant	CDR/QSR	7 (Seven )
2.	Food Court	Food Court	7 (Seven)
3.	Snack Bar	Hangout	7 (Seven)
4.	Cafeteria		
5.	Branded Food Outlet		
6.	Local Cuisine Outlet/Ethnic Food Outlet		
7.	Hot & Cold Beverage Outlet		
8.	Sweet & Confectionary Shop		
9.	Biscuit/Pastry or Bake House		
10.	Any Stall or Shops or Kiosks related to F&B		
11.	Flight Kitchen Operators (FKO)		

- A. PERIODICITY:** The concession/ license is to be awarded for a period of seven (07) years for all F&B facilities (except Flight Kitchen Operators)

However, if at the time of tender action, the Airport Director/In Charge feel that due to expected construction activity within the existing building or plan for construction of new terminal building has already been approved, then the time frame can be reduced suitably.

- B. GESTATION PERIOD:** Maximum of 60 days of gestation period or actual commencement of commercial operation, whichever is earlier, will be allowed.

- C. Experience/Eligibility Criteria:**

**C1. Technical Capacity:**

- 1. Restaurant and all other F&B facilities except Food Court: (refer Annexure – II: List of Categories)**



- (i) The participating agency must have two (02) years' experience in F&B business during the last seven (07) years.
- (ii) The participating agency must have operated more than three outlets in the two year period (during last seven years) for which experience in (i) above is claimed out of which at least one (01) should be located:
- a. In any Indian airport/International airport with more than 1 million passenger/annual as on the date of publication of RFQ/Tender.

**OR**

- b. Other passenger transport terminal such as, metro rail, metro rail station, railway, railway station (metro or railway stations must be in cities with population more than 10L (as per 2011 census) or commercial complex (commercial complex should have a floor plate size of at least 10000 sq. mtrs). Other outlets (upto 2) can be present at ports, bus stations, airports, railway stations, hotels, metro stations, roads, highways, shopping complexes, other commercial complexes.

Note: The copy of required documentary proof (work order/license and/or requisite proof as per Shops and Establishment Acts, Trade tax certificates etc. for each outlet) with the applicable authority and proof of completion of requisite tenure of two (02) years shall be submitted for verification.

**OR**

- c. The participating agency shall be currently operating a hotel with at least three star valid star category or heritage category issued by Hotel & Restaurant Approval and Classification Category (HRACC), Ministry of Tourism, Government of India with at least two (02) years of experience during the last seven (07) years.

The copy of Hotel & Restaurant Approval & Classification Committee (HRACC) document for verifying the star rating and proof of completion of requisite tenure of two (02) years shall be submitted for verification.

**OR**

In case, Hotel is not HRACC certified, then Hotel should have following facilities:

- Minimum 16 Hrs. Coffee Shop operation per day;
- Standalone restaurant
- Having minimum 80 rooms
- Swimming pool

Duly supported by relevant documents.

**OR**

- d. The participating agency shall be currently an operator of the food and beverage business in a three star hotel having valid star category or heritage category issued by Hotel & Restaurant Approval and Classification Committee (HRACC), Ministry of Tourism, Government of India with at least two (02) years of experience during the last seven (07) years.

The copy of work order/license/MoU with the hotel, proof of completion of requisite tenure of two (02) years shall be submitted for verification.



- e. The applicant is currently functioning as a flight kitchen operator with at least two (02) years' experience during the last seven (07) years.

The copy of work order/ license/ MoU with the Airline Company and proof of completion of requisite tenure of two (02) years shall be attached as proof.

(iii) **For Food Court facility** - Policy guidelines under formulation at CHQ.

- (iv) The Flight Kitchen Operators (FKO) to whom land has not been leased by AAI and such agencies who are providing the inflight catering services to airlines from outside the airport premises, they are liable to pay royalty @ 13% on Gross Turnover (GTO) to AAI in addition to AEP fees.

The periodicity of this contract shall be as per the agreement with the airlines.

Before commencement of operation by FKO, an undertaking to the above effect is to be obtained from FKO to make the royalty payment as prescribed by AAI from time to time.

- (v) In respect of D, E and below category airports, minimum experience criteria will be one(01) year during the last five (05) years besides fulfilling other conditions.

- (vi) The experience, as claimed by the bidders, to be supported by copies of award letters/agreement/experience certificates/work completion certificate, corroboration of registration and profit and loss account clearly depicting the incomes from the claimed business. In the absence of above-mentioned supporting documents, merely submitting an experience certificate issued by CA will not be considered to testify the claimed experience. An undertaking that the furnished information is true also needs to be submitted along with supporting documents.

**C2. Financial Capacity:** This will be applicable as per the provisions of chapter 7.2 for all the above facilities.

**1A. FOOD & BEVERAGES – UNDER MASTER CONCESSIONAIRE APPROACH**

**NOTE:** Award of F&B Concessions under master concessionaire approach shall be with specific directions of CHQ only. The process of award and the tender documents for award shall also be shared by CHQ with concerned Airports separately.

**A. PERIODICITY:** Seven (07) Years

**B. GESTATION PERIOD:** Maximum of 60 days of gestation period or actual commencement of commercial operation, whichever is earlier, will be allowed.

**C. Experience/Eligibility Criteria/Tender Document:**

**C1 Technical Capacity:**

- (i) The Applicant (in case of Consortium - Lead Member) must individually have two (2) years' experience in the F&B business in the last seven (07) years.



(ii) The Applicant (in case of Consortium - Lead Member) shall currently be operating more than three (3) outlets as on the date of publication of RFQ/Tender out of which at least one should be located:

a. In any Indian airport/International airport with more than 1 million passenger/annual as on the date of publication of RFQ/Tender;

**OR**

b. Other passenger transport terminal such as, metro rail, metro rail station, railway, railway station (metro or railway stations must be in cities with population more than 10L (as per 2011 census) or commercial complex (commercial complex should have a floor plate size of at least 10000 sq. mtrs). Other outlets (upto 2) can be present at ports, bus stations, airports, railway stations, hotels, metro stations, roads, highways, shopping complexes, other commercial complexes.

Note: The copy of required documentary proof (work order/license and/or requisite proof as per Shops and Establishment Acts, Trade tax certificates etc for each outlet) with the applicable authority and proof of completion of requisite tenure of two (2) years shall be submitted for verification

**OR**

c. The Applicant (in case of consortium, the lead member) shall be currently operating a hotel with at least three star valid star category or heritage category issued by Hotel & Restaurant Approval and Classification Category (HRACC), Ministry of Tourism, Government of India with at least two (2) years of experience

The copy of Hotel & Restaurant Approval & Classification Committee (HRACC) document for verifying the star rating and proof of completion of requisite tenure of two (2) years shall be submitted for verification

**OR**

**In case, Hotel is not HRACC certified, then Hotel should have following facilities:**

- Minimum 16 Hrs. Coffee Shop operation per day;
- Standalone restaurant
- Having minimum 80 rooms
- Swimming pool

Duly supported by relevant documents

**OR**

d. The applicant (in case of consortium, the lead member) shall be currently an operator of the food and beverage business in a three star hotel having valid star category or heritage category issued by Hotel & Restaurant Approval and Classification Committee (HRACC), Ministry of Tourism, Government of India. with at least two (2) years of experience.

The copy of work order/license/MoU with the hotel proof of completion of requisite tenure of two (2) years shall be submitted for verification

e. The applicant is currently functioning as a flight kitchen operator with at least two (02) years' experience.



The copy of work order/ license/ MoU with the Airline Company and proof of completion of requisite tenure of two (02) years shall be attached as proof.

(iii) The Applicant shall on the application Due Date, either own or hold franchisee/binding MoU

**a. For Category A Airports**

- i. Minimum of 2 Internationally branded outlets
- ii. Minimum of 1 national branded outlets

**b. For Category B Airports:**

- i. Minimum of 1 internationally branded outlets.
- ii. Minimum of 1 national branded outlet

**C2. Financial Capacity:**

(i) The Bidder must have turnover of INR from F&B Business during the last two (02) financial years, in accordance with the audited financial statements (i.e. profit and loss account and balance sheet along with schedules) as under -

**Category “A” Airports**

Annual Turnover: Rs. 6.50 crore

**Category “B” Airports:**

Annual Turnover: Rs. 1.00 crore



## **2. GENERAL RETAIL SERVICES**

Description of Categories and sub-categories in General Retail Services is as per **Annexure II**.

**A. PERIODICITY:** The concession/ license to be awarded for maximum period of five (05) years. However, if at the time of tender action the Airport Director/In Charge feel that due to expected construction activity within the existing building or plan for construction of new terminal building has already been approved, then the time frame can be reduced suitably.

**B. GESTATION PERIOD:** Maximum of 60 days

**C. Experience/Eligibility Criteria:**

**C1. Technical Capacity:**

The participating agency should have minimum two (02) years of experience during the last five (05) years in operating any of such/similar retail outlets/shops at airports, bus terminals, ferry, terminals, mall, metro rail and railway stations etc. for example, for apparel facility, experience in operating apparel retail outlet, for jewellery outlet, experience in operating jewellery retail outlet and so on.

(i) The experience, as claimed by the bidders, to be supported by copies of award letters/agreement/experience certificates/work completion certificate/corroboration of registration and profit and loss account clearly depicting the incomes from the claimed business. In the absence of above-mentioned supporting documents, merely submitting CA certificate will not be considered to testify the claimed experience. An undertaking that the furnished information is true also needs to be submitted.

(ii) If the original branded retail company of foreign origin has Indian management/ franchise tie-up or running them under their own name under an Indian company are also eligible.

**C2. Financial Capacity:** GTO as per Chapter 7.2.

### **2A. GENERAL RETAIL SERVICES - MASTER CONCESSIONAIRE APPROACH**

**NOTE:** Award of General Retail Concessions under master concessionaire approach shall be with specific directions of CHQ only. The process of award and the tender documents for award shall also be shared by CHQ with concerned Airports separately.

**A. PERIODICITY:** Seven (07) Years

**B. GESTATION PERIOD:** Maximum of 60 days

**C. Experience/Eligibility Criteria/Tender Document:**



**C1 Technical Capacity:**

- (i) The Bidder (in the case of Consortium- the Lead Member) must individually have two (02) Years' experience in last seven years in Retail Business i.e.
  - a. Apparels – men's and women's clothing
  - b. CTN – books, news, confectionary and travel accessories format
  - c. Perfumes and cosmetics
  - d. Bags/Leather goods – travel bags, leather goods or accessories
- (ii) The Bidder (in the case of Consortium- the Lead Member) must operate at least 3 retail outlets in India or abroad at the time of bidding.
- (iii) The Bidder (in case of Consortium, the Lead Member and/or its Associate(s)) must have presence in at least one passenger transportation terminal such as, Airport, Seaport, Metro Rail, Metro Rail Station, Railways, Railway Stations(Metro or railway stations be in cities with population more than 10 L), Bus Terminal, Shopping Malls/Shopping Complexes.
- (iv) The Applicant (in the case of a Consortium, the Lead Member) shall either own or hold franchisee of at least two brands in the Retail business, or should have entered into a binding MOU with two brands for the purpose of bidding. These should cover any 2 out of the 4 categories mentioned above.

**Note:** These MOUs, ownership or franchise should be directly with a brand of that respective category and the brand should be operating directly or through franchise operations at least 3 outlets in India or abroad. In case the bidder is submitting MOUs, then at least for 1 of these 2 MOUs, the bidder should have at least 1 operational outlet in India or abroad which it is operating in partnership with that brand

**C2 Financial Capacity:**

- (i) The Bidder must have turnover of INR from Retail Business during the last two (02) financial years, in accordance with the audited financial statements (i.e. profit and loss account and balance sheet along with schedules) as under:

**Category – Mega & 'A' Airports**

Annual Turnover = Rs 6.7 Crore

**Category "B" Airports:**

Annual Turnover = Rs. 2.0 Crore



### **3. DUTY FREE SHOPS**

Following items are included for retail at Duty Free Shop at Airport and the eligibility, terms and conditions for DFS Tender will be dealt as per the guidelines issued by CHQ from time to time:

1. Liquor/Alcoholic Beverages
2. Tobacco products
3. Cosmetics, Fragrances & Personal Care products
4. Chocolates / Candies / Snacks in sealed Aseptic Packs,
5. Watches and jewelry
6. Electronic products (hardware and software)
7. Any items manufactured/produced in India, as may be permitted by rules and regulations notified by Authority/Central Board of Excise and Customs (CBEC), GoI.
8. In case any item is prohibited for sale by Govt. or any Regulatory Authority, no concession in license fee shall be allowed on account of such prohibitions.

**A. Periodicity:** Seven (07) Years

**B. Gestation Period:**

Maximum of 60 days of gestation period from access date, or actual commencement of commercial operation, whichever is earlier, will be allowed.

**C. Experience/Eligibility Criteria:**

**C1. Technical Capacity:**

- (i) The Bidder (in the case of Consortium, the Lead Member) must have two (2) years' experience during the preceding seven (07) years in the Duty Free business at passenger transport terminal such as Airport, Sea port or Land Port notified as a Custom Station.
- (ii) Copy of work order/ Certificate(s) from statutory auditors and the concerned client(s) stating the number of years of experience in operating Duty-Free Outlets and presence in Duty Free Business at a Customs Station.

**C2. Financial Capacity:**

- (i) GTO as per Chapter 7.2 or as defined otherwise.
- (ii) The Bidder shall submit Certificate(s) from its statutory auditors stating the turnover of the Bidder, as at the close of the preceding financial year, from the business of operating Duty-Free Outlets in India or overseas
- (iii) The eligibility terms and conditions for DFS Tender will be dealt as per the guidelines issued by CHQ from time to time.
- (iv) An individual bidder cannot at the same time be member of a Consortium applying for the Concession. Further, a member of a particular bidding Consortium cannot be member of any other bidding Consortium applying for the Concession.



- D. Global tenders for concession to design, build, finance, operate and maintain duty free outlets to be invited at RHQ Level. The existing approved draft RFP for Duty Free Outlets shall prevail.

4. **EXCLUSIVE ADVERTISEMENT RIGHTS**

Concession for “Exclusive Advertisement Rights” cover all types of indoor and outdoor advertising/brand promotion media, such as

- 4.1 Bill Boards
- 4.2 Gantries
- 4.3 Back Lit Static Displays
- 4.4 Stunners
- 4.5 Display Windows
- 4.6 Flag Posts
- 4.7 Traffic Signage’s
- 4.8 Digital/Laser Floor/Ceiling graphics
- 4.9 Product/Services Showcasing with or Without Human Interface
- 4.10 Vehicle & Refitted Vehicle Displays with or without Human Interface
- 4.11 Multiple Imaging
- 4.12 Electronic & Digital Displays (e.g. Video Wall & Close Circuit Flight Information Televisions)
- 4.13 Display on LCD /LED TV
- 4.14 Time & Temperature Displays, Ball Balloons
- 4.15 Shoe Shining Machines
- 4.16 Multi-Screen Moving Displays
- 4.17 Conveyor Belt Advertisements
- 4.18 Pillar Wraps
- 4.19 Special Brand Promotion
- 4.20 Drop Downs/ Banners/ Decorations on special events
- 4.21 Mobile/Laptop chargers
- 4.22 Sponsorship/Advertising on Security Trays
- 4.23 Queue Managers
- 4.24 Planters and any future advertising innovations etc.
- 4.25 Live Advertisement

A. **Periodicity: Seven (07) Years**

B. **Gestation Period:**



Maximum of 60 days of gestation period or actual commencement of commercial operation, whichever is earlier, will be allowed.

**C. Experience/Eligibility Criteria:**

**C1. Technical Capacity:**

- (i) The bidder (in case of consortium the Lead Member) must have minimum two(02) years' experience in the last seven (07) financial years (April-March) as an advertisement rights concessionaire at an airport/mass transit systems i.e. metro rails/ railway establishment under Indian Railways, Shopping mall, City Municipal Corporations etc.
- (ii) There is no pending, active, or previous legal action that prevents the Applicant from submitting the bid, executing the Concession Agreement or fulfilling the conditions of the Concession.  
The above information must be supported with the following Declarations/ Documentary Evidence /Certificate from the Chartered accountant of the Bidders.
- (iii) The Bidder/Lead member must file a Self-Declaration indicating the two years out of the preceding seven financial years in respect of which it intends to claim Technical eligibility.
- (iv) The Bidder/Lead Member must submit Self Attested Scanned Copies of Award Letters from the respective Principals on the strength of which it intends to claim Technical eligibility.
- (v) The Bidder must submit a certificate from its Chartered accountant clearly certifying the percentage of Gross Sales Turnover achieved during each of the preceding seven financial years from business in respect of which the Technical Experience is being Claimed and other businesses so as to enable Authority to evaluate whether the bidder/lead member has satisfied the condition laid down in the tender document.
- (vi) In case of a Consortium, separate sheets are to be furnished in respect of each Member of the Consortium.

**C2. Financial Capacity:**

**(I) Turnover Criteria:**

- (a) A participating bidder would be deemed to have met the threshold eligibility criteria norms in respect of Financial Capacity (Turnover Criteria), if it has achieved an annual gross turnover of (as per chapter 7.2) i.e.; equivalent to or more than the value of annual Minimum Reserve License Fee (Rate/Sqft/pm X Total Tender Area X 12) in two of the previous seven years for which the experience is claimed by the agency.
- (b) Provided further that at least fifty percent (50%) of the qualifying turnover as claimed at (a) above must pertain to the business, on the strength of which the technical capacity eligibility is being claimed.



- (c) The turnover details being submitted as specified at (a) and (b) above must be duly certified by the Chartered Accountant of the participating bidder or the lead member in case of a consortium.
- (d) There are no Outstanding Dues to Authority, except the dues pertaining to current quarter i.e. the quarter in which the tender is invited.

**D. Fixation of MRLF**

The MRLF is to be fixed based on the weighted average rate i.e.

Total area of different type of medias multiplied by rate for each media. Then the total rates come be divided by total area of medias.

However, in case despite above exercise and following the other stipulations of fixation of MRLF, the tender could not be materialized, then the Station can do the following exercise for fixation of MRLF:

1. Forming a committee to review the MRLF keeping in view the passenger drop or the MRLF from actual proposed to the revised for which the tenders have been floated earlier.
2. If card rates were considered in MRLF calculations the Airports Directors should submit an analysis report with justification, if there is any requirement for reduction in Card rates to CHQ.
3. To review the MRLF, the rates as available for Municipal corporation offices, Bus Terminals, Railway terminals, Sea port etc. to be taken into consideration and further any advise or suggestion may be also sought Advertisement Agency Association of that city where Airport is located.
4. Prime location and Inferior location of inside / outside of the terminal building may be identified and MRLF to be fixed accordingly.
5. Other than the above, the Airport directors may also like to review the MRLF based on the ground realities, potential of the respective sites and revenue to be generated keeping in view the local factors which are the governing facts for the advertisement contracts.

**NEGATIVE LIST OF ADVERTISEMENT:**

The negative list of advertisement media not to be covered under RFP/tender/RFQ are set-out as follows:

- Advertisement on Passenger Baggage Trolleys
- Sponsored development of Horticulture and Outdoor Landscaping indicating name & logo of sponsoring agency within the limitation of Authority's Policy in the matter.
- Sponsored Pay & Use Toilets and Advertisements there on (as per area specified by Authority)
- Government sponsored Social Advertisement (Swatch Bharath Mission etc.) with no commercial motives on the Advertisement Display Locations under Airport Branding Area.
- Advertisement for medical check-up facility present in airport premises



- Welcome desk/Reception counter
- Mobile/Wi fi as a medium for any kind of advertisement/interactivity with Airport Boarding Pass, Self-Check-in Kiosk, Complaint Kiosk.
- Any advertisement sites/media which is not possible to be permitted due to mandatory/statutory/operational constraints.
- Duly authorized display of the bonafide licensees of the Airport.

#### **4.2 Advertisement Rate Card:**

<b>OUTDOOR ADVERTISEMENT - RATE CARDS</b>					<b>(In INR)</b>
<b>Sl. No.</b>	<b>Outdoor Advertisement sites</b>	<b>Mega &amp; Category 'A' Airports</b>	<b>Category 'B' &amp; 'C' Airports</b>	<b>Category 'D' Airports</b>	<b>Other Airports</b>
		<b>Rate per month</b>	<b>Rate per month</b>	<b>Rate per month</b>	<b>Rate per month</b>
1	Pole kiosks with traffic direction signages	600 per sq.ft.	400 per sq.ft	200 per sq.ft	150 per sq.ft
2	Pillar wraps (Height not exceeding 18')	750 per sq.ft	500 per sq.ft.	250 per sq.ft.	200 per sq.ft.
3	Aerobridges (inner and outer) Static portion :				
	illuminated	750 per sq.ft	490 per sq.ft.	250 per sq.ft.	200 per sq.ft.
	non-illuminated	450 per sq.ft	290 per sq.ft.	150 per sq.ft	120 per sq.ft
4	Backlit screen/ Time- Temperature signage screen flap or digital with height not exceeding 15 ft. from ground level :				
	illuminated	750 per sq.ft	490 per sq.ft.	260 per sq.ft.	200 per sq.ft.
	non-illuminated	450 per sq.ft	290 per sq.ft	150 per sq.ft	120 per sq.ft
5	Scrollers with advertisement boards	750 per sq.ft	490 per sq.ft.	260 per sq.ft.	200 per sq.ft.
6	<b>Hoardings / Pole kiosks/ Banners</b>				
	Single faced	1100 per sq.ft	700 per sq.ft.	360 per sq.ft.	250 per sq.ft.
	Double faced	2100 per sq.ft	1400 per sq.ft.	720 per sq.ft.	500 per sq.ft.
	Multifaced	3200 per sq.f.t	2100 per sq.ft	1050 per sq.ft.	750 per sq.ft.
7	<b>Mirrors and clocks</b>				
	Single faced	3000 per sq.ft.	1900 per sq.ft.	1000 per sq.ft.	800 per sq.ft.
	Double faced	6000 per sq.ft.	3900 per sq.ft	2000 per sq.ft.	1600 per sq.ft.
	Multi faced	9000 per sq.f.t	5800 per sq.ft	3000 per sq.ft.	2400 per sq.ft.



<b>OUTDOOR ADVERTISEMENT - RATE CARDS</b>					<b>(In INR)</b>
<b>Sl. No.</b>	<b>Outdoor Advertisement sites</b>	<b>Mega &amp; Category 'A' Airports</b>	<b>Category 'B' &amp; 'C' Airports</b>	<b>Category 'D' Airports</b>	<b>Other Airports</b>
		<b>Rate per month</b>	<b>Rate per month</b>	<b>Rate per month</b>	<b>Rate per month</b>
8	Boundary wall/ car park wall/ car park toilet wall/ All types of walls outside terminal building	1000 per sq.ft	700 per sq.ft	350 per sq.ft.	250 per sq.ft.
9	Mobile vans for Advertisement thereof with Display size 20ftx 10ft double sided	22500 per vehicle	15000 per vehicle	8000 per vehicle	6000 per vehicle
10	Advertisement on Ball- Balloon lights	90000 per ball/ balloon	60000 per ball/ balloon	40000 per ball/ balloon	25000 per ball/ balloon
11	Display of car/ bike maximum size 8 sqm	25000 per day	20000 per day	15000 per day	5000 per day

<b>INDOOR ADVERTISEMENT - RATE CARDS</b>					<b>(In INR)</b>
<b>SL. No.</b>	<b>Indoor Advertisement sites (includes Terminal Buildings, Arrival Hall, Departure Hall, Security Hold Area, Offices, etc.)</b>	<b>Mega &amp; Category 'A' Airports</b>	<b>Category 'B' &amp; 'C' Airports</b>	<b>Category 'D' Airports</b>	<b>Other Airports</b>
		<b>Rate per month</b>	<b>Rate per month</b>	<b>Rate per month</b>	<b>Rate per month</b>
1	Translites/Revolving Show windows/Stunners/Pillar Kiosks/Hoardings-illuminated	3500 per sq.ft	1500 per sq.ft	800 per sq.ft	300 per sq.ft
2	Hoarding-noon illuminated	500 per sq.ft	300 per sq. ft.	175 per sq.ft	100 per sq.ft
3	Automatic/Self operated Free shoe-shine machine with illuminated scroller space for advertisement not exceeding (6'x4')	15000 per unit	12000 per unit	7000 per unit	5000 per unit
4	Installation and operation of 3D Display unit/Plasma/LCD (Not Exceeding 42") for advertisement purposes or for display of TV channels using DTH technology or similar approved mode	40000 per unit	25000 per unit	15000 per unit	10000 per unit
5	Plasma/LCD Display Units (Not Exceeding 42") to be provided by State/Central Government Departments to show information related to Tourism or sponsored by a private company to provide information to the passengers and visitors. No Advertisement will be permitted to be displayed.	30000 per unit	18000 per unit	12000 per unit	6000 per unit



<b>INDOOR ADVERTISEMENT - RATE CARDS</b>					<b>(In INR)</b>
<b>SL. No.</b>	<b>Indoor Advertisement sites (includes Terminal Buildings, Arrival Hall, Departure Hall, Security Hold Area, Offices, etc.)</b>	<b>Mega &amp; Category 'A' Airports</b>	<b>Category 'B' &amp; 'C' Airports</b>	<b>Category 'D' Airports</b>	<b>Other Airports</b>
		<b>Rate per month</b>	<b>Rate per month</b>	<b>Rate per month</b>	<b>Rate per month</b>
6	Plasma/LCD Display Units (Not exceeding 21") for advertisement purposes or for display of TV Channels using DTH technology or similar approved mode.	20000 per unit	14000 per unit	8000 per unit	5000 per unit
7	Providing sofa or public utility chair covers and Advertisement Rights on it (Not Exceeding size 6 sq.ft. per unit of seat)	500 per seat	400 per seat	225 per seat	150 per seat
8	Disposable cups with Advertisement to be used by passengers/visitors	2500 (per 10,000 cups)	2000 (per 10,000 cups)	1200 (per 10,000 cups)	800 (per 10,000 cups)
9	Advertisement on Baggage Trolleys (Not exceeding 4 sqft)	1000 per trolley	700 per trolley	500 per trolley	200 per trolley

**Note:**

- a) The new card rates shall be applicable for 3 years with no escalation and these rates shall be revised thereafter by CHQ.
- b) The allotment should be made on immediate previous realized rate by the Airports or card rate whichever is higher.
- c) Keeping in view of above, card rates for advertisement (Indoor and Outdoor) for all AAI airports are based on the categorization of Airports as per Annexure – I.

**5. GROUND TRANSPORTATION SERVICES:**

**5.1 Management of Vehicle Parking Rights**

Refer Annexure IV-A for the policy.

**5.2 Vehicle Rental Services**

**5.2.1 Car Rental Services – It comprises two type of facilities i.e.**

- a. Luxury Car Rental Services,
- b. General Car Rental Services

**A. PERIODICITY: Three (03) Years**

**B. GESTATION PERIOD: 30 Days**



**C1. EXPERIENCE/ELIGIBILITY:**

<b>S.No.</b>	<b>FACILITY</b>	<b>ELIGIBILITY CRITERIA</b>
<b>a)</b>	<b>LUXURY CAR RENTAL SERVICES</b>	<p>Reputed car rental service providers having ownership at:</p> <p>Mega/A &amp; B Category Airports of Minimum 10 luxury cars (Society of Indian Automobile Manufacturers defines Luxury Car Segment or A6 Segment as Passenger Car Segment having length of vehicle above 5000 mm) duly registered in the name of the tenderer or having acquired the same through a hire purchase/lease agreement are eligible to apply.</p> <p>The agency should have One year's experience for Mega/Group A&amp; B airports, and the experience shall be during the last three years.</p>
<b>b)</b>	<b>General / Maxi Car Rental</b>	<p><b>Mega/Group 'A' category Airports</b> - Reputed car rental service providers having ownership of minimum 50 A/C cars;</p> <p><b>Group B/C Airports</b> – 25 A/C cars; and</p> <p><b>Group D/E Airports</b> – 5 A/C cars duly registered in the name of the tenderer or having acquired the same through a hire purchase/lease agreement are eligible to apply.</p> <p>The agency should have three years' experience for Mega/Group A airports, and two years of experience for B, C category airports. The experience shall be during the last five years.</p> <p>No experience is required for D and E airports.</p> <p>50% of the cars should not be more than five years old.</p>

- (i) The licensee, if required has to park the vehicle in the Airport parking area and pay parking charges to the car parking licensee directly.

**C2. Financial Capacity: GTO as per Chapter 7.2.**

**5.2.2 Prepaid Taxi**

1. The facility may be awarded to:-
  - a. State Govt. Police/Traffic department through SSP.
  - b. If option (a) is not feasible, then to State Govt. Transport department.



- c. If both options (a) & (b) are not feasible, then to recognized Taxi Unions /Associations.
- (i) Taxi Unions/Associations must be registered by the Registrar, Chit fund & Society state Govt. & having valid permission from RTO.
  - (ii) In case of more than one taxi unions, tenders may be invited. Bidding shall be on MMG.
  - (iii) Taxi Unions/Associations must be having minimum of three / two / one years of experience of operating similar kind of business at Airport, Seaport, Bus stand or Railway station for Group A (including Kolkata & Chennai)/ Group B/ Group C (including RCS) airports respectively.
  - (iv) Taxi Unions/Associations must be having membership of minimum 100 / 50 / 25 nos. of Taxi Owners for Group A (including Kolkata & Chennai) / Group B / Group C (including RCS) airports respectively.
- d. The booking counter shall be allotted outside the building i.e. Canopy / Kerb side area. In addition to booking counter outside the building, one booking counter shall be provided inside the terminal building (arrival side), having opening window outside.

2. **Additional payments-** In addition to AAI rate per trip, following is also payable,
- a) Applicable space rent and utility facilitation charges of the booking counter space.  
In case the pre-paid taxi facility is being managed by the State Govt. department, space for booking counter shall be allotted free of charge subject to maximum area of 6 sqm and electricity shall also be provided by AAI free of cost.
  - b) Applicable charges for the consumption of the electricity and water consumed for the purpose of use of the said license as becomes due and payable and in accordance with the directions of the Authority and at the rates as fixed by AAI from time to time.
  - c) Above rates are exclusive of Taxes / GST.
  - d) Parking fee & other fee, if any, to the parking contractor, as per the terms & conditions of prevailing Car parking license at the respective airport.

Group/ Category	Rates for Pre-paid taxi (Rs.)
Kolkata/ Chennai airports	50
Group A airports	40
Group B airports	30
Group C/D & RCS Airports	25



3. **Rate per Trip -**

**Note:**

- i. Above rates are exclusive of GST/Tax.
  - ii. The rates shall be fixed for three years and shall be reviewed thereafter.
4. Licensee shall charge Taxi-fare from the passengers, as per rate approved by State Govt. / Regional transport officer. Licensee shall prominently exhibit the said approved charges at a conspicuous place.
  5. In addition to the Taxi-fare approved by respective State Govt./Regional transport officer, Licensee may charge from the passengers.
    - a) AAI rate per trip / booking.
    - b) Rs. 10/- per booking towards expenses of printing coupons, staff salary etc., if the facility is being operated by the registered Taxi unions.
    - c) Rs. 10/- per booking towards Service / facilitation charge, if the facility is being operated by State Govt. police /Traffic / Tourism department.
  6. Licensee shall not charge any additional amount from the passenger, other than mentioned in above (5) in the name of airport.
  7. For cases of all the contracts that have been extended or the contract is bagged by the same party and the subsequent award letter is ipso facto extension of the contract as far as the period is concerned, no gestation / business incubation period will be granted.
  8. The licensee has to ensure all the compliances including security compliances etc. within the business incubation period itself. Claim for additional business incubation period / gestation period or rebate on account of any non-compliance by the licensee within the incubation period / gestation period shall not be entertained by AAI at any stage.
  9. In order to prevent revenue leakage, machines may be installed for computerized billing at prepaid counters.
  10. All other terms and conditions as per Commercial Manual.

A. **PERIODICITY:** Three (03) years

B. **SECURITY DEPOSIT**

In case service being operated by Taxi union:

- a. Equal to 04 x average of last six months license fee, applicable space rent & Utility charges where the facility is existing.

**OR**



Rs. One Lakh / Seventy five Thousand / Fifty Thousand for Group A (including Kolkata & Chennai) / Group B / Group C (including RCS) airports respectively, where the facility is not existing.

- b. Rs. Fifty / Forty / Thirty thousand towards Electricity for Group A (including Kolkata & Chennai)/ Group B/ Group C (including RCS) respectively.

**C. GESTATION PERIOD:**

**Business Incubation Period:-**

- The business incubation period of maximum 15 days will be counted from the date of issuance of letter of intent / award to the licensee to complete the contractual formalities (Submission of Acceptance, Security Deposit, Advance License Fee, Execution of agreement and Handing / taking over the site etc.).

**Gestation Period:-**

- Gestation period of 30 days will be permitted starting from 16th day of the date of award of LOIA or handing over /taking over of site by the licensee, whichever is earlier.
- License fee shall be payable from 31st day of commencement of Gestation period or actual date of commencement of business, whichever is earlier.

**5.2.3 Inter-State A/C Coach Services / City Coach Service**

**A. PERIODICITY:** Three Years

**B. GESTATION PERIOD:** 30 days

**C1. EXPERIECE/ELIGIBILITY:**

Bidder who fulfils the conditions of:

- (i) 2 years' experience for Category 'Mega, A & B' (and 1 year for all other categories of airports) of running / operating bus or Coach Service under the All India Tourist Permit / Contract Carriage Permit / State Carriage Permit / Inter-State Tourist Permit / Corporate Permit issued by the appropriate Authority.
- (ii) Should possess minimum 5 Volvo coaches either in the name of bidder or through hire purchase/lease agreement for Category Mega, A and B airports and 3 coaches for rest of category airports and the coaches should not be older than 05 years.
- (iii) The successful tenderers shall acquire necessary permit from the State Govt. where the airport is located and from the concerned State Govt. for operation of the coach service and shall commence the operation within 60 days from the date of award letter of AAI.



**C2. Financial Capacity: GTO as per Chapter 7.2**

**5.2.4 CAB AGGREGATOR: Application based Cab Aggregator Service (or on-Demand Information Technology based Transportation)**

Application based Cab Aggregator (ABCA) is the service provider or an operator who acts as a digital intermediary or market place for a passenger to connect with a driver by means of a mobile phone/web application or by any other advance technology for the purpose of transportation.

**A. LICENSE PERIOD: Three (03) Years**

**B. GESTATION PERIOD:** Maximum thirty (30) days from the date of taking over the site or actual commencement of commercial operation, whichever is earlier. No gestation is applicable to existing licensee.

**C. Experience/ Eligibility Criteria:**

**C1: Technical Capability:**

a) The applicant must be a company registered under the Companies Act of 1956/2013 (Central Act 18 of 2013).

**b) (i) For Kolkata & Chennai Airport**

Applicant should have **two** years' experience in operating Application Based Cab Aggregator/Maxi Cabs/Radio Taxi/ Car Rentals through App. in the same city/airport where tender has been invited.

**OR**

Applicant should have **two** years' experience in operating Application based Cab Aggregator/Maxi Cabs/Radio Taxi/Car Rentals through App. in any five cities/airports in India.

Certified copy from Chartered Accountant for having minimum 5000 trips per month generated from/via app. in that particular city (from where experience has been claimed ) to be submitted.

**(ii) For Other airports**

Applicant should have **one** year experience in operating Application Based Cab Aggregator/Maxi Cabs/Radio Taxi/ Car Rentals through App. in the same city/airport where tender has been invited.

**OR**

Applicant should have **one** year experience in operating Cab Aggregator/Maxi Cabs/Radio Taxi/Car Rentals through App. in any five cities/airports in India.

Certified copy from Chartered Accountant for having minimum 2000 trips per month generated from/via app. in that particular city (from where experience has been claimed ) to be submitted.

c) Having a designated point of contact in that particular city (from where experience has been claimed).

d) Having following security feature :



- (i) Location sharing facility with minimum 02 individuals;
- (ii) SOS feature in App.
- (iii) Having either a web or a phone application or call center based real time customer support and grievance redressal mechanism having an operational telephone number or an email address of a grievance redressal officer.

An affidavit mentioning the above security features shall be submitted in Technical Bid.

**C2. Financial Capability:**

The parties should have an annual gross turnover of amount equal to Rs.5 crore in any of the last 3 financial years during which experience has been claimed. The turnover details should be duly certified by a Chartered Accountant.

**D. Revenue Model:**

Rate per trip x number of trips per month or MMG, whichever is higher.

Rate per trip/booking

<b>Airport</b>	<b>Rate per trip/booking (Rs.)</b>
Kolkata & Chennai	40
Group A airports	30
Group B airports	25
Other group C/D & RCS Airports	20

**Note:**

1. The agency must ensure that no additional charges shall be levied to the passengers other than the above prescribed charges in the name of Airport in any manner.
2. Above rates & MMG are exclusive of Taxes/GST.

**E. FIXATION OF MRLF**

MMG/MRLF is to be proposed/fixd by the respective airports and shall be approved by CHQ as follows:

- a. At airports, where this facility is already in operation, MMG shall be average of last three months revenue received from this license.
- b. At airports, where this is a new facility to be introduced, APD shall prepare a survey report of number of Commercial Vehicles being operated at the respective airport and rate per trip x 40% of total commercial vehicles per month may be the basis of fixing MMG. Also a meeting of prospective bidders shall be conveyed at the respective airport before fixing the MMG.



**6. EXECUTIVE LOUNGE**

**A. PERIODICITY: Five (05) Years**

**B. GESTATION PERIOD: Ninety (90) Days**

**C. Experience/Eligibility Criteria:**

**C1. Technical Qualifications:**

**(i) In case of Lounge:**

The applicant must have at least two (02) years' experience in last five years operating and managing a passenger/Airline Lounge at airport for last five years from the date of release of RFP and following requirements must be fulfilled by lounge for which experience is claimed:

- a) Lounge should have a minimum area of 70 sqm.
- b) Lounge should have minimum sitting capacity of 30 person.
- c) Lounge operator should have its own in-house high quality kitchen.

However, the existing licencees managing executive lounge at AAI airports are exempted from fulfilling the conditions as mentioned in (a) to (c) above.

**OR**

**(ii) In case of Hotel:**

Applicant must have at least two (02) years' experience in last five years of operating a Hotel during the last five years from the date of publication of RFP and the following requirements must be fulfilled by the hotel for which the experience is claimed:

- a) Hotel should have the current accreditation from the Department of Tourism in four (04) star or above rating;

**OR**

- b) Hotel should have following facilities:
  - (i) Having coffee shop with minimum 16 hrs operation in a day;
  - (ii) Standalone restaurant
  - (iii) Minimum 80 rooms
  - (iv) Swimming pool

Duly supported by relevant documents.

**OR**

**(iii) In case of F&B business**

The applicant should have at least two (02) years' experience in last five years of managing and operating minimum Five F&B outlets at any airport

**OR**



Other passenger transport terminals (Railway station/ Metro rail station) in a city of minimum 2.5 million population (as per 2011 census)

**OR**

at Commercial complex having floor plate area of 10000 Sq. mtr and outlet area of 50 Sqr mtr during the last five years from the date of publication of RFP.

The outlets should fulfill either of the following:

- i. At least one outlet should be located at an airport having 2 million passengers per annum.

**OR**

- ii. At least three outlets having owned/franchised brands

**OR**

- iii. The outlet should be ISO 22000 or HACCP certified.

**C2. Financial Capacity:**

C2.1 The following financial capacities are applicable to the airports where the annual passenger traffic is more than 1.25 million.

- (i) The applicant must have annual turnover of Rs.5 crores in any of the last three (03) years financial years from date of publication of tender/RFP from which the experience is claimed, in accordance with audited financial statement and duly certified by a Chartered Accountant.
- (ii) Out of above turnover of Rs.5 crore, at least 50% should be from the business claimed as experience, as listed in Technical qualification.
- (i) The applicant must have a positive Net worth of Rs.1 Crores (Rupees one crore) to assure ability to invest in High Quality Service and infrastructure. (As high value of investment is required for High Quality Service and infrastructure for Executive Lounge).

C2.2 However, for the airports where Annual Passenger Traffic is less than 1.5 million, the following financial capacity can be considered:

- (i) The applicant must have annual turnover of Rs.1 crore (Rupees One crore only) in any of the last three (03) financial years from the date of publication of tender for which the experience is claimed, in accordance with audited financial statement and duly certified by a Chartered Accountant.
- (ii) Out of Rs.1 crore turnover, at least 50% should be from the business claimed as experience, as listed in Technical qualification.
- (iii) The applicant must have a positive net worth of Rs.25 lakhs.

D. 90 Days gestation period shall be applicable.

E. Exclusivity will be for 50% of contract period. Post 50% time period AAI reserves the right to award 2<sup>nd</sup> concession.



7. **SPA AND WELLNESS CENTRE**

A. **PERIODICITY:** Five (05) Years.

B. **GESTATION PERIOD:** Ninety (90) days or actual commencement of operations, whichever is earlier.

C. **EXPERIENCE/ELIGIBILITY CRITERIA:**

C1. **Technical Capacity:**

Two (02) years' experience in last five (05) years in SPA/ WELLNESS CENTRE/ AYURVEDA KENDRA business, with presently operating three (03) such centers at Airports/ mall or Commercial Complex or 5/4 star Hotel/ Resort.

However, in case of existing licensee operating at AAI Airports, the experience should be one year in SPA/Wellness Center/Ayurveda Kendra Business with presently operating Three (03) such centres at Airports/ mall or Commercial Complex or 5/4 star Hotel/ Resort.

**In Case of Mall or Commercial Complex,**

- a. Having floor plate area of more than 10000 Sqr.Mtr. and
- b. Outlet area of 20 Sqr.Mtr.

Duly supported by relevant documents.

**In Case of Hotel / Resort**

- i. Hotel/Resort should have the current & valid accreditation from HRACC or the Department of Tourism in four (04) star or above rating.

**OR**

- ii. Hotel should have following facilities:
  - a. Minimum 16 Hrs. Coffee Shop operation per day
  - b. Standalone restaurant
  - c. Having minimum 80 rooms
  - d. Swimming pool

Duly supported by relevant documents.

C2. **Financial Capacity:**

- (i) The annual turnover of at least Rs.1.5 Crore in each financial year for any two years for which experience claimed in accordance with audited financial statement and duly certified by the statutory auditor.

However, in case of existing licensee operating at AAI Airports the annual turnover of Rs. 1.5 Crore in at least one year for which experience claimed will be sufficient to consider the case.



- (ii) Out of Rs. 1.5 Crore turnover, at least 50% should be from the business claimed as experience, as listed in Technical Criteria.
- (iii) Net worth of Rs.50 lakhs to assure ability to invest in High Quality Service and infrastructure. (As high value of investment is required for High Quality Service and infrastructure for WELLNESS CENTER).

**8. MONEY EXCHANGE COUNTERS**

**A. PERIODICITY: Three (03) Years**

**B. Maximum area should be 5-8 sqmtr or as available.**

**B. GESTATION PERIOD: 30 days or actual commencement of commercial operation, whichever is earlier.**

**C. EXPERIENCE/ELIGIBILITY:**

**C1. Technical Capacity:**

- (i) Agencies/Banks having minimum experience of 05 years of operating the Money Exchange Counters during the last seven years in respect of Mega/Category A airports and 3 years' experience during the last five years in respect of other category airports and possessing the valid license from RBI for conducting the money exchange business are eligible.

(Note: Franchisee experience may also be considered.)

- (ii) In addition, the agency/bank should possess experience of operating minimum number of branches/ counters in India/ or abroad during the last five years as follows :

  - a. 15 for Mega/Category A airports
  - b. 10 for B category of airports
  - c. 05 for other categories of airports

**C2. Financial Capacity:**

- (i) Minimum annual turnover of Rs.25 crores for Mega/Group 'A' Airports, Rs. 15 crores for Group 'B' and Rs. 05 crores for Group 'C' and below category airports. The turnover criteria shall be applicable in any one of the years for which experience has been claimed and shall be from Money Exchange business.
- (ii) Ideally, the size of the counter should be 5-8 sqmtr, however, the same may be suitably increased by the Airport subject to availability of space.

The following Special Space License Fee per sqm. per month for operating Money Exchange Counters are applicable as on 01.04.2017 and shall be payable in addition to the lump sum amount quoted over and above the MRLF as H1 emerged bidder:



<b>Classification of Airport</b>	<b>Special Space License Fee as on 01.04.2017</b>
International Airport including Civil enclave where international flights are operating and customs airports	Rs.25,278/- per sqm per month, subject to 10% annual compound escalation for subsequent years applicable w.e.f. April every year.
Domestic Airports including Civil enclave where only domestic flights are operating	Rs.17,710/- per sqm per month, subject to 10% annual compound escalation for subsequent years applicable w.e.f. April every year.

**9. LICENCE FOR ADVERTISEMENT RIGHTS CUM TROLLEY RETRIEVAL**

Refer annexure IV-B for the policy.

**10. COMPREHENSIVE LICENCE FOR MEET AND GREET SERVICES AND PAID PORTAGE SERVICES**

Refer annexure IV-C for the policy.

**11. TOUR OPERATOR CUM HOTEL RESERVATION COUNTER**

Tour operator is one who makes arrangements for local trips, accommodation, sightseeing, entertainment and other tourism related services to tourist.

**A. PERIODICITY: Three (03) Years**

**B. GESTATION PERIOD: Gestation period of thirty (30) days or actual commencement of commercial operation, whichever is earlier.**

**C. EXPERIENCE/ELIGIBILITY:**

**C1. Technical Capacity:**

- a. The bidder must be an approved domestic tour operator recognized by Ministry of Tourism, Govt. of India/State Government having a valid certificate.

**OR**

- b. Hotels willing to operate on their own name must have valid star category or heritage category issued by Hotel & Restaurant Approval and Classification Committee (HRACC), Ministry of Tourism, Govt. of India.

**OR**

- c. Any association of hotels, having registration for representing atleast 5 hotels with valid star categorization of HRACC, Ministry of Tourism, Govt. of India. This requirement is 2 hotels in case of group B and below category Airports;

**OR**

- d. For category 'D', 'E' and below category airports, any tour operator having necessary approvals as issued by mandatory governmental agencies i.e. IRCTC, IATA etc.



**C2. Financial Capacity:**

Gross Turnover criteria as per Chapter 7.2.

**12. AIRPORTS ENTRY TICKET:**

**A. PERIODICITY: Three (03) years**

**B. GESTATION PERIOD:**

Gestation period shall be thirty (30) days or actual commencement of Commercial operation, whichever is earlier.

**C. EXPERIENCE/ELIGIBILITY:**

- (i) Entities (Public/Private Limited/Partnership/ Limited Liability Partnership/ Proprietorship) having minimum two (02) years business activity during the last five(05) years from the date of publication of NIT, having annual turnover equivalent to 12 months of proposed MRLF / MMG in any one of the years.
- (ii) The turnover details are to be supported/proved through the profit and loss account statement filed along with the respective years' Income Tax Return to be duly certified by the statutory Auditors/Chartered Accountant.

**13. BAGGAGE WRAPPING SERVICES:**

**A. PERIODICITY: Five (05) Years**

**B. GESTATION PERIOD:**

Gestation period shall be thirty (30) days or actual commencement of Commercial operation, whichever is earlier.

**C. EXPERIENCE/ELIGIBILITY CRITERIA:**

**C1. Technical Capacity:**

Agency/Firm having two (02) years' experience (during the last five years) of providing Baggage Wrapping Services atleast at one Airport / Bus Station / Railway Station / Shopping Mall and should possess Baggage Wrapping Machine(s) in its own name.

**Note (documents supporting technical eligibility):**

a)

1. The bidder should submit a certificate from the manufacturer along with the brochure/catalogue or a letter from the operator of Airport / Bus Station / Railway Station / Shopping Mall where the bidder is claiming experience of providing baggage wrapping service.

**OR**

2. The bidder should submit an undertaking in Rs.100 stamp paper stating that in case they emerged as H1 bidder, they will have to procure and install Baggage Wrapping machine as per the specification given in the NIT within 90 days of issue of award letter. Noncompliance of the above within the 90 days of period will leads to automatic cancellation of award letter and forfeiture of EMD.



- b) The bidder should submit a letter from the operator of Airport / Bus Station / Railway Station / Shopping Mall where the bidder is claiming experience of providing baggage wrapping service. This will be subject to verification by AAI.
- c) Credentials (including documents supporting experience criteria) of H1 bidder shall be verified by AAI before issuance of award letter].

**C2. Financial Capacity:**

This will be applicable as per the provisions of chapter 7.2.

**C3. Basis for Selection of Highest (H1) Bidder**

- 1. The basis of award of licence/concession shall be the highest quoted MMG.
- 2. License fees will be the quoted MMG or Revenue Share of 20% of Net Sales whichever is higher.
- 3. During the tender process, the bidders need to quote on the revenue share percentage offered to AAI.
- 4. Quoted MMG will be subject to Annual Escalation of 10%.

**14. AUTOMATED TELLER MACHINE (ATM)**

**A. PERIODICITY:** Five (05) years extendable for a further period of two (02) years subject to satisfactory performance with regard to provision of service and payment of license fee to AAI.

**B. GESTATION PERIOD:**

Thirty (30) days or actual Commencement of commercial operation, whichever is earlier.

**C. ELIGIBILITY CRITERIA:**

- a) Any Scheduled Commercial Banks (both Nationalised/Private) having banking license from Reserve Bank of India)
- b) Sealed offers (without MRLF) alongwith EMD of Rs.1,00,000/- may be invited (Category 'D', 'E' and below category airports are exempted) from Scheduled Commercial Banks through Indian Banks Association (IBA) and/or from the Banks directly for setting up and operation of ATMs at respective airports.
- c) The highest bid received in the sealed offers will be treated as the 'discovered price' and the highest bidder (bank) may be given choice of selecting preferred location(s).

**D. GTO criteria is not applicable.**



**15. SIM CARDS: GLOBAL SIM CARD / INTERNATIONAL CALLING CARD COUNTER & NATIONAL / LOCAL SIM CARD COUNTER:**

The licensee may be permitted to sell SIM Cards (Global/International Calling Card and National/Local) for mobile or landline and/or to sell cell phone.

**A. PERIODICITY:** Three (03) Years

**B. GESTATION PERIOD:** 30 days or actual commencement of the license whichever is earlier.

**C. EXPERIENCE/ELIGIBILITY:**

**C1. TECHNICAL CAPACITY:**

(i) Telecom operator(s) possessing valid license issued by Government of India

OR

(ii) Authorized distributor of any Telecom Operator/s having counters at airport, seaport, railways, commercial complex, malls etc.

**C2. FINANCIAL CAPACITY:** Gross turnover criteria as per Chapter 7.2.

**16. ALLOTMENT OF SPACE FOR INSTALLATION/PROVISION OF INFRASTRUCTURE TO PROVIDE CUSTOMIZED SHARED IN-BUILDING SOLUTION TO CELLULAR OPERATORS AT AIRPORTS:**

**A. PERIODICITY:** Seven (07) Years extendable by a further period of three (03) years subject to satisfactory performance during the initial seven years period.

**B. GESTATION PERIOD:** 120 days or actual commencement of the license whichever is earlier.

**C. EXPERIENCE/ELIGIBILITY:**

**C1. TECHNICAL CAPACITY:**

Agency/firm having one year experience of providing such facility in public areas like Airports/Bus Station/ Railway Station/ Shopping Mall/ Star Hotels/ Metro Stations/ Cine Complexes/Hospital etc.

**C2. FINANCIAL CAPACITY:**12 months Minimum Reserve License Fee (MRLF)

**D. FIXATION OF MRLF**

The MRLF is to be fixed based on existing revenue being generated from individual Cellular Operators have been permitted to install In-Building Solution with 10% increase on existing revenue for inviting fresh tenders. The MRLF so determined is to be based on number of Cellular Operators in the bouquet (i.e. who are providing In-Building Solutions at airports). In case of increase in number of Cellular Operator



beyond the specified number in the bouquet (to be indicated in the tender) pro-rata increase in license fee shall be payable.

[For Example: if there are three Cellular Operators and against the MRLF of 1,50,000 (Rs.50,000 x 3) the highest bidder has quoted Rs.1,80,000 per month i.e. Rs.60,000/- per operator for each additional operator joining the bouquet pro-rata license fee of Rs.60,000/- or the amount of license fee applicable after annual escalation at that time shall be payable].

In addition to quoted license fee against MRLF, the successful bidder is liable to pay applicable space / land rent for installation of equipment including space for installation of generator/control room/tower (at bare land/space) etc. In addition to above, utility/facilitation charges for exclusive space allotted shall be payable. In case of allotment of bare land for installation of above equipment/towers no utility charges shall be payable.

**E. In case of No/Nil response after repeated tendering action (at least two times)**

In case, after tendering no agency is willing to come forward and provide In-Building Solutions to various Cellular Operators, the requests from individual Cellular Operators for installation of dedicated In-Building Solution may be considered without call of tenders and with due justification by charging license fee applicable w.e.f. 01.04.2018 subject to annual escalation of 10% for subsequent years:

<b>S.No.</b>	<b>Classification of Airport</b>	<b>Monthly amount payable by each operator/per terminal as on 1.4.2018</b>
<b>1.</b>	Mega/A Category airports as per Commercial Manual	Rs.1,14,950/-
<b>2.</b>	B, C and below Category airports as per Commercial Manual	Rs.68,970/-

In case higher rates per operator are being charged at any airport terminal/RHQ building, the same shall be maintained.

The above applicable rates as on date to be used as a base for determining MRLF at airports where no operator has been given permission to provide In-building Solution.

**17. GAMES & ENTERTAINMENT FACILITY:**

**A. PERIODICITY: Five (05) Years**

**B. GESTATION PERIOD: 60 days.**

**C. EXPERIENCE/ELIGIBILITY:**

**C1.** The participating agency should have minimum two (02) years of experience in last five (05) years, in operating any of the such/similar facilities at airports, bus terminal, ferry terminals, malls, metro rail, railway stations etc.



**C2. Financial Capacity:** GTO as per Chapter 7.2.

**18. SMOKING LOUNGE & SALES KIOSK**

**A. PERIODICITY:** The proposed periodicity of the concession/ license for all locations will be five (5) years.

**B. GESTATION PERIOD:** The gestation period will be 60 days or commencement of facility, whichever is earlier.

**C. ELIGIBILITY CRITERIA :**

**C1. Technical Qualification:**

Cigarettes manufacturer or Branding agencies or event management companies or companies having experience of operating at least 3 smoking lounges at Indian Airports / 5 Star Hotels / Mall etc.

**OR**

Companies having experience of running at least five (05) tobacco sales kiosk at two or more airports in India;

**C2. Financial Qualification:** As per Ch-7.2.

**D. Space Identification**

The smoking lounge is to be identified and placed at one or more locations of Domestic / International Terminal building. The size of which can vary from 8 sqm to 12 sqm which will be subject to availability and the location should not be hindering with the flow of passengers. The size of kiosk for sale of cigarettes and related items is to be between 1 to 2 sqm and will be located at some distance away from the Smoking Lounge subject to availability as decided by APD.

**19. DUTY PAID LIQUOR SHOPS:**

**A. PERIODICITY:** Five (05) Years

**B. GESTATION PERIOD:** Sixty (60) days

**C. EXPERIENCE/ ELIGIBILITY CRITERIA**

**C1: TECHNICAL CAPACITY:**

1. The bidder should hold at least one valid license duly issued by excise department or any other agency duly authorized by any State of India and not necessarily the State where the concerned airport is located.



2. The bidder should be either be operating a duty paid or duty-free liquor shop inside a terminal building of an airport in India,

**OR,**

They should be operating at least 3 liquor stores at shopping malls or as individual shops.

**C2: FINANCIAL CAPACITY:** As per Ch-7.2.

**D. Space Identification**

The shop shall be placed at the arrival hall of the domestic terminal ranging from the size 40 sqm. to 100 sqm. subject to availability and the location should be such that it is in the passenger flow, i.e., close to the baggage belts or exit gates.

**20. AUTOMATIC VENDING MACHINE FOR SOFT BEVERAGES**

**A. PERIODICITY:** Five (05) Years

**B. GESTATION PERIOD:** 60 days

**C. Selection/ Eligibility Criteria**

**C1: TECHNICAL CAPACITY:**

The agency should have at least one year experience of installation and operation of minimum 10 no. of vending machines at corporate offices / Malls / Hospitals / Airports / Railway Stations / Metro rail stations / Hotels.

**C2: FINANCIAL CAPACITY:** As per Chapter 7.2

**D. CONCESSIONING MODEL:** Airport wise tender to be released.

**21. MONETIZATION OF IN-FLIGHT/ONBOARD SHOPPING SERVICES IN ARRIVAL AREA**

**A. PERIODICITY:** Five (05) Years

**B. GESTATIONPERIOD:** 60 days

**C. SELECTION/ ELIGIBILITY CRITERIA**

**C1: TECHNICAL CAPACITY:**

Any agency / domestic schedule airlines and / or its subsidiaries engaged in business of “Monetization of In-flight / Onboard Shopping services at Airport” and fulfilling following listed conditions,

**1)**

- a)** Having one year experience during the last three years in “Monetization of In-flight/Onboard Shopping services at Airport” is eligible for participating in tender.

**OR**



- b)** Holding a valid contract agreement at the time of submission of tender with domestic schedule airline in “Monetization of In-flight/Onboard Shopping services at Airport” is eligible for participating in tender.
- 2)** The agency will be eligible to participate in tender on submission of an undertaking as given below.
- a)** “I/We will submit a valid agreement with any domestic schedule airlines for in-flight/ onboard promotion and/ or sales of various products or goods showcasing onboard via some in-flight catalogue/marketing material within the gestation period. i.e. 60 days from issue of LOI by AAI.
- b)** I/ We agree that, I/We will renew the agreement with any domestic schedule airlines for in-flight/ onboard promotion and/ or sales of various products or goods showcasing onboard via some in-flight catalogue/marketing material, 30 days prior to the date of expiry of the agreement throughout the currency of the license awarded by AAI.
- c)** I/We undertake that in the event of non-fulfillment of para A and/ or B above, as the case may be, I/We will make payment towards license fee even if the shop/ outlet is non-operative for want of valid agreement with any domestic schedule airlines for in-flight/ onboard promotion and/ or sales of various products or goods showcasing onboard via some in-flight catalogue/marketing material which is mandatory requirement for the license.
- d)** In case of noncompliance of any of the above conditions, AAI will be free to forfeit our EMD and security deposit submitted under the provision of RFP document and terminate my contract and I/We further forfeit my/our right to claim our security deposit and EMD in any manner and at any forum on this account.

**C2: FINANCIAL CAPACITY:** As per Chapter 7.2

**D. SPACE IDENTIFICATION**

The shop needs to be placed at the domestic arrival hall of the terminal building in a minimum area of 10 sqmts subject to availability. It should be ensured that the passenger movement or flow is not affected.

**E. BIDDING PARAMETERS: MINIMUM MONTHLY GUARANTEE**

The tender is to be invited on MMG i.e. Monthly Minimum Guarantee.

The vendors will quote over and above MMG.

The MMG will be subjected to minimum compounded escalation as per the following formula from second year onwards which has been already used in advertisement and F&B tenders

$$R_n = (0.2 R_{n1} + 0.8 R_{n2}) * 100\%$$

where,

$$R_{n1} = (CPI_1 - CPI_0) / CPI_0$$



$$R_{n2} = (PaxI - PaxO) / PaxO$$

- [R]:** Rate quoted by the licensee at the time of bid.
- R<sub>n</sub>:** Escalated rate/Revised rate which shall be applicable in the year which is to follow after the completion of n years since the first day of the month after the Bid opening month.
- CPI<sub>1</sub>:** The monthly consumer price index (All India CPI- General Index (Urban) for Delhi center as issued by The Central Statistics office (CSO), Ministry of Statistics and programme Implementation (Govt. of India), latest series shall be applicable. The monthly index applicable shall be the annual average of CPI starting from 1 year prior to the date on which the escalation is being calculated to the last available CPII at the time of escalation of rate.
- PaxI:** The annual passenger traffic for respective airports is issued by Airport Authority of India shall be applicable. The annual traffic date starting from 1 year prior to the date on which the escalation is being calculated shall be applicable
- CPI<sub>0</sub>:** The monthly Consumer price index (ALL India CPI-General Index (Urban) for Delhi central as issued by The Central Statistics Office (CSI), Ministry of Statistics and programme Implementation (Govt. of India), latest series shall be applicable. The monthly Index applicable shall be the annual average of CPI starting from 1 year prior to receipt of bid to the last available CPII at the time of receipt of bid.
- Paxo:** The annual passenger traffic for respective airports as issued by Airports Authority OF India shall be applicable. The annual traffic data starting from 1 year prior to the date of receipt of bid shall be applicable

No reduction in the applicable current rate shall however be allowed in case the revised rate falls below the rate existing at the time when escalation is calculated for rate. (i.e. if  $R_{n+1}$  is worked out less than  $R_n$ , the rate  $R_n$  will continue to be applicable).

Rate of Escalation ( $R_n$ ) will be calculated on the basis of the above mentioned formulae. However, the lower limit (floor) of 10% and upper limit (cap) of 20% shall be applicable on the escalation rate. The calculated rate will be rounded to the closest 0.5%. For example, if the calculated  $R_n=14.37\%$ , a rate of 14.5% shall be used to calculate annual escalation.”]

## **F. SUGGESTED GUIDELINES FOR CALCULATING MMG**

The Airports will be advised to identify potential for Monetization of In-flight / Onboard shopping services in their respective domestic arrivals and identify a floor value for MMG which can be worked out as follows:

Ample space is available in arrival hall which can be explored for generating non-aero revenue. But the business potential at arrival hall is low compared to other locations like departure hall, SHA since no captive audience is available



in arrival area on the moment passenger disembark from the flight his only attention is to go to the baggage conveyor belt and there after looking for taxi service. This has led to less number of concessionaire showing interest in the arrival area tender therefore at present no standards or fixed guidelines available for calculating the space rent at arrival hall.

However it is proposed that the total area of shops in the departure hall excluding SHA may be considered for calculating space rent per square meter.

i.e. Sum of license fee received from total number of shops in domestic departure area excluding SHA divided by total area of the shops in domestic departure excluding SHA (in square meters) which will be equal to space rent per square meter.

Therefore,

Potential Revenue or MMG = Space Rent (Rs. Per square meter) X Store Space (Square meters) from Shop

Approval of MMG will be as per DOP.

## **22. SHORT TERM COMMERCIAL ACTIVITY**

**A. PERIODICITY:** As per requirement

**B. GESTATION PERIOD:** 1 week

**C. EXPERIENCE/ELIGIBILITY:**

The permission for following Short term facilities/ventures for a maximum period of 30 days can be granted by Airport Director/Airport In-charge, based on negotiations except wherever specified in the table below, subject to base rates, enlisted in the given table :

### **Base Rates:**

<b>S. No.</b>	<b>Particulars</b>	<b>Rates for Kolkata &amp; Chennai &amp; Juhu Airport (In Rupees)</b>	<b>Rates for Group A (In Rupees)</b>	<b>Rates for Group B,C&amp;D (In Rupees)</b>
1	Film shooting & TV Serial	2,00,000/- for first 01 hr. or parts thereof.  1,00,000/- per 30 minutes thereafter.	100,000/- for first 01 hr. or part thereof  50,000/- per 30 minutes thereafter.	50,000/- for first 01 hr. or part thereof  25,000/- per 30 minutes thereafter.
2	Non-commercial activity (Film shooting) On specific directions/ approval of CHQ only	10,000/- per hour	5,000/- per hour	2,000/- per hour
3	Catalogue/magazine Distribution	5,000/- per day	3,000/- per day	1,000/- per day



4	Aerial display at non-functional airport (not allowed at functional airport)	-	-	5,000/- per day
5	Facilitation counter/ Reception desk	5,000/- per day/counter	4,000/- per day/counter	3,000/- per day/counter
6	Product display (Max. area 20'x10 ft) (where exclusive Advertisement Rights contract is not there)	Inside: Rs.50,000/- per day Outside: Rs. 40,000/- per day	Inside: Rs. 20,000/- per day Outside: Rs. 15,000/- per day	Inside: Rs. 10,000/- per day Outside: Rs. 7,000/- per day
7	Display/testing of aero equipment (Max. period 3 days)	10,000/- per day	5,000/- per day	4,000/- per day
8	Advertisement site for social message (Max. 3 sites for Govt. agencies, of size 16'x4')	Free	Free	Free
9	Decoration of terminal / airport (Max. for 10 days)	1,00,000/- per day	50,000/- per day	25,000/- per day
10	Complimentary Newspaper / Paper cups			
11	Retiring Rooms Proposals to be received from REDs	To be intimated separately.	To be intimated separately	To be intimated separately
12	Conference Room (projector to be provided by AAI)	Rs.10,000/-per day	Rs.5,000/-per day	Rs.3,000/-per day
13	Donation Boxes (as per circular issued by OPS section)	Free	Free	Free
14	Event Show (for eg. Car Show / Bike Show)	Rs.20,00,000/- per day	Rs.10,00,000 per day	Rs.5,00,000 per day
15	Commercial Pass to any Corporates / Tour Operators/ Travel Agency etc. (Maximum Two (02) Number of Passes)	Rs.5,000/- per month	Rs.4,000 per month	Rs.2,000 per month

1. For film shooting/photography, the agency has to get permission of BCAS.
2. The agency has to pay the charges in advance. They will to pay Security deposit equivalent to charges which will be refundable.



3. Branding/Decoration of airport by AAI on special occasion against advertisement is to get done through AAI Airport Licensee (Max period 10 days);
4. Complimentary Newspaper has to be handed over to AAI. AAI will keep them at requisite place like SHA, VIP lounges and other places. It should not have any extra advertisement label.

To be placed in the advertisement standee by the agency and advertisement may be allowed.

5. Facilitation counter to any Govt./Private agency (recommended by the respective State Haj Committee) to facilitate Haj Pilgrims will be allotted at token rate of Rs. 1/- per counter for entire period of Haj flights.
6. Commercial Pass for facilitation counter mentioned above will be charged Rs.2,000/- per person per day.
7. The first escalation of 10% (or as may be decided from time to time) on the above rates will be given effect to on 1st April, 2019 and thereafter on 1st April of subsequent year.

### **23. DONATION BOXES**

To be provided free of cost.

#### **Policy guidelines on placement of donation/charity boxes at AAI Airports:**

(i) **Eligibility:**

- a) Internationally/nationally renowned organization and recognized charitable organization/trust for social/economic upliftment of under-privileged sections of society or for helping physically ill/mentally retarded patients or likewise other noble causes.
- b) The applying entity must submit audited financial statements of preceding 3 years.

(ii) **Registration:** Such organizations should be mandatorily registered under the Societies Registration Act, 1860 or any other relevant Act as per the law of the land.

(iii) **Self-Attested Documents:** Self-attested documents to be submitted by the agency(ies) and the responsibility for the authenticity of the documents submitted shall be of the submitting agency.

(iv) **Scrutiny:**

- a) Upon receipt of such request, the same will be scrutinized by the committee (constituted by APD) [consisting of HoD (Operations), HoD (Finance) and HoD of any other Department] and may call the agencies for making a presentation on their proposed plans. Committee will submit its recommendations to the Airport Director for approval.
- b) The Committee will be considering such request once in a month at local airport. All the requests received 10 days prior to the monthly meeting will be considered for the decision in the same month.



- (v) **Number of Agencies:** Not more than three agencies should be selected for placing their donation boxes in any airport.
- (vi) **Number of Donation/Charity Boxes:** Not more than four donation/charity boxes shall be allowed in the entire terminal complex.
- (vii) **Maximum boxes per agency:** Not more than 02 boxes belonging to each agency shall be allowed for an airport.
- (viii) **Periodicity:** The selected agency shall be allowed to put their boxes up to three years maximum and preference to be given to new agency for placement of donation/charity boxes subject to fulfillment of requisite criteria. However, in case, a new agency either does not apply or is not selected, existing agency will be allowed to continue for two more years.
- (ix) **Location of Boxes:** Donation/Charity boxes should be placed at prominent places having maximum passenger traffic subject to following:
  - a) it maintains the overall aesthetics inside the terminal building;
  - b) it should not create hindrance in the passenger flow;
  - c) it should be cleared from security point of view, wherever necessary.
- (x) **Material:** The Boxes shall be of transparent material and is subject to meeting following criteria:
  - a) Donation Boxes should be placed on any solid metal stand or at any high place conveniently visible and reachable to passengers. Boxes made of safe and transparent material carrying a message.
  - b) Maximum font size for the branding of the sponsor agency is restricted to 24mm.
  - c) Donation box design aesthetically matching with the airport and height shall not exceed 4 ft. (including stand height) and shall not occupy more than 0.4 sqm floor space.
  - d) The decision of the Airport Director will be final in all the above aspects.
- (xi) **Private Business or Tie-up arrangement:** No private business sponsorship or tie-up arrangement shall be entertained.
- (xii) **Withdrawal:** The periodicity of withdrawal of donations box(s) shall be as per mutually agreed duration between the agency and Airport Director.
- (xiii) **Compliance of Laws and Regulations:** It should be made clear by the Airport Director to the selected agencies that the responsibility of complying with all decisions and appropriate laws and other such Government regulations shall be of the agency concerned.
- (xiv) **Proceeds of the Donation Box:**
  - a) Box will be opened in front of AAI official, nominated by Airport Director, and representative of the Agency.



- b) The Agency will submit a copy of Bank Passbook or Account Statement indicating that previous month's collection has been deposited into their Bank account.

(xv) **Periodical Report:** Agency shall submit the periodical report (quarterly) to the respective Airport Director regarding the amount collected.

**24. MEDICAL TOURISM**

Policy to be issued separately.

**25. MISCELLANEOUS COMMERCIAL ACTIVITY**

The concessions that required no closed/covered area to operate are considered in this category. This includes:

- (i) Massage chairs
- (ii) E-Commerce Store
- (iii) Sports Store (Ex. Decathlon Store) Out Side Terminal
- (iv) Courier Service Outside Terminal,
- (v) Joy Ride at Non –Operational Area
- (vi) Cloak Room outside terminal
- (vii) Tourist Information Center at Arrival Area
- (viii) Photo Studio
- (ix) Beauty Parlor (Saloon),
- (x) Internet Kiosk (Standalone)
- (xi) Pets Corner (Arrival Side)
- (xii) Newspaper/Magazine Vending Machine
- (xiii) Concessions/ Licenses Such as Fruit Plucking

**A. PERIODICITY:** Three (03) years

**B. GESTATION PERIOD:** 30 days.

**C. EXPERIENCE/ELIGIBILITY:**

In other cases, recommended proposal including selection criteria, experience criteria, period of proposed license and calculating the license fee/MRLF shall be sent to RHQ for approval.



## **Annexure IV-A: Vehicle Parking Policy**

### **Policy Guidelines for - Concession to Supply, Install, Test, Commission (SITC) and Operate Automated Parking Management System; Collection of Parking Fees and Access Fees Rights; and Lane Management.**

The components/salient points of the subject policy are given hereunder:

1. **Major Activities/Rights comprising the Concession:** The concessionaire will be permitted to levy parking fee charges only on the vehicles entering/parked in the designated parking area. The subject concession includes the following four (4) major activities:
  - (i) SITC, Operate & Manage Automated Parking Management Solution
  - (ii) Management of Designated Vehicle Parking area and Parking Fees collection rights
  - (iii) Access Fees collection rights on commercial vehicles at arrival area
  - (iv) Lane Management
  
2. **Mode of Selection/Award of Concession:**
  - (i) The concession shall be awarded through invitation of limited tenders from empaneled agencies, whose list was published vide letter no. CHQ/RFE/VP/2018 dated 24.09.2018 and any subsequent list that may be issued from time to time (refer CI No. 07/2018).
  - (ii) NIT for this concession will be circulated by CHQ.
  - (iii) For the other airports not covered in the CI 07/2018, open tenders are to be invited (inclusion of additional airports for using the empanelment list will be communicated/updated by CHQ).
  
3. **Eligibility Criteria:** As detailed in Para (b) of CI 07/2018, if the situation calls for invitation of open tender (viz., if the total number of bids received for a particular tender is less than three), following eligibility criteria shall be applicable.
  - (i) **Technical Eligibility Criteria:**
    - a) Minimum 2 years of Experience of managing license for vehicle parking contracts at hospitals, airports, seaports, railways, metro rail stations, public vehicle park area of Municipal corporations, Commercial Complexes confirming to stipulations as listed in note below.

**OR**
    - b) The manufacturer of automated vehicle parking solutions for car parking (who provides infrastructure, software & hardware and operate) having 2 years' experience in their line of business shall also be eligible to participate.

**OR**
    - c) The Integrated automated car parking solution providers for car parking (who provide infrastructure, software & hardware and operate) having 2 years' experience in their line of business shall also be eligible to participate.



**##(JV/Consortium is not eligible to participate in the Vehicle Parking Management tender)**

**Note:**

- a) Experience claiming from Hospitals should be from a minimum 100 bedded hospital with parking area capacity of 50 four wheelers.
- b) Experience from Municipal corporation/Railways/Metro rail shall be from managing a parking area having capacity of minimum fifty (50) 4 wheelers.
- c) In case of commercial complexes, it should have minimum 1,50,000/- Lakhs sqft area and it should have parking capacity of one hundred (100) 4 wheelers.
- d) Applicants should submit any of the supporting documents like experience certificate/work order/work completion certificate/Statutory auditor certificate as the proof for claimed technical experience.
- e) The bidder shall submit an undertaking in a Rs.100/- non judicial stamp Paper in support of experience viz. status of Hospital/Commercial complex /Municipal corporation etc. and authenticity of the experience documents submitted to AAI.

(ii) **Financial Eligibility Criteria:**

S. No.	Classification of Airports (As per Annexure A)	Minimum Annual Gross Turnover requirement for the applicant(in INR)
1.	Category-I	3.00cr
2.	Category-II	1.75cr
3.	Category-III	0.50 cr
4.	Category-IV	0.20 cr

- (a) The financial criteria will be ascertained as per the Statutory Auditor Certificate. The turnover requirement should be from any of the Three (03) financial years during the last Five (05) financial years for which the experience is claimed by the agency.
- (b) Minimum 10% of annual gross turn over requirement shall be from the same kind of business. The turnover claimed should be congruous with the period in which experience claimed by the agencies.
- (c) The Bidders turn over details should be supported with audited annual accounts for the respective financial years and it should be mandatorily certified by statutory auditor.
- (d) List of airports presently covered under CI07/2018 is at Annexure A.

4. **Period of Contract:** Five (05) Years

5. **Award Criteria:**

- (i) Highest Quoted Monthly License Fee for the first year.



- (ii) **MRLF**, following factors *inter-alia*, need consideration by respective airports while calculating MRLF:
  - (a) Revenue Potential from Parking Fees Collection
  - (b) Revenue Potential from Access Fees Collection
  - (c) Cost of hiring/leasing/procuring parking automation system (hardware & software)
  - (d) Expenditure by licensee towards lane management:
    - Manpower Cost (Minimum number of manpower consisting of traffic marshals and traffic wardens to be assessed by concerned airport, the same is also to be specifically indicated in the tender document.)
    - Cost of traffic management equipment such as tow away vehicles, wheel clamps etc.

**6. Annual Escalation:** Detailed in Annexure B

**7. Gestation Period:**

- (i) Conditions of award such as submission of SD, payment of advance license fees, execution of agreement etc. to be completed within 15 days of issuance of LOIA.
- (ii) Automated vehicle parking solution shall be operationalized within 105 (15 days for completion of conditions of award and 90 days for SITC and operationalization) of days of issuance of LOIA. The successful bidder will be allowed to do installation work immediately after issuance of LOIA.
- (iii) Commencement of operations of subject license will not be permitted until both the pre-requisites as detailed above are not fulfilled by the licensee.
- (iv) If the agency fails to install the Automated parking system as per the AAI specification within 105 days from LOIA another 15 days extension will be granted with daily penalty of 0.25% of quoted Monthly License fee. Even after the completion of 120 days from issuance of LOIA, if the agency failed to install the equipment and not commence the operation LOIA will be revoked, EMD will be forfeited and will be debarred from AAI tenders for a period not exceeding three (03) years.

**8. Scope of Work:**

**(i) Supply, Install, Test, Commission, Operate & Manage Automated Vehicle Parking Management Solution**

1. The concessionaire at its own cost shall hire/procure, install and operate integrated Automated Parking Management System (software and hardware) (APMS).
2. The details (components and its specification) of integrated automated parking management are as per Annexure C.
3. The Concessionaire shall abide by such rules and regulations as may be determined by AAI from time to time regarding the interface of AAI's host system and the Licensee's APMS.



4. All components of the Car Park Management system consisting of hardware and software should be fully integrated, with capability of seamless and real-time communication between different components.
5. The Concessionaire shall permit AAI's authorized offers to inspect the APMS at any time.
6. Issuance of manual parking tokens and payment receipts will be strictly prohibited & close monitoring will be done by the AAI commercial team. Third Party Vendor can be engaged by AAI to carry out process and mystery audits at concession location.
7. Software used by the concessionaire in its APMS should be as per industry standards.
8. The solution shall have the capability of exporting reports to other formats that shall include but not be limited to Excel, PDF, CSV and HTML.
9. The licensee agrees to provide the licensor an automated data capture from recommended standard APMS software by integration methods specified by licensor that allows near real time capture of required vehicle parking data including but not limited to revenue collection data. Reports will be generated automatically by the method of capture which will be integration and print.
10. In order to facilitate this mechanism, the licensee shall undertake the following activities:
  - i. Install at its own cost APMS system compatible to such specified Integration methods.
  - ii. Provide on demand all details of the software, its supplier, software solution APMS and APMS back end package being used by the licensee to the licensor and give its irrevocable consent to the licensor to appoint a third party consultant or a software consultant to implement the process of tracking accurate vehicle parking data including but not limited to revenue collection data through a free and uninterrupted real time connectivity from the licensee POS to the licensor's servers.
  - iii. Render complete support and full cooperation to the licensor and its third party consultant or the software consultant.
  - iv. To obtain all required approvals from its software supplier and implement this process.
  - v. Allowing the Licensor to install through its appointed consultant/vendor, an integration service with Licensee's POS software, such that the POS is capable of allowing data capture automatically to the licensor.
  - vi. In case the standard APMS system does not exist with the licensee or APMS system is not competent to adhere to the data capture mandate by the Licensor, the licensee shall accept the use of APMS (at licensee's cost) provided or recommended by the AAI appointed consultant/vendor.
  - vii. Cost of appointment of third party consultant/ vendor for integration shall be borne by AAI.



11. In case of failure or mal-functioning of any component of APMS, the details shall be shared with AAI Commercial team immediately, and the same shall be rectified within 24 Hours by the concessionaire.
12. APMS shall have a serviceability of 99%, calculated on monthly basis.
13. In a single incident, maximum breakdown period of not more than 30 minutes is permissible.
14. At Airports with annual passenger traffic of more than 4 million, agency to operate a 24x7 control centre near the parking area with supporting technicians to meet any break down/maintenance requirements. Applicable space rental will be levied for any space allotted for this purpose.

**(ii) Management of Designated Car Parking and Parking Fees Collection Rights**

1. Automated Access control unit shall be installed at all entry and exit points of designated car parking area.
2. Apart from exit gate, payment booth shall also be placed within designated car parking area or other convenient points as deemed fit by AAI, so that airport users have option to make the payment towards parking charges at these booths also. This will also reduce chances of queue formation at exit gate.
3. Optimal utilization of designated vehicle park areas by assisting airport user in parking their vehicles in clearly demarcated parking slots.
4. Parking areas for VIPs/Government Vehicles, Regulatory Agencies (Customs, Immigration etc.), shall be clearly demarcated. Not more than 20% of space shall be demarcated for Govt. Vehicles/ VIP Parking, and vehicles parked in this area shall be exempted from parking fees.
5. Not more than 10% of parking area shall be demarcated for ground transportation licensees. For agencies working at Airport (including airlines/ GHA staff), if possible, separate staff parking area (not necessarily in front of terminal building) shall be identified and provided, and if the same is not possible, then not more than 10% of parking area shall be demarcated for agencies working at Airport. This shall be ensured by Airport team before the commencement of license.
6. Airport Director to decide percentage of space to be demarcated for various category of vehicles as detailed above on demand basis. He may also review the same on time to time basis as per requirement.
7. Ensure Government owned Vehicle, Regulatory Agencies, Airlines and staff vehicles are not parked in the parking area earmarked for airport users.
8. Ensure Pre-paid Taxi, Car Rental, Radio Taxi, Maxi cab and Cab Aggregators etc. are not parked in the parking area earmarked for airport users.
9. Schedule of Parking Charges is given in AnnexureD.
10. Adequate signage/notices to be installed at entry/exit gate of the approach road to airport for public awareness and to reduce any complaints of new policy/charges by AAI.



11. Time clock with reasonable visibility shall be installed in the parking area and the exit booth by the concessionaire and the same shall be in synchronization (with APMS Server clock) with the time stamp on parking token.
12. The name of the parking contractor should be clearly indicated in the parking token. Other than this, no advertisement is permissible on the parking token.

**(iii) Access Fees Collection Rights:**

1. There will not be any Free Time Concept from entry to exit for vehicles going to pick/drop lanes at Arrival/ Departure. However, concessionaire may levy access fees for all commercial vehicles (Contract Carriage as defined in Motor Vehicles Act) going to arrival area as stipulated in following points.
2. Access fee for all commercial vehicles entering at arrival area can be levied as per the details below

Particulars	Chennai/Kolkata	Group A	Group B	Group C
<b>Access fee to be levied on all commercial Vehicles at arrival area (in INR)</b>	<b>60</b>	<b>50</b>	<b>40</b>	<b>30</b>

3. A separate pass through will be created for commercial vehicles going to arrivals, at a short distance before beginning of approach road or as deemed fit by the APD, as per local conditions. A booth will be placed at this pass through for levying of access fees.
4. Manpower may also have to be placed along with handheld device to issue token and collect payment, near the booth also, so as to ensure access fees is collected from those commercial vehicles also which do not come through this pass through.
5. No access fee to be levied at airport on commercial vehicles which are part of AAI awarded licenses for ground transportation services such as pre-paid taxi, car rental, Radio taxi, app based CAB aggregator facility etc. Such licensees shall be exempted from payment of Access fees by providing Holograms sticker/RFID sticker/Tag etc. or any other mechanism devised with mutual consent of the concerned licensee.
6. The booth for collection of access fees shall be equipped with automated access control kit for collection and monitoring of access fees.
7. Pre requisite for levying access fee is separate entry/exit lane for departure/arrival vehicles. APD's to ensure that Access fee are introduced only after sufficient /separate lanes for departure/arrival vehicles are created and signage for diversion etc. in place. (Hence APD's are advised to ensure sufficient infrastructure in place before introducing the access fee in NIT)
8. Airports where arrival and departure lanes are not segregated:



- If provision to segregate arrival lanes and departures can be created: Licensee may be given a rebate of 20% on the license fees quoted, until segregation of arrival and departure lanes is successfully done.
- Airports where such a provision cannot be created. At these Airports, MRLF to be worked out without considering revenue potential from levy of Access fees by the licensee. As and when, provision to segregate arrival and departure lanes is made possible and is created, Collection of Access Fees will be done by AAI through separate arrangement.

**(iv) Lane Management:**

1. Placement of traffic marshals on approach road as well as exit road, so as to ensure no vehicle is parked there. APD should convene joint meeting with Ops/ Security/ Terminal/ CISF/ Commercial and assess the required number of resources and deployment plan according to the congestion level in the lane and number of booths to be installed for levy of Access Fees. Number of vehicular lane, traffic density and passenger movements at their respective airports also to be considered.
2. Permissible time taken by vehicle from approach road entry to pick/drop lane or from lane exit to airport exit: This will be fixed in coordination with AAI and form SLA Target and performance evaluation parameter, this time will be calculated based upon the length of road, time can be calculated by station considering time taken by a vehicle during peak hours at a speed of 15 Km/ Hr.
3. Placement of traffic marshals on pick/drop lane, so as to minimize congestion, and ensure that no vehicle overstays reasonable time on pick/drop lane (taking dwell time of say 3 mins i.e. time taken to pick-up/drop the passenger and load/unload the luggage).
4. Permissible time taken by vehicle from lane entry to exit: This will be fixed in coordination with AAI and form SLA Target and performance evaluation parameter, this time will be calculated based upon length of lane and considering dwell time of three minutes and movement from entry to exit at speed of 10 Km/ Hr.
5. Non-complying vehicles, parked anywhere other than designated car parking, or overstaying in pick/drop lane, creating congestion, shall be clamped (wheel clamp) or towed away as the situation calls for, and released upon payment of fine.
6. The quantum of fine shall be 4 times of applicable parking charges in 30 Minutes-two-hour slab.
7. Issuance of Challan and collection of fine shall be done by licensee on behalf of AAI.
8. Daily record of number of challans issued and amount of fine collected shall be submitted at office of Duty Terminal Manager and a weekly report to be submitted to commercial in-charge. The proceeds from fine collection shall be deposited by the licensee, to AAI's account on daily basis.
9. The licensee will get a share of 25% from the fines so collected.
10. Airport to indicate (in the tender document) minimum manpower (traffic marshals & traffic warden) requirement every year for the period of contract, estimated on the basis of projected PAX growth.



11. Traffic management equipment such as wheel jammers, tow away vehicles, PA system, Stationery etc. to be arranged by the Licensee at its own cost.
12. AAI is free to open any number parking entry/exit lane for the smooth flow passenger movement and passenger convenience will be the first priority.

**9. Grievance Redressal/ Issues Management**

- (i) To assure issues are properly prioritized, monitored and closed within performance standards, a grievance escalation matrix shall be complied with at all times:

<b>Query Level</b>	<b>Query Level Guidance</b>	<b>Contact Person</b>
General	Day to Day issues	Vehicle Parking Manager (representative of Concessionaire)
Initial	In case of unsatisfied response or absence of contact person at previous level.	Duty Terminal Manager
Secondary	In case of unsatisfied response or absence of contact person at previous levels.	Terminal Operations (HOD)
Final	In case of unsatisfied response or absence of contact person at previous levels.	Airport Director

- (ii) A complaint register has to be maintained at all levels and it has to be ensured that complaints/grievances are properly recorded with contact number and email id of the complainant and response to complaints is also recorded properly. Response time at each level shall be minimum and reasonable.

**10. Performance Monitoring:**

- (i) A set of Performance indicators has been defined, and for each indicator performance will be monitored monthly, unless otherwise stated.
- (ii) Performance data will be used as a management tool, to identify areas of strong and weak performance, provide information and guidance to Vehicle Parking Concessionaire, and support planning for future improvements.
- (iii) Quarterly performance review meetings will be held with Vehicle Parking Concessionaire, to provide an opportunity to:
  - (a) Discuss actual performance versus target.
  - (b) Airport Director or the Authorized official of AAI will conduct surprise audit on the performance of the various activities described herein and in case of deviation penalty clause will be invoked.
  - (c) Consider corrective actions where service is below the expected level.
  - (d) Consider any grievance escalated to Stage-3.



- (e) Consider fulfillment of the Customer's Responsibilities and any issues arising from this.
- (f) Consider other relevant topics, including future requirements.
- (iv) Schedule of Performance Indicators is given in Annexure E.
- (v) Penalty for Infractions is given in Annexure F.

**11. Manpower:**

- (i) Adequate manpower shall be deployed by the concessionaire at all times keeping in view service description given above and service level description given hereafter.
- (ii) Manpower shall be well groomed and courteous to all airport users at all times
- (iii) Manpower shall be well versed with Local Language of that State where the Airport is located as well as Hindi & English language for better interaction with the all airport users at all times.
- (iv) Concessionaire shall issue identity cards to all its employees and it shall be ensured that I-Cards are displayed above waist line at all times during duty.
- (v) Distinct uniforms shall be issued to manpower deployed for different activities. For example-uniform of traffic marshal shall be different from that of manpower deployed at entry booth.
- (vi) Misbehavior of staff with airport users is strictly prohibited; the Concessionaire shall also ensure that no staff during duty hours is in a drunken state.

**12. Layout & Area Details:**

- (i) Station to ensure that Auto CAD drawing of parking layout clearly indicating entry/exit roads, pick/drop lanes at arrival/departures, designated car parking area etc. along with detailed schedule of premises specifying area is provided as part of tender document.
- (ii) In the designated car parking area 20% of area to be clearly demarcated for parking of VIPs, Exempted Vehicles, Government Vehicles etc.
- (iii) In the designated car parking area 10 % of area to be clearly demarcated for parking of employees of AAI and Third party agencies working at AAI.
- (iv) In the designated car parking area 10 % of area to be clearly demarcated for parking of ground transportation licensee.
- (v) The distribution of designation car parking for specific airport users as detailed above may be reviewed and revised from time to time at the Airport Level on mutual consent, on need basis.

**13. Conditions to be followed if change in Parking Area during the Concession Period:**

- (i) The location/layout of parking area given in e-tender document will be based on preliminary survey. Area and location(s) may change while preparing



detailed design and execution of this project (handing / taking over). Any change (increase/decrease) in Vehicle parking area up to 10% of the concession area shall not affect the quoted concession fee.

- (ii) However, during the Concession period, parking area may be revised due to any administrative/ operational reasons like: construction, security, other operational requirements, etc.
- (iii) In case of increase in parking area, the Concessionaire has to cover such area under the scope of the awarded project with payment of additional concession fee as per the following methodology:

***“Parking Area is increased by more than 10% - Concession fee will be increased by half of the amount calculated on pro-rata basis.”***

- (iv) In case of decrease in parking area, reduction in the concession fee will be allowed as per following methodology:

***“Parking Area is decreased by more than 10% - Concession fee will be decreased by half of the amount calculated on pro-rata basis.”***

- (v) Further, the above stated methodologies for calculating the post change in area, the revision in Concession Fee shall be subject to following conditions :-

- i. Actual measurement should be conducted jointly by AAI and the Concessionaire whenever the change is taking place after the commencement of the contract.
- ii. The modified contract value should be approved by the Airport Director and communicated to the Concessionaire duly acknowledged.
- iii. The revised Concession fee shall be applicable from the first day of the following month only.
- iv. The concession period will not be changed under any condition.

**14. Extension of Contract Period:** Normally there should not be extension of contract. However, in exceptional cases, AAI may consider extension of contract at its discretion, as per provisions in DoP, on mutually agreed terms & conditions not inferior to existing terms of contract. [APD is to exercise this clause strictly in line with CI-14/2017 and as per DOP].

**15. Revision of Parking Fee/ Access Fee during the contract period:** In case of revision of parking fees or access fees, following course of action may be adopted:

- a) For X Percentage increase in parking fees or access fees, license fees may be increased by (X/2) % provisionally.
- b) Post revision of parking fees or access fees, parking fee collections or access fees collections (as the case may be) will be compared with collections that were happening before revision of rates, period of comparison of revenues shall be three (03) months immediately before revision with three (03) months immediately after revision, to assess the actual impact of revision in parking charges on license fees.
- c) Subsequently, the upward or downward revision in license fees will be made accordingly and proportionately.



- d) The collections/ revenue data will be readily available for such assessment as it is automated system driven collection system.
  - e) If such data is not available at any Airport, data from similar airport (from same category of airport with similar passenger traffic), may be used.
  - f) If the licensee is not consenting to revision in license fees on account of revision in parking fees or access fees, then the party may be allowed to serve the notice period and exit the contract without imposition of any demurrage or penalty.
- 16. Temporary Suspension of Parking Concession:** If the parking Concession is suspended by AAI due to any policies/orders of AAI/State/Central Government for more than **12 hours**, then the Concession Fee shall be adjusted on pro-rata basis
- 17. Security Deposit:** The selected concessionaire has to submit 6 months equivalent Concession fee of the Fifth (05<sup>th</sup>) year to AAI as an interest free security Deposit. The SD amount equivalent to 3 months concession fee to be submitted in the form of BG from any scheduled commercial bank (other than cooperative scheduled bank) and balance 3 months equivalent concession fee by way of NEFT/RTGS or DD/PO. (For the purpose of calculation of SD Amount, License Fees in the Fifth Year may be arrived at by escalating quoted license fees by 10% annually; however, actual escalation as per escalation formula shall be applicable for billing purpose.)
- 18. Conflict of Interest:** Applicant shall not have conflict of interest (the “Conflict of Interest”) that affects the Bid/selection process. Any Applicant found to have Conflict of Interest shall be disqualified. In the event of disqualification, AAI shall forfeit and appropriate the Bid Security or Performance Security, as the case maybe, as mutually agreed genuine pre-estimated compensation and damages payable to AAI for, inter alia, the time, cost and effort of AAI, including consideration of such Applicant’s Proposal, without prejudice to any other right or remedy that maybe available to AAI hereunder or otherwise. Without limiting the generality of the foregoing, an Applicant shall be considered to have a Conflict of Interest that affects the Bidding/selection process, if:
- (i) Such Applicant, or any constituent thereof, and any other Applicant or any constituent thereof having common controlling share holders or other common ownership interest by any third party, whether director indirect, or such Applicant or any constituent thereof holding paid-up capital, directly or indirectly, in other Applicant or any constituent thereof. Provided that this disqualification shall not apply **(a)** in case of common controlling shareholding or other common ownership interest by any third party, if such share holding or ownership interest in one of the Applicants is less than 20% of its paid-up and subscribed capital, or **(b)** in case of the director indirect shareholding in a Applicant by the other Applicant on any constituent thereof if such shareholding is less than 20% of that other Applicant’s paid up and subscribed capital; or
  - (ii) A constituent of such Applicant is also a constituent of another Applicant; or
  - (iii) Such Applicant receives or has received any director indirect subsidy from any other Applicant, or has provided any such subsidy to any other Applicant; or
  - (iv) Such Applicant has the same legal representative for purposes of this Proposal as any other Applicant; or



- (v) Such Applicant has a relationship with another Applicant, directly or through common third parties, that puts them in a position to have access to each other's information about, or to influence the Proposal of either or each of the other Applicant.

**19. Fraud & Corrupt Practices:**

- (i) In case it is found, after the issue of the LOA or signing of the Agreement or after its execution and during the subsistence thereof, that:
- (a) One or more of the pre-qualification conditions have not been met by the Applicant; or
  - (b) The Applicant has made a material mis representation; or
  - (c) The Applicant has engaged in a corrupt, fraudulent, coercive, undesirable or restrictive practice;
  - (d) The applicant or its associates or a person or entity having legal relationship with applicant committed any fraud or forgery of submission of any kind of documents/ bank guarantee/ Security Deposit etc (during the tender process and thereafter) with this or any other tender/ contract with Airports Authority of India or any PSU or Government Departments during the last 5 years;
- (ii) Then the LOA or the draft Agreement, as the case maybe, shall, notwithstanding anything to the contrary contained therein or in this NIT Document, be liable to be terminated by a communication in writing by AAI to the agency without AAI being liable in any manner whatsoever to the agency. In such an event, AAI shall forfeit and appropriate the Performance Security and debar the agency from AAI tenders for any period not succeeding subject to minimum of three years, as the case may be without prejudice to any other rights or remedy that may be available to AAI in this regard.
20. All other terms and conditions shall be as per Commercial Manual.
21. **NIT/Tender Document:** will be provided separately by CHQ.



**CATEGORY OF AIRPORTS FOR VEHICLE PARKING POLICY****Category-I Airport**

<b>S. No.</b>	<b>Name of Airport</b>
1	Chennai
2	Kolkata
3	Ahmedabad
4	Trivandrum
5	Guwahati
6	Goa

**Category-II Airport**

<b>S. No.</b>	<b>Name of Airport</b>
1	Pune
2	Lucknow
3	Amritsar
4	Mangalore
5	Trichy
6	Jaipur
7	Bhubaneshwar
8	Varanasi
9	Juhu
10	Calicut
11	Vizag

**Category-III Airport**

<b>S. No.</b>	<b>Name of Airport</b>
1	Coimbatore
2	Raipur
3	Indore
4	Patna
5	Bagdogra
6	Vadodara
7	Udaipur
8	Bhopal
9	Imphal
10	Ranchi



## **CATEGORY OF AIRPORTS FOR VEHICLE PARKING POLICY**

### **Category–IV Airport**

<b>S. No.</b>	<b>Name of Airport</b>
1	PortBlair
2	Tirupathi
3	Sri Nagar
4	Dehradun
5	Jodhpur
6	Agartala
7	Rajkot
8	Rajahmundry
9	Dibrugarh
10	Surat
11	Jammu
12	Vijaywada



### Escalation Formula

Following Annual Escalation Formula shall be applicable

- (i)  $R_n = (0.2 R_{n1} + 0.8 R_{n2}) * 100\%$
- (ii)  $R_{n1} = (CPI_1 - CPI_0) / CPI_0$
- (iii)  $R_{n2} = (Pax_1 - Pax_0) / Pax_0$

### Details of Annual Escalation Formula:

**(i) The following principles shall be followed while working out the escalation**

- (a) The rates of recurring payments shall be escalated every year from the first day of the month from first billing date.
- (b) The base date for working out such escalation shall be the first day post completion of gestation period

**(ii) The escalation shall be worked out as per the formula given below: -**

**R<sub>n</sub>:** Escalated rate/Revised rate which shall be applicable in the year which is to follow after the completion of n years since the first day of the month after the Bid opening month.

**R:** Rate quoted by the licensee at the time of bid.

**CPI<sub>1</sub>:** The monthly consumer price index (All India CPI- General Index (Urban) for Delhi center as issued by The Central Statistics office (CSO), Ministry of Statistics and programme Implementation (Govt. of India), latest series shall be applicable. The monthly index applicable shall be the annual average of CPI starting from 1 year prior to the date on which the escalation is being calculated to the last available CPII at the time of escalation of rate.

**Pax<sub>1</sub>:** The annual passenger traffic for respective airports issued by Airport Authority of India shall be applicable. The annual traffic date starting from 1 year prior to the date on which the escalation is being calculated shall be applicable

**CPI<sub>0</sub>:** The monthly Consumer price index (ALL India CPI-General Index (Urban) for Delhi central as issued by The Central Statistics Office (CSI), Ministry of Statistics and programme Implementation (Govt. of India), latest series shall be applicable. The monthly Index applicable shall be the annual average of CPI starting from 1 year prior to receipt of bid to the last available CPII at the time of receipt of bid.

**Pax<sub>0</sub>:** The annual passenger traffic for respective airports as issued by Airports Authority of India shall be applicable. The annual traffic data starting from 1 year prior to the date of receipt of bid shall be applicable.



- iii) Rate of Escalation (R<sub>n</sub>)** will be calculated per annum as per sample calculation given below. However, for practical purpose R<sub>n</sub> will be calculated from the last available CPII at the time of escalation of rate. No reduction in the applicable current rate shall however be allowed in case the revised rate falls below the rate existing at the time when escalation is calculated for rate. (i.e. if R<sub>n+1</sub> is worked out less than R<sub>n</sub>, the rate R<sub>n</sub> will continue to be applicable).
- iv) Rate of Escalation (R<sub>n</sub>)** will be calculated on the basis of the above mentioned formulae. However, the lower limit (floor) of 05% and upper limit (cap) of 15% shall be applicable on the escalation rate. The calculated rate will be rounded to the closest 0.5%. for example, if the calculated R<sub>n</sub>=14.37%, a rate of 14.5% shall be used to calculate annual escalation.”



## Smart Parking - Technical Specifications

[This is only an indicative list; actual configuration will depend upon ground realities such as layout etc. and may be finalized by concerned Airport Director].

**NOTE:** The specification/model are indicative in nature and models/make having equivalent/ higher specifications are also accepted.

### 1. Broad System Description

- System design shall be modular and of proven reliability.
- All software and/or firmware interface equipment for connection to remote monitoring station from field hardware or the operator's terminal shall be provided.

### 2. Quality Assurance

- **Responsibility:** The bidder of the smart parking system shall be responsible for inspection and Quality Assurance (QA) for all materials and workmanship furnished by them.
- **Component Testing:** Maximum reliability shall be achieved through extensive use of high-quality, pre-tested components. Each and every controller, sensor and all other parking systems, guidance systems shall be individually tested by the manufacturer prior to shipment.
- **Tools and Testing:** The control system supplier shall provide all tools necessary.
- **Calibration:** Necessary to ensure reliability and equipment accuracy of the control system.

### 3. Reference Standards

Generally, the latest IS Codes shall be followed. In the event there are no IS Codes on the subject then the latest edition of the following standards and codes in effect and amended as of supplier's proposal date and any applicable subsections thereof, shall govern design and selection of equipment and material supplied:

- Bureau of Indian Standards (BIS)
- National Electrical Code (NEC)
- FCC Part 15, Subpart J, Class A
- EMC Directive 89/336/EEC (European CE Mark)
- City, country, state, and federal regulations and codes in effect as of contract date.
- Except as otherwise indicated the system supplier shall secure and pay for all permits, inspections, and certifications required for his work and arrange for necessary approvals.



## **4. Technical Specifications**

### **4.1 Off street parking:**

The PMGS internally comprises of two subsystems, namely Parking Management System and Parking Guidance System. The Parking Management System consists of the access control system for tracking vehicles in and out of the parking lot, real time information about availability of parking slots, extension of parking time by users, acceptance of payment through various modes like cash, e wallet, smart card, Debit/Credit card etc. and billing information. The Parking Management System comprises of components like sensors, entry devices, automatic barriers, express exit devices, Auto pay station \_payment device and wireless handheld device, etc.

The Parking Management System components should communicate back and forth with the Central Control Centre. The Parking Guidance System will guide the motorist to appropriate parking slots using a combination of digital signs and indicators within and outside the parking lot or through Mobile App.

The Parking Guidance System shall comprise of components such as magnetic loop sensors for vehicle detection, level/zone display, electronic directional displays, map based guidance system, etc. The system should cater to all types of parking lots envisaged such as open and covered parking.

### **4.2 Entry Device- Ticketing system**

The entry device is designed for the automatic issue of Short-Term Parker (Visitors, VIP, and Hourly Parker) media and the processing Long-Term Parker (Seasonal Parker) media at the entrance lane of a car park.

- Real time operating system (reduced risk of virus infection)
- Usage of robust flash cards as memory for operating system
- International standard and proven network technology (Ethernet)
- Industrial embedded PC for the self-sufficient control of the device
- Stainless steel construction with structure effect painting and IP 65
- Temperature Range -20°C to +50°C
- Air Humidity 0% – to 95%
- Terminal is designed for indoor and outdoor use
- Tropicalized PCB's (PCB's are protected against humidity)
- Free choice of housing colour (RAL)
- LED full graphic color display
- Back-out ticket recognition
- Anti-pass recognition
- Low ticket recognition
- Entry device abnormal events recognition
- Dynamic ticket dispensing lock if parking is full
- NFC/RFID compatible
- Presence check for Short-Term Parker media and Long-Term Parker (Seasonal Parker) media
- Vehicle access control integrated by auto gate for legitimate user.



- Fully configurable text display and advertising
- Half-Duplex Intercom sub-station
- Interface to Integrate CCTV Camera
- 10,000 stored transactions – offline redundancy
- Inter-exchangeability of spares between units
- LED display can be switched off in “idle mode” = no present vehicle
- Based on week profile, device can be set into “standby” mode with reduced energy consumption (automatic wake-up if car is present on loop)
- Barcode/QR-Code Scanner for processing of pre-booking users

#### **4.3 Exit Device: (Express lane)**

The exit device is designed for the automatic exit validation of Short-Term Parker (Hourly Parker) and Long-Term Parker (Seasonal Parker) media at the exit lane of a car park.

- Real time operating system (reduced risk of virus infection)
- Usage of robust flash cards as memory for operating system
- International standard and proven network technology (Ethernet)
- LED full graphic color display
- Stainless steel construction with structure effect painting and IP 65
- Temperature Range -20°C to +50°C
- Air Humidity 0% – to 95%
- Terminal is designed for indoor and outdoor use
- Tropicalized PCB's (PCB's are protected against humidity)
- Free choice of housing color (RAL)
- RFID (Contactless) Long-Term Parker (Seasonal Parker) media, fully integrated into Car Park Management System
- Presence check for Short-Term Parker media and Long-Term Parker (Seasonal Parker) media
- Industrial embedded PC for the self-sufficient control of the device
- Half-Duplex Intercom sub-station
- Interface to Integrate CCTV Camera
- 10,000 stored transactions – offline redundancy
- Handling of substitute parking media for processing of lost Short-Term Parker media
- LED display can be switched off in “idle mode” = no present vehicle
- Based on weekly profile, device can be set into “standby” mode with reduced energy consumption (automatic wake-up if car is present on loop)

#### **4.4 Auto Gate/ Barrier:**

The barrier is designed for the automatic access control of vehicles, triggered by a control terminal (e.g. entry device, exit device, or Express exit).

- Temperature Range -20°C to +50°C
- Air Humidity 0% – to 95%
- Terminal is designed for indoor and outdoor use



- Tropicalized PCB's (PCB's is protected against humidity)
- Free choice of housing colour (RAL)
- Maintenance-free barrier drive
- Useable as right-hand and left-hand drive, easily changeable on-site
- Fast opening and closing times within 1.5 sec
- Barrier arm is equipped with a rubber edge on the bottom to prevent damage
- No parts needed (screw etc.) for replacement of run-off barrier arm

#### **4.5 Automatic Pay Station (Credit card/Debit Card/Mobile wallet)**

The automatic pay station should be designed for the automatic processing of all payment transactions of Short-Term Parker media and Long-Term Parker (Seasonal Parker) media.

- Real time operating system (reduced risk of virus infection)
- Usage of robust flash cards as memory for operating system
- International standard and proven network technology (Ethernet)
- LED full graphic color touch screen display
- Stainless steel construction with structure effect painting
- Temperature Range -20°C to +50°C
- Air Humidity 0% – to 95%
- Terminal is designed for outdoor use
- Tropicalized PCB's
- Free choice of housing colour (RAL)
- Customized inscription on front plate (e.g. "PAY PARKING HERE")
- Illuminated Top
- Illuminated Top with customized inscription (e.g. "PAY PARKING HERE")
- Illuminated user guidance of all entry slots and dispensing slots
- Escrow function
- Multi-rod security cabinet locking facilities with nine (9) locking points at the door
- Protective 4-Lock-System with high level security and quality, high level key copy protection, highest level of drilling & core pulling protection and highest manipulation protection
- Receipt printer
- Deactivation of the customer display after a pre-set switch-off time following last payment
- Unit can be set into "standby" mode with reduced energy consumption, based on a freely definable time profile
- Remote or manual wake-up command (wake-up by motion detection via radar)
- Payment of Short-Term Parker (Hourly Parker) media
- RFID (Contactless) Short-Term Parker (Hourly Parker) media processing and calculation of tariff in < 1.9 sec.
- Payment of overstay fees for Long-Term Parker (Seasonal Parker) media
- Extension of validity of Long-Term Parker (Seasonal Parker) media with pre-payment contract



- RFID (Contactless) Long-Term Parker (Seasonal Parker) media, fully integrated into Car Park Management System
- Automatic production of parking media as substitute for a lost Short-Term Parker media at a fixed rate by pressing a button
- Remote handling of substitute parking media for processing of lost Short-Term Parker media
- Half-Duplex Intercom sub-station
- Interface to Integrate CCTV Camera
- Industrial embedded PC for the self-sufficient control of the device
- 10,000 stored transactions – offline redundancy
- Barcode/QR-Code Scanner for processing of third party barcodes as means of payment or discount.
- Software evaluation of third party Barcodes/QR-Codes as vouchers

## **5. SOFTWARE**

### **5.1 Car Park Management System**

- State of the art database technology, internationally proven for the integrated management of all parking transactions
- Supporting 64-bit Microsoft Windows® Operating Systems
- Open software architecture (API / Universal Interfaces)
- Management of authorization levels and internal user groups (e.g. admin or service personnel)
- Usage of modern software technology for all GUI applications (operation modules) on the car park management server
- Multi-tasking/multi-application capability allowing to open several operation modules at the same time
- Workstations allowing multiple users managing the car park simultaneously

### **5.2 Business Intelligence**

- Ad-hoc reporting with drill down capability.
- Modern multi-dimensional data platform.
- Separate reporting data base for high-performance data analysis (data warehouse).
- Interactive user interface and flexible formatting capabilities.
- Data analysis in integrated browser based client.
- Storage of user specific reports.
- Import and export existing reports.
- Supporting report analysis via Microsoft Excel® (\*.xls file) .
- Export in \*.xls, \*.csv, \*.pdf and \*.png files.
- Flexible “Top 10” filter criteria.



### **5.3 User Logging Audit**

- Continuously logging user and application activity.
- Information on who has signed on and what occurred during the session (i.e. used which application / performed which function) and the associated timestamps to be provided.

### **5.4 Difference Counting Module**

- Integrated software module for the management of the occupancy counters in the car park.
- Detecting the occupancy of each level and the complete car park, categorized by reserved Spaces (Long-Term Parkers / Seasonal Parkers), non-reserved spaces (Short-Term Parkers / Hourly Parkers), booked spaces (Short-Term Parkers / Hourly Parkers who pre-booked via internet) and total spaces.
- Use of threshold values to control signs, car park levels (optionally tariffs).
- Automatic sign control (free/full) depending on the number of cars in the car park.
- Automatic sign control, depending on weekday and time.

### **5.5 Alarm Management Module**

- Integrated software module for the management of alarms or events generated by the field devices or the users of the car park management system.
- Alarm prioritization for efficient action and clear instructions to staff.
- Configuration of customer specific alarm messages.
- Configuration of alarm messages that require a comment by the operator (e.g. manual barrier opening requires a reason to be typed in).
- Alarm logbook (history function).
- Alarm counter for displaying alarms with multiple occurrences.
- Alarm forwarding via email.

### **5.6 Customer Administration Module**

- Integrated software module for the management of Long-Term Parker (Seasonal Parker) data (e.g. address, invoice details, card numbers).
- Extended Long-Term Parker (Seasonal Parker) access profiles (depending on Day/Time and parking area or integrated parking area).
- Flexible list generator allowing for definition of views and queries/reports on Seasonal Parker data details.
- Automated invoicing.
- Invoicing dates and cycles definable.

### **5.7 Tariff Module**

- Software module for the management of parking fees allowing to modify or create a customized tariff structure.
- 'Lost ticket at exit' feature (fixed or variable tariff).



- Separate accounting on validation schemes.
- Define complex and highly differentiated tariffs (e.g. special tariffs for determined use-cases or user patterns, Daily, hourly on events)
- Tariff tester for tariff verification prior to tariff activation.

## 5.8 Power Management Module

- Software module for the configuration of device profiles defining “stand by” periods per unit or group of units for scheduled shutdown of the devices
- Control option for "temporary wake-up" of devices out of "stand by" mode

## 6. Server Specification

<b>Form factor</b>	Tower or Rack
<b>Processors</b>	Intel® Xeon® processor E3-1200 v3 product family and Intel® Pentium® processors or any other equivalent make
<b>Processor sockets</b>	1
<b>Cache</b>	2.5MB per core; core options: 4, 6, 8, 10
<b>Chipset</b>	Intel C602/ Intel C226 or any other equivalent make
<b>Memory1</b>	4 UDIMM slots, support up to 32GB 1600MT/s DDR3
<b>RAID controller</b>	Intel Rapid Storage Controller 12.0 supporting SATA 6Gb/s (2 ports-SATA0, SATA1) SATA 3Gb/s (2 ports+ SATA2, SATA3) 4 SATA connectors (for hard drives and optical) or any other equivalent make
<b>Drive bays</b>	Up to six 3.5” hard drives
<b>Maximum internal storage</b>	Up to 16 TB
<b>Embedded NIC</b>	Intel Ethernet Connection I217 10/100/1000
<b>Availability</b>	Optional high-efficiency, hot-plug, redundant power supplies; hot-plug drive bays; redundant fans; ECC memory; ENERGY STAR® compliant
<b>Operating systems</b>	Microsoft Windows Server® 2012 R2 and above Microsoft Windows Server 2012 and above Red Hat® Enterprise Linux® 6.5 and above



## Bill of Materials for smart parking management and guidance system

S. No	Item description	Unit of Measurement	QTY
	<b>Parking Management System off street parking lots - Outdoor &amp; Indoor</b>		
1	Heavy duty autogate with microprocessor based Controller and detectors for four wheeler and two wheeler	Nos	
2	Entry Station with automatic ticket dispenser with networking capability to command centre - cars	Nos	
3	Entry Station with automatic ticket dispenser with networking capability to command centre - Bikes	No	
4	Express exit with ticket validating unit with networking capability to command centre	Nos	
5	Express exit with ticket validating unit with networking capability to command centre - Bikes	No	
6	Autopay station with hardware unit for bank note acceptor and dispenser, ticket validator, r/w fro smart card, receipt printer and Customer Display unit	Nos	
7	Gateway for off street parking (Out door and Indoor) for field devices	No	
8	Handheld device with scanner and printer with 8 hrs battery back up with networking capability to command centre	Nos	
9	1 KVA Online UPS with inbuilt batters	Nos	
10	2 KVA Online UPS with Inbuilt battery with enclosure	No	
11	5 KVA online UPS with external batter at central command centre	No	
12	Enclosure for Autopay station	Nos	
	<b>Parking Guidance System</b>		
13	Variable message Sign :RGB – LED Matrix panel of minimum size 4' X 3' with all necessary accessories - to display the parking availability on the interconnecting road and to display emergency information.	No	



	<b>CABLING &amp; CONDUITS</b>		
14	Cat 6 Patch cable of 3 meters with RJ45 jack.	Rmts	
15	3c x 2.5sqmm copper multi strand cable for powers supply to IPMGS	RM	
16	Single core 1sqmm copper mulit strand cable for IPMGS	RM	
17	25mm GI pipe, B Class with necessary fittings	RM	
18	25mm PVC conduit of ISI make with 2mm thick. With necessary fittings,	RM	
	<b>Software applications</b>		
19	Parking management software at central system	No	
20	Parking entry station software	Nos	
21	Parking exit station software	Nos	
22	PGS Software for facility guidance for outdoor parking	No	
23	Software for Business Intelligent reports	No	
24	Parking App Software – Mobile app	No	
25	Parking portal software - Web portal	No	

**Note:**

This is minimum technical specification with quantities for successful completion of this project. The concessionaires are free to increase the quantity, software application/ hardware etc. if their technical solution warrants.



## ANNEXURE-D of Annexure-IV-A

### SCHEDULE OF PARKING TARIFF

1. Parking fee will be charged from all vehicles entering the designated parking area, as detailed below:
  - a. Introductory slab for up to 30 Minutes to be implemented based on the category of the Airport (as proposed below)

Details*	Chennai/ Kolkata	Group A Airports	Group B	Group C
<b>General (in INR)</b>				
<b>Coach/Bus/Truck</b>	<b>50</b>	<b>40</b>	<b>30</b>	<b>20</b>
<b>All other Vehicles</b>	<b>40</b>	<b>30</b>	<b>20</b>	<b>20</b>
<b>Two Wheeler</b>	<b>20</b>	<b>10</b>	<b>10</b>	<b>10</b>

\*Classification as per CHQ parking rate revision letter dated 27.10.2014

Note: Proposed rates are inclusive of all taxes including GST, if applicable. The airports included Cargo Complex.

- b. Rates as per existing slab will be applicable from 30 minutes to 120 minutes, the same is also reproduced below:

Details*	Chennai/ Kolkata	Group A Airports	Group B	Group C
<b>General (in INR)</b>				
<b>Coach/Bus/Truck</b>	<b>110</b>	<b>100</b>	<b>70</b>	<b>50</b>
<b>Tempo/SUV/Mini bus</b>	<b>110</b>	<b>100</b>	<b>60</b>	<b>35</b>
<b>Car</b>	<b>100</b>	<b>85</b>	<b>55</b>	<b>35</b>
<b>Two Wheeler</b>	<b>25</b>	<b>20</b>	<b>15</b>	<b>15</b>

\*Classification as per CHQ parking rate revision letter dated 27.10.2014

Note: Proposed rates are inclusive of all taxes including GST, if applicable. The airports included Cargo Complex.

- c. After two hours, rate will increase by Rs. 20/- per hour in case of Group A (including Kolkata/Chennai) and Rs. 10/- per hour in Group B&C. For two wheelers, the charge after 2 hours will be Rs. 10/- per hour at Group A and Rs. 5/- for Group B&C. The Parking rate beyond 7 hours upto 24 hours will be



300% of the 30 minutes to 120 minutes' slab and every 24 hours or part thereof.(as per existing rates)

2. The monthly charge in respect of employees of AAI and other authorized agencies working at airport, cargo complex will be as follows (as per existing rates):

AAI employees	Free of cost
Tempo & Truck operators at cargo complex	Rs. 2000 per tempo
	Rs. 3000 per truck
Other Car	Rs. 500.00
Other two wheelers	Rs. 250.00
Agent/licensee at cargo complex (entry at cargo complex only)	Rs. 1500.00

ATM Cash Vans coming to refill ATM machines in Airport premises shall be exempt from parking charges as well as access fees.

Govt. owned Vehicles shall be exempted from car parking charges.

3. The rates of Parking fees and Access Fees are inclusive of components of GST. Accordingly, these shall remain the Parking Charges applicable to end users. However, NIT/Agreement conditions should clearly stipulate that though the above shall be the parking charges applied to end users, but the onus of depositing all applicable taxes, prevailing during contract period at the station including GST in respect of fees collected for car parking charges shall rest with the licensee. The details of GST/ applicable tax shall be depicted in the car parking invoice issued to end-user.



**ANNEXURE-E of Annexure-IV-A**

**SLA-Schedule of Performance Indicators:**

<b>S. No.</b>	<b>Service Name</b>	<b>Performance indicator</b>	<b>Service Level Target</b>
1.	Entry Booth Management	Number of the Non-Computerized Ticket issued	Less than 0.5% of total tickets issued.
		Response time (issuance of parking ticket and entry with security check)	Not more than _____ Seconds
		Manpower Deployment during peak hours.	_____ per booth
2.	Vehicle Marshalling	Time taken by vehicle to reach from entry gate to pick drop lane during peak hours.	_____ Minutes
		Time taken by vehicle to reach from exit road to exit gate.	_____ Minutes
		Number of vehicles parked in approach road or exit road	Zero
		Manpower Deployed for marshaling	_____ Person (will depend on length of approach road)
3.	Management of designated car parking	No. of vehicles not parked in demarcated parking slots	Zero
		Commercial vehicles or staff vehicles parked in area designated for airport users	Zero
		Manpower deployed for assisting parking in designated car park areas	_____ Persons (will depend on layout and size of car park area)
4.	Lane Management	Number of vehicles overstaying _____ minutes in pick/drop lane	_____ Vehicles
		Travel time from lane entry to lane exit during peak hours	_____ Minutes
		Manpower deployed for traffic marshaling in lane	_____ Persons
5.	Exit Booth	Length of queue during peak hours	Not more than



<b>S. No.</b>	<b>Service Name</b>	<b>Performance indicator</b>	<b>Service Level Target</b>
	Management		_____ Vehicles
		Response time between vehicle reaching exit gate and vehicle attended for payment	_____ Seconds
		Response time between receipt generation, receiving payment and pushing the vehicle out of car park area.	_____ Seconds
		Manpower deployed during peak hours per booth	_____ Persons
6.	Cleanliness of Car Parking Area	Number of cleaning staff deputed in a shift	_____ Persons (will depend on total area)
		Frequency of cleaning during peak hours	Hourly
		Frequency of cleaning during non-peak hours	Every two hours
7.	Staff Management	Staff not in uniform	Zero
		Staff without I-Cards	Zero
		Number of incidents of staff misbehavior with airport users	Zero
8.	Automation	Incidents of Non- utilization of any working component of automation	Zero
		In case of technical fault, time lag between occurrence of fault and logging of complaint as per escalation matrix (escalation matrix will be made in consultation with AMC provider for management and resolution of faults)	Zero deviation



## ANNEXURE-F of Annexure-IV-A

### PENALTY FOR INFRACTIONS

Airport Director/ Airport in-charge will make a committee of 3 officers (one officer will be in-charge of Commercial Department, one officer from Operations Department and one from any other Department). This committee will conduct random inspections of overall parking management and operational performance of the Concessionaire, at least once on fort-nightly basis. The committee will have the power to impose penalty on the Concessionaire then and there, if any violations of Terms and Conditions of agreement is found.

S. No.	Description of Irregularities	Penalty Schedule		
		First Instance	Second Instance	Third instance & Onwards
1	Staff not in Uniform/ Without ID card	1500	2500	3500
2	Insufficient Manpower	3500	5000	10000
3	Un-clean premises & improper housekeeping	5000	10000	15000
4	Vehicle not parked in orderly manner	1500	2500	3500
5	Malfunctioning of e-ticket dispenser	2000	5000	10000
6	Malfunctioning of Boom-barriers	2000	5000	10000
7	Non-availability of e-payment mechanism	5000	10000	15000
8	Time clocks at entry and exit points not synchronized	5000	10000	15000
9	Malfunctioning of bar code scanner	1500	2000	3000
10	Non-generation of daily MIS or monthly MIS to be sent to AAI	3500	5000	10000
11	Encroachment	15000	25000	50000
12	Use of parking space for other than parking purposes	15000	25000	50000
13	Overcharging	5000	10000	15000
14	Obstruction of free movement to Service rooms/ station utilities	3500	5000	10000
15	Non availability of complaint book	3500	5000	10000
16	Vehicles parked outside designated Vehicle Parking area (per vehicle)	500	750	1000
17	Commercial vehicles parked outside designated Vehicle Parking area (per vehicle)	500	750	1000
18	Misbehaviour by parking staff	3500	5000	10000
19	Non issuance of computerized Payment Receipt	5000	10000	15000

In case of irregularities at serial no. 11, 12 & 13, beyond third (3<sup>rd</sup>) instance of violation during tenure of Concession, penalty @ 25% of concession fee shall be levied.



## **Annexure IV-B : Trolley Advertisement Rights Cum Retrieval Licence Policy**

The tenders for Trolley Retrieval cum Advertisement Rights facility shall be invited based on the following terms and conditions:

- A. PERIODICITY:** 3 years
- B. GESTATION PERIOD:** 90 days
- 30 days for retrieval of trollies;
  - 60 days for planning, implementation of business development for procuring advertisement on the trollies

NOTE: However, actual billing will start from 91<sup>st</sup> day for all trollies and in cases where part trolley(ies) with advertisement is/are introduced before the expiry of gestation period, pro rata billing will be done.)

**C. EXPERIENCE/ELIGIBILITY CRITERIA:**

**C1. TECHNICAL CAPACITY:**

Parties having minimum of 2 (two) years' experience in advertisement business at transportation centers like Airports / Sea Ports /Metro Rail Stations/ Business and Industrial Houses / Shopping Malls.

**OR**

Parties having minimum 2 (two) years' experience in the business of trolley manufacturing / supplying / operating / maintenance at transportation center like Airports /Sea Ports/Metro Rail Stations/ Business and Industrial Houses / Shopping Malls.

**C2. FINANCIAL CAPACITY:**

**GROSS TURNOVER CRITERIA**

<b>Facility/Contracts</b>	<b>Minimum Turnover requirement</b>
Contracts having annual MMG/MRLF up to Rs.10 Lakhs	3 months of MMG/MRLF
Contracts having annual MMG/MRLF above Rs.10 Lakhs and up to Rs. 50 lakh	6 months of MMG/MRLF
Contracts having annual MMG/MRLF above Rs.50 Lakhs and up to Rs. 2.50 Crore	8 months of MMG/MRLF
Contracts having annual MMG/MRLF above Rs. 2.50 Crore	12 months of MMG/MRLF

**Qualifying Turnover: 25% from same business**



**Note:**

- The turnover of the company/agency should be in any one of the last three (03) financial years from the date of publication of NIT.
- In case of multiple businesses of bidder, the breakup of the turnover with the specific head as from the tendered facility should be submitted.
- Turnover details, Profit & Loss account and related experience details should be duly certified by a Chartered Accountant.
- Duly notarized and stamped undertaking by bidder regarding overall as well as breakup of turnover should also be submitted.

**D. BROAD SCOPE OF WORK AND OTHER SALIENT TERMS AND CONDITIONS OF TROLLEY RETRIEVAL AND ADVERTISEMENT FACILITY**

**1. The scope of work includes three key aspects:**

**a) Advertisement**

The licensee shall have the right to display advertisement on the baggage trolleys.

**b) Trolley Retrieval**

The licensee shall ensure availability of trolleys at the airport on a 24/7 x 365 day basis.

Ensure usage of Free Baggage Trolleys by the passengers for carrying their luggage/goods only and retrieve and position them in the specified areas of Arrival/Departure, Inside/Outside the Terminal Building.

**c) Maintenance – Proper cleaning on daily basis.**

**2. Space for Advertisement on Trolleys**

- Trolleys to be supplied by AAI, will have space (not exceeding 6 sqft each) for the purpose of displaying advertisement, in any direction, on trolley. Designing/Fabrication and installation of the Display Boards and advertisement thereon shall be arranged by the licensee at its own cost to offer a pleasing ambience standard to Airport. The material used by the licensee should be such that it enhances the aesthetic of the trolleys.
- All display/signage should be of standard/uniform shape and size for all trolleys and has to be approved by AAI.
- Objectionable material display will not be permitted. AAI also reserves the right to not allow any advertisement of certain commodities/products.

**3. LICENCE FEE AND REBATE**

- The licensee shall pay the quoted license fee.
- AAI, at its discretion, may increase number of trollies based upon operational requirements and for passenger facilitation and it shall be obligatory on the part of the licensee to take over such additional trollies and shall ensure proper retrieval, positioning along with clean/upkeep of said additional trollies in addition to the existing trollies. The license will also be given the right to display advertisement on



the additional trollies as well, however billing for the same will be done on pro-rata basis after completion of gestation period (as stated in Para B above) or actual display/advertisement on trollies, whichever is earlier.

- The Licensee shall promptly handover the defective trollies to the technical department, AAI and no rebate will be entertained on the grounds of trollies in unserviceable condition in possession of the licensee.

#### **4. Statutory/Requisite Approvals**

- The licensee shall ensure that permits/sanctions/approvals of Central Govt/State Govt/Local Govt bodies or any other statutory/regulatory body(ies) are obtained for advertisement display on trollies at airport, the authority shall not entertain any rebate/claim of damages/consequential loss etc. on this ground.

#### **5. Termination**

- The contract can be terminated by AAI in case of unsatisfactory performance and in such a scenario a notice of dis-satisfaction will be issued to the licensee for which reply is to be received within 30 days there from.
  - In case there is no improvement to the satisfaction of AAI, a 60 days' notice of termination of concession is to be issued to the licensee.
  - In the meantime, if required, Airport Director can provide the facility either through expenditure contract or inviting short term quotation before initiating the proper tender procedure.
  - Evaluation of the performance of the licensee will be based on parameters: Timely rendering of services, Quality of works/services, Compliance with statutory requirements, Safety consciousness, Maintenance of staff in proper uniform;
  - Contract termination can be initiated due to either of, but not limited to, the following reasons:
    - Non-payment of penalties for 2 or more months;
    - or more licensee infractions and/or penalties for 2 or more months;
  - On expiry or termination of the contract, the licensee shall be responsible for handing over of all the trollies back to AAI in serviceable conditions.
  - All the trollies shall remain the properties of AAI and on the expiry of expiry or termination of the contract, the licensee shall have to ensure to hand over all the trollies back to AAI in serviceable conditions. The cost of any shortfall or damages shall be recoverable from the licensee.
- #### **6. Penalties**
- Provision of porter services by manpower of licensee is strictly prohibited and beyond the scope of this license. In case, it is found that porter services are being provided by the manpower of licensee, a penalty of Rs. 2,000/- in the first instance, and Rs. 5,000/- on subsequent instance(s) shall be levied by the Terminal Manager. AAI is entitled to terminate the license if such violation occurs quite often.
  - The penalties will also be imposed on following violation by the licensee:



<b>S.No.</b>	<b>Description of Irregularities</b>	<b>Penalty</b>
i)	Non deployment of sufficient manpower	Rs.2,000/- per violation
ii)	Non availability of sufficient number of trollies at designated places	Rs.1,000/- per violation
iii)	Non-retrieval of trollies/trollies found scattered and lying here and there	Rs.1,000/- per violation
iv)	Trolley (ies) being used for any other purpose other than the intended purposes	Rs.1,000/- per violation
iv)	Trolley (ies) found uncleaned/dirty	Rs.500/- per violation
vi)	Staff not in uniform/without ID Card	Rs.500/- per violation per staff
vii)	Misbehaviour of the staff with passenger (s) or any employee(s) of AAI/other agencies at the airport.	Rs.500 per violation

## 7. Others

- For the purpose of operation and positioning of trolley as provided herein above, Airport Authority of India shall issue entry passes to the personnel of the licensee, as per BCAS norms. AAI shall have the right to withdraw such passes issued to such personnel whose behavior is found or reported to be bad.
- In case, any employee of the licensee is found engaged in doing any other work which is not relevant to the scope of this license, his/her entry permit shall be confiscated and cancelled. The licensee shall dispense with his/her services forthwith and arrange for suitable replacement immediately.

## 8. Operation and Management of Trollies

- Before inviting the tenders, Airport Director/RHQ have to carry out in-house/outside stakeholders meet to ensure the following laid down procedures :

### a) CONSTITUTION OF COORDINATION COMMITTEE AND OPERATING PROTOCOL

- Airport Director will form a Protocol & Coordination Committee comprising representatives from Operation/Technical Departments and Commercial Department which will coordinate retrieval and upkeep of the trollies in the terminal building. Inspection and counting of trollies will be conducted by the above team on monthly basis in presence of authorized representative of the licensee and the report so generated by the Technical Department will be submitted to the Airport Director for further action.
- In case, any trolley is missing or damaged beyond repair due to negligence/mishandling, the cost of such trolley shall be recovered from the licensee.

### b) ROLES & RESPONSIBILITIES OF AAI's COORDINATION COMMITTEE AND LICENSEE



- AAI Technical Department shall initially supply \_\_\_\_ nos. of baggage trolleys to the licensee in serviceable condition.
- Handing/Taking over of trolleys will be done by Technical Department within 30 days from the date of issue of award letter to the complete satisfaction of the licensee.
- All the trollies shall remain property of AAI. Trolleys handed over to the licensee should be duly numbered.
- Technical & Operation Department, AAI at one side and the licensee on the other, will ensure minimum availability of 90% of serviceable trollies for passenger facilitation.
- The licensee shall ensure that that the trolleys are cleaned and in a presentable manner, free from dust accumulation, stickers and grease.
- A register is to be kept with the Duty Terminal Manager, AAI in which the defects are to be recorded on weekly basis by the licensee. Status in respect of serviceable trollies available for passengers is also to be recorded. The defective trolley(ies) shall be handed over to the Technical Department of AAI and it should be recorded in the register with no. of such trolley and date.
- Technical Department of AAI has to ensure proper maintenance and upkeep of trollies through an AMC contractor.
- Technical Department of AAI to maintain \_\_\_\_ trollies in standby to ensure availability of at least 90% of trollies in serviceable condition to the vendor at all times.
- AAI and the license both will ensure minimum availability of 90% of serviceable trollies for passenger facilitation.
- The licensee shall ensure deployment of minimum number of trolleys at predefined locations at all time as mentioned in the “Trolley Deployment Plan”.
- The licensee shall ensure that scattered trolleys are collected from all the areas in and around the Terminal Building, Kerb side, Car Park, basement etc. and re-distributed in accordance with the trolley deployment plan.
- The licensee shall ensure that trolley movement is done in a discreet and organized manner without inconveniencing the passenger movement or airport processes.



**c) TROLLEY DEPLOYMENT PLAN**

<b>AREAS EARMARKED</b>	<b>ZONE</b>	<b>LOCATION – AT TROLLEY STATION</b>	<b>MIN # TROLLEY</b>	<b>MAX # TROLLEY</b>
<b>ARRIVAL</b>	Domestic	Belt _____		
	Domestic	Belt _____		
	Domestic	Belt _____		
	Domestic	Belt _____		
	Domestic	Belt _____		
	International	Belt _____		
<b>DEPARTURE</b>	Domestic	Gate _____		
	Domestic	Gate _____		
	International	Gate _____		
	International	Gate _____		
<b>GENERAL</b>	Car Park _____			
	Car Park _____			

- Deployment plan mentioned above can be updated by AAI based on flight schedule;
- Ensure trolleys are placed in assigned locations and no scatter is observed for an unreasonable time at any unassigned locations.
- Check in Counters – Trolleys should be regularly retrieved from near Check-in-counter areas. The licensee to ensure that not more than \_\_\_\_\_ number of trolleys scattered/accumulated at any island for an unreasonable time. Check for scatter at following islands near following check in counters:

<b>Area</b>	<b>Zone</b>	<b>Location</b>
<b>Departure</b>	<b>Domestic</b>	<b>Between _____ and _____</b>
	<b>Domestic</b>	<b>Between _____ and _____</b>
	<b>Domestic</b>	<b>Between _____ and _____</b>
	<b>International</b>	<b>Between _____ and _____</b>
	<b>International</b>	<b>Between _____ and _____</b>

**d) MANPOWER DEPLOYMENT AND THEIR SERVICE CONDITIONS**

- The licensee shall engage and deploy sufficient numbers of skilled and experienced personnel for the execution and performance of Operation and Maintenance Services which include retrieval, positioning and daily upkeep/cleaning of trolleys, either through itself or through third party or outsourcing of manpower and it shall also be over all responsibility of the licensee that the personnel are:
  - Skilled, trained and experienced;
  - Properly dressed in clean uniform clearly depicting that the service is fee and identity cards for all seasons which shall be finalized/approved in consultation with AAI. Minimum two sets of uniform shall be provided



to the workers and entire expense for the same shall be borne by the licensee;

- Physically fit and for the intended purpose and have fulfilled the BCAS AEP requirement. Medical fitness certificates approved by certified doctors should be submitted to AAI;
  - Imparted training of supervisory once per quarter and the licensee has to share training plan in advance.
  - The licensee will solely be responsible for service conditions (including minimum wages, bonus, PF, ESI, Insurance and other statutory compliances etc. as per prevailing laws of the land) of workmen employed by it for the purpose of carrying out the functions under the contract.
  - There will be no direct employee-employer relation between AAI and the workmen of the licensee.
  - In case any damage/loss is caused to any property of AAI or that of the passenger(s) by the workers of the licensee, then the licensee shall be liable to make good of the said loss/damage at its own cost and AAI shall not be responsible for the same.
9. In case the tender is not materialized, then tender may be invited at an MRLF of Re. 1/-.
10. **SAVE AND EXCEPT THE ABOVE, FIXATION OF MRLF AND OTHER TERMS AND CONDITIONS SHALL BE AS PER THE PROVISIONS OF COMMERCIAL MANUAL/DOP AND OTHER POLICY GUIDELINES IN VOGUE/ISSUED FROM TIME TO TIME.**

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## **Annexure IV-C : Comprehensive License For Meet And Greet Services And Paid Porterage Services Policy**

The meet and greet facility is an exclusive service provisioned at the airport for the facilitation of passengers which covers smooth clearances through arrival and departure in helping with transfers, baggage, family travels to ensure a swift, smooth and safe passage through the airport. This also includes provisioning of assistance for the compliance of airport formalities.

**A. PERIODICITY:** Three (03) Years

**B. GESTATION PERIOD:** 45 days

**C. EXPERIENCE/ELIGIBILITY CRITERIA:**

**C1. TECHNICAL CAPACITY:**

Any legal entity having a minimum two years of experience during the last five years in providing Paid Porterage services and/or Meet & Greet Services in Airports/Railways/Sea Ports/Metro Station etc.

**OR**

Hotels/Tour Travel Agencies/Ground Handling Agencies/Lounge Operators at Airports/Event Management Companies/ having two year of experience during the last five years;

**C2. FINANCIAL CAPACITY:**

**GROSS TURNOVER CRITERIA** : For Kolkata and Chennai and Category 'A' airports, GTO criteria may be kept at Rs.5.00 crores per annum. For rest of other airports, GTO criteria may be kept at Rs.3.00 crores per annum.

Out of the above stipulated Minimum GTOs, 25% should be from the business for which experience has been claimed.

**Note:**

- The turnover of the company/agency should be in any one (in which the experience is claimed) of the last five (05) financial years from the date of publication of NIT.
- In case of multiple businesses of bidder, the breakup of the turnover with the specific requirement of the tendered facility should be submitted.
- Turnover details Profit & Loss account and related experience details should be duly certified by a Statutory Auditor/Chartered Accountant.
- Undertaking by bidder regarding the overall and breakup of the turnover on a duly notarized stamp paper also to be certified.

**D. LICENCE FEE AND REBATE**

The Vendor shall pay the quoted license fee per month, which is subject to annual escalation of 10%.



**E. SPECIAL TERMS AND CONDITIONS:**

**1) Trolley Management:**

- a) Agency will be allowed to bring appropriate number of trolleys (at its own cost, as per Specification given in *Annexure-A* for providing its services. The number of trolleys will be approved by Airport Director. However, depending upon business need, the number of trolleys can be increased with prior approval from the Airport Director.
- b) However, Agency or any of its employees/workers is not permitted to use the AAI trolleys for any purpose.
- c) Agency will have to use color coding to identify and keep his trolleys segregated from the trolleys belonging to AAI.
- d) No advertisement or any sort of Media is permitted to be displayed on the trolleys belonging to the agency.
- e) Agency has to ensure that the trolleys are placed in designated areas identified and allotted to it.
- f) Any trolley (ies) lying idle outside the designated area will be impounded by the Terminal Manager.

**2) Kiosk Space:**

- a) Kiosk space will be allotted in the porch area (departure side) and in the arrival hall of terminal buildings, for conducting business.
- b) Counters shall be maintained in a neat and clean fashion at all times.
- c) Porters/assisting staff of meet and greet services can be present only at the counters and designated area for porters. They should not be found roaming here and there in search of passengers especially near baggage belt area in arrival hall and drop lanes near departure gates on city side.
- d) The porter/assisting staff will be available in a designated area near to the counter, the passenger will go to that area and show the token to get the services;
- e) A complaint register must be present at the counters and shall be made available to the passengers on demand.

**3) Manpower Deployment and Their Service Condition:**

- a) The vendor shall engage and deploy sufficient numbers of skilled and experienced personnel for the execution and performance of services as defined in scope of work.
- b) Staff should be physically fit for the intended purpose and have fulfilled the BCAS AEP requirement.
- c) The staff deployed by the Licensee shall be fluent in three languages i.e., in local language, English and Hindi.
- d) Upon induction, staff to be trained on, operations concept of the airport which shall contain the passenger and baggage flow, familiarization of the Airport, and services to be provided.
- e) Specific training to be provided on business etiquette and grooming.
- f) All employees shall be provided with mandatory refresher training on quarterly basis.



- g) The vendor will solely be responsible for service conditions (including payment of minimum wages, bonus, PF, ESI, Insurance and other compliances etc. as per prevailing laws of the land) of workmen employed by the Vendor for the purpose of carrying out the functions under the contract.
- h) There will be no direct employee-employer relation between AAI and workmen.
- i) Porter/ Service provider shall depict a professional, well groomed, and pleasant personality who caters to passenger needs at all times.
- j) Uniform, clearly depicting that the service is paid, for all seasons, shall be designed. Approval of uniform design shall be sought from AAI. Uniform, for all seasons, as per approved design shall be provided by the licensee to the entire staff.
- k) Neat and clean uniform of approved design shall be worn by staff at all times while on duty along with identity cards and name badges.
- l) In case any damage/loss is caused to any property of AAI or of the passenger(s) by the workers/staff of the Vendor, then the Vendor shall be liable to make good of the said loss/damage at its own cost and AAI shall not be responsible for the same.

**4) Charges for Rendering Services:**

- a) Agency is entitled to charge from passengers as per the schedule of charges given in *Annexure-B*.
- b) Passenger upon demanding a particular service will make the payment as per approved rate.
- c) The agency will issue a printed token and invoice to the passenger;
- d) The passenger will hand over the token to the porter after availing services;
- e) The services offered by the licensee shall be purely optional, passengers should not be coerced/persuaded to avail the services. No canvassing shall be permitted.
- f) A helpline number should be printed on the token as well as on invoice which the passenger can use if he/she has some issue with the porter during the course of availing services. This number will generally be of shift supervisor who can immediately resolve the issue.

**5) Performance Evaluation:**

- a) Evaluation of performance of licensee will be based on following parameters:
  - i) Outstanding Dues
  - ii) Continuity and Quality of Service: Evaluation based on passenger feedback and number of complaints received and the licensee's response to those complaints.
  - iii) Maintenance, upkeep and management of trolleys.
  - iv) Compliance towards statutory requirements
  - v) Staff behaviour and compliance to norms.
- b) Penalties shall be imposed on the licensee as per schedule of penalties given in *Annexure-C*.
- c) The contract can be terminated by AAI in case of unsatisfactory performance of vendor by giving 60 days' notice



**6) Accessible Areas to the Staff:**

- a) The staff of the agency i.e. Porter/Assisting Staff will have the access of the following area(s) to accompany the passengers, however, the porters/assisting staff will be governed by the scope of the license, prevailing BCAS norms, directions and circulars issued by Government of India Departments, other statutory/regulatory authority(ies) as also AAI from time to time:

- \_\_\_\_\_;
- \_\_\_\_\_;
- \_\_\_\_\_;

(Areas are to be identified by the Airport after constituting a Special Coordination Committee comprising of Airport Director and representatives of Commercial, Operation and Security Departments for ensuring issuance of passes for the said areas)

**7) Miscellaneous:**

- a) There should be a provision in the billing solution for up gradation to the EPOS system.
- b) The licensee shall submit a monthly report statement to AAI with regard to the total number of passenger catered/served and amount realized for reference purpose.
- e) The Licensee shall operate the facility throughout the operational hours of the Airport.
- d) Licensee shall fix the Electricity meter at his own cost for the area for which electricity charge is applicable.
- e) In case any employee is found engaged in doing any other work which is not relevant to the scope of this licence, his entry permit shall be confiscated and cancelled and the Vendor shall dispense with his service forthwith and arrange replacement in his place immediately.
- f) Vendor shall ensure that permits/sanction of Central Govt./State Govt./Local Govt bodies or any other statutory/regulatory body(ies) are obtained for operation of subject facility.
- g) No rebate/reduction in license fee shall be considered/allowed on account of temporary closure of Airport, reduction in the no of flights operation etc. In case of ban of visitors to airport imposed by BCAS and/ or statutory Authority and or AAI or any restriction imposed by any regulatory/statutory authority at the Airport, which is beyond a period of 72 hours continuously, pro rata rebate will be considered in the licence fee.
- h) The licensee shall abide by all the terms and conditions of AAI /Govt. Authorities as may be enforced from time to time.
- i) The licensee shall be solely responsible for any claim and/or liability arising out of the above activities.
- j) All the above guidelines will form part of the agreement.

**FIXATION OF MRLF AND OTHER TERMS AND CONDITIONS SHALL BE AS PER COMMERCIAL MANUAL/DOP AND OTHER POLICY GUIDELINES IN VOGUE/ISSUES FROM TIME TO TIME.**



**TECHNICAL SPECIFICATIONS  
PASSENGER BAGGAGE TROLLEY (STAINLESS STEEL TYPE)**

S. No.	Technical Specification	Parameters Complied/not complied
1.	Trolleys will be of 4 wheel type. Front wheels will be either two wheels on a single swivel type or two independent swivel type. Rear wheels shall be 2 fixed type.	
2.	The Main frame and load platform will be of AISI grade 304 SS pipes having circular section or elliptical section with minimum thickness of $2 \pm 0.12$ mm. In case of circular sections the vertical frame dia should not be less than 30mm and horizontal frame dia should not be less than 25mm and in case of a separate load platform mounted on horizontal frame the size of platform frame should not be less than 22mm. In case of elliptical section the size should not be less than 38 mm X 20 mm for Vertical and horizontal frames and 30mm x 16mm for load platform.	
3.	Hand Baggage Basket will be of AISI grade 304 SS Rods / Pipes. The basket should be of the following size: Length: 500 mm or above. Width: 220 mm or above. Height: 120 mm or above. Also the projection of the basket beyond the vertical frame should not be more than 60 mm, so that the load platform area is not affected. The advertisement panel can be at front side and at the rear side. The design shall incorporate finger protection clearance.	
4.	Hand Baggage Basket will consist of frame of SS rods having a minimum $5\text{mm} \pm 0.25\text{mm}$ or higher thickness. The basket will be welded to the mainframe by SS welding rods.	
5.	All wheels will be of molded synthetic non-marking rubber tyred with two precision, industrial, dust protected, metal sealed on both sides, self-lubricated ball bearings (bearings should be of SKF/NBC/TIMKEN/NTN of reputed Foreign / Indian make of same features). Swivel will have dust protected large ball bearings with rubber sealing on both sides (SKF/NBC/TIMKEN/NTN 6305-2RS1 or bigger size of reputed Foreign / Indian make of same features). Such wheels should be trouble free long life as specified in clause on maintenance.	
6.	The axles shall be made from EN 8 Rods.	
7.	Ten trolleys should stack with each other within 4.00 meters length and the design should be such that while stacking and moving in a group of 15 trolleys, the maneuvering should be smooth.	



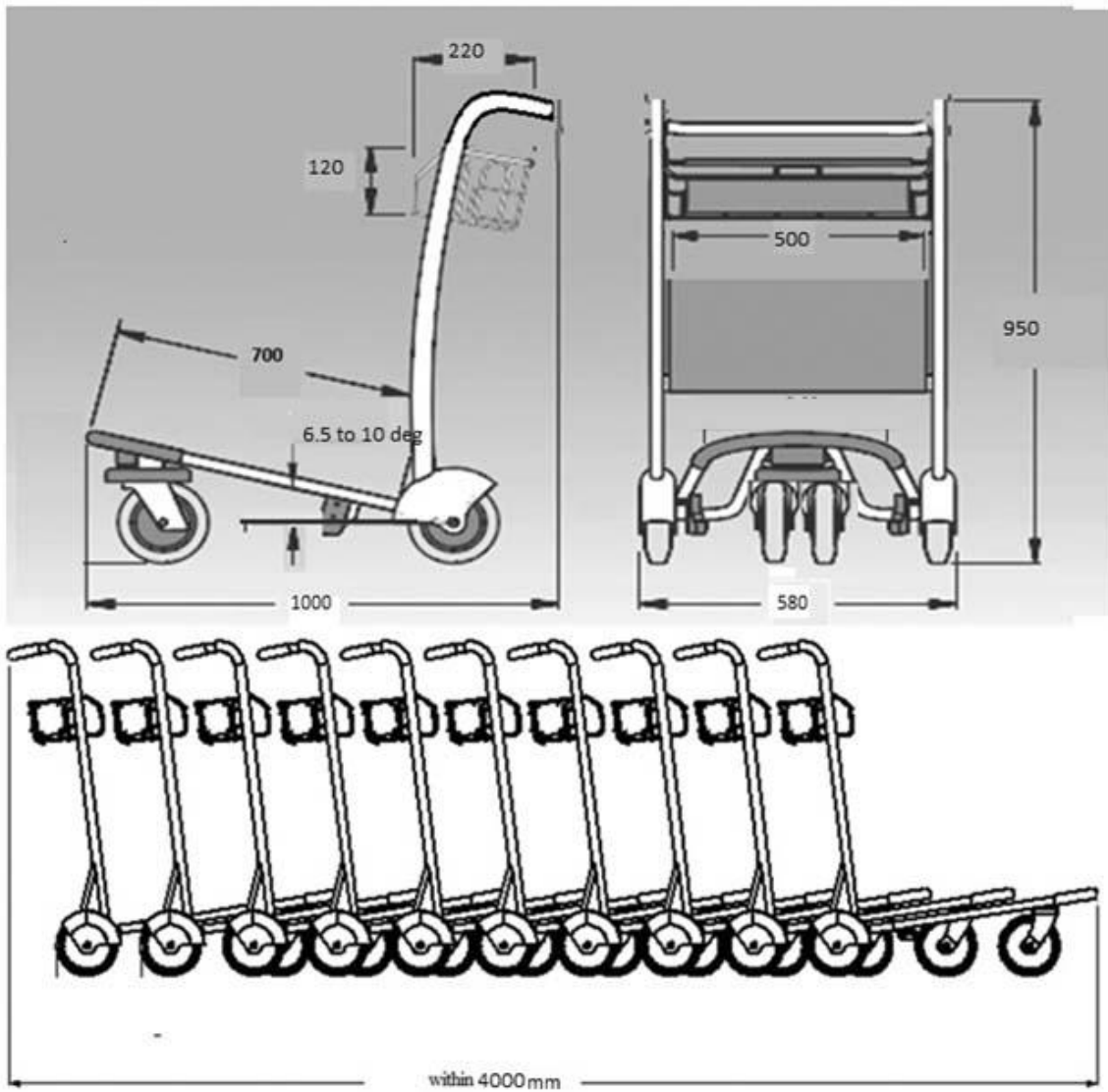
S. No.	Technical Specification	Parameters Complied/not complied
8.	Overall Dimensions: Length: 1000 mm or above. Height: 950 mm or above. Width (rear): 580 mm or above. Load Platform Length (Effective) : > 700 mm or above	
9.	Load Area Slope (towards rear) 6.5° to 10° (towards rear).	
10.	Overall weight: i. Not less than 19Kgs (in case of no separate load platform mounted on horizontal frame). ii. 22 Kg to 28 Kg.(In case of a separate load platform mounted on horizontal frame).	
11.	Normal carrying weight :1 00Kgs.	
12.	Maximum carrying weight : 300 Kg. (will be checked randomly).	
13.	<b>Front Caster Wheel and Rear Wheels:</b> i) Front castor wheel should be molded synthetic non marking rubber wheel with two precision double sealed industrial ball bearing dust protected and hub thickness sufficient to carry a weight of 75 Kg on each wheel. Swivel Caster will have precision double ball bearings sealed; dust protected and self-lubricated large ball bearings. The nuts provided shall have suitable locking arrangement to prevent loosening during normal usage. The caster mounting should not have nut protruding to the load platform. The wheel size should be of diameter 125 mm or above having bearing of SKF/NBC/TIMKEN/NTN 6001-2Z or bigger size of reputed Foreign / Indian make of same features. Shore hardness 75±5° Shore A. All wheels should have Thread Guards. ii) The wheel and castor should conform to the testing requirement as per standard EN 12532. Supplier has to arrange test certification by TUV (or an accredited lab selected by AAI) for the wheels as per EN 12532 standard. iii) Rear wheels should be molded synthetic non marking rubber wheel with two sealed industrial ball bearings dust protected and hub thickness sufficient to carry a weight of 75 Kg on each wheel having precision double ball bearings, sealed, dust protected and self-lubricated. The nuts provided shall have suitable locking arrangement to prevent loosening during normal usage. Wheel size should be of diameter 180 mm having bearing of	



S. No.	Technical Specification	Parameters Complied/not complied
	SKF/NBC/TIMKEN/NTN 6202-ZZ or bigger size of reputed Foreign / Indian make of same features. Shore hardness 75±5° Shore A. All wheels should have Thread Guards. The wheel should conform to the testing requirement as per standard EN 12532. Supplier has to arrange test certification by TUV (or an accredited lab selected by AAI) for the wheels as per EN 12532 standard.	
14.	Front bumper guard: PVC / LDPE minimum 5mm thick.	
15.	Finish: Trolley frames will have Ra 0.2 to 0.4µm finish or Electro Polished Shining Finish	
16.	Identification Plate: The size not less than 100 mm X 80 mm X 1.5mm thick Aluminum Plate will be riveted on the left side of the basket at the rear side on to the SS Plate fixed on the horizontal member of the basket.	
17.	Number Plate: The size not less than 100 mm X 80 mm X 1.5 mm thick Aluminium Plate will be riveted on the right side of the basket at the rear side on to the SS Plate fixed on the horizontal member of the basket.	
18.	The trolley platform shall ensure that the maximum hand baggage size do not fall through any gap at the rear side of trolley. Suitable baggage stop should be in place.	
19.	Workmanship: high standard of workmanship only shall be acceptable which includes	
	i) Using the latest technology for welding i.e. MIG/TIG/ARGON welding or better so as to achieve quality welded joints without flaws, uniform applications and no sharp edge or weld burrs.	
	ii) Fabrication shall be done using CNC bending machines and Jigs & fixtures to ensure consistency in shape and dimension.	
	iii) Superior surface finish. iv) All used fasteners are to be tamper proof and shall not protrude in the loading platform of trolley or movement area of baggage.	



## Illustration of Dimensions of PBT



**All measurements are in mm**



**ANNEXURE-B of Annexure-IV-C**

**Schedule of Charges:**

<b>S.No.</b>	<b>Particulars</b>	<b>Charges (In Rs)* Category A</b>	<b>Category B</b>	<b>C &amp; other category airports</b>
a)	<b>Providing assistance in clearing airport formalities and to escort check-in and immigration counter (for International Terminal Building);</b>	500/- per pax	300/- per pax	200/- per pax
b)	<b>Providing Porterage Services and assistance with baggage;</b>	200/- per pax	100/- per pax	50/- per pax
c)	<b>Providing assistance for arranging transport, hotel/motel/guest house booking;</b>	200/- per instance	100/- per instance	50/- per instance
d)	<b>Providing assistance in arranging reservation/purchase of tickets</b>	200/- per instance	100/- per instance	50/- per instance
The licensee shall not directly operate services such as taxi booking, hotel bookings etc.				

**\*The charges are tentative and AAI may decide the same from time to time.**

Rate card for various services should be clearly visible in the counter.



## ANNEXURE-C of Annexure-IV-C

### **SCHEDULE OF PENALTIES:**

<b>S.No.</b>	<b>Description of Irregularities</b>	<b>Penalty</b>
i)	Staff not in uniform/without ID Card	Rs.500/- per instance
ii)	Misbehavior by the staff	Rs.1000/- per instance
iii)	Trolleys lying in non-designated area	Rs. 1000/- per instance
iv)	Closing the facility without intimation during passenger movement	Rs.5000/- per instance
v)	Providing services other than the specified one	Rs.10000/- per instance
vi)	Selling items/services other than specified	Rs. 5000/- per instance
vii)	Using AAI's properties like trolleys, passenger chairs etc.	Rs. 2000/- per instance



**Annexure V: Draft NIT/ Tender Document**



**AIRPORTS AUTHORITY OF INDIA**

**Airport/ RHQ/ CHQ**

**Notice Inviting Tender (NIT)**

**For**

**LICENSE/ CONCESSION NAME....**

**at**

**Name of the airport..., ...City Name**

**E-bid no.: 20xx\_AAI\_XXXX**

**Month and Year**



## TABLE OF CONTENTS

S. No.	Contents	Page No.
1.	Disclaimer	
2.	Notice Inviting E-Tender	
3.	E-Tendering guidelines to the bidders	
4.	General Information and Guidelines	
5.	Annexure: A- Draft License Agreement Appendix: 1- General Terms & Conditions Appendix: 2- Special Terms & Conditions Appendix: 3- Concession Area Layout Appendix: 4- Schedule of Premises	
6.	Annexure: B - Format for Power of Attorney	
7.	Annexure: C - Format for Unconditional Acceptance Letter	
8.	Annexure: D - Format for Details of Bidder	
9.	Annexure: E - Format for Certificate from CA/ Statutory Auditor in respect of technical experience and financial criteria	
10.	Annexure: F - Format for Letter of Understanding from Bidder	
11.	Annexure: G - Declaration by Bidder	
12.	Annexure: H - Format for Details of Near Relatives working at AAI.	
13.	Annexure: I - Format for Outstanding Dues Certificate	
14.	Annexure: J - Format for Beneficiary Details for EMD Refund	
15.	Annexure: K - Format for Bank Guarantee	
16.	Annexure: L - Letter of understanding from the Depositor to be submitted along with Bank Guarantee to AAI.	
17.	Annexure: M – Ready Reckoner for critical details	



## **DISCLAIMER**

The information contained in this NOTICE INVITING E-TENDER document (the “e-Tender”) or subsequently provided to Applicant(s), whether in documentary form, by or on behalf of the Authority, is provided to Applicant(s) on the terms and conditions set out in this e-Tender and such other terms and conditions subject to which such information is provided.

This e-Tender is neither an agreement nor an offer by the Authority but an invitation to the prospective Applicants or any other person. The purpose of this e-Tender is to provide interested parties with information that may be useful to them in the formulation of their financial application pursuant to this e-Tender. This e-Tender includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the subject Concession. Such assumptions, assessments and statements do not purport to contain all the information that each applicant may require. This e-Tender may not be appropriate for all persons, and it is not possible for the Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this e-Tender. The assumptions, assessments, statements and information contained in this e-Tender may not be complete, accurate, adequate or correct. Each Applicant should therefore, conduct its own assessment, due diligence and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this e-Tender and obtain independent advice from appropriate sources.

Information provided in this e-Tender to the Applicant(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Authority, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this e-Tender or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the e-Tender and any assessment, assumption, statement or information contained therein or deemed to form part of this e-Tender or arising in any way for participation in the bidding process.

The Authority also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Applicant upon the statements contained in this e-Tender.

The Authority may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this e-Tender.

The issue of this e-Tender does not imply that the Authority is bound to select all the Proposals for bidding process for the Concession and the Authority reserves the right to reject all or any of the Applications or Bids without assigning any reasons whatsoever.



The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Authority or any other costs incurred in connection with or relating to its Application. All such costs and expenses will remain with the Applicant and the Authority shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation for submission of the Application, regardless of the conduct or outcome of the Bidding process.

The Applicant shall be wholly responsible for any statements/documents/ records, etc. submitted pursuant to this e-Tender and ensure accuracy thereof. The Authority or its employees shall accept no responsibility or liability for any deficiency that may be made by the Applicant. Any false declaration made by the Applicant shall invite action as may be decided by the Authority including termination of Concession, debarring, forfeiture of EMD and/or Security Deposit. The Applicant shall also indemnify the Authority and its employees from actions arising out of this e-Tender.

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**AIRPORTS AUTHORITY OF INDIA**  
**DEPARTMENT OF COMMERCIAL**

**E-tenders are invited for award of [NAME OF LICENSE] at ..... Airport.**

**INTRODUCTION**

1. Airports Authority of India is (“AAI”) is the largest Airport Operator in India providing Modernization, Air Navigation, Operation and Management of 125 plus Airports across India.
2. AAI is desirous of participation of eligible entities in the subject e-tender [NAME OF LICENSE] at ..... airport.
3. AAI came into existence on 1st April 1995. AAI has been constituted as a Statutory Authority under the Airports Authority of India Act, 1994. The main functions of AAI include:
  - Design, development, operation and maintenance of passenger terminals
  - Development and management of cargo terminal at international and domestic airports
  - Provision of passenger facilities at terminals like Duty Free Outlets, Travel Retail Outlets, F&B facilities, Executive Lounges, Ground transportation facilities (Maxi Cab, Radio Taxi etc.) and other non-aero activities like; Money Exchange Counters, Trolley Services and information systems.
4. Since its inception in 1995, Airports Authority of India (AAI) has been at the helm of affairs in the development of airport infrastructure and management and control of airport operations and air navigation services in India. Over the past two decades AAI has been on the forefront of modernising and developing airside and terminal side infrastructure and improving its services at airports to deliver a better travel experience to passengers. These measures have resulted in improved air safety and passenger satisfaction as is reflected in passenger experience survey results.
5. During the Financial Year \_\_\_\_\_, AAI has recorded a Total Revenue of Rs. \_\_\_\_\_ crores and a Profit After Tax (PAT) of Rs. \_\_\_\_\_ crores.
6. The spurt in air traffic has brought new opportunities as well as challenges for AAI in terms of expanding airport infrastructure and passenger amenities.
7. Major Airlines and Passenger Traffic data of the airport is placed at ANNEXURE ..... of this e-tender.



## **NOTICE INVITING E-TENDER (NIET)**

1. E-Tender is hereby invited for granting concession for the following:

<b>Name of Facility</b>	<b>Tender Processing Fees (in INR)</b>	<b>Earnest Money Deposit (EMD) (in INR)</b>	<b>Minimum Reserved License Fees (MRLF)/Minimum Monthly Guarantee (MMG) (in INR)</b>
<b>[NAME OF FACILITY] at..... Airport</b>	Rs. _____/- (Rupees.....)	Rs. _____/- (Rupees.....)	Rs. _____/- (Rupees..... only) <b>Per Month, Applicable Taxes Extra</b>

**NOTE:**

- a) Offers below MRLF will not be considered for award.
- b) Highest quote/ offer over and above MRLF, shall be the sole parameter for selection of highest bidder.
- c) License fees shall be the quoted fixed license fees/quoted MMG (Or Revenue Share, whichever is higher). The quoted fixed license fees/MMG is subject to annual escalation as detailed in NIT.
- d) In addition to the Concession Fees, the selected bidder shall be liable to pay:
  - (i) Utility/ Facilitation Charges at 10% of normal space rent (or as may be notified by AAI from time to time, presently normal notified space rent is Rs. \_\_\_\_ Per Sqm per month subject to annual escalation of 10%) for allotted space.
  - (ii) All applicable Government Taxes including GST (presently at the rate of 18%) or at the rates declared by Government of India or State Government from time to time.
  - (iii) Charges for the consumption of the electricity and water consumed for the purpose of use of the said license as becomes due and payable and in accordance with the directions of the Authority and at the rates as fixed by AAI from time to time.

2. **Location Details:** Indicative Auto CAD drawing of concession area layout along with detailed schedule of premises specifying areas at Appendix 3 & 4

3. **Period of Concession:** \_\_\_\_\_ Years

4. **Rate of Escalation:**

- a. License Fees shall be subject to annual escalation of \_\_\_\_\_
- b. The first annual escalation will be applicable after completion of one year + six months license period. Thereafter the same will be applicable after completion of subsequent one year period there from. Even if, on account of any delay



whatsoever, licensee could not commence business operations on the expiry of gestation period stipulated in NIT, for the purpose of calculation of date on which 18 months of license are completed (date on which first escalation is applied) shall be deemed from next day of expiry of gestation period stipulated in NIT.

5. The prospective bidders are requested to go through the tender conditions and visit the site / airport to assess the feasibility of business / undergo proper diligence study and thereafter may bid in the Tender. No reduction in license fee will be entertained by AAI at any stage for whatever reasons.
6. Participants are advised not to give any conditional tender and adhere to the terms and conditions indicated in the tender documents provided by AAI. Conditional tenders would be summarily rejected.
7. **Business Incubation Period** shall mean a period of \_\_\_\_ days from the date of issuance of LOIA to the selected bidder. The selected bidder will be under obligation to complete all the formalities/ conditions of award as will be specified in the LOIA.
8. **Handing Over of Sites:**
  - a. Sites will be handed over to the selected bidder upon fulfillment of conditions of award within the stipulated time of business incubation period.
  - b. If the licensee fails to complete the conditions of award which are pre-requisite for handing over of site, then the gestation period will be deemed to have commenced on \_\_\_\_ day of issuance of LOIA i.e. immediately after expiry of business incubation period. However, actual handing over of sites shall only be done after completion of all conditions of award.
  - c. In case tender process has been completed and successful tenderer has been awarded LOIA, but, concession/ license period of incumbent licensee is not over, then, date of hand over of site should not be later than 7<sup>th</sup> 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.
9. **Gestation Period:**
  - a. Gestation period of \_\_\_\_ Days, reckoned from the date of handing over of sites shall be permissible.
  - b. No gestation period is to be permitted in case of renewal/award of the concession/ license in favor of the existing licensee in the same place (i.e. same area as well as location). However,



- i. where there is change in location or due to suspension of the business to carry-out modification at the existing area etc. in the concession/ license premises, normal gestation period, as defined above, may be permitted.
- ii. If there is increase in the area in the new license at the same location awarded to existing licensee, the gestation period would be applicable for the incremental area only (if he continues with the business from the existing area and needs development period for the incremental area). In this scenario, licensee shall continue to be billed on the basis of quoted license fee on pro-rata basis for existing area. Billing for the newly developed/incremental area shall be started after expiry of gestation period.

#### 10. Eligibility Criteria:

- a. **Technical Criteria:** \_\_\_\_\_
- b. **Financial Criteria:** \_\_\_\_\_

11. Only one e tender document shall be sold to a single party either a firm or an individual. The proprietor of more than one company or firm will be considered as single party and one legal entity.
12. Any party either a firm or an individual falling under the following categories is not eligible:
  - a. De-barred/black listed by CBI or AAI or Undertakings/ Departments like; Railway, Defense, or any other Department of Govt. of India, State Govt. Deptt. etc. A declaration to this effect is also to be submitted by the party with tender documents.
  - b. Parties facing action under PPE Act, with AAI.
  - c. Parties either an individual or a business establishment, who has been ordered by a Court of Law to pay the outstanding dues of AAI at any of the airports as a whole and has not paid such dues to AAI shall also not be eligible for the e tender.
  - d. If the entity participating in any of the tenders is a private or public limited company, Partnership firm or a Sole Proprietor and any of the Directors/Partners/Sole Proprietor of such company is also a Director of any other company or partner of a concern or a Sole Proprietor having established business with AAI and has outstanding dues payable to the Authority, then the said entity may not be allowed in AAI tenders.
  - e. If the entity participating in any of the tenders is a private or Public Limited Company, Partnership Firm or sole proprietor and any of the Director/partners/sole proprietor of such company is also a Director of any other company or partner of a concern or a sole proprietor having established business with AAI and has outstanding dues payable to the AAI except the dues pertaining to the current quarter i.e. the quarter in which the tender is invited, then the said entity shall not be allowed to participate in AAI tenders.



The disputed dues referred to an arbitrator for adjudication as per terms and conditions of the license agreement shall not form a part of outstanding dues for the purpose of the acceptance of tender documents.

- f. A declaration to the effect that the Tenderer does not fall under the categories a), b), c), d), and e) above has to be submitted in the Technical Bid. (Refer: Annexure: G). Following declaration will also be part of Annexure:G

*“I/ We declare that “No raid/seizure/search has been carried out and/or pending by a Regulatory Authority in respect of the license granted by AAI in any of the Airport premises either against me and/or any member of the consortium or against our/its associates or against any of the Directors/Managers/Employees” (In case if raids/seizure/search conducted, please furnish all such relevant details).”*

13. E-Tender documents indicating full details of the licence can be seen in the e-tender documents uploaded on the NIC CPPP E-Tendering Portal at etenders.gov.in

- a) The bids shall be submitted only on the NIC CPPP E-Tendering Portal at etenders.gov.in
- b) The bids shall not be accepted in any other form
- c) The e-tendering process is online at NIC CPPP E-Tendering Portal at etenders.gov.in
- d) Tenderers are requested / advised to get themselves acquainted for e-tendering participation requirement themselves at NIC CPPP E-Tendering Portal at etenders.gov.in mentioned above.
- e) Clarification needed, if any, may be sent through NIC CPPP E-Tendering Portal only.
- f) Cost of tender fees amounting to Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_), shall be paid by the bidder before the scheduled time of e-tender submission through RTGS/NEFT in favor of “\_\_\_\_\_ [Account Name to be entered by Airport]”. No other mode of payment shall be acceptable.
- g) The amount of Earnest Money Deposit (EMD) of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only) shall be paid by the tenderers before the scheduled time of e-tender submission through RTGS / NEFT in favor of “\_\_\_\_\_ [Account Name to be entered by Airport]”. No other mode of payment shall be acceptable.
- h) The particulars pertaining to “\_\_\_\_\_ [Account Name to be entered by Airport]” Bank account for RTGS / NEFT are as follows:-



Account Name	
Account Type	Current
Account No.	
Bank Name	
Branch	
IFSC Code	

- i) A copy of the proof / documents of the above payments (i.e. cost of tender document and EMD) made through RTGS / NEFT is to be uploaded (i.e. scanned copy) along with the technical bid documents to be submitted by the bidders(online).
- j) Non-submission of cost of tender document and EMD shall lead to disqualification of tenderers.
- k) E-bids shall be submitted in two bid system as follows:-
- i. Technical bid – Earnest Money Deposit (EMD) and other documents as required under clause 3 of the general information / guidelines of Notice Inviting Tender.
  - ii. Financial Bid – As required under clause 4 of general information /guidelines of Notice Inviting Tender.

**14. Critical Dates:**

S. No.	Activity	Scheduled Dates and Time
1.	Download/Sale of e-Tender Document from NIC CPP portal	From ..... to ..... Up to ..... Hrs.
2.	Submission of queries related to e-Tender, if any; on NIC CPP portal only.	UP TO ..... BY ..... Hrs.
3.	Reply to the queries by AAI on NIC CPP portal	By ..... BY ..... Hrs.
4.	Pre bid meeting with the prospective bidders, if required	On.....at.....hrs.
5.	Online submission of Bids / Proposal(s) (Technical Bid as well as Financial Bid) on e-tender portal	UP TO ..... BY ..... Hrs.
6.	Opening of Technical Bids / Proposal(s) (online only)	ON ..... AT ..... Hrs.
7.	Opening of Financial Bids / Proposal(s) (online only)	ON ..... AT ..... Hrs.



2. In case bidder withdraws from tender process before opening of technical bid date and time, 10% of EMD amount shall be forfeited.
3. After last date of submission of bid, at any stage if an agency withdraws from tender process, entire EMD amount shall be forfeited.
4. After opening of the technical bid and before opening of financial bid, if any agency withdraws from tender process, the EMD of the party shall be forfeited and the party shall be debarred for participation in any tender at \_\_\_\_\_ Airport for one year from the date of debarment.
5. AAI reserves to itself the right to reject the conditional tenders without assigning any reason thereto.
6. AAI reserves to itself the right to reject any or all the tenders without assigning any reason thereof and to call for any other detail or information from any of the tenderer(s).
7. On acceptance of the tender, the name of the authorize representative(s) of the tenderer who would be responsible for taking instructions from authorized official of the AAI is to be intimated.

**AIRPORT DIRECTOR**

\_\_\_\_\_ **AIRPORT**

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## **“E-Tendering guidelines to the bidders”**

E-Tendering Participation Requirements: Interested bidders/tenderers willing to participate through e-tendering process are required to register themselves in the GOI Central Public Procurement Portal [www.etenders.gov.in](http://www.etenders.gov.in)

For special Instructions to the Contractors/Bidders for the e-submission of the bids online through e-Procurement Portal [click here](#) or follow hyperlink given below:  
<https://etenders.gov.in/e procure/app?page=HelpForContractors&service=page>

Bidders Manual Kit available for download at the hyperlink given below:  
<https://etenders.gov.in/e procure/app?page=BiddersManualKit&service=page>

For any technical assistance with regard to the functioning of the portal, the bidders may contact the Help desk according to escalation matrix given below:

### **CPPP under GePNIC, Help Desk Services**

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- 1. For any technical related queries, please call the Helpdesk at 24 x 7 Help Desk Numbers: 0120-4200462, 0120-4001002**

**Note-** Bidders are requested to kindly mention the URL of the Portal and Tender Id in the subject while emailing any issue along with the Contact details. For any issues/clarifications relating to the tender(s) published, kindly contact the respective Tender Inviting Authority.

**Tel** : 0120-4200462, 0120-4001002

**Mobile** : 91 8826246593

**E-Mail** : [support-eproc@nic.in](mailto:support-eproc@nic.in)

- 2. For any Policy related matter / Clarifications, Please contact Dept of Expenditure, Ministry of Finance.**

**E-Mail:** [cPPP-doe@nic.in](mailto:cPPP-doe@nic.in)

- 3. For any Issues / Clarifications relating to the publishing and submission of AAI tender(s)**

- In order to facilitate the Vendors / Bidders as well as internal users from AAI, Help desk services have been launched between 0800-2000 hours for the CPPP under GePNIC <https://etenders.gov.in>. The help desk services shall be available on all working days (Except Sunday and Gazetted Holiday) between 0800-2000 hours and shall assist users on issues related to the use of Central Public Procurement Portal (CPMP).

- Before submitting queries, bidders are requested to follow the instructions given in “**Guidelines to Bidders**” and get their computer system configured according to the recommended settings as specified in the portal at “**System Settings for CPPP**”.



4. In case of any issues faced, the escalation matrix is as mentioned below:

S.No	Support Persons	Escalation Matrix	E-mail address	Help Desk Number	Timings
1.	Help Desk Team	Instant Support	<a href="mailto:eprochelp@aai.aero">eprochelp@aai.aero</a>	011-24632950, Ext-3512 (6Lines)	0800-2000 Hrs. (MON- SAT)
2.	Sh. Sanjeev Kumar, Jr. Exe.(IT)	After 4 Hours of issue	<a href="mailto:sanjeevkumar@aai.aero">sanjeevkumar@aai.aero</a>	011-24632950, Ext- 3505	0930-1800 Hrs. (MON- FRI)
3.	Mrs. S. Nita AGM(IT)	After12 Hours	<a href="mailto:snita@aai.aero">snita@aai.aero</a>	011-24632950, Ext-3523	0930-1800 Hrs. (MON- FRI)
4	Name of the Bid Manager	After 12Hours			0930-1800 Hrs. (MON- FRI)
5.	General Manager(IT)	After3 days	<a href="mailto:gmit@aai.aero">gmit@aai.aero</a>	011-24657900	0930-1800 Hrs. (MON- FRI)
6.	Commercial In-Charge	After 3 days			0930-1800 Hrs. (MON- FRI)

**\*The Helpdesk services shall remain closed on all Govt. Gazetted Holidays.**

1. The above mentioned help desk numbers are intended only for queries related to the issues on e-procurement portal and help needed on the operation of the portal.
2. For queries related to the tenders published on the portal, bidders are advised to contact concerned Bid Manager of AAI.



## **GENERAL INFORMATION AND GUIDELINES**

1. E-Tender Documents are not transferable.
2. Following bids shall be submitted through online only at e-portal by the bidder / tenderer:-
  - a) The technical e-bid through e-portal.
  - b) The financial e-bid through e-portal.
3. Each page of Technical Bids should be signed by the tenderer or person authorized by the tenderer. The authorization (Power of Attorney) should be on non-judicial stamp paper of Rs.100/- duly attested by Notary Public (Format as per Annexure: B). The technical e-bid which will be opened first, shall contain the following documents specified as under (Bidders shall upload scanned copy of following documents along with authorization letter in readable form at NIC CPPP E-Tendering Portal at etenders.gov.in as a part of technical bid):-
  - a) Details of the concern and legal status that is whether it is sole proprietor, partnership firm or a company under the Companies Act. Details to be provided as per Annexure: D
  - b) Self-attested copies of the PAN card, GST registration. In case any or all the provisions mentioned above are not applicable, the party should give a declaration to that effect. Non submission will not be considered as exemption. AAI reserves the right to confirm the legal applicability of the provisions before accepting the declaration of non-applicability as submitted by the party.
  - c) Copies of (duly audited and certified by a chartered Accountant) Profit and Loss Account / Balance sheet of the sole proprietor concern or a partnership firm, Annual Report in case of company as per the companies Act.
  - d) Self-attested copies of Memorandum and Articles of Association in case of Companies and Partnership deed in case of firms and approved by-laws in case of co-operative societies.
  - e) The Bidders are required to furnish Earnest Money Deposit of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only) the EMD shall be deposited via bank transfer in the form of RTGS/NEFT to “\_\_\_\_\_ [Account Name to be entered by Airport]” as per the details already provided in the NIET. A copy of document indicating payment of EMD through RTGS/NEFT is to be uploaded in the technical bid. Non-payment of EMD by the stipulated date & time shall lead to disqualification of tendered(s).

**Note:** EMD in the form of cash/Demand Draft or any other form shall not be accepted. Prospective Bidders shall also note that they are not required to contact any AAI employee or submit any documentary evidence of submission of EMD via Bank Transfer in the form of RTGS/NEFT to any AAI employee during the process of the tender. In no scenario, the prospective bidders are required to submit/contact any AAI employee for physical



submission of any documents before opening of the bids. Tenders/bids without EMD shall not be considered.

**Refund of EMD:**

EMD of unsuccessful bidders received through bank transfer mode (RTGS/NEFT) shall be refunded online through the same mode only and it shall be refunded in the bank account whose detail is required as per “Annexure – J” to be submitted as part of technical bid. The refund of EMD to bidders who fail to qualify the eligibility /technical stage shall be initiated automatically within 15 days of opening of financial bid.

f) **No Dues Certificate:**

i. **Self-Declaration of Dues:**

The party should submit the details of contracts held (current and past) at all AAI controlled airports and offices and the details of disputed and undisputed dues there on along with the details of Security Deposit and mode of Security Deposit (Refer Annexure G).

ii. **No Dues Certification from AAI:**

The party should also enclose the no dues certificate issued by AAI (Up to \_\_\_\_\_, except where the dues are pertaining to current quarter i.e. the quarter in which tender is invited) in respect of all airports under its control. Only signed certificate will be valid. Photocopy of the signed certificate to be attested by the party **at the time of tender submission.**  
**Format as per Annexure: I**

iii. If the entity participating in the e-tender is a private or public limited company, Partnership Firm or Sole Proprietor and any of the Directors / Partners / Sole Proprietor of such company is also a director of any other company or partner of a concern or a Sole Proprietor having established business with AAI and has outstanding dues payable to the Authority, then the said entity shall not be allowed in AAI e-tenders. A declaration to this effect has to be submitted by the party / tenderer. (Refer Annexure: G)

g) Form of unconditional acceptance duly signed (enclosed as Annexure ‘C’ along with tender documents).

h) Declaration to the effect that no raid/seizure/search has been carried out and/or pending by a Regulatory Authority in respect of the license granted by AAI in any of the Airport premises either against me and/or any member of the consortium or against our/its associates or against any of the Directors/Managers/Employees”

i) Declaration giving the details of blacklisting or debarring by AAI, or any Government of India department, any Central or State public sector undertakings. (NIL statement also to be filed). (Refer Annexure G).

j) Declaration of cases / action under PPE Act initiated by AAI. (NIL statement also to be filed). (Refer Annexure: G)



- k) Declaration in respect of near relatives\* working in AAI, as per Annexure: H.
- l) Certificate from Chartered Accountant/Statutory Auditor in respect of Technical Capacity & Experience, as per Annexure: E.
- m) Letter of Undertaking by Bidder, as per Annexure: F
- n) Documents supporting eligibility criteria.
- o) Scanned copy of complete set of e-tender document containing \_\_\_\_ no. of pages (duly signed and stamped by the authorized person)

**Important:** AAI reserves the right to verify, refer any document to the concerned authority for confirmation from case to case basis. Mere submission will not bind AAI to accept the documents as valid for opening of financial bid.

**Note:**

One set of scanned copy of complete technical documentation comprising of documents as listed at clause 3 (a to o) above shall be uploaded in the technical bid.

**4. Financial Bid**

- a) The financial e-bid should be in the prescribed format available at NIC CPPP E-Tendering Portal at etenders.gov.in and the following shall also form part and parcel of financial e-bid to be submitted by the tenderer:-

I / We have carefully read and understood the terms and conditions of the licence as contained in E-Tender Documents issued by the Airports Authority of India (AAI) including the following :-

- i. Earnest Money Deposit of Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ Only) liable to be forfeited by AAI, if on award of license, I/We do not accept the award or do not fulfill any of the conditions stipulated in e-tender documents, within prescribed time.
  - ii. On account of non-acceptance of award or on account of non-completion of e-tender conditions within the prescribed time, I/We shall be debarred by AAI for further participation in the tenders at its airports or at any other place under the control of AAI, for a period of three (3) years.
  - iii. In case the documents submitted by my/our firm along with e-tender are false / incorrect, the e-tender of my/our firm will be liable to be rejected by giving reasons. In addition, AAI reserves its right to forfeit the EMD of my/our firm and debar my/our firm from participation in the further e-tender/ tender of AAI, for a period of three (03) years.
- b) AAI reserves itself the right to reject the conditional offer without assigning any reason thereto.
  - c) The AAI does not bind itself to accept the highest or any e-tender and reserves to itself the right of accepting the whole or any part of the e-tender and the tenderer shall be bound to provide the service at the rate quoted.



- d) The amount of license fee should be conspicuously written both in figures as well as in words. Any over-writing, correction or insertion should be duly signed by the authorized signatories of the tenderer(s).
  - e) In case of discrepancy between the amount offered in figures and words, the offer written in words will only be considered.
5. It may be noted that the Earnest Money Deposit of the successful bidder may be forfeited and the bidder may be debarred for further participation in AAI's tender(s) / e tender(s) for a period of three (3) years, on account on non-completion of the following:
- a) Acceptance of the offer within seven (07) days from the date of issuance of the award letter addressed to the party.
  - b) Payment of advance license fee for one month within 15 days from the date of issuance of the award letter.
  - c) Payment of Security Deposit within 15 days from the date of issuance of award letter, amounting to 6 months equivalent Concession fee of the Fifth (05<sup>th</sup>) year to AAI as an interest free security Deposit. The SD amount equivalent to 3 months concession fee to be submitted in the form of BG from any scheduled commercial bank(Bank Guarantee from co-operative bank, even scheduled, will not be accepted) and balance 3 months equivalent concession fee by way of NEFT/RTGS or DD/PO. (For the purpose of calculation of SD Amount, License Fees in the Fifth Year may be arrived at by escalating quoted license fees by 10% annually; however, actual escalation as per escalation formula shall be applicable for billing purpose.)
  - d) Execution of the Agreement within 15 days from the date of issuance of award letter (Stamp Duty and Agreement Registration Fees to be borne by the licensee).
  - e) Commencement of the facility within gestation period.
6. E - Tender(s) will remain valid for a period of 180 days from the date of opening of the Financial Bid. If any tenderer withdraws during the validity period, his Earnest Money Deposit will be forfeited. However, after opening of financial bid, being H1 (highest bidder) in the tender if the party withdraws its bid, EMD shall be forfeited and the said bidder will be debarred from participating in any tender of AAI for one year.
7. The tenderer(s) shall give the list of his near relatives employed in AAI.
8. The successful bidder shall intimate the names of the persons employed by him or going to employ, who are **near relatives\*** of AAI employees, or are ex-employees of AAI who have separated from AAI in the past two years.
9. **Fraud & Corrupt Practices and Penalty:**
- a) Even if the bidder satisfies every criterion as per the guidelines set forth above, but at any stage during the tender process, or after the issuance of



LOIA to the successful bidder, or after the execution of concession agreement or during the subsistence thereof, AAI at its discretion can disqualify the bidder or terminate the concession (as the case maybe), if the bidder/licensee:

- i. has been debarred by any state or central government or government agency in India and the same is subsisted at the time of NIT; or
  - ii. has made misleading or false representation in the forms, statements and attachments submitted; or
  - iii. the applicant does not respond promptly and thoroughly to requests for supplementary information requested by AAI for the evaluation of the Proposal; or
  - iv. One or more of the eligibility criterion have not been met by the Applicant; or
  - v. The Applicant has made a material mis representation; or
  - vi. The Applicant has engaged in a corrupt, fraudulent, coercive, undesirable or restrictive practice;
  - vii. The applicant or its associates or a person or entity having legal relationship with applicant committed any fraud or forgery by way of submission of any kind of documents/ bank guarantee/ Security Deposit etc (during the tender process and thereafter) with this or any other tender/ contract with Airports Authority of India or any PSU or Government Departments during the last 5 years;
- b) Then the LOA or the draft Agreement, as the case may be, shall, notwithstanding anything to the contrary contained therein or in this NIT Document, liable to be terminated by a communication in writing by AAI to the agency without AAI being liable in any manner whatsoever to the agency. In such an event, AAI shall forfeit and appropriate the EMD and Performance Security and debar the agency from AAI tenders for any period not succeeding subject to minimum of three years ,as the case may be without prejudice to any other right or remedy that may be available to AAI in this regard.
- c) If such an event occurs after the issuance of LoA and during the contract period, then AAI reserves the right to take any such measure as may be deemed fit in the sole discretion of AAI, including annulment of the contract and forfeiture of the Performance Security amount.
- d) Proposals shall be deemed to be under consideration immediately after they are opened until such time that AAI makes an official intimation of award/rejection to the Applicants. While the Proposals are under consideration, Applicants and/or their representatives or other interested parties are advised to refrain from contacting, by any means, AAI and/or their employees/representatives on matters relating to the Proposals under consideration.

**10. Conflict of Interest:**

- a) The bidder should ensure that they are not falling into any conflict of interest. The bidder shall be disqualified, if there, is a conflict of interest on its part. In such an event, AAI shall forfeit and appropriate EMD, and debar the bidder



from participating in future AAI tenders for a period not less than three (03) years.

**b)** The bidder shall be deemed to have a conflict of interest affecting bidding process, if:

i. The Bidder, its Member or Associate (or any constituent thereof) and any other Bidder; its Member or any Associate thereof (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding of a Bidder, its Member or an Associate thereof (or any shareholder hereof having a shareholding of more than twenty(20) per cent of the paid up and subscribed share capital of Such Bidder, Member or Associate, as the case may be), in the other Bidder, its Member or Associate is less than twenty(20) per cent of the subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by a bank, Insurance company, pension fund ,Airports Authority of India, Govt of India or a public financial institution referred to in the Companies Act, 1956/2013 or as amended from time to time. For the purposes of this Clause, indirect shareholding held through one or more intermediate persons shall be computed as follows:

(aa) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the “Subject Person”) shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and

(bb) subject always to sub-clause (aa) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this sub-clause (bb) if the shareholding of such person in the intermediary is less than 26% of the subscribed and paid up equity shareholding of such intermediary; or

ii. A constituent of Such Bidder is also a constituent of another Bidder; or

iii. Such Bidder, or any Associate thereof receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Bidder, or any Associate thereof or has provided any Such subsidy, grant, concessional loan or subordinated debt to any other bidder, its Member or any Associate thereof; or

iv. Such Bidder has the same legal representative for purposes of the Proposal as any other Bidder; or



- v. Such Bidder, or any Associate thereof has a relationship with another Bidder, or any Associate thereof, directly or through common third party/ parties, that puts either or both of them in a position to have access to each other information about, or to influence the Proposal of either or each other; or
- vi. Such Bidder or any Associate thereof has participated as a consultant to AAI in the preparation of any documents, design or technical specifications of the Concession.
- vii. In case of an applicant having legal relationship with any other applicant.

## 11. Exit Clause, Dispute Resolution, Arbitration & Litigation.

### a) **Normal termination:**

The contract will deem to be terminated on the last date as given in the agreement provided the extension or renewal is approved by the competent authority on or before the last date and communicated the party in writing and duly accepted. The liability of the party will continue to be payable along with the delayed interest (at the rate mentioned in the contract) till the same is settled. The contractor cannot claim the dues to be time barred or ultra vires even after the contract is deemed to have terminated by operation of this clause.

### b) **Termination for cause:**

If the party or AAI has invoked the internal dispute resolution clause (as per which the dispute referred to the DRC is to be completed within a period of 45 days) and the same remains unresolved after the specified time period, it will be deemed that the notice period for the termination has commenced from the next date within which the dispute should have been resolved. No extra notice period. If such termination happens to fall within 50 % of the contract period, then the party is liable to pay AAI the values of license fee equal to the amount of current license fee for the six months as demurrage charges. The agreement should also provide for invocation of arbitration clause only after the internal dispute mechanism has been exhausted. However, the notice for termination will deem to have commenced irrespective of the arbitration proceedings.

### c) **Termination for convenience:**

Either party, AAI on one part and the contractor on the other party can serve the notice for termination by giving the requisite notice period. The notice by AAI to be served only after obtaining the approval of the acceptance authority. Similarly, the notice given by the party should be approved by the acceptance authority. However, the date on which notice was received at AAI will be the commencement of the notice period and the administrative time required for the approval will not be added. If the concession/license has been terminated within 50% of the license period or the party has not served the requisite



notice of \_\_\_\_ days, for surrender of license/concession after completion of 50% licence period, then the Security Deposit equivalent to current license fee/MMG shall be forfeited as demurrage charges, as per the details below:

S. No.	If termination of concession/ license occurs	Security deposit equivalent to current license fee/MMG to be forfeited (in months)		
		For contract period of more than 3 years	For contract period of 1-3 years	For contract period of less than 1 year
(i)	Before 50 % of contract period	6	4	2
(ii)	between 50% to 75%	4	3	2
(iii)	between 75% to 100%	2	2	1

**NOTE:** If the licensee does not operate the license upto 50% of the contract period then the party is liable to be debarred for one year from the date of issuance of orders.

d) **Termination for regulatory / legislative or supervisory requirements:** If any provision on law or legislation of India makes it mandatory to stop/prohibits the continuation of any contract at any particular location or otherwise, then it will be deemed to be closed from the date of such enactment. No compensation is payable by AAI.

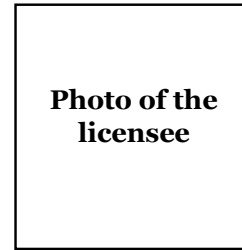
12. All the above guidelines will form part & parcel of the Notice inviting E-Tender (NIET).
13. AAI reserves the right to extend the date of submission / opening of the bids as well as to extend the validity of the E-tender if situation warrants and with sufficient reasons.
14. AAI reserves right to reject any or all e-tender(s) in part or in full without assigning any reason.

**\*Note:**“By the term near relative is meant wife, husband and dependent parents, grandparents, children, grandchildren, brothers, sisters, uncle, aunts, cousins and their corresponding in laws”.

\*\*\*\*\*



**Draft Licence Agreement**



**SUBJECT:** Grant of License for \_\_\_\_\_ at \_\_\_\_\_ AIRPORT,  
\_\_\_\_\_

THIS CONCESSION AGREEMENT (“Agreement”) made and executed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ Two Thousand \_\_\_\_\_ by and between:

The Airports Authority of India, a body corporate constituted by the Central Government under the Airports Authority (Act 55 of 1994) and having its corporate office at New Delhi and branch office at \_\_\_\_\_ Airport, represented by Airport Director, \_\_\_\_\_ Airport, \_\_\_\_\_, hereinafter called the ‘Authority’ (which term shall, unless excluded by or is repugnant to the context, be deemed to include its Chairman, or Member, Executive Directors, Airport Director, officers or any of them specified by the Chairman in this behalf, and shall also include its successors and assigns) of FIRST PART;

and

\_\_\_\_\_, a Proprietorship Firm/ Partnership Firm/ LLP/ Company incorporated under the Company Act 2013, represented by \_\_\_\_\_ and having its registered office at \_\_\_\_\_ (hereinafter called the “Concessionaire/Licensee” (which shall, unless excluded by or is repugnant to the context, be deemed to include its heirs, authorized official/officer, successor and assigns) of the SECOND PART.

WHEREAS the Authority is entitled in ‘Law’ to grant license at its \_\_\_\_\_ Airport for the purpose of \_\_\_\_\_ so as to provide amenities and facilities to the passengers and visitors at \_\_\_\_\_ airport and is in possession of space, more fully described in the schedule hereunder and in the plan annexed to this agreement, hereinafter referred to as the premises.

WHEREAS the Licensee is desirous to render the services to the Authority on the terms & conditions mentioned hereunder:

AND WHEREAS the Authority is agreeable to grant the license.

NOW, THEREFORE, this indenture witnesses:

1. That the license for the said facility shall be valid for the period of \_\_\_\_\_ (\_\_\_\_\_) years from \_\_\_\_\_ to \_\_\_\_\_, unless terminated earlier on account of following;



- a. By giving \_\_\_\_\_ days of notice in writing without assigning any reason.
  - b. Terminated by AAI on a short notice on account of unsatisfactory performance.
  - c. Termination on expiry of the specified time period allotted for unresolved internal dispute resolution.
2. That in consideration, Licensee shall pay the Authority every month in advance by way of license fee on or before 10th day of English calendar month as under:

Year	Amount of Monthly License Fee
1 <sup>st</sup> Year	_____ + GST applicable on time
2 <sup>nd</sup> Year	_____ + GST applicable on time
3 <sup>rd</sup> Year	_____ + GST applicable on time
4 <sup>th</sup> Year	_____ + GST applicable on time
5 <sup>th</sup> Year	_____ + GST applicable on time

**3. Rate of Escalation:**

- a. License Fees shall be subject to annual escalation of \_\_\_\_\_
  - b. The first annual escalation will be applicable after completion of one year + six months license period. Thereafter the same will be applicable after completion of subsequent one year period there from. Even if, on account of any delay whatsoever, licensee could not commence business operations on the expiry of gestation period stipulated in NIT, for the purpose of calculation of date on which 18 months of license are completed (date on which first escalation is applied) shall be deemed from next day of expiry of gestation period stipulated in NIT.
4. The licensee has to pay the bill by 10<sup>th</sup> of every month in advance for that particular month, failing which interest at the rate of 12% per annum shall be charged as per AAI Credit Policy, without prejudice to Authority's other rights and remedies.
5. That in addition to the above said license fee, Licensee is also liable to Rs.\_\_\_\_\_/ - per sqmtr pm towards AC space rent (if applicable) and Rs.\_\_\_\_\_ per sqmtr pm towards Non AC space rent (if applicable). Licensee is also liable to pay utility facilitation charges @ 10% of monthly licence fee. Such charges shall be paid within the date(s) specified in the bill(s). The space rent/Utility/Facilitation charges/CAM charges are subject to 10% compound annual escalation on 1<sup>st</sup> of every year or as may be decided by AAI from time to time.
6. That in addition to the above said licence fee, licensee shall pay all charges towards consumption of electricity and water as may be due as determined by the Authority and at the rate(s) fixed by it from time to time. Such charges shall be paid within the date(s) specified in the bill(s). The Licensee shall have to provide his own meter(s) for the purpose, failing which Licensee shall be billed on assessed consumption. In default of payment of said charges, the Authority may without prejudice to its other rights disconnect or cause to be disconnected the water and



electricity to the said premises without any notice and the Licensee shall not be entitled to any compensation whatsoever on account of any such disconnection.

7. That the Licensee shall pay all rates, assessments, out goings and other taxes as leviable on the Licensee in 'Laws'.
8. That the Licensee shall make payment of license fee etc. either by cheque/demand drafts drawn on local banks or through RTGS/NEFT. No outstation cheque shall be accepted in payment of license fee etc.
9. That the licensee shall deposit a sum of Rs. \_\_\_\_\_/- (Rs. \_\_\_\_\_ only) i.e. an amount equal to \_\_\_ months of license (based on \_\_\_ year license fee) fee as Security Deposit in the form of Demand Draft / Pay order / RTGS/NEFT/ Bank Guarantee from a Nationalized/Scheduled Bank (Bank Guarantee from Co-operative Banks, even scheduled co-operative banks, shall not be acceptable) in favor of Airport Director, AAI, \_\_\_\_\_ Airport. Bank Guarantee should be valid for the entire period of license plus six (06) months. In the event of the Licensee committing any breach of the terms & conditions of the license agreement, the Authority may without prejudice to other rights and remedies be entitled to forfeit the Security Deposit or any part thereof. In Such an event he shall pay in the same manner as stated above such additional sum immediately as he may be called upon by the Authority to pay, so that the Security Deposit shall at all times during the continuance of these presents, be for the same amount. On the expiration or earlier determination of the license the Authority shall return the Security Deposit or part thereof which has not been forfeited as aforesaid, to him, without interest
10. That the Licensee shall also liable to make the payment towards security deposit in respect of electricity charges equivalent to 5% of annual licence/concession value for the last year subject to minimum deposit of Rs.10,000/- and a maximum deposit of Rs.10 lakhs. The said security deposit will cover SD towards all types of utilities such as Electricity, Water, Data Port, Telephone etc.
11. That the Licensee shall equip himself with all necessary permits, licenses and such other permissions as may be required under the law in force at any time with regard to the operation of the subject license.
12. That the Licensee shall maintain such regular and proper account books along with other supporting documents regarding sales effected by the Licensee in the said premises and said accounts/documents shall all the times be kept open for inspection by Authority in such manner as may be prescribed. The Licensee shall provide to the Authority, if so required by the Authority, Statements of audited Accounts in such manner and within such period as the Authority, Statements of audited Accounts in such manner and within such period as the Authority may prescribe. Licensee shall be liable to share invoicing details live with AAI.
13. That the Licensee shall have no right to object as and when the Authority decides to grant additional License for similar Facility at the airport premises where the Licensee is rendering such services.
14. That Authority shall provide bare space for the subject service and other expenses of any kind for establishment and rendering of the services shall be incurred by the Licensee. However, provisions of electricity, water and drainage connections, as the case may be, if so required, for the smooth operation of the services shall be provided by the Authority.



15. All the times during the currency of the license agreement, it shall be the responsibility of the licensee to obtain proper fire insurance coverage including theft and burglary in respect of all the movable and immovable assets stored or used in the licensed premises and authority shall not be responsible for any loss or damage caused to the licensee on any accounts whatsoever.
16. That Licensee shall operate the subject facility by charging the rate from users, as may be approved in advance by the Authority. Licensee shall exhibit the said approved charges at a conspicuous place inside the licensed premises.
17. That the Authority reserves to itself the right to change the location of the premises at any time and may at its discretion, call upon the Licensee to vacate the site and may give him an alternative premise 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.
18. The Licensee shall use the premises for the bona fide purpose as provided in the Agreement, more particularly described in the enclosed schedule, for the use of all passengers and bona fide visitors to the Airport and Officers of the Authority and the staff of various Airlines using the Airport and for no other purpose.
19. The Licensee shall not erect or display any advertisement or signboards except after obtaining the prior approval in writing of the Authority.
20. The licensee must necessarily operate the contract for minimum 50 % of the total period of the contract failing which the licensee may be debarred from participating any tender in AAI for minimum period of 01 (one) year.
21. That in case if at any stage during the currency of the agreement, AAI finds that the party had bagged the contract by submitting any false/wrong document or concealed any information/document, in such an eventuality the SD/BG lying deposited with the AAI shall be forfeited and the licensee shall be debarred for three years for participation in AAI tender. However, in case the licence is terminated due to any illegal activity which is punishable under any of the laws of the land then the party will be debarred till the case is cleared by the concerned legal authority of the land.
22. The Licensee shall not terminate the license before the expiry of the period of the license except by giving \_\_\_ days notice in writing, otherwise the Licensee shall be liable to pay to the Authority (without any demur or question) such amount of money as the Authority may decide as due to it by the Licensee. The license can be terminated by the Authority by giving \_\_\_ days notice in writing without assigning any reason thereto.

**23. Exit Clause in this contract shall be as follows:-**

**A. Normal termination:-**

The contract will deem to be terminated on the last date as given in the agreement provided the extension or renewal is approved by the competent authority on or before the last date and communicated to the party in writing and duly accepted. The liability of the party will continue to be payable along with the delayed interest (at the rate mentioned in the contract) till the same is settled. The contractor cannot claim the dues to be time barred or ultra



vires even if after the contract is deemed to have terminated by operation of this clause.

**B. Termination for cause:-**

If the party or AAI has invoked the internal dispute resolution clause(as per which the dispute referred to the DRC is to be completed within a period of **45** days) and the same remains unresolved after the specified time period, it will be deemed that the notice period for the termination has commenced from the next date within which the dispute should have been resolved. No extra notice need be served by either party and the contract will terminate after the expiry of the notice period. If such termination happens to fall within **50%** of the contract period then the party is liable to pay AAI the value of license fee equal to the amount of current license fee for the six (6) months as demurrage charges. The agreement should also provide for invocation of arbitration clause only after the internal dispute mechanism has been exhausted. However, the notice for termination will deem to have commenced irrespective of the arbitration proceedings.

**C. Termination for convenience:-**

Either party, AAI on one part and the contractor on the other party can serve the notice for termination by giving the requisite notice period. The notice by AAI to be served only after obtaining the approval of the acceptance authority. Similarly, the notice given by the party should be approved by the acceptance authority. However, the date on which notice was received at AAI will be the commencement of the notice period and the administrative time required for the approval will not be added. If the concession/license has been terminated within 50% of the license period or the party has not served the requisite notice of \_\_\_\_ days, for surrender of license/concession after completion of 50% licence period, then the Security Deposit equivalent to current license fee/MMG shall be forfeited as demurrage charges, as per the details below:

S. No.	If termination of concession/ license occurs	Security deposit equivalent to current license fee/MMG to be forfeited (in months)		
		For contract period of more than 3 years	For contract period of 1-3 years	For contract period of less than 1 year
(i)	Before 50 % of contract period	6	4	2
(ii)	between 50% to 75%	4	3	2
(iii)	between 75% to 100%	2	2	1

**NOTE:** If the licensee does not operate the license upto 50% of the contract period then the party is liable to be debarred for one year from the date of issuance of orders.

**D. Termination for regulatory / legislative or supervisory requirements: If any provision of law or legislation of India makes it mandatory to stop / prohibits**



the continuation of any contract at any particular location or otherwise then it will deemed to be closed from the date of such enactment.

24.No compensation is payable by AAI. Exponential penalty on licensees @ double the licence fee per month in the form of damage charge can be imposed on licensees unauthorized occupying the premises after expiry of contract period.

25.In the event of any default, failure, negligence or breach, in the opinion of the Authority on the part of the Licensee in complying with all or any of the conditions of the license agreement, the Authority will be entitled and be at liberty to determine the license forthwith and resume possession of the premises without payment of any compensation or damages and also forfeit in full or in part the amount deposited by the Licensee for due performance of Agreement.

26.Acceptance of award letter and NIT conditions shall form part and parcel of the license agreement.

27.The Authority and the Licensee further agree that they are bound by the General Terms & Conditions, Special Terms and Conditions, Concession Layout, Schedule of Premises, found in Appendix '1, 2, 3 & 4' respectively annexed hereto.

Signed by \_\_\_\_\_ Airport Director, Airports Authority Of India,  
\_\_\_\_\_ Airport, for and on behalf of The Airports Authority Of India, in the presence of:

WITNESS:

1. \_\_\_\_\_

2. \_\_\_\_\_

Signed by \_\_\_\_\_ for and on behalf of  
\_\_\_\_\_ in The presence of:

Witness:

1. \_\_\_\_\_

2. \_\_\_\_\_



**GENERAL TERMS AND CONDITIONS.**

The Authority hereby covenants with the licensee as follows:

- (1) The Licensee, his servants and agents shall be entitled to use all ways, paths and passages as may from times to time be maintained on the said airport ground subject to such rules and regulations as may be imposed by the lawful authorities of the airport ground.
- (2) The Licensee paying the licence fee and performing the covenants herein contained and, on his part, to be performed shall and may peacefully possess and enjoy the premises with the use of the ways, paths and passages as aforesaid during the said term without any lawful interruption from or by the Authority or any person claiming under the Authority.
- (3) Any notice required to be served on the licensee under this agreement shall be deemed to have been served if delivered at or sent by registered post to his last known address or to his authorized representative or agent. Similarly, any notice to be given to the Authority under this agreement shall be deemed to have been served if delivered at or sent by registered post to the Authority.
  - a. The period of notice given under this Agreement will count from the date of receipt of notice by either side.
- (4) Subject as herein before otherwise provided, all notices to be given on behalf of the Authority and all other actions to be taken on behalf of the Authority, may be given or taken on behalf of the Authority by the Airport Director of the Airport or by any other officer for the time being authorized by or entrusted with the functions, duties and powers of the said Airport Director, in respect of the Airport under his charge.
- (5) (a) The Licensee shall not, unless with the written consent of the Authority, create a subcontract of any description with regard to this license or any part thereof, nor shall be without such written consent as aforesaid, assign or transfer his license or any part thereof.  
(b) The Licensee shall use the premises only for the purpose indicated in this agreement and for no other purpose whatsoever.
- (6) The Licensee his agents and servants shall observe, perform and comply with all rules and regulations of the shop and Establishment Act, Factories Act, Industrial Disputes Act, Minimum Wages Act and the provisions of any statutory law applicable to the licensee including any rules and regulations made by the Authority, Civil Aviation Department or any other Department of government and or local body or Administration in force from time to time and to the business which the licensee is allowed to carry on under this agreement and to the area in which the said premises are located.
- (7) (a) The Licensee shall indemnify the Authority from/against any claims made or damages suffered by the Authority by reason of any default on the part of the licensee in the due observance and performance of the provisions of any law which may be related to the purpose of this agreement and to the area in which premises are located.  
(b) The Authority shall not be responsible in any way for loss or damage by any means causes to the licensee's stock or property.
- (8) The Licensee shall at his own cost maintain the premises in a proper state of cleanliness and abide by such directions as may be given by the Authority and such other departments as may be entrusted by the rules and regulations with the works of inspection and enforcement about the conditions of sanitation, cleanliness and hygiene. If the premises is not maintained



in reasonably clean condition by the licensee, Airport Director shall have powers to get the premises cleaned at the risk & cost of the licensee and recover liquidated damages at the rate of Rs.\_\_\_\_ /- per day for each default upto \_\_\_\_ days & thereafter Rs.\_\_\_\_ /- per day and can take other actions including termination of the licence

- (9) The licensee shall comply with the requirements of all standard health clauses including those given below :
- a. The Airport Health Officer/ Medical Officer of AAI or persons authorized by them may without notice, enter the premises any time and inspect the premises, materials, instruments and implements etc. used by the licensee.
  - b. All instructions given by the Airport Health Officer/Medical Officer of AAI or any persons authorized by them in the maintenance of public health of the Airport including sanitation control prevention of infectious diseases, control and prevention of nuisance from insects, rodents or any other source shall be carried out by them and his agent and servants.
  - c. The licensee shall notify to the Airport Health Officer whenever any person working under him is suffering or suspected to be suffering or convalescing from any infectious disease. The Airport Health Officer may medically inspect the said person or any person who is suspected to have been in contact with the person and take any precautionary and preventive measures considered necessary.
  - d. The licensee his agents and servants shall not without consent of the Airport Health Officer, interfere with injure, destroy or render useless any work executed or any materials or things placed in, under or upon any land or building by or under the orders of the Airport Health Office with the object of preventing the breeding or entry of mosquitoes or maintenance of sanitation.
  - e. The licensee, his agents and servants shall not abuse the water sources, and drainage facilities in the airport area so as to create a nuisance or in sanitary situation prejudicial to public health.
  - f. In the event of any default, failure, negligence or breach in the opinion of the Authority, on the part of the licensee in complying with either of these conditions specified in the foregoing sub-clause (a) to (c), the Authority will be entitled and be at liberty to determine the licensee forthwith and resume a possession of the premises without payment of any compensation or damages and forfeit in full or in part the amount deposited by the licensee for due performance of the agreement.
- (10) The licensee shall employ only such servants as shall have good character and as well behaved and skillful in their business. He shall furnish the Authority in writing with the names, parentage, age, residence and specimen signature or thumb impression of all servants whom he proposes to employ for the purpose of this agreement before they are so employed and the Authority shall be at liberty to forbid the employment of any person whom it may consider undesirable. The servants employed by him shall be under the general discipline of the Authority and shall conform to such directions as may be issued by the Authority in respect of point or routes of entry to and exit from the premises and in respect of the use of toilet and wash rooms. He shall also have the character of all persons employed by him verified by the police to the satisfaction of the Authority, before the employment.
- (11) (a) The licensee would be required to install adequate number (as may be determined by Fire Officer or any other officer of AAI depending upon the area of the licensed premises) of minimum a 2.5 kg CO<sub>2</sub> fire extinguisher in the licensed premises at his cost before commencement of business.



- (b) No wooden partition / inflammable material shall be permitted in the licensed premises. The material to be used for partition / fabrication of the shop / office premises shall be as per the specification given by AAI and to be got approved by AAI in advance.
- (c) Licensee shall not use a naked light or cause or permit any such light to be used in the licensed premises.
- (12) The licensee shall not damage the premises for any part of the Airport premises and in the event of any damage being caused to the same intentionally or otherwise, by the licensee, or his employees or invitees or customers, the Authority shall be entitled to repair the damage or make the requisite replacement and call upon the licensee to replacement and call upon the licensee to reimburse cost thereof which the licensee undertakes to pay forthwith on demand.
- (13) The licensee shall not store or bring or keep in the premises heavy articles so as to injure or damage the premises or keep goods of combustible or inflammable nature unless required for executing the licence.
- (14) (a)The licensee shall not use electrical heater, toaster and other allied appliances in the premises for preparation of tea, coffee and for heating of food etc. unless specifically provided under the agreement to perform contractual obligations.
- (b) The licensee hereby agrees to provide necessary training to the employees posted in the licensed premises for handling fires extinguisher as provided in the terminal/licensed premises.
- (c)The licensee will, during the continuance of this licence insure against any claim for workmen's compensation or otherwise of all persons employed by him in connection with his business to be carried on as aforesaid with such insurance company as the Authority shall approve of and shall produce for inspection on demand by the Authority all policies in respect thereof and the receipts from time to time for current premium.
- (15) In the case of such breach of the terms of this licence as minor offences and complaints coming to its notice for which in the opinion of the Authority this agreement need not be terminated, the Authority may at its discretion recover compensation from the licensee up to the limit of the Security deposit of the licensee. The decision of the Authority in this respect will be final and binding on the licensee.
- (16) The licensee shall not hold or permit to be held any public or private auction in the licensed premises.
- (17) The Licensee shall sell articles in the premises at prices which shall be marked on the articles or on tags attached thereto and it shall not be in excess of the retail prices/fair prices fixed by the manufacturers or Government or any other local authority whichever is lower or controlled price in case such case controlled price has been fixed by any authority and in all other cases, not exceeding the reasonable market rates for similar goods. The Authority can after giving reasonable opportunity to the Licensee to show cause, itself fix the price of any article or articles, if, in its opinion, the prices charged are unreasonable or exorbitant and thereupon the Licensee shall sell only at the price so fixed by the Authority and he/she shall also be liable to refund to any customers any amount in excess paid by such customer for any articles in excess of the price so fixed.
- (18) It shall be obligatory for the licensee to keep in stock and in case they are intended for distribution, distribute the same and display, literature, produced and released by the Publications Division of Government of India and/or Tourism Department of the Central Government or of the State Government within whose jurisdiction the Airport is situated on such terms and conditions as may be fixed by the said Publications Divisions or said Tourist Department.



- (19) The licensee shall not stock, sell, display, exhibit for sale any books, magazines, newspapers or periodicals, statues, idols or other articles which are repugnant to morals or indecent and immoral, improper or otherwise objectionable in character, it being expressly agreed that the decision of the Authority shall be conclusive in this behalf and absolutely binding on the licensee and shall not be subject to any dispute or review. Apart from any other legal / disciplinary action, the licensee shall immediately remove such book, journal or articles from premises, if, as decided by the Authority it is objectionable in any manner to keep, exhibit or sell the same.
- (20) The licensee shall maintain a complaint book in a prominent place in the premises and in such a way that it is easily accessible to any person who wishes to record any complaint and the said book shall be open for inspection fortnightly by the Airport Director of the Authority or his authorized representative.
- (21) If because of any strike or lock-out in the Airport or in any airline, the licensee is unable to function or his business is affected, the Authority shall not be liable for any loss which the licensee may suffer in such an event. However, rebate in the licence fee due to ban on visitor entry at the airport and due to natural calamities and due to declaration of the closure of the airport for total operation shall be granted as per the merit of the case and policy laid down by AAI from time to time.
- (22) In the event of the Licensee being prohibited from selling one or more articles in the premises because of Government Laws/Rules/Regulations/Orders, the Authority shall not be liable for any loss suffered by the Licensee in such an event the Licensee shall not be entitled to any reduction in the fees payable to the Authority or permission for sale of additional items.
- (23) The Licensee shall deposit duplicate keys of the premises with the Authority whenever the Airport Director Demands and permit the Authority to make use of the keys during the emergency. The licensee shall not remove or replace the lock on the outer door or change the locking device on the said outer door of the shop.
- (24) The Authority do not recognize any Association of the Traders and in case any negotiation / bargain necessary with regard to the clarification of the terms and conditions of the licence or modification thereof such negotiations should be sought by the licensee alone and no collective representation / bargaining will be entertained.
- (25) On expiry of the licence period or on termination of the licence by the Airport Authority on account of any breach on the part of the licensee, the licensee shall deliver the possession of the premises in good condition and in peaceful manner along with furniture, fittings, equipment and installations, if any, provided by the Authority. Further, licensee shall remove his / their goods and other materials from the premises immediately, failing which Authority reserve its right to remove such goods / materials at the cost & risk of the Licensee and demand payment for such removal. If such payment is not made within 10 days, Authority shall be at liberty to dispose off the goods / materials of the Licensee by public auction to recover the cost. The licensee shall not be entitled to raise any objection in such an eventuality.

After the contract expires, the concessionaire shall stop business and shall be given a maximum of 07 days to vacate the premises (after settlement of dues). The onus of clearing all the dues and vacating the premises within 07 days lies on the licensee. If the agency fails to vacate the premises within 07 days of expiry of contract, twice of normal notified space rent of that area shall be charged from date of expiry to the date of vacation.

If agency fails to vacate even after 15 days, the agency ceases to claim any ownership of the un-cleared materials. AAI shall make arrangements to remove the leftovers and charge the costs incurred to the agency/adjusted from available SD along with outstanding dues if any. Taking over document has to be signed after clearance of premises by the concessionaire.



- (26) The licence herewith granted shall not be construed in any way as giving or creating any other right or interest in the said space / building(s)/ land/ garden/ tank/ premises to or in favour of the licensee but shall be construed to be only as a licence in terms and conditions herein contained.
- (27) The Authority, its servants and agents shall at all times have the absolute right of entry into the said premises.
- (28) The provision of the Airports Authority of India Act, 1994 as amended by Act 2003 and the rules framed there under (Chapter VA – Eviction of Unauthorized Occupants etc. of Airport Premises) which are now in force or which may hereafter come in force shall be applicable for all matters provided in the said Act.
- (29) All disputes and differences arising out of or in any way touching or concerning this Agreement (except those the decision whereof is otherwise herein before expressly provided for or to which the AAI ACT, 1994 and the rules framed there-under which are now enforce or which may here-after come into force are applicable), shall, in the first instance, be referred to a Dispute Resolution Committee (DRC) setup at the airports, for which a written application should be obtained from the party and the points clearly spelt out. In case the dispute is not resolved within 45 days of reference, then the case shall be referred to the sole arbitration of a person to be appointed by the Chairman / Member/ RED of the Authority. The award of the arbitrator so appointed shall be final and binding on the parties. The Arbitration & Conciliation Act 1996 as amended up to date shall be applicable. Once the arbitration clause has been invoked, the DRC process will cease to be operative. It will be no bar that the Arbitrator appointed as aforesaid is or has been an employee of the Authority and the appointment of the Arbitrator will not be challenged or be open to question in any Court of Law, on this account.

Before making a reference to Dispute Resolution Committee, the licensee will have to first deposit the disputed amount (in the form of BG/DD/PO/NEFT) with AAI and the consent shall be given by the licensee for acceptance of the recommendations of the Dispute Resolution Committee.

The case shall be referred to the sole Arbitrator by the Chairman/Member/ RED of the Authority, subject to the condition that the licensee shall have to deposit the disputed amount (in the form of BG/ DD/PO/ RTGS/ NEFT) with AAI as condition precedent before making reference to the Arbitration for adjudication of dispute.

During the arbitral and Dispute resolution proceedings, the licensee(s) shall continue to pay the full amount of license fee/dues regularly as per the award/agreement and perform all covenants of the agreements.

- (30) It would be the responsibility of the licensee to obtain all necessary security clearance from BCAS/any other regulatory agency as required.
- (31) In case of any dispute where legal action is compelled to be initiated by any of the party, jurisdiction of the court shall be the city / town / district where the airport is located.

(SIGNATURE OF LICENSEE)



**APPENDIX: 2 of Annexure-A of Annexure-V**

**SPECIAL TERMS & CONDITIONS**



**APPENDIX: 3 of Annexure-A of Annexure-V**

**CONCESSION AREA LAYOUT**



**APPENDIX: 4 of Annexure-A of Annexure-V**

**SCHEDULE OF PREMISES**

\_\_\_\_\_ FACILITY AT \_\_\_\_\_ AIRPORT

1. AREA ALLOTTED : \_\_\_\_\_
2. LOCATION : \_\_\_\_\_
3. PURPOSE : \_\_\_\_\_ facility

SIGNATURE OF THE LICENSEE



**POWER OF ATTORNEY FOR SIGNING OF PROPOSAL  
(To be executed on non-judicial Stamp paper of Rs 100/- or as per  
applicable State Laws and duly notarised)**

Know all men by these presents, we..... (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorize Sh/ Smt. (name), ..... son/daughter/wife of .....aged .....years and presently residing at ....., who is presently employed with us/ the Lead Member of our Consortium and holding the position of ....., as our true and lawful attorney (hereinafter referred to as the “Attorney”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our Proposal for pre-qualification and submission of our Bid for the .....[NAME OF LICENSE] facility at.....Airport, ....., India (the “Concession”) proposed by AAI including but not limited to signing and submission of all Proposals, Bids and other documents and writings, participate in Pre-Proposals and other conferences and providing information/ responses to the AAI, representing us in all matters before the AAI, signing and execution of all contracts including the Concession Agreement and undertakings consequent to acceptance of our Financial Proposal, and generally dealing with the AAI in all matters in connection with or relating to or arising out of our Financial Proposal for the said Concession and/ or upon award thereof to us and/or till the entering into of the Concession Agreement with the AAI.

AND we hereby undertake and agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE... THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS ..... DAY OF ..... 2.....

For .....  
(Signature, name, designation and address)

Witnesses:

1.

(Notarised)

2.

Accepted

.....

(Signature)

(Name, Title and Address of the Attorney)

Notes:

- *The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executants (s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*



- *Wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.*
- *For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Bidders from countries that have signed the Hague Legalization Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Apostille certificate.*



**ACCEPTANCE LETTER  
(To be submitted in applicant letter head)**

To,

Date: \_\_\_\_\_

Airport Director,  
Airports Authority of India  
\_\_\_\_\_ Airport

**Subject: Acceptance of AAI's Tender Conditions**

Sir,

The tender documents for the “[Name of License]” at \_\_\_\_\_  
**Airport** have been provided to me/us by Airports Authority of India and:

1. I/We hereby certify that I/We have inspected the sites and read the entire terms and conditions of the tender documents made available to me/us. Which shall forms part of the contract agreement and I/We shall abide by the conditions/Clauses contained therein.
2. We are enclosing and submitting here with our original Proposal, along with the information and documents as per the requirements of the Tender Document, for your evaluation and consideration.
3. I/We hereby unconditionally accept the tender conditions of AAI's tender documents in its entirety for the above facility.
4. The contents of Clause \_\_\_\_\_ of Notice inviting Tender of the Tender Documents have been noted wherein it is clarified that AAI reserves the rights to reject the conditional tenders without assigning any reason thereto.
5. I/ We hereby undertake that, all information provided in the Proposal and in its Appendices is true and correct.
6. I/We shall make available to AAI any additional information it may find necessary or require to clarify, supplement or authenticate the Proposal within such time as may be prescribed by AAI.
7. I/We acknowledge the right of AAI to reject our Proposal without assigning any reason or otherwise and hereby waive our right to challenge the same on any account whatsoever.
8. I/We certify that I/we or any of my/our constituents or my/our predecessor entity have neither failed to perform on any contract, as evidenced by imposition of a



penalty or a judicial pronouncement or arbitration award, nor been expelled from any contract nor have had any contract terminated for breach on our partnor have I/ we or any of my/our constituents or my/our predecessor entity defaulted in complying with any statutory requirements.

9. I/ We hereby declare that:
  - a. I / We have examined and have no reservations to the Tender Document, including the Addendum (if any) issued by AAI.
  - b. I /We have not directly or indirectly or through any agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in Clause ..... of the Tender Document, in respect of any tender or request for proposal issued by or any agreement entered into with AAI or any other public sector enterprise or any government, Central or State; and
  - c. I / We hereby certify that I / we have taken steps to ensure that, in conformity with the provisions of Clauses \_\_\_\_ to \_\_\_\_ of the RFP Document, no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
  - d. I/ We do not have any conflict of interest in accordance with Clause \_\_\_\_ of the Tender Document.
  
10. I/We declare that we satisfy and meet the requirements as specified in the Tender Document and eligible to submit a Proposal in accordance with the terms of this Tender Document.
  
11. I / We hereby irrevocably waive any right which we may have at any stage at law or howsoever otherwise arising or accruing to challenge or question any decision taken by AAI in connection with the selection of the Applicant, or in connection with the tender process itself, in respect of the award of above mentioned concession and the terms and implementation thereof.
  
12. I / We understand that, except to the extent as expressly set forth in the Agreement, I/we shall have no claim, right or title arising out of any documents or information provided to us by AAI or in respect of any matter arising out of or concerning or relating to the Empanelment process including the award of work.
  
13. I / We confirm having submitted the Tender Processing Fee of Rs..... (Rupees.....) to AAI in accordance with the Tender Document. The copy of payment receipt is attached.
  
14. I / We confirm having submitted the EMD of Rs..... (Rupees.....) to AAI in accordance with the Tender Document. The copy of payment receipt is attached.



15. I / We agree and understand that the Proposal is subject to the provisions of the Tender Documents. In no case, I / We shall have any claim or right of whatsoever nature if the contract is not awarded to me / us or our Proposal is not opened.

16. I / We agree and undertake to abide by all the terms and conditions of the Tender Document.

Dated this .....Day of ....., 20\_\_.

Name & Address of the Applicant:	
Name, Signature & Seal of the Authorized Representative	



**Details of Bidder**

<b>1.</b>	<b>Details of Bidder/Lead Member</b>	
(a)	Name:	
(b)	Country of Incorporation:	
(c)	Address of the corporate headquarters and its branch office(s), if any, in India:	
(d)	Date & Details of incorporation and/or commencement of business:	
<b>2</b>	<b>Brief description of the Company including details of its main lines of business and proposed role and responsibilities in this Concession:</b>	
<b>3</b>	<b>Details of individual(s) who will serve as the point of contact/ communication for the AAI:</b>	
(a)	Name & Designation	
(b)	Correspondence Address	
(c)	Email	
(d)	Tel / Fax No	
<b>4</b>	<b>Particulars of the Authorised Signatory of the Bidder:</b>	
(a)	Name & Designation	
(b)	Correspondence Address	
(c)	Email	
(d)	Tel / Fax No	

(Signature of Authorized Signatory)

Name: [•]

Designation: [•]

Date:

Seal or Stamp of Bidder



**ANNEXURE: E of Annexure-V**

**Certificate from Chartered Accountant/Statutory Auditor in respect of  
Technical Capacity & Experience**

Based on the audited records of the company, this is to certify that..... (*Name of Bidder/Lead Member of Consortium*) has an operating experience of at least \_\_\_\_\_ ( ) years in \_\_\_\_\_ business and has presence in the \_\_\_\_\_ in the following locations.

No	Location	Location	Date of commencement of Business

We further certify that, based on the audited accounts ... (*name of Bidder/ Member of Consortium*) has a turnover from \_\_\_\_\_, as per details below.

Financial Year	Turnover (in INR lakh)
Total	Rs ..... lakh

Average annual turnover during the above three financial years from \_\_\_\_\_ is INR \_\_\_\_\_ lakhs.

Signature  
Name & Membership No of Chartered Accountant/Statutory Auditor  
Seal of the audit firm:  
Date



**FORMAT FOR LETTER OF UNDERTAKING**

[SELF-DECLARATION OF THE BIDDER THAT THE FURNISHED INFORMATION FOR EXPERIENCE IS TRUE, TO BE SUBMITTED ON COMPANY LETTER HEAD]

Sir,

I, \_\_\_\_\_, on behalf of \_\_\_\_\_ do hereby affirm and declare that the information provided for claiming the relevant experience for the bid and the documents provided is true and correct to the best of my knowledge and belief and nothing material has been concealed therein.

I understand that concealment of facts and giving false information is a punishable offence and the agency \_\_\_\_\_ can be barred and legal action may be taken as per the relevant provisions of law.

Yours faithfully,

Signature of the licensee

Name \_\_\_\_\_

Designation (with seal) \_\_\_\_\_



**ANNEXURE: G of Annexure-V**

**DECLARATION**

I

\_\_\_\_\_  
Name, Designation & Company Name with Address>, do hereby solemnly affirm and state as follows:

1. I/We are having/had the following contracts at Airports/Offices controlled by Airports Authority of India:

Sr. No.	Airport Name	Facility/ Contract	Contract Period		Details of Security Deposit	Dues (disputed & Undisputed)
			From	To		
1.						
2.						

(In case of no contracts in AAI controlled Airports, indicate NIL)

2. I/We are not debarred / blacklisted by CBI or AAI or undertakings/ Departments like Railways, Defense or any other department of Government of India or State Government. (In case if you have been debarred / blacklisted, submit all the details).
3. I/We have not faced/are not facing any action under PPE Act with AAI. (In case if you have faced/are facing action under PPE Act with AAI, submit all the details).
4. I/We have never been ordered by a Court of Law to pay the outstanding dues to AAI at any of the airports (In case if you have been ordered by Court of Law, submit all the details).
5. I/ We declare that none of the Directors/Partners/ Sole Proprietor of our company is also a Director of any other company or partner of a concern or a Sole Proprietor having established business with AAI and has dues with AAI".(In case if you fall under anyone of the above category, please furnish all such relevant details).
6. I/We do not have any conflict of interest as detailed in clause \_\_\_ of general terms and conditions of tender document.
7. I/ We declare that "No raid/seizure/search has been carried out and/or pending by a Regulatory Authority in respect of the license granted by AAI in any of the Airport premises either against me and/or any member of the consortium or against our/its associates or against any of the Directors/Managers/Employees" (In case if raids/seizure/search conducted, please furnish all such relevant details).

All the facts stated above are true and correct to the best of my knowledge, belief and information.

Date:

Signature with Seal



**ANNEXURE: H of Annexure-V**

**LIST OF NEAR RELATIVES EMPLOYED IN AIRPORTS AUTHORITY OF INDIA**

<b>Sl.No.</b>	<b>Name of the employee</b>	<b>Designation</b>	<b>Relationship with tenderer(s)</b>	<b>Place of Posting</b>

**SIGNATURE OF TENDERER**

- NB:**
1. In case of NIL report, Performa must filled with NIL report and submitted duly signed by the Authorized Signatory.
  2. In case the above space is not adequate, the details, additional sheets duly signed by Authorized signatory may be attached.



**ANNEXURE: I of Annexure-V**

**FORMAT OF OUTSTANDING DUES/ NO DUES CERTIFICATE**

1. Name of Contract :
2. Agreement No. :
3. Stipulated Date of Start of Contract :
4. Actual Date of Start :
5. Date of Completion / Termination :
6. Amount of SD available with validity period
7. Amount of Outstanding Dues upto mm/dd/20..... (Disputed and un-disputed amounts to be shown separately)

<b>Item</b>	<b>Disputed Amount (Rs)</b>	<b>Un-disputed Amount (Rs.)</b>	<b>Remarks</b>
Licence Fee			
Space Rent			
Utility Charges			
Interest			
Any other item			
Total			

8. Details of any arbitration/litigation

Signature of Airport Director

Name: [•]

Designation: [•]

..... Airport

**Note: A separate certificate has to be produced in respect of each contract**



**ANNEXURE: J of Annexure-V**

**For Refund of EMD, following is to be submitted by the bidders / tenderers:-**

**BENEFICIARY DETAILS FOR RTGS FUNDS TRANSFER**

Sr. No.	Particulars	Information Required
1.	Name of the Account Holder i.e. Bidder	
2.	PAN/TAN No. of the Party i.e. Bidder	
3.	Name of the Bank	
4.	Address of the Bank	
5.	Bank Account No.	
6.	Type of the Bank Account	
7.	MICR Code of the Bank	
8.	IFSC Code of the Bank	

Note:- In addition to above scanned copy of cancelled cheque may please be provided.

(Beneficiary's i.e. Bidder's Name & Signature)

Place:

Date:



**FORM OF BANK GUARANTEE**

***(To be executed on Non-Judicial Stamp Paper of Rs.100/-  
by the successful tenderer)***

WHEREAS by a License Agreement dated \_\_\_\_\_ made between AIRPORTS AUTHORITY OF INDIA, the Licensor (hereinafter called “the AUTHORITY) of the \_\_\_\_\_ one \_\_\_\_\_ part \_\_\_\_\_ and \_\_\_\_\_ (hereinafter referred to as “the Licensee”) of the other part, the Authority has granted to the Licensee the license for operating the \_\_\_\_\_ (complete name and place of work) and the License Fee and Royalty and other charges and for the due and performance of the covenants and conditions as stated or contained in the said License Agreement.

1. Now therefore in consideration of the promises aforesaid and the at the request of the licensee we, \_\_\_\_\_ do, hereby irrevocably and unconditionally undertake to pay to you, the Authority on demand and without demur or protest and without reference to the Licensee, any sums of money at any time or from time to time demanded by the Authority on account of the License Fee and Royalty and other charges due from the Licensee (inclusive of any costs or expenses and interest) and or by way of losses and damages caused or that would be caused to the Authority by reason of any breach by the Licensee of any of the terms or conditions of the said License Agreement and AAI shall we sole judge for this demand: PROVIDED that our liability under this Guarantee shall be limited to a sum of (Rupees...../USD.....) and extended for the amount increased from time to time as aforesaid.
2. Notwithstanding any right the Licensee may have against the Authority or any dispute raised by the Licensee or any suit or proceedings pending in any Court /Tribunal/ any statutory authorities relating thereto or before any Arbitrator(s), your written demand stating that the amount is due to the Authority as stated herein above shall be conclusive evidence to us that the amount demanded by you, the Authority is payable under the terms of the said License Agreement without any consent or knowledge of the licensee.
3. We shall not be discharged or released from the aforesaid undertaking and guarantee by any variation(s) or any of the terms & conditions of the said License Agreement made between the Authority and the Licensee and or any act of omission on part of AAI or any indulgence to the Licensee by the Authority or any forbearance whether as to payment, time performance or otherwise or to enforce any of the terms and conditions of the said License Agreement without our consent and knowledge.



4. This Guarantee shall be a continuing guarantee and binding on us and our successors and assignee(s) and shall not be discharged or affected by any change in the constitution of \_\_\_\_\_ or that of the Licensee or the Authority.
5. We further confirm that the Guarantee has been issued with due observance and compliance of the appropriate Exchange Control laws and Foreign Exchange Regulations and applicable laws as in force in India.
6. This Guarantee shall be valid till \_\_\_\_\_ and you have the right to encash this Guarantee up to \_\_\_\_\_ from the said date unless extended on demand by AAI.

NOTWITHSTANDING anything contained herein:

- i. Our liability under this Guarantee shall be limited to a sum of \_\_\_\_\_ during the currency of the contract and 3 months thereafter.
- ii. This bank guarantee shall be valid up to \_\_\_\_\_ and you have the right to encash this guarantee up to 90 days from the said date.
- iii. We are liable to pay the guarantee amount or any part thereof under this bank guarantee amount or any part thereof under this bank guarantee only and if you serve upon as a written claim or demand on or before \_\_\_\_\_.

For Bank name

Dated:

Place:

Witnesses:



**ANNEXURE: L of Annexure-V**

**For Successful bidder only**

(Letter of understanding from the Depositor to be submitted along with Bank Guarantee to AAI)

The Branch Manager,  
..... Bank,  
.....

Sub: My/Our bank Guarantee No. ....dated.....for Rs.....Issued  
in favour of s AAI A/c No.....

Sir,

The subject Bank Guarantee is obtained from your branch for the purpose of Security/Earnest money on account of contract awarded/to be awarded by M/s Airports Authority of India to me/us.

I hereby authorize the AAI in whose favour the deposit is made to encash / close the subject bank guarantee before maturity/on maturity towards adjustment of dues without any reference/consent/notice from me/our side and the bank is fully discharged by making the payment to Airports Authority of India.

Signature of the Depositor

Place:

Date:



**CHECKLIST FOR BIDDERS**

<b>S.No.</b>	<b>Particulars</b>	<b>Detail</b>
1.	Type of Facility / Concession	
2.	Period of license/ concession	
3.	Tender Fee	
4.	AAI Bank Details for Tender Fee/EMD	
5.	Beneficiary name: Bank Name: Bank Address: Account No.: RTGS Code/ IFSC Code:	
6.	Earnest Money Deposit	
7.	Gross area for license	
8.	Minimum Reserved Licensed Fee/MMG	
9.	Revenue Share (%)	
10.	Eligibility Criteria	
11.	Technical Qualification	
12.	Financial Qualification	
13.	Space Rent for AC space	
14.	Space Rent for Non-AC space	
15.	Applicable Space Rent	
16.	Utility Charges	
17.	Electricity & Water Charges	
18.	CAM Charges (Master Concessionaire)	
19.	Applicable Govt. taxes (GST, etc.)	
20.	Gross Turnover	
21.	Experience Certificates	
22.	Incubation Period (Master Concessionaire)	
23.	Gestation Period	
24.	Security Deposit Towards LF	_____ Months License Fee
25.	Security Deposit Towards EWC Charges	

**Critical Dates**

26.	Date of publish of Tender document	
27.	Start download/sale date of RFP/RFQ/Tender documents	



<b>S.No.</b>	<b>Particulars</b>	<b>Detail</b>
28.	Last download/sale date of RFP/RFQ/Tender document	
29.	Last date of submission of queries to RFP/RFQ/Tender Document on CPP portal	
30.	Reply to the queries by AAI on CPP portal	
31.	Last date for online submission of bids/ proposals on e-tender portal	
32.	Technical Bid Opening date	
33.	Financial Bid Opening date	



## Annexure VI: Comparative Statement

Tender for \_\_\_\_\_  
 Tech. bid Opened on \_\_\_\_\_

### COMPARATIVE STATEMENT TO BE PREPARED BY TENDER OPENING COMMITTEE

#### AIRPORT

S.No	Document required as per NIT conditions	Name of the Tenderer-1	Name of the Tenderer-1	Name of the Tenderer-1
1	Details of Experience & supporting Documents	Submitted/Not submitted Relevant technical bid documents may be linked)		
2	Details of Turnover (If, GTO is applicable)			
3	Tender fee Rs.			
4	EMD amount Rs.			
5	Details of the concern and legal status*			
6	Self attested copy of PAN			
7	Self attested GST certificate			
8	Profit and Loss Account/ Balance sheet of the sole proprietor concern or partnership firm duly certified by Chartered Accountant. Annual report in case of a company as per the Companies act			
9	No dues certificate (if applicable)			
10	Self attested copies of Memorandum and Articles of association in case of companies and Partnership deed in case of firms and approved by laws in case of co-operative society			



S.No	Document required as per NIT conditions	Name of the Tenderer-1	Name of the Tenderer-1	Name of the Tenderer-1
11	Un conditional acceptance as per NIT format			
12	Self declaration of dues for contracts held (current and past) at all AAI controlled airports and the details of disputed and undisputed dues along with the details of SD			
13	Declaration giving particulars of concessions/ licenses, the details of black listing or debarring effected by AAI, or any Govt of India dept, any Central or state public sector undertakings etc,			
14	Declaration of cases/action under PPE act initiated by AAI. (NIL statement to also be filed)			
15	Declaration of raid/seizure carried out/pending by a regulatory authority, if any			
16	If the entity participating in any of the tenders, is a private or public limited company, partnership firm or sole proprietor and any of the Directors / Partners /Sole Proprietor of such company is also Director of any other Company or partner of a concern, a sole proprietor having established business with AAI and has outstanding dues payable to the Authority, then the entity may not be allowed in AAI tenders” for which a DECLARATION needs to be submitted by the participating agency along with the tender set technical bid.			
17	Proof for Turnover duly certified by Chartered Accountant from which ___%			



S.No	Document required as per NIT conditions	Name of the Tenderer-1	Name of the Tenderer-1	Name of the Tenderer-1
	from relevant business for which the tender is invited.			
18	Any other information/ documents as stated in the NIT			

BID MANAGER : \_\_\_\_\_

COMMERCIAL INCHARGE : \_\_\_\_\_

**Counter Signature**

**(AIRPORT DIRECTOR)**

\* *Name of Directors/Partners/Proprietors to be indicated.*



## Annexure VII: Sample of Financial E-Bid BOQ

**Name of Work** : .....

**Bid No.** : .....

<b>Name of Bidder/ Bidding Firm/ Company:</b>							
<b><u>PRICE SCHEDULE</u></b>							
(This BOQ Template must not be modified/replaced by the bidder and the same should be uploaded after filling the relevant columns, else the bidder is liable to be rejected for this tender. Bidder are allowed to enter the Bidder Name and Values only)							
NUMBE R#	TEXT#	NUMBE R#	TEXT #	NUMBE R#	NUMB ER #	NUMBE R#	TEXT#
Sl. No.	Item Descripti on	Quantity	Units	Minimu m Monthly Guarante e (MMG by AAI is fixed)Rat e in Rs.....P	Quoted percenta ge (%) of revenue share (to be entered by bidder)	Percentag e Rate	Percenta ge Amount in Word
<b>1</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>13</b>	<b>53</b>	<b>55</b>
1	.....  (Rates to be quoted on per month basis)	1.000	Month	.....  .....		0.00	INR Zero only
<b>Total in figures</b>						0.00	INR Zero only
<b>Quoted Rate in words</b>	<b>INR Zero only</b>						



## Annexure VIII: Evaluation Sheet

### \_\_\_\_\_ AIRPORT

#### EVALUATION SHEET TO BE PREPARED BY DEPARTMENT OF COMMERCIAL AT CHQ/RHQ/AIRPORT

1	Name of work (facility)	: _____
2	Period of License	: _____
3	E-Bid/Tender No.	: _____
4	Existing facility/new facility	: _____
5	Name of existing licensee	: _____
6	Present Revenue, if any	: _____
7	Minimum Reserved License Fee/MMG	: _____
8	The Names of newspaper in which NIT notification was published With dates	: (i) _____ : (ii) _____ : (iii) _____
9	Date of application on e-portal and AAI website	: _____
10	No. of Tender	
	(a) Sold	: _____
	(b) Received	: _____
	(c) Opened	: _____
	(d) Technical Bid	: _____
	(e) Financial Bid	: _____
11	Tender:	
	(a) Technical Bid opened on	: _____
	(b) Financial Bid opened on	: _____
	(c) Tender Valid up to	: _____
	(d) Whether 1 <sup>st</sup> /2 <sup>nd</sup> call In case of second or subsequent calls, details of MRLF reduction, if any, may be provided.	: _____



12. Details of Tenders received/Financial bids:

S. No.	Name of Agencies	Amount Quoted	Rating	Performance, in case of existing / ex-licensee (Satisfactory / Unsatisfactory)

13. Name(s) out the technically disqualified tenderers if any, with reasons in brief,

14. Highest valid offer recommended for: Name of the \_\_\_\_\_  
acceptance Tenderer Amount quoted Rs. \_\_\_\_\_

15. Complaints received if any regarding Opening of tender, if so how dealt :  
\_\_\_\_\_

16. Whether the tendered amount proposed to be accepted is higher than:  
MRLF/MMG.

17. Competent Authority to decide the \_\_\_\_\_  
award (refer DOP).

18. Recommendation of Commercial: \_\_\_\_\_  
Department.

19. Financial Concurrence by Finance Department: \_\_\_\_\_

20. Approval of Competent Authority: \_\_\_\_\_



## Annexure IX: Format for recording findings of Space audit

Airport \_\_\_\_\_

Space Audit conducted on \_\_\_\_\_

Financial Year \_\_\_\_\_

Conducted by

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

S. No.	Agency (A)	Facility (B)	Area Allotted as per NIT (C)	Area occupied measured as on _____ (D)			Difference in Area if any and reasons thereof (E) = (D) - (C)	Remarks Action taken wrt (E) (F)
				Length (l)	Breadth (b)	Area (a)		
1								
2								
3								
4								
5								



## Annexure X: Form of Bank Guarantee

### FORM OF BANK GUARANTEE

**(To be executed on Non-Judicial Stamp Paper of Rs.100/- or as per applicable State Rules by the successful quotationer)**

WHEREAS by a Licence Agreement/Award letter dated \_\_\_\_\_ made between(or issued by) AIRPORTS AUTHORITY OF INDIA, the Licensor (hereinafter called "the AUTHORITY) of the one part and \_\_\_\_\_ (hereinafter referred to as "the Licensee") of the other part, the Authority has granted to the Licensee the Licence for \_\_\_\_\_ at \_\_\_\_\_ Airport, \_\_\_\_\_ (Name of City) and the Licence Fee and Royalty and other charges and for the due and performance of the covenants and conditions as stated or contained in the said Licence Agreement.

1. Now therefore in consideration of the promises aforesaid and the at the request of the licensee we, \_\_\_\_\_ do, hereby irrevocably and unconditionally undertake to pay to you, the Authority on demand and without demur or protest and without reference to the Licensee, any sums of money at any time or from time to time demanded by the Authority on account of the Licence Fee and Royalty and other charges due from the Licensee (inclusive of any costs or expenses and interest) and / or by way of losses and damages caused or that would be caused to the Authority by reason of any breach by the Licensee of any of the terms or conditions of the said Licence Agreement and AAI shall be sole judge for this demand: PROVIDED that our liability under this Guarantee shall be limited to a sum of (Rupees..... /USD.....) and extended for the amount increased from time to time as aforesaid.
2. Notwithstanding any right the Licensee may have against the Authority or any dispute raised by the Licensee or any suit or proceedings pending in any Court / Tribunal / any statutory authorities relating thereto or before any Arbitrator(s), your written demand stating that the amount is due to the Authority as stated herein above shall be conclusive evidence to us that the amount demanded by you, the Authority, is payable under the terms of the said Licence Agreement without any consent or knowledge of the licensee.
3. We shall not be discharged or released from the aforesaid undertaking and guarantee by any variation(s) or any of the terms & conditions of the said Licence Agreement made between the Authority and the Licensee and or any act of omission on part of AAI or any indulgence to the Licensee by the Authority or any forbearance whether as to payment, time performance or otherwise or to enforce any of the terms and conditions of the said Licence Agreement without our consent and knowledge.
4. This Guarantee shall be a continuing guarantee and binding on us and our successors and assignee(s) and shall not be discharged or affected by any change in the constitution of \_\_\_\_\_ or that of the Licensee or the Authority.
5. We further confirm that the Guarantee has been issued with due observance and compliance of the appropriate Exchange Control laws and Foreign Exchange Regulations and other applicable laws as in force in India.



6. This Guarantee shall be valid till \_\_\_\_\_ and you have the right to encash this Guarantee upto \_\_\_\_\_ from the said date unless extended on demand by AAI.

NOTWITHSTANDING anything contained herein:

- i. Our liability under this Guarantee shall be limited to a sum of \_\_\_\_\_ during the currency of the contract and six (6) months thereafter.
- ii. This bank guarantee shall be valid upto \_\_\_\_\_ and you have the right to encash this guarantee upto one hundred eighty (180) days from the said date.
- iii. We are liable to pay the guarantee amount or any part thereof under this bank guarantee amount or any part thereof under this bank guarantee only and if you serve upon as a written claim or demand on or before \_\_\_\_\_.

For Bank Name

Dated :

Place:

Witnesses:



**Annexure XI: Format for publishing debarment on AAI  
Website/ notice board**

**Airports Authority of India**

**AAI Vendor Debarred List**

<b>S. No.</b>	<b>Region</b>	<b>Vendor Name</b>	<b>Vendor Address</b>	<b>Circular No.</b>	<b>Circular date</b>	<b>Issued By</b>	<b>Restrained period from</b>	<b>Restrained period upto</b>	<b>Description</b>	<b>Debarred type</b>



## Annexure XII: Format for Outstanding dues certificate

### “OUTSTANDING DUES CERTIFICATE”

**File No.:** \_\_\_\_\_

**Date of Issuance of Certificate:** \_\_\_\_\_

**Name of contract:** \_\_\_\_\_

**Agreement Dated:** \_\_\_\_\_

**Commencement Date:** \_\_\_\_\_

**Expiry Date:** \_\_\_\_\_

**Period up to which “Outstanding Dues Certificate” issued:** \_\_\_\_\_

**Issued to : (Name of the Party)** \_\_\_\_\_

S. No.	Nature of Dues	Amount of Dues in INR	Amount of Security Deposit Available with AAI/ Reference to Orders of Judicial Court/ Arbitral Tribunal	Validity of the Security Deposit /Validity of the Orders of Judicial Court/Arbitral Tribunal
01	*** Undisputed License Fee Dues			
02	*** Undisputed Other Dues			
03	Disputed Dues referred to Conciliation/Arbitration			
04	Dues Stayed/Withheld from Realization by order of a Judicial Court/Arbitral Tribunal			
	Total:			

The composite amount shown if not “NIL” on the date of issue for and up to the relevant period must be bifurcated and clearly defined so as to indicate the month up to which the Undisputed License Fee and Other Dues have been cleared by the party.



The above certificate is issued in line with the Joint Reconciliation Statement dated between the parties subject to errors and omissions in the due course of business.

(Authorized Signatory of AAI)

Name and Designation -----



## Annexure XIII: Outstanding dues Notice

### AIRPORTS AUTHORITY OF INDIA

\_\_\_\_\_ AIRPORT

No.

Date:

-----

-----

-----

**Subject: Payment of Outstanding Dues - notice.**

**Reference: Concession/ License for \_\_\_\_\_**

Dear Sir,

As you are aware, in terms of Clause No \_\_\_\_\_ of the Agreement dated \_\_\_\_\_ signed and executed between M/s \_\_\_\_\_ and AAI in respect of the above mentioned license for a period between \_\_\_\_\_ to \_\_\_\_\_, licensee is liable to pay the amount of license fee in advance by 10th day of the every calendar months. However, it is observed that an amount of Rs. \_\_\_\_\_ is outstanding against M/s \_\_\_\_\_ as on \_\_\_\_\_ due to non-payment of license fee/electricity charges/telephone bills/Misc. charges/etc. The details are given below:

i. License Fee	: Rs _____
ii. Space rent	: Rs _____
iii. Electricity/Water Charges	: Rs _____
iv. Telephone Charges	: Rs _____
v. Misc. charges	: Rs _____
vi. Interest on delayed payment	: Rs _____
vii. Commercial Area Maintenancecharges	: Rs _____
viii. Taxes	: Rs _____

2. You are requested to arrange the payment of aforesaid dues together with interest on delayed payment @ \_\_\_\_\_\* per annum (i.e. an amount mentioned at column \_\_\_\_\_ above) within \_\_\_\_\_\* days of the issuance of this letter, failing which the entire amount of outstanding dues shall be adjusted from your Security Deposits available



with us, without any further reference to you. In addition, AAI shall be constraint to take further action as deemed fit including termination of license if situation so warranted.

Please acknowledge receipt.

Thanking you,

Yours faithfully,

( )

*NOTE: \* This can be suitably filled as per terms & conditions of Agreement.*



# Annexure XIV: Adjustment of outstanding dues

## AIRPORTS AUTHORITY OF INDIA

\_\_\_\_\_ AIRPORT

No.

Date :

-----  
-----  
-----

**Subject: Adjustment of Outstanding Dues - Recoupment of Security Deposit.**

**Reference: Concession/ License for** \_\_\_\_\_

Sir,

Please refer to this office letter No. \_\_\_\_\_ dated \_\_\_\_\_ regarding payment of outstanding dues.

2. As you have failed to make payment of outstanding dues within the time stipulated in the above letter, we have encashed your Security Deposit and adjusted an amount of Rs \_\_\_\_\_ against the outstanding dues as on \_\_\_\_\_.

3. After adjustments as above the balance amount of Security Deposit has reduced to Rs \_\_\_\_\_.

4. Therefore, you are requested to recoup the Security Deposit amount as per conditions of Concession/ License within \_\_\_\_\_\* days of issue of this letter, failing which necessary action to terminate the license in terms of agreement shall be initiated, without any further reference to you.

Thanking you,

Yours faithfully,

( )

*NOTE: \* This can be suitably amended as per requirement.*



## **Annexure XV: Handing/Taking over Note**

### **HANDING/TAKING OVER NOTE [TO BE PREPARED BY DEPARTMENT OF COMMERCIAL]**

1. Concession/License name :
2. Name of Licensee :
3. Award Letter No & Date :
4. Agreed date of signing of Agreement :
5. Particulars of payment of (i) advance License Fee; (ii) Security Deposit. :
6. Particulars of site as demarcated on Aerodrome grid map/building map and measured :
7. Date of Handing/Taking over of site :
8. Area and location of site handed-over :

Certify that:

Signature of HOD Commercial  
Handing Over

Signature of  
Licensee \_\_\_\_\_

Name \_\_\_\_\_

Name \_\_\_\_\_

Designation \_\_\_\_\_  
(With seal)

Designation \_\_\_\_\_  
(With seal)

Witness: 1) \_\_\_\_\_

2) \_\_\_\_\_



## Annexure XVI: Additional guidelines on EPoS

Electronic Point of Sale (also known as EPoS system) is an integrated system commonly used at point of sale terminal in supermarkets, malls and major airports. It is used to organize, control and analyses various part of business, from cash transactions to backend reporting, staff monitoring and inventory control. With a sophisticated EPoS system, an agency can reports about sales report, best selling items, best performing product categories, reconciliation of stock and many other analysis.

All transaction related information is captured in real time and can be accessed from single terminal giving control on the transactions across multiple EPoS terminal for various outlets.

At a broader level, EPoS offers following benefits:

1. **Financial Accuracy:** with EPoS, there is increased financial accuracy when charging a customer.
2. **Accountability:** EPoS systems allow businesses to accurately monitor and record staff/ terminal activity
3. **Speed & Efficiency:** EPoS systems greatly improve the speed and efficiency of transactions, which will appeal to customers and help the employees focus on serving more people. This can improve the customers' overall experience and encourage repeat customer in the future
4. **Stock Management:** EPoS system can be used to quickly review stock level in the inventory and can greatly help in pilferage, inventory loss etc.
5. **Analysis & Reporting:** EPoS has the ability to analyze and product variety of reports

With the implementation of EPoS system across commercial transaction terminals in the airport, it will benefit Airport Authority of India in following:

1. Access to real time sales information for all licensee – decide the business potential, MRLF etc.
2. Licensee's performance analysis
3. Peer-to-peer performance analysis
4. Promotion analysis
5. Buyer behavior analysis



# Annexure XVII: Sample for Show Cause Notice

## AIRPORTS AUTHORITY OF INDIA

\_\_\_\_\_ AIRPORT

No.

Date:

-----  
-----

**Subject: Show Cause notice on account of non-compliance to  
\_\_\_\_\_ terms of the License Agreement**

Dear Sir,

It has been reported that Clause No \_\_\_\_\_ of the terms of the agreement dated \_\_\_\_\_, signed and executed between M/s \_\_\_\_\_ and AAI in respect of the above mentioned license for a period between \_\_\_\_\_ to \_\_\_\_\_, has been violated and M/s \_\_\_\_\_ is found to be non-compliant and particulars of non-compliance is/are \_\_\_\_\_.

2. Hence, you are hereby call upon for your explanation within \_\_\_\_\_ days from the date of receipt of this notice that why appropriate actions cannot be taken against your non-compliance.

Please acknowledge receipt.

Thanking you,

Yours faithfully,

( )



# Annexure XVIII: Termination of Contract

## AIRPORTS AUTHORITY OF INDIA

\_\_\_\_\_ AIRPORT

No.

Date :

-----  
-----  
-----

***Subject: Termination of Contract on account of Non payment of dues***

Sir,

It may please be recalled that vide this office letter No \_\_\_\_\_ dated \_\_\_\_\_, you were given an opportunity to pay the outstanding dues of Rs \_\_\_\_\_ Since the dues were not paid, the amount was adjusted from your Security Deposits and vide letter No \_\_\_\_\_ dated \_\_\_\_\_, you were required to recoup the amount of Security Deposit to the level of Rs \_\_\_\_\_ as per terms and condition of agreements dated \_\_\_\_\_.

2. Now that, you have failed to recoup the Security Deposit amount as per the requirement of Clause No \_\_\_\_\_ of the agreement dated \_\_\_\_\_, we are constrained to terminate your license by giving \_\_\_\_\_ notice in terms of Clause No \_\_\_\_\_ of the Agreement.

3. You are therefore, requested to hand over the peaceful and vacant possession of the premises immediately on \_\_\_\_\_. This will be without prejudice to our rights to take legal action as deemed appropriate.

4. Please acknowledge receipt.

Thanking you,

Yours faithfully,  
( )



## Annexure XIX: Comprehensive list of Parameters in MIS

S. No.	Parameters
1	Region
2	Airport
3	Name of the facility
4	Type of concession/ License
5	Whether fresh advertisement issues or not
6	Last date of submission of bid
7	Date of opening of technical bid
8	No. of tender received
9	No. and name of parties qualified after technical evaluation
10	Date of opening of financial bid
11	No. and date of award letter
12	Concessionaire/ Licensee name
13	Unique Concessionaire/ Licensee code
14	Date of taking over of site
15	Concession/ license start date
16	Address of the Concessionaire/ Licensee
17	Address of the registered office, if any
18	Contact details of the Concessionaire/ Licensee
19	Email of the Concessionaire/ Licensee
20	Whether allotted on tender basis/ extension etc.
21	In case on tender basis, proposed MRLF per month (in ₹)
22	In case extension, period of extension (From ..... To.....)
23	Extension granted by
24	Period of contract (from..... to.....)
25	Current revenue per month (in ₹)
26	Outstanding dues as on date (in ₹)
27	Licensee fee
28	Royalty
29	Space rental
30	GST



<b>S. No.</b>	<b>Parameters</b>
31	Utility charges
32	Penal interest
33	Any other
34	Details of security deposit
35	Amount (Rs.)
36	Validity upto
37	Whether ever debarred by any entity (AAI, etc.)
38	Whether concession/ license expiring within 6 months
39	Any DRC case is pending (Yes/ No)
40	Dispute raised by party/ details of the DRC
41	Whether DRC constituted at RHQ/ CHQ
42	Date of submission of DRC recommendations
43	Authority of acceptance of DRC recommendations
44	Date of acceptance of DRC recommendations
45	Presence status of case/ concession/license
46	Any arbitration case is pending (Yes/ No)
47	Dispute raised by party/ details of the arbitration
48	Details of the disputed amount
49	Name and contact details of arbitrator
50	Date of appointment of arbitrator
51	No. of hearing taken place
52	Date of next hearing
53	Present status of the case
54	Any court case is pending (Yes/ No)
55	Name of party/ petitioner
56	Disputed amount, if any
57	Bench
58	Prayer by the petitioner
59	Submission of AAI
60	Whether counter affidavit filed or not by AAI
61	Whether any interim stay has been granted
62	If yes, steps taken to vacate the interim stay
63	Date of next hearing



S. No.	Parameters
64	Outstanding dues disputed in DRC/ Arbitration/ Court case
65	Is the concessionaire debarred/ blacklisted by AAI (Yes/ No)
66	Reason for blacklisting
67	Period of blacklisting (from..... To.....)



## **Annexure XX: SOP for Arbitration**

### **Definition Related to Arbitration:**

“**Arbitration**” shall mean a form of “*alternative dispute resolution*” used in place of litigation in the hope of settling a business dispute without cost and time of going to court. The business dispute is brought to a disinterested third party for resolution. The third party, called arbitrator, shall hear the arguments and evidence brought by both the parties, Airports Authority of India and the concessionaire/ licensee.

“**Arbitrator or Arbitral tribunal**” shall mean a sole or panel of disinterested third party officially appointed by Authority to resolve a dispute under consideration and referred as per The Arbitration and Conciliation Act 1996 as amended till date and from time to time.

“**Date of Reference**” shall mean the date of referring the disputed claim to the arbitral tribunal by the authority in writing.

“**Arbitration Clause**” shall mean and include but not limited to any controversy or claim arising out of a concession/ license, or a breach thereof, which shall be settled by arbitration administered under The Arbitration & Conciliation Act 1996 as amended till date and terms of agreement in NIT/ agreement.

### **Background**

All disputes and differences arising out of or in any way touching or concerning the Agreement(except those the decision whereof is otherwise herein before expressly provided for or to which the Public Premises [Elicitation of unauthorized Occupants) Act and the rules framed thereunder which are now enforced or which may hereafter come into force are applicable), shall, in the first instance, be referred to a Dispute Resolution Committee (DRC) setup at the concession/ license awarding entity – Airport/ RHQ/ CHQ, for which a written application should be obtained from the party and the points clearly spelt out.

### **Aspects of Arbitration of a Dispute:**

#### **1. Need for an Arbitration:**

- I.** Either parties, AAI or Concessionaire/ licensee, can invoke arbitration clause in case the dispute between the parties is not resolved by dispute resolution committee (DRC) within forty-five (45) days and is not satisfied with the DRC’s decision.
- II.** In case the dispute is not resolved within forty-five (45) days from the date of reference or within extended period
  - i. DRC will cease to be operative.
  - ii. The concessionaire/ licensee is free to seek/invoke arbitration clause as per agreement within a reasonable period of time not exceeding one twenty (120) days for addressing the issues raised by them.



**III.** Arbitration clause maybe applicable/ included in the concession/ license above a threshold value as decided by considering the nature of the concession/ license.

**2. Arbitrator Appointment:**

- I.** The arbitrator is to be appointed by Chairman/ Member/ Executive Director of the authority as per DoP as existing.
  - i. Chairman has full power for appointment of Arbitrator
  - ii. Member has full powers as per panel and schedule of fees as approved by Chairman
  - iii. Executive Director, full power in respect of contracts approved by him and below (commercial team)
- II.** The arbitrator so appointed should generally be an expert in the relevant field for which the issue is under the reference. (e.g. commercial related matters etc.)
- III.** The appointment of arbitrator shall be final and binding on both parties, the concessionaire/ licensee and AAI.
- IV.** It will be a no bar if the arbitrator appointed is or has been an employee of the authority and the appointment of the Arbitrator will not be challenged or be open to question in any Court of Law, on this account.

**3. Arbitration Venue:**

Unless otherwise communicated by the Competent Authority, Arbitration activity would be conducted at RHQ/ CHQ, Airports Authority of India.

**4. Process of Arbitration:**

- Step 1. Once the concessionaire/ licensee seek/ invokes the arbitration clause in the agreement, they shall communicate to the concerned Airport/ RHQ/CHQ and ask for setting up an arbitral tribunal to resolve the dispute.
- Step 2. For seeking Arbitration of the dispute, the concessionaire/ licensee has to furnish an additional security deposit equal to 50% of the value of disputed amount and validity of minimum two (2) years from the date of invocation of Arbitration.
- Step 3. CHQ/ concerned RHQ to send a request to AAI legal department for appointment of an arbitrator.
- Step 4. Legal department to identify an arbitrator based on relevant expertise requirement and process the case for appointment of an arbitrator for the dispute under reference.
- Step 5. AAI to appoint an advocate for the arbitration proceeding of the dispute under reference, if need be.
- Step 6. Finalization of arbitration hearing commencement date & venue and communication to the concessionaire/ licensee.
- Step 7. Airport/ RHQ/ CHQ shall prepare the “statement of claim/ counter claim” of the dispute.



- Step 8. Commencement of arbitration at the decided venue in CHQ/ RHQ in front of the appointed arbitrator.
- Step 9. The concessionaire/ licensee or AAI as the case maybe, shall submit the “statement of claim/counter claim”.
- Step 10. In case the arbitrator is unable to give a verdict of the dispute in first hearing, announcement of next hearing date till the arbitral award within a period not exceeding twelve (12) months from the date reference.
- Step 11. AAI to provide requisite information of the proceedings to the advocate or arbitrator within the time schedule given by the arbitrator.
- Step 12. Post arbitration award, commercial directorate should form a committee at CHQ/ RHQ to study the arbitration award and put up their recommendations to the competent authority for challenging/ accepting the arbitration award within a maximum period of 90 days or as prescribed.



## Annexure XXI: SOP for execution of Tender for

ACTION	DATE
Space identification, Tender documentation, Tender uploading	2 weeks. • (Identified space should neither affect existing commercial space nor hinder the passenger flow)
Pre-application conference (Station may decide based on ground reality)	7 <sup>th</sup> day from the date of upload of tender.
Last date of receiving queries (Station may decided based on ground reality).	10 <sup>th</sup> day from the date of upload of tender
AAI response to queries (Station may decide based on ground reality)	13 <sup>th</sup> day from the date of upload of tender
Last Date for sale of RFP/RFQ/Tender document	20 <sup>th</sup> day from the date of upload of tender up to 15:00 hrs
Last Date for submission of Tender/RFP/RFQ	21 <sup>st</sup> day from the date of upload of tender up to 15:00 hrs
Opening of technical bid	21 <sup>st</sup> day from the date of upload of tender at 15:30 hrs
Opening of Financial Bid	

**Note: -**

1. Dates specified above are tentative and may be modified as per requirement of station. However, all are advised to strictly adhere the above guidelines.



## **Annexure XXII: Special Terms and Conditions**

### **I. SMOKING LOUNGES**

The selected party should complete these jobs in order to continue with the contract. The scope of the contract will be –

The concessionaire/licensee shall build / renovate, operate and maintain smoking lounges complying with the COTPA act and any amendment in the act.

The following written conditions parameters govern the jobs to be done under this contract -

#### **Task 1: Build / Renovate Smoking Lounges at terminal**

- Concessionaire/licenseeshall build / renovate smoking lounges at terminal while completely complying with COTPA Act and any amendment in the act.
- Smoking lounges and all the accessories, equipment inside the smoking lounges to remain the property of respective Airport.
- Provision for negative pressure (relative to outside) inside the smoking lounge has to be ensured.
- Separate Air supply and extraction systems to be made.
- Fan motors inside the lounge to have PLC enabled system to maintain the desired air flow.
- System of Automatic closing door to be established and maintained at the entrance of the lounge. Default position of the door has to be "closed".
- Flame less and Fireproof Lighter to be fitted for use of passengers.
- The air from the smoking lounge should be exhausted directly to outside through ventilation / cleaning system so that the smoke does not mix back in the air supply and the non-smoking areas of the building.
- At the entrance wall / glass arrangement to write "Smoking lounge" has to be done.
- It is fitted with a non-re circulating exhaust ventilation system or an air cleaning system, or by a combination of the two, to ensure that the air discharges only in a manner that does not re-circulate or transfer it from a smoking area or space to non-smoking areas.

#### **Task 2: Operation of Smoking Lounges**

The following parameters govern the repair and maintenance of the smoking lounges:

- Small kiosk for selling cigarettes can be placed outside the lounge, cigarettes can't be sold at any other place apart from the kiosk located outside the lounge.



- No advertisement of cigarettes will be allowed inside and outside the smoking lounge and Sales kiosk.
- Cigarettes can be sold at the market price in the kiosk.
- Interiors of the lounge has to be done by the Concessionaire/licensee and should be preapproved by the respective Airport Directors.
- The Concessionaire/licensee shall at all times, and at its expense, be responsible for all service, maintenance and repair of the smoking lounges.
- Concessionaire/licensee should make arrangements to ensure that no smoke of the lounge is getting leaked to the outside area.
- In case there is any fine by relevant authorities regarding noncompliance of regulation by the Concessionaire/licensee for smoking lounge, that has to be settled by the Concessionaire/licensee at their own cost.
- In case there is any problem / improvement area observed by the Airport team in the lounge during inspection, the same should be rectified within 48 hours.

### **Task 3: Maintenance of Smoking Lounges**

The Concessionaire/licenseeshall ensure that all COTPA acts are being followed at all the times with regards to Smoking Lounges at the Airport. Additionally, the following items should be done.

- Efforts should be made to ensure that the odor in the lounge is fresh.
- Cleanliness of the premises has to be maintained by Concessionaire/licensee.
- All the systems in place for the lounge have to be maintained till the last day of the contract duration.

### **Penalty**

The service being critical and important to the passengers who smoke as well as those who don't prefer to smoke, proposer has to be maintain premises compliant to COTPA act and in case if there is some or any kind of violation it will invite a penalty of minimum Rs.5000/- or as decided by competent authority for the first offense or repeated thereafter. The same penalty should be paid by the licensee. This payment from Concessionaire's end could either be direct payment to competent authority or to AAI.

## **II. AIRPORT ENTRY TICKET**

1. Licensee shall sell Airport Entry Ticket only at the rate of Rs.\_\_\_\_/- per person in Domestic Terminal, Rs.\_\_\_\_ /- per person in International Terminal and Rs.\_\_\_\_/- per person in case of Integrated Terminal Building. In case the same is revised, the license fee now agreed upon will be revised on mutually agreed terms and condition between AAI and the Licensee.



2. The Licensee shall man the ticketing counters at Domestic Terminal and International Terminal and all entry / exit gates of visitor's area and Viewing Galleries of Domestic and International Terminal through their employees on round the clock basis.
3. All authorized air passenger holding valid air ticket and persons holding valid entry permit issued by the competent authority of AAI/BCAS shall be permitted free entry. Children up to 5 years, Diplomats, MPs and MLAs of State and their staff are exempted from the payment of Airport Entry fee. Similarly, organized students visits, concessional tickets will be issued as per AAI policy. The Authority shall not pay any compensation to the Licensee for authorized free entry concessional tickets.
4. License shall sell the "Printed Tickets" as approved by Airport in Charge. The cost of the printing will be borne by the Licensee. The Licensee shall not display any advertisement on the tickets or it's overleaf without the specific approval of the authority.
5. The Ticketing Counters at the said premises shall be used by the licensee only for the purpose of providing the said facility and for no other purpose what-so-ever. No advertisements should be displayed by the Licensee in the ticketing counter.
6. In case of any ban imposed by Government/BCAS/AAI on visitor's entry at Airport, proportionate rebate in the license fee may be given in relation to the ban period. However, the rebate in the license fee as mentioned above may be granted only for the ban period of visitors or the suspension of the operation exceeding continuously for 72 hours or 3 days in a calendar month. Pro rata rebate can also be considered if the total no. of days for which entry is banned equals or exceeds 15 days in a calendar month.
7. In the event of licensee suffering any loss of sales in the tickets, Authority will not be liable and the licensee shall be bound to pay the monthly license fee, payable by him as per the Agreement, expect in cases specified at clause 6 above.
8. Authority will not share any revenue collected by issuance of commercial passes/seasonal tickets from various agencies.
9. The licensee should not indulge in any other business except sales of Airport Entry Tickets in the counter allotted to them.
10. The licensee shall keep the surrounding areas of the ticketing counters in a neat and hygienic condition and shall ensure timely disposal of the garbage accumulated in the subject counters.
11. In the events of licensee suffering any loss of sales the Authority shall not be liable and the licensee shall be bound to pay the monthly license fee, payable by him as per the agreement.



12. The licensee shall employ well-groomed persons with pleasing personality and communication skills. They will display utmost curtest towards the passengers and visitors. The employees engaged by the licence shall be of restricted areas of the Airport such as operational areas, check-in areas, Customs Arrival hall etc. the employees while on duty at Airport should be in the AAI's approved uniform provided by the licensee at the licensee's cost and should ear the identity cards along with name badges.
13. A complaint register shall be kept at the counter, which shall be made available to the public on demand to record their complaints/suggestions.
14. No soliciting or canvassing of the business shall be done by the licensee.
15. No modification/renovation/erection work should be carried out without prior approval of Airport Director.
16. The charge of issuance of PIC etc., if any, shall be borne by the licensee.
17. The penalty on account of unsatisfactory performance such as:
  - (a) Not maintaining the quality in providing service/facility.
  - (b) Not displaying Entry Ticket Rates as approved by AAI
  - (c) Not manning the counter round the clock.
18. RFID cards shall be provided separately by contractor to users as per requirement as and when required/implemented-once in a time user, monthly passes for daily users, employees and VIPS.
19. Provision for Automated Ticket Machines with in-built EPOS facility and also provision for accepting cashless transaction in the form of debit/credit cards/e-wallets shall be ensured by licensee.

### **III. MONEY EXCHANGE COUNTERS**

1. On issuance of Award Letter, the selected party should produce valid license from Reserve Bank of India for carrying-out the Money Exchange business at the respective airport before commencement of the license.
2. The prospective bidders should offer the lump sum license fee to be paid to AAI without linking with GTO.
3. The Money Exchange Counter Operator shall not charge service charges more than 2%.
4. The Security Deposit towards quoted amount, Special Space License Fee and CAM shall be payable extra as per the relevant policy on the subject in vogue.



5. The Utility Charges for exclusive space allotted for Counters shall be payable as per percentage of rate (at present 10%) on normal notified space license fee (not on Special Space License Fee).
6. The tentative area will be specified in the tender documents and the location will be finalized as per feasibility and operational requirement.
7. In case of reduction/increase in area due to change of location/operational needs (as per requirement of AAI) during the currency of license, additional Special Space Licence Fee shall be reduced/increased proportionately.
8. The selected party (licensee) shall abide by all the Rules and Regulations as stipulated by the Government / Regulatory Bodies including all Exchange Control Regulations.
9. The Money Exchange Counter should be fully computerized from the day 1 of its operation. The operation of the Money Exchange Counter at the Airport will be limited to Sale and Purchase of Foreign currency notes and Travelers' Cheque and drawings under international Credit Cards.
10. The selected party (licensee) shall be permitted to operate the counter at the designated location only. Valid system generated receipts/vouchers should be issued for every transaction.

The counterfoil of such receipts and the transaction details should be produced to the Authority on demand.

11. The authorized representatives should be allowed to transact Money Changing business on behalf of the licensee. A list of authorized representatives giving their full name and the designation along with their specimen signature should be submitted to the Authority.
12. The selected party (licensee) will not be permitted to canvas/issue of pamphlets in the Airport premises. All the activities are to be confined within the allotted space. If anybody found indulging in such activity, action shall be initiated against the person and the licensee as per policy of the Authority.
13. The selected party (licensee) shall deal with all the passengers/visitors with extreme courtesy and caution and any complaints from public about the misbehavior of licensee or his/her employees shall be construed as grounds for non-performance.
14. The selected party (licensee) shall issue the proper system generated cash bills to the customers on account of any purchases. Provision should be made to accept the international Credit/Debit Cards in the counter.
15. The selected party (licensee) shall abide by all the Terms and Conditions of the Agreement and the instruction issued from time to time by the authority shall be strictly.



16. Copy of the valid RBI license pertaining to respective location (counter) shall be prominently displayed at the counter.
17. Buying / selling rates of major international currencies shall be displayed through LED screens inside the respective counters for the benefit of passengers.
18. Banks/Custom Department undertaking Money Exchange Business at airports should follow AAI terms and conditions for the same i.e. they are liable to pay Special Space Licence Fee as applicable. In case already a Money Exchange Counter is in operation at the airport then Banks should route the money exchange business through AAI authorized agency or they should match the AAI's terms and conditions applicable on Money Exchange Counter facility.
19. Maximum two operators with the stipulation that only single licence will be given to one party and second licence will be given to other party. This will ensure fair participation and better services to the passengers.
20. The Special Terms & Conditions above shall form part of the Agreement.



#### IV. DUTY PAID LIQUOR SHOP

1. Consumption of liquor will not be permitted within the shop premises.
2. Any display/ branding/ promotional advertisement outside the allotted premises needs to be approved by the competent authority.
3. The vendor will maintain good look and feel of the shop with appropriate lighting, displays, etc.
4. The vendor will stock liquor brands produced by at least 2 big liquor producers.
5. The proposer shall at all time stock at least 15 of the top 21 international liquor brands. The complete list is provided below.
6. The vendor will maintain fresh odor, and cleanliness in the shops. Complete list of Liquor brands mandated (at least 15 out of 21 to be carried) –

S.No.	Brand	S.No.	Brand
1.	Smirnoff – Vodka	12.	Grant's – Whisky
2.	Bacardi – Rum	13.	Hennessy – Cognac
3.	Johnnie Walker – Whisky	14.	Grey Goose – Vodka
4.	Absolute – Vodka	15.	Jameson – Whisky
5.	Jack Daniel's – Whisky	16.	Blenders pride – Whisky
6.	Captain Morgan – Rum	17.	Dewars – Whisky
7.	Jagermesiter – Bitter	18.	Bombay – Gin
8.	Baileys – Liquor	19.	Ketel One – Vodka
9.	Ballantines – Whisky	20.	Teachers – Whisky
10	Jim Beam – Whisky	21.	Old Monk - Rum
11	Chivas Regal – Whisky		



## **V. ALLOTMENT OF SPACE FOR INSTALLATION/PROVISION OF INFRASTRUCTURE TO PROVIDE CUSTOMIZED SHARED IN-BUILDING SOLUTIONS (IBS)**

1. The service provider shall be responsible for obtaining necessary permissions from Department of Telecommunications (DOT) (or any other department dealing such permissions in Government of India) and comply with all guidelines issued from time to time. Any Law/Instruction issued by Local Authority, in this regard shall also be adhered to.
2. The infrastructure should not hamper any other AAI facility and also in the operation of the existing cellular service provider in any manner and they (existing cellular service provider) will be free to join this shared infrastructure.
3. Once the share infrastructure is made available, no new permission to be accorded for individual service provider to install IBS, however they will be free to join the share structure as per manually agreed terms & conditions with the IBS provider.
4. The renewal of license to IBS provider will be subject to meeting mutually agreed terms and conditions of the service provider. However, in case of any technical deficiency cited by the cellular operator, which may hamper/curtail their service will be verified and license to IBS provider cancelled if alternatives are available for improvement/overcoming the deficiency.
5. The direct and indirect cost involved for the operation of IBS equipment is to be borne by the solution provider apart from licence fee fixed up by AAI.
6. The successful agency shall have to make all arrangements with the service providers for providing adequate mobile signals, O&M expenses vis-à-vis the service charges and indemnify AAI from any claim from individual operators/users/any regulatory agency.
7. The licensee shall charge the uniform charges from the telecom operators and in the event of disparity in the charges, AAI shall be at liberty to determine the contract. AAI has a right to ask the licensee to intimate the details of charges to be levied on the service providers, so as to monitor and to have a check on inflated rates, if any. The licensee shall indemnify AAI from any claim from individual operators/users/any regulatory agency.
8. No Objection Certificate from AAI (CNS In charge) for each location needs to be obtained before installation of equipment so the uninterrupted and non-interfered operations of CNS facilities could be ensured.
9. The licensee shall decide on the technology solution fitted best to meet the coverage criteria keeping in view the building profile and ground realities for cellular operators considering the commercial outflow to be paid by the cellular operators.
10. The technical specification of the IBS to be installed should not be inferior to the technology being used by individual cellular operators providing services in the



city where the airport is located. The licensee shall indemnify AAI from any claim from individual operators/users/any regulatory agency.

11. All electrical and network cabling should be made such that wires/cables are not visible on the surface.

## **VI. EXECUTIVE LOUNGE**

### **A. SCOPE OF LICENCE**

- i) The successful applicant has to offer the following services from the lounge:
  - a) Food & Beverages services including liquor subject to State Law;
  - b) Adequate reading material such as Newspaper, Magazine;
  - c) Visual entertainment facility;
  - d) Business Center;
  - e) Wi-Fi
  - f) In-house Kitchen for preparation of Food;
  - g) Recliners;
  - h) Ambient provision for seating;
  - i) Wash & change facility
- ii) The scope of service will be limited to the lounge area duly allotted under license. The licensee shall use the lounge for the purpose defined in the contract. Use of lounge for any other purpose will be unauthorized and Authority will take legitimate action on such violation.
- iii) The successful applicant is entitled to offer services in following format:
  - a) Lounge facility shall be open for the business and first class passengers of Airline having lounge card/loyalty card. Airline passengers having lounge card under Special Scheme like Frequent Fliers etc.
  - b) Licensee can offer the same package (as offered to airline business class passengers) to other passengers under Corporate Plan having arrangement with individual company, business entity, hospitality entity card and other loyalty program.
  - c) The same/common package may be offered to individual passenger on production of Airline Ticket and/or bonafide boarding card.
  - d) Item wise selling of F&B product and service will be strictly prohibited.

### **B. SERVICE STANDARDS**

1. The concessionaire shall all times comply with the following service standards and such other standards informed by Authority from time to time.



2. The concessionaire shall provide adequate man power at lounge at all times and shall increase such manpower as and when directed by Authority to achieve a high standard of service.
3. The concessionaire shall ensure that the lounge is operated during hours of operational hours on round the clock basis. The concessionaire shall further ensure that sufficient staff shifts shall be arranged accordingly to confirm the round the clock operation.
4. The concessionaire shall ensure and provide, at all times professional, efficient and prompt, polite and courteous service to all passengers without discrimination whatsoever and in an honest and businesslike manner and shall improve the standard of service offered at lounge being operated.
5. The concessionaire shall be liable to maintain a complaint register (either in hard copy or electronic form) at the location and shall ensure that all complaints are recorded in the complaint register with the action taken report for each of the complaints received. Immediately after a complaint is registered, the concessionaire shall acknowledge the complaint stating the date and complaint number. The concessionaire shall ensure that all complaints are addressed on the spot, but in any case, not later than 48 hours within the receipt of the complaint, in the event it is not possible to address the complaint on the spot. In the event, any complaint is received against any employee of the concessionaire deployed at any of the location or otherwise, Authority shall have the right to require the concessionaire to remove such personnel and replace him.
6. The concessionaire shall ensure and make adequate provision to the effect that in case of any strike or labour unrest among its staff, the operation of the lounge is not hampered.
7. The concessionaire shall provide training in respect of service quality to the employees to meet objective of service at the airport and if required by Authority, shall improve/moderate such training program from time. The concessionaire shall send all frontline staff to quality service courses at least once in three years and send all newly employed staff to such courses immediately from their date of employment.
8. The concessionaire shall carry out passenger surveys on a regular basis by an independent reputable consultant as may be decided by Authority. The concessionaire shall participate in such passenger surveys. The concessionaire shall share the feedback with Authority after completion of the survey. The concessionaire shall share the feedback with Authority after completion of the survey. The concessionaire agrees to take such steps as may be stipulated by



Authority or any other agency, duly authorized by Authority to achieve high standards of performance.

9. The concessionaire shall at all-time remove the waste materials and/or garbage with extreme care and dispose the same at garbage collection box as per the guidelines issued by Authority from time to time.
10. The concessionaire shall report to authority any incident, accident, theft, damages occurred at the location promptly.
11. The concessionaire shall ensure that the required assistance is extended to all the disabled, physically challenged and elderly passengers/visitors at the lounge.
12. All facilities and equipment at lounge are to be maintained to a standard that they should be fully functional and look “new” at all times. Facilities/equipment which are non-functional or damaged should immediately be replaced at concessionaire’s own cost.
13. The concessionaire shall provide the following minimum service in the lounge:
  - a. Selection of hot and cold beverages to be served to the guests of the lounge and display the service of choice of hot and cold beverages such as tea/coffee, juice.
  - b. Bottled water and aerated beverage to guests of lounge.
  - c. Selection of cold snacks
  - d. The attendant apart from serving the guest shall also clear the tables promptly, clean the dishes and keep the pantry clean at all times.
  - e. The concessionaire shall provide all necessary equipment including chinaware, cutlery, glasses, napkins, coasters, dollies and trays of suitable standard as fits high class lounge facility.
  - f. The concessionaire shall also provide adequate staff to be at each lounge per shift so that the attendants are present at all times when the lounge is operational, every day including Sundays and holidays, the employee deployed to be in proper uniform with name tag. The staff has to provide professional, efficient, polite and courteous service to all the guests without discrimination, in an honest and business-like manner and to improve upon the standards of service.
  - g. The cleanliness and the up-keep of the lounge area would be the responsibility of the concessionaire.
  - h. The reception area of the lounge shall be always manned by the staff of the concessionaire.
  - i. The concessionaire shall ensure the availability of the attendant in proper uniform at all times and maintain cleanliness of the locations and pantry area.



- j. All expenses towards providing lounge services to passengers including service equipment; staffing etc. shall be borne by the successful bidder.
- k. The licensee shall ensure that an active, qualified and experienced manager or a qualified subordinate in manager's absence will supervise the proposed operation. The manager or qualified subordinate will be required to be available at the lounge during business hours and any time in case of emergency.

## **VII. SPA & WELLNESS CENTRE**

Following are the service levels that the service provider has to follow:

- A. The bidder should define and display the services to be provided;
- B. Bidder should have a defined training process for the employees, satisfying the following conditions:
  - i) Bidder shall identify as to what each service professional is authorized to do, and service provided by them is in consonance to their qualification/training/experience.
  - ii) A documented training and development policy should exist within the organization and every service professional should have completed this training.
  - iii) The education, registration, training and experience of the identified service professionals is documented and updated periodically.

To be submitted after award of licence and before commencement of license.

### **1. BUSINESS PLAN**

- A. The licensee shall provide the following:
  - a. Intended initial investment, broken down into categories such as design, fixtures, furnishing, equipment, supplies, payroll and financial charges etc.
  - b. Any replacement and refurbishment programs intended during the License period and the estimated costs.
  - c. How the initial investment will be funded.
  - d. List of all services and facilities to be offered at the licensed area, including any other services and facilities and the bidder's ability in rendering them in a professional manner. The Proposed services and facilities shall be subject to the approval of the Authority.
  - e. Housekeeping and maintenance schedule and responsibility, (e.g.in-house or by contractor).



- f. Detailed manpower plan including staff responsibilities, staff recruitment plan, training and familiarization plan and shift plan to match the proposed operation, the manpower plan shall further include
- g. Level of staffing for all categories of staff during operating hours.
  - i. Required skill sets for all categories of staff.
  - ii. Tasks and responsibilities of all category of staff.
  - iii. Recruitment strategies and measures for stabilizing workforce.

**B. FIT OUT PROPOSAL**

Provide conceptual fit out proposal with interior layout plans identifying different services zones. If any, for the licensed area. The tenderer may submit three dimensional colored renderings and mood board with samples of materials and fabrics to illustrate its concepts in greater detail, and detailed work schedule/program that reflects thorough planning and understanding of work scope and the airport's environment.

**C. PRICING POLICY**

- i. State the criteria and methodology that will be used to establish prices for the proposed services and facilities at the licensed area.
- ii. List the initial prices of all services on a per service basis to be provided at the licensed area.

**D. MARKETING PLAN**

- i. State or describe the marketing philosophy.
- ii. State the target market segments and strategy of how to reach out to potential customers.
- iii. Please project the annual number of transactions for each proposed service category together with the annual gross sales revenue during the License period (five years) in a standard format.

**2. CUSTOMER SERVICE AND QUALITY ASSURANCE PROGRAM**

Licensee shall provide a customer service and quality assurance program, including but not limited to the following:

- i. Guidelines and/or procedures to deliver high standard level of customer service throughout the license period.
- ii. Handling procedure on customer's enquiries, feedback complaints & compliments.
- iii. Key performance indicators and a performance monitoring plan for the measurement of performance and service quality to assess the level of customer satisfaction.



- iv. A training program of all categories of staff to be deployed for the provision of the authorized services.
- v. An Audit plan of the bidder's implementation of the customer's service and quality assurance program.

**3. HEALTH & SAFETY MANAGEMENT PLAN.**

Licensee shall provide a Health & Safety Management plan for the following;

- i. The reduction and elimination of any injuries and diseases arising from work activities.
- ii. Better management of risks.
- iii. A reduction of the potential and actual causes of injury through corrective and preventive actions.
- iv. A timely verification of compliance with the requirements of the law.
- v. A more continuous and effective communication between the company and employees through meetings where safety and health are discussed.
- vi. Better monitoring of the control level of residual risk in order to minimize it further through continuous improvements.

**4. ENVIRONMENT MANAGEMENT PLAN.**

Licensee shall provide an Environment Management Plan for the following:

- i. Comply with current legislation and any agreements voluntarily on their significant environmental impacts;
- ii. Eliminate the risks to the safety of people and the protection of the environment, in relation to knowledge acquired on the basis of technical progress and, where this is not possible, minimize, possibly acting on the causes that generated them;
- iii. Adopt a plan for the prevention and management of environmental emergencies;
- iv. Carry out continuous monitoring of the production process and monitor the related environmental aspects/impacts;
- v. Rise awareness among suppliers of goods and services on the content of environmental policy;
- vi. Seamlessly communicate their environmental performance to the local community and customers to obtain and consolidate confidence in the activities and products/services offered;



- vii. Rationalize the use of energy and natural resources; viii. Commit to manage the waste so as to favour, where possible, recovery and recycling rather than disposal.

## VIII. BAGGAGE WRAPPING CHARGES

1. Baggage Wrapping Charges inclusive of all statutory charges shall be as appended below:

<b>Mega/'A' category Airports</b>	Rs.400/- per baggage
<b>'B &amp; C' Category Airports</b>	Rs.300/- per baggage
<b>'D' &amp; below Category</b>	Rs.200/- per baggage

The above charges will be increased 5% after every three years of operations of the contract.

2. The Baggage Wrapping machines should be equipped with safety sensors and provision of weighing scales.
3. The Baggage Wrapping machines should have:
  - a. Inbuilt EPoS, or
  - b. The Baggage Wrapping Machine should be integrated with EPoS.
4. AAI IT Department or the AAI appointed third party system Auditor will conduct periodic and random audits of EPoS system.
5. Weekly sales transaction report in soft copy to be submitted to Airport Commercial Department.
6. Additionally, licensee will have to submit CA certified sales turnover certificate on monthly basis.
7. The EPoS should generate receipts automatically showing receipt number, net amount, GST, charges from the passenger for the baggage wrapping services.
8. Details of hardware and Network Architecture of E-POS and it should be non-editable and not an accounting software as defined by the manufacturer.
9. Details of all data formats and lay-out supported by the E-POS in order to enable AAI to integrate with AAI intricacy system as defined by the manufacturer.
10. For integration of E-POS with AAI system, if required by AAI, the vendor shall provide Application Programming interface (API) or any of the standard protocol methodologies. As and when AAI introduces any alternate superior



technology, the licensee shall be liable for switching over to such protocol methodologies.

11. Technical details about how E-POS will transact the pending transactional informal following a connection failure / outage between the E-POS and AAI system. E-POS (software) should be able to upload all transaction made during the connection failure/outage between the E-POS of the machine and AAI system automatically once the connection is restored.
12. Auditing features provided by E-POS to ensure sale reported to AAI system are correct i.e. access to be provided to AAI for conducting surprise checks of the E-POS of the Baggage Wrapping Machines for cross-checking the accuracy of the data with that of the data transmitted to the AAI system at any given time.
13. During the time of technical evaluation, no physical verification of the Machine(s) needs to be carried-out. However, after award before commencement of operations, it must be ensured that the bidder has installed the Baggage wrapping Machine(s) with the above feature(s) for which he/she/they had submitted the documentary evidence or undertaking at the time of submission of tenders. Further, the experience certificate of the highest bidder emerged as H1 should be verified before award of work.
14. The tenderer/bidder should submit sales tax / service tax number.
15. Film roll to be used for baggage wrapping should be bio-degradable or recyclable and should be certified by ISO certified laboratory and certificate thereto should be submitted after award of contract. AAI reserves the right to send the sample for testing of the material for its authenticity.
16. The minimum space required will be assessed by the respective Airport Director taking into account the movement space around the machine and the machine should be placed in aesthetically designed platform which should be approved by AAI.
17. The minimum annual/monthly guarantee (for the purpose of MRLF calculation) may be determined inter alia taking into account the space rental of the space allotted.
18. Electricity charge is to be paid as per actual usage.
19. The minimum annual guaranteed amount will be fixed by the Airport taking into account the last paid license fee, increase in rates and other factors like increase in passenger growth and other factors.
20. The licensee should mandatorily have e-payment mode of payments options, such Debit/Credit cards, E-wallets etc. for accepting cashless transactions.



21. To keep the premises in a clean and tidy condition to the satisfaction of the Airport Director, premises may be kept open for inspection by the Airport Director.
22. No advertisement will be permitted in the counter except displaying the name of the licensee.
23. In case baggage is opened by the security agencies, the same shall have to be rewrapped by the licensee without any extra cost to the passenger.
24. The licensee shall operate the facility throughout the operational hours of the Airport.

#### **IX. APPLICATION BASED CAB AGGREGATOR**

1. AAI may offer licence to more than one agency to operate application based Cab Aggregator subject to maximum of three (03) operators at Kolkata & Chennai Airports. For all other airports it shall be upto two (02) operators.
2. AAI may offer H2 & H3 quoted bidders to match with H1 quoted amount. MMG shall be payable as :
  - a) In case of Single Licensee – H1 quoted amount
  - b) In case of two licencees
    - i) For H1 bidder – 1/2 of H1 quoted amount;
    - ii) For H2 bidder – 1/2 of H1 quoted amount + 10% of H1
  - c) In case of three licensee
    - i) For H1 bidder – 1/3 of H1 quoted amount;
    - ii) For H2 bidder – 1/3 of H1 quoted amount + 10% of H1
    - iii) For H3 bidder – 1/3 of H1 quoted amount + 20% of H1

Value addition to H1 quoted bidder – Preferential selection of pick up points/ booking counter.

3. Rate of Annual Escalation – MMG shall be subject to annual escalation @ 10%. MMG for the next year shall be 110% of MMG of the previous year or average licence fee paid during the last twelve months, whichever is higher.
4. Additional amount payable for space for ‘Service & Facilitation Counter’ – Applicable Space rent + Utility charges is payable for “Service & Facilitation Counters” (one inside terminal building and one at pick up point).



5. Minimum lock in period – 50% of licence period;
6. Demurrage charges – Three months current licence fee if licence is terminated before 50% of licence period.
7. Business incubation period – Maximum 15 days for submission of acceptance of offer, payment of security deposit, advance licence fee, execution of agreement and taking over the site etc. from the date of issuance of letter of intent/award.
8. Security Deposit : Equal to three months of first year MMG, applicable space rent & utility charges as mentioned below. Licence shall have to maintain security deposit as under :

S.No.	Period	Amount of SD equivalent to	Remarks
1.	At the beginning of licence	Three months of MMG	
2.	After six months	Average monthly licence fee paid during last six months multiplied by three.	
3.	After 12 months and thereafter every year	Average monthly licence fee paid during last six months multiplied by three	Different amount of SD shall be submitted.

9. The licensee shall also submit SD for applicable space rent and utility charges.
10. Rs.50,000/- towards electricity.
11. Licensee shall be having following security feature:-
  - i. Location sharing facility with minimum 02 individuals.
  - ii. SOS feature in App.
  - iii. Either a web or a phone application or call center based real time customer support and grievance redressal mechanism having an operational telephone number or an email address of a grievance redressal officer.
12. Licensee shall be facilitated by AAI to carry out operation of pick-up passengers from designated pickup points / parking area.
13. Licensee shall be entitled to use licensed parking space located within the airport as per terms & conditions of Car parking license.
14. Licensee will be provided with designated pick-up zones, on the city side of the arrivals terminals, to accommodate ----- number of cabs as per terms & conditions of NIT.



15. Licensee will be provided with designated space for “Service & Facilitation Counters” (One inside terminal building and one outside the terminal building at pick-up point) of the arrivals terminals.
16. AAI shall provide directional and pick up/parking area signage for the License.
17. Licensee shall have minimum 100 nos of cabs registered with Aggregator platform within one month from the date of commencement of license in that particular city.
18. Licensee shall ensure that all pick-ups must take place only at the designated pick-up points deploy required manpower for counting the pick-ups at Exit gate.
19. Licensee has to pay parking fee to the parking contractor, as per the terms & conditions of prevailing Car parking license at the respective airport, i.e. no exemption from parking fee.
20. Licensee shall not engage in any business at AIRPORT other than in the exercise of the rights and privileges herein granted unless otherwise granted by AIRPORT in writing.
21. Licensee shall not indulge in any type of soliciting for taxi service at Airport other than the operations model which is detailed in this license.
22. Licensee shall take necessary stringent actions to prevent its drivers/subscribers/partners from picking up passengers/customers from areas other than designated boarding area.
23. No taxicab will be permitted to be utilized as a personal pick up vehicle. All taxicab pick-ups will be considered a commercial transaction and will be charged a fee as specified in the license.
24. Licensee will submit details of aggregated pick-ups to AAI on monthly basis on mutually agreed date, failing which Rs. 1000/- per day for every excess day shall be charged as penalty and billings will be done monthly.
25. In the event, unsatisfied with monthly reports submitted by the licensee, AAI shall , with prior intimation of seven days, visit designated licensee locations where AAI or through its authorized third party will be taken through relevant information related to AAI pick-ups, subject to confidentiality obligations.
26. The services provided by the operator will be in a professional manner and in accordance with the policy applicable within the country and the agency shall exercise reasonable diligence and professional skills and care in the performance of services and obligations under the agreement.



27. Licensee shall ensure that its associated drivers are well behaved with the customers/passengers.
28. Licensee shall ensure that all vehicles/ drivers comply with Motor Vehicle Act 1988, as amended from time to time, provisions and relevant directives of R.T.O/ Transport Commissioner especially valid commercial driving license/ Registration certificate of vehicles/Insurance as per vehicle capacity and other applicable law.
29. Licensee shall ensure to fulfill all the applicable guidelines/provisions prescribed under Information Act, 2000 (IT Act) and further amendments from time to time.
30. If any complaints is received by AAI from any passenger on any Cab/services utilized for Airport pick-up , it must be shared with AAI by the licensee as and when required by AAI along with action taken report addressed within fifteen working days failing which, Rs. 1000/- per day for every excess day shall be charged as penalty.
31. The services provided by the agency / operator are on a non-exclusive basis.
32. The licensee will keep AAI indemnified against any claim from Vehicle owner, driver, passenger and third party for any loss suffered arising out of any breach of Letter of award / agreement, applicable laws and its obligation related to the same under the LAW.
33. Licensee shall protect, indemnify, and save harmless airport, and/ or its employees from any damage or penalty suffered, imposed, or incurred by reason of the violation, disregard, or breach of any applicable law, order, or regulation, or by reason of any act or neglect, or omission of Licensee, or by employee of the licensee in relation to the premises.
34. In case any of state government formulates law or an act regulating aggregator taxi /Application based taxi, the licensee shall obtain such permit / license and shall submit copy to AAI within 30 days of the receipt of permit / license.
35. Licensee shall comply, at its own cost and expense, with all Central , State and Local laws now or hereafter in force, which may be applicable to the operation of its business, shall obtain and pay for all necessary licenses and permits; and shall pay all fees and charges assessed under all applicable laws and rules.
36. Licensee undertakes to deploy sufficient manpower to ensure 24X7 unhindered and smooth operations of their activities from Airport without anyway hampering passenger movement, usage of parking area & other facilities.



37. Licensee shall observe and comply with all rules and regulations which may from time to time during the term of this Agreement be promulgated by AAI for the safety and security, care, operation, maintenance and protection of the Airport and all laws and rules and regulations applicable to the operation of Licensee business operations.
38. AAI shall strictly enforce its rules and regulations, including but not limited to the restrictions upon the solicitation of passengers and use of the commercial lane and staging areas, to prevent encroachment upon and /or unfair competition with the rights and privileges granted to Licensee under this license.
39. The concessionaire shall maintain a suggestion / complaint system on its app which shall be used at all times for marking any feedback / suggestion / complaints in relation to the services.
40. Licensee shall strictly comply & take necessary steps to prohibit its drivers / employees from using the Airport premises for following purpose:
  - a. Union gathering, illegal assembling and meetings, giving public speeches, or instigating other drivers for disruption of services;
  - b. Distributing leaflets, brochures, pamphlets or any other written or printed material pertaining to labour issues, Union issues or else;
41. Licensee shall not at any time, assign or transfer this license or any part hereof, or any right, power, or privilege hereunder granted.
42. In the event of any violation of above clauses by or on behalf of Licensee, or in the case that AAI considers any conduct on the part of Licensee, its agent, or employees, or of any person or occupant for the time being of the premises, to be objectionable or improper, AAI shall have the right to terminate this license in accordance with the provisions, subject to notice to Licensee. AAI may at its option grant Licensee a reasonable opportunity to cure, if deemed fit & proper on a case to case basis.
43. Any Additional features for new services as proposed by the Cab aggregator service provider has to be mutually agreed to by AAI.
44. Compliance of RTO regulations, Motor Vehicle Act & all other regulations shall be the domain of the licensee & AAI shall be indemnified by the licensee from such obligation.



**X. SIM Cards: Global SIM Card / International Calling Card Counter & National / Local SIM Card Counter**

1. The licensee may be permitted to sell SIM Cards (Global/International Calling Card and National/Local) for mobile or landline and/or to sell cell phone.
2. No provision for catering food beverages etc. will be permitted to be done by the contractor.

**XI. MAXI CAB SERVICE**

1. The tenderer must ensure having ownership of minimum 5 A/C cars duly registered in the name of the tenderers and shall produce documentary evidence (Registration Certificate, etc.,) to this effect along with the tender documents.
2. The rate will be as approved by the competent local Government authority and the licensee has to collect the approved rate only from passengers for Maxi Cab service. The approved rate shall be displayed in the counter. Rates shall be as approved by RTO / local Government Authority.
3. Proper record should be maintained by the licensee regarding Maxi Cab service rendered to the passengers. A monthly statement showing the above shall be submitted to AAI before 10<sup>th</sup> of every month. AAI has the right to inspect the records as and when required.
4. The details such as Registration No/ R.C. Book etc. of the cars put into Maxi Cab service should be intimated to the Airport Director.
5. The working hours, name of the licensee and period of the contract shall be displayed in the counter.
6. Any clearance/permission shall be obtained by the licensee from the agencies/local authority etc. for running the subject facility before commencement of the service.
7. The licensee shall not erect or display any advertisement, hoarding, banners or signboards or undertake any modifications/construction plan at the allotted space. Any specific requirement regarding display of signboards of successful licensee shall need to be got approved from Airport Director.
8. The licensee shall provide proper uniform to all his employees, as per the specification to be approved by AAI, to his workers/ supervisors at his/their own cost. The licensee will also ensure that these are worn by the employees while on duty and kept in tidy condition along with nameplate indicating their name conspicuously.
9. Penalty: The penalties of Rs. 500/- (Rupees Five hundred only) per incident will be imposed on violation of terms & Conditions of agreement at applicable rates as decided by the appropriate authority /Competent Authority. The violations will include the following also



- i) Non-issue of receipt to passenger,
  - ii) Misbehaviour by staff and
  - iii) over charging etc.,
10. The licensee has to make payments to his employees as prescribed under minimum wages act and as per all the related statutory provisions applicable thereto. And also the licensee/company/agency should ensure their registration with PF & ESI purposes and compliances of contract labour provision too.
11. The licensee has to install computerized system for issuance of Maxi Cab slip. It should contain number of the vehicle, Mobile Number of the driver, Emergency contact number, Destination of the Vehicle, Fare, Distance and all other details which are essential for the safety of the passenger.
12. The licensee shall maintain a complaint register in the counter, easily accessible to the customers for recording their suggestions/ complaints.
13. The licensee shall frame a dispute resolution mechanism to sort out issues arising among the drivers, drivers and vehicle owners, drivers and licensee etc. AAI will not be responsible for any such issues that are internal to the Maxi Cab Service system and out of the purview of the agreement terms and conditions. It will be solely be the responsibility of the licensee to redress such disputes in an efficient manner.
14. The licensee shall comply with all Central and state Rules and Regulation related to operation of vehicles, as amended from time to time.
15. The character and antecedent of the driver should be verified from the police Authorities and a report is to be kept in the counter and the same should be made available for verification by AAI at any time.
16. All the above conditions shall form part of the agreement.
17. The licensee must have provision to provide printed bill to the passengers/users on account of using subject services. The Provision should be made to accept the International Credit/Debit Cards and other means of e-payment mechanism i.e. paytm, mobikwik, BHIM etc. In the counter. The licenses shall make arrangements to accept payments through atleast 02 e-payment modes apart from cash receipts.
18. Since no separate area is earmarked for parking of Cabs (i.e. the vehicles of the licensee), the vehicles shall be parked in the Car parking area for which a separate licence for Vehicle Parking Rights Contract has been awarded by AAI. The licensee shall pay applicable Car Parking / Monthly Pass charges (as the case may be) to the licensee appointed for Vehicle Parking Rights Contract by AAI and shall have to liaison at his own with the licensee of Vehicle Parking Rights.
19. If any situation arises to allot separate parking space, the same can be considered on availability of land for which the licensee shall pay land rental charges as notified by AAI from time to time. Such allotment shall be on the discretion of AAI and cannot be claimed as a right by the licensee.



20. The licensee shall have no claim from monopoly and the Authority shall be at liberty to permit/provide other similar licensee/counters at other area within/outside Terminal Building, as may be necessitated by demand or as desired by the Authority.

## **XII. PRE-PAID TAXI SERVICE**

1. All the attached taxis shall be allotted a unique number by the licensee, which shall be used for the purpose of booking in a sequential order.
2. It shall be the responsibility of the Licensee to have the police verification of taxi owners/drivers. Licensee shall provide the details of taxis attached (taxi unique number and name, address, contact numbers along with copy of police verification of taxi owners/drivers to this office before commencement of the Licence. Further addition/removal of taxis shall be carried with prior consent of this office.
3. It shall be the responsibility of the Licensee to put a sticker on each attached taxi, depicting "Airport Pre-Paid Taxi Service, Taxi unique number, & Contact no. of the Licensee".
4. Taxi shall be booked in a sequential order by way of computerized booking.
5. The required infrastructure (Hardware & Software) shall be arranged by the Licensee.
6. Licensee shall pay AAI royalty fortnightly along with the details of booking. In case of any discrepancy found in details of booking, license may be cancelled.
7. Authority deserves right to expel/debar any attached taxi on any of following reported/ observed misconduct
  - a. Fighting with passenger's/Taxi owners/drivers
  - b. Theft of passenger belongings
  - c. Over charging from passengers
  - d. Creating ruckus at the airport
  - e. Any act/misconduct, which brings disrepute to AAI, in any manner, as deemed fit by the competent authority.
8. Licensee shall be responsible for the upkeep of the attached Taxis in a good condition. Drivers should be in proper uniform & display their identity card, issued by the licensee. Details of Driver/Owner of the Taxi along with their photograph, name & contact number must be displayed at a prominent place inside the taxi. Colour of Taxi should be in accordance with guide lines of local state transport department.



9. AAI has a right to check, search examine the persons and the belonging of the employees/representatives and agents of the contractors while entering/leaving the premises as & when required.
10. Licensee shall be facilitated by AAI to carry out operation of pick-up passengers from designated pickup points / parking area.
11. Licensee shall be entitled to use licensed parking space located within the airport as per terms & conditions of Car parking license.
12. Licensee will be provided with designated pick-up zones, on the city side of the arrivals terminals, to accommodate ----- number of taxi.
13. Licensee will be provided with designated space for “Booking Counter” in the Canopy / Kerb side area, outside Terminal building of the arrivals terminals.
14. AAI shall provide directional and pick up signage for the License.
15. Licensee shall ensure that all pick-ups must take place only at the designated pick-up points.
16. Licensee has to pay parking fee to the parking contractor, as per the terms & conditions of prevailing Car parking license at the respective airport.
17. Licensee shall not engage in any business at AIRPORT other than in the exercise of the rights and privileges herein granted unless otherwise granted by AIRPORT in writing.
18. Licensee shall take necessary stringent actions to prevent its drivers from picking up passengers/customers from areas other than designated boarding area.
19. No taxi will be permitted to be utilized as a personal pick up vehicle. All taxi/pick-ups will be considered a commercial transaction and will be charged a fee as specified in the license.
20. Licensee will submit details of aggregated pick-ups to AAI on monthly basis on mutually agreed date and billings will be done monthly.
21. The services provided by the licensee will be in a professional manner and in accordance with the policy applicable within the country and the licensee shall exercise reasonable diligence and professional skills and care in the performance of services and obligations under the agreement.
22. Licensee shall ensure that its associated drivers are well behaved with the customers/passengers.



23. Licensee shall ensure that all vehicles/ drivers comply with Motor Vehicle Act 1988, as amended from time to time, provisions and relevant directives of R.T.O/ Transport Commissioner especially valid commercial driving license/ Registration certificate of vehicles/Insurance as per vehicle capacity and other applicable law.
24. If any complaints is received by AAI from any passenger on any Taxi /services utilized for Airport pick-up , it must be shared with AAI by the licensee as and when required by AAI along with action taken report addressed within fifteen working days failing which, Rs. 1000/- per day for every excess day shall be charged as penalty.
25. The services provided by the agency / operator are on a non-exclusive basis.
26. The licensee will keep AAI indemnified against any claim from Vehicle owner, driver, passenger and third party for any loss suffered arising out of any breach of Letter of award / agreement, applicable laws and its obligation related to the same under the LAW.
27. Licensee shall protect, indemnify, and save harmless airport, and/ or its employees from any damage or penalty suffered, imposed, or incurred by reason of the violation, disregard, or breach of any applicable law, order, or regulation, or by reason of any act or neglect, or omission of Licensee, or by employee of the licensee in relation to the premises.
28. Licensee shall comply, at its own cost and expense, with all Central, State and Local laws now or hereafter in force, which may be applicable to the operation of its business, shall obtain and pay for all necessary licenses and permits; and shall pay all fees and charges assessed under all applicable laws and rules.
29. Licensee undertakes to deploy sufficient manpower to ensure 24X7 unhindered and smooth operations of their activities from Airport without anyway hampering passenger movement, usage of parking area & other facilities.
30. Licensee shall observe and comply with all rules and regulations which may from time to time during the term of this Agreement be promulgated by AAI for the safety and security, care, operation, maintenance and protection of the Airport and all laws and rules and regulations applicable to the operation of Licensee business operations.
31. AAI shall strictly enforce its rules and regulations, including but not limited to the restrictions upon the solicitation of passengers and use of the commercial lane and staging areas, to prevent encroachment upon and /or unfair



competition with the rights and privileges granted to Licensee under this license.

32. The licensee shall maintain a suggestion / complaint register which shall be used at all times for marking any feedback / suggestion / complaints in relation to the services.
33. Licensee shall strictly comply & take necessary steps to prohibit its drivers / employees from using the Airport premises for following purpose:
  - a. Union gathering, illegal assembling and meetings, giving public speeches, or instigating other drivers for disruption of services;
  - b. Distributing leaflets, brochures, pamphlets or any other written or printed material pertaining to labour issues, Union issues or else;
34. Licensee shall not at any time, assign or transfer this license or any part hereof, or any right, power, or privilege hereunder granted.
35. In the event of any violation of above clauses by or on behalf of Licensee, or in the case that AAI considers any conduct on the part of Licensee, its agent, or employees, or of any person or occupant for the time being of the premises, to be objectionable or improper, AAI shall have the right to terminate this license in accordance with the provisions, subject to notice to Licensee. AAI may at its option grant Licensee a reasonable opportunity to cure, if deemed fit & proper on a case to case basis.
36. Compliance of RTO regulations, Motor Vehicle Act & all other regulations shall be the domain of the licensee & AAI shall be indemnified by the licensee from such obligation.



## **Annexure XXIII: Rate Card for Advertisement**

Please refer Annexure – IV, sub para 4 for Rate Card for Advertisement policy.



## Annexure XXIV: Reckoner for Penalty to be imposed

S. No.	Penalty type	Chapter/ Clause
1.	Non-compliance of terms of agreement	8.8.1
2.	Violations found in Space audit	8.8.2
3.	Damage charge in case of unauthorized occupancy of in the airport premises after expiry of concession/ license period.	8.1
4.	Interest penalty on late payment of concession/ license fee	8.4.2 (i)
5.	Adjustment of dues and interest with security deposit	8.4.2 (ii)
6.	Clause for notice of termination on account on no dues payment	8.4.2 (iv)
7.	Licensee fails to inform AAI commercial team about issues with EPoS within 1 day	8.3
8.	Deviations in authenticity of data from concessionaire/ licensee on revenue share model	11.8



## Annexure XXV: Reckoner: Finance Dept. Involvement

S. No.	Involvement of Department of Financial	Chapter/ Clause
1	Participation of a representative from Dept. of Finance in Tender Opening committee	7.5.1 (iv)
2	Forwarding of EMD received in the form of draft/ pay order to Dept. of Finance for realization	7.7.3
3	EMD of successful bidders to be forwarded to Dept. of Finance within 15 days of opening of financial bid	7.7.5
4	Post LOIA, Award letter including location plan to be furnished to Dept. of Finance at the airport	7.9.6
5	Instruments of the security deposit to be kept with Dept. of Finance in safe custody in chest	7.13.15
6	Receipt of Clearance/No dues certificate from Dept. of Finance for order to release security deposit	7.13.18
7	Executive from Dept. of Finance in the airport, as decided by APD to form part of apace audit committee	8.8.2 (ii)
8	Nomination for encashment/ release/ adjustment of bank guarantee by competent authority at station/ centrally at regional/ CHQ to Dept. of Finance	8.5.5 (ii)
9	Coordination with Dept. of Finance for first time billing of the concession/ license to make sure all chargeable items are as per concession/ license agreement	8.4.1 (i)
10	Nomination of In-Charge of finance for the formation of DRC	8.9.1
11	Intimation by Dept. of Finance with details about payment performance including confirmation about timely payment and position of outstanding dues	9.1.1
12	Dept. of Finance to upload the reconciled quarterly statement of account on AAI website reflecting dues status which can be seen and downloaded by the parties	9.2.3
13	Commercial department to forward request letter/ email for reconciliation of dues to Dept. of Finance within 02 days.	9.2.12
14	Preparation of Outstanding Dues Certificate by Dept. of Finance and forward to Commercial department within 07 days of request from commercial	9.2.12



## **Annexure XXVI: Long Term Approach for Eligibility Criteria**

In the long run or approval from AAI board, whichever is earlier, following can be deliberated for finalizing the minimum turnover criteria

1. For smooth and sustainable non-aero commercial operations at airports, it is critical to partner with vendors who is capable of following:
  - i. Providing quality service and,
  - ii. Have financial capability to sustain in case of emergency
2. To ensure the bidder eligible for concession is capable of providing high quality service with the likes of an airport, the bidder should have “minimum turnover from similar business” for which he’s bidding.
3. To ensure the bidder has financial capability to sustain in case of emergency, the profit & loss account of the bidder must be submitted. The bidder should fulfill the minimum turnover criteria and a positive operating profit in last three (03) years as on date of filing concession.
4. For Food & Beverages and Retail, as opposed to current practice of minimum turnover criteria taken as multiple of MMG/ MRLF, turnover to be based on market factors.
5. To get turnover criteria based on ground realities, with the support of consultant, a separate nation-wide study to be conducted for category-wise long listing of brands in retail and F&B.
6. For airports in Category C and D, local brands/ standalone licensed outlets would be considered for listing by category.
7. The study would be in line with the type of bidder the airport category gets during the bidding process.
8. List of brands and standalone licensed outlets in a category and sub-category would be listed and their turnover to be recorded to ensure that there is enough competition in the market for a particular license/ concession and they are above a threshold sales turnover.



Category of airport	List of categories	Category (Example)	Sub-category	Sub-category 1	Brands		Minimum turnover criteria
					Brand name	Turnover	
		Retail	Fashion	Apparel	Louis Philippe		Minimum of the turnover of brands (and standalone licensed outlets) listed
		Retail	Fashion		Van Heusen		
		Retail	Electronics		Park Avenue		
		Retail	Electronics		Peter England		
		Retail	...		Arrow		
		Retail	...				

9. The threshold turnover for each sub-category would become the turnover criteria for a concession in the sub-category.
10. The turnover of all prospective brands and a typical standalone licensed store would be listed and arrived at the minimum turnover criteria for the concession as per following template:

Category of airport	List of categories	Category (Example)	Sub-category	Sub-category 1	Minimum turnover required	
					Standalone licensed	Brand Chains
		Retail	Fashion	Clothing & Footwear		
		Retail	Fashion	Accessories		
		Retail	Electronics	Smartphone		
		Retail	Electronics	Accessories		
		Retail	...			
		Retail	...			

11. To ensure a minimum high-quality service, to be eligible for the bid, the bidder must have 100% of the minimum turnover from similar business as the concession.



## Annexure XXVII: Long Term Approach for MRLF Fixation

1. Though above-mentioned process is for MRLF fixation, it is not robust & sustainable and doesn't take into account the on-ground business potential.
2. Currently, the base MRLF (for individual sites by categories) for Retail and F&B which forms the basis for calculation of Average Revenue Per Square Meter Per Million Passenger, is based on existing license fee and estimation and not based on actual potential of the facility/ site.
3. MRLF fixation without taking into account the actual business potential of the facility/ site results in vendor asking for rebate in license fee, vendor leaving the facility before concession/ license period.
4. To ensure the MRLF fixed is robust and based on ground realities, there should be study at airports for Retail and F&B to assess the actual business potential of the facility for which a consultant to be hired
5. The ideal process for MRLF calculation should be as under:
  1. Assessing the revenue potential of the facility under retail & F&B for all sub-category across locations (Departure, Public Concourse, SHA, Arrival and City-side) in the airport.
  2. The revenue potential and MRLF for a facility/ site can be assessed in following ways:
    1. **Revenue Potential:** To be estimated by conducting airport study (to be done by hiring a consultant), one airport per category of airports, for all commercial operations at different locations of the airport in Retail & F&B. The potential to be calculated based on following:
      - i. Total passenger footfalls in and around the facility/ site
      - ii. Average spending per passenger and their buying behavior
      - iii. Last financial year's revenue

The revenue potential to be recorded as below:

Airport Category	Airport Location	Categories	Sub-categories 1	Sub-categories 2	Business Potential
	Departure, Public Concourse, SHA	Retail	Fashion	Clothing	
				Accessories	
			Electronics	Smart phones	
				Accessories	



2. **Gross Profit Calculation:** Domain expert with expertise in retail and F&B to estimate the gross profit for the sub-category for calculation of total profit the facility/ site can make as following table:

Categories	Sub-categories 1	Sub-categories 2	Average gross profit (in %)
Retail	Fashion	Clothing	
		Accessories	
	Electronics	Smart phones	
		Accessories	

3. **Market Study:** Market study to be conducted for % of gross profit (by category) or license fee the licensee offers to the facility owner across private airports, shopping malls. The market normalized share of gross margin will be used to calculate the category wise MRLF fee for the site.
4. **Sanity check for license fee:** Revenue to rent ratio of comparable facility/ site at high street, shopping malls etc. will be compared with ration of estimated licensee fee with the revenue potential of the facility/ site.
5. **Finalized MRLF or Revenue share**
6. Finally, the Revenue (license fee) Per Square Meter Per Million of Passenger to be recorded and table similar to 7.3.1.a to be created and updated and normalized to fit in table similar to 7.3.1.c.
7. The activity can be done for one airport per category of airport every year so that the average MRLF of a facility/ site for a category of airport becomes more accurate and in line with actual business potential of the facility/ site.
8. Subsequent steps for MRLF fixation to be similar to 7.3.2, 7.3.3 and 7.3.4.



## Annexure XXVIII: Formula & Sample calculation for Classification of Airport

### Classification:

1. For classification of Airports in India, four parameters are identified, and weightages are allocated to these parameters based on their impact on commercial potential of airport. Parameters are:

Parameters	Source of Information	Weightage %
Annual Passenger movement (PAX)	AAI	50%
Quality of PAX	Consumer Research	15%
Non-aero commercial revenue	AAI	30%
Commercial Space	AAI	5%

2. Further, the above four parameters are given score on a scale of 0-100 for all airports based on airports performance across the parameters

- a. **Score scale for PAX** is as below:

PAX	Score
5 Million +	100
2.5 Million to 5 Million	80
1.5 Million to 2.5 Million	60
0.5 Million to 1.5 Million	40
0.1 Million to 0.5 Million	20
Less than 0.1 Million	10

- b. **Rating scale for Quality of PAX** is as below,

- i. Quality of passenger movement (PAX) is defined by the PAX which has high inclination towards availing a commercial service at an airport. Travelers with Business, leisure/tourism purpose are considered major beneficiaries of the commercial facilities at the airport.
- ii. Considering the total share of PAX from business and leisure/travel a representation of quality of PAX at an airport, following is the grading for the quality based on share of PAX from Business and Leisure/ tourism travel:

Share of PAX from Business/Leisure/Tourism (%)	Quality of PAX
More than 75%	High
50 - 75%	Medium
Less than 50%	Low



iii. Further Quality of PAX is translated into score as per table below:

Pax Quality	Score
High	100
Medium	60
Low	20

c. **Rating scale for non-aero commercial revenue** is as below

Revenue (FY17)	Score
More than Rs. 30 Cr.	100
Rs. 10-30 Cr.	80
Rs. 5-10 Cr.	60
Rs. 2-5 Cr.	40
Less than Rs. 2 Cr.	20

d. **Rating scale for commercial space** at the airport is as below

Commercial Space	Score
More than 25000 Sqmtr	100
10000 sqmtr TO 25000 sqmtr	80
5000 sqmtr TO 10000 sqmtr	60
Less than 5000 sqmtr	40

3. Finally, aggregated score is calculated based on following formula, (For Airport A):

#### AGGREGATE SCORE<sub>(A)</sub>

$$= (\text{SCORE}_{\text{PAX A}} * \text{Wt.}_{\text{PAX}}) + (\text{SCORE}_{\text{Quality of PAX A}} * \text{Wt.}_{\text{Quality of PAX}}) + (\text{SCORE}_{\text{Commercial Revenue A}} * \text{Wt.}_{\text{Commercial Revenue}}) + (\text{SCORE}_{\text{Commercial Space A}} * \text{Wt.}_{\text{Commercial Space}})$$

Where,

SCORE<sub>PAX A</sub> = PAX Score for Airport A

SCORE<sub>Quality of PAX A</sub> = Quality of PAX Score for Airport A

SCORE<sub>Commercial Revenue A</sub> = Commercial Revenue Score for Airport A

SCORE<sub>Commercial Space A</sub> = Commercial Space Score for Airport A

Wt. <sub>PAX</sub> = Weightage for PAX

Wt. <sub>Quality of PAX</sub> = Weightage for Quality of PAX

Wt. <sub>Commercial Revenue</sub> = Weightage for Non-aero Commercial Revenue



Wt. Commercial Space = Weightage for Commercial Space

4. Sample calculation for aggregate score for an airport, Example Lucknow:

Parameters	Value	Score (0-100)	Weightage %
Annual Passenger movement, PAX (FY17)	3,968,950	80	50%
Quality of PAX	Medium <sup>2</sup>	60	15%
Non-aero commercial revenue (Rs. Cr, FY17)	21.3	80	30%
Commercial Space (Sq. mtr.)	17319	80	5%

$$\text{Aggregate Score (Lucknow)} = (80*50\%) + (60*15\%) + (80*30\%) + (80*5\%)$$

$$= 77 \text{ (Seventy Seven)}$$

5. Based on the aggregated score, airport is classified as below:

Category	Aggregate Score (on a scale of 0 -100)
Mega Category	More than 90
Category A	70 to 89
Category B	50 to 69
Category C	35 to 49
Category D	20 to 34
Category E	Less than 20
RCS Category	The airports identified under UDAN Scheme of Govt. of India

6. Lucknow, having an aggregated score of 77, falls in Category A airport. All airports may be classified in a similar fashion.

### Seasonality of Passenger Movement:

1. Passenger movement variation (seasonality) in airport is calculated based on difference in the quarterly PAX in the airport.
2. Seasonality index of each quarter (a) in FY17 is calculated based on PAX for that quarter and average quarterly PAX in FY17 as below:

$$\text{Seasonality Index, SI}_{(a)} = \frac{PAX(a)}{\frac{1}{4} * \sum_{i=1}^4 PAX(i)}$$

Where,

PAX (a) = Passenger movement of quarter A in FY17

---

As per report of the consumer research at Lucknow airport submitted by the Consultant, it is found that the total share of PAX from work related and leisure/tourism is ~60% which translates to a medium PAX quality as per definition.



3. Further, difference between Maximum and Minimum Seasonality index is calculated among the seasonality indices of each quarter in FY17 as below:

$$\Delta (SI) = SI_{Max} - SI_{Min}$$

4. The value so obtained is used to define the seasonality of passenger movement in airport as below:

$\Delta [SI_{Max} - SI_{Min}]$	Seasonality in airport
<0.5	Low
0.5-1.5	Medium
>1.5	High

5. Sample calculation of seasonality of Srinagar Airport is as under.

- a. Quarterly PAX details of Srinagar Airport in FY17 is as below:

Airport	Q1 – FY17	Q2 – FY17	Q3 – FY17	Q4 – FY17
Srinagar	779252	515446	363487	443577

- b. Seasonality Index of Srinagar airport as per calculation detailed above:

Airport	Q1 – FY17	Q2 – FY17	Q3 – FY17	Q4 – FY17
Srinagar	1.5	1.0	0.7	0.8

- c. Seasonality index difference of Srinagar airport is as below:

$$\Delta (SI) = SI_{Max} - SI_{Min}$$

$$\Delta (SI) = 1.5 - 0.7 = 0.8$$

With difference in seasonality index is 0.8, as per table in point 4, Srinagar has a medium seasonality.



## **Annexure XXIX : General Understanding of Consortium**

1. A consortium is an association of two or more individuals, companies, organizations, or governments (or any combination of these entities) with the objective of participating in a common activity or pooling their resources for achieving a common goal.
2. One of the participant in the consortium has to be the leader who will sign and commit to all the terms and conditions of the deal.
3. Each participant retains its separate legal status and the consortium's control over each participant is generally limited to activities involving the joint endeavor, particularly the division of profits. A consortium is formed by contract, which delineates the rights and obligations of each member.
4. Unless otherwise mentioned, only the lead bidder's credentials both in terms of financial and technical qualifications are considered by many clients.
5. One of the main advantages of a consortium is that it is able to put together a team of core competent organizations to address the complete requirements of the client.



## Annexure XXX: Check-list for Concession Procedure

### **Brief:**

Concession/ license procedure means the preparatory process for tender, finalizing and award of the said contract to a bidder. This involves, inter alia, defining eligibility criteria, License fee, stages to be followed for tender process, preparation of tender document, guideline for evaluation of bids, security deposit, guideline for single tender and commercial activities for short terms. For the procedure of a concession/ license, check-list of activities to be followed is as below:

1. **Threshold Eligibility Criteria:** Eligibility criteria for a concession shall be as per Annexure IV unless otherwise communicated by CHQ. Eligibility criteria has two parts - technical and financial capacity
2. **MRLF Fixation:** MRLF fixation shall be as per the process defined in Chapter 7.3.
3. **Gestation period:** The gestation period for a concession shall be as per Chapter 7.12 and shall be reckoned from the date of handing over of site/ facility.
4. **Integrity pact and IEM:** Independent external monitor (IEM) to be appointed for all concession with annual license fee above Rs. 2.5 Crore. IEM will form part of the tender document. Guideline for integrity pact and appointment of IEM for a concession shall be as per chapter 7.6.
5. **Schedule & Stages of tendering process:** Tendering of a concession is a step by step process that starts with MRLF fixation till acceptance of award by H-1 bidder and updation of bidding process in AIMS & office records. The process shall be as per Chapter 7.5.
6. **EMD & Tender processing fee:** All tenders submitted by a bidder shall have an EMD amount associated with it that shall be refunded or adjusted for unsuccessful and successful bidders respectively. The guideline for EMD amount shall be as per Chapter 7.7. Further, a non-refundable cost for tender document shall be charged to all bidders.
7. **Preparation of NIT/ Tender document:** Unless otherwise communicated by CHQ/ RHQ, tender document should be prepared as per the guidelines in Chapter 7.8. A sample draft tender document is given in Annexure V which can be used for making a tender document.
8. **Evaluation of bids:** The process for bid evaluation commences with the constitution of committee for evaluation. Technical evaluation is the first step in evaluation of bid. Only technically qualified bidder shall participate in the financial bidding. The process for evaluation of bid shall be as per Chapter 7.9.
9. **Single Tender:** Guideline for single tender shall be as per Chapter 7.11.
10. **Security Deposit:** Successful bidder for a concession shall deposit security deposit to AAI in the form of DD/PO/RTGS/NEFT/Bank Guarantee. The amount of security deposit and further guideline shall be as per Chapter 7.13.



- 11. Stop gap arrangement:** For services and facilities which are essential for the operations of airport in terms of passenger facilitation, airports should ensure that all the facilities falling under contingency services are provided through regular tender. However, in cases where provision of tender cannot be followed and is essential for passenger facilitation then airport would ensure these services are provided under stop gap arrangements. Guideline for stop gap arrangements shall be as per Chapter 7.14.
- 12. Commercial Activities for short terms:** Those facilities that cannot be awarded through regular tender/no response to a tender, but it is required at the airport, shall be awarded for a short term by relaxing the pre-qualifying eligibility criteria. The process of concession for commercial activities for short terms shall be as per provision of Chapter 7.15.



## **Annexure XXXI: Check-list for Concession/License Management**

### **Brief:**

Concession/ license management is the set of post award activities done in order to ensure a efficient and effective management of the concessions/licenses at the airport. The management activities, inter alia, involves and commences from handing over/ taking over of site/ facility to getting required clearances, audit & concessionaire performance management, guidelines for EPoS, management of bank guarantee, billing and provisions of debarring, terminal, dispute resolution and arbitration. For the management of concessions/ licenses, check-list of activities to be followed is as below:

1. **Handing Over/ Taking over of site/ facility:** Post submission of acceptance of award letter, advance license fee and bank guarantee by the agency, the authority will hand over the site/location to the agency as per provision of Chapter 8.1.
2. **Required clearances:** After taking over of the site by the concessionaire/ licensee, airport in-charge shall ensure necessary clearances from all the concerned departments at the airport as per provision of Chapter 8.2.
3. **Audit & Concessionaire Performance Management:** All concessionaire / licensee would be assessed for their compliance to terms of agreement. Space audit, Commercial audit and Performance audit would be periodically conducted with guideline, objective, scope and methodology as per provision of Chapter 8.8.
4. **EPoS:** For airports with implemented EPoS system, all transactions and related reports would be generated, analyzed and reported as per provision of Chapter 8.3.
5. **Management of Bank Guarantee:** For the security deposit submitted in the form of bank guarantee, it would be managed as per provisions of chapter 8.5.
6. **Billing & Revenue Realization:** Billing & Revenue realization would be as per provisions of chapter 8.4.
7. **Temporary extension of concession/ license:** For the cases where due to external factors/extreme circumstances/ situations beyond the control of the airport director, the provision of temporary extension of contract shall be as per the provision of Chapter 8.7.
8. **Process of Debarring:** In case of breach of contract/ license, the agency maybe debarred. The provision for show cause notice and debarment shall be as per Provision of Chapter 8.12.
9. **Concession/ license termination:** Guidelines for termination of Concession/ license under normal termination, termination for cause, termination for convenience and termination for regulatory/ legislative or supervisory requirement shall be as per provision of Chapter 8.11.
10. **Dispute/ grievance Redressal & Resolution:** For dispute resolution, DRC would be constituted. Guideline for formation of DRC, roles and responsibility, Status check on the dispute shall be as per provision of Chapter 8.9.
11. **Arbitration:** Guideline for arbitration of disputes post the formation of DRC shall be as per provision of Chapter 8.10.
12. **Rebate:** Guidelines for rebate in the license fee shall be as per Chapter 8.6.



## **Annexure XXXII : Brief on Commercial Module of AIMS Portal**

### **1. Background**

AIMS is a software package currently being used by several airports to manage information pertaining to various activities at the stations.

Presently, officials have been operating AIMS system only for raising bills i.r.o. commercial concessions and hence system was generating only reports pertaining to bills data. Various steps have been taken to modify existing AIMS portal to generate different type of reports on real time basis. Thus, AIMS new portal is going to be launched with new columns/ modules as per requirement of Commercial Departments at stations/ RHQ/CHQ. Major area of emphasis is to generate reports with real time data for submission to top management from time to time.

### **2. Management of AIMS portal:**

M/s Navayuga Infotech is managing AIMS portal in coordination with IT Department at CHQ. Contract management is major area of emphasis for the Commercial Department and availability of real time data pertaining to commercial concessions is need of the hour. Necessary training on AIMS will be provided by M/s Navayuga at regions level. In case of airports, where there is no commercial executives posted, officials from RHQ/nearby major airports should attend these small airports for concerned work w.r.t. AIMS new portal operation/updation.

### **3. Implementation procedure:**

All the data of commercial concessions should be uploaded in AIMS new portal from time to time and, it should cover all details of contracts/ contractors/ extensions/ tenders etc.

Presently data available in AIMS portal is not fully correct, and hence necessary care should be taken in

- (i) updating the correct data,
- (ii) raise bills under correct heads and
- (iii) updating all the modules including tender details module etc.

All Regional Commercial heads shall ensure operation of new AIMS portal and thus updating information by all Commercial Departments of stations at their respective regions.

Before launch of new portal, training for operation of new portal will be provided by M/s Navayuga at region level, and all regional heads should ensure participation of all commercial officials/users for the same.



#### **4. Role /Functions of stations/ RHQs:**

All Commercial Officers/In Charges shall compile and keep ready all data pertaining to commercial facilities at respective airports and steps should be taken for updation in AIMS new portal within prescribed time limits. After updation, data should be checked to ensure its accuracy.

All data pertaining to commercial concessions including details of tenders/ contracts/ contractors/ security deposits/ extensions etc. shall be uploaded by end users within 20 days of launching of new portal. It is also desirable that Commercial Officials of RHQ/major airports shall visit small/ nearby airports where there is no commercial officials posted, for familiarizing and ensuring updation of data.

Regional Executive Directors and Commercial-In-Charges at RHQs shall ensure that data i.r.o. all airports under their administrative control updated with accuracy within prescribed time limits and also its regular updation in future. After due submission of Action Taken Report to CHQ along with confirmation w.r.t. updation and operation of new AIMS portal at all airports in their respective regions, AIMS new portal will be effectively operational.

As the management is emphasizing the need for operationalization of AIMS new portal at the earliest, above matter maybe given utmost importance and periodical feedback shall be obtained by CHQ in this regard.



## **Annexure XXXIII: Glossary - Definitions & General Explanations**

### **Definitions:**

**"Access Date"** shall mean the date on which the concessionaire is handed over physical possession of at least 50% of the location designated in the RFP/RFQ/tender (after completion of the contractual formalities like acceptance of the LOIA, submission of security deposit, signing of agreement etc.) within the incubation period. In case the agency fails to take over the approved sites within gestation period mentioned in LOIA, the next day from the gestation period mentioned in LOIA shall be deemed to be the access date. In case the agency is notable to receive security clearances within gestation period, the Authority may extend the access date to a later date. However, in any case the access date should not exceed 30 days from the issuance of LOIA/ Award letter.

**"Addendum"** shall mean any written amendment to RFP/RFQ/Tender Document issued by Authority from time to time.

**"Aggregate Carpet Area"** shall mean the aggregate of Carpet Area of all Original Locations covered in a Concession.

**"Rent Commencement Date"** shall mean the end of gestation period reckoned from the handing/taking over of the site (defined as Access Date) or the commencement of the business, whichever is earlier. In case the authority hands over less than 100% of the location, then rent charged from rent commencement date will be in proportion to the space handed over. When the authority hands over the remaining space to the vendor, the vendor will be given a gestation period as mentioned in RFQ/RFP/Tender Document after which (or till commencement of business, whichever is earlier), from the very next day or commencement of business, whichever is earlier, they will be charged rent for the remaining space. A handing over/taking over report is to be signed by the concessionaire with AAI on or before the commencement date.

**"Airport Premises"** shall mean and include Terminal Building or any other premises/land, owned/possessed or taken on lease by AAI for the purpose of Airport and acquired by the Authority under the provision of Land Acquisition Act, 1894 or any other corresponding law for the time being in force.

**"Airport Users"** shall mean those persons using or involved in activities at, or in connection with or in relation to the Airport, including without limitation, staff of the Airport and airlines operating at the Airport, passengers, visitors, flight crewmembers of airlines, etc.

**"Alternate Location(s)"** shall mean the particular space/ area within/outside the Airport Premises/Terminal offered to the Concessionaire, in lieu of Original Location(s).

**"Applicable Laws"** means all applicable laws in force and effect as of the date hereof and which may be promulgated or brought into force and effect hereinafter in India or such other territorial jurisdiction outside India, by any authority, including Governmental



Authority, including any revisions, amendments or re-enactments including without limitation statutes, rules, regulations, bye-laws, policies made thereunder, judgments, decrees, injunctions, writs, orders issued by any court of record or other requirement or official directive of any Governmental Authority or any person acting under Authority of any Governmental Authority or any statutory authority, including any notification issued by the Reserve Bank of India or of any Governmental Authorities, as may be in force and effect during the subsistence of the Agreements.

**"Applicable Permits"** means all clearances, licenses, permits, authorizations, no objection certificates, consents, approvals and exemptions required to be obtained or maintained under Applicable Laws in connection with the development, operation and maintenance of the Locations in the Airport Premises/Terminal, for or in respect of the Concession Agreement including but not limited to the approvals from Airport Health Officer, Airport Security and all other approvals as may be required to execute, give effect to, and perform the Agreement and the approvals and consents required from Authority or any other Governmental Authority pursuant to the Tender Document/RFQ/RFP or the Agreement, including any third party approvals as may be required by the Concessionaire.

**"Applicant"** shall mean a sole entity or a consortium of entities, submitting an application pursuant to a Tender Document/RFP/RFQ.

**"Application"** shall mean the application to be submitted by each Applicant pursuant to RFQ/RFP/Tender Document in the forms provided therein.

**"Application Due Date"** shall have the meaning ascribed to the term in RFQ/RFP/Tender Document.

**"Associate"** shall mean, in relation to the Applicant, a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

*Explanation:* For the purposes of this clause, "significant influence" means control of at least twenty (20) per cent. of total share capital, or of business decisions under an agreement. (Company Act 2013 link: <http://www.mca.gov.in/SearchableActs/Section2.htm>)

**"Authority"** shall mean the Airports Authority of India constituted under Airports Authority of India Act, 1994, including any amendment / re-enactment thereof.

**"Bank Guarantee"** shall mean and include a surety amount in the form of DD/PO/RTGS/NEFT/Bank Guarantee having its validity equal to concession/ license period plus six month, from a branch of Scheduled Commercial bank listed by RBI that if a particular licensee defaults on a dues payment, the bank will cover for the dues.

**"Bid"** shall mean the technical and financial offer to be submitted by each Bidder as part of the Bid in compliance with the Bidding documents.

**"Bidder(s)"** shall mean those Applicant(s) who have submitted their bid in response to the Tender Document/RFP/RFQ.



“**Bidding Documents**” shall mean the RFP/RFQ/Tender Documents, as the case may be.

“**Brand**” shall mean a type of product manufactured by a particular company under a particular name or a distinguishing symbol, mark, logo, name, word, sentence or a combination of these items that companies use to distinguish their product from others in the market and for legal protection, is registered as a trademark.

“**Breach of Contract**” shall mean non-compliance of terms and conditions of the Agreement/NIT/RFQ/RFP and/or non-adherence to the laws of the land.

“**Built-up Area**” shall mean the area allotted for the concession/ license including the thickness of outer wall.

“**Capital Expenditure Plan**” shall mean the capital expenditure plan to be proposed by the applicant as part of its application and in accordance with details as set out in RFQ/RFP/Tender Document.

“**Carpet Area**” shall mean the net usable floor area within the Airport Premises/Terminal excluding the area that is covered by the walls, staircases, lifts, escalators, ducts, toilets, air-conditioning plant room and electrical control rooms, but shall include floor area up to spatial limits covered by walls, pillars, signage, advertisement panels and any other structures erected by the Concessionaire.

“**Change in Law**” shall mean occurrence of any of the following after the bid date:

- a) the enactment of any new Indian law;
- b) the repeal, modification or re-enactment of any existing Indian law;
- c) the commencement of any Indian Law which has not entered into effect until the bid date;
- d) a change in the interpretation or application of any Indian law by a judgment of a court of record which has become final, conclusive and binding, as compared to such interpretation or application by a court of record prior to the bid date; or
- e) any change in the rates of any of the Taxes that have a direct effect on the Project;

“**Chartered Accountant**” shall mean a person practicing in India or a firm whereof all the partners practicing in India as a Chartered Accountant(s) within the meaning of the Chartered Accountants Act, 1949.

“**CHQ**” shall mean Central Headquarters of Airports Authority of India at Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi-110003.

“**Companies Act**” shall mean the (Indian) Companies Act, 2013, and any amendments issued from time to time or any other legislation governing the incorporation and existence of companies in India.

“**Concession**” shall mean the rights granted to a concessionaire pursuant to the execution of concession agreement for designing, developing, setting up, operating, maintaining and managing the Retail/F&B/other facility(ies) at each of the location(s) within Airport



Premises/Terminal and to perform the services as per the terms and conditions of the Concession Agreement.

**“Concession Agreement”** shall mean the agreement to be entered into between Authority and the Concessionaire, pursuant to which the Concessionaire shall be granted the Concession.

**“Concession Fee”** for a particular month shall mean the higher of the following:  
(i) Highest quoted Monthly Guaranteed Amount

OR

(ii) Highest quoted percentage for revenue share of the monthly Net Sales and shall be calculated and payable in the form and manner as set out under the Concession Agreement. It may be in the form of quoted License fees or fixed revenue share, whichever is higher or combination of the both (e.g. Duty paid liquor shop wherein fixed percentage of royalty is charged in addition to monthly concession fees.)

**“Concession Term”** shall mean, in respect of Airport Premises/Terminal, a period as specified in relevant clause of this manual, commencing on the Rent Commencement Date, unless terminated earlier in accordance with the terms and conditions of the Concession Agreement.

**“Concession Year”** shall mean each successive twelve (12) month period during the Concession Term hereof.

**“Concessionaire”** shall mean the Selected Bidder, who is either an individual or company incorporated under the Companies Act, 2013 or undertakes to incorporate as such prior to the execution of Concession Agreement, pursuant to which it shall be granted the Concession.

**“Conflict of Interest”** is a situation in which an Applicant is involved in multiple interests, financial or otherwise, one of which could possibly corrupt the motivation or decision making of that applicant. An applicant shall not have a conflict of interest that affects the bidding process. Any application found to have conflict of interest shall be disqualified.

**“Consortium”** shall mean, a group of entities not exceeding three members comprising of one Lead Member and two other members/entities wherein the share of Lead Member should not be less than 51% and other entities/members each should hold 20% share or more. However, the experience of any of the member of the Consortium can be considered for eligibility criteria. For a detailed understanding of Consortium refer Annexure XXIX.

**“Construction Works”** shall mean all works and things necessary to complete the construction/development of facilities in accordance with the Agreement.

**“Consumer”** shall mean any person who buys any Retail/F&B/Other item for a consideration which has been paid or promised or partly paid and partly promised, or



under any system of deferred payment but does not include a person who obtains such goods for resale or for any commercial purpose.

“**Day**” or “**day**” means a calendar day of twenty-four (24) hours measured from midnight to the next midnight.

“**Drug(s)**” shall have the meaning ascribed thereto in The Drugs and Cosmetics Act, 1940, as amended from time to time.

“**Duty Free Retail Business**” shall mean any commercial undertaking, registered under the Applicable Laws, carrying out the activity of sale of Retail Items in a free Trade zone to ultimate Consumer but does not include any of the activities related to any stage of manufacture, import, processing, packaging, storage, transportation or distribution of Duty Free Items. The non-inclusion of import, storage, transportation or distribution of Duty free items may be re-assessed.

“**Food & Beverage**” or “**F&B**” shall mean any product, whether processed or partially processed, which is intended for human consumption and includes packaged drinking water, alcoholic beverages and non-alcoholic beverages but does not include any animal feed, live animals unless they are prepared or processed for placing on the market for human consumption, plants prior to harvesting, drugs and medicinal products, cosmetics, narcotic or psychotropic substances.

“**Earnest Money Deposit or EMD**” shall mean a bid security amount that all bidders for a license/ concession are required to deposit, along with the bid, which is over and above the tender/RFP/RFQ processing fee.

“**Food & Beverage Business**” shall mean any commercial undertaking, registered under the Applicable Laws, carrying out the activity of sale of F&B Items to any customer and may also include preparation and sale of items at the specified places.

“**F&B Items**” shall mean good quality, non-packaged merchantable and edible/ potable hot and cold beverages, vegetarian and non-vegetarian food items including snacks, fast foods, desserts, packaged (food) beverages, etc. of multiple food cuisines for sale at the F&B Outlets and such other items for the purpose of immediate consumption as may be approved by Authority from time to time.

“**F&B Outlets**” shall mean the food and beverage outlets which are designed (in accordance with the concept design as approved by Authority), developed, set up, operated, maintained and managed by the Concessionaire at the Location(s) within the Airport Premises/Terminal and city side of the Airport in accordance with the provisions of the Concession Agreement for sale of F&B Items.

“**Gestation Period or Development Period**” means the period in respect of each site, commencing on the date of handing/ taking over of the location (which is such a day from the issue of LOIA) and expiring on such day from issue of award of LOIA or the



commencement of business as provided in Chapter - 7.12, whichever is earlier, unless extended by the Authority.

It refers to applicable number of days for specific facility from access date or commencement of business, whichever is earlier.

**“Global Tender”** shall mean the process whereby the Authority shall invite bids for license/concession from applicant/participants globally.

**“Good Industry Practice(s)”** shall mean the practices, methods, techniques, designs, standards, skills, diligence, efficiency, reliability and prudence which are generally and reasonably expected from a reasonably skilled and experienced operator engaged in the same type of undertaking as envisaged under the Concession and which would be expected to result in the performance of its obligations by the Concessionaire in accordance with the Concession Agreement, Applicable Laws and Applicable Permits in reliable, safe, economical and efficient manner.

**“GoI”** shall mean the Government of India and any Agency, Authority (including regulatory authority), Department, Inspectorate, Ministry or Statutory Person (whether autonomous or not) under the control and direction of GoI.

**“GoST”** shall mean the Government of the respective State in which a particular Airport is located and any agency, authority (including regulatory authority), department, inspectorate, ministry or statutory person (whether autonomous or not) under the control and direction of the respective GoST.

**“Governmental Authority”** shall mean any government authority, statutory authority, government department, ministry, secretariat, agency, commission, board, tribunal or court or other law making body/ entity having or purporting to have jurisdiction on the parties to the Agreements, including the GoI or GoST or any other regulatory authority appointed by the GoI or GoST having jurisdiction in relation to the subject matter of the Agreement(s) under Applicable Law, the Bureau of Civil Aviation Security, the Central Industrial Security Force, and shall where appropriate include Authority.

**“Gross Turnover Criteria or GTO”** shall mean the minimum gross turnover requirement a bidder shall fulfill, so as to qualify in the technical bid as per the eligibility criteria of the tender process.

**“Highest Bidder”** shall mean the bidder who is offering the highest quoted revenue share/License fee or both, as applicable.

**“INR”** shall mean Indian Rupee, being the lawful currency of Republic of India.

**“IST”** shall mean Indian Standard Time.

**“Joint Bidding Agreement”** shall mean a substantially binding agreement entered into by the members of the consortium for the purpose of submitting a proposal for the Concession. The Joint Bidding Agreement, to be submitted along with the Proposal.



**“Lead Member”** in respect of a Bidder where the Bidder is a Consortium, shall mean such entity, who shall have the highest equity share holding of at least 51%(fifty one percent of the subscribed and paid up equity of the SPV throughout the concession term.)

**“Letter of Intent to Award”** shall mean the written letter of offer as issued by Authority to the Selected Bidder intimating the acceptance of Selected Bidder’s Bid for the award of the right to execute the Concession, subject to the fulfillment of conditions of award and such other conditions as set out under the Letter of Intent to Award.

**“Licensee”** shall mean an individual/entity which has been granted the right to develop, market, setup, operate, maintain and manage the concession/license as per NIT/Agreement.

**“Mandatory Retail Item(s)”** shall mean Retail Items to be necessarily sold at the Retail Outlet relevant to such Location as per NIT/RFP/RFQ/Agreement.

**“Master Concessionaire”** shall mean the Selected Bidder, who is either a company incorporated under the Companies Act, 2013 or undertakes to incorporate as such prior to the execution of Concession Agreement, pursuant to which it shall be granted the Concession to develop, market, setup, operate, maintain and manage a category of concession viz. general retail, food & beverages, duty free outlets or as may be decided from time to time.

**"Minimum Annual Guarantee" or "MAG"** shall mean, in respect of a particular concession year, the amount defined in the RFQ/RFP/Tender document as the minimum payment for each concession year as per the concession terms.

**"Minimum Monthly Guarantee (MMG)"** shall mean the absolute amount on a monthly basis, computed by dividing MAG for a Concession Year by number of months, i.e. twelve (12).

**“Month”** shall mean a Gregorian calendar month.

**“Net Sales”** shall mean the aggregate of the following amounts:

- a) The total revenue earned at a Retail/F&B/other facility, including from the sale of Items etc. from each of the Locations comprised in Airport Premises/Terminal in a Month and for a lesser period on pro rata basis,
- b) Revenue generated from any promotional activity carried at Retail/F&B/Other facilities (with the prior written consent of Authority) or any other activity as may be permitted by Authority in accordance with the terms of the Concession Agreement;
- c) Any other consideration or benefit in kind received by the Concessionaire in relation to the operation of the Retail/F&B/Other facilities, including any discounts as may be received by the Concessionaire from its suppliers or any such other consideration or benefit;
- d) Any revenues billed and/or accrued and/or received by the Concessionaire; and



- e) Any revenue generated by orders or concession/ license for sales arising from any place other than from the location, but where services are provided, or deliveries are made from the Retail/F&B/other facilities at the location, less applicable government taxes to the extent as included in (a) to (e) above (payable by the concessionaire with respect to the transactions contemplated under the Concession Agreement). However, any government taxes applicable with respect to the grant of right to use the location(s) shall be borne by the Concessionaire and shall not be deducted for the computation of Net Sales.

**“Non-alcoholic Beverages”** shall mean beverages of an alcoholic strength by volume not exceeding 0.5% volume.

**“Non-brand”** shall mean a trade name or trademark, which does not fulfill the criteria of a Brand.

**“Notice Inviting Tender (NIT)”** shall mean a public notice issued in leading daily newspapers(national, local or international, as the case may be) /AAI portal/ CPP e-portal/mailers for invitation of tenders and contains detailed information of license/ concession, tender document, important dates, terms & conditions etc.

**“Outstanding Dues”** shall have the meaning of dues payable by the individual/entity to Authority which are lying outstanding on 21<sup>st</sup> day of each calendar month. However, for participating in any tender of AAI, the concessionaire/licensee has to submit no dues certificate for the preceding quarter.

**“Outlet”** means a location/ area from where the licensee/concessionaire operates, manage and develop the facility (ies) and having minimum 50 sqft.

**“Open Tender”** shall mean a tender wherein there are minimum two (02) responses from two (02) different tenderers are received.

**“Qualification Stage”** shall mean the first stage (the "Qualification Stage") of the process involving qualification of interested parties /consortia who make an Application in accordance with the provisions of RFQ/RFP/Tender Document.

**“Rent Commencement Date”** shall mean:

- (i) The date when concessionaire opens for business in the respective location within the Airport Premises/Terminal and/or city side of the Airport;

OR,

- (ii) The date that is thirty/sixty/ninety (30/60/90) days after the respective Access Date for a Location, whichever is earlier.

**“Retail Business”** shall mean any commercial undertaking, registered under the applicable laws, carrying out the activity of sale of retail items to ultimate consumer at the specified places.



**“Retail Items”** shall mean products such as apparel, books, pre-packaged foods/ confectionary items like chips, chocolates, candies etc. and so on as defined by the authority to be made available for sale at the retail outlet;

**“Retail Outlets”** shall mean the outlets which are designed, developed and setup by the concessionaire for the sale of retail items. The concessionaire needs to submit outlet layout and concept design drawings and master plan including size, branding, signage, display details etc.

**“RHQ”** shall mean of the Regional Headquarters of Airports Authority of India viz. Northern, Western, Southern, Eastern and North Eastern region.

**“Selected Bidder”** shall mean the Bidder selected by Authority, pursuant to the Bid Process and to whom the Letter of Intent to Award the Concession is to be issued.

**“Services”** shall mean activities in Retail/F&B/ other items and/or offering services related to or incidental thereto or as may be approved by Authority from time to time, to be provided to the Airport Users at the Location(s).

**“Single Tender”** shall mean a tender wherein only one response is received.

**“Special Purpose Vehicle”** shall mean a company constituted by the Selected Bidder under the (Indian) Companies Act, 2013 and modified from time to time for the purpose of executing the Concession Agreement with the Authority.

**“Space Rent”** shall mean, with respect to an Airport Premises/Terminal, the amount so fixed by the Authority from time to time to be the rent payable by the airport users for the use of service area within / outside such Terminal.

**“Terminal”** shall mean, with respect to an airport, Domestic Terminal and/or International Terminal, as the case may be.

**“Terminal Commercial Operations Date (TCOD)”** shall mean the date as may be intimated by Authority for the commencement of commercial operations of the Terminal.

**“Threshold Eligibility Criteria”** shall mean the minimum eligibility criteria as prescribed in Chapter 7.1, to be satisfied by an applicant (in case of Consortium, the lead member), to be eligible for pre- qualification and short-listing in terms hereof.

Note: In case any day mentioned in RFQ/RFP/Tender document happens to be a holiday in India, then the next working day will be considered.

**THE WORDS AND EXPRESSIONS BEGINNING WITH CAPITAL LETTERS AND DEFINED IN THIS DOCUMENT SHALL, UNLESS REPUGNANT TO THE CONTEXT, HAVE THE MEANING ASCRIBED THERETO HEREIN.**

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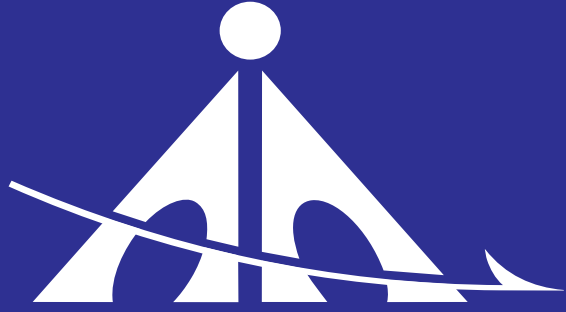




# NOTE

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भारतीय विमानपत्तन प्राधिकरण  
AIRPORTS AUTHORITY OF INDIA

भारतीय विमानपत्तन प्राधिकरण, राजीव गांधी भवन, सफदरजंग हवाईअड्डा, नई दिल्ली-110003  
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