

AIRPORTS AUTHORITY OF INDIA

Request for Proposal (RFP) To Develop, Operate and Maintain Duty-Free Outlets

PUNE AIRPORT



E-bid No. (Tender ID No.): 2025_AAI_259696_1

19.12.2025

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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 <https://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/eprocure/app?page=HelpForContractors&service=page>

Bidders Manual Kit available for download at the hyperlink given below: <https://etenders.gov.in/eprocure/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

1. For any technical related queries please call the Helpdesk. The 24 x 7 Help Desk Number 0120-4711 508, 0120- 4001 002, 0120-4001 005, 0120-6277 787. International Bidders are requested to prefix 91 as country code. 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 the tender(s) published kindly contact the respective Tender Inviting Authority.

Tel: 0120-4711 508, 0120-4001 002, 0120-4001 005, 0120-6277 787

E-Mail: 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

3. For any queries related to bid submission date extension, EMD, eligibility criteria, technical specifications etc. The bidder may please contact the concerned Bid Manger as mentioned in the tender document.

4. For any technical Issues / Clarifications relating to the publishing and submission of AAI tender(s)

a. 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(CPPP).

b. 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".

5. In case of any technical issues faced, the escalation matrix is as mentioned below:

S. No.	Support Persons	Escalation Matrix	E-Mail Address	Contact Numbers	Timings*
1	Technical Help Desk Team	Instant Support	eprochelp@aai.aero	011-24632950, Ext-3512	0800-2000 Hrs. (MON - SAT)
2.	Mr. Gamit Vaibhav Manek ji bhai AM(IT)	After 4 Hrs. of Issue	etendersupport@aai.aero or vaibhav_g@aai.aero	011-24632950, Ext-3523	0930-1800 Hrs. (MON-FRI)
3.	Sh. Amit Mishra, Sr. Manager. (IT)	After 12 Hrs.	amitmishra@aai.aero	011-24632950 Ext. 3520	0930-1800 Hrs. (MON-FRI)
4.	Sh. Sunil Kumar Jt. GM (IT)	After 24 Hrs	sunil.km@aai.aero	011-24632950	0930-1800 Hrs. (MON-FRI)
5.	General Manager(IT)	After 03 Days	gmit@aai.aero	011-24657900	0930-1800 Hrs. (MON-FRI)
6	Bid Manager	After 04 days	comml.pune@aai.aero	9966703254	0930-1800 Hrs. (MON-FRI)

***The Helpdesk services shall remain closed on all Govt. Gazetted Holidays.**

6. 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.

Salient points about the CPP Portal

1. The bidders should enroll in <https://etenders.gov.in/> to carry out the procurement activities.
 - (a) Bidders have to enroll themselves to the portal by following the bidder's guide for enrollment to the portal.
2. Entry will be through two factor login i.e. User id & password followed by the login through DSC.
3. Portal allows multi- cover tenders, Limited Tender, Offline payment (Tender fees, EMD) and online bid submission and other important clauses as necessary.
4. 2-BOT: First cover (Fees, Pre-Qualification, Technical bid), second cover is Financial bid.
5. Last date/time of sale of tender and last date/time of submission of tender are same by default.
6. Only first-cover and financial -bid cover opening dates can be published. System generated e-mail/SMS shall be sent to bidders only at the time of first-cover opening and financial-bid opening. However, accept/reject message to bidders at various stages goes by SMS/E-mail. Bidder is informed by mail/SMS about the result after every level of evaluation.
7. The date for receiving clarifications can be extended by giving corrigendum only if the

submission start date and time is not crossed/over.

8. The bidders can see the recommendations after every stage under “tender status” bringing in transparency in the procurement process.

9. Bidders can resubmit the bid any number of times. Bidder can also withdraw the bid.

10. Award of the contract can be viewed under “Results of the tender” in the site.

11. BOQ Template selection should be properly done as per the tender requirement. BOQ Template can be selected on the basis of following points:

(a) Item Rate BOQ Template

i. This BOQ may be used, where department is carrying out overall value based Evaluation as well as bind the vendor to quote each and every item.

ii. From contractor/ bidder side, this BOQ receives only Bidder Name and Basic/ Unit rate (“Inclusive of all Taxes” or “Exclusive of all Taxes”) in M Column only. Formula has to be applied on BA Column. Price comparative statement shall be calculated based on BA Column.

iii. Using this sheet, system generates comparative chart indicating H1, H2..., H (n) against each item as well as on overall value.

(b) Item Wise BOQ Template

i. Item wise BOQ may be used where department is carrying out Item Wise Evaluation.

ii. Always get Basic /Unit rate in M column only.

iii. Always get Total Amount without Tax in BA Column only. i.e. Qty. X Basic Price.

iv. Always get Total Amount with Tax in BB Column only.

v. Using this sheet, system gives comparative chart on L1 (With Tax and Without Tax both) based on item wise as well as overall value.

(c) The details regarding other BOQ Templates (i.e. Percentage BOQ, Item Wise BOQ open for L1/H1, Item Wise Form Based BOQ, BOQ Mixed Template, BOQ Multicurrency Template) is available at

<ftp://ftp.aai.aero/eProcurement%20Manuals%20CPPP/>

12. Web-learning session on CPPP and the monthly calendar of web-learning session is available at <https://eprocure.gov.in/cppp/trainingdisp>

13. Utmost care needs to be taken while DSC mapping in CPPP. User's -id should be mapped with his/her own DSC. In case, somebody's DSC is mapped with some other user-id, it cannot be reverted back.

14. For any other queries refer to FAQ <https://etenders.gov.in/eprocure/app;jsessionid=8A3ED198A88B9B9373FF273CFBC8AE80.cppsugp1?page=FAQFrontEnd&service=page>.

15. It is recommended to upload the drawings in .dwf format. Auto Cad DWF Viewer is an Open Source software available on <http://usa.autodesk.com/design-review>.

16. Revised Circular and guidelines on reverse/forward auction are available at <ftp://ftp.aai.aero/eProcurement%20Manuals%20CPPP/Reverse%20Auction%20Guidelines/>

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DISCLAIMER

The information contained in this Request for Proposal document (the “RFP”) or subsequently provided to Bidder(s), whether in documentary or any other form, by or on behalf of the Authority, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is neither an agreement nor an offer by the Authority but an invitation to the prospective Bidders or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in the formulation of their Proposal for Selection pursuant to this RFP (the “Proposal”). This RFP includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the Concession. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP 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 RFP. The assumptions, assessments, statements and information contained in this RFP may not be complete, accurate, adequate or correct. Each Bidder 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 RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Bidder(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 Bidder, 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 RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way with pre-qualification of Bidders 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 Bidder upon the statements contained in this RFP.

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 RFP.

The issue of this RFP does not imply that the Authority is bound to appoint a Selected Bidder or Concessionaire, as the case may be, for the Concession and the Authority reserves the right to reject all or any of the Proposals without assigning any reasons whatsoever.

The Bidder shall bear all its costs Affiliated with or relating to the preparation and submission of its Proposal including but not limited to preparation, copying, postage, delivery fees, expenses Affiliated with any demonstrations or presentations which may be required by the Authority or any other costs incurred in connection with or relating to its Proposal. All such costs and expenses will remain with the Bidder and the Authority shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Proposal, regardless of the conduct or outcome of the Bidding Process.

The Bidder shall be wholly responsible for any statements/documents/ records, etc. submitted pursuant to this RFP and ensure accuracy thereof. The Authority or its employees shall accept no responsibility or liability for any deficiency that may be made by the bidder. Any false declaration made by the Bidder shall invite action as may be decided by the Authority including termination, debar, forfeiture of EMD and/or Security Deposit. The Bidder shall also indemnify the Authority and its employees from actions arising out of this RFP.

DEFINITIONS AND INTERPRETATIONS

In this RFP, the following expressions shall have the meaning stated herein:

“Access Date” for Concessionaire Managed Locations shall mean the date on which the Concessionaire is handed over physical possession of any or all of the Location(s) designated in the RFP (after completion of the contractual formalities like acceptance of the LOIA, submission of security deposit, signing of agreement, etc.) within the Business Incubation Period and after issuance of the Handover Notification by the Authority for such Location. In case the Selected Bidder fails to take over Concessionaire Managed Locations within the 60 (Sixty) days of LOIA, the 61st day from LOIA shall be deemed to be the access date.

“Addendum / Corrigendum” shall mean any written amendment to this RFP, from time to time issued by Authority in accordance with **Clause-2.11** hereof.

“Affiliate” means, in relation to any Bidder or Member, a person who controls, is controlled by, or is under the common control with such Bidder or Member. As used in this definition, the expression “control” means: **(a)** with respect to a company, corporation or limited liability partnership the ownership, directly or indirectly, of more than 50% (fifty percent) of the economic or voting rights of such person, or **(b)** with respect to a person which is not a company, corporation or limited liability partnership, the power to direct the management and policies of such Person.

“Aggregate Carpet Area” shall mean the aggregate of Carpet Area of all Original Concessionaire Managed Locations covered in a Concession.

“Airport” shall mean Pune Airport located at Pune, Maharashtra and includes all its land, buildings, equipment, facilities and systems.

“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, the passengers and flight crewmembers of airlines.

“Allied Firm” shall mean All concerns/entities which come within the sphere of effective influence of the debarred firms shall be treated as allied firms. Further, for determining the ‘Allied Firms’ of debarred Agency, the following factors may be taken into consideration:

- a. Whether the management is common;
- b. Majority interest in the management is held by the partners or directors of banned/suspended firm;
- c. Substantial or majority shares are owned by the banned/suspended/debarred firm and by virtue of this, it has a controlling voice.
- d. Directly or indirectly controls, or is controlled by, or is under common control with another bidder.

e. All successor firm will also be considered as allied firms.

“Alternate Concessionaire Managed Location(s)” shall have the meaning ascribed to it under **Clause 2.3.1** of the draft Concession Agreement.

"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, licences, permits, authorisations, 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 Concession, for or in respect of the draft 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 this RFP or the Agreement, including any third party approvals as may be required by the Concessionaire/Selected Bidder.

“Annual Escalation of MMG and Rate per International Passenger” shall have the meaning as ascribed under **Clause 10.2.2**.

“Authority” shall mean the Airports Authority of India constituted under Airports Authority of India Act, 1994, including any amendment / re-enactment thereof.

“BCAS” shall mean Bureau of Civil Aviation Security and its branch offices having jurisdiction over Airport of Concession.

“Bid Process” shall mean the bidding and selection process as detailed in this RFP.

“Bidder” shall mean a sole entity or a Consortium of entities, submitting a proposal pursuant to this RFP.

“Bidding Documents” shall mean a collective reference to this RFP including any modifications, addenda, corrigenda, alterations, amendments and clarifications to the RFP, the draft Concession Agreement, and all other agreements and documents executed between the Authority and the Concessionaire from time to time, in relation to the Concession and shall include any guarantees and undertakings executed in favour of the Authority in relation to this Concession.

“Business Incubation Period” shall mean a period of **Sixty (60) days** from the date of issue of LOIA to the Concessionaire. The Selected Bidder will be under obligation during this period to complete the formalities and meet the obligations as specified in this RFP and draft Concession Agreement. Refer **Clause 4.2** of this RFP for more details.

“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.

“Common Area Maintenance (CAM) Charges” shall mean the charges payable by the Concessionaire to Authority for each of the Concessionaire Managed Location(s), Office, Warehouse, service area occupied in the Airport premises with effect from the Access Date, at a rate of 10% (ten percent) of the Space Rent, as applicable and as may be notified by the Authority from time to time.

“Companies Act” shall mean the (Indian) Companies Act, 2013, any amendments or re-enactments thereto or any other legislation governing the incorporation and existence of companies in India.

“Concession” shall have the meaning ascribed to the term in **Clause 2.1.1** of the draft Concession Agreement.

“Concession Agreement” shall mean the agreement to be entered into between the Authority and the Concessionaire (Selected Bidder), as per the format set out in Appendix-III, pursuant to which the Concessionaire (Selected Bidder) shall be granted the Concession.

“Concession Fee” shall have the meaning as ascribed in **Article 10** of the draft Concession Agreement.

“Concession Fee Commencement Date” shall mean the 61st day from the start date of Gestation Period or the commencement of the business, whichever is earlier, unless extended by the Authority.

“Concession Fee Holiday Period” would mean a period whereby the Airport Operations are suspended for operational/civil unrest/ natural calamities or any other requirements. The “Concessionaire” defined herein would be entitled to proportionate rebate in the payment of concession fee.

“Concession Term” shall mean, a period of Seven (07) years commencing from the Concession Fee Commencement Date, unless terminated earlier in accordance with the terms and conditions of the Concession Agreement.

“Concession Year” shall mean each successive twelve (12) months period during the Concession Term starting from concession fee commencement date.

“Concessionaire” shall mean the Selected Bidder (where the Selected Bidder is a Consortium, the Special Purpose Vehicle constituted by the Selected Bidder under

the (Indian) Companies Act, 2013), who executes the Concession Agreement for Developing, Operating and Maintaining Duty Free outlets, with the Authority.

“Concessionaire Managed Locations” shall mean the locations of Concessioned Premises (Duty Free outlets) handed over to the Concessionaire as per the provisions of the draft Concession Agreement/RFP.

“Concessionaire Managed Locations Layout Plan” shall mean the detailed location plan of positioning of Duty-Free outlets within the Concessionaire Managed Locations in the Airport, its size and associated arrangements as submitted by the Concessionaire based on its business prospects and approved by the Authority.

In addition, Warehouse area, Service area, if any, shall also form a part of this layout plan.

“Concessionaire Managed Locations Layout Plan Approval Protocol” shall mean the methodology and limitations for approving the Concessionaire Managed Locations Layout Plan by the Authority, as further detailed in **Clause 4.2.1 (g)** of this RFP.

“Concessioned Premises” shall mean the Duty-Free outlets which are designed, developed, set up, operated, maintained and managed by the Concessionaire at the Location(s) within the terminal of the Airport as per the approved layout plan, in accordance with the provisions of the draft Concession Agreement/RFP for sale of Duty Free Items.

“Condition of Award” shall mean the conditions as specified in **Chapter- 4** of RFP, to be fulfilled by the Selected Bidder(s), for the award of Concession.

“Conflict of Interest” shall have the meaning as ascribed to the term in **Clause- 2.2.1(c)** of this RFP.

“Consortium” shall mean a group of entities not exceeding three, coming together to submit a Proposal.

“Construction Works” shall mean all works and things necessary to complete the construction/development of Duty-Free Outlets in accordance with this Agreement.

“Corporate Guarantee” shall mean the corporate guarantee(s) in the format prescribed in Schedule-I of the draft Concession Agreement, to be issued by Selected Bidder (in case of the Consortium, the Lead Member) and / or its Affiliates, fulfilling the Threshold Eligibility Criteria.

“CPP Portal” shall mean the NIC CPP E-Tendering Portal at <https://etenders.gov.in/eprocure/app>.

“Displaced Concessionaire Managed Locations” shall mean an originally approved location ordered to be relocated at an Alternate location by Authority to meet its requirements. In such an event the Concessionaire would be entitled to a notice period of one month (30 days) and a Resurrection Period of Thirty (30) days

as already defined herein after the date of communication of approval of Alternate Concessionaire Managed Locations. All the cost associated with such relocations shall be borne by the Concessionaire.

“**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 Retail Items.

“**Duty-Free Retail Item(s) or Duty-Free Item(s)**” shall mean items for consumption to be sold at the Duty-Free Retail Outlets in accordance with the provisions hereof and as more particularly set out under **Clause 2.4.6 of Article-2** of the draft Concession agreement, and such other items as may be approved by the Authority and/or Central Board of Excise and Customs, Govt. of India (GoI) from time to time.

“**Duty-Free Retail Outlets or Duty-Free Outlets**” shall mean the Duty-Free Retail outlets which are designed (as approved by Authority), developed, operated and maintained by the Concessionaire at the Concessionaire Managed Location(s) in accordance with the provisions of the Concession Agreement for sale of Duty-Free Retail Items.

“**Earnest Money Deposit (EMD)**” shall mean a specified amount to be deposited by each Bidder with Authority in accordance with **Clause 2.21** of this RFP hereof.

“**Electricity Charges**” shall mean the charges for the actual usage of electricity at the rate as applicable and as may be notified by the Authority from time to time, payable by the Concessionaire to Authority or any other agency appointed by Authority in this regard

“**Encumbrances**” means, in relation to the Airport or the Concessionaire Managed Locations or, any encumbrances such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment, privilege or priority of any kind having the effect of security or other such obligations, and shall include any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the Airport or the Concessionaire Managed Locations, where applicable herein.

“**Equity Capital**” shall mean the sum expressed in Indian Rupees representing the paid up equity share capital of the Concessionaire, and for the purposes of this Agreement shall include convertible instruments or other similar forms of capital, which shall compulsorily convert into equity share capital of the Concessionaire;

“Financial Proposal” shall mean the binding and final financial offer to be submitted by each Bidder online in the CPP Portal only. The quote in physical form or in electronic form as a document need not be submitted along with technical bid documents.

“Free Trade Zone” shall mean an area free from domestic tariff and located within an airport terminal, seaport or land port, notified as a Custom Station.

“Gestation Period” shall mean a period commencing on the Access Date in respect of Concessionaire Managed Location(s) and expiring on the **60th day** from Access Date of Concessionaire Managed Location(s) or commencement of business whichever is earlier, unless extended in writing by the Authority.

“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.

“Government of India (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 respective state and any agency, authority (including regulatory authority), department, inspectorate, ministry or statutory person (whether autonomous or not) under the control and direction of 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 Agreements under Applicable Law, the Bureau of Civil Aviation Security, the Central Industrial Security Force, and shall where appropriate include Authority.

“GST” shall mean the Goods and Services Tax or any other tax that replaces the Goods and Services Tax in future.

“Handover Notification” shall mean a notification issued by the Authority to the Concessionaire with respect to each location informing the Concessionaire of the readiness of such location for handing over, provided that no such notification shall be issued before the signing of the Concession Agreement.

“Highest Bidder” shall mean the Qualified Bidder who has offered the most competitive financial proposal (i.e. quoted highest “Rate Per International Passenger”) to the Authority in Bid process.

“INR or Rupees” shall mean Indian Rupee, being the lawful currency of Republic of India.

“IST” shall mean Indian Standard Time.

“Joint Bidding Agreement” shall have the meaning ascribed to the term in **Clause 2.2.2 (e)** of this RFP.

“Lead Member” in respect of a Bidder where the Bidder is a Consortium, shall mean such entity, which is named and identified as such in the Proposal and as described in **Clause 2.2.2 (c)** of this RFP.

“Letter of Intent to Award (LOIA)” shall mean the written notice issued by Authority to the Selected Bidder intimating the acceptance of its Financial Proposal for the award of the right to execute the Concession, subject to the fulfilment of Conditions of Award and such other conditions as set out under the Letter of Intent to Award and RFP.

“Mandatory Retail Item(s)” shall mean, items for consumption to be necessarily sold at the Duty-Free Retail Outlet relevant to such Concessionaire Managed Location, as more particularly set out under **Clause 2.4.6 of Article 2** of the draft Concession Agreement of this RFP, and such other items as may be prescribed by the Authority from time to time.

“Minimum Monthly Guarantee (MMG)” shall mean the absolute amount as mentioned in Clause 1.1.1 of this RFP.

“Minimum Lock in Period” shall have the meaning as ascribed to it in **Clause 1.1.4** of this RFP.

“Month” shall mean a Gregorian calendar month and, for all calculations, would be considered to be constituted of thirty (30) days.

“Nodal Office” would mean the Department of Commercial at the Airport of concession.

“Notice of Dissatisfaction” shall mean a written notice of thirty (30) days served in writing by Authority/Concessionaire on the other, specifically highlighting the instances which bring out specifically the deficient discharge of obligations (Events of default) as provided in the “Concession Agreement” and especially the instance (s) of Unsatisfactory Performance as defined therein.

“Notice of Termination of Concession Agreement” – As per provisions of Article-19 (Termination)

“Original Concessionaire Managed Location(s)” shall mean the Concessionaire Managed Locations as physically handed over as listed in **Schedule-A** of the Concession Agreement hereof.

“Outstanding Dues” shall have the meaning ascribed to the term in **Clause 2.2.1(d)** of this RFP.

“Passenger Data” shall mean the passenger data provided by Authority as per **Appendix-II** to this RFP.

“Proposal” shall mean the Technical Proposal and Financial Proposal to be submitted by each Bidder pursuant to this Request for Proposal (RFP) in the forms provided hereto.

“Proposal (Bid) Due Date” shall have the meaning ascribed to the term in **Clause 2.15** of this RFP.

“Proposal Validity Period” shall have the meaning ascribed to the term in **Clause 2.18** of this RFP.

“Qualified Bidder(s)” shall mean the Bidder(s) who, after evaluation of their Technical Proposal as per **Clause 3.3** of this RFP, stand qualified and eligible for opening and evaluation of their Financial Proposal.

“Request for Proposals or RFP” shall have the meaning ascribed to the term in Clause 1.2 of RFP.

“Selected Bidder” shall mean the Highest Bidder whose Financial Bid is found to be the highest upon opening of the Financial Bids of the Qualified Bidders and is therefore selected by the Authority pursuant to the terms of this RFP and to whom the Letter of Intent to Award the Concession is issued.

“Security Deposit” shall mean, the interest free security deposit to be furnished and maintained by the Concessionaire to Authority, at all times during the Concession Term, in the manner as set out herein and in the **Article 7** of the draft Concession Agreement.

“Selection Process” shall mean the selection process detailed in Chapter 3 of this RFP.

“Service Area” shall mean any storage area including a remote warehouse, (which may be located at Airport) as Authority may allow access to pursuant to the grant of Concession and accepted by the Concessionaire in relation to implementing the Concession.

“Service Standards” shall mean the standards, requirements and / or parameters in connection with the provision of Services that Authority may determine in its sole discretion from time to time.

“Services” shall mean the provision of Duty-Free Retail Items and other 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 Concessionaire Managed Location(s) by the Concessionaire.

“**SHA**” shall mean the Security Hold Area of the Airport.

“**Space Rent**” shall mean, with respect to the airport, the amount so notified by the Authority from time to time to be the rent payable by the concessionaire for use of the Service Area/Warehouse area etc. at the airport.

“**Special Purpose Vehicle**” shall mean a company constituted by the Selected Bidder under the (Indian) Companies Act, 2013 for the purpose of executing the Concession Agreement with the Authority.

“**Taxes**” means all applicable taxes whether national, local or foreign, on gross income, gross receipts, sales, use, ad valorem, capital gains, transfer, withholding tax; duties of custom and excise, GST, stamp duty or other taxes, fees, assessments or charges of any kind whatsoever, together with any interest and any fines, penalties, additions to tax or additional amount with respect thereto and “Taxation” or “Tax” shall have a corresponding meaning. Taxes shall not include taxes on corporate income.

“**Technical Proposal**” shall mean the proposal to be submitted by each Bidder as part of the Proposal in the forms provided in compliance with this RFP.

“**Terminal**” shall mean, with respect to the Pune Airport shall mean Terminal Building, Pune Airport, Pune or, as the case may be.

“**Threshold Eligibility Criteria**” shall mean the minimum eligibility criteria as prescribed in **Clause 2.2.3** of RFP hereof, to be satisfied by Bidder (in case of the Consortium, the Lead Member) and / or its Affiliates, to be eligible for prequalification and shortlisting in terms hereof.

“**Tied Bidders**” shall have the meaning ascribed to the term in **Clause 3.4.5** of this RFP.

“**Utility Charges**” shall mean the charges for the usage of electricity, water, sewerage, data/voice communication and other analogous utilities at the Concessionaire Managed Location(s) and Warehouse / Service Area(s), at the rate prescribed by the Authority and payable by the Concessionaire to the Authority or any other agency appointed by Authority in this regard, for actual usage to be metered.

“**USD**” shall mean United States Dollar, being the lawful currency of United States of America and its overseas territories.

2. Interpretation

- a) Reference to Clauses, Sections, or Annexures is reference to Clauses, Sections, Recitals and Annexures of this RFP.

- b) For the purpose of this RFP, where the context so admits, the singular shall be deemed to include the plural and vice-versa.
- c) Except where the context requires otherwise, references to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted or as their application is modified by other provisions (whether before or after the date hereof) from time to time.
- d) The Annexures of this RFP shall form an integral part of the RFP and shall be read along with the RFP.
- e) The descriptive headings of Articles, Chapters and Sections are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of this RFP;

Note: In case any day mentioned in this RFP happens to be a holiday, in India, 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.

CHAPTER 1. INTRODUCTION

1.1 General Information

1.1.1. The Airports Authority of India (the “**Authority**”) is engaged in the development, operations and maintenance of airports in India and as part of this endeavour, the Authority construct, operate, maintain and enhance the facilities at Pune Airport located at Pune in the state of Maharashtra. Authority intends to grant Concession for the Development, Operation and Maintenance of Duty-Free Retail Outlets (the “Concession”) at designated Concessionaire Managed Locations within the Airport, and has decided to carry out the competitive bidding process for selection of a Bidder to whom the Concession may be awarded (the “Concessionaire”). Brief particulars of the Concession as follows:

Name of the concession	Develop, Operate and Maintain Duty-Free Outlets at Pune Airport
Term of Concession	Seven (07) years
Area for Duty-Free Outlets [Detailed in Schedule-A]	188 square meter (approx.)
Minimum Monthly Guarantee (MMG) (in USD)	USD 20,983
Minimum Rate per International passenger (Arriving + Departing) (in USD) [Bidding parameter]	USD 0.85
Type of Concession	“Quoted rate per International passenger” x “Number of International passenger (arriving + departing)” per month or Minimum Monthly Guarantee (MMG) amount, whichever is higher plus applicable taxes and charges.

Note: -

- i. **Bidding will be done on “Minimum Rate per International passenger (Arriving + Departing)” as prescribed in the table above.**
- ii. Highest quote / offer equal to and above “Minimum Rate Per International Passenger (Arriving + Departing)” shall be the sole parameter for selection of highest bidder amongst the qualified bidders.
- iii. Offers below “Minimum Rate Per International Passenger (Arriving + Departing)” will not be considered for award.

- iv. **Payable monthly Concession Fee:** Monthly concession fee will be equal to :- “the quoted Rate Per International Passenger X Number of International Passengers (Arriving + Departing)” OR “Minimum Monthly Guarantee (MMG)”, whichever is higher plus applicable taxes and charges.

For more details on Monthly Concession fee and applicable annual escalation thereon, **Article – 10** of draft concession agreement of this RFP may be referred.

1.1.2. The Authority intends to qualify and shortlist eligible Bidders who have the Technical Capacity and Financial Capacity as specified in Clause 3.3.4 of this RFP (the Qualified Bidders). The Financial Bids of only the Qualified Bidders will be evaluated. The Bidder to whom the Concession is awarded (“Selected Bidder”) shall incorporate an SPV under the (Indian) Companies Act, 2013 if it is constituted of a consortium. The Selected Bidder, or its aforesaid SPV, (the “Concessionaire”) shall execute the Concession Agreement with the Authority in the form provided as part of the Bidding Documents pursuant hereto. The Concessionaire shall be responsible for implementing the Concession in accordance with the Concession Agreement to be entered into between the Concessionaire and Authority in the form provided as part of the Bidding Documents pursuant hereto. The draft Concession Agreement sets forth the detailed terms and conditions for implementation of the Concession including the rights and obligations of the Authority and the Concessionaire in respect of the Concession.

1.1.3. The scope of Concession would broadly include development, operation and maintenance of Duty-Free Outlets at the Airport and the operation and maintenance thereof.

1.1.4. The Concessionaire will have to operate the Concession for a minimum period of 511 days (20% of concession term) (“Minimum Lock in Period”) i.e., 20% of the Concession Term and serve requisite Notice period of 120 days after completion of minimum Lock-in Period, failing which the Bidder shall be liable to be debarred for a period of one (1) year or as may be decided by the Authority from participating in any bidding process of the Authority. Apart from the debarring process, the Authority shall be entitled to forfeit and appropriate the Security Deposit, equivalent to 3 months current License fee / MMG / Concession Fee / Quoted Monthly Guarantee shall be levied on the Licensee.

The debarment shall also apply to the ‘allied firms’ of the debarred agency. In case Joint venture/Consortium is debarred, all partners/members of such JV/Consortium will also stand debarred for the period specified in the Debarment Order.

1.1.5. The Concession Agreement sets forth the detailed terms and conditions for grant of the Concession to the Concessionaire, including the scope of the Concessionaire's services and obligations (the "Concession").

1.2. RFP in Brief

- 1.2.1 This RFP is being issued for the determination of Selected Bidder, who shall be granted the Concession as per the terms of the Concession Agreement.
- 1.2.2 This RFP sets out the requirements that must be satisfied by the Bidders in order to participate in the competitive Bidding Process and the selection process to determine the Selected Bidder to whom the Concession shall be granted.
- 1.2.3 The draft Concession Agreement sets forth the detailed terms and conditions for grant of the Concession to the Selected Bidder, including the scope of the Concessionaire's services and obligations.
- 1.2.4 The statements and explanations contained in this RFP are intended to provide a better understanding to the Bidders about the subject matter of this RFP and should not be construed or interpreted as limiting in any way or manner the scope of services and obligations of the Concessionaire set forth in the Concession Agreement or Authority's rights to amend, alter, change, supplement or clarify the scope of work, the Concession to be awarded pursuant to this RFP or the terms thereof or herein contained. Consequently, any omissions, conflicts or contradictions in the Bidding Documents including this RFP are to be noted, interpreted and applied appropriately to give effect to this intent, and no claims on that account shall be entertained by the Authority.
- 1.2.5 The Bidding Documents includes the draft Concession Agreement, draft Corporate Guarantee and any addenda issued subsequent to this RFP Document will be deemed to form part of the Bidding Documents.
- 1.2.6 Authority shall receive Proposals pursuant to this RFP in accordance with the terms set forth in this RFP and other documents to be provided by the Authority pursuant to this RFP, as modified, altered, amended and clarified from time to time by Authority (collectively the "Bidding Documents"), and all Proposals shall be prepared and submitted in accordance with such terms on or before the date specified in **Clause 1.6** for submission of Proposal (the "Proposal Due Date").
- 1.2.7 Authority, at its absolute discretion, reserves the right to modify any proposed terms and conditions set out in this RFP as deemed necessary by it, including but not limited to the right not to proceed with the Bidding Process at any time, without notice or liability, and to reject any Bid without assigning any reasons.

1.2.8 The selected Bidder has to enter into Concession Agreement with the Authority in the format of the draft Concession Agreement available as part of this RFP.

1.3 Sale of RFP Document

1.3.1 The RFP document may be purchased and processed on the CPP Portal. (<https://etenders.gov.in>). The CPP Portal can also be visited through the website of Authority (<http://www.aai.aero>), where a link as “E-Tender” has been provided on the Home page. Prior to making a Bid, the Bidder shall pay to the Authority a sum of Rs.25,000/- (Rupees Twenty-Five Thousand only) as cost of the RFP document, which is non-refundable. The cost of RFP document shall be paid by the bidder before the scheduled time of e-tender submission through Online Payment Gateway available on CPP Portal where bidders can deposit the fees through Net Banking (SBI/Other Banks) and NEFT/RTGS. No other mode of payment shall be acceptable. Any Bid, if not accompanied by proof of deposit, shall be summarily rejected. Bidder has to submit the self-attested proof of transaction/UTR no. along with the Technical Bid documents.

1.4. Validity of Proposal

The Proposal shall be valid for a period of not less than 180 days from the Proposal Due Date (the “PDD”), extendable by another 90 days, if so desired by the Authority.

1.5. Brief Description of Selection Process

1.5.1. The Authority has adopted a single stage selection Process in evaluating the Proposals, comprising of evaluation of Technical and Financial Proposals to be submitted together through the CPP Portal (<https://etenders.gov.in>). After receipt of Proposals, a technical evaluation will be carried out as specified in Clause 3.3 of this RFP. Based on this technical evaluation, a short-list of Bidders (“Qualified Bidders”) shall be prepared as specified in **Clause 3.3.4** of this RFP. Thereafter, the evaluation of Financial Proposals submitted by only the Qualified Bidders will be carried out as specified in **Clause 3.4** of this RFP. Financial Proposals will finally be ranked and the Bidder proposing the highest Financial Proposal shall be selected for Letter of Intent to Award (the “Selected Bidder”).

After opening of the Technical Bid and before opening of Financial bid, if any bidder withdraws from the tender process, the EMD of such bidder shall be forfeited and such bidder shall be liable to be debarred for participation in the said Airport for one year from the date of debarment.

Further, after opening of Financial bid, if the Qualified Bidder proposing the highest Financial Bid withdraws its bid *OR* after issuance of LOIA, such bidder

does not complete the requisite formalities *OR* does not sign the Concession Agreement for any reason, the Authority may, in its discretion, annul the Bidding Process and the Highest Bidder's EMD will be forfeited and such Bidder will be liable to be debarred from participating in any tender of AAI for a period of One(01) year.

In case, the agency submits false document(s) in the tender and his/their bid is rejected/tender is cancelled, entire EMD shall be forfeited and the Bidder is liable to be debarred from participating in any tender of AAI for two years.

The debarment shall also apply to the 'allied firms' of the debarred agency. All successor firm will also be considered as allied firms. In case Joint venture/Consortium is debarred, all partners/members of such JV/Consortium will also stand debarred for the period specified in the Debarment Order. The names of partners/members of JV/Consortium should be clearly specified in the Debarment Order

- 1.5.2. The Authority reserves its right to grant the Concession to the Selected Bidder.
- 1.5.3. A Bidder is required to deposit, along with its Bid, an Earnest Money Deposit (EMD) equivalent to **INR Rs. 7,39,000/- (Indian Rupees Seven Lakh Thirty-Nine Thousand Only)** through Online Payment Gateway available on CPP Portal where bidders can deposit the fees through Net Banking (SBI/Other Banks) and NEFT. Copy of transaction is to be attached with the documents. No other mode of payment shall be acceptable. The refund and forfeiture of the EMDs shall be as per **Clause 2.21** of this RFP.
- 1.5.4. Any condition or qualification or any other stipulation contained in the Proposal shall render the Proposal liable to rejection as a non-responsive Proposal.
- 1.5.5. Bidders are advised to examine the Concession site/s in greater detail and to carry out, at their cost, such studies as may be required for submitting their respective Proposal for award of the Concession including implementation thereof.

1.6. Schedule of Selection Process

1.6.1 Authority shall endeavour to adhere to the following schedule:

(a) Important Features and Dates: -

Sr. No.	Activity	Scheduled Dates and Time
1	Download of e-tender document from CPP Portal	Up to <19/01/2026> by <u>1600</u> Hrs. IST
2	Physical Inspection of proposed Locations by potential Bidders with prior intimation to Authority	Any working day during RFP publicity period between 1100 Hrs. to 1600 Hrs. All necessary cooperation in this regard shall be extended by AAI to the applicant.
3	Pre Bid Meeting of Potential Bidders [@]	On <29/12/2025> at 1600 Hrs. IST
4	Submission of queries by the potential Bidders on NIC CPP Portal only	Up to <30/12/2025> by 1600 Hrs. IST
5	Reply of queries by AAI on NIC CPP Portal only	By <12/01/2026>
6	Online submission of Bids (technical as well as financial) on CPP Portal (Last date of submission of Bids shall be the Proposal Due Date)	Up to <19/01/2026> by 1600 Hrs. IST
7	Opening of Technical Bids (online only)	On <20/01/2026> 1600 Hrs. IST
8	Opening of Financial Bids (online only)	On <20/02/2026> 1600 Hrs. IST

@ Note : Pre Bid meeting may be held through online Video Conferencing, for which interested Bidders are advised to send their willingness and email IDs to the BID Manager.

1.7 Communications:

1.7.1. Any queries or request for additional information concerning this RFP shall be submitted only through the website of CPP Portal (<https://etenders.gov.in>). No other form of communication (including electronic mails and letter mails) will be entertained or responded to. The communications shall clearly bear the following identification /title:

“Queries/ Request for Additional Information: RFP for Concession to Develop, Operate and Maintain Duty-Free Outlets at Pune Airport”.

CHAPTER-2.
INSTRUCTIONS TO BIDDER

A. GENERAL

2.1 Scope of Proposal

2.1.1 The Authority wishes to receive Proposals to short-list experienced and capable Bidders.

2.1.2 The Financial Proposals of Qualified Bidders would be evaluated to select the Highest Bidder for implementing the Concession.

2.2 Eligibility of Bidders

2.2.1 For determining the eligibility of Bidders for their short-listing hereunder, the following shall apply:

- a) The Bidder may be a single entity or a Consortium of up to three (3) entities coming together to implement the Concession. However, no entity submitting a Proposal individually or as a member of a Consortium, as the case may be, can be a member of another Bidder. The term Bidder used herein would apply to both a single entity and a Consortium.
- b) A Bidder may be a natural person, a legal entity or any combination of them with a formal intent to enter into an agreement or under an existing agreement to form a Consortium. A Consortium shall be eligible for consideration subject to the conditions set out in RFP. However, no Bidder applying individually or as a Member of a Consortium, as the case may be, can be Member of another Bidder. The term Bidder used herein would apply to both a single entity and a Consortium. A Consortium shall be eligible for consideration subject to the conditions set out in **Clause 2.2.1 (h)**;
- c) A Bidder shall not have a conflict of interest (the “**Conflict of Interest**”) that affects the Bidding Process. Any Bidder found to have a Conflict of Interest shall be disqualified. A Bidder shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:
 - i. the Bidder, or its Affiliate (or any constituent thereof) and any other Bidder or any Affiliate 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 Affiliate thereof (or any shareholder thereof having a shareholding of more than 20% (twenty percent) of the aggregate issued, subscribed and paid up share capital of such Bidder, Member or Affiliate, (as the case may be) in the other Bidder, its Member or an Affiliate is less than 20% (twenty percent) of the aggregate issued, subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by the Authority, a bank, insurance company, pension fund or a public financial institution referred to in Section 2(72) of the Companies Act, 2013;

For the purposes of this **Clause 2.2.1**, indirect shareholding held through 1 (one) or more intermediate persons shall be computed as follows:

(A) 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

(B) subject always to sub-clause (A) 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 if the shareholding of such person in the intermediary is less than 26% (twenty six percent) of the aggregate issued, subscribed and paid up equity shareholding of such intermediary; or

ii) a Bidder/ nominated entity has nominated the same nominated entity or nominated personnel as another Bidder; or

iii) a constituent of such Bidder is also a constituent of another Bidder; or

iv) such Bidder or any Affiliate thereof receives, has received, or has entered into an agreement to receive, any direct or indirect subsidy, grant, concessional loan, or subordinated debt from any other Bidder, or any Affiliate thereof or has provided or has entered into an agreement to provide any such subsidy, grant, concessional loan or subordinated debt to any other Bidder, its Member or any Affiliate thereof; or

v) such Bidder has the same legal representative for purposes of a Bid as any other Bidder; or

vi) such Bidder or any Affiliate thereof, has a relationship with another Bidder or any Affiliate thereof, directly or indirectly or through a common third party/ parties, that puts either or both of them in a position to have

access to each other's information, or to influence the Bid of either or each other; or such Bidder or any Affiliate thereof, has participated as a consultant to the Authority in the preparation of any documents, design or technical specifications of the Project.

Explanation:

In case a Bidder is a Consortium, then the term Bidder as used in this **Clause 2.2.1** shall include each Member of such Consortium and the term Affiliate with respect to a Bidder shall include an Affiliate of each Member of that Consortium.

Note:

Regarding conflict of interest, AAI shall place reliance upon the declaration to be submitted by the bidder/applicant in the form of acceptance of AAI's tender conditions/other documents forming part of technical bids.

In the event, the declaration submitted by the bidder/applicant towards there being no conflict of interest, is found incorrect/false, such incorrect declaration would be treated as submission of false/incorrect document and it would amount to material misrepresentation made by the bidder/applicant. In such event, punitive actions shall be taken by AAI as per provision of this RFP/Concession agreement.

- (d) A Bidder shall be liable for disqualification for submission of its Proposal on the Proposal Due Date if such Bidder or its Affiliate(s) have any amounts including interest outstanding and payable to Authority (the "Outstanding Dues") in respect of commercial licenses held at airports fully controlled and operated by the Authority as on the Proposal Due Date. The bidder, intending to participate in response to this RFP should have "NIL" Undisputed Outstanding Dues at all the Units of Authority where the participating party's having current /past Concessions up to <30/09/2025> in respect of all airports under its control.

However, the disputed amounts which are referred for conciliation/arbitration shall not be considered as Outstanding Dues provided the Bidder has furnished an additional bank guarantee equivalent to 50% of the value of the disputed amounts in addition to the Security Deposit already available with Authority as per the terms & conditions of the existing license/concession. 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.

Provided further, that in the event of an order from a judicial court/arbitral tribunal staying/withholding the realization of certain dues the adherence to the above conditions will be exempted and regulated in accordance with those orders. Proof to this effect has to be submitted by the Bidder, along with other technical documents.

In this respect, the Bidder shall produce and submit a NIL Outstanding Dues Certificate from the Authority with the Proposal. The Applicant should also submit the details of contracts held (current and past), if any, at all AAI controlled airports, in the format as set forth in **Annexure-4 of Form-I**. The decision of the Authority in respect of Outstanding Dues shall be final and binding on the Bidder.

- e) There is no pending, active or previous legal action that prevents the Bidder from executing the Concession Agreement or fulfilling the conditions of the Concession.

Explanation (i): In case a Bidder is a Consortium, then the term Bidder as used in this **Clause 2.2.1**, shall include each Member of such Consortium.

- f) A Bidder shall be liable for disqualification if any legal, financial or technical adviser of the Authority in relation to the Concession is engaged by the Bidder, its Member or any Affiliate thereof, as the case may be, in any manner for matters related to or incidental to the Concession. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Bidder, its Member or Affiliate in the past but its assignment expired or was terminated 6(six) months prior to the date of issue of this RFP. Nor will this disqualification apply where such adviser is engaged after a period of 03 (three) years from the date of execution of the Concession Agreement.
- g) Any entity which has been debarred by the Central/ State Government, or any entity controlled by it, from participating in any project, and the bar subsists as on the date of bidding, would not be eligible to submit a proposal, either individually or as member of a Consortium.
- h) A Bidder including any Consortium Member or Affiliate should, in the last 3 (three) years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Bidder, Consortium Member or Affiliate thereof, as the case may be, nor has been expelled from any project or contract by any public entity nor have had any contract terminated by any public entity for breach by such Bidder, member of a Consortium or Affiliate thereof. An affidavit in this regard is to be submitted.
- i) A Bidder applying individually or as a member of a Consortium shall not be entitled to submit another application either individually or as a member of any Consortium, as the case may be.

- j) The Bidders shall be responsible for all the costs associated with the preparation of their Bids and their participation in the Bid Process. The Authority will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Bid Process.

2.2.2 The Selected Bidder (in case of Consortium, the bidder shall form an appropriate Special Purpose Vehicle (SPV) under the Indian Companies Act, 2013) shall execute the Concession Agreement and implement the Concession. In case the Bidder is a Consortium, it shall, comply with the following additional requirements:

- a. Number of Members in the Consortium shall not exceed three (03);
- b. Subject to the provisions of sub-clause (a) above, the Bid should contain the information required for each Member of the Consortium;
- c. Members of the Consortium shall nominate one member as the lead member (the “**Lead Member**”) who shall have the highest equity share holding of more than **50% (fifty per cent)** of the paid up and subscribed Equity Capital of the SPV throughout the Concession Term. The nomination(s) shall be supported by a Power of Attorney, as per the format in **Form-IV**, signed by all the other members of the Consortium;
- d. An individual Bidder cannot at the same time be member of a Consortium submitting a Bid. Further, a member of a particular bidding Consortium cannot be member of any other bidding Consortium submitting a Bid;
- e. Members of the Consortium shall enter into a substantially binding Joint Bidding Agreement, in the form specified in **Form-V** (the “**Joint Bidding Agreement**”), for the purpose of submitting a Bid for the Concession. The Joint Bidding Agreement, to be submitted along with the Bid, shall, *inter alia*:
 - (i) convey the intent to form a Special Purpose Vehicle in accordance with this RFP, which would enter into the Concession Agreement and subsequently perform all the obligations of the Concessionaire in terms of the draft Concession Agreement, in case the Concession is awarded to the Consortium;
 - (ii) commit to the minimum equity stake to be held by each member, as well as commit to be in compliance with the shareholding requirements set forth in **Clause 2.5** of this RFP;
 - (iii) Members of the Consortium undertake that, subject to the provisions of sub-clause (e) (ii) above, they shall collectively hold 100% (one hundred percent) of the subscribed and paid up equity

of the SPV at all times at least until the third anniversary of the Commencement Date of Concession Term; and

(iv) include a statement to the effect that all members of the Consortium (who submitted the Bid) shall be liable jointly and severally for all obligations of the Concessionaire in relation to the Concession until all the obligations of the Concessionaire become effective under and in accordance with the draft Concession Agreement.

f. Except as provided under this RFP and the Bidding Documents, there shall not be any amendment to the Jt. Bidding Agreement without the prior written consent of the Authority.

2.2.3 To be eligible for pre-qualification and short-listing, a Bidder shall fulfil the following conditions of eligibility ("**Threshold Eligibility Criteria**"):

(A) Technical Capacity: For demonstrating technical capacity, the Bidder shall satisfy the following criteria, -

(i) No prior Experience of Duty Free business is required, subject to the condition that the selected H-1 bidder shall obtain all the requisite statutory / regulatory permissions/approvals, certifications etc. to open and operate Duty-Free outlets as per the timeline mentioned in this RFP from the date of LOIA.

(a) The Award shall be cancelled in case of failure in obtaining the same within a period of **Six (06) months** from the date of LOIA.

(b) In any case, the charging of Concession Fee shall commence on 61st day from Gestation Period Commencement Date, as per the terms of RFP. Moreover, the selected H-1 bidder shall not be permitted to operate Duty-Free outlets at the Airport without the requisite statutory/regulatory permissions/approvals and certifications and other conditions set out at **clause 4.2** of this RFP.

(c) Notwithstanding anything to the contrary contained in this RFP, the Award shall be cancelled/ Agreement stands terminated without further notice, in case the selected bidder fails to obtain all the requisite statutory/ regulatory permissions/approvals and certifications etc. within a period of Six (06) months from the date of LOIA and the Security Deposit shall be forfeited. Further, the concessionaire shall be debarred for participation in Authority's tenders for a period of one(01) year.

- (d) The Bidders shall submit an undertaking for the above conditions along with their bid documents as per Annexure-2 of FORM I.

Note: The interested bidders, before submission of their proposals, are advised to undertake appropriate due diligence regarding their eligibilities and capabilities as may be necessary to obtain all the requisite statutory/regulatory permissions/approvals and certifications etc. required to operate the subject concession.

- (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.

(B) Financial Capacity: For demonstrating “**Financial Capacity**”, the Bidder shall satisfy the following 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 turnover of **USD 2,51,796 Or Rs. 2,25,25,670/- (< Rupees Two Crores Twenty-Five Lakhs Twenty-Five Thousand Six Hundred and Seventy Only>)** i.e.; equivalent to or more than the value of 12 month’s Minimum Monthly Guarantee (MMG) in any One (01) of the financial year during the last Seven (07) years.
- (b) The Bidders shall enclose, along with its bid documents, certificate(s) as per format provided in this RFP from its statutory auditors reflecting sales turnover of the Bidder from business, in support of its claim of meeting the Financial Capacity criteria required under this Clause. For the purposes of this RFP, turnover (the “Turnover”) shall mean the total revenue earned from sales of products and services to ultimate consumers, less applicable sales tax, GST or value added tax.

Note:

If the annual financial turnover of the Bidder is denominated in a currency other than INR, Currency conversion date should be the date of publication of RFP for this purpose and the Currency conversion rate shall be RBI reference rate / FBIL reference rate i.e. the rate published by RBI / Financial Benchmarks India Pvt Ltd (FBIL- <https://www.fbil.org.in>).

- (C) No undisputed outstanding dues to Authority –** The Bidder and/or its Affiliates has to settle all undisputed dues to Authority, in compliance to **Clause 2.2.1. (d).**

- 2.2.4 The Bidder should submit a Power of Attorney as per the format at **Form-III**, authorizing the signatory of the Proposal to commit the Bidder (or to submit the Bid). Additionally, in the case of a Consortium, the Members should submit a Power of Attorney in favour of the Lead Member as per format at **Form-IV**.
- 2.2.5 In demonstration of Financial Capacity of a Bidder under Clause above, the experience of a subsidiary of Bidder (in the case of a Consortium, the Lead Member) in which the Bidder/Lead Member owns more than fifty percent (50%) shareholding, would only be considered.
- 2.2.6 Bidder shall ensure that all the certified documents undertaken/signed by Chartered accountants must contain Unique Document Identification Number (**UDIN**). [As mandated under the guidelines issued by The Council of the Institute of Chartered Accountants of India through the Gazette of India, dated 02nd August 2019]

2.3 General Terms of Bidding

- 2.3.1 No Bidder shall submit more than one Proposal for the Concession. A Bidder bidding individually or as a member of a Consortium (“Member”) shall not be entitled to submit another Bid either individually or as a Member of any Consortium, as the case may be.
- 2.3.2 Notwithstanding anything to the contrary contained in this RFP, the detailed terms specified in the draft Concession Agreement shall have overriding effect; provided, however, that any conditions or obligations imposed on the Bidder hereunder shall continue to have effect in addition to its obligations under the draft Concession Agreement.
- 2.3.3. The Technical Bid, including materials evidencing the Technical Capacity and Financial Capacity, should be furnished online on the CPP portal in the formats prescribed at **Annexure-1, Annexure-II and Annexure-III of Form-I**.
- 2.3.4. The Financial Bid shall be furnished online in the format specified by CPP Portal. In the event, the Financial Bid or any information regarding the same is submitted as part of the Technical Bid or through any other means of communication not permitted under the **Clause 2.3.3** above, the Authority reserves the right to reject such Bid.
- 2.3.5 Bidders should attach clearly marked and referenced continuation sheets in the event that the space provided in the prescribed forms in the Annexes is insufficient.
- 2.3.6 Information supplied by a Bidder (or other constituent Member if the Bidder is Consortium) must apply to the Bidder or, Member named in the Proposal and not, unless specifically requested, to other Affiliated companies or firms.

- 2.3.7 Any condition or qualification or any other stipulation contained in the Proposal shall render the Proposal liable to rejection as a non-responsive Proposal.
- 2.3.8 The documents including this RFP and all attached documents, provided by Authority are and shall remain or become the properties of Authority and are transmitted to the Bidders solely for the purpose of preparation and the submission of a Proposal in accordance herewith. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Proposal. The provisions of this **Clause 2.3.8** shall also apply mutatis mutandis to Proposals and all other documents submitted by the Bidders, and Authority will not return to the Bidders any Proposal, document or any information provided along therewith.
- 2.3.9 Financial Bid shall mean the binding and final financial offer to be submitted by a Bidder online at the NIC CPP E-Tendering Portal only. The quote in physical form as a document need not be submitted along with technical bid documents. For the purposes of evaluation of the Financial Proposals and deciding the Selected Bidder, the financial quote offered to the Authority in the first Concession Year shall be the sole parameter for identification of the Highest Bidder.
- 2.3.10 This RFP is not transferable.
- 2.3.11 A Bidder including any Consortium Member or Affiliate should, in the last 3 (three) years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Bidder, Consortium Member or Affiliate thereof, as the case may be, nor has been expelled from any project or contract by any public entity nor have had any contract terminated by any public entity for breach by such Bidder, member of a Consortium or Affiliate thereof.
- 2.3.12 Any award of Concession pursuant to this RFP shall be subject to the terms of Bidding Documents.

2.4 Change in composition of the Consortium

- 2.4.1 Change in the composition of a Consortium will not be permitted by the Authority until the third anniversary of the Concession Commencement Date of the Concession term. After the third anniversary of the Commencement Date of Concession Term, any Consortium Member, except the Lead Member, can exit the Consortium by selling its stake in the Consortium to the Lead Member.

2.5 Change in Ownership

2.5.1. The Selected Bidder, if comprised of a Consortium, shall conform to the requirements regarding Change in Ownership in terms of the draft Concession Agreement, viz.:

(a) [.....name of Lead Member], shall, for an entire period during the Concession Term, hold equity share capital more than 50% (fifty per cent) of the subscribed and paid up equity share capital of the Concessionaire; and

(b) [.....name of all Members of the Consortium] shall collectively hold 100% (one hundred percent) of the subscribed and paid up equity of the Concessionaire at all times until the third anniversary of the Concession Fee Commencement Date.

2.5.2. The Bidder further acknowledges and agrees that the aforesaid obligation shall be the minimum, and shall be in addition to such other obligations as may be contained in the draft Concession Agreement, and a breach hereof shall, notwithstanding anything to the contrary contained in the draft Concession Agreement, be deemed to be a breach of the draft Concession Agreement and dealt with as such thereunder.

2.6 Cost of Bidding

2.6.1 The Bidders shall be responsible for all of the costs Affiliated with the preparation of their Proposals and their participation in the Bidding Process. The Authority will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Selection Process.

2.6.2 The Selected Bidder / Concessionaire shall also be responsible for all costs Affiliated with execution of the Concession Agreement.

2.7 Site visit and verification of information

Bidders are encouraged to submit their respective Proposals after visiting the Concession's site and ascertaining for themselves the Concession's site conditions, passenger volumes, Location, surroundings, availability of power, water and other utilities, access to the proposed Concession site, handling and storage of materials, weather data, applicable laws and regulations specially the BCAS and security agencies requirements, and any other Matter considered relevant by them. Each Bidder should, therefore, conduct its own assessment, due diligence and analysis and should check the

accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments and information contained in this RFP.

2.8 Acknowledgement by the Bidder

2.8.1 It shall be deemed that by submitting a Proposal, the Bidder has:

- a) Made a complete and careful examination of the RFP and Bidding documents;
- b) received all relevant information requested from the Authority;
- c) accepted the risk of inadequacy, error or mistake in the information provided in the RFP and Bidding Documents or furnished by or on behalf of the Authority relating to any of the matters referred to in Clause 2.7 above; and
- d) satisfied itself about all matters, things and information including matters referred to in Clause 2.7 hereinabove necessary and required for submitting an informed Proposal, execution of the Concession in accordance with the RFP and Bidding Documents and performance of all of its obligations there under;
- (e) acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the RFP and Bidding Documents or ignorance of any of the matters referred to in **Clause 2.7** herein above shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits, etc. from Authority, or a ground for termination of the Concession Agreement by the Selected Bidder;
- (f) Acknowledged& represented that it does not have a Conflict of Interest; and
- (g) Agreed to be bound by the undertakings provided by it under and in terms hereof.

2.8.2 The Authority shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFP or the Bidding Process, including any error or mistake therein or in any information or data given by the Authority.

2.9 Right to accept and reject any or all Proposals

2.9.1 Authority reserves the right to verify all statements, information and documents submitted by the Bidder in response to the RFP or the Bidding Documents and the Bidder shall, when so required by Authority, make available all such information, evidence and documents as may be necessary for such verification. Any such verification or lack of such verification, by Authority shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any rights of Authority there under.

2.9.2 Notwithstanding anything contained in this RFP, the Authority reserves the right to accept or reject any Proposal and to annul the Bidding Process and reject all Proposals, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons therefor.

2.9.3 Authority reserves the right to reject any Proposal and appropriate the Earnest Money Deposit (EMD) if:

- a) at any time, a material misrepresentation is made or uncovered, or
- b) the Bidder does not provide, within the time specified by Authority, the supplemental information /documents sought by the Authority for evaluation of the Proposal.
- c) If such disqualification / rejection occurs after the Proposals have been opened and the Highest Bidder get disqualified/ rejected, then the Authority reserves the right to take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process. If the Bidder is a Consortium, then the entire Consortium may be disqualified/ rejected.

2.9.4 In case it is found during the evaluation or at any time before signing of the Concession Agreement or after its execution and during the period of subsistence thereof, that one or more of the eligibility conditions have not been met by the Bidder, or the Bidder has made material misrepresentation or has given any materially incorrect or false information, the Bidder shall be disqualified forthwith if not yet appointed as the Concessionaire either by issue of the LOIA or entering into of the Concession Agreement, and if the Selected Bidder/SPV has already been issued the LOIA or has entered into the Concession Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by Authority to the Selected Bidder. In such an event, Authority shall be entitled to Forfeit and appropriate the Earnest Money Deposit or Security Deposit as the case maybe, as Damages, without prejudice to any other right or remedy that

may be available to Authority under RFP, the Bidding Documents, and/ or the Concession Agreement or under applicable law.

2.9.5 The Selected Bidder shall procure all Applicable Permits & security clearances under applicable laws, within the periods as specified in this RFP and draft Concession Agreement, unless extended by the Authority.

2.9.6 It shall be the responsibility of the Selected Bidder to obtain, all the statutory and other approvals / permissions required to open and operate the Duty-Free Concession, from the respective authorities within the time allowed by the Authority. Notwithstanding anything to the contrary contained in this RFP, the Award shall be cancelled/ Agreement stands terminated without further notice, in case the selected bidder fails to obtain all the requisite statutory/ regulatory permissions and certifications etc. within a period of six (06) months from the date of Award of work and the Security Deposit shall be forfeited. Further, the concessionaire shall be debarred for participation in Authority's tenders for a period of 03 years. It is further clarified that the selected bidder shall not be permitted to operate Duty Free outlets at the Airport, without the requisite statutory/regulatory permission and certifications.

B. FORMS AND CLARIFICATIONS

2.10 Contents of Forms/Appendixes/Schedules

This RFP comprises the disclaimer set forth hereinabove, the contents as listed below, and will additionally include any Addenda issued in accordance with **Clause 2.12.**

Forms		
1.	Form – I	Undertaking by the bidder
1.1	<i>Annexure-1</i>	Details of Bidder
1.2	<i>Annexure-2</i>	Technical Capacity of Bidder
1.3	<i>Annexure-3</i>	Financial Capacity of Bidder
1.4	<i>Annexure-4</i>	Details of Commercial licenses held (current and past)
1.5	<i>Annexure-5</i>	Outstanding Dues Certificate
1.	Form - II	Statement of Legal Capacity
3	Form -III	Format for Power of Attorney for signing of Proposal
4	Form- IV	Format for Power of Attorney for Lead Member of Consortium
5.	Form - V	Format for Joint Bidding Agreement for Consortium
6.	Form - VI	Format of Affidavit
7.	Form – VII	Format of Integrity Pact
8.	Form – VIII	Check list of Submissions
9.	Appendix-I	Format of Financial Proposal

10.	Appendix-II	Passenger Traffic Data
11.	Appendix-III	Draft Concession Agreement
12.	Appendix-IV	Format of Consent letter

2.11 Clarifications

- 2.11.1 Bidders requiring any clarification on the RFP may notify the Authority in accordance with **Clause 1.7** of this RFP. They should send in their queries through CPP Portal only. No other form of communication will be accepted. The queries should be uploaded before the date specified in the schedule of Bid Process contained in **Clause 1.6** of this RFP. The Authority shall endeavour to respond to the queries within the period specified therein. The responses will be uploaded on the CPP Portal.
- 2.11.2 The Authority shall endeavour to respond to the questions raised or clarifications sought by the Bidders. However, the Authority reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this Clause shall be taken or read as compelling or requiring the Authority to respond to any question or to provide any clarification(s).
- 2.11.3 The Authority may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Bidders through CPP Portal. All clarifications and interpretations issued by the Authority shall be deemed to be part of the RFP. Verbal clarifications and information given by Authority or its employees or representatives shall not in any way or manner be binding on the Authority.
- 2.11.4 The Authority shall not respond to any queries received through any mode of communication (such as email, letter etc.), other than through CPP Portal.

2.12 Amendment of RFP

- 2.12.1 At any time prior to the Proposal Due Date, the Authority may, for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the RFP by the issuance of corrigenda and/or addenda.
- 2.12.2 Any corrigendum/ addendum thus issued will only be uploaded on the CPP Portal.
- 2.12.3 In order to afford the Bidders a reasonable time for taking any corrigendum / addendum into account, or for any other reason, the Authority may, in its sole discretion, extend the Proposal Due Date.

C. PREPARATION AND SUBMISSION OF PROPOSAL

2.13 Language

The Proposal and all related correspondence and documents in relation to the Bidding Process shall be in English language. Supporting documents and printed literature furnished by the Bidder with the Proposal may be in any other language provided that they are accompanied by translations of all the pertinent passages in the English language, duly authenticated and certified by the Bidder. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Proposal, the English language translation shall prevail.

2.14 Format and Submission of Proposal

- 2.14.1. The Bidder shall provide all the information sought under this RFP. The Authority will evaluate only those Proposals that are received in the required formats and complete in all respects. Incomplete and /or conditional Proposals shall be liable to rejection.
- 2.14.2. All Bids should be submitted only through the online CPP Portal (<https://etenders.gov.in/>). CPP Portal can also be visited from the website of Authority (<https://www.aai.aero>), where a link as “E-Tender” has been provided on the Home page for this purpose. Bids submitted by hand, post, fax, telex, telegram or e-mail shall not be entertained and shall be rejected.
- 2.14.3. The Bidder shall submit the Technical Proposal in the format specified at Form-I, together with the documents specified in **Clause 2.14.6**.
- 2.14.4 Bidders are advised to submit the Bids through online CPP Portal well in advance to avoid network problems. Authority will not be responsible for any inability for submission of Bids before the Proposal Due Date due to technical problems/network errors.
- 2.14.5. The Technical Proposal shall not include any financial offer.
- 2.14.6. **The Technical Proposal shall contain:**
- (i) Index of Submissions

- (ii) Proposal in the prescribed format (**Form-I**) along with Annexes and supporting documents;

Annexure 1 – Details of Bidder

Annexure 2 – Technical Capacity of the Bidder

Annexure 3 –Financial Capacity of the Bidder

Annexure 4 – Details of Contracts held (current and past)

Annexure 5- Outstanding Dues Certificate(s)

- (iii) Statement of Legal Capacity as per format at **Form-II**; duly notarized;
- (iv) Power of Attorney for signing the Proposal as per the format at **Form -III**; duly notarized;
- (v) If applicable, the Power of Attorney for Lead Member of Consortium as per the format at **Form - IV**; duly notarized;
- (vi) Copy of the Jt. Bidding Agreement, in case of a Consortium, substantially in the format at **Form - V**; duly notarized;
- (vii) Affidavit format as per **Form -VI**; duly notarized;
- (viii) Integrity Pact as per format at **Form -VII**; duly notarized;
- (ix) Documents of Incorporation (in case of a Consortium, for all Members);
- (x) Copy of PAN Card and GST Registration Certificate, Copy of Memorandum and Articles of Association, if the Applicant is a body corporate, and if a partnership/LLP then a copy of its partnership deed (in case of Consortium, for all Members);
- (xi) Copies of Bidder's duly audited balance sheet and profit and loss account for the preceding financial year and for the years for which Financial Capacity under **Clause 2.2.3 (B)** of this RFP has been claimed. (in case of a Consortium, for Lead Member);
- (xii) Self-Attested copy of proof of payment of Earnest Money Deposit
- (xiii) Self-Attested copy of proof of payment for purchase of tender documents.
- (xiv) Check-list of Submissions **Form -VIII**.

Note: All the certificates issued/ documents certified by Chartered Accountant/ Statutory Auditor must have UDIN generated by concerned Chartered Accountant/ Statutory Auditor

2.14.7 **The Bidders are advised to arrange the submissions/documents in the above order. Each page of Technical Proposal is to be serially numbered, signed and stamped by the Authorized Signatory of the Bidder.**

2.14.8 The Technical Proposal shall be typed or written in indelible ink and signed by the authorized signatory of the Bidder who shall also initial each page in blue ink and stamp all pages. All the alterations, omissions, additions or any other amendments made to the Proposal shall be initialled by the person(s) signing the Proposal.

2.14.9 The Technical Proposal and Financial Proposal shall be prepared and submitted through the online portal. Proposals submitted by hand, post, fax, telex, telegram or e-mail shall not be entertained and shall be rejected.

2.15 Proposal (Bid) Due Date

2.15.1 Proposals (Technical Proposals and Financial Proposals) should be submitted by 1600 Hours IST on the Proposal Due Date i.e.....

2.15.2 Authority may, in its sole discretion, extend the Proposal Due Date uniformly for all Bidders by issuing an Addendum in accordance with **Clause 2.12**.

2.16 Late Proposals

The CPP e-tendering portal shall not accept proposals after the specified time on the Proposal Due Date and shall be summarily rejected.

2.17 Modifications/ substitution/ withdrawal of Proposals

2.17.1 The Bidder may withdraw its Proposal after submission, prior to the Proposal Due Date.

2.17.2 The withdrawal notice shall be prepared and submitted through the online procurement portal (<http://etender.aai.aero/irj/portal>).

2.17.3 Any alteration/ modification in the Proposal or additional information supplied subsequent to the Proposal Due Date, unless the same has been expressly sought for by the Authority, shall be disregarded.

2.18 Validity of Proposals

The Proposals shall be valid for a period of not less than **180 (one hundred and eighty)** days from the Proposal Due Date (the “**PDD**”), extendable by another 90 days, if so desired by the Authority.

2.19 Confidentiality

Information relating to the examination, clarification, evaluation and recommendation for the Bidders shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional advisor advising Authority in relation to or matters arising out of, or concerning the Bidding Process. Authority will treat all information, submitted as part of the Proposal, in confidence and will require all those who have access to such material to treat the same in confidence. Authority may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and / or Authority or as may be required by law or in connection with any legal process.

2.20 Correspondence with the Bidder

Save and except as provided in this RFP, Authority shall not entertain any correspondence with any Bidder in relation to acceptance or rejection of any Proposal.

2.21 Earnest Money Deposit (EMD)

- 2.21.1 The Bidder shall furnish as part of its Bid, a bid security referred to in **Clause 1.5.3** of this RFP.
- 2.21.2 Authority shall not be liable to pay any interest on the Earnest Money Deposit so furnished and the same shall be interest free.
- 2.21.3 Any Proposal not accompanied by the Earnest Money Deposit shall be summarily rejected by Authority as non-responsive.
- 2.21.4. Save and except as provided in **Clause 2.21.6**, the Earnest Money Deposit of unsuccessful Bidders, will be returned by Authority, without any interest, as promptly as possible on acceptance of the Proposal of the Selected Bidder or when the Bidding process is cancelled by Authority, and in any case within 180 (one hundred and eighty) days from the Proposal Due Date.
- 2.21.5. The Selected Bidder’s Earnest Money Deposit will be returned, without any interest, upon the Selected Bidder’s signing the Concession Agreement and furnishing the Security Deposit in accordance with the provisions thereof. Authority may, at the Selected Bidder’s option, adjust the amount of Earnest Money Deposit towards the amount of Security Deposit to be provided by him in accordance with the provisions of the Concession Agreement.

2.21.6. Authority shall be entitled to forfeit and appropriate the Earnest Money Deposit as Damages *inter alia* in any of the events specified in **Clause 2.21.7** herein below. The Bidder, by submitting its Proposal pursuant to this RFP, shall be deemed to have acknowledged and confirmed that Authority will suffer loss and damage on account of withdrawal of its Proposal or for any other default by the Bidder during the period of Proposal validity as specified in this RFP. No relaxation of any kind on Earnest Money Deposit shall be given to any Bidder.

2.21.7 The Earnest Money Deposit shall be forfeited as Damages without prejudice to any other right or remedy that may be available to Authority under the Bidding Documents and/ or under the Concession Agreement, or otherwise, under the following conditions:

- (a) If the Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in **Chapter 6** of this RFP; or
- (b) If a Bidder withdraws its Proposal during the period of *Proposal Validity as specified* in this RFP and as extended by mutual consent of the respective Bidder(s) and Authority; or
- (c) If the Bidder submits false information in the Technical Bid, or
- (d) In the case of Selected Bidder, if it fails within the specified time limit:
 - i* to sign and return the duplicate copy of LOIA; or
 - ii* Fulfil any of its obligations, including signing the Concession Agreement, as per **Clause 4.2.1** of this RFP;

2.21.8 Upon forfeiture by Authority of the Earnest Money Deposit (EMD) as above, Authority shall have the right to cancel/ revoke the Letter of Intent to Award and immediately upon issuance of notice intimating such cancellation/ revocation, to select other Bidder(s) as may be deemed fit by Authority and /or deal with the Concession as it may deem fit in its sole and absolute discretion.

CHAPTER-3. EVALUATION OF PROPOSALS

3.1 Opening and Evaluation of Technical Proposals

- 3.1.1 Authority shall open the Technical Proposals at prescribed time on the Proposal Due Date and in the presence of the Bidders who choose to be present.
- 3.1.2 Proposals for which a notice of withdrawal has been submitted in accordance with **Clause 2.17** of RFP shall not be opened.
- 3.1.3 Authority will subsequently examine and evaluate the Technical Proposals in accordance with the provisions set out in this **Chapter 3** of this RFP.
- 3.1.4 Any information contained in the Technical Proposals shall not in any way be construed as binding on Authority, its agents, successors or assigns, but shall be binding against the Bidder if the Concession is subsequently awarded to it on the basis of such information.
- 3.1.5 Authority reserves the right not to proceed with the Selection Process at any time without notice or liability and to reject any or all Proposal(s) without assigning any reasons.
- 3.1.6 To facilitate evaluation of Technical Proposals, Authority may, at its sole discretion, seek clarifications in writing from any Bidder regarding its Proposal.
- 3.1.7 Prior to evaluation of Technical Proposals, Authority shall determine whether each Proposal is accompanied by Earnest Money Deposit in the form and manner as specified in this RFP. A Proposal not accompanied by the Earnest Money Deposit shall be summarily rejected by Authority and would not be taken up for further evaluation.

3.2 Test of Responsiveness

- 3.2.1 Prior to evaluation of the documents contained in the Technical Proposal, Authority shall determine whether each Technical Proposal is responsive to the requirements set out in this RFP. A Proposal shall be considered responsive only if:
- (i) It is accompanied by a Letter Comprising the Proposal as per format in Form I with Annexures 1 to 5.
 - (ii) It is accompanied by the Integrity Pact in the format specified in Form VII.
 - (iii) It contains a self-attested copy of the receipt for payment of Rs. 25,000/- (Rupees Twenty-Five Thousand only) to Authority towards the cost of RFP document.

- (iv) It contains a self-attested copy of the receipt for payment of Rs. 7,39,000/- (Rupees Seven Lakh Thirty-Nine Thousand only) to Authority towards Earnest Money Deposit.

3.2.2 Authority reserves the right to reject any Proposal which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by Authority in respect of such Proposals.

3.3 Evaluation of Technical Proposals

3.3.1 During this stage, Authority shall determine whether each Technical Proposal is in compliance with the requirements of the RFP. A Technical Proposal shall be considered to be in compliance with the requirement of the RFP only if:

- (i) the Bidder satisfies the Threshold Eligibility Criteria, as set forth **Clause 2.2.3** along with **Clause 2.2.1** of this RFP; and
- (ii) it contains all the information and documents in support as requested in this RFP.

3.3.2 Such Technical Proposal which are not in compliance with the requirements of the RFP, shall be rejected forthwith and no request for alteration, modification, substitution or withdrawal shall be entertained by Authority in respect of such Proposals(s).

3.3.3 Authority reserves the right to seek clarifications or additional information /documents from any Bidder regarding its Proposal. Such clarification(s) for additional information / document(s) shall be provided within the time specified by Authority for the purpose. Any request and response thereto shall be in writing. If the Bidder does not furnish the clarification(s) or additional information / document(s) within the prescribed time, the Proposal shall be liable to be rejected. In the case Proposal is not rejected, Authority may proceed to evaluate the Proposal by construing the particulars requiring the clarification to the best of its understanding, and the Bidder shall be barred from subsequently questioning such interpretation of Authority.

3.3.4 After the evaluation of Technical Proposals, Authority would announce a short-list of Bidders ("**Qualified Bidders**"), whose Technical Proposals have been found to be responsive and in compliance with the requirements of the RFP. The Qualified Bidders are eligible for further evaluation of their Financial Proposals. The Financial Proposals of such Bidders whose Technical Proposal has been found to be not in compliance with the requirements of RFP will be rejected.

3.4 Evaluation of Financial Proposals

- 3.4.1 The Financial Proposals of Qualified Bidders would be opened. Authority would notify the Qualified Bidders of the date and time for opening the Financial Proposals on CPP Portal.
- 3.4.2 **Financial Proposal**” shall mean the binding and final financial offer to be submitted by each Bidder online in CPP portal only. The quote in physical form as a document need not be submitted along with technical bid documents. For the purposes of evaluation of the Financial Proposals and deciding the Selected Bidder, the financial quote offered to the Authority in the First Concession Year shall be the sole parameter for identification of the Selected Bidder.
- 3.4.3 For the purposes of evaluation, decimals points or fraction of a digit, which is not permissible, shall not be considered.
- 3.4.4 For the purposes of evaluation of the Financial Bids and deciding the Selected Bidder, the Rate per International Passenger (Arriving + Departing) as quoted by the Qualified Bidders for the first Concession Year shall be the sole parameter for identification of the Highest Bidder.
- 3.4.5 In this RFP, the term **“Highest Bidder”** shall mean the Qualified Bidder who has quoted the highest Rate per International Passenger (Arriving + Departing).
- 3.4.6 It is clarified that in the event that only a single Bid is received, the Authority may, in compliance with applicable laws, in its discretion and for reasons to be recorded in writing, accept such Bid and declare such Bidder the Selected Bidder, or annul the Bidding Process.
- 3.4.7 In the event that the Financial Proposal of two or more qualified bidders are found to be the same (**the “Tie Bidders”**), Authority shall invite fresh Financial Proposals from such Tie Bidders and shall identify the Selected Bidder from amongst such Tie Bidders. Provided that the revised Financial Proposals of such Tie Bidders, shall be no less favourable to Authority than their respective original Proposals.
- 3.4.8 After selection, a Letter of Intent to Award (the “LOIA”) shall be issued, induplicate, by Authority to the Selected Bidder. The LOIA will be handed to the Selected Bidder or posted to the Selected Bidder’s address as given in the Bid and such handing or posting shall be deemed to be good service of such a communication.
- 3.4.9 The Selected Bidder shall, **within 7 (seven) working days** of the receipt of the LOIA, sign and return the duplicate copy of the LOIA in acknowledgement thereof. In the event the duplicate copy of the LOIA duly signed by the Selected Bidder is not received by the stipulated date, Authority may, unless it consents to extension of time for submission thereof, appropriate the Earnest Money Deposit (EMD) of

such Bidder as Damages on account of failure of the Selected Bidder to acknowledge the LOIA.

- 3.4.10 After acknowledgement of the LOIA as aforesaid by the Selected Bidder, it shall fulfil the conditions set forth in **Clause 4.2** of this RFP hereof and the LOIA and shall execute the Concession Agreement within the prescribed period. The Selected Bidder shall not be entitled to seek any deviation, modification or amendment in the draft Concession Agreement forming part of this RFP as Appendix -III.

3.5 Contacts during Proposal Evaluation

Proposals shall be deemed to be under consideration immediately after they are opened and until such time Authority makes official intimation of award/rejection to the Bidders. While the Proposals are under consideration, Bidders and/ or their representatives or other interested parties are advised to refrain, save and except as required under the Bidding Documents, from contacting by any means, Authority and/ or their employees/ representatives on matters related to the Proposals under consideration.

CHAPTER-4 - AWARD OF CONCESSION

4.1 Issue of Letter of Intent to Award

Authority will issue a Letter of Intent to Award to the Selected Bidder pursuant to the conclusion of the evaluation process as contemplated in **Chapter 3**. The Letter of Intent to Award will be handed to the Selected Bidder or posted to the Selected Bidder's address as given in the Proposal and such handing or posting shall be deemed to be good service of such a communication.

4.2 Conditions of Award

4.2.1 The Selected Bidder (in case of Consortium, the SPV) agrees and undertakes that within the Business Incubation Period, or any shorter time period specified below, unless extended in writing by the Authority, it shall fulfil all of the following conditions unless waived in writing by the Authority. Provided that if an extension is needed due to a fault of the Concessionaire/ Selected Bidder as determined at the sole discretion of the Authority and provided by the Authority, damages at the rate of INR 5,000/- shall be appropriated from the Earnest Money Deposit (EMD) / Security Deposit, as applicable, for each day of extension provided and utilized for each obligation that is delayed.

- a. In case the Selected Bidder is a Consortium, it shall form an SPV, prior to signing of the Concession Agreement, as per the terms and conditions of this RFP;
- b. The Selected Bidder (in case of Consortium, the SPV) shall submit the Security Deposit in the form and manner as specified in this RFP prior to signing of the Concession Agreement;
- c. The Selected Bidder shall execute the Integrity Pact as per the Draft Integrity Pact forming part of this RFP as per **Form-VII** prior to signing of the Concession Agreement;
- d. The Selected Bidder shall execute the Concession Agreement as per the provisions of the Bidding Documents not later than sixty (60) from commencement of the Business Incubation Period. In case of Consortium, the Concession Agreement shall have to be executed between the SPV and the Authority. Any delay shall attract damages at the rate of **INR 5,000/- per day** of delay, as provided in **Clause 4.2.1** of this RFP;
- e. The Selected Bidder/ Concessionaire shall, at its own risk and cost, obtain all Applicable Permits under the Applicable Laws which are required to execute and perform the Concession Agreement and submit copies thereof to the Authority;
- f. The Selected Bidder/ Concessionaire shall, at its own risk and cost, obtain the security clearances required to carry out commercial activities in the

security restricted area from the Bureau of Civil Aviation Security (BCAS) or any other relevant Governmental Authority and submit copies thereof to the Authority;

- g. The Selected Bidder shall submit its proposed layout plan by utilizing the indicative / tentative Locations Layout Plan as provided in Schedule A within **seven (7) working days** of commencement of the Business Incubation Period. Such a layout plan shall also include the reasonably required quantity or capacity for any utilities required along with Concessionaire Managed Locations of any physical connections such as sewage, exhausts, etc. The Authority may take a maximum of fourteen (14) working days to assess compliance. In case the Authority notifies of non-compliance, then the Selected Bidder/ Concessionaire shall be required to address the non-compliance and submit revised Locations Layout Plan within the limitations of Location Layout Plan Approval Protocol for approval by the Authority. The Authority may take a maximum of **seven (7) working days** to assess compliance of the revised Locations Layout Plan. The Selected Bidder/ Concessionaire shall be required to address remaining non-compliances, if any, and obtain final approval of the Locations Layout Plan from the Authority. The responsibility of demonstrating compliance and obtaining the requisite approvals within **thirty (30) days** from the commencement of the Business Incubation Period shall rest with the Selected Bidder/ Concessionaire. Any delay shall attract damages at the rate of Rs. 5,000/- per day of delay, as provided in **Clause 4.2.1** of this RFP;
- h. The Selected Bidder/ Concessionaire shall apply for necessary approvals and clearances of security program from the Bureau of Civil Aviation Security (BCAS) or any other relevant Governmental Authority, and any other clearance as may be notified from time to time and submit copies thereof to the Authority.
- i. The selected bidder shall submit the Corporate guarantee, issued by the Affiliate of the selected bidder / Affiliate of the lead member of the selected bidder/ the lead member of the selected bidder or the selected bidder itself (who so ever has fulfilled the Threshold Eligibility Criteria)

4.2.2 The Selected Bidder (in case of Consortium, the bidder shall form an appropriate Special Purpose Vehicle (SPV) under the Indian Companies Act, 2013) shall execute the Concession Agreement and implement the Concession. In case the Bidder is a Consortium, it shall, comply with the following additional requirements:

- (a) Number of members in a consortium shall not exceed 3 (three);
- (b) Subject to the provisions of sub-clause (a) above, the Proposal should contain the information required for each member of the Consortium;
- (c) Members of the Consortium shall nominate one member as the lead member (the **“Lead Member”**), who shall have an equity share holding of more than fifty

per cent (50%) of the paid up and subscribed equity of the SPV throughout the Concession Term. The nomination(s) shall be supported by a Power of Attorney, as per the format at **Form-IV**, signed by all the other members of the Consortium.

(d) 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;

(e) Members of the Consortium shall enter into a binding Joint Bidding Agreement, substantially in the form specified at Form-V (the "Jt. Bidding Agreement"), for the purpose of submitting a Proposal for the Concession. The Jt. Bidding Agreement, to be submitted along with the Proposal, shall, *inter alia*:

(i) Convey the intent to form an SPV with shareholding/ownership equity commitment(s) in accordance with this RFP, which would enter into the Concession Agreement and subsequently perform all the obligations of the Concessionaire in terms of the Concession Agreement, in case the concession is awarded to the Consortium;

(ii) Commit the minimum equity stake to be held by each member; as well as commit to be in compliance with the shareholding requirements set forth in **Clause 2.5** of this RFP;

(iii) Members of the Consortium undertake that, subject to the provisions of sub-clause (e) (ii) above, they shall collectively hold 100% (one hundred percent) of the subscribed and paid up equity of the SPV at all times at least until the third anniversary of the Rent Commencement Date of the Concession; and

(iv) Include a statement to the effect that all members of the Consortium (who submitted the Proposal) shall be liable jointly and severally for all obligations of the Concessionaire in relation to the Concession in accordance with the Concession Agreement.

(f) Except as provided under this RFP and the Bidding Documents, there shall not be any amendment to the Jt. Bidding Agreement without the prior written consent of the Authority.

(g) The Selected Bidder shall certify to Authority that apart from the authorizations and approvals provided to Authority there are no further approvals or consents (whether statutory or contractual) required by the Selected Bidder to execute the Concession Agreement.

4.2.3 The Selected Bidder shall be under obligation to obtain the final approval of the detailed Locations Layout Plan after incorporation of observations of the Authority within the limitations of the Locations Layout Plan Approval Protocol under any circumstances before the Access Date. Also refer **Schedule-A** of the draft Concession Agreement for indicative / tentative Concessionaire Managed Locations Layout Plan and the relevant provisions applicable thereto.

- 4.2.4 Without prejudice and in addition to the rights of Authority to invoke the Earnest Money Deposit (EMD) as provided elsewhere in the RFP, the Earnest Money Deposit (EMD) shall be liable to be forfeited and appropriated by Authority in case of failure of Concessionaire to fulfil any of the Conditions of Award within the stipulated time and in accordance with the manner prescribed therefore in this RFP and/or the Letter of Intent to Award.
- 4.2.5 Upon forfeiture by Authority of the Earnest Money Deposit (EMD) as above, Authority shall have the right to cancel / revoke the Letter of Intent to Award and immediately upon issuance of notice intimating such cancellation/ revocation, to select such other Bidders as may be deemed fit by Authority and /or deal with the Concession as it may deem fit in its sole and absolute discretion.
- 4.2.6 The Authority, in its sole discretion, reserves the right to extend the timelines referred to in **Chapter 4** of this RFP.

CHAPTER-5. THE CONCESSION AND THE CONCESSIONAIRE

5.1 Concessionaire

- 5.1.1 The obligations and duties of the Concessionaire are as prescribed in the RFP and the Concession Agreement.
- 5.1.2 The designs, drawings and layout plans of the Duty-Free Retail Outlets/Concessionaire Managed Locations shall be finalized in the manner provided in the Concession Agreement. Indicative key obligations and duties of the Concessionaire in relation to the designs, drawings and layout plans of the Duty-Free Retail Outlets are as under:
- 5.1.3 The Selected Bidder shall submit its proposed layout plan by utilizing the indicative / tentative Locations Layout Plan as provided in **Schedule A** of the draft Concession Agreement within seven (7) days of commencement of the Business Incubation Period. Such a layout plan shall also include the reasonably required quantity or capacity for any utilities required along with Concessionaire Managed Locations of any physical connections such as sewage, exhausts, etc. The Authority may take a maximum of fourteen (14) working days to assess compliance. In case the Authority notifies of non-compliance, then the Concessionaire shall be required to address the non-compliance and submit revised Concessionaire Managed Locations Layout Plan for approval by the Authority. The Authority may take a maximum of seven (7) working days to assess compliance of the revised Concessionaire Managed Locations Layout Plan. The Concessionaire shall be required to address remaining non-compliances, if any, and obtain final approval of the Concessionaire Managed Locations Layout Plan from the Authority. The responsibility of demonstrating compliance and obtaining the requisite approvals within sixty (60) days of commencement of the Business Incubation Period shall rest with the Concessionaire.

Refer Schedule-A of the draft Concession Agreement for indicative / tentative Locations Layout Plan and the relevant provisions applicable thereto.

5.2 Scope of the Concession

- 5.2.1 The Concessionaire shall use the Concessionaire Managed Location(s) for the sole purpose of developing, operating and maintaining the Duty-Free Retail Outlets and providing the Services, during the Concession Term and shall ensure that the Duty-Free Retail Outlets are developed, operated and maintained as per international standards in line with the image envisaged for the Airport by Authority and in accordance with the Good Industry Practices. The detailed scope and the terms and conditions governing the Concession are defined and stipulated in the Concession Agreement.

- 5.2.2 The Concessionaire Managed Location(s) will be handed over to the Concessionaire on “as is where is” basis and Authority shall not be responsible for its renovation, maintenance and up-keep from the Access Date onwards.
- 5.2.3 The Concessionaire is required to maintain a comprehensive range of Duty-Free Retail Items and operate and maintain the Duty-Free Retail Outlets, asset out in his Application, efficiently to meet the demands of Airport Users /Consumers at the Airport, at all times during the Concession Term. The range of products must be comparable both in terms of quality and price as per Good Industry Practices.
- 5.2.4 The Concessionaire shall be required to comply with the Service Standards for developing, operating and maintaining the Duty-Free Outlets at the Concessionaire Managed Location(s) and providing the Services. The Bidders are requested to take the same into account prior to submitting the Proposal in response to this RFP.
- 5.2.5 Notwithstanding anything to the contrary contained in this RFP, the detailed terms specified in the Concession Agreement shall have overriding effect; provided, however, that any conditions or obligations imposed on the Bidder hereunder shall continue to have effect in addition to its obligations under the Concession Agreement.

5.3 Term of Concession

- 5.3.1 The Concession is proposed to be granted for **Seven (7) years**. The Agreement shall become effective from the date of execution hereof. The term of the Concession (the “Concession Term”) shall commence on the Concession Fee Commencement Date and shall terminate on the Seventh (7th) anniversary of the Concession Fee Commencement Date, unless terminated earlier in accordance with the terms and conditions of this Agreement.
- 5.3.2 The Concessionaire shall be obligated to operate the Concession for at least the **Minimum Lock in Period** as per the terms and conditions of the draft Concession Agreement. The Concessionaire cannot terminate the Concession Agreement prior to expiry of the Minimum Lock in Period. If the Concessionaire fails to perform any of its obligations as per the terms and conditions of the draft concession agreement of this RFP, it would lead to forfeiture of Three(03) months Security Deposit equivalent to current month concession fee and debaring for a period of one (01) year from participation in future tenders/RFPs floated by Authority

The debarment shall also apply to the 'allied firms' of the debarred agency. In case Joint venture/Consortium is debarred, all partners/members of such JV/Consortium will also stand debarred for the period specified in the Debarment Order. The names of partners/members of JV/Consortium should be clearly specified in the Debarment Order.

It is also clarified that Concession shall serve requisite Notice Period of 120 days only after completion of Minimum Lock-In period i.e., 20% of the licence period.

5.3.3 The Concession Term shall be reckoned from the Concession Fee Commencement Date of the Concessionaire Managed Location(s) handed over to the Concessionaire at the first instance. For the sake of clarity, the Concessionaire Managed Location(s) handed over to a Concessionaire at subsequent stages shall terminate along that of the Sites handed over at first instance, unless terminated earlier in accordance with the terms and conditions of the Concession Agreement.

5.4 Concession Fee

5.4.1 The Concessionaire shall, in consideration of the Concession granted by Authority, pay to Authority the Concession Fee for all the Concessionaire Managed Locations as per **Article 10** of Draft Concession agreement of this RFP.

5.4.2 The Concession Fee shall be payable on a monthly basis as set out in the draft Concession Agreement.

5.4.3 The Concession Fee paid by the Concessionaire to the Authority shall be exclusive of Taxes and all applicable GST/Taxes shall be paid by the concessionaire over and above the Concession Fee.

5.4.4. "Concession Fee Commencement Date" shall mean the 61st day from the start date of Gestation Period or the commencement of the business, whichever is earlier, unless extended by the Authority.

5.4.5 The Concessionaire shall commence the payment of the Concession Fee for all Concessionaire Managed Locations(s) handed over at the first instance, from the Concession fee Commencement date. No claims for discounts / reductions / abatements in Concession Fee shall be admissible for any Concessionaire Managed Location(s) lying unutilized, after taking over the possession from Authority.

5.4.6 In the event the Authority fails to hand over a minimum of one Location in the Departure Area of the Terminal, the Concessionaire shall be entitled to a fifty percent (50%) abatement in the Concession Fee; provided that such

abatement shall extinguish on the Concession Fee Commencement Date of the first Location handed over to the Concessionaire in the Departure Area.

5.4.7 In the event the Authority fails to handover a minimum of one Location in the Arrival area of the Terminal, the Concessionaire shall be entitled to a fifty percent (50%) abatement in the Concession Fee; provided that such abatement shall extinguish on the Concession Fee Commencement Date of the first Location handed over to the Concessionaire in the Arrival Area.

5.4.8 In respect of the Locations handed over at a subsequent stage, the Concession Fee applicable will be the Concession Fee applicable for Locations handed over at the first instance. For the sake of clarity, if a Location is handed over in the Second Concession Year, the Concession Fee applicable for such Location will be the Concession Fee for Second Concession Year.

5.5 Other charges

5.5.1 In addition to the Concession fee, The Concessionaire shall also pay to the Authority, the following additional charges in relation to the Concessionaire Managed Locations (Duty Free Outlets) in accordance with the draft Concession Agreement.

- a. Common Area Maintenance (CAM) Charges
- b. Utility Charges, as per metered actual consumption

5.5.2. The Concessionaire shall pay to the Authority, the following amounts in relation to each of the Warehouse/Service Area(s) if provided to the Concessionaire in respect of this Concession in accordance with the draft Concession Agreement.

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

5.5.3 The Concessionaire shall commence the payment of space rent for all Warehouse/services Area(s) comprised in the concession from the Access Date (i.e. from the date of handing over of the site). The current rate of Space Rent notified by Authority for Pune Airport applicable is Rs.2950/- per sq. mtr. per month for air-conditioned spaces and Rs. 1970/- per sq. mtr. Per month for non-air-conditioned spaces or as decided by Authority from time to time. These rates are subject to 7.5% annual compound escalation with effect from 1st April of every year or as decided by Authority from time to time. However, the Authority has the right to revise the said space rent from time to time and intimate the same to the concessionaire. The concessionaire shall be bound to pay such notified space rent.

- 5.5.4 Space Rent and other charges paid by the Concessionaire to the Authority shall be exclusive of Taxes and all applicable GST/Taxes shall be paid by the concessionaire over and above the Space Rent and other charges.
- 5.5.5 If required by the Concessionaire and agreed to by the Authority, Authority shall provide or arrange to provide agreed utilities and facilities at the Service Area in consideration of charges as may be determined by the Authority from time to time.

5.6 Taxes and other payments

The Concessionaire shall pay all contributions, taxes and insurance premiums payable under Applicable Law, during its performance under the Concession Agreement and applicable GST/and all other taxes, etc. as applicable, to materials and supplies furnished or work performed here under and shall save Authority harmless from liability for any such contributions, premiums, and taxes, and as more particularly set out under the Concession Agreement. Direct taxes on respective income shall be borne by the respective parties.

5.7 Security Deposit:

- 5.7.1 Security Deposit to be provided by the Successful Bidder to the Authority for the concession shall be as stipulated and detailed under **Article-7** of the draft Concession Agreement of this RFP.
- 5.7.2 The Security Deposit shall be interest free and the Concessionaire agrees and acknowledges that the Authority shall not be liable to pay any interest on the Security Deposit.
- 5.7.3 The Bank Guarantee (BG) under the Security deposit to be submitted in accordance with the bank details as follows:

CORPORATE NAME	AIRPORTS AUTHORITY OF INDIA
BANK NAME	ICICI BANK
IFSC CODE	ICIC0000007
BG ADVISING MESSAGE	IFN 760COV (BG ISSUE) IFN 767COV (BG AMENDMENT)
UNIQUE IDENTIFIER CODE	AAIPUNE (To be mentioned in the field 7037 of the BG Advising Message Code)

While submitting the documents to BG issuing bank, the successful bidder to also submit letter to the issuing bank as per format provided in Schedule - K.

Along with the original BG document, successful bidder to attach copy of SFMS BG confirmation message sent by the BG issuing bank to ICICI Bank.

5.8 Pricing Policy

The Concessionaire shall at all times adhere to the pricing policy that may be introduced by Authority and as detailed by the Concessionaire in its Application, as more particularly set out in the Concession Agreement.

5.9 Service Standards and other covenants

The Concessionaire shall at all times comply with the Service Standards and such other covenants as may be prescribed by the Authority from time to time and as detailed by the Concessionaire in its Proposal for development, operation and maintenance of the Duty-Free Retail Outlets and providing the Services.

5.10 Marketing and Promotional Activities

5.10.1 The Concessionaire is required to participate in all sales and promotion programs, display necessary airport publicity materials, and support all airport wide promotions, and any other marketing or promotional activities as may be organized by Authority from time to time. The Concessionaire agrees to cooperate with Authority in use of the Concessionaire Managed Location(s) in relation to such promotional activities.

5.10.2 The Concessionaire shall, if so required by Authority, include Authority's brands/ logos / tag or in such manner as may be required by Authority from time to time. Any additional costs incurred in relation to the same including printing costs incurred to print Authority's logo on the carrier bags are to be borne by the Concessionaire.

5.11 Sub-licensing / assignment

The Concessionaire shall not sub-contract or sub-concession or assign any of its rights, duties and obligations under the Concession Agreement, in whole or in part.

5.12 Authority's Brand Support and Promotional Activities

- 5.12.1 Authority may, at any point in time, develop its brand with service, quality, respect, promise and creativity as its core elements and the Concessionaire is required to uphold these elements of Authority's brand while developing, operating and maintaining the Duty-Free Retail Outlets at the Airport.
- 5.12.2 Concessionaire is also required to participate in all loyalty and promotions to be undertaken by Authority in support of its brand including Airport wide promotions and any other incentive scheme as may be initiated by Authority from time to time. Concessionaire agrees to co-operate with Authority in use of the Concessionaire Managed Locations(s) in relation to Authority's brand.

5.13. Business Incubation Period

- 5.13.1 "**Business Incubation Period**" shall mean a period of sixty (60) days from the date of issue of LOIA to the Concessionaire, unless extended in writing by the Authority. Provided that if such an extension is needed due to a fault of the Concessionaire and it is provided by the Authority, damages at the rate of INR 5,000/- shall be appropriated from the Security Deposit/ Earnest Money Deposit (EMD) for each day of extension provided and utilized for each obligation that is delayed. The Selected Bidder will be under obligation during this period to complete the formalities and meet the obligations as specified in this RFP and draft Concession Agreement. Refer **Clause 4.2.1** of this RFP for more details.

5.14 Gestation Period

- 5.14.1 "Gestation Period" shall mean a period commencing on the Access Date in respect of Concessionaire Managed Location(s) and expiring on the **60th day** from Access Date of Concessionaire Managed Location(s) or commencement of business whichever is earlier, unless extended in writing by the Authority.
- 5.14.2 The Gestation Period of **Sixty (60) days** is a Concession Fee Holiday Period. However, it is expected that the Concessionaire within this period completely installs outlets as per approved Concessionaire Managed Locations Layout Plan and commence the business.

5.15 Change within Passenger Terminal Building/Passenger Circulation Areas within the building

- 5.15.1 In such an event, it would be incumbent upon Authority to provide all necessary details and drawings and inform the Concessionaire in advance

of the commissioning date of the new facilities so that the Concessionaire can redraw the Concessionaire Managed Locations Layout Plan and seek approval of the Authority for implementing the same at the new facilities on their commissioning.

5.15.2 In case the change in terminal building facilities results in suspension of business for more than **thirty (30) days**, the Concession Term shall be extended by the suspended period and the date of annual escalation of Concession Fee shall be reset accordingly.

5.15.3 In case of a new terminal coming up at the Airport, the decisions pertaining to the planning of the commercial business including Duty-Free Shop shall be at the sole discretion of the Authority.

5.15.4 During the period of this Agreement, the Authority may undertake some modifications at the Airport that may affect the Concessionaire's business without changing the location of the Concessionaire Managed Locations. In such an event, the Concessionaire shall not be entitled to any relief or compensation from the Authority whatsoever.

5.16 Penalty

5.16.1 If the Concessionaire fails to comply with its O&M obligations or commits any infraction thereof or fails to perform its function in accordance with this Agreement the Authority shall, in addition to any other available remedy, be entitled to levy and the Concessionaire shall be liable to pay, liquidated damages, as specified in **Schedule D** of the draft Concession Agreement, in respect of such infractions.

CHAPTER-6. FRAUD AND CORRUPT PRACTICES

6.1 The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process. Notwithstanding anything to the contrary contained herein, the Authority may reject an Application without being liable in any manner whatsoever to the Bidder if it determines that the Bidder has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process.

6.2 Without prejudice to the rights of the Authority under **Clause 6.1** herein above, if an Bidder is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, such Bidder shall not be eligible to participate in any tender or RFP issued by the Authority during a period of two(02) years from the date when such Bidder is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.

6.3 For the purposes of this Clause 6, the following terms shall have the meaning hereinafter respectively assigned to them:

- a) “**corrupt practice**” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to, or employing, or engaging in any manner whatsoever, directly or indirectly, any official of the Authority who is or has been Affiliated in any manner, directly or indirectly, with the Bidding Process or the LOIA or has dealt with matters concerning the Concession Agreement or arising there from, before or after the execution thereof, at any time prior to the expiry of two years from the date such official resigns or retires from or otherwise ceases to be in the service of the Authority, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process);
- b) “**fraudulent practice**” means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process;

- c) **“coercive practice”** means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;
- d) **“undesirable practice”** means (i) establishing contact with any person connected with or employed or engaged by the Authority with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a Conflict of Interest; and
- e) **“restrictive practice”** means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

6.4 The Concessionaire shall execute an Integrity Pact with the Authority. The Authority shall appoint an Independent External Monitor (IEM) to review independently and objectively, whether and to what extent the Authority and Concessionaire have complied with their obligations under the Integrity Pact and Concession Agreement.

CHAPTER-7. MISCELLANEOUS

- 7.1 The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts at Airport of Concession shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- 7.2 The Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;
- a) Suspend and/ or cancel the Bidding Process and/ or amend and/ or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto;
 - b) Consult with any Bidder in order to receive clarification or further information;
 - c) Shortlist or not to shortlist any Bidder and / or to consult with any Bidder in order to receive clarification or further information;
 - d) Retain any information and/ or evidence submitted to the Authority by, on behalf of, and/ or in relation to any Bidder; and/ or
 - e) Independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Bidder.
- 7.3 It shall be deemed that by submitting the Proposal, the Bidder agrees and releases the Authority, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/ or performance of any obligations hereunder and the Bidding Documents, pursuant hereto, and/ or in connection with the Bidding Process, to the fullest extent permitted by applicable law, and waives any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.

**Letter cum Undertaking Comprising the Proposal
[On the letter-head of Bidder/Lead Member (in case of Consortium)]**

To,
The Airport Director,
Airports Authority of India,
Pune Airport

Sub: Proposal for grant of Concession to Develop, Operate and Maintain Duty-Free Outlets at PUNE AIRPORT

Dear Sir,

With reference to your RFP document [E Bid no.....] dated, I/we, having examined the RFP & Bidding Documents and after understanding its contents, hereby submit my/our Proposal for Qualification for the aforesaid Concession. The Proposal is unconditional and unqualified.

2. I/ We acknowledge that the Authority will be relying on the information provided in the Proposal and the documents accompanying such Proposal for selection of the Bidders for the aforesaid Concession, and we certify that all information provided in the Proposal and in Annexures are true and correct and nothing has been omitted which renders such information misleading; and all documents accompanying such Proposal are true copies of their respective originals.
3. This statement is made for the express purpose of qualifying as a Selected Bidder for the development, operation and maintenance of the aforesaid Concession.
4. I/ We shall make available to the Authority any additional information/clarification it may find necessary or require to supplement or authenticate the Qualification statement.
5. I/ We acknowledge the right of the Authority to reject our Proposal without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.
6. I/ We certify that in the last three years, we/ any of the Consortium Members or our/ their Affiliates have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public

authority nor have had any contract terminated by any public authority for breach on our part.

7. I/ We declare that:

- (a) I/ We have examined and have no reservations to this RFP document, including any Corrigendum/Addendum issued by the Authority;
- (b) I/ We do not have any conflict of interest in accordance with Clauses mentioned in this RFP document;
- (c) I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in **Clause 6.3** of this RFP document, in respect of any tender or request for proposal issued by or any agreement entered into with the Authority or any other public sector enterprise or any Government, Central or State; and
- (d) I/ We hereby certify that we have taken steps to ensure that in conformity with the provisions of **Chapter 6** of this 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.
- (e) The undertakings given by us along with the Proposal in response to this RFP for the Concession are true and correct as on the date of making the Proposal and I/we shall continue to abide by them.
- (f) I/We, including my/our allied firms, 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 in a separate sheet).
- (g) I/We have not faced/are not facing any action under PPE Act/ AAI Act, with AAI. (In case if you have faced/are facing action under PPE Act with AAI, submit all the details in a separate sheet).
- (h) 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 in a separate sheet).
- (i) I/ We declare that none of the Directors/Partners/ Sole Proprietor of our company/firm/concern 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 up to the date as specified in GENERAL INFORMATION AND GUIDELINES para 3 of NIT with AAI". (In case if you fall under anyone of the above category, please furnish all such relevant details in a separate sheet)

- (j) I/We do not have any conflict of interest as detailed in clauses in general information and guidelines of tender document.
 - (k) 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 affiliates or against any of the Directors/Managers/Employees" (In case if raids/seizure/search conducted, please furnish all such relevant details in a separate sheet).
8. I/ We understand that you may cancel the Bidding Process at any time and that you are not bound to accept any Proposal that you may receive to qualify the Bidders to Bid for the Concession, without incurring any liability to the Bidders.
9. I/ We believe that I/our Consortium satisfy(s) the Threshold Eligibility Criteria and meet(s) all the requirements as specified in this RFP document and is / are qualified to submit a Proposal.
10. I/ We declare that we/ any Member of the Consortium, or our/ its Affiliates are not a Member of a/ any other Consortium applying for Concession.
11. I/ We certify that in regard to matters other than security and integrity of the country, we/ any Member of the Consortium or any of our/ their Affiliates have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Concession or which relates to a grave offence that outrages the moral sense of the community.
12. I/ We further certify that in regard to matters relating to security and integrity of the country, we/ any Member of the Consortium or any of our/ their Affiliates have not been charge-sheeted by any agency of the Government or convicted by a Court of Law.
13. I/ We further certify that none of the Directors of the Applicant (in the case of a Consortium, Lead Member and all Members) and/or its Affiliates is a Director of an entity having Outstanding Dues, as defined in **Clause 2.2.1 (d)** of this RFP.

14. I/ We further certify that we/ any Member of the Consortium, or our/ its Affiliates do not have any outstanding dues as applicable to this RFP.
15. The Integrity Pact as per format provided in this RFP document, and duly signed, is enclosed.
16. I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the provisions of this RFP; we shall intimate the Authority of the same immediately.
17. I/ We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the, selection of the Bidder, or in connection with the selection/ Bidding Process itself, in respect of the above mentioned Concession and the terms and implementation thereof.
18. In the event of my/ our being declared as the Selected Bidder, I/we agree to enter into a Concession Agreement in accordance with the draft that shall be provided to me/ us prior to the Proposal Due Date. I/We agree not to seek any changes in the aforesaid draft and agree to abide by the same.
19. I/ We have studied the RFP Documents carefully and also surveyed the site at the Airport. We understand that we shall have no claim, right or title arising out of any documents or information provided to us by Authority or in respect of any matter arising out of or relating to the Bidding Process including the award of Concession.
20. I/ We agree and understand that the Proposal is subject to the provisions of the RFP Documents. In no case, I/we shall have any claim or right of whatsoever nature if the Concession is not awarded to me/us.
21. I/ We agree and undertake to abide by all the terms and conditions of this RFP document.
22. We agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till the expiry of the Concession Term in accordance with the Concession Agreement.
23. All the facts stated above are true and correct to the best of my knowledge, belief and information.

In witness thereof, I/we submit this Proposal under and in accordance with the terms of this RFP document.

Yours faithfully,

(Signature, Name and Designation of the Authorized Signatory)

Name and seal of the Bidder/ Lead Member (In case of Consortium)

Dated: _

Place: _

Details of Bidder

1.	Details of Bidder/Lead Member																		
(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:																		
2	Details of individual(s) who will serve as the point of contact/ communication for the Authority:																		
(a)	Name & Designation																		
(b)	Correspondence Address																		
(c)	Email																		
(d)	Tel / Fax No																		
3	Particulars of the Authorised Signatory of the Bidder:																		
(a)	Name & Designation																		
(b)	Correspondence Address																		
(c)	Email																		
(d)	Tel / Fax No																		
4.	<p>a) In case of a Consortium, the information above (1-3) is provided for all the Members of the Consortium.</p> <p>b) A copy of the Joint Bidding Agreement, as envisaged in Clause 2.2.2(e) , Form-V, is attached to the Bid.</p> <p>c) Information regarding the role of each Member is provided as table below:</p> <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Name of Member</th> <th>Role (Ref clause 2.2.2)</th> <th>Percentage of equity in the proposed SPV (Ref clause 2.2.2)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>			Sl. No.	Name of Member	Role (Ref clause 2.2.2)	Percentage of equity in the proposed SPV (Ref clause 2.2.2)												
Sl. No.	Name of Member	Role (Ref clause 2.2.2)	Percentage of equity in the proposed SPV (Ref clause 2.2.2)																

5	<u>Debarring Information</u> Name of Bidder/ member of Consortium:	
(a)	Has the Bidder/any member of the Consortium been barred by the Central/ State Government, or any entity controlled by it, from participating in any project?	Yes / No (<i>strike off whichever is not applicable</i>)
(b)	If the answer to 5(a) is yes, does the bar subsist as on the date of Proposal?	Yes / No (<i>strike off whichever is not applicable</i>)
(c)	Has the Bidder/ member of the Consortium paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalised due to any other reason in relation to execution of a contract, in the last three years?	Yes / No (<i>strike off whichever is not applicable</i>)

6. A statement by the Bidder and each of the Members of its Consortium (where applicable) or any of their Affiliates disclosing material non-performance or contractual non-compliance in past contracts / licenses, contractual disputes and litigation/ arbitration in the recent past is given below (attach extra sheets, if necessary):

7. Staff strength of Bidder

(a) Organizational Structure of the Company:

(b) Number and grade of staff with breakdown into sales assistants, supervisors, cashiers, managers and etc. for the proposed Concessioned Premises at Airport.

No. of Staff Designation/grade

No. of staff per shift

8. Management Capability of Bidder

(a) Information (including individual resume on the working experience, qualifications and achievements) on the Company's management team/Operation team (Operations/Outlet Manager for the Concessioned Premises, etc).

(b) Information on how the Bidder will maximize sales for the Concessioned Premises at Airport

9. List of Affiliates of the Bidder #:

S.N	Name and Address	CIN/PAN

(Signature, Name and Designation of the Authorized Signatory)

Name and seal of the Bidder/ Lead Member (in case of Consortium)

Date:

Place:

Note: A certificate from Statutory Auditor / Company Secretary regarding documentary proof for Affiliates is to be submitted in the following format :

<u>Certificate from Statutory Auditor / Company Secretary regarding Affiliate</u>	
Based on the authenticated record of the Company, this is to certify that _____ of the subscribed and paid up voting equity of (name of the Bidder/ Lead Member/ Affiliate) is held, directly or indirectly, by (name of Affiliate/ Bidder/ Lead Member). By virtue of the aforesaid share-holding, the latter exercises control over the former, who is an Affiliate as per Clause 2.2.1 of the RFP [E-bid no.]	
A brief description of the said equity held, directly or indirectly, is given below:	
{Describe the share-holding of the Bidder/ Lead Member and the Affiliate. In the event the Affiliate is under common control with the Bidder/ Lead Member, the relationship may be suitably described and similarly certified herein}	
Name of the audit firm:	
Seal of the audit firm: authorized	(Signature, Name and Designation of the signatory).
Date:	

Annexure-2 of FORM-I (Part 1)

Technical Capacity of the Bidder

(Refer to **Clause 2.2.3** of this RFP)

Bidder type \$	Name of Member	Address of Incorporation	Details of Incorporation and Incorporating Authority	Correspondence Address
(1)	(2)	(3)	(4)	(5)
Single entity Bidder / Lead Member				
Consortium Member 2				
Consortium Member 3				

\$A Bidder consisting of a single entity should fill in details as per the row titled Single Entity Bidder and ignore the rows titled Consortium Members.

Instructions:

1. The Bidder/ its constituent Consortium Members shall attach copies of the balance sheets, financial statements and Annual Reports for the preceding financial year and for the years for which experience under of RFP has been claimed. They will also attach certificate from statutory auditor wherever required in support of the technical and financial eligible criteria. The financial statements shall:

- (a) reflect the financial situation of the Bidder or Consortium Member;
- (b) be audited by a statutory auditor;
- (c) be complete, including all notes to the financial statements; and
- (d) correspond to accounting periods already completed and audited.

2. The Bidder shall provide certified copies of the Certificate of Incorporation.

3. In the case of a Consortium, a copy of the Joint Bidding Agreement shall be submitted as per **Form V**.

4. Bidder shall ensure that all the certified documents undertaken/signed by Chartered accountants must contain Unique Document Identification Number (UDIN). [As mandated under the guidelines issued by The Council of the Institute of Chartered Accountants of India through the Gazette of India, dated 02nd August 2019].

Date:

Place: (Signature, Name and Designation of the Authorized Signatory)

Name and seal of the Bidder/ Lead Member (in case of Consortium)

Undertaking of Technical Capacity
(Ref. Clause 2.2.3 (A) of RFP)

UNDERTAKING

(To be submitted by the Bidder on Letter Head, duly stamped and signed by authorized signatory and Lead Member in case of Consortium)

To,
The Airport Director, Airports Authority of India,
_____ Airport.

Sir,

1. I S/o representing M/s (name of Bidder/Consortium) hereby submit my/our undertaking with reference to Technical Capacity as per clause 2.2.3 (A) of the RFP. [Ebid no. _____]
2. I/We hereby declare that I/we have read the entire terms and conditions of Technical Capacity given in **Clause 2.2.3 (A)** (i) of the RFP. [E bid no. _____] for Duty Free concession at airport.
3. I/We understand that no prior experience of Duty Free business is required, subject to the condition that the selected H-1 bidder shall obtain all the requisite statutory / regulatory permissions/approvals, certifications etc. to open and operate Duty-Free outlets as per the timeline mentioned in this RFP.
4. I/We also understand that in any case, the charging of Concession Fee shall commence on 61st day from Gestation Period Commencement Date, and as per the terms of RFP. The selected H-1 bidder shall not be permitted to operate Duty-Free outlets at the Airport without the requisite statutory/regulatory permissions/approvals and certifications and other conditions set out at Clause 4.2 of the RFP.
5. I/ We hereby agree that in case of failure to obtain and produce all the requisite statutory/ regulatory permissions/approvals and certifications etc. within a period of Six (06) months from the date of LOIA, the Award shall be cancelled/ Agreement shall automatically stand cancelled/terminated without any further reference/notice and the Security Deposit shall be forfeited.
6. I/ We agree and undertake that I/ We shall not make any claim to the Authority in this regard. The Authority shall be free to debar me/ us as per the terms and conditions of the RFP.

Yours faithfully,

(Stamp and Signature of the Bidder)

Name:

Address:

.....

Date:

Place:

Financial Capacity of the Bidder

*(Refer to **Clause 2.2.3 (B)** of this RFP)*

Name of Single Bidder / Lead Member:

Name of qualifying subsidiaries (if applicable):

Instructions:

- (i) Format for certificate from the Bidders' Statutory Auditor must be furnished broadly as per the format below in respect of Turnover:

Certificate from Statutory Auditor regarding Eligibility	
Based on its books of accounts and other published information authenticated by it, this is to certify that (name of the Bidder/Lead Member/Affiliate) is an equity shareholder in..... (title of the company) and holds Rs. cr. (Rupees crore) of equity (which constitutes _% of the total paid up and subscribed equity capital) of (title of the company) as on (date).	
We further certify that (title of the company) has been in the business of operating since the dates mentioned against the respective locations as per location-wise details below:	
Name of location	
Since.....	
We also certify that the turnover of (title of the company) from the business as per requirement of clause 2.2.3 of the RFP [E bid No.] during the year ----- was Rs. cr (Rupee.....).	
Name of the Audit Firm:	
Seal of the Audit Firm:	(Signature, Name and Designation of Date: the authorized signatory).

Note: (In the case of a Consortium, separate sheets are to be furnished by each Member of the Consortium)

Annexure-4 of FORM-I

**DETAILS OF COMMERCIAL LICENSES HELD/ OPERATED (CURRENT AND PAST)
AT AIRPORT UNITS UNDER MANAGEMENT OF AUTHORITY**

The Bidder (including all Consortium members) shall submit the details of commercial Licenses held/operated (current and past) from the date of publication of RFP in respect of all Airport Units and Offices under management of Authority along with details of undisputed/disputed/stayed by Arbitral Tribunals or Judicial Courts, Outstanding Dues and Security Deposits held up to the relevant period in the following Performa.

Figures in Indian Rupees											
Sr. No.	Details of Contract	Status of Contract	Commencement Date	Expiry Date	Pre closure if any along with	Status of Outstanding Dues as up to					
						Undisputed	Disputed Under Arbitration	Stayed by a Judicial Court or Arbitral Tribunal	Total	Contractual Security Deposit	Additional Security Deposit against Disputed Dues
01	02	03	04	05	06	07	08	09	10	11	12
1											
2											
3											
4											
5											

Note: The Bidder (including all Consortium members) shall submit an outstanding dues certificate from the Authority (as per **Annexure-5 of Form-I**) in respect of the figures being indicated at Column 07 to Column 12. Separate sheets are to be furnished by each member of the consortium.

Signature of Authorised Signatory

Name, Designation, Seal/Stamp of Bidder, Date & Place

OUTSTANDING DUES CERTIFICATE

(A separate certificate is required to be obtained and submitted along with RFP for all the contracts, Airport Units, Offices as mentioned in Annexure-4 of Form-I)

File No. : _____
Date of Issuance of Certificate : _____
Name of Contract : _____
Agreement date : _____
Commencement date : _____
Expiry date : _____
Period up to which "Outstanding Due Certificate" issued : _____
Issued to (Name of party) : _____

Sr. No.	Nature of Dues	Amount of Dues in Indian Rupees	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			
05	Disputed dues admitted for Mediation as per AAI Mediation Policy			
	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 concession fee / licensee fee and other dues have been cleared by the Bidder.

The above certificate is issued in line with the joint reconciliation statement dated _____(if conducted) between the parties subject to errors and omissions in the due course of business.

(Authorized Signatory of AAI)

Name and Designation: _____

Statement of Legal Capacity

(To be furnished by the Bidder /Each Member of Consortium)

Ref.

Date:

To,
The Airport Director,
Airports Authority of India,
_____ Airport

Dear Sir,

We hereby confirm that we satisfy the terms and conditions laid out in the RFP document.

We have agreed that (insert member's name) will act as the Lead Member of our consortium. *

We have agreed that (insert individual's name) will act as our representative / will act as the representative of the consortium on its behalf* and has been duly authorized to submit the RFP. Further, the authorised signatory is vested with requisite powers to furnish such letter and authenticate the same.

Thanking you,

Yours faithfully,

(Signature, name and designation of the authorised signatory)

For and on behalf of.....

**Please strike out whichever is not applicable.*

Power of Attorney for signing of Proposal

(To be executed on non-judicial Stamp paper of Rs 100/- or appropriate value or as per applicable 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 authorise Mr/ Ms (name), son/daughter/wife ofaged 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 Concession to Setup, Develop, Operate and Maintain Duty-Free Outlets at _____ Airport, _____, India (the "Concession") proposed by Airports Authority of India (the "Authority") 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 Authority, representing us in all matters before the Authority, signing and execution of all contracts including the Concession Agreement and undertakings consequent to acceptance of our Financial Proposal, and generally dealing with the Authority 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 Authority.

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 20.....
For

(Signature, name, designation and address)

Witnesses:

1.

(Notarised Accepted)

2.

.....

(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 executant(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.*

Power of Attorney for Lead Member of Consortium

(To be executed on non-judicial Stamp paper of Rs 100/- and duly notarised)

Whereas Airports Authority of India (the "Authority") has invited Proposals from interested parties for the Concession to Develop, Operate and Maintain the Duty-Free Outlets at ----- Airport, -----, India (the "Concession").

Whereas, -----, ----- and ----- (collectively the "Consortium") being Members of the Consortium are interested in bidding for the Concession in accordance with the terms and conditions of the Request for Proposal (RFP) and other connected documents in respect of the Concession, and

Whereas, it is necessary for the Members of the Consortium to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium's Bid for the Concession and its execution.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS

We, ----- having our registered office at -----, M/s. ----- having our registered office at -----, and M/s. ----- having our registered office at -----, (hereinafter collectively referred to as the "Principals") do hereby irrevocably designate, nominate, constitute, appoint and authorise M/s. ----- having its registered office at -----, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the "Attorney"). We hereby irrevocably authorise the Attorney (with power to sub-delegate) to conduct all business for and on behalf of the Consortium and any one of us during the bidding process and, in the event the Consortium is awarded the concession/contract, during the execution of the Concession and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to the pre-qualification of the Consortium and submission of its Proposal for the Concession, including but not limited to signing and submission of all Technical Proposals, Financial Proposals and other documents and writings, participate in bidders and other conferences, respond to queries, submit information/ documents, sign and execute contracts and undertakings consequent to acceptance of the Bid of the Consortium and generally to represent the Consortium in all its dealings with the Authority, and/ or any other Government Agency or any person, in all matters in connection with or relating to or arising out of the Consortium's Bid for the Concession and/ or upon award thereof till the Concession Agreement is entered into with the Authority.

AND hereby 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/ Consortium.

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF 2.....

For
(Signature)

.....
(Name & Title)

For
(Signature)

.....
(Name & Title)

For
(Signature)

.....
(Name & Title)

Witnesses:

- 1.
- 2.

.....
(Executants)

(To be executed by all the Members of the Consortium)

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 executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
- Also, 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 legalized by the Indian Embassy and notarized 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 legalized by the Indian Embassy if it carries a conforming Appostille certificate.

Joint Bidding Agreement

(To be executed on non-judicial Stamp paper of Rs 100/- or appropriate value or as per applicable laws and duly notarised)

THIS JOINT BIDDING AGREEMENT is entered into on this the day of 20...

AMONGST

1. {..... Limited, a company incorporated under the Companies Act, 1956} and having its registered office at (hereinafter referred to as the "First Part" which expression shall, unless repugnant to the context include its successors and permitted assigns)

AND

2. {..... Limited, a company incorporated under the Companies Act, 1956} and having its registered office at (hereinafter referred to as the "Second Part" which expression shall, unless repugnant to the context include its successors and permitted assigns)

AND

3. {..... Limited, a company incorporated under the Companies Act, 1956 and having its registered office at (hereinafter referred to as the "**Third Part**" which expression shall, unless repugnant to the context include its successors and permitted assigns)}

The above mentioned parties of the FIRST, SECOND and THIRD PART are collectively referred to as the "Parties" and each is individually referred to as a "Party"

WHEREAS,

- (A) THE AIRPORTS AUTHORITY OF INDIA, established under the Airports Authority of India Act, 1994, represented by its Chairman and having its principal offices at Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi-110003 (hereinafter referred to as the "Authority" which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) has invited Proposals (the Proposals") by its Request for Proposal No. dated(the "RFP") for pre-qualification and short-listing of bidders for Concession to Setup, Develop, Operate and Maintain the Duty-Free Outlets at ----- Airport, -----, ----- India (the "Concession")
- (B) The Parties are interested in jointly bidding for the Concession as members of a Consortium and in accordance with the terms and conditions of the RFP document and other Bid documents in respect of the Concession, and

- (C) It is a necessary condition under the RFP document that the members of the Consortium shall enter into a Joint Bidding Agreement and furnish a copy thereof with the Proposal.

NOW IT IS HEREBY AGREED as follows:

1. Definitions and Interpretations

In this Agreement, the capitalised terms shall, unless the context otherwise requires, have the meaning ascribed thereto under the RFP.

2. Consortium

2.1 The Parties do hereby irrevocably constitute a consortium (the “**Consortium**”) for the purposes of jointly participating in the Bidding Process for the Concession.

2.2 The Parties hereby undertake to participate in the Bidding Process only through this Consortium and not individually and/ or through any other consortium constituted for this Concession, either directly or indirectly or through any of their Affiliates.

3. Covenants

The Parties hereby undertake that in the event the Consortium is declared the Selected Bidder and awarded the Concession, it shall incorporate a special purpose vehicle (the “**SPV**”) under the Indian Companies Act, 2013 for entering into a Concession Agreement with the Authority and for performing all its obligations as the Concessionaire in terms of the Concession Agreement for the Concession.

4. Role of the Parties

The Bidder / all the members in the case of consortium undertake to perform all the roles and responsibilities required to be fulfilled for the concession. The role and responsibility of the other members of the consortium to be clearly specified.

5. Joint and Several Liability

The Parties do hereby undertake to be jointly and severally responsible for all obligations and liabilities relating to the Concession and in accordance with the terms of the RFP, RFP and the Concession Agreement, till such time as the Commercial operations of the Concession is achieved under and in accordance with the Concession Agreement.

6. Shareholding in the Concessionaire/SPV

6.1 The Parties agree that the proportion of shareholding among the Parties in the Concessionaire / SPV shall be as follows:

First Party:, Second Party:..... and Third Party:

- 6.2 The Parties undertake that more than 50% (fifty per cent) of the subscribed and paid up equity share capital of the SPV shall, at all times till the expiry of the term of Concession, be held by the Lead Member.
- 6.3 The Parties undertake that, subject to the provisions of **Clause 6.2** above, they shall collectively hold 100%(one hundred percent) of the subscribed and paid up equity share capital of the SPV at all times until the third anniversary of the Concession Fee Commencement Date of the Concession. The Authority shall have the right to ask any of the Consortium members, excluding the Lead Member, to exit by selling its shareholding to the Lead Member at par value.
- 6.4 The Parties undertake that they shall comply with all equity lock-in requirements set forth in the Concession Agreement.

7. Representation of the Parties

Each Party represents to the other Parties as of the date of this Agreement that:

- (a) Such Party is duly organised, validly existing and in good standing under the laws of its incorporation and has all requisite power and authority to enter into this Agreement;
- (b) The execution, delivery and performance by such Party of this Agreement has been authorised by all necessary and appropriate corporate or governmental action and a copy of the extract of the charter documents and board resolution/ power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member is annexed to this Agreement, and will not, to the best of its knowledge:
- (i) require any consent or approval not already obtained;
 - (ii) violate any Applicable Law presently in effect and having applicability to it;
 - (iii) violate the memorandum and articles of association, by-laws or other applicable organisational documents thereof;
 - (iv) violate any clearance, permit, concession, grant, license or other governmental authorisation, approval, judgement, order or decree or any mortgage agreement, indenture or any other instrument to which such Party is a party or by which such Party or any of its properties or assets are bound or that is otherwise applicable to such Party; or
 - (v) create or impose any liens, mortgages, pledges, claims, security interests, charges or Encumbrances or obligations to create a lien, charge, pledge,

security interest, encumbrances or mortgage in or on the property of such Party, except for encumbrances that would not, individually or in the aggregate, have a material adverse effect on the financial condition or prospects or business of such Party so as to prevent such Party from fulfilling its obligations under this Agreement;

- (c) this Agreement is the legal and binding obligation of such Party, enforceable in accordance with its terms against it; and
- (d) there is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Affiliates a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfilment of its obligations under this Agreement.

8. Termination

This Agreement shall be effective from the date hereof and shall continue in full force and effect until the end of Concession Term of the Concession is achieved under and in accordance with the Concession Agreement, in case the Concession is awarded to the Consortium. However, in case the Consortium is either not qualified for the Concession or does not get selected for award of the Concession, the Agreement will stand terminated in case the Bidder is not qualified or upon return of the Earnest Money Deposit by the Authority to the Bidder, as the case may be.

9. Miscellaneous

9.1 This Joint Bidding Agreement shall be governed by laws of India.

9.2 The Parties acknowledge and accept that this Agreement shall not be amended by the Parties without the prior written consent of the Authority.

IN WITNESS WHEREOF THE PARTIES ABOVE NAMED HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

SIGNED, SEALED AND DELIVERED

For and on behalf of
LEAD MEMBER by:

(Signature)
(Name)
(Designation)
(Address)

SIGNED, SEALED AND DELIVERED

SIGNED, SEALED AND DELIVERED

SECOND PART

(Signature)
(Name)
(Designation)
(Address)

For and on behalf of
THIRD PART

(Signature)
(Name)
(Designation)

(Address)

In the presence of:

1. 2.

Notes:

1. The mode of the execution of the Joint Bidding Agreement should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
2. Each Joint Bidding Agreement should attach a copy of the extract of the charter documents and documents such as resolution / power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member.
3. For a Joint Bidding Agreement executed and issued overseas, the document shall be legalised by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney has been executed.

FORMAT OF AFFIDAVIT

[To be submitted by the Bidder/Lead Member (in case of Consortium) on a non-judicial stamp of Rs.100/- and duly notarised]

Dated: _____

To,
The Airport Director,
Airports Authority of India,
Pune Airport.

Subject: Proposal for grant of Concession to Develop, Operate and Maintain Duty Free Outlets at Pune Airport.

Dear Sir,

With reference to your RFP document [E Bid no. _____] dated _____, I, S/o....., Authorized Signatory for M/s do hereby solemnly affirm and declare as under:

2. I/We acknowledge that the Authority will be relying on the information provided in the Bid and the documents accompanying such Proposal for selection of the Bidders for the aforesaid Concession, and we certify that all information provided in the Proposal and in Annexure is true and correct; and nothing has been omitted which renders such information misleading; and all documents accompanying such Proposal are true copies of their respective originals.
3. I/ We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the Qualification statement.
4. I/ We certify that in the last three years, we/ any of the Consortium Members or our/ their Affiliates have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part.
5. I/ We declare that:
 - (a) I/ We have examined and have no reservations to the RFP document, including any Addendum issued by the Authority;
 - (b) I/ We do not have any conflict of interest in accordance with Clauses mentioned in the RFP document;
 - (c) I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in **Clause 6.3** of this RFP document, in respect of any tender or request for proposal issued by or any agreement entered into with

the Authority or any other public sector enterprise or any Government, Central or State; and

- (d) I/ We hereby certify that we have taken steps to ensure that in conformity with the provisions of **Chapter 6** 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.
 - (e) That the undertakings given by us along with the Proposal in response to this RFP for the Concession are true and correct as on the date of making the Proposal and I/we shall continue to abide by them.
 - (f) I/We, including my/our allied firms, 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 in a separate sheet).
 - (g) I/We have not faced/are not facing any action under PPE Act/ AAI Act, with AAI. (In case if you have faced/are facing action under PPE Act with AAI, submit all the details in a separate sheet).
 - (h) 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 in a separate sheet).
 - (i) I/ We declare that none of the Directors/Partners/ Sole Proprietor of our company/firm/concern 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 up to the date as specified in GENERAL INFORMATION AND GUIDELINES para 3 of NIT with AAI". (In case if you fall under anyone of the above category, please furnish all such relevant details in a separate sheet)
 - (j) I/We do not have any conflict of interest as detailed in clauses in general information and guidelines of tender document.
 - (k) 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 affiliates or against any of the Directors/Managers/Employees" (In case if raids/seizure/search conducted, please furnish all such relevant details in a separate sheet).
6. I/ We declare that we/ any Member of the Consortium, or our/ its Affiliates are not a Member of a/ any other Consortium applying for qualification.
7. I/ We certify that in regard to matters other than security and integrity of the country, we/ any Member of the Consortium or any of our/ their Affiliates have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Concession or which relates to a grave offence that outrages the moral sense of the community.
8. I/ We further certify that in regard to matters relating to security and integrity of the country, we/ any Member of the Consortium or any of our/ their Affiliates have not been charge-sheeted by any agency of the Government or convicted by a Court of Law.

9. I/ We further certify that no investigation by a regulatory authority is pending either against us/ any Member of the Consortium or against our/ its Affiliates or against our CEO or any of our directors/ managers/ employees.
10. I/ We further certify that we/ any Member of the Consortium, or our/ its Affiliates do not have any outstanding dues as applicable to this RFP.
11. I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the provisions of this RFP, we shall intimate the Authority of the same immediately.
12. I/ We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the selection of the Bidder, or in connection with the Bid Process itself, in respect of the above mentioned Concession and the terms and implementation thereof.
13. In the event of my/ our being declared as the Selected Bidder, I/we agree to enter into a Concession Agreement in accordance with the draft that shall be provided to me/ us prior to the Proposal Due Date. I/We agree not to seek any changes in the aforesaid draft and agree to abide by the same.
14. I/ We have studied this RFP carefully and also surveyed the site at the Airport. We understand that we shall have no claim, right or title arising out of any documents or information provided to us by Authority or in respect of any matter arising out of or relating to the Bidding Process including the award of Concession.
15. I/ We agree and understand that the Proposal is subject to the provisions of this RFP. In no case, I/we shall have any claim or right of whatsoever nature if the Concession is not awarded to me/us.
16. I/ We agree and undertake to abide by all the terms and conditions of this RFP document.
17. We agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till the expiry of the Concession Term and in accordance with the Concession Agreement.
18. All the facts stated above are true and correct to the best of my knowledge, belief and information.

Yours faithfully,

[Signature]

Name and Designation of the Authorized Signatory)

Name and seal of the Bidder/ Lead Member (in case of Consortium)

Dated: _____

Place: _____

PRE CONTRACT INTEGRITY PACT

The Bidder(s) / Concessionaires shall sign and submit the Pre / Post Contract Integrity Pact (as the case may be) in the prescribed format along with other tender / RFP documents failing which the tenderer will be disqualified.

FORMAT OF INTEGRITY PACT

(To be submitted by the Bidder as a part of Technical bid documents and also to be signed by the Selected Bidder within the Business Incubation Period after issuance of LOIA by Authority)

This Pact made thisday of between Airports Authority of India, a body corporate constituted by the Central Government under the Airports Authority of India Act, 1994 and having its Corporate Office at Rajiv Gandhi Bhawan, New Delhi, and offices atin India, 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 Directors ,officers. or any of them specified by the Chairman in this behalf, and shall also include its successors and assigns) of the one part

AND

.....represented by of the other part, hereinafter called the "Bidder/Contractor" (which term shall unless excluded by or is repugnant to the context be deemed to include its heirs, representatives, successors and assigns of the Bidder/ Contractor)

WHEREAS the Authority intends to award, under laid down organizational procedures, tender/contract forThe Authority, while discharging its functions on business principles, values proper compliance with all relevant laws and regulations, and the principles of natural justice, ethics, equity, fairness and transparency in its relations with the Bidders/ Contractors.

WHEREAS the Authority is desirous to make its business mechanism more transparent, thus to ensure strict adherence of the aforesaid objectives/goals, the Authority hereby adopts the instrument developed by the renowned international non-governmental organization "Transparency International" (TI) headquartered in Berlin (Germany).The Authority will appoint an Independent External Monitor (IEM) who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

AND WHEREAS the Bidder is submitting a tender/proposal to the Authority for In response to the RFP (Request For Proposal) dated Contractor is signing the contract for execution of

NOW, therefore,

To avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to

Enabling the Authority to obtain the desired said stores/equipment/execution of works at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement, and

Enabling Authority to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the Authority will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The parties hereto hereby agree to enter into this Integrity Pact and agree as follows:

1. Commitments of the Authority;

- 1.1 The Authority undertakes that no official of the Authority, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.
 - 1.2 The Authority will, during the pre-contact stage, treat all BIDDERS alike, and will provide to all BIDDERS the same information and will not provide any such information to any particular BIDDER which could afford an advantage to that particular BIDDER in comparison to other BIDDERS.
 - 1.3 All the officials of the Authority will report to the appropriate authority office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.
2. In case any such preceding misconduct on the part of such official(s) is reported by the BIDDER to the Authority with full and verifiable facts and the same is prima facie found to be correct by the Authority, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the Authority and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the Authority the proceedings under the contract would not be stalled.

3. Commitments of Bidders/Contractor.

The Bidder/Contractor commits itself to take all measures necessary to prevent corrupt practice, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following -

- 3.1 The Bidder/Contractor will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other

advantage, commission, fees, brokerage or inducement to any official of the Authority, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

- 3.2 (i) The Bidder/Contractor further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Authority or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with the Authority for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with the Authority.
- 3.2 (ii) The Bidder /Contractor has not entered and will not enter with other bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specification, certifications, subsidiary contracts, submission or non-submission of bids or any actions to restrict competitiveness or to introduce cartelization in the bidding process.
- 3.3 The Bidder/Contractor shall, when presenting his bid, disclose the name and address of agents and representatives and Indian BIDDERS shall disclose their foreign principals or Affiliates/affiliates.
- 3.4 The Bidder/Contractor shall, when presenting his bid disclose any and all the payments he has made or, is committed to or intends to make to agents/brokers or any other intermediary, in connection with this bid/contract.
- 3.5 The Bidder/Contractor further confirms and declares to the Authority that the BIDDER is the original manufacturer/integrator/ authorized government sponsored export entity of the stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the Authority or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.
- 3.6 The Bidder/Contractor, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the Authority or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.
- 3.7 The Bidder/Contractor will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.

- 3.8 The Bidder/Contractor will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 3.9 The Bidder / Contactor shall not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by the Authority as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The Bidder / Contractor also undertakes to exercise due and adequate care lest any such information is divulged.
- 3.10 The Bidder/Contractor will inform to the Independent External Monitor.
- i) If he receives demand for an illegal/undue payment/benefit.
 - ii) If he comes to know of any unethical or illegal payment/benefit.
 - iii) If he makes any payment to any Authority's Associate(s).
- 3.11 The Bidder/Contactor commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.
- 3.12 The Bidder/Contactor shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- 3.13 If the Bidder/Contractor or any employee of the Bidder/Contractor or any person acting on behalf of the Bidder/ Contractor, either directly or indirectly, is a relative of any of the officers of the Authority, or alternatively, if any relative of an officer of the Authority has financial interest/stake in the Bidder's/Contractor's firm, the same shall be disclosed by the Bidder/Contractor at the time filing of tender. The term 'relative' for this purpose would be as defined in Section 6 of the Companies Act 1956.
- 3.14 The Bidder/Contractor shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the Authority.
- 3.15 That if the Bidder/ Contractor, during tender process or before the award of the contract or during execution of the contract/work has committed a transgression in violation of section 2 or in any other form such as to put his reliability or credibility as Bidder/Contractor into question, the Authority is entitled to disqualify him from the tender process or to terminate the contract for such reason and to debar the BIDDERS from participating in future bidding processes.

4. Previous Transgression

- 4.1 The Bidder/Contractor declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify Bidder's exclusion from the tender process.

- 4.2 The Bidder/Contractor agrees that if it makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason and he may be considered for debarment for future tender/contract processes.
- 4.3 That the Bidder/Contractor undertakes to get this Pact signed by the subcontractor(s) and Affiliate(s) whose value of the work contribution exceeds Rs 0.5 Crores. (Rupees zero point five Crores.) and to submit the same to the Authority along-with the tender document/ contract before contract signing.
- 4.4 That sub-contractor(s)/Affiliate(s) engaged by the Contractor, with the approval of the Authority after signing of the contract, and whose value of the work contribution exceeds Rs 0.5 Crs. (Rupees Zero point five Crs.) will be required to sign this Pact by the Contractor, and the same will be submitted to the Authority before doing/ performing any act/ function by such subcontractor(s)/ Affiliate(s) in relation to the contract/ work.
- 4.5 That the Authority will disqualify from the tender process all Bidder(s) who do not sign this Pact or violate its provisions or fails to get this Pact signed in terms of section 4.3 or 4.4 above.
- 4.6 That if the Contractor(s) does/ do not sign this Pact or violate its provisions or fails to get this Pact signed in terms of Section 4.3 or 4.4 above. Authority will terminate the contract and initiate appropriate action against such Contractor(s).

5. Earnest Money, Security Deposit, Bank guarantee, Draft, Pay order or any other mode and its validity i/c Warranty Period, Performance guarantee/Bond.

While submitting bid, the BIDDER shall deposit an EMD/SD/BG/DRAFT/PAY ORDER ETC I/C WARRANTY PERIOD, PG/BOND, VALIDITY ETC, which is as per terms and conditions and details given in NIT /RFP/ tender documents sold to the Bidders.

6. Sanctions for Violations/Disqualification from tender process and exclusion from future Contacts.

- 6.1 Any breach of the aforesaid provisions by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle the Authority to take all or any one of the following actions, wherever required: -
- (i) To immediately call off the pre contract negotiations without assigning any reason or giving any compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue.
 - (ii) To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.

- (iii) If the Authority has disqualified / debarred the Bidder from the tender process prior to the award under section 2 or 3 or 4, the Authority is entitled to forfeit the earnest money deposited/bid security.
- (iv) To recover all sums already paid by the Authority, and in case of an Indian BIDDER with interest thereon at 2% higher than the prevailing Prime Lending Rate of State Bank of India, while in case of a BIDDER from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the BIDDER from the Authority in connection with any other contract or any other stores, such outstanding payment could also be utilized to recover the aforesaid sum and interest.
- (v) To encash the advance bank guarantee and performance bond/warranty bond, if furnished by the BIDDER, in order to recover the payments, already made by the BUYER, along with interest.
- (vi) To cancel all or any other Contracts with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to the Authority resulting from such cancellation/rescission and the Authority shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.
- (vii) To debar the BIDDER from participating in future bidding processes for a minimum period of three years, which may be further extended at the discretion of the Authority.
- (viii) To recover all sums paid in violation of this Pact by BIDDER(s) to any middleman or agent or broker with a view to securing the contract.
- (ix) In case where irrevocable Letters of Credit have been received in respect of any contract signed by the Authority with the BIDDER, the same shall not be opened.
- (x) Forfeiture of Performance Bond in case of a decision by the BUYER to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.
- (xi) That if the Authority have terminated the contract under section 2 or 3 or 4 or if the Authority is entitled to terminate the contract under section 2 or 3 or 4, the Authority shall be entitled to demand and recover from the contractor damages equivalent to 5% of the contract value or the amount equivalent to security deposit or performance bank guarantee, whichever is higher.
- (xii) That the Bidder / Contractor agrees and undertakes to pay the said amount without protest or demur subject only to condition that if the Bidder/Contractor can prove and establish to the satisfaction of the

Authority that the disqualification / debarment of the bidder from the tender process or the termination of the contract after award of the contract has caused no damage to the Authority.

- 6.2 The Authority will be entitled to take all or any of the actions mentioned at para 6.1(i) to (xii) of this Pact also on the Commission by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER), of an offence as defined in Chapter IX of the Indian Penal code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.
- 6.3 That if the Bidder/Contractor applies to the Authority for premature revocation of the debarment and proves to the satisfaction of the Authority that he has installed a suitable and effective corruption prevention system and also restored/recouped the damage, if any, caused by him, the Authority may, if thinks fit, revoke the debarment prematurely considering the facts and circumstances of the case, and the documents/evidence adduced by the Bidder/Contractor for first time default.
- 6.4 That a transgression is considered to have occurred if the Authority is fully satisfied with the available documents and evidence submitted along with Independent External Monitor's recommendations/suggestions that no reasonable doubt is possible in the matter.
- 6.5 The decision of the Authority to the effect that a breach of the provisions of this Pact has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the BIDDER can approach the Independent External Monitor(s) appointed for the purpose of this Pact.

7. Allegations against Bidders/Contractors/ Sub-Contractors/ Affiliates

That if the Authority receives any information of conduct of a Bidder/Contractor or Sub- Contractor or of an employee or a representative or an Affiliate(s) of a Bidder, Contractor or Sub- Contractor which constitute corruption, or if the Authority has substantive suspicion in this regard, the Authority will inform the Vigilance Department for appropriate action.

8. Independent External Monitor(s),

- 8.1 That the Authority has appointed competent and credible Independent External Monitor(s) for this Pact.
- 8.2 The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact. He will also enquire into any complaint alleging transgression of any provision of this Pact made by the Bidder, Contractor or Authority.

- 8.3 That the Monitor is not subject to any instructions by the representatives of the parties and would perform his functions neutrally and independently. He will report to the Chairperson of the Board of the Authority.
- 8.4 That the Bidder / Contractor accepts that the Monitor has the right to access without restriction to all project documentation of the Authority including that provided by the Bidder/Contractor. The Bidder/Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation including minutes of meeting. The same is applicable to Sub - Contractors and Affiliate(s). The Monitor is under obligation to treat the information and documents of the Authority and Bidder/ Contractor / Sub-Contractors/ Associate(s) with confidentiality.
- 8.5 That as soon as the Monitor notices, or believes to notice, a violation of this Pact, he will so inform the management of the Authority and request the management to discontinue or heal the violation, or to take other relevant action. The Monitor can in this regard submit his recommendations/ suggestions. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- 8.6 That the Authority will provide to the Monitor sufficient information about all meetings among the parties related to the project provided such meetings could have an impact on the contractual relations between the Authority and the Contractor / Bidder. The parties offer to the Monitor the option to participate in such meetings.
- 8.7 That the Monitor will submit a written report to the Chairperson of the Board of the Authority within 2 weeks from the date of reference or intimation to him by the Authority and, should the occasion arise, submit proposals for correcting problematic situations.
- 8.8 That if the Monitor has reported to the Chairperson of the Board a substantiated suspicion of an offence under relevant Anti- Corruption Laws of India and the Chairperson has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Department, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.
- 8.9 The word 'Monitor' would include singular and plural.
- 8.10 Bidder / Concessionaire / person signing Integrity Pact shall not approach the Courts while representing the matters to IEMs and he/ she will await their decision in the matter.

9. Facilitation of Investigation.

In case of any allegation of violation of any provisions of this Pact or payment of commission, the Authority or its agencies shall be entitled to examine all the documents including the Books of Accounts of the BIDDER and the BIDDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such Examination.

10. Law and Place of Jurisdiction.

That this Pact is subject to Indian Law. The place of performance and jurisdiction is the Corporate Headquarter /the Regional Headquarter / office of the Authority, as applicable.

11. Other Legal Actions

- 11.1 That the changes and supplements as well as termination notices need to be made in writing.
- 11.2 That if the Bidder / Contractor is a partnership or a consortium, this Pact must be signed by all the partners and consortium members or their authorized representatives.

12. Pact duration (Validity)

- 12.1 That this Pact comes into force when both the parties have signed it. It expires for the Contractor 12 months after the final payment under the respective contract, and for all other Bidders 3 months after the contract is awarded.
- 12.2 That if any claim is made / lodged during this period, the same shall be binding and continue to be valid despite the lapse of this Pact as specified herein before, unless it is discharged/determined by Chairman of the Authority.
- 12.3 That should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

13. Company Code of Conduct

Bidders are also advised to have a company code of conduct (clearly rejecting the use of bribes and other unethical behaviour) and a compliance program for the implementation of the code of conduct throughout the company.

14. The parties hereby sign this Integrity Pact at _____ on _____

<p>Buyer</p> <p>Name of the Officer</p> <p>Designation</p> <p>Witness</p> <p>1. _____</p> <p>2. _____</p>	<p>Bidder</p> <p>Witness</p> <p>1. _____</p> <p>2. _____</p>
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The details of the Independent External Monitors for implementation of the aforesaid Integrity Pact are given below:

S.N	Name	Address/Contact details
1	Shri. P.R. Ravikumar, IRS [Retd.]	Akshath, No. 84, First Avenue, Kumaranasan Nagar, Elamkulam PO, Ernakulam, Kerala-682020, Email: p_r_ravikumar@yahoo.com
2	Shri. Satish Chander, MES [Retd.]	A-1, 601, Windsor Avenue, Wanowrie, Pune-411022 Email: satishchander.adg@gmail.com

CHECKLIST OF SUBMISSIONS

The Bidders are advised to arrange the submissions/documents in the following order. Each page of Proposal is to be serially numbered, signed, dated and stamped by the Authorised Signatory of the Bidder.

No.	Document Name	To be furnished by	To be notarised	Attached Yes/ No
1	Form – I Letter cum Undertaking Comprising the Proposal in the prescribed format	Bidder / Lead Member	No	
2	Annexure 1 of Form-I – Details of Bidder	Bidder / Lead Member	No	
3	Annexure 2 of Form-I (Part-1) and Part-2)– Technical Capacity of Bidder	Bidder / Lead Member	No	
4	Annexure 3 of Form-I – Financial Capacity of Bidder	Bidder/ separately by all Members of Consortium	No	
5	Annexure 4 of Form-I – Details of Commercial Licenses at AAI (current and past)	Bidder/ separately by all Members of Consortium	No	
6	Annexure 5 of Form-I –Outstanding Dues Certificate	Bidder/ separately by all Members of Consortium	No	
7	Form –II Statement of Legal Capacity	Bidder/ separately by all Members of Consortium	Yes	
8	Form – III Power of Attorney for signing the Proposal	Bidder/ separately by all Members of Consortium	Yes	
9	Form - IV Power of Attorney for Lead Member of Consortium (applicable in the case of Consortium)	Jointly by all Members	Yes	
10	Format –V Joint Bidding Agreement (applicable in the case of Consortium)	Jointly by all Members	Yes	
11	Form – VI Affidavit	Bidder / Lead Member	Yes	
12	Form – VII Integrity Pact	Bidder/ separately by all Members of Consortium	Yes	
13	Documents of Incorporation	Bidder/ separately by all Members of Consortium	(Self certified)	

No.	Document Name	To be furnished by	To be notarised	Attached Yes/ No
14	Copy of PAN (In case of Consortium for all members)	Bidder/ all Members of Consortium	(Self certified)	
15	Copy of partnership deed (if applicable)	Bidder/ jointly by all Members of Consortium	(Self certified)	
16	Copy of Memorandum and Articles of Association,(if the Bidder is a body corporate)	Bidder/ all Members of Consortium	(Self certified)	
17	Copies of Bidder's audited balance sheet and profit & loss statement for the preceding financial year and for the year for which eligibility under Clause 2.2.3 (B) of the RFP has been claimed (In case of consortium for lead member)	Bidder / Lead Member	(Self certified)	
18	Documentary proof of payment of RFP document purchase	Bidder / Lead Member	(Self certified)	
19	Documentary Proof of payment of Earnest Money Deposit	Bidder / Lead Member	(Self certified)	
20	Copy of GST No.		(Self certified)	

Signature of the Authorized Signatory of the Bidder

Name :

Designation :

Seal and Stamp of the Bidder/Lead Member

Date :

Place :

FORMAT FOR FINANCIAL PROPOSAL

(For reference purpose and not to be submitted with Technical bids.)

Financial Proposal shall mean the binding and final financial offer to be submitted by each Bidder online in the CPP tender portal only. The quote in physical form as a document need not be submitted along with technical bid documents.

NUMBER #	TEXT #	NUMBER #	TEXT #	NUMBER	TEXT #	NUMBER #	NUMBER #	TEXT #
Sl. No.	Item Description	Quantity	Units	Minimum rate per International passenger	Quoted Currency in INR / Other Currency	Quoted rate per International Passenger in USD	TOTAL AMOUNT IN USD <small>(It will be converted to INR)</small>	TOTAL AMOUNT In Words
1	2	4	5	6	12	13	53	55
1	Request for Proposal (RFP) To Develop, Operate and Maintain Duty-Free Outlets at Pune Airport.	1.00	Nos	0.85	USD		0.00	USD Zero Only
Total in Figures							0.00	Zero Only

APPENDIX II

PASSENGER TRAFFIC DATA FOR THE PAST PERIODS

AT

PUNE AIRPORT

YEAR	INTERNATIONAL AIRCRAFTS MOVEMENTS	INTERNATIONAL PASSENGER MOVEMENTS
2022-23	1190	1,41,516
2023-24	1423	1,69,628
2024-25	1789	2,52,728
2025-26 (April to October 2025)	1517	1,88,816

Note: These details are provided to the Bidders for reference only. Authority does not vouch for the accuracy of these data and it is the responsibility of each Bidder to verify such data. The particulars of International traffic during different period may be retrieved / viewed from Authority website www.aai.aero under "traffic news" segment/ heading.

AIRPORTS AUTHORITY OF INDIA
CONCESSION AGREEMENT
FOR
CONCESSION TO DEVELOP, OPERATE AND MAINTAIN
DUTY-FREE RETAIL OUTLETS
AT
PUNE AIRPORT



CONCESSION AGREEMENT

THIS CONCESSION AGREEMENT (“Agreement”) made and executed at on this [] day of [], 20__.

BY AND BETWEEN :

1. The **Airports Authority of India**, acting through its Chairman (hereinafter referred to as “**AAI**” or “**Authority**”, which expression shall unless repugnant to the context or meaning thereof, includes its successors and assigns) of the **FIRST PART**; and
2. _____, a sole proprietor or a partnership firm or a private/ public company / registered under the Indian Partnership Act 1932 or Limited Liability Partnership Act, 2008 or Companies Act 1956/2013, as applicable, and having its Registered Office (if applicable) at _____ (hereinafter referred to as the “**Concessionaire**” which expression unless repugnant to the context or meaning thereof shall be deemed to mean and include its successors and permitted assigns), of the **SECOND PART**.

The Authority and the Concessionaire are hereinafter collectively referred to as “**Parties**” and individually as “**Party**”

WHEREAS:

- A. The Airports Authority of India (AAI) is an authority (the “**Authority**”) established under the Airports Authority of India Act., 1994 (the “**AAI Act**”), which is responsible for the development, operation, management and maintenance of airports in India.
- B. The Authority has undertaken the development of _____ (the “**Airport**”) which is located at _____, India. The Airport include all its present terminal building, equipment facilities and systems.
- C. The Authority, with the objective of providing better amenities to the Airport Users and in the overall public interest, is desirous of awarding the work of developing, operating and maintaining Duty-Free Retail Outlets at designated Locations at the Airport (the “**Concession**”), to a private entity, in accordance with the terms and conditions set forth herein.
- D. Pursuant to the above, the Authority prescribed the technical and commercial terms and invited bids from the shortlisted bidders including, *inter alia*,{the Selected Bidder} in terms of the Request for Proposal number _____ dated _____. (the “**RFP**”)

- E. After evaluation of the Proposals received, the Authority has accepted the Proposal of {the Selected Bidder [consortium comprising....., and (Collectively the "Consortium") with as its Lead member]} and issued a Letter of Intent to Award bearing No. dated(hereinafter called the "LOIA"), prescribing inter alia, the execution of this Concession Agreement.
- F. Subsequently{the Selected Bidder} has, in terms of RFP and the LOIA, fulfilled the following pre requisites to the execution of this Agreement:
- i. Furnished Bank Guarantee (BG) for amount INR_____ [<in words>]/ Paid an amount of INR _____ [< in words>] as interest free Security Deposit.
 - ii. Furnished a corporate guarantee in favour of the Authority in the format prescribed by the Authority
 - iii. Furnished a signed Integrity Pact
- G. The RFP, Corrigendum/Addendum of this RFP and LOIA would form integral part of this agreement.
- H. The Selected Bidder, in case of Consortium, has since promoted and incorporated, such a Special Purpose Vehicle (SPV) bearing the name [_____] as the Concessionaire, under the Companies Act, 2013 in accordance with the terms of the RFP, and has requested the Authority to accept the Concessionaire as the entity which shall undertake and perform the obligations and exercise the rights of the Selected Bidder under the LOIA, including the obligation to enter into this Agreement for executing the Concession.
- I. By its letter dated _____, the Concessionaire has also joined in the said request of the Selected Bidder to the Authority to accept it as the entity which shall undertake and perform the obligations and exercise the rights of the Selected Bidder including the obligation to enter into this Concession Agreement pursuant to the LOIA. The Concessionaire has further represented to the effect that it has been promoted by the Selected Bidder for the purposes hereof.
- J. Pursuant to the aforesaid process and relying upon representations and warranties made by the Concessionaire, the Authority has agreed to accept the Concessionaire for the purpose of performance/ implementation and

execution of the Concession subject to and in accordance with the terms and conditions set out in this Agreement.

K. This Agreement shall become effective from the date of execution hereof.

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth in this Agreement, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE 1. DEFINITIONS & INTERPRETATION

1.1. Definitions

1.1.1. The words and expressions mentioned or defined in this Agreement shall, unless the context otherwise requires, have the same meaning and understanding as ascribed thereto in the RFP document forming integral part of this Agreement. However, in addition to the terms already defined, any other terms as may be defined and used elsewhere in this Agreement, shall have their respective defined meanings, unless the context expressly or by necessary implication otherwise requires. Provided further, that any consent or approval, required from the Authority, under this Agreement, shall mean the prior written consent of the Authority.

1.2. Interpretation

1.2.1. In this Agreement, unless the context otherwise requires:

- (a) Words denoting the singular number shall include the plural and vice versa;
- (b) Heading and bold typeface are only for convenience and shall not affect the construction of this Agreement;
- (c) References to the word “include” or “including” or “such as” shall be construed without limitation;
- (d) Save and except as otherwise provided in this Agreement, any reference, at any time, to any agreement, deed, instrument, lease, license or document of any description shall be construed as reference to that agreement, deed, instrument, lease, license or other document as amended, varied, supplemented, modified or suspended at the time of such reference, provided that this Sub-Clause (d) shall not operate so as to increase liabilities or obligations of the Authority hereunder or pursuant hereto in any manner whatsoever;
- (e) A reference to a Clause or Schedule is, unless indicated to the contrary, a reference to a clause or schedule of this Agreement;
- (f) Words denoting a person shall include an individual, corporation, company, partnership, trust, body of individuals or any other entity;
- (g) References to dates and times shall be construed to be references to Indian dates and times;
- (h) The Schedules to this Agreement shall form an integral part of this Agreement and shall be read along with this Agreement;

- (i) The table of contents, headings or sub-headings in this Agreement are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this Agreement;
- (j) Any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- (k) Any reference to any period commencing “from” a specified day or date and “till” or “until” a specified day or date shall include both such days or dates, provided that, if the last day of any period computed under this Agreement is not a business day, then the period shall run until the end of the next business day;
- (l) The Schedules and Recitals to this Agreement form an integral part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement;
- (m) References to Recitals, Articles, Clauses, Sub-Clauses, Provisos or Schedules in this Agreement shall, except where the context otherwise requires, mean references to Recitals, Articles, Clauses, Sub-Clauses, Provisos and Schedules of or to this Agreement;
- (n) The damages payable by either Party to the other of them, as set forth in this Agreement, whether on per diem basis or otherwise, are mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Party entitled to receive the same and are not by way of damages (“Damages”);
- (o) The words ‘hereof’, ‘herein’, ‘hereto’ and ‘hereunder’ and words of similar import, when used in this Agreement or any other Bidding Documents, shall refer to this Agreement or such other Bidding Documents, as the case may be, as a whole and not to any particular provision of this Agreement or such other Bidding Documents, as the case may be;
- (p) In addition to terms defined in **Clause 1.1**, certain other terms are defined elsewhere in this Agreement and whenever such terms are used in this Agreement, they shall have their respective defined meanings, unless the context expressly or by necessary implication otherwise requires, and
- (q) Any consent or approval required from the Authority under this Agreement shall mean the prior written consent of the Authority.

1.2.2 Unless expressly provided otherwise in this Agreement, any documentation required to be provided or furnished by the Concessionaire to the Authority shall be provided free of cost and in 3 (three) physical copies and an electronic copy,

and if the Authority is required to return any such documentation with their comments and/or approval, they shall be entitled to retain two copies thereof.

1.2.3. The rule of construction, if any, that a contract should be interpreted against the parties responsible for drafting and preparations thereof, shall not apply.

1.2.4. Any word or expression used in this Agreement shall, unless otherwise defined or construed in this Agreement, bear its ordinary English meaning and for these purposes, the General Clauses Act 1897 shall not apply.

1.3 Priority of Agreements and Errors/Discrepancies

1.3.1 This agreement, and all other agreements and documents forming part of this agreement are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this agreement, the priority of this agreement and other documents and agreements forming part hereof shall, in the event of any conflict between them, be in the following order:

- (a) this agreement; and
- (b) all other agreements and documents forming part hereof;

1.3.2 In other words, the agreement at (a) above shall prevail over the agreements and documents at (b) above. Provided further that, in case of ambiguities or discrepancies within this agreement, the following shall apply:

- (a) between two Articles of this Agreement, the provisions of specific Articles relevant to the issue under consideration shall prevail over those in other Articles;
- (b) between the Articles of this Agreement and the Schedules, the Articles shall prevail and between Schedules and Annexures, the Schedules shall prevail;
- (c) between any two Schedules, the Schedule relevant to the issue shall prevail;
- (d) between the written description on the drawings and the specifications and standards, if any, the latter shall prevail;
- (e) between the dimension scaled from the drawing and its specific written dimension, the latter shall prevail; and
- (f) between any value written in numerals and that in words, the latter shall prevail.

ARTICLE 2. THE CONCESSION

2.1 The Concession

- 2.1.1 Relying and acting upon the Proposal submitted by the Selected Bidder, and the representations, warranties and covenants of the Concessionaire as more particularly set out hereunder, the Authority hereby grants and authorizes the Concessionaire to develop, operate and maintain Duty-Free Retail Outlets for Duty Free retail business at the specified Concessionaire Managed Locations and to exercise and/or enjoy the rights, powers, benefits, privileges, authorizations and entitlements as set forth in this Agreement (the “**Concession**”). The Concessionaire hereby accepts the grant of the Concession and agrees to perform all its obligations under the Bidding Documents subject to and in accordance with the terms and conditions thereof.
- 2.1.2. The Authority hereby grants a bare, personal, exclusive, non-transferable, non-assignable, non-heritable space for Concessionaire Managed Location(s) to the Concessionaire during the term of this Agreement, in order to undertake and discharge its rights and obligations pursuant to the Concession. It is clarified that neither the Concession nor the access rights in relation to the Concessionaire Managed Locations(s) shall create any tenancy rights or any other right, title or interest of any kind or nature whatsoever in relation to the Concessionaire Managed Locations in favour of the Concessionaire other than the permissive right of use, hereby granted in respect of the Concession. The Authority shall be in possession and full charge and control of the Concessionaire Managed Locations at all times and the Authority shall at all times have free and unobstructed access to the Concessionaire Managed Locations. The Authority shall not, in any event, be responsible or liable for any loss or damage caused to any goods, products or property of the Concessionaire at such Concessionaire Managed Locations or at the Airport.
- 2.1.3 In consideration of the Concession granted by the Authority in accordance with the terms hereof, the Concessionaire agrees to pay the Concession Fee to the Authority. The Concessionaire also agrees to pay to the Authority and/or to its respective appointed service provider(s), the Space Rent, Charges for utilities and other services used by Concessionaire and to perform all such obligations of the Concessionaire as are required, in the manner and upon the terms and conditions as set out under this Agreement

2.1.4 The Concessionaire agrees that the Concessionaire shall undertake business and shall implement the Concession only at the Concessionaire Managed Locations on the terms set forth herein.

2.2 The Concession Term

2.2.1 The term of the Concession (the “Concession Term”) shall commence on the Concession Fee Commencement Date and shall terminate on the Seventh (7th) anniversary of the date of commencement of the Concession term, unless terminated earlier in accordance with the terms and conditions of this Agreement.

2.2.2 The Concessionaire shall be obligated to operate the Concession for at least the Minimum Lock in Period (511 days i.e. 20% of the Concession Term) and serve requisite Notice period of 120 days after completion of minimum Lock-in Period, as per the terms and conditions of this Concession Agreement. The Concessionaire cannot terminate the Concession Agreement prior to expiry of the Minimum Lock in Period. If the Concessionaire fails to perform any of its obligations as per the terms and conditions of this agreement, it would lead to forfeiture of Three (03) months Security Deposit equivalent to current month concession fee and debarment for a period of one (01) from participation in future tenders/RFPs floated by Authority.

The debarment shall also apply to the ‘allied firms’ of the debarred agency. In case Joint venture/Consortium is debarred, all partners/members of such JV/Consortium will also stand debarred for the period specified in the Debarment Order. The names of partners/members of JV/Consortium should be clearly specified in the Debarment Order

2.2.3 The Concession Term shall be reckoned from the Concession Fee Commencement Date of the Concessionaire Managed Location(s) handed over to the Concessionaire at the first instance. For the sake of clarity, the Concession of Concessionaire Managed Location(s) handed over to the Concessionaire at subsequent stages shall terminate along that of the Sites handed over at first instance, unless terminated earlier in accordance with the terms and conditions of the Concession Agreement.

2.3 Relocation of the Concession

2.3.1 The Concessionaire agrees and acknowledges that the Authority may at any time require the Concessionaire to relocate to an Alternate Location(s) and/or suspend the operations at the Concessionaire Managed Location(s) at any time during the Concession Term in case of any security issues, statutory or operational requirements, revamp of the Airport or part thereof, any operational difficulties, or emergency by giving a **30 (Thirty) days’** notice in writing to the Concessionaire (**“Relocation Period”**). The Concessionaire shall bear all cost

associated with such relocation and operationalization of the Concessionaire managed location(s).

2.3.2 In such an event:

- (a) The Authority may provide an Alternate Location(s) to the Concessionaire and the Alternate Location(s) may be equal to or less than the area of the original Location; Upon such relocation, the new location(s) provided along with the location(s) retained by the Concessionaire shall in totality constitute Alternate Concessionaire Managed Locations (**“Alternate Concessionaire Managed Locations”**);
- (b) If such Alternate Concessionaire Managed Location(s) is provided by the Authority, the Concessionaire shall exit the Original Concessionaire Managed Location(s) and cease to use the same until further notice from the Authority, and shall relocate its equipment, furniture, fixtures etc., to the Alternate Concessionaire Managed Location(s) at the Concessionaire’s cost within the Relocation Period or such further time as may be agreed to in writing by the Authority;
- (c) If the Carpet Area at the Alternate Concessionaire Managed Location(s) is less than the Carpet Area at the Original Concessionaire Managed Location(s), no abatement in concession fee shall be admissible on account of the reduction in Carpet Area at the Alternate Concessionaire Managed Location(s), till the expiration of the Concession Term or till the time the Concessionaire is put back to the Original Concessionaire Managed Location, whichever is earlier. Provided further that decrease in Carpet Area at the Alternate Concessionaire Managed Location shall not exceed 10% of the Carpet Area of the Concessionaire Managed Location from which Concession is relocated;
- (d) If the Carpet Area at the Alternate Concessionaire Managed Location(s) is more than the Carpet Area at the Original Concessionaire Managed Location(s), no escalation in Concession fee shall be admissible on account of increase in Carpet Area at the Alternate Concessionaire Managed Location(s). Provided further that in the increase in Carpet Area at the Alternate Concessionaire Managed Location shall not exceed 10% of the Carpet Area of the Concessionaire Managed Location from which Concession is relocated.
- (e) During the period of this Agreement, the Authority may undertake some modifications at the Airport that may affect the Concessionaire’s business without changing the location of the Concessionaire Managed Locations. In such an event, the Concessionaire shall not be entitled to any relief or compensation from the Authority whatsoever;

- (f) In the event any inspection, repair, alteration, addition, or improvement work necessitates the temporary suspension of the Concessionaire's business or operations in, on, or from the Concessionaire Managed Locations, the Authority shall notify the Concessionaire of such necessity and the anticipated beginning and ending dates of such suspension. If the temporary suspension is more than seven (7) days, then Payments of monthly concession fee in pursuant to the requirements herein shall be prorated during each month in which the Concessionaire's business or operations are required by Authority to be suspended pursuant to this subsection;
- (g) All other terms and conditions of this Agreement shall apply in totality to such Alternate Concessionaire Managed Location(s) as if it were a Concessionaire Managed Location as defined hereunder;
- (h) In the event that the Concessionaire chooses not to relocate the Concessionaire Managed Location(s) to the Alternate Location(s) provided by the Authority, the Authority shall have the right to terminate the Concession on the expiry of the Relocation Period and the consequences of termination as set out under Article 19 herein shall follow.
- (i) Notwithstanding anything contrary herein, in the event of a Relocation of a Concessionaire Managed Location the Authority shall not compensate the Concessionaire for any costs, whatsoever.
- (j) The above provisions shall also be applicable for Service Area.

2.3.2 No partial surrendering of Concessionaire Managed Location by the concessionaire shall be permissible during the concession period.

2.4 Concession restricted to operation of Duty-Free Retail Outlets

- 2.4.1 The Concessionaire agrees that the Authority does not grant and has not granted any other right pursuant to this Agreement, except the right to use the Concessionaire Managed Location(s) in accordance with this Agreement. Possession of the Concessionaire Managed Location(s) shall always remain with the Authority and the Concessionaire shall not be entitled to claim possession of the Concessionaire Managed Location(s).
- 2.4.2 The right hereby granted to the Concessionaire is a right to use of the Concessionaire Managed Location conditional upon the Concessionaire Managed Location(s) being solely used for the purpose of operating the Concession.

- 2.4.3 The Concessionaire agrees that the Concessionaire Managed Location(s) shall only be used for operating the Concession and for no other purposes.
- 2.4.4 The Concessionaire agrees and acknowledges that prior to the execution of this Agreement, it has made a complete and careful examination and an independent evaluation of the Location and the Airport and has determined the nature and extent of the difficulties, costs, risks and hazards that are likely to arise or may be faced by it at the Concessionaire Managed Location as well as in the course of the performance of its obligations under this Agreement and has found the same to its entire satisfaction. The Concessionaire further acknowledges that except as may be particularly set out hereunder, the Concessionaire does not rely on any representations made by the Authority, at any time whatsoever, and that the Concessionaire has made its own independent evaluations for entering into this Agreement. The Concessionaire further acknowledges and agrees that the Authority has neither guaranteed nor guarantees, in any manner express or implied, the scope of the business at the Concessionaire Managed Location and the Concessionaire shall not have any right (and hereby waives any such rights) to bring any claim against, or recover any compensation or other amount from the Authority and the Authority has made no representation as to the suitability of the Concessionaire Managed Location or profitability of the same.
- 2.4.5 The Concessionaire shall also not retail / sell any items other than those specifically set forth in **Clause 2.4.6** herein.
- 2.4.6 The Concessionaire shall only retail / sell the following items at the Concessionaire Managed Locations in the Customs Area of the Terminal:
- (a) Liquor / Alcoholic Beverages;
 - (b) Tobacco products,
 - (c) Cosmetics, Fragrance & Personal Care products
 - (d) Chocolates / Candies / Snack in sealed packs
 - (e) Watches & Jewellery
 - (f) Electronic products (hardware & software); and
 - (g) Any items manufactured/produced in India, as may be permitted by rules and regulations notified by Authority/Central Board of Excise and Customs (CBEC), Gol
- 2.4.7 On or after the Concession Fee Commencement Date, if the retail / sale of any of the items specified in Clause 2.4.6 is prohibited/regulated by an order of Gol/GoST, the Concessionaire agrees and acknowledges that it shall not be entitled for any abatement of Concession Fee.

2.5 Additional Location(s) for Duty Free Outlets:

Subject to the provisions of **Clause 2.3** of this Concession agreement, the Concessionaire agrees and acknowledges that it shall not be entitled for any additional location for Duty Free outlets, apart from the original locations, granted to the Concessionaire under the terms and provisions of this Concession Agreement.

However, additional space on the same location of the Duty Free outlet may be given not exceeding 25% of the original allotted area subject to proportionate increase in MMG and Applicable Rate per international Passenger. For such additional space provided to the Concessionaire in any concession year, additional Security Deposit shall be provided by the concessionaire to the Authority.

2.6 Withdrawal of Concessionaire Managed Location(s)

2.6.1 The Concessionaire agrees and acknowledges that the Authority may require the Concessionaire to vacate / surrender any of the Concessionaire Managed Location(s) ("**Withdrawn Concessionaire Managed Location(s)**") at any time during the Concession Term in case of any security issues, statutory or operational requirements, revamp of the Airport or part thereof, any operational difficulties, or emergency by giving a 30 (Thirty) days' notice in writing to the Concessionaire. Such withdrawal of Concessionaire Managed Locations shall be temporary or permanent.

In such an event:

- (a) If all the Concessionaire Managed Locations in the Departure Area of the Terminal stand withdrawn, the Concessionaire shall be entitled to an abatement of fifty percent (50%) in the Concession Fee for the duration of withdrawal;
- (b) If all the Concessionaire Managed Locations in the Arrival Area of the Terminal stand withdrawn, the Concessionaire shall be entitled to an abatement of fifty percent (50%) in the Concession Fee for the duration of withdrawal;
- (c) All other payments in respect of such Withdrawn Concessionaire Managed Location(s) such as Space Rent, Utility Charges, Common Area Maintenance Charges and any other charges, applicable if any, shall remain suspended for the duration of withdrawal.

2.6.2 In the event suspension/ withdrawal of a Concessionaire Managed Location(s) exceed sixty (60) days, the Concession Term shall be extended by the duration of such suspension.

ARTICLE 3. OBLIGATIONS OF THE CONCESSIONAIRE

3.1 Obligations of the Concessionaire

- 3.1.1 Subject to and on the terms and conditions of this Agreement, the Concessionaire shall at its cost and expense procure, finance for and undertake the design, engineering, procurement, construction, operation and maintenance of the Concession and observe, fulfil, comply with and perform all its obligations set out in this Agreement or arising hereunder.
- 3.1.2 The Concessionaire shall comply with all Applicable Laws and obtain and maintain all Applicable Permits, statutory/ regulatory permissions and certifications etc in the performance of its obligations under this Agreement. It is clarified that the Concessionaire shall suspend the operations of such Concessioned Premises and/or Warehouse / Service Area(s) for which any Applicable Permit is not in force whether by lapse or expiry or suspension or cancellation or revocation or invalidation or any analogous scenario until all the Applicable Permits are reinstated. In case the Concessionaire suspends operations pursuant to the aforementioned, there shall be no waiver or rebate in the Concession Fee or any other applicable payments by the Concessionaire to the Authority. Notwithstanding anything to the contrary contained in this RFP, the Award shall be cancelled/ Agreement stands terminated without further notice, in case the selected bidder fails to obtain all the requisite statutory/ regulatory permissions and certifications etc. within a period of six (06) months from the date of LOIA/Award of work and the Security Deposit shall be forfeited. Further, the concessionaire shall be debarred for participation in Authority's tenders for a period of 03 years.
- 3.1.3 The Concessionaire shall discharge its obligations in accordance with Good Industry Practices and as a reasonable and prudent person.
- 3.1.4 The Concessionaire shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set out in this Agreement:
- (a) make, or cause to be made, necessary applications to the relevant Government Instrumentalities with such particulars and details, as may be required for obtaining all Applicable Permits and obtain and keep in force and effect such Applicable Permits in conformity with the Applicable Laws;
 - (b) fulfil all of the following conditions unless waived in writing by the Authority within the Business Incubation Period as per the specific timelines mentioned below, unless extended in writing by the Authority. Provided that if an extension is needed due to a fault of the Concessionaire/ Selected Bidder and it is provided by the Authority, damages amounting to INR 5,000/- shall be appropriated from the Earnest Money Deposit (EMD)/ Security Deposit as

applicable for each day of extension provided and utilized for each obligation that is delayed.

- i. The Selected Bidder shall form an SPV as per the conditions of this RFP in case the Selected Bidder is a consortium prior to signing of this Agreement;
- ii. The Selected Bidder (in case of Consortium, the SPV) shall submit the Security Deposit in the form and manner as specified in this RFP prior to signing of this Agreement;
- iii. The Selected Bidder shall execute the Integrity Pact as per the Draft Integrity Pact forming part of this RFP as per **Form-VII** of RFP prior to signing of this Agreement;
- iv. The Selected Bidder shall sign this Agreement as per the provisions of the Bidding Documents not later than sixty (60) days from commencement of the Business Incubation Period;
- v. The Selected Bidder/ Concessionaire shall, at its own risk and cost, obtain a security clearance for commercial activities in the security restricted area or any such similar clearance from the Bureau of Civil Aviation Security (BCAS) or any Governmental Authority or its authorized representatives within the Business Incubation Period;
- vi. The Selected Bidder shall submit its proposed layout plan by utilizing the Locations Layout Plan as provided in **Schedule A** within seven (7) working days of commencement of the Business Incubation Period. Such a layout plan shall also include the reasonably required quantity or capacity for any utilities required along with locations of any physical connections such as sewage, exhausts, etc. The Authority may take a maximum of fourteen (14) working days to assess compliance. In case the Authority notifies of non-compliance, then the Selected Bidder/ Concessionaire shall be required to address the non-compliance and submit revised Concessionaire Managed Locations Layout Plan for approval by the Authority. The Authority may take a maximum of Seven (7) working days to assess compliance of the revised Concessionaire Managed Locations Layout Plan. The Selected Bidder/ Concessionaire shall be required to address remaining non-compliances, if any, and obtain final approval of the Concessionaire Managed Locations Layout Plan from the Authority. The onus of demonstrating compliance and obtaining the requisite approvals within Thirty (30) days from the commencement of the Business Incubation Period shall rest with the Selected Bidder/ Concessionaire;
- vii. The Selected Bidder/ Concessionaire shall apply for necessary approvals and clearances of security program from the Bureau of Civil Aviation Security

(BCAS) or any Governmental Authority or its authorized representatives, and any other clearance as may be notified from time to time.

- (c) procure, as required, the appropriate proprietary rights, licences, agreements and permissions for materials, methods, processes and systems used or incorporated into the Concession;
- (d) make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its Contractors in connection with the performance of its obligations under this Agreement;
- (e) ensure and procure that its Contractors comply with all Applicable Permits and Applicable Laws in the performance by them of any of the Concessionaire's obligations under this Agreement;
- (f) not do or omit to do any act, deed or thing which may in any manner be violative of any of the provisions of this Agreement;
- (g) support, cooperate with and facilitate the Authority in the implementation and operation of the Concession in accordance with the provisions of this Agreement; and
- (h) appoint its representative duly authorized to deal with the Authority in respect of all matters under or arising out of or relating to this Agreement;
- (i) handover the vacant and peaceful possession of Concessionaire Managed Locations and Service Area under its possession as on expiry date of this Agreement within thirty (30) days period;
- (j) make necessary arrangements for availing/provisioning/tapping of utilities (such as water/ drainage/ electricity/ exhaust, etc.) including but not limited to cabling, wiring, ducting, piping, etc. from the connection points, as provided by the Authority.

3.1.5. The following documents in respect of the Concessionaire, aside from such other documents as may be required by any Governmental Authority from time to time, shall be required to be submitted by the Concessionaire to the Authority for facilitating the security clearance process and other administrative processes, within Seven (07) days of intimation by Authority :

- (a) Copy of Memorandum and Articles of Association;
- (b) Company Profile;
- (c) Promoters' details;
- (d) Copy of Letter of Intent to Award/ this Agreement;
- (e) Form 32 providing the details of the Directors; and

- (f) Copy of latest audited balance sheet.

The successful tenderer shall be required to submit Security Programme (as per Format A & A1 available on BCAS website www.bcasindia.nic.in and/or www.bcasindia.gov.in) to the RDCOS office through Pune Airport, for issuance of Security Clearance / approval, for operating the facility in Security Restricted Area, within Business incubation period. The successful bidder also has to submit Security Programme online through e-sahaj portal (<https://esahaj.gov.in>) and a copy of the online receipt of the application has to be forwarded to office of RDCOS through AAI along with the aforesaid documents in hardcopy. Further the Concessionaire shall submit 3 sets of the security program as per the prescribed format of BCAS for permission to operate in the Security Restricted Area.

- 3.1.6. For the purpose of obtaining Airport Entry Passes (Operations) in respect to the employees and personnel of the Concessionaire, the following documents, aside from such other documents as may be required by any Governmental Authority from time to time, shall be required to be submitted by the Concessionaire to the Authority:

:

- (a) A copy of the Security Clearance of the Concessionaire by the relevant security agencies;
- (b) The approval copies of the security program;
- (c) Copy of Letter of Intent to Award/Agreement;
- (d) Duly filled Airport Entry Pass Request Forms;
- (e) Two (2) photographs of each of the Individuals (Concessionaire's personnel);
- (f) Police verifications of individuals from relevant SHO/SP/Police Authority; and
- (g) A copy of valid passports/other photo identifications, duly self-attested by a notary.

3.2 Obligations relating to Shareholding and Ownership

- 3.2.1 The Concessionaire shall not undertake or permit any Change in Ownership except with the prior approval of the Authority.

- 3.2.2 The Concessionaire agrees and acknowledges that:

[_____] shall, for the entire duration of the Concession Term, hold greater than fifty per cent (50%) of the subscribed and paid up equity share capital of the Concessionaire; and [_____] and [_____, _____, ...] shall collectively hold one hundred percent (100%) of the subscribed and paid up equity share capital of the Concessionaire at all times until the end of the third Concession Year.

3.2.3 The Concessionaire shall not undertake or permit a Change in Ownership, which shall have the effect of Authority having a direct or indirect shareholding in the Concessionaire

3.2.4 Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire agrees and acknowledges that:

- (i) all acquisitions of Equity by an acquirer, either by himself or with any person acting in concert, directly or indirectly, including by transfer of the direct or indirect legal or beneficial ownership or control of any Equity of the Concessionaire; or
- (ii) acquisition of any control directly or indirectly of the Board of Directors of the Concessionaire by any person either by himself or together with any person or persons acting in concert with him shall be subject to prior approval of the Authority from national security and public interest perspective, the decision of the Authority in this behalf being final, conclusive and binding on the Concessionaire, and undertakes that it shall not give effect to any such acquisition of Equity or control of the Board of Directors of the Concessionaire without such prior approval of the Authority. For the avoidance of doubt, it is expressly agreed that approval of the Authority hereunder shall be limited to national security and public interest perspective, and the Authority shall endeavour to convey its decision thereon expeditiously. It is also agreed that the Authority shall not be liable in any manner on account of grant or otherwise of such approval and that such approval or denial thereof shall not in any manner absolve the Concessionaire from any liability or obligation under this Agreement.

For the purposes of this Clause:

- (a) the expression "acquirer", "control" and "person acting in concert" shall have the meaning ascribed thereto in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 or any statutory re-enactment thereof as in force as on the date of acquisition of Equity, or transfer of control of the Board of Directors, as the case may be, of the Concessionaire;
- (b) the indirect transfer or control of legal or beneficial ownership of Equity shall mean transfer of the direct or indirect beneficial ownership or control of any company or companies whether in India or abroad which results in the acquirer acquiring control over the shares or voting rights of shares of the Concessionaire; and
- (c) power to appoint, whether by contract or by virtue of control or acquisition of shares of any company holding directly or through one or more companies (whether situated in India or abroad) the Equity of the Concessionaire, not less

than half of the directors on the Board of Directors of the Concessionaire or of any company, directly or indirectly whether situated in India or abroad, having ultimate control of not less than 15% (fifteen per cent) of the Equity of the Concessionaire shall constitute acquisition of control, directly or indirectly, of the Board of Directors of the Concessionaire.

3.3 Employment of foreign nationals

The Concessionaire acknowledges, agrees and undertakes that employment of foreign personnel by the Concessionaire and/or its contractors and their subcontractors shall be subject to grant of requisite regulatory permits and approvals including employment/residential visas and work permits, if any required, and Airport Entry Permits and the obligation to apply for and obtain the same shall and will always be of the Concessionaire and, notwithstanding anything to the contrary contained in this Agreement, refusal of or inability to obtain any such permits and approvals by the Concessionaire or any of its contractors or subcontractors shall not constitute Force Majeure Event, and shall not in any manner excuse the Concessionaire from the performance and discharge of its obligations and liabilities under this Agreement.

3.4 Employment of trained personnel

3.4.1 The Concessionaire shall ensure that the personnel engaged by it in the performance of its obligations under this Agreement are at all times properly trained for their respective functions.

3.4.2 Further, the Concessionaire shall not, employ any of the officials of the Authority, for a period of two years after such an official cease to be under the employment of the Authority (for any reason whatsoever), unless a specific prior written approval from the Authority in respect of such employment/engagement, is procured by such concerned official.

3.5 Default & Breach by Concessionaire

3.5.1. The following acts and omissions shall constitute a default and material breach of this concession by the Concessionaire:

- (a) The failure to comply with all of the requirements regarding insurance; or
- (b) The violation of any law, charter provision, ordinance, rule, regulation, governmental order's or directive; or
- (c) The abandonment or vacating of any location(s) forming a part of the Concessionaire Managed Locations; or

- (d) The repeated failure to perform or the violation of any single condition or covenant of this Agreement on two or more occasions in any twelve (12) month period;
- (e) The assignment of the Concessionaire's interest in this Concession without the prior written consent of the Authority; or the filing of a voluntary or involuntary petition in bankruptcy; or for reorganization or an arrangement; or the adjudication of the Concessionaire as being bankrupt or insolvent; or the appointment of a receiver of or for the Concessionaire if such appointment, adjudication, or similar order or ruling remains in force or unstayed for a period of Thirty (30) days; or
- (f) The failure to perform or the violation of any other condition or covenant of this Agreement where such default or deficiency in performance was not remedied within a reasonable time.

3.6 General Requirements

3.6.1 The Concessionaire, at no cost to the Authority, shall perform and comply with all applicable, current and future laws of the GOI/GoST and rules, regulations, orders, and directives of their administrative agencies and the officers thereof. The Concessionaire shall use its best efforts to ensure that every person it admits to the Concessionaire Managed Locations similarly performs and complies with the same. Whenever the Concessionaire or its authorized representative is informed of any violation of any such law, ordinance, rule, regulation, license, permit, or authorization committed by it or any person admitted to the Concessionaire Managed Locations, the Contractor shall immediately desist from and/or prevent or correct such violation.

3.7 Recycling of Waste Materials

3.7.1. The Concessionaire shall collect, sort, and separate into such categories as may be legally required or stipulated by Authority, all solid waste products on the Concessionaire Managed Locations, and recycle all such products that are locally accepted for recycling. Each separately sorted category of waste products shall be placed in separate receptacles reasonably approved by the Authority, which receptacles shall be dumped or removed from the Concessionaire Managed Locations and Service Area, at such minimum frequency as is specified by the Authority. The Authority reserves the right to refuse to collect or accept from the Concessionaire any waste product that is not sorted and separated as required by law, ordinance, rule or regulation, and to require the Concessionaire to arrange for the collection of the same at the Concessionaire's sole cost and expense using a contractor satisfactory to the Authority. The Concessionaire shall pay all costs, fines, penalties, and damages that may be imposed on Authority or the Concessionaire as a consequence of the Concessionaire's failure to comply with the provisions of this section.

3.8 Environmental Standards

3.8.1 For the purpose of this subsection, the following terms shall be defined as provided below unless the context clearly requires a different meaning:

- (a) **“Laws or Regulation”** shall mean any environmentally related local, state, or law, regulation, ordinance, or order (including without limitation any final order of any court of competent jurisdiction of which the Concessionaire has knowledge), now or hereafter in effect including but not limited to the Clean Air Act, the Water Pollution Control Act, the Safe Drinking Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act, the Resource Conservation and Recovery Act, the Solid and Hazardous Waste Act, the Occupational Safety and Health Act, the Emergency Planning and Community Act, and the Solid Waste Disposal Act, as amended from time to time.
- (b) **“Hazardous Substances”** shall mean any hazardous, toxic, or dangerous substance, waste, or material that is regulated under any federal, state, or local statute, ordinance, or regulation relating to environmental protection, contamination, or clean up.

3.8.2 The Concessionaire shall provide the Authority with access to the Concessionaire Managed Locations and Service area to conduct an annual environmental inspection at such other time(s) as may be decided by Authority. In addition, the Concessionaire shall permit the Authority access to the Concessionaire Managed Locations and Service Area at any time, upon reasonable notice, for the purpose of conducting environmental testing. The Concessionaire shall not conduct or permit others to conduct environmental testing on the Concessionaire Managed Locations and Service area without written consent of Authority, which shall not be unreasonably withheld. The Concessionaire shall promptly inform the Authority of the existence of any environmental study, evaluation, investigation, or results of any environmental testing conducted on the Facilities whenever the same becomes known to the Concessionaire, and the Concessionaire shall provide a written copy of the same to the Authority within thirty (30) days after the preparation of any such material.

3.9 Indemnification

In addition to all other indemnities provided in this Agreement, and notwithstanding the expiration or earlier termination of this Agreement, the Concessionaire agrees to and shall defend, indemnify, and hold the Authority free and harmless from any and all claims, causes of action, regulatory demands, liabilities, fines, penalties, damages, losses, and expenses, including without

limitation, clean up or other remedial costs (and including attorneys' fees, costs, and all other reasonable litigation expense when incurred and whether incurred in defence of actual litigation or in reasonable anticipation of litigation), arising from the existence or discovery of any Hazardous Substances on the Concessionaire Managed Locations and Service area resulting from a violation of the terms of this section or the migration of any Hazardous Substances from the Concessionaire Managed Locations to other property or into the surrounding environment that is the result of a violation of the terms of this section, whether (a) made, commenced, or incurred during the term of this Agreement, or (b) made, commenced, or incurred after the expiration or termination of this Agreement if arising out of an event occurring during the term of this Agreement.

3.10 Hours of Operation

- 3.10.1. The Concessionaire shall commence the operation of the Duty-Free Retail Outlets at least three hours prior to the first scheduled arrival/departure of flights at/from the Airport in a Day and shall close the operations only after a time period of 60 minutes has elapsed since arrival/departure of the last flight at/from the Airport, in a day. The Concessionaire shall maintain operations of the Duty-Free Retail Outlets in each of the 365 days in a year in order to provide a high level of service for the convenience of the Airport Users, unless instructed otherwise by the Authority in writing.
- 3.10.2. All concession sales shall be conducted and operated in such manner as not to interfere with the orderly operation of events held within the Airport.
- 3.10.3. Sales shall be conducted only from and at designated Concessioned Premises approved by the Authority.

3.11. Procurement Policy

- 3.11.1. The Concessionaire shall purchase items, and other operation supplies, needed for the Concessioned Premises and related operating supports to be supplied hereunder from whatever source or sources that will establish and effect procedures which assure the quality and quantity required at the most economical prices, it being understood that the Concessionaire shall avail itself of all lawful trade, cash, quantity discounts, and rebates and all such discounts and rebates both local and national shall inure to the benefit of the retail operations herein. All such purchases shall be in the Concessionaire's name and payment shall be made directly to the supplier.
- 3.11.2. The Concessionaire will hold the Authority indemnified from any actions by Concessionaire's suppliers and will permit no liens whatsoever to be placed on the property of the Authority arising as a result of the failure of the Concessionaire, its agents, contractors, and/or sub-contractors/ sub-licensees to make any payments required of them in this connection.

3.12. Mode of payment

3.12.1. Concessionaire shall accept cash, credit cards (at least two major), debit cards and e-wallets modes, for any purchase and adhere to the GOI guidelines issued from time to time, in this regard.

3.13. Uniforms

3.13.1. The Concessionaire or its agent will provide and maintain uniforms for all employees/staff. Selection type, colour, style, and dress code of uniforms, including specialty uniforms designated to fit the exact nature of the various operations at the Concessionaire Managed Locations. The Authority will consider the Concessionaire to be the sole contact and responsible for the Services it or its employees/staff provide. Additionally, the condition of the hygiene and appearance of employees is the Concessionaire’s sole responsibility to ensure that all employees meet minimum hygiene and appearance standards.

3.14. Stock availability

3.14.1. The Concessionaire shall keep on hand sufficient stock of products.

3.15 Any guidelines / instructions issued by the Authority on business processes related to food and beverages, retail, advertisement, ground transport and others including tenancy guidelines will be binding on the Concessionaire.

3.16 Sole purpose of the Concessionaire

The Concessionaire having been set up for the sole purpose of exercising the rights and observing and performing its obligations and liabilities under this Agreement, the Concessionaire or any of its subsidiaries shall not, except with the previous written consent of the Authority, be or become directly or indirectly engaged, concerned or interested in any business other than as envisaged herein.

3.17 Supply of information/data to Authority:

The Concessionaire shall provide the Authority all sales data, itemised sales report(s), or any other MIS data in respect of the Duty Free Concession, if demanded by the Authority at any time during the concession term, in the manner and form as prescribed by the Authority.

ARTICLE 4. OBLIGATIONS OF AUTHORITY

4.1 Obligations of the Authority

4.1.1 The Authority shall, at its own cost and expense undertakes, comply with and perform all its obligations set out in this Agreement or arising hereunder.

4.1.2 The Authority agrees to provide support to the Concessionaire and undertakes to observe, comply with and perform, subject to and in accordance with the provisions of this Agreement and the Applicable Laws, the following:

- a. upon written request from the Concessionaire, and subject to the Concessionaire complying with Applicable Laws, provide all reasonable support and assistance to the Concessionaire in procuring Applicable Permits required from any Government Instrumentality for implementation and operation of the Concession;
- b. upon written request from the Concessionaire, assist the concessionaire in obtaining access to all necessary infrastructure facilities and utilities, including water and electricity at rates and on terms of no less favorable to the Concessionaire than those generally available to commercial customers receiving substantially equivalent services;
- c. not do or omit to do any act, deed or thing which may in any manner be violative of any of the provisions of this Agreement; and.
- d. support, cooperate with and facilitate the Concessionaire in the implementation and operation of the Concession in accordance with the provisions of this Agreement.

4.2 Obligations relating to Transfer

4.2.1 The Authority agrees that during the Concession Term, in the event the Authority transfers the rights to operate and maintain the Terminal to a third party(s), the Authority shall ensure that

(a) Authority shall cause to transfer/novate this Agreement, in favour of such third party, on the principle that such transfer/novation would release Authority of all liabilities and obligations arising from and after the date of transfer / novation of such rights. The Parties, along with relevant third party(s) shall execute necessary documentation or put in place necessary agreements for the aforesaid transfer/novation; and

(b) the rights and obligations under or pursuant to all contracts and other arrangements entered into in accordance with the provisions of this Agreement between Authority and Concessionaire shall be vested in such third party

ARTICLE 5. REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Concessionaire

The Concessionaire represents and warrants to the Authority that:

- (a) it is duly incorporated, validly existing and in good standing under the laws of India;
- (b) it has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- (c) the information furnished in the Bid by the Selected Bidder and as updated on or before the date of this Agreement is true and accurate in all respects as on the date of this Agreement;
- (d) it has taken all necessary corporate and other actions under Applicable Laws and its constitutional documents to authorise the execution, delivery and performance of this Agreement;
- (e) it has the financial standing and capacity to undertake the Concession;
- (f) this Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- (g) it is subject to civil and commercial laws of India with respect to this Agreement and it hereby expressly and irrevocably waives any immunity in any jurisdiction in respect thereof;
- (h) the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under or accelerate performance required by any of the terms of the Concessionaire's Memorandum and Articles of Association or any Applicable Laws or any covenant, agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets are bound or affected;
- (i) there are no actions, suits, proceedings or investigations pending or to the Concessionaire's knowledge threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may constitute Concessionaire Event of Default or which individually or in the aggregate may result in Material Adverse Effect;
- (j) it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Authority which may result in Material Adverse Effect;

- (k) it has complied with all Applicable Laws and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have Material Adverse Effect;
- (l) subject to receipt by the Concessionaire from the Authority any amount due under any of the provisions of this Agreement, in the manner and to the extent provided for under the applicable provisions of this Agreement, upon termination of this Agreement, all rights and interests of the Concessionaire under this Agreement and in and to the Project / Project Facilities shall pass to and vest in the Authority on the Termination Date free and clear of all Encumbrances without any further act or deed on the part of the Concessionaire or Authority;
- (m) no representation or warranty by the Concessionaire contained herein or in any other document furnished by it to Authority or to any Government Authority in relation to Applicable Permits contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading;
- (n) no bribe or illegal gratification has been paid or will be paid in cash or kind by or on behalf of the Concessionaire to any person to procure the Concession.
- (o) Without prejudice to any express provision contained in this Agreement, the Concessionaire acknowledges that prior to the execution of this Agreement, the Concessionaire has after a complete and careful examination made an independent evaluation of the Concessionaire Managed Location(s) and Service area, requirements, commercial viability and potential of the Concession, and the information provided to it as part of the bid documents or otherwise, and has determined to its satisfaction the nature and extent of risks and hazards as are likely to arise or may be faced by the Concessionaire in the course of performance of its obligations hereunder.
- (p) all undertakings and obligations of the Concessionaire arising from the Request for Proposal or otherwise shall be binding on the Concessionaire as if they form part of this Agreement;
- (q) The Concessionaire also acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth above and hereby confirms that Authority shall not be liable for the same in any manner whatsoever to the Concessionaire.

5.2 Representations and Warranties of Authority

Authority represents and warrants to the Concessionaire that:

- (a) Authority has full power and authority to grant the Concession;

- (b) Authority has taken all necessary action to authorise the execution, delivery and performance of this Agreement;
- (c) this Agreement constitutes Authority's legal, valid and binding obligation enforceable against in accordance with the terms hereof;
- (d) there are no actions, suits or other proceedings pending or, to its knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may result in default or breach of this Agreement or which individually or in the aggregate may result in material impairment of its ability to perform its obligations under this Agreement;
- (e) it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Instrumentality which may result in material adverse effect on the Authority's ability to perform its obligations under this Agreement;
- (f) it has complied with Applicable Laws in all material respects;
- (g) it has good and valid right to the Concessionaire Managed Locations, and has power and authority to grant a Concession in respect thereto to the Concessionaire; and
- (h) upon the Concessionaire paying the Concession Fee and performing the covenants herein, it shall not at any time during the term hereof, interfere with the peaceful exercise of the rights and discharge of the obligations by the Concessionaire, in accordance with this agreement.

5.3 Obligation to notify change

In the event that any of the representations or warranties made/given by a Party cease to be true or stands changed, the Party who had made such representation or given such warranty shall promptly notify the other of the same. Such notification shall not have the effect of remedying any breach of the representation or warranty that has been found to be untrue or incorrect nor shall it adversely affect or waive any obligation of either Party under this Agreement.

ARTICLE 6. DISCLAIMER

6.1 Disclaimer

6.1.1 The Concessionaire acknowledges that prior to the execution of this Agreement, the Concessionaire has, after a complete and careful examination, made an independent evaluation of the Request for Proposal, Scope of the Project, Specifications and Standards, Site, local conditions, traffic volumes and all information provided by the Authority or obtained, procured or gathered otherwise, and has determined to its satisfaction the accuracy or otherwise thereof and the nature and extent of difficulties, risks and hazards as are likely to arise or may be faced by it in the course of performance of its obligations hereunder. Save as provided in **Clause 5.2**, the Authority makes no representation whatsoever, express, implicit or otherwise, regarding the accuracy and/or completeness of the information provided by it and the Concessionaire confirms that it shall have no claim whatsoever against the Authority in this regard.

6.1.2 The Concessionaire acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth in **Clause 6.1.1** above and hereby acknowledges and agrees that the Authority shall not be liable for the same in any manner whatsoever to the Concessionaire, [the Consortium Members] and their Affiliates.

ARTICLE 7. SECURITY DEPOSIT

7.1 Security Deposit

7.1.1 In order to ensure timely payments of the Concession Fee and any other fees and charges stipulated hereunder, payable by the Concessionaire to the Authority and due performance of its obligations under this Agreement, the Concessionaire shall deposit with the Authority, an interest-free refundable security deposit ("Security Deposit") in the following amounts:

Concession term	Security deposit description
Up to 3 rd Year	<p>Security Deposit (SD) equivalent to Eight (8) months of Monthly Concession Fee of the 1st (First) Concession Year as calculated below</p> <p>Security Deposit = {((Quoted Rate Per International Passenger X projected passenger traffic for the first concession year * (8/12)) OR (8 * MMG for the first concession year), whichever is higher) + 8 * (CAM Charges + Space Rent (If any))} + Applicable Taxes.</p>
From 4 th year onwards	<p>Security Deposit (SD) equivalent to Eight (8) months of Monthly Concession Fee of the 4th (Fourth) Concession Year as calculated below:</p> <p>Security Deposit = {((Quoted Rate Per International Passenger X projected passenger traffic for the Fourth concession year * (8/12)) OR (8 * MMG for the Fourth concession year), whichever is higher) + 8 * (CAM Charges + Space Rent (If any))} + Applicable Taxes.</p> <p><i>The Concessionaire will have the option to renew the existing BG for enhanced amount or submit a fresh BG to the Authority.</i></p>

Note:

Additional Security Deposit in the form of NEFT/RTGS/BG/ for the Utilities (Electricity, Water, Data Port, Telephone etc.) shall be deposited by the Licensee/Agency. The value of such Security Deposit for utilities will be determined equivalent to 5% of concession Fee of first year, subject to minimum deposit of Rs.10,000 and a maximum deposit of Rs.10 lakhs. Concession fee shall be calculated as follows: $(QG \text{ per PAX for 1st Concession Year (including amount equivalent to applicable taxes such as GST)} \times Proj. \text{ International PAX for 1st Concession Year or } (12 * MMG \text{ of the 1st Concession year}), \text{ whichever is higher.}$

- 7.1.2 In the first year, Security amount shall have to be deposited on or before the date of execution of this Agreement. Further, the applicable Security Deposit from 4th year onwards shall be furnished On or before the expiry of First Quarter of Fourth Year Contract Period.
- 7.1.3 The Concessionaire shall have the option to deposit a single Bank Guarantee for stipulated amount or two Bank Guarantees amounting to stipulated amount at its own cost.
SD to be furnished in the form of Bank Guarantee only to be issued by Scheduled Bank having a validity up to the expiry of concession/license period and claim period thereof should be a further period of 12 months from the date of expiry by License Period. However, BG from Cooperative Bank (even scheduled) or in the form of FDR is not acceptable.
- 7.1.4 In addition, the Successful Bidder shall have the option to provide the Security Deposit in Cash form remitted through RTGS/Demand Draft for which no interest shall be payable by Authority.
- 7.1.5 The Security Deposit shall be interest free and the Concessionaire agrees and acknowledges that the Authority shall not be liable to pay any interest on the Security Deposit.
- 7.1.6 The Authority reserves the right to modify the definition of Security Deposit and enhance the same according to prevailing Authority policies and guidelines from time to time.
- 7.1.7 Failure of the Concessionaire to provide and/or maintain the Security Deposit for the prescribed amounts in accordance with the provisions hereof, shall entitle the Authority to forfeit and appropriate the available Security Deposit as damages, and to terminate this Agreement in accordance with **Article 19**.

7.2 Appropriation of Security Deposit

- 7.2.1 Upon occurrence of a Concessionaire Event of Default, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to appropriate the relevant sums from the Concessionaire's Security Deposit. Upon such appropriation from the Security Deposit, the Concessionaire shall, within fifteen (15) days thereof, replenish the Security Deposit by the sum appropriated, failing which the Authority shall be entitled to terminate this Agreement in accordance with Article 19.
- 7.2.2 Upon the aforesaid replenishment (or furnishing of a fresh Security Deposit, as the case may be) and in the event of the Concessionaire not curing its default within a period of thirty (30) days, the Authority shall be entitled to appropriate relevant sums from the Concessionaire's Security Deposit, and to terminate this Agreement in accordance with **Article 19**. Further, the Authority shall be at liberty to invite fresh Proposals at the risks and costs of the Concessionaire.

7.3.1 Set-Off Clause:

In the event of a default or breach in payment of license fee or interest amount or any other amount due with the licensee of whatever nature as per the provision of this contract, AAI is hereby authorized to adjust such amount from time to time to the fullest extent, with prior notice of 7 (seven) days to the licensee, by set off and apply any or all amount at any time held with AAI as security deposit or bank guarantee or any other amount as part of this contract or from any other expired/closed/terminated contracts of licensee with AAI. This is without prejudice to any rights and remedies available with AAI to recover the dues from licensee as prescribed by Law.

Explanation 1: - For the purposes of this agreement, set off means adjustment of any outstanding due(s) of Licensee, with any amount in form of BG /SD or otherwise, held by AAI in relation to any other agreement, at any AAI airport/airport premises.

Explanation 2 - Outstanding dues shall mean and include any amount accrued / due against the licensee under this or any other agreement at any of AAI airport / airport premises.

7.4 Release of Security Deposit

The Security Deposit referred to in this Article shall be refunded to the Concessionaire 180 (one hundred and eighty) days after the expiry / termination of this Agreement, subject to full and final settlement of any liabilities, claims, penalties, damages or outstanding dues that may be pending against the Concessionaire and vacant and peaceful hand over by the Concessionaire of the Concessionaire Managed Locations and further subject to Clause 7.3 above.

7.5. Method to deposit Security Deposit

The amount of Security Deposit to be furnished by the Concessionaire in the form of cash shall be deposited through Real Time Gross Settlement System (RTGS) to provide for real time inter-bank payment in favour of such account as may be prescribed by Authority from time to time.

ARTICLE 8. CONCESSIONAIRE MANAGED LOCATIONS

8.1. The Concessionaire Managed Locations

8.1.1. The Concessionaire Managed Locations Layout plan as in **Schedule A** would form integral part of this Agreement. Any changes during the currency of the Concession however would be regulated and governed in accordance with the definitions ascribed already in respect of those situations in the RFP. The license shall be provided and granted by the Authority to the Concessionaire as a licensee under and in accordance with this Agreement in respect of Concessionaire Managed Locations comprising the approved Concessionaire Managed Locations Layout Plan.

8.2 Licence and Access

8.2.1 In consideration of the Concession Fee, this Agreement and the covenants and warranties on the part of the Concessionaire herein contained, the Authority, in accordance with the terms and conditions set forth herein, hereby grants to the Concessionaire, commencing from the Access Date and licence rights in respect of all the Location(s) which is described, delineated and shown in **Schedule-A** hereto and Service Area(s) comprising the Site (the "Licensed Premises") on an "as is where is" basis, free of any Encumbrances, to operate and maintain the said Licensed Premises, together with all and singular rights, liberties, privileges, easements and appurtenances whatsoever to the said Licensed Premises, here deterrments or premises or any part thereof belonging to or in any way appurtenant thereto or enjoyed therewith, for the duration of the Concession Term and, for the purposes permitted under this Agreement, and for no other purpose whatsoever. It is expressly agreed and understood that the Authority shall have no liability whatsoever in respect of any expenditure incurred by the Concessionaire on or about the Site pursuant hereto in the event of Termination or otherwise.

8.2.2 The Concession and license granted by this Agreement to the Concessionaire shall always be subject to existing rights of access of the Authority and the Concessionaire shall perform its obligations in a manner that Concessionaire Managed Location(s), Warehouse /Service Area(s) are open for access and inspection at all times during the period of this Agreement/ the Concession Term.

8.2.3 It is expressly agreed that the Concession granted hereunder shall terminate automatically and forthwith, without the need for any action to be taken by the Authority to terminate the Concession, upon the Termination of this Agreement for any reason whatsoever.

8.2.4 The Concessionaire hereby irrevocably appoints the Authority (or its nominee) to be its true and lawful attorney, to execute and sign in the name of the

Concessionaire a transfer or surrender of the Concession granted hereunder at any time after the Concession Term has expired or has been terminated earlier in terms hereof, a sufficient proof of which will be the declaration of any duly authorised officer of the Authority, and the Concessionaire consents to it being registered for this purpose.

- 8.2.5 It is expressly agreed that all building fixtures on the Site are the property of the Authority except that the Concessionaire shall be entitled to exercise usufructory rights thereon during the Concession Period.

8.3 Handover of the Concessionaire Managed Locations

- 8.3.1 On and after the Access Date and until the transfer date, the Concessionaire shall maintain a round-the-clock vigil over the Concessionaire Managed Locations including Service Area and shall ensure and procure that no encroachment thereon takes place. However, in the event of any encroachment or occupation on any part thereof, the Concessionaire shall report such encroachment or occupation forthwith to the Authority and undertakes its removal at its cost and expenses.

8.4 Concessionaire Managed Locations to be free from Encumbrances

- 8.4.1 Subject to the provisions of Clause 8.3, the Concessionaire Managed Locations and Service area shall be made available by the Authority to the Concessionaire pursuant hereto free from all Encumbrances and occupations and without the Concessionaire being required to make any payment to the Authority on account of any costs, compensation, expenses and charges for the use of such Site for the duration of the Concession Term, except insofar as otherwise expressly provided in this Agreement. For the avoidance of doubt, it is agreed that existing rights of way, easements, privileges, liberties and appurtenances to the Licensed Premises shall not be deemed to be Encumbrances.

8.5 Protection of Concessionaire Managed Locations from encroachments

During the Concession Term, the Concessionaire shall protect the Site from any and all occupations, encroachments or Encumbrances, and shall not place or create nor permit any other person or entity claiming through or under the Concessionaire to place or create any Encumbrance or security interest over all or any part of the Site, or on any rights of the Concessionaire therein or under this Agreement, save and except as otherwise expressly set forth in this Agreement. For the avoidance of doubt, it is agreed that existing rights of way, easement, privileges, liberties and appurtenances to the Concessionaire Managed Locations shall not be deemed to be Encumbrances.

8.6 Access to the Authority and Independent Auditor

The Concession, access and right to the Site granted to the Concessionaire hereunder shall always be subject to the right of access of the Authority and the Independent Auditor and their employees and agents for inspection, viewing and exercise of their right and performance of their obligation under this Agreement.

ARTICLE 9. CONSTRUCTION OF DUTY- FREE RETAIL OUTLETS

9.1 Obligations Prior to Commencement of Structures Installation Work

9.1.1. Prior to the development of the Concessionaire Managed Locations as per the approved Concessionaire Managed Locations Layout Plan, the Concessionaire shall –

- (a) Submit to the Authority a detailed program comprising of its installation methodology, time schedule and other details;
- (b) appoint its representative duly authorized to deal with the Authority in respect of all matters under or arising out of or relating to this Agreement;
- (c) undertake, do and perform all such acts, deeds and things as may be necessary or required before commencement of construction under and in accordance with this Agreement, the Applicable Laws and Applicable Permits; and
- (d) make its own arrangements for sourcing of materials needed for the Construction Works under and in accordance with the Applicable Laws and Applicable Permits.

9.2 Conduct during Gestation Period

During the Gestation Period, the Concessionaire shall maintain, at its cost, the Concessioned Premises as is necessary for the efficient progress of structure installation works which would be necessary for safe usage of the Airport Terminal by the Airport Users and conforms to Good Industry Practices. In the performance of its activities during the Gestation Period, the Concessionaire shall cause minimum interruption to the Airport operations, provided further that such interruption and diversion shall be undertaken by the Concessionaire only with the prior written approval of the Authority which approval shall not be unreasonably withheld. For the avoidance of doubt, it is agreed that the Concessionaire shall at all times be responsible for ensuring that its activities at the Concessionaire Managed Locations do not affect the safe and smooth operation of the Terminal.

9.3 Drawings

Within **30 (thirty) days** of the Concession Fee Commencement Date, the Concessionaire shall furnish to the Authority, a complete set of as-built drawings, in 4 (four) hard copies of A-1 size and in digital form or in such other medium as may be acceptable to the Authority, reflecting the Concessionaire Managed Locations(s) , Warehouse / Service Area(s) as actually designed, engineered and constructed, including an as-built survey illustrating the layout of services such as electrical lines, water supply, drainage, fuel supply, ventilation, etc.

9.4 Construction of Concessionaire Managed Location (s) / Duty-Free Retail Outlets

9.4.1 On or after the Access Date, the Concessionaire shall undertake the Construction Works at the Concessionaire Managed Location(s), Warehouse / Service Area(s) specified in **Schedule A**, and in conformity with Good Industry Practices. The Concessionaire agrees and undertakes that Construction Works shall be completed on or before the expiry of Gestation Period.

9.5 Construction of Duty-Free Retail Outlets at Alternate Concessionaire Managed Locations

9.5.1 For Alternate Concessionaire Managed Location(s) as may have been offered by the Authority and accepted by the Concessionaire, the Concessionaire shall undertake the Construction Works at such Alternate Concessionaire Managed Location(s) in accordance with the provisions thereof. The Concessionaire agrees and undertakes that Construction Works at Alternate Concessionaire Managed Location(s) shall be completed on or before the expiry of Resurrection Period, for such Alternate Concessionaire Managed Location(s).

9.5.2. In the event that construction works are not completed within the Resurrection Period of 30 days for such Alternate Concessionaire Managed Locations, unless the delay is on account of reasons solely attributable to the Authority or due to Force Majeure, the Authority shall be entitled to terminate the Concession in respect of such Alternate Concessionaire Managed Locations.

ARTICLE 10. CONCESSION FEE

10.1 Concession Fee

In consideration for the grant of Concession, the Concessionaire shall pay to the Authority, a concession fee (the “**Concession Fee**”) in respect of the Concessionaire Managed Location(s) (including Alternate Concessionaire Managed Location(s), if any) in accordance with the terms and conditions of this Concession Agreement.

10.2 Determination of Concession Fee

10.2.1 The Concessionaire agrees and undertakes that the Concession Fee shall be paid each month under this Agreement. The concession fee shall be the “**Quoted Rate Per International Passenger X Number of International Passenger (arriving + departing) Per Month**” Or “**Minimum Monthly Guarantee (MMG)**”, **whichever is higher + GST/taxes as applicable**. For the avoidance of doubt, the Concession Fee for a part of Month shall be determined in proportion to the number of days.

The MMG for 1st Year shall be USD 20,983 (USD Twenty Thousand Nine Hundred and Eighty Three)

10.2.2 Annual Escalation

- i. The Concession fee shall be subject to annual escalation.
- ii. The annual escalation shall be applicable as below: -

A. MMG :

Annual escalation* on the Minimum Monthly Guarantee (MMG) shall be applicable at the end of each Concession Year as described below:-

S. No.	Passenger growth (in the preceding 12 months from the last month from the month in which escalation is due)	Annual Escalation
1.	Up to 5% (including negative growth)	5%
2.	Greater than 5% and up to 18%	10%
3.	Greater than 18%	15%

B. Rate Per International Passenger:

5% annual escalation (compounding) shall be applicable on the Quoted Rate per International passenger at the end of each Concession Year.

* *Note: The first annual escalation is to be applicable after completion of one year of the concession. The date of first escalation period shall be reckoned from the original date of commencement of concession term. Thereafter the same will be applicable after completion of subsequent one-year period therefrom.*

10.2.3 Increasing of “MMG” and “Applicable Rate Per International Passenger” due to increase in the limits of Alcoholic liquor or wines in the Duty Free Allowances and entitlements on arrival for arriving passengers in the customs policy of GOI:

- a. After publication of RFP or after commencement of the concession, if the Govt. of India increases the limits of Alcoholic liquor or wines under Duty Free Allowances and entitlements on arrival for arriving passengers in India, in such event, both “MMG” and “Applicable Rate per International passenger” shall be proportionately increased by applying factor of “0.65”.

An illustration for this provision is appended as below:

% age increase in limits of Alcoholic liquor or wines quantity by GOI	Factor to be applied*	% age increase to be applied on both i.e. “MMG” and “Applicable Rate per International passenger”
50%	0.65	33%
100%		65%
150%		98%
So on and so forth.....		

Note: The limits for Alcoholic liquor or wines under Duty Free Allowances and entitlements on arrival in India is **02 liters** at present. (As on **30/11/2025**)

10.2.4 In case of allotment of additional space to the Concessionaire for Duty-Free outlet(s) in accordance with the express provisions of this Agreement, the then applicable, MMG and Rate Per International Passenger both shall be increased proportionally.

10.2.5 The Concessionaire hereby acknowledges and agrees that it is not entitled to any revision of Concession Fee or other relief from the Authority or any Government

Instrumentality, except in accordance with the express provisions of this Agreement.

10.2.6 In the event the Authority fails to hand over a minimum of one Concessionaire Managed Location in the Departure Area of the Terminal, the Concessionaire shall be entitled to a fifty percent (50%) abatement in the Concession Fee; provided that such abatement shall extinguish on the Rent Commencement Date of the first Concessionaire Managed Location handed over to the Concessionaire in the Departure Area.

10.2.7 In the event the Authority fails to handover a minimum of one Concessionaire Managed Location in the Arrival area of the Terminal, the Concessionaire shall be entitled to a fifty percent (50%) abatement in the Concession Fee; provided that such abatement shall extinguish on the Rent Commencement Date of the first Concessionaire Managed Location handed over to the Concessionaire in the Arrival Area.

10.2.8 In respect of the Duty-Free Retail Outlets handed over at a subsequent stage, the Concession Fee applicable will be the Concession Fee applicable at the instant, for Duty-Free Retail Outlets handed over at the first instance. For the sake of clarity, if a Site is handed over in the Second Concession Year, the Concession Fee applicable for such Site will be the Concession Fee for Second Concession Year.

10.2 Taxes

The Concession Fee, Space Rent, CAM charges etc. paid by the Concessionaire to the Authority shall be exclusive of Taxes and all Taxes shall be paid over and above the Concession Fee, Space Rent, CAM charges etc. The payment of Taxes in respect of the Concession Fee, any other taxes, applicable under applicable Laws, the usage of the Concessionaire Managed Location, operations of the Duty-Free Retail Outlets and Service area shall be the obligation of the Concessionaire and shall be borne by the Concessionaire at its own risk and costs. The Concessionaire shall remit the amount of GST in respect of the use of the Concessionaire Managed Locations to the Authority. It is clarified that the Concessionaire shall pay the Taxes, except the GST in respect of the use of the Concessionaire Managed Locations, directly to the relevant Governmental Authorities which shall be over and above the Concession Fee. Direct taxes including withholding tax on respective income shall be borne by the respective Parties.

10.4 Payment of Concession Fee

10.4.1 Except as expressly specified otherwise, the monthly payment of Concession Fee shall be made by way of modes as advised by the authority including but not limited to biller direct module, virtual account number and direct transfer into the

Authority's bank account as per the details given below:

10.4.2 Details of bank account:

i.	<i>Account Name</i>	AIRPORTS AUTHORITY OF INDIA
ii.	<i>Account Type</i>	CURRENT ACCOUNT
iii.	<i>Bank A/c No.</i>	33908911736
iv.	<i>Bank Name/Branch Address</i>	STATE BANK OF INDIA, VISHRANTWADI, PUNE.
v.	<i>IFSC Code</i>	SBIN0014889
vi.	<i>MICR Code</i>	411002091
vii.	<i>PAN No.</i>	AAACA6412D
viii.	<i>GST No.</i>	27AAACA6412D1Z8

Authority shall raise all bills (including MMG/MAG, Space Rent if applicable and any other bills except annual land lease bills) for the current month on 1st day of month in advance except true-up and reimbursement of expenditure bills like electricity, water etc. The invoices for reimbursement of expenditure like electricity, water charges etc. for the completed month shall be raised on 5th of succeeding month. Wherever the billing is dependent on passenger data/ any other data and provisional billing is already done every month on 1st in advance, the invoices for true-up data shall be raised by 10th of succeeding month on the basis of pax data or actual data submitted by the concessionaire/ agency.

A credit period of 15 days (date of invoice plus 15 days) shall be provided, which is subject to reduction as and when decided by Authority. Authority shall levy penal interest @ 12% per annum from the due date (i.e. date of invoice plus 15 days) till the actual date of payment received in Authority's account in the cases concessionaire/ agencies settled the invoice after due date but within 90 days (date of invoice plus 90 days) and @ 18% per annum from the due date till the actual date of payment received in Authority's account in the case of concessionaire/ agencies settled the invoices after 90 days. In case of part payment made by any agency, same rate of interest on the balance amount of invoice as applicable shall be charged. The licensee to make all payments through Biller Direct module of AAI or Virtual Account Number (VAN).

10.4.3 The payment of Concession Fee shall commence from the Concession Fee Commencement Date.

10.4.4 All payments towards Concession Fee, payable by the Concessionaire to the Authority, shall be by way of electronic fund transfer through Real Time Gross

Settlement (RTGS) system to provide for real time inter-bank payment in favour of such account as may be prescribed by the Authority from time to time.

10.4.5 All payments towards Concession Fee, payable by the Concessionaire to the Authority, shall be in Indian Rupees.

10.5 Effect of Traffic variation on Concession Fee

10.5.1 The Concessionaire hereby acknowledges and agrees that it is not entitled to any revision of Concession Fee or other relief from the Authority or any Government Instrumentality on account of any adverse effect of variation in actual international passenger traffic.

10.6 Independent Audit

10.6.1 The Authority may in its discretion and at its own cost, conduct an independent audit of the accounts of the Concessionaire pertaining to any one or more of the Concessionaire Managed Locations. The Concessionaire undertakes to cooperate with the Authority and its agents in the conduct of the independent audit, and for such purpose to provide access to the officials of the Authority or its agents to the Duty-Free Retail Outlets, to allow the Authority or its agents to inspect and have access, at any time, to the books of accounts, audited / unaudited statements, the gross sales/itemized sales reports/statements, audit rolls maintained by the Concessionaire, receipts generated at the electronic point of sale terminals as maintained by the Concessionaire and any other information as may be required by the Authority or its auditors for the purpose of such independent audit.

10.6.2. The Authority may in its discretion direct the Concessionaire to submit duly audited accounts or any other related information by Concessionaire's Chartered Accountants at its own cost as may be required by the Authority or the Authority's empaneled auditors for the purpose of such independent audit.

10.6.3. The Authority reserves the Right to appoint independent / external / third party auditors to audit the Concessionaire's business process and performance with respect to RFP / LOIA and Authority's instructions / guidelines and it shall be binding on the Concessionaire.

ARTICLE 11. OPERATION AND MAINTENANCE

11.1 OPERATION AND MAINTENANCE

- 11.1.1 The Concessionaire shall use the Concessionaire Managed Location(s) for the sole purpose of development, setting up, operating, maintaining and managing Duty-Free Retail Outlets(s) and shall at all times ensure that the Duty-Free Retail Outlets(s) are designed and developed in accordance with Good Industry Practices, standards and specifications and operated to international standards in line with the image of the Airport as envisaged by the Authority and any instructions issued by the Authority in this regard. The Concessionaire shall be allowed to serve a wide range of items which are covered under Duty-Free Retail Items or as approved in writing by the Authority.
- 11.1.2 The Concessionaire has, prior to the commencement of operations at the Duty-Free Retail Outlets, intimate the Authority with respect to the Duty-Free Retail Items offered for sale by the Concessionaire.
- 11.1.3 The Concessionaire shall, subject to the provisions of **Clause 2.4.6** of this concession agreement hereof, offer for sale from the Concessionaire Managed Locations a wide variety of good quality Duty-Free Retail Items to meet the demand of the Airport Users at all times and comparable to the range available at the comparable international airports.
- 11.1.4 The Concessionaire agrees to operate the Duty-Free Retail Outlets efficiently to meet the demands of Airport Users at all times.
- 11.1.5 The Concessionaire hereby acknowledges and agrees that it shall obtain all requisite operating Permits from competent authorities at the Concessionaire's own cost and shall prior to the commencement of operations of the Duty-Free Retail Outlets apply, pay for and comply with the conditions of all Permits or Approvals and shall submit copies of all such Permits to the Authority.
- 11.1.6 The Concessionaire has also, prior to commencement of operations of the Duty-Free Retail Outlets, obtained the relevant permissions, no objection certificate(s) (NOCs) and shall, if required, also satisfy such other conditions/clearances required for operating the Duty-Free Retail Outlets and shall submit copies of the same to the Authority.
- 11.1.7 The Concessionaire shall maintain and keep in force all requisite Approvals (including such permits as set out under **Clauses 11.1.5** and **Clause 11.1.6** above) and comply with all Applicable Laws and statutory rules and guidelines laid down by competent authorities, including without limitation, any rules and regulations framed under Shops and Establishments Act, Factories Act, Industrial Disputes Act, Minimum Wages Act, etc. as may be applicable to the Concessionaire and any operational guidelines laid down by the Authority from time to time.

- 11.1.8 The Concessionaire shall obtain requisite utility connections from the connection points, as advised by the Authority and shall install its own metering devices. All metering devices shall be tested and calibrated to the satisfaction of the Authority.
- 11.1.9 The Concessionaire shall widen and improve the variety of Duty-Free Retail Items sold in the Concessionaire Managed Location when the items offered for sale in the Concessionaire Managed Location are in the opinion of the Authority inadequate and/or of poor quality and must include such items as the Authority may specify in writing to the Concessionaire if in the opinion of the Authority such items are in demand.
- 11.1.10 The Concessionaire shall not offer or engage in any other business at the Concessionaire Managed Location except providing the Services set out in this Concession.
- 11.1.11 The Concessionaire shall also ensure at all times that there are adequate quantities of Duty-Free Retail Items at the Duty-Free Retail Outlets set up, operated, maintained and managed by the Concessionaire so as to meet the needs of the Airport Users.
- 11.1.12 The Concessionaire shall plan and monitor stock levels of all Duty-Free Retail Items in the Duty-Free Retail Outlets to ensure that they are available at all times and the Concessionaire shall keep the Authority informed of any anticipated out of-stock situation and the Concessionaire shall produce and provide stock reports on the availability or non-availability of all items for sale in the Duty-Free Retail Outlets upon the Authority's request, in the format approved by the Authority and to submit such reports within 14 (fourteen) days from the Authority's request.
- 11.1.13 The Concessionaire shall comply in all respects at his own cost with the provisions of all statutes and bye-laws and regulations made there under and all rules and requirements made or prescribed by any competent authority relating to public hygiene including but not limited to housekeeping, maintenance and cleanliness. In the event of any complaint, the Concessionaire shall take such necessary and immediate action as may be required to satisfy the complaint.
- 11.1.14 The Concessionaire shall commence the operation of the Duty-Free Retail Outlets at least three hours prior to the first scheduled arrival/departure of flights at/from the Airport in a Day and shall close the operations only after a time period of 60 minutes has elapsed since arrival/departure of the last flight at/from the Airport, in a day. The Concessionaire shall maintain operations of the Duty-Free Retail Outlets in each of the 365 days in a year in order to provide a high level of service for the convenience of the Airport Users, unless instructed otherwise by the Authority in writing.
- 11.1.15 The Concessionaire shall at all times ensure that items offered from the Duty-Free Retail Outlets meet quality, service standards and hygiene as per Good Industry Practices and at all times comply with the same.

- 11.1.16 The Concessionaire shall keep the Concessionaire's name plate and other commercial signboards within the Concessionaire Managed Location(s) to the minimum size, subject to the approval of the Authority. In this regard, the concessionaire has to ensure at all times that these does not infringe upon the rights of other concessionaires of the authority at the airport.
- 11.1.17 The Concessionaire shall indicate prominently the net selling prices and applicable Taxes of all items for sale in the Duty-Free Retail Outlets for perusal by customers and shall not impose a minimum spending requirement on any customer.
- 11.1.18 The Concessionaire shall accept major Credit cards / Debit cards / e-Wallet / UPI or any other digital mode mandated by Gol, as a means of payment and not add any surcharge to the price nor impose a minimum spending requirement when these are offered as a means of payment. All sales transactions shall be accompanied by issue of sales receipts to customers.
- 11.1.19 All sales in relation to Duty-Free Retail Items and any other items as may be sold at the Duty-Free Retail Outlets shall be in a currency as prescribed by Central Board of Excise & Customs, Ministry of Finance, Gol or such competent authority.
- 11.1.20 The Concessionaire shall employ adequately qualified and trained Staff / personnel and in such numbers as is required to achieve optimum service levels and to keep the order processing time to the minimum, who shall represent the Concessionaire on a full-time basis and be available during business hours to ensure the smooth and efficient operation of the Duty-Free Retail Outlets at the Airport.
- 11.1.21 The Concessionaire shall employ only well-trained persons of integrity after carrying out proper security verification acceptable to the Authority and shall ensure that they are attired in uniforms, bearing name tags or other identification badges. Where the Authority so requires, the Concessionaire shall provide such particulars in relation to its employees/staff as may be required by the Authority, and the Authority shall be at liberty to forbid the employment of any person whom the Authority considers undesirable. The persons employed by the Concessionaire should reasonably be able to understand and converse/communicate, among others, in English and Hindi languages, in addition to the official language of the State in which Airport is located.
- 11.1.22 The Concessionaire shall provide, engage and employ and shall be solely responsible for all such experienced and competent personnel as may be necessary for operating and managing the activities and, otherwise, for the proper observance and performance of all of its obligations and liabilities hereunder including compliance with all labour laws like the Industrial Disputes Act, Workmen's Compensation Act, etc., and shall provide the employees and/or personnel with such benefits as may be prescribed under the Applicable Laws. The Authority shall, in no event be held liable for any claims of the employees and/or the personnel of the Concessionaire at any time.

- 11.1.23. The Concessionaire shall not deploy on the concessionaire managed locations such employees and/or personnel who may be suffering from any contagious or infectious disease or is not suitably attired or prohibited to be employed under the provisions of Applicable Law.
- 11.1.24 The Concessionaire shall ensure at all times that its employees/personnel shall comply with the guidelines as regards the access to the Concessionaire Managed Location as may be laid down by the Authority from time to time.
- 11.1.25 It is hereby clarified that any or all of the Concessionaire Managed Location(s) and Service area may fall under security area and the ingress and egress to the area may be monitored and regulated by Bureau of Civil Aviation Security or any governmental authority or its authorized representatives. The Concessionaire shall, at its own risk and cost and as a condition precedent to handover of the Concessionaire Managed Location(s), obtain and maintain the necessary security clearance/ Airport Entry Permits (AEPs) for the Concessionaire and its employees/personnel (employed at the Duty-Free Retail Outlets) from the Bureau of Civil Aviation Security (BCAS) or any Governmental Authority or its authorized representatives at its own cost and risk and the Authority may assist and co-operate with the Concessionaire for obtaining the necessary Airport Entry Permits (AEPs). However, the Authority shall not be responsible in the event BCAS refuses to grant clearance to the Concessionaire or its employees/personnel. The Concessionaire shall be liable and responsible for planning the movement of its goods and services to ensure problem free and uninterrupted operations.
- 11.1.26 The following documents (and such other documents as may be required by the appropriate Governmental Authorities from time to time) shall be required by the Concessionaire to be submitted to the Authority for facilitating the security clearance process and other administrative processes, within 07 (seven) days of intimation by the Authority:

For the security vetting of the Concessionaire, the following documents shall be submitted to the Authority:

- (a) Memorandum and Articles of Association of the Concessionaire;
- (b) Company Profile;
- (c) Promoters' details;
- (d) Copy of Letter of Intent to Award/ this Agreement;
- (e) Form 32 providing the details of the Directors; and
- (f) Copy of latest balance sheet.

The successful tenderer shall be required to submit Security Program (as per Format A & A1 available on BCAS website www.bcasindia.nic.in and/or www.bcasindia.gov.in) to the RDCOS office through **Pune** Airport for issuance

of Security Clearance / approval, for operating the facility in Security Restricted Area, within Business incubation period. The successful bidder also has to submit Security Program online through e-sahaj portal (<https://esahaj.gov.in>) and a copy of the online receipt of the application has to be forwarded to office of RDCOS through AAI along with the aforesaid documents in hardcopy. Further the Concessionaire shall submit 3 sets of the security program as per the prescribed format of BCAS for permission to operate in the Security Restricted Area.

11.1.27 For the purpose of obtaining the Airport Entry Passes (Operations) in respect of the employees and personnel of the Concessionaire, the following documents (and such other documents as may be required by the appropriate Governmental Authorities from time to time) needs to be submitted to the Authority:

- (a) A copy of the Security Clearance of the Concessionaire by the relevant security agencies;
- (b) The approval copies of the security program;
- (c) Copy of Letter of Intent to Award/Agreement;
- (d) Duly filled Airport Entry Pass Request Forms;
- (e) Two (02) photographs of each of the Individuals (Concessionaire's personnel);
- (f) Police Verifications of Individuals from relevant SHO /SP/Police Authority; and
- (g) copy of valid passports/other photo identifications, duly self-attested by a notary.

11.1.28 The Concessionaire agrees to submit such other documents/details as required by the Authority and/or BCAS or any other Governmental Authority for the purpose of facilitating the process of obtaining the security clearance and Airport Entry Passes.

11.1.29 The Concessionaire may, subject to the Authority's prior written approval, advertise the brand or, products offered by the Concessionaire at the Concessionaire Managed Locations by way of pictures and/or printed material that are not objectionable or prohibited by Applicable Law. However, the Concessionaire shall not carry out any kind of third party advertisement or advertise brands and products that are not offered by the Concessionaire at the Concessionaire Managed Location. The Authority reserves the right to remove any such third party advertisement displayed by the Concessionaire at the Concessionaire Managed Location and/or any advertisement (including the advertisement of any brands/products offered by the Concessionaire at the Concessionaire Managed Location) displayed by the Concessionaire at any part of the Airport premises (excluding the Concessionaire Managed Location) without obtaining the prior written approval of the Authority and the Concessionaire waives any claims in respect thereof.

- 11.1.30 The Concessionaire shall intimate the Authority about any promotional program launched at the Duty-Free Retail Outlets and shall also obtain prior written approval of the Authority for all temporary or additional furnishings, fittings, counters and decorations to be used for such promotions.
- 11.1.31 The Concessionaire shall participate in all sales promotion programs and support any Airport publications, publicity materials and any other marketing activities that are organized by the Authority to promote sales and generate publicity and awareness about the Airport. The Concessionaire shall participate in the Airport shopping web pages on the internet as the Authority may require.
- 11.1.32 The Concessionaire shall, at the instructions of the Authority, participate in any promotional activity of a Governmental Authority, intended for distribution and/or dissemination of any public service message.
- 11.1.33 The Concessionaire shall incorporate new and innovative retailing concepts which will enhance and differentiate the shopping experience for Airport Users at the Duty-Free Outlets.
- 11.1.34 The Concessionaire agrees to liaise, consult and coordinate with all other authorized parties undertaking related works at the Airport and agrees to plan, review and determine coordinated activities for management of interfaces with the other related works at the Airport.
- 11.1.35 The Concessionaire shall permit the Authority or any of its authorized agent at all reasonable times to enter upon the Concessionaire Managed Location and Service area for the purpose of viewing the condition of the Concessionaire Managed Location and Service area.
- 11.1.36 The Concessionaire agrees and acknowledges that the Concessionaire shall at all times comply with the service standards as may be prescribed by the Authority.
- 11.1.37 The Concessionaire undertakes to take part in, and extend its fullest cooperation to, any compliance checks as may be conducted by the Authority from time to time, to check, verify, uphold and ensure the standard of quality of Services maintained by the Concessionaire.
- 11.1.38 The Concessionaire shall ensure that, all contracts agreements or arrangements as may be entered into with any third-party shall be on an arms-length basis.

11.2 Prohibitions

- 11.2.1 The Concessionaire shall not sell, exhibit or display any goods or services of any description other than the Duty-Free Retail Items, without the prior written consent of the Authority. The Concessionaire shall not use, display or distribute any publicity material including pamphlets, brochures, leaflets,

price lists, etc. not directly related to the Concession and the decision of the Authority in this regard shall be final and binding on the Concessionaire.

- 11.2.2 The Concessionaire shall not store, stock, exhibit or sell any item which are repugnant to the public order, decency or morality. The Concessionaire shall not permit or suffer the Concessionaire Managed Location or any part thereof to be used or occupied as a place for lodging, storage, dwelling or sleeping, auction, gambling or any unlawful purpose or any other purpose not in consonance with the purposes for which the Concession is granted.
- 11.2.3 The Concessionaire shall not assign, sublet or grant any licence in respect of the Concessionaire Managed Locations or any part thereof nor part with or share the possession or occupation of the Concessionaire Managed Location or any part thereof.
- 11.2.4 The Concessionaire shall not make any alterations or additions to the Concessionaire Managed Location or any part thereof without the prior written consent of the Authority except as may be contemplated under the approved design plan. The Concessionaire shall not put up or permit to put up any mezzanine floor, loft, cellar or gallery at any of the Concessionaire Managed Location / Service Area.
- 11.2.5 The Concessionaire shall not put up or permit to be put up on any exterior part of the Concessionaire Managed Location or in or upon the windows, doors or glass panels, any curtains, banners, placards, posters, signs or other advertisements whatsoever without the prior consent in writing of the Authority and at the request of the Authority or its agents, to remove any of such items inside the Concessionaire Managed Location to which the Authority may object and at the end of the Concession Term to remove all such items put up by the Concessionaire at the Concessionaire Managed Location and Concessionaire to make good all damage caused by their removal.
- 11.2.6 The Concessionaire shall not damage or cut any part of the Concessionaire Managed Location and Service area such as the walls, beams, columns, ceiling and floor or suffer or permit the same to be done except for carrying out needful repairs as approved by the Authority and not to interfere or permit any interference to be made with the electrical wirings or fittings at the Airport.
- 11.2.7 The Concessionaire shall not place any furniture or objects/partitions that may obstruct access to electrical distribution boards, ventilation ducts and rooms and fire hydrants/fire extinguishers. The height of objects/partitions shall not exceed 3 (three) metres when measured from the floor.

- 11.2.8 The Concessionaire shall not install or suffer to be installed in the Concessionaire Managed Location any electrical lamp, equipment or appliance which is likely to overload the electrical wiring or cabling of the Airport or to cause radio interference.
- 11.2.9 The Concessionaire shall not engage itself, its employees or agents or through any other person in any form of touting or disparagement of the goods/services of other concessionaires of the Authority.
- 11.2.10 The Concessionaire shall not do or permit or suffer to be done at the Concessionaire Managed Location(s) and Service area anything which may be or become a nuisance, annoyance, inconvenience or disturbance to the Authority or to any of the Authority's concessionaires or occupiers of any adjoining or neighbouring premises or visitors to the Airport.
- 11.2.11 The Concessionaire shall not leave any waste materials or other refuse in or near the Concessionaire Managed Locations and Service area at all times and which waste materials or other refuse shall be removed with extreme care and shall be disposed off in accordance with the Authority's directions immediately at such places as may be designated by the Authority and not any other places within the Airport.
- 11.2.12 The Concessionaire shall at all times comply with all BCAS guidelines as may be applicable to its operations at the Airport. The Concessionaire acknowledges that in case any of the Concessionaire Managed Location and Service area falls under the security hold area of the Airport then it shall comply with the BCAS guidelines that classify certain items such as weapons, explosives, steel or metallic knife etc. as prohibited items which no person is allowed to carry to the security hold area.
- 11.2.13 The Concessionaire shall not store at any time explosives, petroleum, spirit or other highly inflammable substance and noxious or objectionable smokes, fumes, gases, vapours or odours at the Concessionaire Managed Location(s) and Service Area(s).
- 11.2.14 The Concessionaire shall neither use nor cause to use a naked flame of fire within the Concessionaire Managed Location(s) and Service Area(s).
- 11.2.15 The Concessionaire shall not enter into a collective association with other Concessionaires of the Authority, for any purpose whatsoever, and the Authority shall not be bound to recognize such association.

11.3 General

- 11.3.1 The Concessionaire shall at all times observe and conform with all such rules, regulations and directions as may be imposed on the Concessionaire by the

Authority from time to time for the management and administration of the Airport or under any Applicable Law and at all times ensure that all employees / contractors or agents of the Concessionaire observe and comply with all Applicable Laws and all such rules, regulations and directions as may be imposed by the Authority from time to time.

- 11.3.2 The Concessionaire shall at all times observe and conform with the policy on Operations & Management practices (annexed as **Schedule F** hereto) and policy on Customer Services (annexed as **Schedule G** hereto)
- 11.3.3 The Concessionaire shall make all practicable and proper precautions and use all reasonable means for the prevention of fire to the satisfaction of the Authority and in particular, shall not block up or obstruct any fire exit or access to fire equipment.
- 11.3.4 The Concessionaire shall notify the Authority of any dispute that arises or is threatened against the Concessionaire or the Authority and/or the Airport, the adverse outcome of which might have a material adverse effect on Concessionaire or the Authority or the Airport or any of the Airport services.
- 11.3.5 In the event of an emergency or security screening of the Concessionaire Managed Location(s) and Service area, the Concessionaire shall keep open and make available the Concessionaire Managed Location(s) and Service area for such security checks or inspection and to station a representative at the Concessionaire Managed Location(s) until the security check or inspection is over.
- 11.3.6 The Concessionaire shall close any entrances or openings of the Concessionaire Managed Location(s) leading to the airside of the Airport which the Authority deems necessary to be closed for security reasons.
- 11.3.7 The Concessionaire shall be responsible for maintaining the security of the Concessionaire Managed Location(s), Service Area(s) and Warehouse.
- 11.3.8 The Concessionaire shall furnish the necessary documents and provide the necessary certification in relation to any of its electrical connections, or any other connections, in such formats as may be provided by the Authority.
- 11.3.9 The Concessionaire shall notify the Authority of any event whenever a person in employment of the Concessionaire and deputed at the Concessionaire Managed Location(s), is suffering from or suspected to be suffering from or convalescing from any infectious disease.
- 11.3.10 The Concessionaire shall deposit the duplicate keys of the Concessionaire Managed Location(s), and Service Area(s) with the Authority.

11.4 Maintenance, Repair and Cleanliness

- 11.4.1 At all times during the Concession Term, the Concessionaire shall at its expense keep the Concessionaire Managed Location and Service area including all fixtures, signboards and all additions thereto and an area of up to 2 metres around the periphery of the Concessionaire Managed Locations and Service area clean and in hygienic condition, abide by such directions as may be given by the Relevant Authorities and do all repairs and work necessary to put and keep them in such repair and condition and shall maintain a high standard of cleanliness acceptable to the Authority. The Concessionaire shall ensure that the state of maintenance of the Concessionaire Managed Location is of a high standard as required by the Authority and shall submit reports on the state of maintenance of the Concessionaire Managed Location as and when requested by the Authority. The Concessionaire shall engage qualified cleaning, pest control and maintenance contractors, which appointment shall be subject to the approval of the Authority, to ensure that the state of maintenance of the Concessionaire Managed Location and adjoining area is of a high standard as required by the Authority and to submit reports on the state of maintenance of the Concessionaire Managed Location and adjoining area as and when requested by the Authority. If the Concessionaire fails to do so, the Authority may at its discretion get the Concessionaire Managed Location and Service area cleaned and maintained and the cost thereof shall be borne by the Concessionaire and shall be paid by the Concessionaire to the Authority.
- 11.4.2 The Concessionaire shall seek the approval of the Authority for all development, mechanical and electrical works to be carried out in any of the Concessionaire Managed Location(s) and Service Area(s). All such works and installation shall be maintained in a state of good repair at all times, to the full satisfaction of the Authority.
- 11.4.3 The Concessionaire shall ensure that the surrounding area of the Concessionaire Managed Locations are also kept free of any litter originating from the Concessionaire's business and shall comply with the Authority's direction to either increase the number of cleaners or take other appropriate measures to improve the situation in the event that the state of cleanliness in the surrounding area is deemed unsatisfactory by the Authority.
- 11.4.4 The Concessionaire shall clean any spillage and stains at and around the Duty-Free Retail Outlets immediately. If the Concessionaire fails to do so, the Concessionaire shall permit the Authority's agency to clean the spillage and stains and the cost thereof shall be borne by the Concessionaire and shall be paid by the Concessionaire to the Authority.
- 11.4.5 The Concessionaire shall permit the Authority, his agents or any other parties as the Authority deems fit to enter upon the Duty-Free Retail Outlets or any other part thereof, at all reasonable times, for the purpose of viewing the state of repair and condition of the Duty-Free Retail Outlets or of taking inventories of the Authority's fixtures and fittings.

11.4.6 The Concessionaire shall engage a pest control contractor approved by the Authority to provide regular inspections of the Concessionaire Managed Location and Service area, and to immediately rid the Concessionaire Managed Location of all pests, mosquitoes, rodents, flies, ants, cockroaches etc. The Concessionaire must ensure that the state of the Concessionaire Managed Locations is pest-free and controlled to a standard as required by the Authority. The Concessionaire shall comply with the Authority's direction to take appropriate measures to improve the situation in the event that the state of pest control in the Concessionaire Managed Location is deemed unsatisfactory by the Authority.

11.4.7 The Concessionaire shall keep all stocks neatly packed in sacks and stacked in the store room. The items on the top shelf must have a minimum separation of 500 mm from the ceiling to deprive rodents, if any in the ceiling, an easy access to the store room. The bottom shelves should be kept at least 200 mm from the floor and the space below these shelves should be kept free and clean at all times to facilitate inspection for signs of rodents" presence.

11.5 Liquidated Damages for O&M Defaults

11.5.1 If the Concessionaire fails to comply with its O&M obligations or commits any infraction thereof or fails to perform its function in accordance with this Agreement, the Authority shall, in addition to any other available remedy, be entitled to levy and the Concessionaire shall be liable to pay, liquidated damages, as specified in **Schedule D** of this Agreement, in respect of such infractions.

11.5.2 In the event the Concessionaire commits more than three infractions of its O&M obligations in a consecutive period of one month, the same shall constitute a Concessionaire Event of Default, which shall entitle the Authority to terminate the Agreement in accordance with the provisions hereof.

11.5.3 The Concessionaire shall be solely responsible to pay any charges, taxes, GST, cess or levies that any Authority may impose on account of said Concession which are mandatory as per Applicable Laws.

ARTICLE 12. SAFETY, HEALTH / HYGIENE REQUIREMENTS

12.1 Safety and Hygiene Requirements

12.1.1 The Concessionaire shall comply with the provisions of this Agreement, Applicable Laws and Applicable Permits and conform to Good Industry Practice for securing the safety of the Airport Users. In particular, the Concessionaire shall develop, implement and administer a surveillance and safety programme for providing a safe and hygienic environment in or around the Duty-Free Retail Outlets.

12.1.2 All costs and expenses arising out of or relating to Safety and Hygiene Requirements shall be borne by the Concessionaire to the extent such costs and expenses form part of the works and services included in the Concession.

12.2 Fire Safety Regulations and Requirements

12.2.1 The Concessionaire shall obtain the requisite approvals from the concerned authorities, for the purposes of the operating the Duty-Free Retail Outlets.

12.2.2 The Concessionaire shall ensure that all fire hose reels, fire extinguishers, fire suppression system and all other fire equipment and fire protection systems provided by him at the Concessionaire Managed Location(s) and Service Area(s) are checked and serviced at least once annually by trained persons of an approved organization, authorized by the relevant authorities and a label certifying that the equipment and/or system is checked shall be attached to the same.

12.2.3 Prohibited substances found on/in the Concessionaire Managed Location shall be confiscated and destroyed by the Authority and the cost thereof or such charges as the Authority shall impose from time to time, shall be borne by the Concessionaire and paid within 15 days from the date of written notice from the Authority.

12.2.4 Any non-compliance of fire safety requirements, procedures or measures as may be notified by the Authority shall be rectified by the Concessionaire within 30 (thirty) days from the date of such notification. After the thirty-day period, the Authority would carry out an inspection of the Concessionaire Managed Location.

12.2.5 If there are any outstanding deficiencies or deficiencies not rectified to the satisfaction of the Authority as observed during the inspection and where these deficiencies are material, the Authority shall give the Concessionaire a further 15 days from the date of inspection to rectify the same before a further inspection is held. If the deficiency remains, the Concessionaire's business shall be

suspended without compensation and the Concessionaire would be given another 15 days before action is taken to terminate this Agreement. Where the Authority finds that the deficiencies are minor, and the Concessionaire fails to rectify these after 14 days' notice to do so, the Authority shall take all steps necessary to rectify the same immediately thereafter and the Concessionaire shall bear all costs, expenses, or such charges as the Authority shall impose from time to time, incurred by the Authority.

12.2.6 The Concessionaire shall take part in organized fire safety activities by the Authority that include fire evacuation drills, fire warden briefings, fire safety campaigns and fire safety awareness talks.

12.2.7 The Concessionaire shall ensure that all persons employed for the performance of the obligations arising out this Concession are adequately training in handling of fire extinguishers.

12.3. Compliance of Airport Health and Hygiene Requirements

12.3.1. The Airport Director of Authority or persons authorized by him/her may without notice, enter the Concessionaire Managed Locations any time and inspect the premises, materials, instruments and implements etc. used by the Concessionaire.

12.3.2. All the instructions given by the Airport Director of Authority or persons authorized by him 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 the Concessionaire, his agents and servants.

12.3.3. The Concessionaire shall notify to the Airport Director of Authority or persons authorized by him, 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.

12.3.4. The Concessionaire, his agents, employees and servants shall not without consent of the Airport Health Officer/ or any person authorised by Authority, 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 Officer with the object of preventing the breeding or entry of mosquitoes or maintenance of sanitation.

12.3.5. The Concessionaire, his agents, employees and servants shall not abuse the water sources and drainage facilities in the airport area so as to create a nuisance or insanitary situation prejudicial to public health.

ARTICLE 13. PRICING POLICY

- 13.1 The Concessionaire agrees and acknowledges that the prices (exclusive of taxes) charged by the Concessionaire for the Duty-Free Retail Items sold at their Duty-Free Retail Outlet shall be in compliance with Applicable Law. However, the Concessionaire is free to sell Duty-Free Retail Items at prices lower than the prices at which the same product is sold at such comparable international airports.
- 13.2 In case, pursuant to the verification of a complaint made by a customer, it is found that the Concessionaire has sold any product from the Duty-Free Retail Outlet to a customer at a price higher than that stipulated in above **Clause 13.1**, the Concessionaire shall be required to refund the price difference, which shall be in addition to any penalty which the Authority, as per the provisions of **Clause 11.5** may impose, and failure to comply with the same shall be construed as a Concessionaire Event of Default.
- 13.3 The Concessionaire shall intimate the Authority, the prices of all Duty-Free Retail Items proposed to be sold in the Duty-Free Retail Outlet, before offering them for sale.
- 13.4 The Concessionaire shall provide price comparisons of items sold in the Duty-Free Retail Outlet with similar items sold at any of the other Duty-Free Retail Outlet in comparable airports, designated by Authority and shall make available to Authority such comparisons on a monthly basis in the format approved by Authority.
- 13.5 The Concessionaire shall ensure that the selling prices of the Duty-Free Retail Items at the Duty-Free Retail Outlet are always in accordance with the pricing policy stipulated in this **Article 13** and **Schedule E** and any such policy as may be introduced by the Authority and shall adjust the selling prices as Authority may direct to comply with such pricing policy.
- 13.6 If in the opinion of Authority, the Concessionaire fails to comply with the pricing policy stipulated in this **Article 13**, Authority may, at its sole discretion, conduct additional price checks at any time by Authority's authorised officers or engaging the services of a professional auditor(s) or audit company/firm or research company/firm, to ascertain whether there is any other breach or breaches of Pricing Policy, provided always that the Concessionaire shall bear all expenses incurred by Authority in relation thereto.

ARTICLE 14. PAYMENTS TO AUTHORITY

14.1 Payments to Authority

14.1.1 The Concessionaire shall pay to the Authority, the following amounts in relation to the Concessionaire Managed Locations (Duty Free Outlets) in accordance with this article.

- a. Concession Fee as agreed and as specified under **Article 10**
- b. Common Area Maintenance (CAM) Charges
- c. Utility Charges, as per metered actual consumption

14.1.2. The Concessionaire shall pay to the Authority, the following amounts in relation to each of the Warehouse / Service Area(s) if provided to the Concessionaire in respect of this Concession in accordance with the Concession Agreement.

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

14.2 Concession Fee

14.2.1 The Concessionaire shall pay to the Authority, the Concession Fee in relation to each of the Concessionaire Managed Location(s) comprised in the Concession in accordance with the provisions of **Article 10**.

14.2.2 The payment of Concession Fee shall commence from the Concession Fee Commencement Date.

14.3 Space Rent

14.3.1 The Concessionaire shall pay to the Authority, the Space Rent in relation to each of the Warehouse / Service Area(s) comprised in the Concession in accordance with this **Clause 14.3** of this agreement. The rates of Space Rent shall be such amounts as may be notified by the Authority from time to time.

14.3.2 The Space Rent in respect of Service Area(s) and Warehouse shall be reckoned from access date on which such Service Area(s) and Warehouse are handed over to the Concessionaire.

14.3.3 As on the date of this Agreement, the notified Space Rent by the Authority for the Year 2025-26 in relation to the Space Rent at the Pune Airport is Rs. 2950/- per sq. mtr. per month for AC space and Rs. 1970/- per sq. mtr. per month for Non-AC space. These rates are subject to 7.5% annual compound escalation with

effect from 1st April of every year. However, the Authority has the right to revise the said space rent from time to time and intimate the same to the Concessionaire. The Concessionaire shall be bound to pay such notified space rent by the Authority.

14.4 Common Area Maintenance (CAM) Charges

14.4.1 The Concessionaire shall pay to the Authority, the CAM Charges in relation to the all Concessionaire Managed Locations i.e. Duty Free outlets, Warehouse / Service Area(s) in accordance with this Clause. Such CAM Charges shall be at the rate of **10% (ten percent)** of the Space Rent applicable for such area, or as may be notified by the Authority from time to time.

14.4.2 The Common Area Maintenance Charges in respect of each of the Concessionaire Managed Location(s), Service Area(s) and Warehouse are reckoned from the date of approval of plans / access date on which access to such Concessionaire Managed Location(s), Warehouse / Service Area(s) are provided to the Concessionaire.

14.5 Utility Charges

The Concessionaire shall pay to the Authority or any other agency appointed by Authority in this regard, the Utility Charges (“Utility Charges”) including Electricity Charges for utilities such as electricity, water, etc. in relation to Concessionaire Managed Locations / Warehouse / Service area, etc. comprised in the Concession in accordance with this Clause. Such Utility Charges shall be paid by the Concessionaire to the Authority or any other agency appointed by the Authority in this regard, promptly and expeditiously. Such Utility Charges shall be payable at the rate prescribed by the Authority from time to time for actual usage to be metered. After raising of invoice(s) by Authority in respect of Utility Charges, the Concessionaire would be under obligation to make payments within 15 days (which is subject to reduction as and when decided by Authority) of invoice date. It is clarified that provision of any Utility shall not be deemed to be sale of such Utility by Authority to the Concessionaire.

14.6 Delay of Payment

14.6.1 Authority shall raise all bills (including MMG/MAG, Space Rent if applicable and any other bills except annual land lease bills) for the current month on 1st day of month in advance except true-up and reimbursement of expenditure bills like electricity, water etc. The invoices for reimbursement of expenditure like electricity, water charges etc. for the completed month shall be raised on 5th of succeeding month. Wherever the billing is dependent on passenger data/ any other data and provisional billing is already done every month on 1st in advance, the invoices for true-up data shall be raised by 10th of succeeding month on the basis of pax data or actual data submitted by the concessionaire/ agency.

A credit period of 15 days (date of invoice plus 15 days) shall be provided, which is subject to reduction as and when decided by Authority. Authority shall levy penal interest @ 12% per annum from the due date (i.e. date of invoice plus 15 days) till the actual date of payment received in Authority's account in the cases concessionaire/ agencies settled the invoice after due date but within 90 days (date of invoice plus 90 days) and @ 18% per annum from the due date till the actual date of payment received in Authority's account in the case of concessionaire/ agencies settled the invoices after 90 days. In case of part payment made by any agency, same rate of interest on the balance amount of invoice as applicable shall be charged. The licensee to make all payments through Biller Direct module of AAI or Virtual Account Number (VAN).

14.6.2. With the termination of this Agreement, the Concessionaire (in case of SPV, all Members of the SPV) will be debarred for a minimum period of 2 years for participating in any tenders floated for AAI airports.

The debarment shall also apply to the 'allied firms' of the debarred agency. In case Joint venture/Consortium is debarred, all partners/members of such JV/Consortium will also stand debarred for the period specified in the Debarment Order. The names of partners/members of JV/Consortium should be clearly specified in the Debarment Order

14.7 Mode of Payment

All payments under this Agreement from the Concessionaire to Authority shall be by way of online payment through Real Time Gross Settlement System (RTGS)/ Virtual Account Number(VAN) to provide for real time interbank payment in favour of such account as may be prescribed by Authority from time to time. All such payments shall be confirmed by written notice / communications. The Concessionaire agrees and undertake that it shall abide by any mode and method of payment decided by the Authority from time to time in respect of concession fee and other charges under this concession agreement.

ARTICLE 15. INSURANCE

15.1 Insurance Cover

- 15.1.1. It is expressly understood between the Parties that, the Concessionaire is solely responsible for all the structures, installations, equipment, fixtures, goods, materials, stocks or property of the Concessionaire or stored by the Concessionaire in the Concessionaire Managed Locations and for all its employees who render services at the Airport.
- 15.1.2. The Concessionaire shall effect and maintain at its own cost, during the Gestation Period and the Concession Term, such insurances for such minimum sums as may be required under the Applicable Laws, and such insurances as may be necessary or prudent in accordance with Good Industry Practices (the "Insurance Cover"). The Concessionaire shall also effect and maintain such insurances as may be necessary for mitigating the risks that may devolve on the Authority as a consequence of any act or omission of the Concessionaire. The Concessionaire shall procure that in each insurance policy, the Authority shall be a co-assured party.
- 15.1.3. The Concessionaire shall ensure that, each policy taken out pursuant to this **Article 15.1** shall be increased from time to time to such amounts as would be effected in accordance with Good Industry Practices and as may be reasonably required, taking into account, amongst other things, market availability in respect of risks, liabilities and amounts of insurance.

15.2 Evidence of Insurance Cover

All insurances obtained by the Concessionaire in accordance with this Article 15 shall be maintained with insurers on terms consistent with Good Industry Practice. Within 15 (fifteen) days of obtaining any insurance cover, the Concessionaire shall furnish to the Authority, notarised true copies of the certificate (s) of insurance, copies of insurance policies and premium payment receipts in respect of such insurance, and no such insurance shall be cancelled, modified, or allowed to expire or lapse until the expiration of at least 45 (forty five) days after notice of such proposed cancellation, modification or non-renewal has been delivered by the Concessionaire to the Authority.

15.3 Waiver of Subrogation

All insurance policies in respect of the insurance obtained by the Concessionaire pursuant to this Article 15 shall include a waiver of any and all rights of subrogation or recovery of the insurers thereunder against, inter alia, the

Authority, and its assigns, successors, undertakings and their subsidiaries, Affiliates, employees, insurers and underwriters, and of any right of the insurers to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under any such policy or in any way connected with any loss, liability or obligation covered by such policies of insurance.

15.4 Concessionaire's Waiver

The Concessionaire hereby further releases, assigns and waives any and all rights of subrogation or recovery against, inter alia, the Authority and its assigns, undertakings and their subsidiaries, Affiliates, employees, successors, insurers and underwriters, which the Concessionaire may otherwise have or acquire in or from or in any way connected with any loss, liability or obligation covered by policies of insurance maintained or required to be maintained by the Concessionaire pursuant to this Agreement (other than third party liability insurance policies) or because of deductible clauses in or inadequacy of limits of any such policies of insurance.

15.5 Application of insurance proceeds

The proceeds from all insurance claims, except life and injury, shall be paid to the Concessionaire and it shall apply such proceeds, in full, for any necessary repair, reconstruction, reinstatement, replacement, improvement, delivery or installation of the facilities for the performance of obligations under this Concession.

15.6. Compliance with conditions of insurance policies

- 15.6.1.** The Concessionaire expressly acknowledges and undertakes to fully indemnify the Authority from and against all losses and claims arising from the Concessionaire's failure to comply with the conditions imposed under the insurance policies effected in accordance with the provisions of this Agreement.

ARTICLE 16. CHANGE IN LAW

16.1 Change in Law

“Change in Law” means any of the following events which have a Material Adverse Effect:

- a) adoption, promulgation, modification, reinterpretation or repeal after the date of this Agreement by any Government Authority of any statute, rule, ordinance, regulation or order, treaty, convention, directive, guideline, policy having force of law; or
- b) the imposition by any Government Authority of any material condition (other than a condition which has been imposed as a consequence of a violation by the Concessionaire of any Applicable Permit) in connection with the issuance, renewal or modification of any Applicable Permits after the date of this Agreement which renders the performance by the Concessionaire of any of the terms of this Agreement impossible or unviable; or
- c) Applicable Permit previously granted, ceasing to remain in full force and effect for reasons other than breach/violation by or the negligence of the Concessionaire or if granted for a limited period, being renewed on terms different from those previously stipulated.

Provided any

(i) imposition of new taxes, duties, cess and the like and/or the increase in taxes, duties, cess and the like effected from time to time by any Government Authority, and/or (ii) imposition of standards and condition of operations, maintenance and safety arising out of a new or revised Environmental Law; and/or (iii) imposition of standards and terms of employment and working conditions of labourers and workmen; and/or (iv) any rules or regulations stipulated by AERA or other regulatory authority having jurisdiction over the Airport in respect of the standards of service shall not constitute a Change in Law.

Provided further that adoption, promulgation, modification, reinterpretation or repeal after the date of this Agreement by any Government Authority of any statute, rule, ordinance, regulation or order regulating or prohibiting the sale and/or consumption of Alcoholic Beverages shall not constitute a Change in Law.

16.2 The Concessionaire’s Remedy

- (a) In the event of Change in Law the Concessionaire may propose to the Authority modifications to the relevant terms of this Agreement which are reasonable and intended to mitigate the effect of the Change in Law. Thereupon, the Parties shall, in good faith, negotiate and agree upon suitable changes in the terms of this Agreement including extension of the Concession Term, so as to place the Concessionaire in substantially the same legal and financial position as it were prior to such Change in Law. Provided however, that if the resultant Material

Adverse Effect is such that this Agreement is frustrated or is rendered illegal or impossible of performance, the Change in Law shall be deemed to be a Political Event, whereupon the provisions with respect thereto shall apply.

- (b) Upon occurrence of a Change in Law, the Concessionaire shall notify the Authority, of the following:
 - (i) the particulars, nature and the impact of Change in Law on the Concession;
 - (ii) in sufficient detail, the estimate of the additional time likely to be incurred by the Concessionaire on account of the Change in Law; and
 - (iii) the measures, which the Concessionaire has taken or proposes to take to mitigate the impact of Change in Law, including in particular, minimising the additional time.

Notwithstanding the aforesaid, if in terms of Good Industry Practice, the event constituting a Change in Law could be insured, the Concessionaire shall not be entitled to any remedy under this **Article 16.2**.

16.3 If as a result of Change in Law, the Concessionaire incurs a reduction in costs or other financial gain or benefit in connection with its development or operation of the Concession, the Concessionaire shall notify the Authority and pay to the Authority an amount that would put the Concessionaire in the same financial position it would have occupied had there been no such Change in Law resulting in such cost reduction, increase in return or other financial gain or benefit as aforesaid. Without prejudice to the aforesaid, the Authority may, by notice in writing require the Concessionaire to pay an amount that would put the Concessionaire in the same financial position it would have occupied had there been no such Change in Law resulting in such cost reduction, increase in return or other gain or benefit.

16.4 The Concessionaire shall make payment of such compensation within sixty (60) Days of the said financial benefit. If the Concessionaire shall dispute the quantum of such compensation claim of the Authority, the same shall be finally settled in accordance with the dispute resolution mechanism contained in **Article 22** herein.

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ARTICLE 17. FORCE MAJEURE

17.1 Force Majeure Event

17.1.1 As used in this Agreement, the expression “Force Majeure” or “Force Majeure Event” shall, save and except as expressly provided otherwise, mean occurrence in India of any or all of Non-Political Event, Political Event and Other Events, as defined in **Clause 17.2**, **Clause 17.3** and **Clause 17.4** respectively of this Agreement, if it affects the performance by the Party claiming the benefit of Force Majeure (“Affected Party”) of its obligations under this Agreement and which act or event

- (a) is beyond the reasonable control of the Affected Party,
- (b) the Affected Party could not have prevented or overcome by exercise of due diligence and following Good Industry Practices, and
- (c) prevents the Affected Party from performing or discharging its obligations under this Agreement.

17.1.2 None of the following matters or their consequences shall be capable of constituting or causing Force Majeure:

- (a) failure or inability to make any payment; or
- (b) the effect of market conditions unless such market conditions were themselves caused by or were a result of a Force Majeure event.

17.2 Non-Political Events

17.2.1 Any of the following events which prevent the Affected Party from performing any of its obligations for a continuous period of not less than 7 (seven) Days from the date of its occurrence, shall constitute a Non-Political Event:

- (a) act of God, extremely adverse weather conditions, lightning, earthquake, cyclone, flood, volcanic eruption, chemical or radioactive contamination or ionizing radiation, fire or explosion at the site where the Terminal is located (to the extent of contamination or radiation or fire or explosion originating from a source external to the Site and by reasons not attributable to the Concessionaire or its Contractor or any of their employees or agents);
- (b) strikes or boycotts (other than those involving the Concessionaire, its contractors or their respective employees/representatives, or attributable to any act or omission of any of them), and not being an Other Event set forth in Clause 17.4 of this Agreement, labour disruptions or any other industrial disturbances not arising on account of the acts or omissions of the Concessionaire or its contractors interrupting supplies and services to the Airport for a continuous

period of twenty four (24) hours and an aggregate period exceeding seven (7) days in a financial year;

- (c) any judgement or order of any court of competent jurisdiction or statutory authority made against the Concessionaire in any proceedings for reasons other than (i) failure of the Concessionaire to comply with any Applicable Laws or Applicable Permits, or (ii) on account of breach of any Applicable Laws or Applicable Permits or of any contract, or (iii) enforcement of this Agreement, or (iv) exercise of any of its rights under this Agreement by the Authority;
- (d) the discovery of geological conditions, toxic contamination or archaeological remains on the Concessionaire Managed Locations that could not reasonably have been expected to be discovered through a site inspection; or
- (e) any event or circumstance of a nature analogous to any of the foregoing.

Provided any strikes or boycotts or civil commotion or agitation by (i) the employees of Authority, or (ii) the employees of Airlines / aircraft carriers, or (iii) passengers, or (iv) Airport Users shall not constitute a Non-Political Event.

17.3 Political Events

17.3.1. A Political Event shall mean one or more of the following acts or events by or on account of any Governmental Authority:

- (a) unlawful or unauthorized or without jurisdiction revocation of, or refusal to renew or grant without valid cause, any clearance, licence, permit, authorization, no objection certificate, consent, approval or exemption required by the Concessionaire or any of the Contractors to perform their respective obligations under this Agreement and the Project Agreements; provided that such delay, modification, denial, refusal or revocation did not result from the Concessionaire's or any Contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, licence, authorization, no objection certificate, exemption, consent, approval or permit; or
- (b) early termination of this Agreement by the Authority for reasons of national emergency, national security or the public interest; or
- (c) any event or circumstance of a nature analogous to any of the foregoing.

17.4 Other Events

17.4.1 Any of the following events which prevents the Affected Party from performing any of its obligations under this Agreement for a continuous period of not less than 7 (seven) Days from the date of its occurrence, shall constitute the Other Event:

- (a) an act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage;
- (b) any civil commotion, boycott or political agitation which prevents collection of sales revenue from Airport Users by the Concessionaire;
- (c) any event or circumstance of a nature analogous to any of the foregoing.

17.5 Notice of Force Majeure Event

17.5.1 Upon occurrence of a Force Majeure Event, the Affected Party shall by notice report such occurrence to the other Party forthwith (the "Notice"). Any Notice pursuant hereto shall include full particulars of

- (a) the nature, time of occurrence and extent of each Force Majeure Event which is the subject of any claim for relief under this **Article 17** with evidence in support thereof;
- (b) the duration or estimated duration and the effect or probable effect which such Force Majeure Event has or will have on the Affected Party's ability to perform its obligations or any of them under this Agreement;
- (c) the measures which the Affected Party has taken or proposes to take, to alleviate the impact of the Force Majeure Event or to mitigate the damage; and
- (d) any other relevant information to the Affected Party's claim.

17.5.2 The Affected Party shall not be entitled to any relief for or in respect of a Force Majeure Event unless it shall have notified the other Party of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event no later than 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence, and shall have given particulars of the probable material effect that the Force Majeure Event is likely to have on the performance of its obligations under this Agreement.

17.5.3 For so long as the Affected Party continues to claim to be materially affected by a Force Majeure Event, it shall provide the other Party with regular (and not less than weekly) reports containing the information, as required by **Clause 17.5.1** above, and such other information as the other Party may reasonably request the Affected party to provide.

17.6 Period of Force Majeure

Period of Force Majeure shall mean the period from the time of occurrence specified in the Notice given by the Affected Party in respect of a Force Majeure Event until the earlier of:

- (a) expiry of the period during which the Affected Party is excused from performance of its obligations in accordance with **Clause 17.8** of this agreement; and
- (b) termination of this Agreement pursuant to **Clause 17.10** of this agreement.

17.7 Resumption of Performance

During the period of Force Majeure, the Affected Party shall in consultation with the other Party, make all reasonable efforts to limit or mitigate the effects of the Force Majeure Event on the performance of its obligations under this Agreement. The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption shall notify the other Party of the same in writing. The other Party shall afford all reasonable assistance to the Affected Party in this regard.

17.8 Performance Excused

The Affected Party, to the extent rendered unable to perform its obligations or part thereof under this Agreement as a consequence of the Force Majeure Event shall be excused from performance of the obligations. Provided that, the excuse from performance shall be of no greater scope and of no longer duration than is reasonably warranted by the Force Majeure Event. Provided further, nothing contained herein shall absolve the Affected Party from any payment obligations accrued prior to the occurrence of the underlying Force Majeure Event.

17.9 Costs, Revised Timetable

- 17.9.1 Upon occurrence of any force majeure Event, the parties shall bear their respective costs if any, and no party shall be required to pay to the other party any cost thereof.
- 17.9.2 The Affected Party shall be granted by the other Party, extension of time specified in this Agreement for the performance of any obligation by such period not exceeding the period during which the relative performance was affected by the Force Majeure Event. Such extension may include extension of the Concession Term by the Authority in appropriate cases if permissible under Applicable Law.
- 17.9.3. Save and except as expressly provided in this **Article 17**, neither Party shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event or exercise of any right pursuant hereto.

17.10 Termination Due to Force Majeure Event

17.10.1. If the Force Majeure event continues or is in the reasonable judgment of either party likely to continue beyond a period of one hundred and twenty (120) days, such party shall give a Notice of Intimation to the other party specifying whether after expiry of 120 days, they intend to terminate the Agreement or continue the Agreement on mutually agreed revised terms. Notice of intimation shall in any case be served before expiry of 120 days, failing which the Agreement shall be deemed to continue without any change.

17.10.2 In case either Party intimates to terminate the Agreement or if the Parties fail to reach an agreement on the mutually agreed terms within 15 days from expiry of 120 days period, either party shall be entitled to terminate this Agreement in which event, following provisions shall apply:

a) After the expiry of said period of one hundred and twenty (120) days of continuity of Force Majeure, the Affected Party, if not willing to enter into mutually agreed terms, may issue, in writing, a Notice of Termination of thirty (30) days commencing from 121st day, but where the party has entered into negotiation to arrive at mutually agreed terms and no mutually agreed terms are arrived at, in such an event, the party shall issue a notice of termination of thirty (30) days commencing from the 16th day of the negotiation period, to terminate this Agreement due to Force Majeure Event. The period of 30 days termination notice shall start running from the day it is served on opposite party after the expiry of 121st day or 16th day of negotiation as the case may be.

b) If the Concessionaire serves a notice period shorter than thirty (30) days, then the Authority shall forfeit and appropriate the Security Deposit of the Concessionaire and debar the Selected Bidder(s)/Concessionaire for a of one (1) year from future participation in tenders/RFPs floated by Authority. This provision shall be applicable irrespective of completion/ non-completion of minimum lock-in period.

c) The Authority shall release and refund the Security Deposit to the Concessionaire, provided there are no outstanding claims of the Authority on the Concessionaire.

d) The Concessionaire shall, within a period of thirty (30) days from the expiry / termination of this Agreement hand over the Concessionaire Managed Locations and Service area(s), in good condition, in relation to which this Agreement has been terminated. The Concessionaire shall remove all its materials, belongings, etc. from such Concessionaire Managed Locations and Service area at the Concessionaire's own cost, failing which the Authority

shall have the right to take over such property and sell the same at such price as it may get, and utilize the proceeds towards payment of any outstanding amounts due from the Concessionaire (including cost of such removal).

e) Save and except as otherwise expressly provided herein, the Authority shall not be liable to compensate the Concessionaire in any manner whatsoever in the event of earlier termination of the Concession for any reason whatsoever.

f) During the period of the Notice of Termination, provisions of **Article 19.7** shall apply.”

ARTICLE 18. EVENTS OF DEFAULT

18.1 Events of Default

Event of Default means the Concessionaire Event of Default or the Authority Event of Default or both as the context may admit or require.

18.2 Concessionaire Event of Default

18.2.1 Save as otherwise provided in this Agreement, in the event that any of the defaults specified below shall have occurred the Concessionaire shall be deemed to be in default of this Agreement (the “**Concessionaire Event of Default**”), unless the default has occurred solely as a result of any breach of this Agreement by the Authority or due to Force Majeure. The defaults referred to herein shall include:

- (a) the Security Deposit has been appropriated in accordance with **Clause 7.2** of this agreement and the Concessionaire fails to replenish or provide fresh Security Deposit within a Period of 15 (fifteen) days;
- (b) subsequent to the replenishment of furnishing of fresh Security Deposit in accordance with **Clause 7.2** of this agreement, the Concessionaire fails to cure, the Concessionaire Default for which whole or part of the Security Deposit was appropriated;
- (c) any representation or warranty of the Concessionaire herein contained is found to be materially false or misleading or the Concessionaire is at any time in breach of such representation or warranty by the Concessionaire;
- (d) the Concessionaire abandons or manifests intention to abandon the construction or operation or maintenance of the Concession prior to the expiry of the one-half of the Concession Term;
- (e) the Concessionaire has failed to make any payment to the Authority within the period specified thereof in this Agreement, provided that such a period may be extended by the Authority at its sole discretion and which may also attract interest / damages as applicable;

- (f) suo-moto suspension by the Concessionaire of the performance of its obligations under this Agreement for a period exceeding forty-eight hours (except during the subsistence of an event of Force Majeure);
- (g) damages as set forth in **Schedule D** for breaches of **Article 11** and **Article 13** cumulatively exceeding 1% of the Security Deposit in any given Year;
- (h) failure by the Concessionaire to operate and maintain the Duty-Free Retail Outlets in accordance with the Applicable Laws and Applicable Permits;
- (i) cancellation, expiry, termination or a breach by the Concessionaire of any Applicable Permits or approvals required to perform this Agreement / to carry out operations of the Duty-Free Retail Outlets;
- (j) the Concessionaire directly or indirectly, undertakes or performs either itself or through agency, sub-contract, sub-concession or otherwise, any activity other than activities provided for/ envisaged under this Agreement.
- (k) failure of Concessionaire to maintain Insurance(s) in accordance with the requirements of this Agreement.
- (l) the Concessionaire repudiates this agreement or otherwise takes any action or evidences or conveys an intention not to be bound by the Agreement;
- (m) a Change in the shareholding / ownership of the Concessionaire has occurred in breach of the provisions of **Clause 3.2** of this agreement;
- (n) the Concessionaire is adjudged bankrupt or insolvent, or if a trustee or receiver is appointed for the Concessionaire or for the whole or material part of its assets that has a material bearing on the Concessions;
- (o) the Concessionaire has been, or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would cause, in the reasonable opinion of the Authority, a material adverse bearing on the Concession;
- (p) the Concessionaire submits to the Authority any statement which has a material effect on the Authority's rights, obligations or interests and which is false in material particulars;

- (q) The Concessionaire defaults in complying with any other provision of this Agreement if such default causes, in the opinion of the Authority, a material adverse effect on the Authority or on the Concession.
- (r) the concessionaire has failed to fulfil any obligation, for which failure Termination has been specified in this Agreement.

18.2.2. The Concessionaire agrees and undertakes that for Concessionaire Events of Default as specified in **Schedule D**, the Authority shall be entitled to appropriate the relevant amounts mentioned therein from the Security Deposit even if they are cured within the Concessionaire's cure Period as provided in Article 19.

18.3 Authority Event of Default

18.3.1 In the event that any of the defaults specified below shall have occurred, the Authority shall be deemed to be in default of this Agreement (the "**Authority Event of Default**") unless the default has occurred as a result of any breach of this Agreement by the Concessionaire or due to Force Majeure. The defaults referred to herein shall include:

- (a) The Authority commits a material default in complying with any of the provisions of this Agreement and such default has a material adverse bearing on the Concessionaire; or
- (b) the Authority repudiates this Agreement or otherwise takes any action that amounts to or manifests an irrevocable intention not to be bound by this Agreement; or
- (c) the Terminal ceases to handle operations for international passenger traffic.

ARTICLE 19. TERMINATION

19.1 Termination for Concessionaire Event of Default

19.1.1. Without prejudice to any other rights or remedies which the Authority may have under this Agreement, upon occurrence of a Concessionaire Event of Default, provided that such a default is not cured within a period of thirty (30) days **(the “Concessionaire’s Cure Period”)** from the date of a written notice by the Authority notifying the occurrence of a Concessionaire Event of Default, the Authority shall be entitled to terminate this Agreement by issuing a Notice of Termination of one hundred and twenty (120) days as defined in the RFP. The aforementioned Concessionaire’s Cure Period may be extended by the Authority in writing.

Provided that if the Authority notifies the Concessionaire of the occurrence of a Concessionaire Event of Default pursuant to any of **Clauses 18.2.1. (c), (d), (e), (n), (o) and (p)** of this Agreement, then a shorter cure period of **fourteen (14) days** shall be provided to the Concessionaire, after which the Authority shall be entitled to terminate this Agreement on a short notice, by issuing a Notice of Termination. The duration of notice period shall be at the discretion of the Authority.

19.2 Termination for Authority Event of Default

19.2.1. Without prejudice to any other rights or remedies which the Concessionaire may have under this Agreement, upon occurrence of an Authority Event of Default, provided that such a default is not cured within a period of forty-five (45) days **(the “Authority’s Cure Period”)** from the date of a written notice by the Concessionaire notifying the occurrence of an Authority Event of Default, the Concessionaire shall be entitled to terminate this Agreement by issuing a Notice of Termination of one hundred and twenty (120) days as defined in the RFP. The aforementioned Authority’s Cure Period may be extended by the Concessionaire in writing.

19.3 Termination by Authority for Convenience

19.3.1 The Authority may, at its sole discretion, for any reason whatsoever, at any time during the Concession Term, terminate the rights of the Concessionaire, whenever the Authority shall determine that such Termination is in the best interests of the Authority, by giving a Notice of Termination of one hundred and twenty (120) days to terminate this Agreement.

19.3.2 The Concessionaire agrees and acknowledges that, upon Termination by Authority under the provisions of **Clause 19.3.1** above, the Concessionaire shall not be entitled for damages, reimbursement of any costs or compensation for anticipatory profits.

19.4 Termination by Concessionaire for Convenience

19.4.1 The Concessionaire may issue, in writing, a Notice of Termination of one hundred and twenty (120) days to terminate this Agreement for its convenience. If the Concessionaire serves a notice period shorter than one hundred and twenty (120) days or if the Concessionaire exits before completion of the Minimum Lock in Period, i.e. within 20% of the license period then the Authority, then the Authority shall forfeit and appropriate the Three(03) months Security Deposit equivalent to current month concession fee of the Concessionaire and debar the Selected Bidder(s)/Concessionaire for a period of one(1) year from future participation in tenders/RFPs floated by Authority. It is further clarified that if the Concessionaire exits after the completion of the Minimum Lock in Period and it has served a notice period of one hundred and twenty (120) days, then it shall not face the punitive provisions of forfeiture of Security Deposit and debarring.

It is also clarified that Concession shall serve requisite Notice Period of 120 days only after completion of Minimum Lock-In period i.e., 20% of the licence period.

19.5 Termination by Efflux of Time

Unless terminated earlier in accordance with the provisions of this **Article 19**, the Agreement shall terminate upon the expiry of Concession Term.

19.6 Consequences of Termination of the Agreement

19.6.1 Where this Agreement is terminated pursuant to **Clause 19.1** of this Agreement, the Authority shall forfeit and appropriate the **Three(03) months** Security Deposit equivalent to current month concession fee of the Concessionaire and debar the Selected Bidder(s)/Concessionaire for a period of one(1) year from future participation in tenders/RFPs floated by Authority.

19.6.2 Where this Agreement is terminated pursuant to **Clause 19.2** of this Agreement, the Authority shall forfeit and appropriate the **Three(03) months** Security Deposit equivalent to current month concession fee of the Concessionaire and debar the Selected Bidder(s)/Concessionaire for a period of one(1) year from future participation in tenders/RFPs floated by Authority. Provided that if the respective Authority Event of Default occurs

after the date that is one hundred and twenty (120) days before the expiry of the Minimum Lock in Period, then the Concessionaire will not face the aforesaid punitive provisions of forfeiture of Security Deposit and debarring.

19.6.3 Where the Agreement is terminated pursuant to **Clause 19.3** or **Clause 19.5** of this agreement, the Authority shall release and refund the available Security Deposit to the Concessionaire, provided there are no outstanding claims of the Authority on the Concessionaire.

19.6.4 Where this agreement is terminated pursuant to **Clause 19.4** of this agreement, then If the Concessionaire serves a notice period shorter than one hundred and twenty (120) days or if the Concessionaire exits before completion of the Minimum Lock in Period, then the Authority shall forfeit and appropriate the **Three(03) months** Security Deposit equivalent to current month concession fee of the Concessionaire and debar the Selected Bidder(s)/Concessionaire for a period of one(1) year from future participation in tenders/RFPs floated by Authority. It is further clarified that if the Concessionaire exits after the completion of the Minimum Lock in Period and it has served a notice period of one hundred and twenty (120) days, then it shall not face the punitive provisions of forfeiture of Security Deposit and debarring.

It is also clarified that Concession shall serve requisite Notice Period of 120 days only after completion of Minimum Lock-In period i.e., 20% of the licence period.

19.6.5 The Concessionaire shall, within a period of thirty (30) days from the expiry / termination of this Agreement hand over the Concessionaire Managed Locations and Service area in relation to which this Agreement has been terminated in good condition. The Concessionaire shall remove all its materials, belongings, etc. from such Concessionaire Managed Locations and Service area at the Concessionaire's own cost, failing which the Authority shall have the right to take over such property and sell the same at such price as it may get, and utilize the proceeds towards payment of any outstanding amounts due from the Concessionaire (including cost of such removal).

19.6.6 Save and except as otherwise expressly provided herein, the Authority shall not be liable to compensate the Concessionaire in any manner whatsoever in the event of earlier termination or determination of the Concession for any reason whatsoever.

19.6.7 The debarment shall also apply to the 'allied firms' of the debarred agency. In case Joint venture/Consortium is debarred, all partners/members of such JV/Consortium will also stand debarred for the period specified in the

Debarment Order. The names of partners/members of JV/Consortium should be clearly specified in the Debarment Order

19.7 Obligations during Termination Period

19.7.1 Upon service of a notice by either Party of its intent to terminate the Agreement, the Parties shall, subject where applicable to the provisions of this **Article 19**, continue to perform such of their respective obligations under this Agreement which are capable of being performed with the object, as far as possible, of ensuring continued availability of the facilities and services to the Airport Users, failing which the Party in breach shall compensate the other Party for any loss or damage occasioned or suffered on account of the underlying failure/breach.

19.7.2 The Concessionaire also hereby agrees and undertakes that during the period of the Notice of Termination, it shall continue to pay the Authority all applicable dues as per the provisions of this Agreement.

19.8 Condition Survey

19.8.1 The Concessionaire agrees that on the service of a notice by either Party of its intent to terminate the Agreement or at least **6 (six) months** prior to the expiry of the Concession Term, as the case may be, it shall conduct or cause to be conducted under the Authority's supervision, a condition survey of the Project Facilities and Services including the Project Assets to ascertain the condition thereof, verifying compliance with the Concessionaire's obligations under this Agreement and to prepare an inventory of the assets comprised in the Concessionaire managed Locations.

19.8.2 If, as a result of the condition survey, the Authority shall observe/notice that the Site and/or the Airport's Assets at the Concessionaire Managed Location(s) and/or the Project Facilities and Services or any part thereof have/has not been operated and maintained in accordance with the requirements therefor under this Agreement (normal wear and tear excepted) the Concessionaire shall, at its cost and expenses, take all necessary steps to put the same in good working conditions before the expiry of the notice of termination..

19.8.3 In the event the Concessionaire fails to comply with the provisions of this Agreement, the Authority may itself undertake or cause the condition survey and inventory of Assets and the Project Facilities and Services to be conducted. The Authority shall be compensated by the Concessionaire for any costs incurred in conducting such survey and preparation of inventory.

19.9 Survival of Rights

Notwithstanding anything to the contrary contained in this agreement, any Termination pursuant to the provisions of this Agreement shall be without prejudice to the accrued rights of either Party including its claim to recover money, damages, insurance proceeds, security deposits and other rights and remedies, which it may have in law or contract. All rights and obligations of either Party under this agreement, including Termination Payments and Post Termination Obligations, shall survive the Termination to the extent such survival is necessary for giving effect to such rights and obligations.

ARTICLE 20. LIABILITY AND INDEMNITY

20.1 General Indemnity

20.1.1 The Concessionaire will indemnify, defend, save and hold harmless the Authority and its officers, servants, agents, Government Instrumentalities and Government owned and/or controlled entities/enterprises, ("**the Authority Indemnified Persons**") against any and all suits, proceedings, actions, demands and third party claims for any loss, damage, cost and expense of whatever kind and nature arising out of any breach by the Concessionaire of any of its obligations under this Agreement or any related agreement or on account of any defect or deficiency in the provision of services by the Concessionaire to any Airport User, except to the extent that any such suits, proceedings, actions, demands and claims have arisen due to any negligent act or omission, or breach of this Agreement on the part of the Authority Indemnified Persons.

20.1.2 The Authority will indemnify, defend, save and hold harmless the Concessionaire against any and all suits, proceedings, actions, demands and third party claims for any loss, damage, cost and expense of whatever kind and nature arising out of breach by the Authority of any of its obligations under this Agreement or any related agreement, which materially and adversely affect the performance by the Concessionaire of its obligations under this Agreement, save and except that where any such claim, suit, proceeding, action, and/or demand has arisen due to a negligent act or omission, or breach of any of its obligations under any provision of this Agreement or any related agreement and/or breach of its statutory duty on the part of the Concessionaire, its subsidiaries, Affiliates, contractors, servants or agents, the same shall be the liability of the Concessionaire.

20.2 Indemnity by the Concessionaire

20.2.1 Without limiting the generality of **Clause 20.1**, the Concessionaire shall fully indemnify, hold harmless and defend the Authority and the Authority Indemnified Persons from and against any all loss and/or damages arising out of or with respect to:

- a. failure of the Concessionaire to comply with Applicable Laws and applicable permits
- b. the sale of defective products and articles
- c. death or illness of or injury to any person and the loss of or damage to any property arising out of or in connection with any act or default of the Concessionaire, and/or its employees, agents, contractors, subcontractors, personnel and/or representatives

- d. the payment of taxes required to be made by the Concessionaire in respect of the income or other taxes of the Concessionaire's contractors, suppliers and representatives; or
- e. non-payment of amounts due as a result of materials or services furnished to the Concessionaire or any of its contractors which are payable by the Concessionaire or any of its contractors.

20.2.2 Without limiting the generality of the provisions of this **Article 20**, the Concessionaire shall fully indemnify, hold harmless and defend the Authority Indemnified Persons from and against any and all suits, proceedings, actions, claims, demands, liabilities and damages which the Authority Indemnified Persons may hereafter suffer, or pay by reason of any demands, claims, suits or proceedings arising out of claims of infringement of any domestic or foreign patent rights, copyrights or other intellectual property, proprietary or confidentiality rights with respect to any materials, information, design or process used by the Concessionaire or by the Concessionaire's Contractors in performing the Concessionaire's obligations or in any way incorporated in or related to the Project. If in any such suit, action, claim or proceedings, a temporary restraint order or preliminary injunction is granted, the Concessionaire shall make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the revocation or suspension of the injunction or restraint order.

20.3 Notice and Contest of Claims

In the event that either Party receives a claim or demand from a third party in respect of which it is entitled to the benefit of an indemnity under this **Article 20** (the “**Indemnified Party**”), it shall notify the other Party (the “**Indemnifying Party**”) within **15 (fifteen) days** of receipt of the claim or demand and shall not settle or pay the claim without the prior approval of the Indemnifying Party, which approval shall not be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim or demand, it may conduct the proceedings in the name of the Indemnified Party, subject to the Indemnified Party being secured against any costs involved, to its reasonable satisfaction.

20.4 Defence of Claims

20.4.1 The Indemnified Party shall have the right, but not the obligation, to contest, defend and litigate any claim, action, suit or proceeding by any third party alleged or asserted against such Party in respect of, resulting from, related to or arising out of any matter for which it is entitled to be indemnified hereunder, and reasonable costs and expenses thereof shall be indemnified by the Indemnifying Party. If the Indemnifying Party acknowledges in writing its obligation to indemnify the Indemnified Party in

respect of loss to the full extent provided by this Article 20, the Indemnifying Party shall be entitled, at its option, to assume and control the defence of such claim, action, suit or proceeding, liabilities, payments and obligations at its expense and through the counsel of its choice; provided it gives prompt notice of its intention to do so to the Indemnified Party and reimburses the Indemnified Party for the reasonable cost and expenses incurred by the Indemnified Party prior to the assumption by the Indemnifying Party of such defence. The Indemnifying Party shall not be entitled to settle or compromise any claim, demand, action, suit or proceeding without the prior written consent of the Indemnified Party, unless the Indemnifying Party provides such security to the Indemnified Party as shall be reasonably required by the Indemnified Party to secure the loss to be indemnified hereunder to the extent so compromised or settled.

20.4.2 If the Indemnifying Party has exercised its rights under Clause 20.3, the Indemnified Party shall not be entitled to settle or compromise any claim, action, suit or proceeding without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

20.4.3 If the Indemnifying Party exercises its rights under **Clause 20.3**, the Indemnified Party shall nevertheless have the right to employ its own counsel, and such counsel may participate in such action, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party. as and when incurred, unless:

- (a) the employment of counsel by such party has been authorized in writing by the Indemnifying Party; or
- (b) the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in the conduct of the defence of such action; or
- (c) the Indemnifying Party shall not, in fact, have employed independent counsel reasonably satisfactory to the Indemnified Party, to assume the defence of such action and shall have been so notified by the Indemnified Party; or
- (d) the Indemnified Party shall have reasonably concluded and specifically notified the Indemnifying Party either:
 - i. that there may be specific defences available to it which are different from or additional to those available to the Indemnifying Party; or
 - ii. that such claim, action, suit or proceeding involves or could have a material adverse effect upon it beyond the scope of this Agreement:

Provided that if Sub-clauses (b), (c) or (d) of this **Clause 20.4.3** shall be applicable, the counsel for the Indemnified Party shall have the right to

direct the defence of such claim, demand, action, suit or proceeding on behalf of the Indemnified Party, and the reasonable fees and disbursements of such counsel shall constitute legal or other expenses hereunder.

20.5 No Consequential Claims

Notwithstanding anything to the contrary contained in this Article 20, the indemnities herein provided shall not include any claim or recovery in respect of any cost, expense, loss or damage of an indirect, incidental or consequential nature, including loss of profit, except as expressly provided in this Agreement.

20.6 Survival on Termination

The provisions of this **Article 20** shall survive Termination.

ARTICLE 21. RIGHTS AND TITLE OVER THE CONCESSIONED PREMISES

21.1 Licensee Rights

21.1.1. All right, title and interest in the Concessionaire Managed Locations and Service area shall remain with the Authority.

21.1.2. For the purpose of this Agreement, the Concessionaire shall have rights to the use of the Concessionaire Managed Locations as sole licensee subject to and in accordance with this Agreement. For the avoidance of doubt, the Concessionaire agrees and acknowledges that term Concessionaire Managed Locations and Service area as set out in this Agreement shall be covered under the Authority Act of 1994 and Authority Amendment act of 2003 and the provisions of the said Act shall apply to all matter provided for thereunder.

21.2 Access Rights of the Authority and Others

21.2.1 The Concessionaire shall allow free access to the Site at all times for the authorized representatives of the Authority, and the Independent Auditor, and for the persons and vehicles duly authorised by any Government Instrumentality to inspect or to investigate any matter within their authority, and upon reasonable notice, the Concessionaire shall provide to such person’s reasonable assistance necessary to carry out their respective duties and functions.

21.2.2 The Concessionaire shall, for the purpose of operation and maintenance of any utility, allow free access to the Site at all times for the authorised persons of the Authority or any agency that the Authority may appoint in this regard.

21.3 Property Taxes

The Concessionaire shall not be liable to pay any property taxes in respect of the Concessionaire Managed Locations and Service area(s).

21.4 Sub-licensing/ sub-letting

The Concessionaire shall not sublicense or sublet the whole or part of the Concessionaire Managed Location.

.....

ARTICLE 22. DISPUTE RESOLUTION

22.1. Dispute Resolution

22.1.1. 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) (the "Dispute") shall be dealt as under:

22.1.2. **Through Mediation:** All dispute(s), at the first instance, shall be referred to the Mediation Committee of Independent Experts (MCIE) or individual mediator for mediation as per AAI Mediation Policy and applicable laws. All cost of mediation, shall be borne equally by the parties.

22.1.2.1 In case either party withdraws from the Mediation or the dispute(s) is not resolved within 120 days of reference to the Mediation, then the aggrieved party may invoke arbitration through Clause 22.1.3 within 30 days from the date of receipt of Partial Settlement Agreement or Failure Report.

22.1.2.2 Unless the contract has already been repudiated or terminated, the parties shall, in every case, continue to proceed to perform their respective obligations under the agreement.

22.1.2.3 Once the request of the Concessionaire is accepted for Mediation under Mediation Policy of AAI, the dues pertaining to the dispute(s) referred for Mediation shall be treated as disputed dues for all purposes.

22.1.3 **Adjudication through Arbitration:** In case no final settlement has been arrived at between the parties after mediation or partially settled as per **Clause 22.1.2** above, the unresolved dispute(s), on invocation by the aggrieved party shall be referred for adjudication by arbitration.

a. When the amount involved is above 50 crores, adjudication shall be made by Arbitral Tribunal comprising of 03 arbitrators. Each party to appoint one arbitrator and the two appointed arbitrators shall appoint the Presiding Arbitrator.

b. When the amount involved is Rs. 50 crores and below shall be referred to a Sole Arbitrator to be appointed by Chairman/Member, AAI, after obtaining consent of the other party, as per format annexed at **Appendix-IV**.

- c. In both the above cases, the licensee shall have to deposit 50% of the disputed amount (in the form of BG (Additional Bank Guarantee with validity of minimum two years from the date of making such reference, and further extendable)/ DD/PO/ RTGS/ NEFT) with AAI as condition precedent before making reference to the Arbitration for adjudication of dispute.

- 22.1.3.1 Unless the contract has already been repudiated or terminated, the parties shall, in every case, continue to proceed to perform their respective obligations under the agreement.
- 22.1.3.2 Arbitration proceedings shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996, as amended from time to time.
- 22.1.3.3 Fee payable to the Arbitrator(s) shall be as per Schedule-IV of the Arbitration & Conciliation Act, 1996 and shall be borne by both the parties equally.
- 22.1.3.4 No dispute shall be referred for resolution under this clause through arbitration in matters for which eviction & recovery procedure is provided under Chapter -VA of the Airports Authority of India Act, 1994.
- 22.1.3.5 The venue of such arbitration shall be **Pune airport** and the language of arbitration proceedings shall be English.
- 22.1.3.6 The Arbitrator shall make an award (the "Award") for each dispute and /or claim and shall give reasons for the Award. Any award made in any arbitration held pursuant to this Article 22 shall be final and binding on the parties. For avoidance of doubt, the parties hereto agree that the adjudication hereunder shall not be final and binding until an appeal against such adjudication has been decided by an appellate tribunal or judicial court, as the case may be, or no such appeal has been preferred within the time specified in the Applicable Law.
- 22.1.3.7 The Concessionaire and the Authority agree that an Award may be enforced against the Concessionaire and /or the Authority, as the case may be, and their respective assets wherever situated.
- 22.1.3.8 This Agreement and the rights and obligations of the parties shall remain in full force and effect, pending the Award in any arbitration proceedings hereunder. For the avoidance of doubt, the

Concessionaire hereto agree that the Concessionaire shall pay to the Authority, the Concession Fee, the Space Rent, Common Area Maintenance Charges, Utility Charges and Taxes and any other payments that may become due and payable, pending the Award in any arbitration proceedings hereunder.

22.1.4 The parties agree to use their best efforts for resolving all Disputes arising under or in respect of this Agreement promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to all non-privileged records, information and data pertaining to any Dispute.

22.2. Adjudication by Regulatory Authority or Commission

22.2.2. In the event of constitution of a statutory Regulatory Authority or Commission with powers to adjudicate upon disputes between the Concessionaire and the Authority, all disputes arising after such constitution shall, instead of reference to adjudication under the **Clause 22.1.3**, be adjudicated upon by such Regulatory Authority or Commission in accordance with the Applicable Laws and all references to Dispute Resolution Procedure shall be construed accordingly. For the avoidance of doubt, the parties hereto agree that the adjudication hereunder shall not be final and binding until an appeal against such adjudication has been decided by an appellate tribunal or judicial court, as the case may be, or no such appeal has been preferred within the time specified in the Applicable Laws.

ARTICLE 23. DISCLOSURE

23.1 Disclosure of Specified Documents

The Concessionaire shall make available for inspection by any person authorized by the Authority, copies of financial records and books of accounts showing the gross Sales and Net Sales of business at each Concessionaire Managed Location, during normal business hours on all working days at the Concessionaire Managed Location(s) and Concessionaire's Registered Office, with a prior notice.

23.2 Disclosure of Duty-Free Retail Selling Prices

The Concessionaire shall prominently display at each Concessionaire Managed Location, the selling prices of all Duty-Free Retail Items being sold through such Concessionaire Managed Location(s). Such display shall be well defined and clearly visible to the naked eye.

ARTICLE 24. REDRESSAL OF PUBLIC GRIEVANCES

24.1 Complaints Register

24.1.1 The Concessionaire shall maintain a register (the "**Complaint Register**") open to public access at all times for recording of complaints by any person (the "**Complainant**"). Information relating to the availability of and access to the Complaint Register shall be prominently displayed by the Concessionaire at each Concessionaire Managed Location so as to bring it to the attention of all Airport Users.

24.1.2 The Complaint Register shall be securely bound and each page thereof shall be duly machine numbered. It shall have appropriate columns including the complaint number, date, name and address of the Complainant, substance of the complaint and the action taken by the Concessionaire. Immediately after a complaint is registered, the Concessionaire shall give a receipt to the Complainant stating the date and complaint number.

24.1.3 Without prejudice to the provisions of **Clauses 24.1.1** and **24.1.2**, the Authority may, in consultation with the Concessionaire, specify the procedure for making complaints in electronic form and for responses thereto.

24.2 Redressal of complaints

24.2.1 The Concessionaire shall inspect the Complaint Register every day and take prompt and reasonable action for redressal of each complaint. The action taken shall be briefly noted in the Complaint Register and a reply stating the particulars thereof shall be sent by the Concessionaire to the Complainant through electronic mail or registered post.

24.2.2 All complaints received shall be redressed to the satisfaction of the complainant within a reasonable time preferably within 7 (seven) days from the receipt of such complaint.

24.2.3 At the expiry of each quarter, the Concessionaire shall send to the Authority a true photocopy each of all the pages of the Complaint Register on which any entry has been recorded during the course of such quarter, and upon perusal thereof, the Authority may, in its discretion, advise the Concessionaire to take such further action as the Authority may deem appropriate for a fair and just redressal of any grievance. The Concessionaire shall consider such advice and inform the Authority of its decision thereon, and if the Authority is of the opinion that the Complainant is entitled to further relief, it may refer the matter to the competent forum for its disposal under the Applicable Laws.

ARTICLE 25. MISCELLANEOUS

25.1 Governing law and jurisdiction

This Agreement shall be construed and interpreted in accordance with and governed by the laws of India, and the courts at where the Airport situated shall have exclusive jurisdiction over matters arising out of or relating to this Agreement.

25.2 Waiver of Immunity

Each Party unconditionally and irrevocably:

- (a) agrees that the execution, delivery and performance by it of this Agreement constitute commercial acts done and performed for commercial purpose;
- (b) agrees that, should any proceedings be brought against it or its assets, property or revenues in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity (whether by reason of sovereignty or otherwise) from such proceedings shall be claimed by or on behalf of the Party with respect to its assets;
- (c) waives any right of immunity which it or its assets, property or revenues now has, may acquire in the future or which may be attributed to it in any jurisdiction; and
- (d) consents generally in respect of the enforcement of any judgement or award against it in any such proceedings to the giving of any relief or the issue of any process in any jurisdiction in connection with such proceedings (including the making, enforcement or execution against it or in respect of any assets, property or revenues whatsoever irrespective of their use or intended use of any order or judgement that may be made or given in connection therewith).

25.3 Depreciation

For the purposes of depreciation under the Applicable Laws, the property representing the capital investment made by the Concessionaire in the Project shall be deemed to be acquired and owned by the Concessionaire. For the avoidance of doubt, the Authority shall not in any manner be liable in respect of any claims for depreciation to be made by the Concessionaire under the Applicable Laws.

25.4 Waiver

25.4.1 Waiver, including partial or conditional waiver, by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Agreement: -

- (a) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Agreement;
- (b) shall not be effective unless it is in writing and executed by a duly authorized representative of the Party; and
- (c) shall not affect the validity or enforceability of this Agreement in any manner.

25.4.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or any obligation thereunder nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

25.5 Liability for review of Documents and Drawings

25.5.1 Except to the extent expressly provided in this Agreement:

- (a) no review, comment or approval by the Authority or any agency nominated by the Authority of any Document or Drawing submitted by the Concessionaire nor any observation or inspection of the development, operation or maintenance of the Duty-Free Retail Outlets nor the failure to review, approve, comment, observe or inspect hereunder shall relieve or absolve the Concessionaire from its obligations, duties and liabilities under this Agreement, the Applicable Laws and Applicable Permits; and
- (b) the Authority shall not be liable to the Concessionaire by reason of any review, comment, approval, observation or inspection referred to in Sub clause (a) above.

25.6 Exclusion of implied warranties etc.

This Agreement expressly excludes any warranty, condition or other undertaking implied at law or by custom or otherwise arising out of any other agreement between the Parties or any representation by either Party not contained in a binding legal agreement executed by both Parties.

25.7 Survival

25.7.1 Termination shall:

- (a) not relieve the Concessionaire or the Authority, as the case may be, of any obligations hereunder which expressly or by implication survive Termination hereof; and
- (b) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of, or caused by, acts or omissions of such Party prior to the effectiveness of such Termination or arising out of such Termination.

25.7.2 All obligations surviving Termination shall be subject to Limitation act of 1963.

25.8 Entire Agreement

This Agreement and the Schedules together constitute a complete and exclusive statement of the terms of the agreement between the Parties on the subject hereof, and no amendment or modification hereto shall be valid and effective unless such modification or amendment is agreed to in writing by the Parties and duly executed by persons especially empowered in this behalf by the respective Parties. All prior written or oral understandings, offers or other communications of every kind pertaining to this Agreement are abrogated and withdrawn. The Parties hereto agree that any obligations of the Concessionaire arising from the Request for Proposal, as the case may be, shall be deemed to form part of this Agreement and considered as such.

25.9 Severability

If for any reason whatever, any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to the Dispute Resolution Procedure set forth under this Agreement or otherwise.

25.10 No Partnership

This Agreement shall not be interpreted or construed to create an association, joint venture or partnership between the Parties, or to impose any partnership obligation or

liability upon either Party, and neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

25.11 Third Parties

This Agreement is intended solely for the benefit of the Parties, and their respective successors and permitted assigns, and nothing in this Agreement shall be construed to create any duty to, standard of care with reference to, or any liability to, any person not a Party to this Agreement.

25.12 Successors and Assigns

This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns.

25.13 Notices

25.14.1 Any notice or other communication to be given by any Party to the other Party under or in connection with the matters contemplated by this Agreement shall be in writing and shall:

- a. in the case of the Concessionaire, be given by facsimile and by letter delivered by registered post/electronic mail to the address given and marked for attention of the person set out below or to such other person as the Concessionaire may from time to time designate by notice to the Authority; provided that notices or other communications to be given to an address outside Pune Airport (Airport Location) may, if they are subsequently confirmed by sending a copy thereof by registered acknowledgement due, air mail or by courier, be sent by facsimile to the number as the Concessionaire may from time to time designate by notice to the Authority;

Name of Person

Correspondence Address

Name of Alternate person

Correspondence Address

- (b) in the case of the Authority, be given by facsimile and by letter delivered by registered post and be addressed to the Airport Director, ----- airport with a copy delivered to such other person as the Authority may from time to time designate by notice to the Concessionaire; provided that if the Concessionaire does not have an office in Pune it may send

such notice by facsimile and by registered acknowledgement due, air mail or by courier to Authority Representative / Airport Director, Pune Airport

(c) any notice or communication by a Party to the other Party, given in accordance herewith, shall be deemed to have been delivered when in the normal course of post, it ought to have been delivered.

25.14 Language

All notices required to be given by one Party to the other Party and all other communications, Documentation and proceedings which are in any way relevant to this Agreement shall be in writing and in English language.

25.15 Currency

The currency for all payments under the provisions of this Agreement shall be in US Dollars/INR equivalent to USD.

25.16 Time

Time shall be the essence of this Agreement, both as regards the dates, periods or times of day mentioned and as regards any dates, periods or times of day, which may be substituted for them in accordance with this Agreement

25.17 Conflict

25.17.1 This Agreement supersedes all previous agreements or arrangements between the Parties, including any correspondence entered into in respect of the contents hereof and represents the understanding between the Parties in relation thereto.

25.17.2 This Agreement constitutes a complete and exclusive statement of the terms of the agreement between the Parties on the subject hereof, and no amendment or modification hereto shall be valid and effective unless such modification or amendment is agreed to in writing by the Parties and duly executed by persons especially empowered in this behalf by the respective Parties.

25.17.3 In the event of a conflict between the terms of the Agreement and those of Authority's Commercial Manual or any other guidelines, the terms of this Agreement shall prevail.

25.18 Confidentiality

25.18.1. Both Parties acknowledge that, any and all Information, including any commercial and technical information and data provided by one to the other shall be considered to be confidential and the Party receiving such information and data shall not, at any time, directly or indirectly disclose such information and data to any person firm or use the same in any manner other than in connection with the pursuit of this Agreement, without the prior consent of the other Party. Neither the Concessionaire nor the Authority shall, unless otherwise agreed (which agreement may be on such general or specific terms as the Parties may determine) disclose to any third party any Information which is the property of the other Party to this Agreement or which otherwise relates to its business, secrets, dealings, transactions or affairs or which relates in any way to either of the Parties unless, and to the extent that, such disclosure:

- (a) is reasonably required for the exercise or performance by either Party of its rights or obligations under this Agreement; or
- (b) is required pursuant to any relevant statutory or regulatory requirements or duties or any requirement of Applicable Law; or
- (c) related to information which is already in the public domain, other than as result of breach of this **Clause 25.18** by the Party seeking to make such disclosure;
- (d) provided that, in the case of any disclosure in accordance with **Clause 25.18.1(a) or 25.18.1(b) above**, the Party disclosing such information shall, so far as reasonably practicable, impose on the third party receiving such information such obligations as may be appropriate to maintain its confidentiality.

25.18.2. The Concessionaire shall not make any public announcement or disclosure in respect of the subject matter of this Agreement or any of the transactions contemplated herein without the prior written approval of the Authority (save as may be required by law or any regulatory authority in which event the scope of the announcement will be limited to the matters required to be disclosed and the Concessionaire will consult with the Authority on the terms and timing of such announcement).

25.18.3. The obligations under this **Clause 25.18** shall survive the termination or expiry of this Agreement.

25.19 Damages

25.19.1. The Concessionaire agrees and undertakes that, in case the Authority incurs any cost(s) in order to rectify any deficiency of the Concessionaire in

adhering to the terms of this Agreement, including the rectification of any operations and maintenance requirements, the Authority shall appropriate from the Security Deposit, the amount incurred thereof.

25.20 Counterparts

25.20.1 This Agreement is executed in two counterparts, each of which, when delivered, shall constitute an original of this Agreement. The Parties have read and thoroughly understood the contents hereof and have hereby affixed their respective signatures and seals before witnesses.

25.21 The following documents duly signed by both the Parties are part and parcel of this agreement:

Sr. No.	Particulars	Page Number								
1	RFP document									
2	Corrigendum/Addendum to RFP, if any <table border="1" data-bbox="475 864 1121 1025" style="margin-left: 40px;"> <thead> <tr> <th data-bbox="475 864 794 904">Corrigendum No.</th> <th data-bbox="794 864 1121 904">Dtd</th> </tr> </thead> <tbody> <tr> <td data-bbox="475 904 794 945">1</td> <td data-bbox="794 904 1121 945"></td> </tr> <tr> <td data-bbox="475 945 794 985">2</td> <td data-bbox="794 945 1121 985"></td> </tr> <tr> <td data-bbox="475 985 794 1025">3</td> <td data-bbox="794 985 1121 1025"></td> </tr> </tbody> </table>	Corrigendum No.	Dtd	1		2		3		
Corrigendum No.	Dtd									
1										
2										
3										
3	AAI replies to the Bidders query, if any									
5	Copy of LOIA no. _____ dtd _____									
6	Acceptance of LOIA received from the Concessionaire									
7	Handing over taking over note									
8	Duly executed Concession Agreement along with all Articles and Schedules									
9	Duly executed Integrity Pact, if applicable									

IN WITNESS WHEREOF this Agreement bearing No and containing Pages has been executed by the duly authorized representatives of the Parties hereto on the day and year first above written

<p>For and on behalf of Airports Authority of India</p> <p>_____</p> <p>Name, Signature, Designation, Seal, Stamp, Place, Date</p>	<p>Witnessed by:</p> <p>1. _____</p> <p>2. _____</p>
<p>For and on behalf of Concessionaire</p> <p>_____</p> <p>Name, Signature, Designation, Seal, Stamp, Place, Date</p>	<p>Witnessed by:</p> <p>1. _____</p> <p>2. _____</p>

DESCRIPTION OF LOCATIONS

Pune Airport

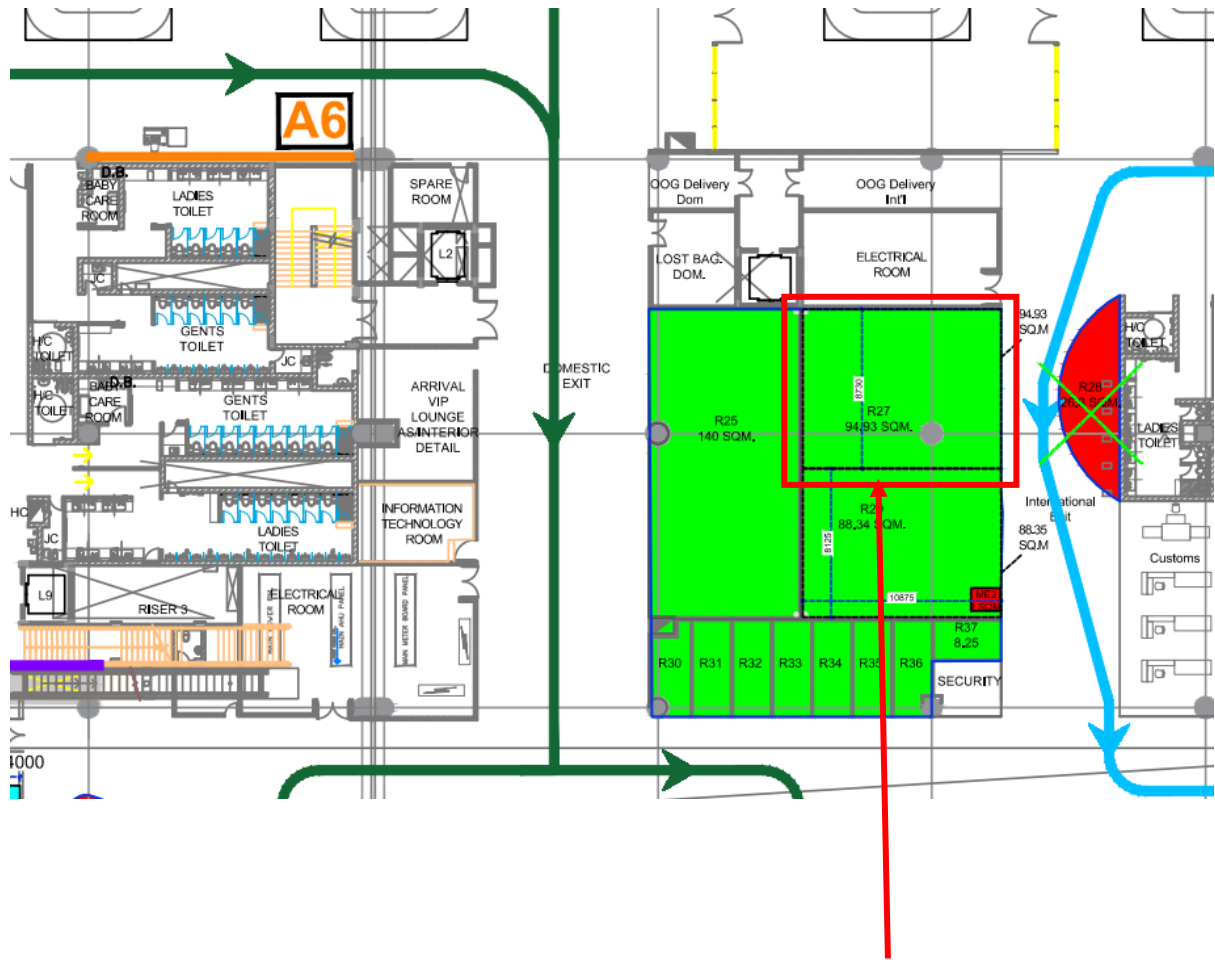
[Locations to be handed over after execution of Concession Agreement]

Sl. No.	Description of Concessionaire Managed Location(s) / Duty-Free Outlet(s) with location in the Terminal building	Area (approx.) (in sqm)
1.	International SHA First Floor- DF3	92.8 Sqm (approx.)
2.	International Arrival Ground Floor –R27	94.93 Sqm (approx.)
	Total	188 Sqm (approx.)

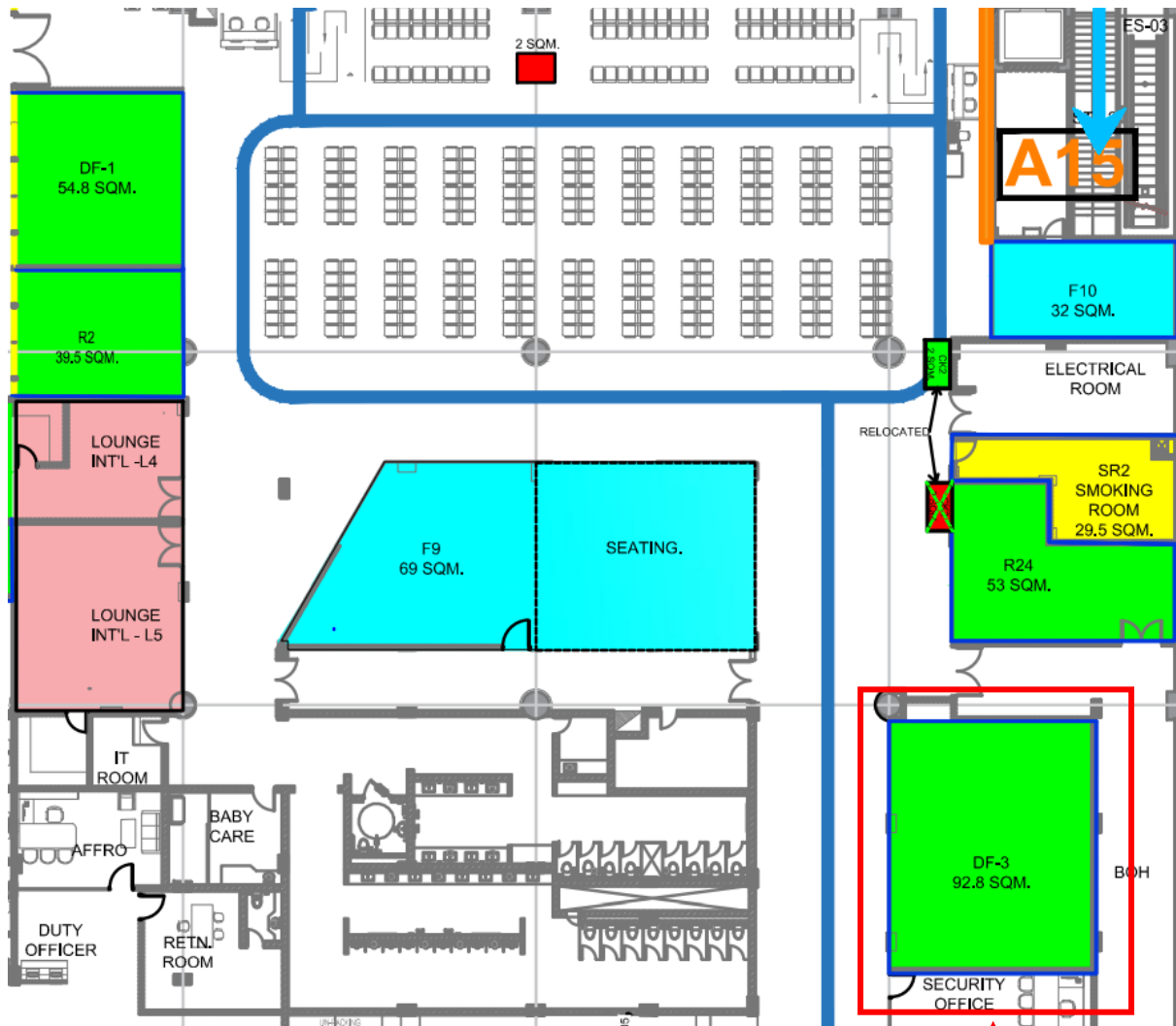
Note : These locations/ areas are indicative and can be changed at the discretion of AAI as per mutually acceptable locations.

1. Area Allotment - Concessionaire Managed Location to be allotted as per the requirement of Concessionaire, subject to technical and operational restrictions imposed by Authority within area prescribed in the RFP. Allotted area to be used only for Permitted activities.
2. Deviation in area due to actual site condition(s): +/- 5% deviation in area due to site condition(s), at the time of handing over of the site, shall be permitted without any adjustment in MMG and Applicable Rate per international Passenger. Deviation in the area over and above 5% would lead to proportionate adjustment in MMG and Applicable Rate per international Passenger (say, for 6% increase in area, 6% enhancement would be towards MMG and Applicable Rate per international Passenger and so on).

Floor Plan of proposed Duty-Free Outlets



**International Arrival Ground Floor
–R27 – 94.93 Sqm (approx.)**



**International SHA First Floor-
DF3 – 92.8 Sqm (approx.)**

SCHEDULE – C

HANDING OVER/TAKING OVER REPORT

(to be signed by the Concessionaire with Authority for each Concessionaire Managed Location on or before the Concession Fee Commencement Date)

SI. No	Type of Concessionaire Managed Locations	Location /Level	Area (approx.) (in sqm)	Date of Handing over to the Concessionaire	
		Total			
Details of Security Deposit:					
BG no: and date		Name of Bank	Bank Br. Address	Amount	Validity and claim period
DD/PO/UTR No: and date		Name of Bank	Bank Br. Address	Amount	

Note: Concessionaire is handed over physical possession of the Concessionaire Managed Location (s) designated in RFP (after completion of the contractual formalities like acceptance of LOIA, submission of security deposit, signing of agreement etc) within the incubation period. In case the Concessionaire fails to take over the Concessionaire Managed Location mentioned in the Handover Notification by the later of seven (7) days after the issuance of the Handover Notification by the authority for such Concessionaire Managed Location and the expiry of the Business Incubation Period, then the date which is later of seven (7) days after the Handover Notification issued by the Authority for such Concessionaire Managed Location and the expiry of the Business Incubation Period shall be deemed to be the Access Date.

For and on behalf of Airports Authority of India <hr/> Name, Signature, Designation, Seal, Stamp, Place, Date	For and on behalf of Concessionaire <hr/> Name, Signature, Designation, Seal, Stamp, Place, Date
Witness 1) _____ 2) _____	Witness 1) _____ 2) _____

DAMAGES FOR INFRACTIONS

Penalty for breach of Article 11 (Operations and Maintenance)

Clause	Issue	Damages
11.1.1	Failed to design and develop the Duty Free outlets in accordance with Good Industry Practices, standards and specifications and operated to international standards in line with the image of the Airport as envisaged by the Authority and any instructions issued by the Authority in this regard.	0.01% of the Security Deposit per day till rectified
11.1.2	Failure to intimate Authority with respect to Duty-Free Retail Items offered for sale by the Concessionaire	0.01% of the Security Deposit per day till rectified
11.1.5 & 11.1.6	Failure to obtain and submit copies of all Applicable Permits	0.01% of the Security Deposit per day till rectified
11.1.7	Failure to comply with all Applicable Laws and statutory rules and guidelines laid down by competent authorities.	0.01% of the Security Deposit per day till rectified
11.1.8	Failure to install own metering devices	0.01% of the Security Deposit per day till rectified
11.1.10	Any activities outside the scope of providing the Services	0.05% of the Security Deposit per day till rectified
11.1.12	Failure to provide timely stock reports on availability of items	0.01% of the Security Deposit per day till rectified
11.1.14	Failure to adhere to operating hour requirements	0.01% of the Security Deposit per day till rectified
11.1.16	Nameplate/ signboards in violation of the Clause	0.01% of the Security Deposit per day till rectified
11.1.17	Failure to display net selling prices or imposing a minimum spending requirement on any customer	0.01% of the Security Deposit per day till rectified
11.1.18	Failure to accept major credit cards/debit cards and e-wallets/UPI as a means of payment or add any surcharge to the price nor impose a minimum spending requirement when credit cards are offered as a means of payment	0.01% of the Security Deposit per day till rectified

Clause	Issue	Damages
11.1.19	Failure to ensure that all sales in relation to Duty Free Items in a currency as prescribed by Central Board of Excise & Customs, Ministry of Finance, Gol or such competent authority.	0.05% of the Security Deposit per day till rectified
11.1.21	Staff not in uniform/ without identity batch	0.01% of the Security Deposit per day till rectified
11.1.23 and 11.3.9	Failure to not deploy and inform the Authority of any employee suffering from any contagious or infectious disease	0.05% of the Security Deposit per day till rectified
11.1.25	Failure to obtain and maintain the necessary security clearance/ Airport Entry Permits (AEPs) for the Concessionaire and its employees/personnel from the Bureau of Civil Aviation Security (BCAS) or any Governmental Authority	0.01% of the Security Deposit per day till rectified
11.1.26	Failure to submit documents/details as required by the Authority and/or BCAS or any other Governmental Authority for the purpose of facilitating the process of obtaining the security clearance.	0.01% of the Security Deposit per day till rectified
11.1.29	Third party advertisement carried out	0.05% of the Security Deposit per day till rectified
11.1.30	Failure to intimate the Authority about any promotional programme launched at the Concessioned Premises.	0.01% of the Security Deposit per day till rectified
11.1.31	Failure to participate in any sales promotion programs any other marketing activities that are organized by the Authority	0.01% of the Security Deposit per day till rectified
11.1.32	Failure to participate in any promotional activity of a Governmental Authority at the instructions of the Authority	0.01% of the Security Deposit per day till rectified
11.1.34	Failure to adhere to the requirements of the Clause	0.01% of the Security Deposit per day till rectified
11.1.35	Not permitting the Authority or any authorized agent(s) to the Concessionaire Managed Concessionaire Managed Locations and Service area	0.5% of the Security Deposit per instance
11.1.36	Failure to comply with service standards specified as prescribed by the Authority	0.01% of the Security Deposit per day till rectified
11.1.38	Entered into an agreement with a third-party not on arms-length basis	0.1% of the Security Deposit per day till rectified

Clause	Issue	Damages
11.2	Undertaking any activities/ causing any actions that are prohibited under Clause 11.2	0.1% of the Security Deposit per day per violation till rectified
11.3.2	Failure to observe and conform with the policy on operations and maintenance practices (Schedule F) and the policy on customer services (Schedule G)	0.01% of the Security Deposit per day till rectified
11.3.6	Failure to close any entrances or openings of the Concessionaire Managed Concessionaire Managed Locations leading to the airside of the Airport which deems necessary to be closed for security reasons	0.1% of the Security Deposit per day per violation till rectified
11.3.7	Failure to maintain security of the Concessionaire Managed Concessionaire Managed Locations and Service area	0.5% of the Security Deposit per instance
11.4	Any violation of Clause 11.4 (Maintenance, Repair and Cleanliness)	0.02% of the Security Deposit per day till rectified

Damages for breach of Article 13 (Pricing Policy)

Clause	Issue	Damages
13.1	Selling any items at any prices in violation of this Clause	0.1% of the Security Deposit per day per violation till rectified

Damages for Concessionaire Events of Default (if cured within the cure period provided) :

Clause	Issue	Damages
18.2.1 (a)	Failure to replenish the Security Deposit within a period of 15 days	3% of the Security Deposit per day till rectified
18.2.1 (f)	Suspending performance of obligations for more than 48 hours	5% of the Security Deposit per day till rectified
18.2.1 (i)	Any expired or terminated Applicable Permit or approval	1% of the Security Deposit per day till rectified
18.2.1 (k)	Failure to maintain insurance(s) as per the Agreement	1% of the Security Deposit per day till rectified
18.2.1 (m)	Change in shareholding/ ownership has occurred in violation of the Bidding Documents	5% of the Security Deposit per day till rectified

PRICING POLICY

(Pricing Policy proposed by the Selected Bidder to be inserted here)

POLICY ON OPERATIONS & MANAGEMENT PRACTICES

(Policy proposed by the Selected Bidder to be inserted here)

POLICY ON CUSTOMER SERVICES

(Policy proposed by the Selected Bidder to be inserted here)

INTEGRITY PACT

SCHEDULE – I

FORMAT OF CORPORATE GUARANTEE

[To be executed and submitted by Selected Bidder (in case of the Consortium, the Lead Member) and / or its Affiliates, fulfilling the Threshold Eligibility Criteria.]

This Corporate Guarantee (“Corporate Guarantee”) is made and executed at [.] on this the [.] day of the month of [.] 20____

BY

[Name of Guarantor], a company incorporated under the laws of [.] holding Company Registration Number: [.] , having its registered office at [.] , represented by [.] , duly authorized to sign on its behalf, vide [.] dated [.] , (hereinafter referred to as “Guarantor”, which expression unless repugnant to the context or meaning thereof shall be deemed to mean and include its successors and permitted assigns) of the ONE PART In favour of AIRPORTS AUTHORITY OF INDIA, an Authority constituted under the Airports Authority of India Act, 1994 having its principal office at Rajiv Gandhi Bhawan, New Delhi (hereinafter referred to as “AUTHORITY”, which expression unless repugnant to the context or meaning thereof shall be deemed to mean and include its successors and assigns) of the OTHER PART

WHEREAS

A. Authority had issued a request for proposal dated [.] (“RFP”) requesting interested parties to submit their proposals in response to the RFP for the award of the Concession for setting up, development, operation, maintenance and management of the Duty-Free Outlets (hereinafter defined) at the Concessionaire Managed Location(s).

B. The Guarantor has through the Proposal dated _____ submitted by M/s _____ (an “Affiliate” of the Guarantor) in response to the RFP, represented to the Authority, in terms of clause 2.2.2 (Eligibility Criteria) of the RFP, that the Guarantor has been involved in and has been operating / has the right to operate under the brand name/(s) [Please insert the names of the brands] and has the experience, expertise and required know how to set up, develop, operate, ~~manage~~ and maintain Duty-Free Outlets on the terms and in the manner as set out hereunder.

C. The Guarantor acknowledges and accepts that the Proposal submitted by M/s _____ has been received and evaluated by the Authority on the faith of the representations made and contained therein.

D. Pursuant to the aforesaid process in the RFP and the Letter of Intent to Award issued to M/s _____ (“Concessionaire”) and in consideration thereof, the Guarantor is required to submit the Corporate Guarantee to Authority guaranteeing and securing the performance of the obligations of the Concessionaire by the Guarantor on behalf of the Concessionaire in the manner hereinafter appearing.

E. The Guarantor has agreed to guarantee the due performance by the Concessionaire of the obligations under the Concession Agreement including all financial obligations by the Concessionaire on the terms set out in this Corporate Guarantee.

F. NOW THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor does hereby covenant and agree as follows:

1. The Guarantor irrevocably and unconditionally agrees and undertakes that it shall ensure that the Concessionaire performs and discharges all its obligations under the Concession Agreement including but not limited to the payment obligations with respect to all moneys, charges and taxes due and payable in terms of the Concession Agreement, to the satisfaction of Authority, and in accordance with the terms and conditions of the Concession Agreement, at the sole risks and costs of the Guarantor.
2. The Guarantor, as a primary obligor, unconditionally and irrevocably undertakes to pay forthwith and immediately, to Authority on its written demand the sum stated therein, without any demur reservation caveat, protest or recourse, as amount/payment due, damage, or loss suffered by Authority because of the failure of the Concessionaire to fulfill any of its obligations or responsibilities as provided in the Concession Agreement. The amount or amounts stated by Authority in the written demand shall be final and binding on the Guarantor. The Guarantor expressly acknowledges that this Corporate Guarantee may be invoked more than once and that upon any invocation of the Corporate Guarantee, the payment of any amounts pursuant to this Corporate Guarantee shall be made to Authority forthwith but not later than 2 (two) days of such invocation by Authority. The above payment shall be made by the Guarantor without any reference to the Concessionaire or any other person and irrespective of whether the claim of Authority is disputed or challenged or contested by the Concessionaire or not.

3. In consideration of the Authority having agreed to grant the Concession in favour of the Concessionaire, the Guarantor doth hereby agree and undertake to guarantee and shall at all times hold the Authority harmless and keep indemnified against all liabilities, claims, suits, actions, proceedings, losses, damages, cost and expenses in relation to and arising out of the aforesaid grant of Concession by the Authority in favour of the Concessionaire.
4. Any payments made by the Guarantor to Authority under this Corporate Guarantee shall be free from all taxes, charges, fees, costs, expenses or duties imposed by any Governmental Authority, and in such cases, the Guarantor shall bear all of such taxes, duties or charges. Each such payment shall be deposited in an account as may be designated by Authority from time to time.
5. In order to give full effect to this Corporate Guarantee, Authority shall be entitled to treat the Guarantor as the principal debtor and the Guarantor agrees and acknowledges that any variations, waivers, relinquishments made in respect of the Concession Agreement by and between Authority and the Concessionaire and/or any other party competent in this regard, shall be deemed to have been carried out with the prior permission and consent of the Guarantor and the Guarantor waives the requirements, if any, of the presentment and/or notice of the aforesaid variations, waivers, relinquishments, etc. as may have, otherwise been required under the applicable laws. This Corporate Guarantee shall not be impaired or discharged or determined or affected by the liquidation or winding up, determination or change of constitution of the Guarantor, Authority or Concessionaire.
6. This Corporate Guarantee shall come into force immediately on the date of its execution first abovementioned and shall survive till the termination of the Concession Agreement. The legal proceedings may be brought and maintained against the Guarantor by Authority to enforce any liability, obligation or duty guaranteed hereunder without joinder of any other person or entity and the Guarantor herewith waives all its right to object as regards joinder/ non-joinder of any person or entity.
7. That this Corporate Guarantee shall be un-conditional and irrevocable and shall be binding on the Guarantor till the Concessionaire has been discharged of all its liability under the Concession Agreement by the Authority.
8. The Guarantor represents and warrants to Authority as follows:
 - (a) The Guarantor is a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation and has the corporate power and authority to own its properties and to carry on its business;

- (b) The Guarantor has the corporate power to execute and deliver this Corporate Guarantee and to perform its obligations hereunder. The execution, delivery and performance of this Corporate Guarantee by the Guarantor has been duly authorized by all corporate action and the same shall not violate any provision of law or any order of any court or governmental agency applicable to the Guarantor or the constitution documents of association of the Guarantor;
 - (c) The execution, delivery and performance by the Guarantor of this Corporate Guarantee will not violate the terms of any instrument, document or agreement to which the Guarantor is a party, either individually or jointly, with any other person, firm, entity or corporation or by which the Guarantor or any of the property of the Guarantor is bound, or be in conflict with, in a breach of, or constitute (with giving of notice or lapse of time both) a default under any such instrument, document or agreement, or in the creation or imposition of any lien upon any of the property assets of the Guarantor; and
 - (d) This Corporate Guarantee constitutes the valid and legally binding obligation of the Guarantor, enforceable in accordance with its terms and no material consent, approval or authorization of any Governmental Authority, bureau or agency is required in connection with the execution, delivery or performance of this Corporate Guarantee by the Guarantor, or with the validity and enforceability of this Corporate Guarantee as to the Guarantor.
9. This Corporate Guarantee is, and shall be deemed to be, a contract entered into, under and pursuant to the substantive laws of India, without regard to the conflict of laws rules thereof. The Guarantor unconditionally and unequivocally submits to the jurisdiction of courts of laws in India, including but not limited to the laws as to enforcement of awards, decrees etc.
10. Notices, demands or other communication required or permitted to be given or made under this Corporate Guarantee shall be in writing and delivered personally or sent by prepaid post with recorded delivery, or by legible telefax or by reputed courier and confirmed by registered mail / courier addressed to the intended recipient at its address set forth below, or to such other address and telefax number as any Party may from time to time duly notify to the others:

To Authority:

Designated Officer

.....
Fax No.: +91 [.]

Attention: Mr. [.]

To Guarantor:

[.]

11. This Corporate Guarantee may not be amended or modified except by a modification in writing signed by the Guarantor and Authority.
12. All of the terms, agreement and conditions of this Corporate Guarantee shall extend to and be binding upon the Guarantor, its successors and assigns, and inure to the benefit of Authority and its respective successors and assigns. The Guarantor acknowledges that time is of the essence. The Guarantor agrees and confirms that its obligation to make payments hereunder shall be regardless of any disputes, claims of waiver, release, surrender, alteration or compromise, and shall not be subject to any defence or setoff, counterclaim, recoupment or termination whatsoever.
13. Any determination that any provision hereof is invalid, illegal or unenforceable in any respect shall not affect the validity, legality or enforceability of such provision in any other respect and shall not affect the validity, legality or enforceability of any other provision contained herein.
14. Any disputes, differences of opinion, claims and controversy ("Dispute") arising out of, relating to, or in connection with this Corporate Guarantee, termination or validity hereof, shall be finally settled by arbitration by a sole arbitrator to be appointed by Chairman, Authority or his nominee. The request for arbitration will be considered provided the amount due under the conversion agreement had been paid to the authority. The arbitration shall be conducted in accordance with the (Indian) Arbitration and Conciliation Act, 1996 in effect at the time of the arbitration, except as they may be modified by mutual agreement of the Parties. The seat of the arbitration shall be at such place as may be decided by Authority and it shall be conducted in the English language. During the arbitration, the Guarantor shall continue to fulfill its obligations, except for such obligations and other matters, which are the subject of arbitration.

15. The arbitral award shall be in writing, state the reasons for the award, and be final and binding on the Parties concerned. The award may include an award of costs, including reasonable attorneys' fees and disbursements.

16. The Guarantor understands that it is liable for all amounts owing (both now and in the future) by the Concessionaire to the Authority in terms of the RFP and the Concession Agreement.

17. Capitalized terms and expressions used herein and not defined shall, unless repugnant to the context, have the meaning as ascribed thereto under the RFP and or the draft Concession Agreement.

18. It is hereby reiterated that this Corporate Guarantee shall remain valid and in full force and effect throughout the Concession Term and till the Concessionaire has discharged all its liabilities under the Concession Agreement to the Authority including till the period of arbitration.

IN WITNESS WHEREOF, this Corporate Guarantee has been executed by [<<<name of the Guarantor >>>], through its company secretary, duly authorized to sign on its behalf, on the day, month and year first above written.

EXECUTANT

WITNESSES:-

Signature	Name	Address
1.		
2.		

Format of Bank Guarantee

(To be executed on Non-Judicial Stamp Paper of Rs.100/- or as applicable as per Stamp act. by the successful bidder)

WHEREAS by a Concession Agreement dated _____ made between AIRPORTS AUTHORITY OF INDIA, the Licensor (hereinafter called “the AUTHORITY) of the one part and _____, the Concessionaire for the Concession Agreement (hereinafter referred to as “the Licensee”) of the other part, the Authority has granted to the Licensee the License for _____ at _____ Airport, _____ (Name of City) 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 Concession Agreement.

1. Now therefore in consideration of the promises aforesaid and 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 outstanding dues/ 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 be the 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 Concession 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 Concession Agreement made between the Authority and the Licensee and or any act of omission on part of Authority 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 Concession 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 until _____ and you have the right to encash this Guarantee up to _____ from the said date unless extended on demand by Authority.

NOTWITHSTANDING anything contained herein:

1. Our liability under this Guarantee shall be limited to a sum of Rs. _____ and the validity of this BG shall be up to the expiry of the subject License/Concession.
2. This bank guarantee shall be valid up to _____ and you have the right to encash this BG up to the claim period _____ (i.e., 12 months from the date of expiry of License Period)
3. We are liable to pay the 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 claim date _____.

For Bank Name Dated:

Place:

Witnesses:

Authority

SCHEDULE – K

REQUEST LETTER : TRANSMISSION OF BANK GUARANTEE COVER MESSAGE
(to be submitted by successful bidder to BG issuing bank)

Date: _____

The Manager,
(Bank),
(Branch)

Sub: Inclusion of unique identifier code of AAI while transmitting BG cover messages where beneficiary bank is ICICI Bank (IFSC-ICIC0000007).

Dear Sir/Ma'am,

I/We, _____, request you to include unique identifier **AAIPUNE** in field 7037 of the SFMS cover messages IFN COV 760 (for BG issuance) and IFN COV 767 (for BG amendment) while transmitting the same to the beneficiary bank (ICICI Bank–IFSC-ICIC0000007).

Thanking You,

(Selected Bidder)

Format of Consent Letter

[Dispute Resolution Clause – 22.2.3]

To,

The Airport Director,
Airports Authority of India,

**SUB: Request for appointment of arbitrator under Clause_____of the
_____agreement dated _____for _____**

Sir/Madam,

1. I/We state that _____(contractor/agency) was awarded work/concession of _____at _____Airport/_____ (other location) of Airports Authority of India through Award Letter dated_____.
2. Dispute related to_____arose between us (contractor/agency/ Concessionaire) and AAI.
3. On_____ (date), dispute was referred to Mediation as per AAI Mediation Policy and any settlement on the following claims/disputes was not reached between the parties:
 - (i)
 - (ii)
 - (iii)

A concise statement along with claim in respect of each of such disputes is attached herewith.

4. In view of the above, we invoke arbitration under clause_____of the _____agreement between us and AAI and as per proviso to Section-12(5) of the Arbitration & Conciliation Act, 1996, we hereby agree and request the Chairman/Member/Regional Executive Director AAI to appoint arbitrator.

Thanking you,

(_____)

Authorized signatory of

Encl: As above