



Ref. No.: AAI/RCS-3/HAPL/1/2019

Date: 08.03.2019

To,

M/s Heritage Aviation Pvt. Ltd.  
506, 5th Floor, Bhikaji Cama  
Bhawan, Bhikaji Cama Place,  
New Delhi 110 066.

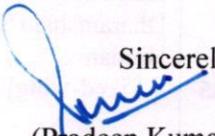
**Subject:** Letter of Award ("LOA") for the selected airline operator under the Regional Connectivity Scheme ("RCS") - UDAN in 3rd round of bidding for operation of RCS Flights on RCS/ Network of; "*Hindan-Shimla-Chandigarh-Pantnagar-Lucknow-Pantnagar-Chandigarh-Shimla-Kullu-Shimla-Dharamshala-Shimla-Hindan*"

**Reference:** i. Letter of Intent issued on 25/01/2019 and

Sir(s),

1. This is with reference to your Proposal (Last date of submission; 18/12/2018/28/12/2018) for operating as the selected airline operator under the RCS as provided in Annexure-A of this LOA ("**Proposal**"), submitted pursuant to the Notice Inviting Proposal for Selection of Airline Operators [dated 2<sup>nd</sup> November, 2018 and Corrigendum/Revisions issued from time to time] ("**NIP**") issued by the Airports Authority of India ("**Authority**"), acting as the implementing agency on behalf of Ministry of Civil Aviation, Government of India.
2. Your proposal has been accepted by the competent authority for above cited RCS Routes/Network and you have been identified as the Selected Airline Operator (SAO). Letter of Intent issued on 25/01/2019.
3. Under the terms of the NIP, you are required to submit the following to the Authority:
  - a) Duly executed Selected Airline Operator Agreement in the format prescribed in Annexure-X of the NIP ("**SAOA**"); and
  - b) Performance Guarantee, in the format prescribed in Annexure-VI of the NIP, for an amount equivalent to INR - 64,00,920/- (Rupees Sixty Four Lakh Nine Hundred Twenty Only) on or before the execution of the SAO Agreement.

4. The actions specified in paragraph 3 above, are required to be completed within 6(six) months from issue the date of issue of letter of Intent.
5. Additionally, please note the following remarks pertaining to the proposal submitted by you:
  - a) SAO shall commence RCS flights of this proposal within 6(six) months from the date of issue of LOI unless extension is granted by Implementing Agency.
  - b) Commencement of RCS flights is subject to the consent of airport operator like; Defence, PSU and Private to provide the concessions /supports under the Scheme;
  - c) Indexation for Airfare Cap & Maximum Airfare and VGF Cap &VGF sought, for each RCS seat shall be applicable as per RCS Version 3.0, October, 2018
  - d) It is deemed that SAO has conducted all due diligence (refer para- 3.4.3 of the Scheme); and
  - e) LoA is subject to confirmation of Proposal Security BG by the issuing bank.
6. You are requested to comply with the all provisions of NIP.
7. You are requested to sign and return the duplicate copy of this LOA to the office of the undersigned, as acknowledgement of this LOA, latest within 5 (five) days of the receipt of this LOA.

  
Sincerely,  
(Pradeep Kumar)  
General Manager (Engg.-RCS)  
For and on behalf of the Chairman  
Airports Authority of India

Enclosure: -Annexure-A

Copy to:

1. Chairman, Airports Authority of India, (e-mail [chairman@aai.aero](mailto:chairman@aai.aero));
2. Joint Secretary(UP), Ministry of Civil Aviation, (e-mail; [usha.padhee@nic.in](mailto:usha.padhee@nic.in));
3. Director General Civil Aviation, (e-mail; [dgca@nic.in](mailto:dgca@nic.in)) : SAO has been granted three years of exclusivity on RCS Routes as per RCS Version 3.0. Therefore, RCS route as per Annexure-A, may not be considered to allotment to other airline(s);
4. Director General BCAS (e-mail; [dg.bcas@gov.in](mailto:dg.bcas@gov.in));
5. General Manager (IT) may upload the LoA on AAI website.

Technical Details									Financial Details			
Sr No	Network	Applicant - Initial / Counter Bidder	RCS Routes	Stage Length (KM)	Seating capacity of the proposed aircraft type	RCS Flight Capacity	No of RCS Seats	No of Flights per week	Applicable VGF Cap	VGF per RCS Seat sought (Rs)	All-inclusive maximum airfare for an RCS Seat (Rs)	Applicable Airfare Cap
<b>HERITAGE AVIATION</b>												
85	Hindan Shimla Chandigarh Pantnagar Lucknow Pantnagar Chandigarh Shimla Kullu Shimla Dharamshala Shimla Hindan [ Fixed-wing]	Initial	Shimla To Chandigarh	52	9	9	9	7	1,303	1,300	1,504	1,504
			Chandigarh To Pantnagar	352	9	9	9	7	5,252	5,250	2,195	2,197
			Pantnagar To Lucknow	180	9	9	9	7	3,207	3,205	1,585	1,589
			Lucknow To Pantnagar	289	9	9	9	7	4,380	4,380	1,930	1,931
			Pantnagar To Chandigarh	352	9	9	9	7	5,252	5,250	2,195	2,197
			Chandigarh To Shimla	52	9	9	9	7	1,303	1,300	1,500	1,504
			Shimla To Kullu	89	9	9	9	7	1,745	1,745	1,500	1,504
			Kullu To Shimla	89	9	9	9	7	1,745	1,745	1,500	1,504
			Shimla To Dharamshala	178	9	9	9	7	3,207	2,615	1,585	1,589
			Dharamshala To Shimla	143	9	9	9	7	2,618	2,615	1,500	1,504
			Shimla To Hindan	294	9	9	9	7	4,380	2,615	1,930	1,931
			Hindan To Shimla	294	9	9	9	7	4,380	2,615	1,930	1,931
			Hindan to Shimla inadvertently declared Non-RCS during validation of Stage Length									