

**Leasing of Land for Establishing Maintenance, Repair & Overhaul (MRO) Facility  
on  
Design, Build, Operate, Maintain and Transfer (DBOMT) basis  
at  
Site-1 of Chennai Airport.**

**REQUEST FOR PROPOSAL  
TENDER DOCUMENT Part-I (RFP)  
April 2022**



**Land Management &  
Business Development Unit  
Airports Authority of India  
Safdarjung Airport  
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It is expressly understood that the party has subscribed to this document with an express understanding that they will use this document for the sole purpose of participating in the selection process for the “Leasing of Land for Establishing Maintenance, Repair & Overhaul (MRO) Facility on Design, Build, Operate, Maintain and Transfer (DBOMT) basis at Site-1 of Chennai Airport” and this document must not be used for any other purpose. This document must not be passed on to a third party, except professional advisers assisting with submission of this Bid. This document may not be reproduced or communicated, in whole or in part, and its contents may not be distributed in written or oral or electronic or any other form without written permission from the issuing authority.

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### Disclaimer

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

This RFP is not an agreement and is neither an offer nor invitation by the Authority to 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 proposals pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to establishing of MRO. 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 investigations & 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 for participation in this Bid Stage.

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 at 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 select a Bidder or to appoint the Selected Bidder or Lessee, as the case may be, for the Project and the Authority reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

The Bidder shall bear all costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Authority or any other costs incurred in connection with or relating to its Bid. 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 Bid, regardless of the conduct or outcome of the Bidding Process.

The documents including this RFP and all attached documents, provided by the Authority are and shall remain or become the properties of the Authority and are transmitted to the Bidders solely for the purpose of preparation and the submission of a Bid 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 Bid. This provision shall also apply *mutatis mutandis* to Bids and all other documents submitted by the Bidders, and the Authority will not return to the Bidders any Bid document or any information provided along therewith.

The Authority reserves its right to withdraw from the process at any stage of the process and/or modify the process or any part thereof or to vary any terms at any time or stage without assigning any reasons whatsoever. In such an event, no financial obligation of whatsoever nature shall accrue to the Authority or any of its respective officers, employees, advisors or agents.

Each Bidder's procurement of this RFP constitutes its agreement to and acceptance of the terms set forth in this Disclaimer. By acceptance of this RFP, the recipient agrees that this RFP and any information herewith supersedes document(s) or earlier information, if any, in relation to the subject matter hereto.

**Glossary**

<b>Additional Fee</b>	As defined in Clause 4.20.4
<b>Authority</b>	As defined in Clause 1.1.1
<b>Bid(s)</b>	As defined in Clause 1.1.7.4
<b>Bid Due Date</b>	As defined in Clause 3.1.1
<b>Bid Security</b>	As defined in Clause 1.1.7.7
<b>Bidder(s)</b>	As defined in Clause 1.1.7.4
<b>Bidding Documents</b>	As defined in Clause 1.1.7.6
<b>Bidding Process</b>	As defined in Clause 1.1.7.2
<b>Certified Selected Bidder</b>	As defined in Clause 4.20.4
<b>Conflict of Interest</b>	As defined in Clause 4.2.2
<b>Damages</b>	As defined in Clause 4.2.2
<b>Financial Capacity</b>	As defined in Clause 4.2.5
<b>Lease Fee</b>	As defined in Clause 1.1.7.8
<b>Government</b>	Government of India
<b>Highest Bidder</b>	As defined in Clause 1.1.7.9
<b>Net Worth</b>	As defined in Clause 4.2.8
<b>Lease Agreement</b>	As defined in Clause 1.1.5
<b>Lessee</b>	As defined in Clause 1.1.5
<b>LOA</b>	As defined in Clause 4.20.4
<b>Performance Security</b>	As defined in Clause 1.1.6.2
<b>Project</b>	As defined in Clause 1.1.3
<b>Re. or Rs. or INR</b>	Indian Rupee
<b>RFP</b>	As defined in the Disclaimer
<b>Selected Bidder</b>	As defined in Clause 4.20.1
<b>Site</b>	As defined in Clause 1.1.6.1
<b>Technical Capacity</b>	As defined in Clause 4.2.4
<b>Tie Bidders</b>	As defined in Clause 4.20.1
<b>Uncertified Selected Bidder</b>	As defined in Clause 4.20.4

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto hereinabove.

### Instructions for Online Bid Submission

The bidders are required to submit soft copies of their bids electronically on the CPP Portal in the prescribed formats, using valid Digital Signature Certificates.

More information useful for submitting online bids on the CPP Portal may be obtained at:  
[www.etenders.gov.in](http://www.etenders.gov.in)

Any queries relating to the process of online bid submission or queries relating to CPP Portal in general may be directed to the 24x7 CPP Portal Helpdesk.



## 1. INTRODUCTION

### 1.1 Background

- 1.1.1 The Airports Authority of India (“AAI” or the “Authority”), a Mini Ratna Category-1 Public Sector Enterprise, was constituted by an Act of Parliament and came into being on 1st April 1995, merging erstwhile National Airports Authority and International Airports Authority of India.
- 1.1.2 Towards advancing the vision of India becoming a global hub for MRO spelt out in the May 2020 Economic Packages under ‘आत्मनिर्भर भारत’ - Aatmanirbhar Bharat which can cater to the needs of Indian scheduled and non-scheduled airline operators, besides attracting business from foreign airline operators, an ecosystem for convergence of Defence MRO and Civil MRO is also being promoted to garner economies of scale and bring down maintenance costs for airline operators.
- 1.1.3 In order to promote Indian Civil Aviation sector, Ministry of Civil Aviation has formulated guidelines/ policy for ease of doing business and to provide further incentive to this sector. Airports Authority of India (AAI) has rationalised the airport levies on MRO services providers, including concession fee and additional charges leviable at its airports across the country so as to encourage establishment of Maintenance, Repair & Overhaul (MRO) Facility for aircraft/ helicopters/ drones, their engines and other parts (“**Project**”).
- 1.1.4 As a part of this endeavour, the Authority has decided to undertake establishment of Maintenance, Repair & Overhaul (MRO) Facility, the details of which are set out in Schedule A of Draft Lease Agreement on Design, Build, Operate, Maintain and Transfer (the “**DBOMT**”) basis, and has, therefore, decided to carry out the bidding process for selection of entity(ies) as the Lessee for the establishment of MROs.
- 1.1.5 The Selected Bidder (the “**Lessee**”), shall be responsible for planning, designing, development, building, financing, operation, maintenance and management of MRO and Infrastructure of MRO (“**IOM**”) for a period of 30 (thirty) years in accordance with the provisions of the lease agreement proposed to be entered into between the Authority and the Lessee (the “**Lease Agreement**”) in the form provided by the Authority as part of the Bidding Documents.
- 1.1.6 **Salient features of the Lease Agreement are given below:**
- 1.1.6.1 The Authority will provide limited lease rights over a land parcel, which is more particularly described in Schedule A of Draft Lease Agreement hereto (“**Site**”) at which the hangar or a suitable structure including other associated infrastructure required like apron, taxiways etc. for any type of MRO activities proposed to be developed on design, build, finance, operate maintain & transfer basis, to carry out the permitted MRO activities as per the DGCA regulations according to the terms of the Lease Agreement;
- 1.1.6.2 The Lessee shall, for securing the performance of its obligations under the Lease Agreement, provide to the Authority, an irrevocable and unconditional bank guarantee towards Performance Security, in accordance with the provisions contained in the Lease Agreement, from a nationalised/ scheduled Bank in India, in the form set forth in Schedule C of the Tender Document Part-II (the “**Performance Security**”). The Lessee shall, within 15 (Fifteen) days of issue of the LOI, furnish a Performance Security of amount [equivalent to first year annual Lease

Fee] as per Schedule I of Tender Document Part-II. Until such time, the Performance Security is provided by the Lessee and the same comes into effect, the Bid Security shall remain in force and effect. The Performance Security shall remain in force and shall be kept in effect by the Lessee, during the subsistence of the Lease Agreement and 6 (six) months thereafter;

- 1.1.6.3 In consideration of the Lease rights granted by the Authority to the Lessee, the Lessee shall be obligated to pay the Lease Fee from the date of handing over of site or Effective Date whichever is earlier. The Lease Fee payable by the Lessee to the Authority in terms of Clause 17 of the Agreement, shall stand escalated at the rate of 15.0% after the end of every third year. It is clarified that each such escalation on the Lease Fee shall be computed on the Lease Fee payable during the immediately preceding Accounting Year in terms of the Lease Agreement.
- 1.1.6.4 Notwithstanding anything herein contained that may be or appear to be, to the contrary, it is expressly understood and agreed that the Authority herein reserves the right to grant lease of similar sites to other agencies also on other parts of the Airport/land parcels.
- 1.1.6.5 After completion /termination of this Lease Agreement, the Lessee shall handover and transfer the Site along with the IOM free from any defect or encumbrances in terms of Clause 32 of the Lease Agreement, to the Authority at zero cost. The Lessee shall not have the right to seek a renewal/ Extension of the Lease Agreement beyond the term of this Lease Agreement. Notwithstanding the foregoing, in case the existing Lessee wishes to continue using the site, he shall be required to participate in successive/ fresh bidding process initiated by Authority for that Site wherein Right of First Refusal (ROFR) shall be given to the Lessee to match the first rank bid in terms of the selection criteria provided its bid is within 15% of the most competitive bid received and subject to the condition that no Lessee's Event of Default has occurred during the preceding 5 (Five) years.

#### 1.1.7 Brief description of Bidding Process

- 1.1.7.1 Blank.
- 1.1.7.2 The Authority has adopted a single-stage, 2-envelope bidding process (the "**Bidding Process**").
- 1.1.7.3 The tendering process is online at e-portal <https://etenders.gov.in/eprocure/app>. Aspiring bidders may go through the details given in "**Instructions for Online Bid Submission**" of the RFP document and familiarise themselves.
- 1.1.7.4 The entities bidding through this RFP (the "**Bidders**"), are required to submit their Bids in accordance with the provisions contained in this RFP (the "**Bids**").
- 1.1.7.5 **Tender Fee:** Prior to submission of the Bid, the Bidder shall pay to the Authority a sum of INR 50,000 (Indian Rupees Fifty Thousand) including GST as the Tender Fee. The fee should be submitted through CPP Portal as per Instruction to bidders. Transaction details of online payment made towards Tender Fee shall be submitted against Appendix-5 of this RFP.
- 1.1.7.6 This Tender Document consist of two parts i.e. Part-I (RFP) and Part-II (Lease Agreement). The aforesaid documents and any addenda/ corrigendum issued subsequent to this tender document will be deemed to form part of the Bidding Documents ("**Bidding Documents**").
- 1.1.7.7 The Bidder shall deposit, along with its Bid, a **Bid Security** of Rs 10 (Ten) Lakhs. Bid Security shall be refundable no later than 60 (sixty) days from the Bid Due Date, except the Selected

Bidder whose Bid Security shall be retained until such Selected Bidder has furnished the Performance Security as per Clause 8 of Lease Agreement. The Bidder shall furnish the Bid Security online through payment gateway on CPP Portal. Refund of Bid Security as per terms and conditions of the RFP shall be sent to the respective source account from where Bid Security was received. The proof of Bid Security paid via online mode with transaction details shall be submitted under Appendix-5.

- 1.1.7.8 During the Bid Stage, Bidders are invited to examine the Site in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective Bids for award of the land lease.

Bids will be evaluated on the basis of the highest lease rental for the Site ("**Lease Fee**") quoted by the Bidders in terms of **INR per square meter per year**.

- 1.1.7.9 The bidder who has quoted highest Lease Fee, shall be the **Highest Bidder ("Highest Bidder")**. Taxes as applicable shall be payable by the Bidder in addition to the amount of Lease Fee payable by the Bidder in terms of the Lease Agreement.

## 2. PRE-BID MEETING

### 2.1 Pre-Bid Meeting

- 2.1.1 Pre-bid meeting shall be held offline, at the venue as mentioned in Clause 3.1.1, as well as online through Video Conference on WebEx or similar virtual meet platform as communicated by the Authority, to clarify issues and to answer questions on any matter that may be raised at that stage. The date and time of the Pre-bid meeting shall be as mentioned in Clause 3.1.1 of this RFP. All the Bidders shall be required to furnish the details of their respective representatives who will be participating in the conference like (i) Name and Designation, (ii) Name of the Company, (iii) Email ID, (iv) Mobile Number, (v) Authorization from the bidder to attend the pre-bid etc. by email to [siddharthk@aai.aero](mailto:siddharthk@aai.aero) after which the required Link / meeting number with password shall be provided to them before the Pre-bid meeting. A maximum of 2 (two) representatives of each Bidder shall be allowed to participate in the Pre-bid meeting upon prior production of above mentioned details. If the Authority is unable to identify the authenticity of the participating representatives during the Pre-bid meeting, the Authority shall have a right to either remove or block the said participating representatives from the conference.
- 2.1.2 During the course of Pre-bid meeting(s), the Bidders will be free to seek clarifications and make suggestions for consideration of the Authority. The Authority shall endeavour to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process.
- 2.1.3 The Bidders may upload their queries, if any, on e-tendering portal <https://etenders.gov.in/eprocure/app> before the last date of receiving queries as specified in the clause 3.1.1 of this RFP.

**3. Schedule of Bidding Process**

3.1.1 The Authority shall endeavour to adhere to the following schedule:

Sl. No.	Event Description	Date
1.	Publication of Tender Documents at CPP Portal	08.04.2022
2.	Bid Document Download / Sale start date	08.04.2022
3.	Clarification start date	08.04.2022
4.	Site visit by the Bidders	On request through email during Tender Sale period
5.	Pre-bid meeting date	19.04.2022 at 1100 hrs. through Video Conferencing and at C Block, Rajiv Gandhi Bhawan, New Delhi
6.	Clarification end date	21.04.2022 upto 1800 hrs.
7.	Last date of Authority response to pre-bid clarifications	25.04.2022
8.	Bid Document Download / Sale end date	05.05.2022 upto 1800 hrs.
9.	Bid submission end date (Bid Due Date)	05.05.2022 upto 1800 hrs.
10.	Opening date and time of Technical Bid	09.05.2022 at 1500 hrs.
11.	Opening date and time of Financial Bid	17.05.2022 at 1500 hrs.

**4. INSTRUCTIONS TO BIDDERS****A. GENERAL****4.1 Scope of the Bid**

- 4.1.1 The Authority wishes to receive Bids in order to select experienced and capable Bidder(s) for the Project. The price bids of the Bidders fulfilling the eligibility criteria shall be subsequently evaluated.

**4.2 Eligibility, Bid Parameter and qualification requirement of Bidders**

- 4.2.1 This tender document (RFP & Lease Agreement) is not transferable.

- 4.2.2 The Bidder shall not have any conflict of interest (the “**Conflict of Interest**”) that affects the Bidding Process. Any Bidder found to have a Conflict of Interest shall be disqualified. In the event of disqualification, the Authority shall be entitled to debar the bidder from participation in any tender for 3 years and/ or forfeit and appropriate the Bid/ Performance Security, as the case may be, as mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Authority and not by way of penalty for, inter alia, the time, cost and effort of the Authority, including consideration of such Bidder’s proposal (the “**Damages**”), without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Lease Agreement or otherwise. Bidders to submit a self-declaration that they do not have any Conflict of Interest, refer para 5 (b) of **Appendix-1**. A Bidder shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:

- a) A constituent/ subsidiary/ any group company of such Bidder is constituent of another Bidder; or
  - b) A Bidder or its Director applying individually is also a member of another Bidder; or
  - c) Such Bidder has same legal representative for purposes of this bid as any other Bidder; or
  - d) Such Bidder or any associate thereof has a relationship with another Bidder, directly or through common 3<sup>rd</sup> party, that puts either or both of them in a position to have access to each-other’s information about or to influence the bid of either or each other.
- 4.2.3 To be eligible for this RFP, a Bidder shall fulfil the following conditions of eligibility:
- 4.2.4 **Technical Capacity:** For demonstrating “**Technical Capacity**”, the Applicant shall be, as on the Bid Due Date:
- (i) Proprietary Or Partnership Firm/ LLP Or Public Or Private Limited Company, registered under the Companies Act 1956/ 2013; or
  - (ii) Central or State Government Organizations or their undertakings;

However, such companies shall provide self-declaration, as per para 23 of **Appendix-1**, that it will procure necessary approvals from all concerned authorities. Applicant has to earmarked the applicable category also as shown in **Appendix-7**.

- 4.2.5 **Financial Capacity:** The Applicant shall have a **positive Net Worth** during the financial year 2020-21. Format for calculation of Net worth is given in **Appendix-8**.
- 4.2.6 **Bid Parameter:** The Lease Fee, payable to the Authority in terms of the Lease Agreement, to be quoted by the Bidders shall be the Bid Parameter for the selection of the Highest Bidder. Taxes as applicable shall be payable by the Bidder in addition to the amount of Lease Fee payable by the Bidder in terms of the Lease Agreement. However, the Authority reserves the right not to accept Bid, if it is found to be below the reserve price worked out by the Authority.
- 4.2.7 The following persons or entities falling under (a), (b), (c), (d) & (e) below, shall be ineligible for submission of a bid in terms of this RFP and should not participate in the bidding process. If such entities participate in the bidding process and if same found by the Authority during or after the bidding process, then the bid submitted by such bidder shall be deemed to be a non-responsive bid and their bids shall be summarily rejected/ cancelled:
- (a) Persons or entities debarred/ black listed by CBI or the Authority or Government undertakings or any entity controlled by the Government such as railways, defence, or any other department of Government and such bar subsists as on the date of this RFP;
  - (b) Parties facing action under Public Premises (Eviction of unauthorised Occupants) Act, 1971 or the Airports Authority of India Act, 1994 and has not submitted an Undertaking in the form given in **Appendix-4**;
  - (c) A Bidder 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, as the case may be, nor have 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. Provided, however, that where a Bidder claims that its disqualification arising on account of any cause or event specified in this Clause is such that it does not reflect (a) any malfeasance on its part in relation to such cause or event; (b) any wilful default or patent breach of the material terms of the relevant contract; (c) any fraud, deceit or misrepresentation in relation to such contract; or (d) any rescinding or abandoning of such contract, it may make a representation to this effect to the Authority for seeking a waiver from the disqualification hereunder and the Authority may, in its sole discretion and for reasons to be recorded in writing, grant such waiver if it is satisfied with the grounds of such representation and is further satisfied that such waiver is not in any manner likely to cause a material adverse impact on the Bidding Process or on the implementation of the transactions contemplated hereunder;
  - (d) If the entity participating in any of the tenders is a Government or private or Public Limited Company, Partnership Firm or sole proprietor and any of the Director/ partners/ sole proprietor of such company is also a Director of any other company or partner of a concern or a sole proprietor having established business with Authority and has outstanding dues payable to the Authority as on Dec 31, 2021 and have not submitted a duly notarized Undertaking in the form given in **Appendix-4**, then the said entity shall not be allowed to participate in Authority tenders;
  - (e) Parties shall not have any dues pending for payment to Authority as on Dec 31, 2021. Parties having old disputed dues but stayed by Court/ Tribunal or referred to Settlement



Advisory Committee (SAC) constituted by the Authority as on the date of submission of this tender shall not be treated as defaulters for this tender purpose. However, Parties having disputed dues with the Authority but is pending before any Court/ Tribunal, and such dues has not yet been stayed by Court/ Tribunal are to be duly paid and cleared by the Parties, to participate in this tender. A Declaration to the effect that the Bidder does not fall under the above categories has to be submitted in the Technical Bid along-with details of previous contracts with AAI to be submitted by the Bidders as per **Appendix-4**.

For the purpose of this clause the Outstanding dues shall be reckoned as per the Authority's books (SAP entries) as on Dec 31, 2021 and same shall be communicated to the agency upon opening of the Technical Bid. The Bidder shall clear all such outstanding dues for getting qualified in technical bid.

4.2.8 The Bidder shall enclose with its Bid, to be submitted in the form acceptable to the Authority:

- (a) A certificate(s) from statutory auditors of the Bidder specifying the Net Worth of the Bidder, at the end of the financial year 2021, and also specifying that the methodology adopted for calculating such Net Worth conforms to the provisions of this Clause. For the purposes of this RFP, Net Worth (the "**Net Worth**", to be calculated as per format given in **Appendix-8**) shall mean the sum of subscribed and paid up equity and reserves from which shall be deducted the sum of revaluation reserves, miscellaneous expenditure not written off and reserves not available for distribution to equity shareholders; and
- (b) A declaration to the effect that it is not disqualified from submitting a bid in terms of Clause 4.2.7; and
- (c) The Bidder as individual or as associate firm/ vendor had any financial dealings with the Authority should clear all undisputed dues (including those disputes which are not been stayed by the judicial orders or referred to SAC constituted by the Authority), as on Dec 31, 2021. An undertaking to this effect is to be submitted by the bidder as per **Appendix-4**.

4.2.9 The Bidder should submit a Power of Attorney as per the format in **Appendix-2**, authorizing the digital signatory of the Bidder to commit the Bidder.

4.2.10 While qualification is open to persons from any other country, the following provisions shall apply:

- a) Where, on the Bid Due Date, 25% (twenty-five per cent) or more of the aggregate issued, subscribed and paid up equity share capital in a Bidder is held by persons resident of outside India or where a Bidder is controlled by persons resident of outside India; or
- b) if at any subsequent stage after the Bid Due Date, there is an acquisition of 25% (twenty-five per cent) or more of the aggregate issued, subscribed and paid up equity share capital or control, in the Bidder is held by the persons resident of outside India;

then, the qualification of such Bidder or in the event described in sub clause (b) above, the continued qualification of the Bidder shall be subject to approval of the Authority from national security and public interest perspective. The decision of the Authority in this behalf shall be final and conclusive and binding on the Bidder.

4.2.11 The holding or acquisition of equity or control, as above, shall include direct or indirect holding/ acquisition, including by transfer, of the direct or indirect legal or beneficial ownership or control, by persons acting for themselves or in concert and in determining such holding or acquisition, the Authority shall be guided by the principles, precedents and definitions contained in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, or any substitute thereof, as in force on the date of such acquisition.

4.2.12 The Bidder shall promptly inform the Authority of any change in the shareholding, as above, and failure to do so shall render the Bidder liable for disqualification from the Bidding Process.

4.3 A bidder need to furnish the particulars of the bidder as required as per Appendix-6.

#### 4.4 Implementation of Integrity Pact

Signing of Integrity pact (as per **Appendix-9**) is mandatory for every bidder. The consequences of Integrity Pact may be perused on the website <http://www.aai.aero/>

The External Independent Monitor (EIM) for this work will be:

Mr. J. K. Khanna

Mr. R. Ramanujam

Retd. IPS Officer

IAS (Retd.)

[jkkhannaips@yahoo.com](mailto:jkkhannaips@yahoo.com)

[raamaanuj@gmail.com](mailto:raamaanuj@gmail.com)

#### 4.5 Change of Ownership

4.5.1 The Selected Bidder cannot make any changes in its shareholding pattern, existing at the time of submission of bid, that results in change in control of the Selected Bidder (i.e., less than 51% equity) for a minimum period of 3 (three) years from the Effective Date.

For the duration beyond the Effective Date, terms of Clause 4.18 of the Lease Agreement shall be applicable upon the Selected Bidder/ Lessee.

#### 4.6 Site visit and verification of information

4.6.1 Location, size with permissible height of structure at Site/ plot identified for commencement of MRO operations from respective airport are shown in drawings at Annexure III of Schedule A of Lease Agreement.

4.6.2 Bidders are encouraged to submit their respective Bids after visiting the Site and ascertaining themselves about the Site conditions, location, surroundings, climate, availability of power, water and other utilities for construction, access to Site, handling and storage of materials, applicable laws and regulations, and any other matter considered relevant by them, at their own cost.

#### 4.7 Acknowledgement of the Bidders

4.7.1 It shall be deemed that by submitting a Bid, the Bidder has:

- a) made a complete and careful examination of the 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 Bidding Documents or furnished by or on behalf of the Authority relating to any of the matters referred to in Clause 4.6 above;



- d) satisfied itself about all matters, things and information including matters referred to in Clause 4.6 hereinabove necessary and required for submitting an informed Bid in accordance with the Bidding Documents and performance of all of its obligations thereunder;
  - e) acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the Bidding Documents or ignorance of any of the matters referred to in Clause 4.6 hereinabove shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc. from the Authority, or a ground for termination of the Lease Agreement by the Lessee;
  - f) acknowledged that it does not have any Conflict of Interest; and
  - g) acknowledged that it is not disqualified or ineligible in terms of this RFP;
  - h) agreed to be bound by the undertakings provided by it under and in terms hereof.
- 4.7.2 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 this RFP, the Bidding Documents or the Bidding Process, including any error or mistake therein or in any information or data given by the Authority or matters incidental or ancillary thereto.
- 4.8 **Verification and disqualification**
- 4.8.1 The Authority reserves the right to accept or reject any Bid and to annul or modify the Bidding Process and reject all Bids, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons therefor. In the event that the Authority rejects or annuls all the Bids, it may, at its sole discretion, invite all eligible Bidders to submit fresh Bids hereunder.
- 4.8.2 **Right to accept or reject any or all Bids**
- The 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 the 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 the Authority shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any rights of the Authority thereunder.
- 4.8.3 The Authority reserves the right to reject any Bid and debar the bidder, if
- a) at any time, a material misrepresentation is made or uncovered, or
  - b) the Bidder does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Bid.
- 4.8.4 Such misrepresentation/ improper response shall lead to the disqualification of the Bidder. If such disqualification / rejection occurs after the Bids have been opened and the Highest Bidder gets disqualified / rejected, then the Authority reserves the right to:
- a) consider the next best Bidder; or
  - b) take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process.

4.8.5 In case it is found during the evaluation or at any time before signing of the Lease Agreement or after its execution and during the period of subsistence thereof, that one or more of the qualification 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 Lessee either by issue of the LOI/ LOA or entering into of the Lease Agreement, and if the Selected Bidder has already been issued the LOI/ LOA or has entered into the Lease 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 the Authority to the Selected Bidder or the Lessee, as the case may be, without the Authority being liable in any manner whatsoever to the Selected Bidder or Lessee. In such an event, the Authority shall be entitled to forfeit and debar the Bidder, and appropriate the Performance Security, as the case may be, as Damages, without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Lease Agreement, or otherwise.

#### 4.9 **Amendment of Bidding Documents**

- 4.9.1 At any time prior to the Bid Due Date, the Authority may, for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the Bidding Documents by issuance of addenda(s)/corrigendum(s).
- 4.9.2 Any addendum/corrigendum(s) issued shall be part of the Bidding Document and shall be available on the Authority website/CPP portal or sent to the Bidders.
- 4.9.3 In order to afford the Bidders a reasonable time for taking an addendum/corrigendum(s) into account for preparing their bids, or for any other reason, the Authority may, in its sole discretion, extend the Bid Due Date.

**B. PREPARATION AND SUBMISSION OF BIDS****4.10 Language**

The Bid and all related correspondence and supported documents in relation to the Bidding Process shall be in English language.

**4.11 Documents requiring submission in original: Hardcopies of Bank Guarantees (BGs) against Bid Security for additional Site(s) quoted**

Notwithstanding the provisions of online Bid submission as per clause 4.12, the original hard copies of the following documents must be submitted by the Successful Bidder to Authority before issue of LOA:

- a) Letter comprising the Bid as per Appendix-1.
- b) Power of Attorney for signing the Bid as per Appendix-2.
- c) Declaration as per Appendix-4
- d) Technical Capacity as per Appendix-7
- e) Financial Capacity as per Appendix-8
- f) Duly signed Integrity Pact as per Appendix-9.

**4.12 Instructions for submission of Bid**

**4.12.1 Technical Bid:** The scanned copy of following documents shall constitute the Technical Bid and to be submitted as **Envelope-I**:

FORMAT FOR SUBMISSION OF BID		
1.	Appendix-1	Letter comprising the Bid
2.	Appendix-2	Power of Attorney for signing the Bid
3.	Appendix-3	Statement of Legal Capacity
4.	Appendix-4	Declaration
5.	Appendix-5	Transaction details of online payment made towards Tender Fee and Bid Security
6.	Appendix-6	Particulars of the Bidder
7.	Appendix-7	Technical Capacity of the Bidder
8.	Appendix-8	Financial Capacity of the Bidder
9.	Appendix-9	Integrity Pact

**4.13 Financial Bid:** The following shall be submitted as a part of Envelope II:

**4.13.1** Financial Bid duly filled and digitally signed in prescribed MS Excel format. Sample format for the same is given in Appendix-10.

- 4.13.2 Utmost care should be taken to upload the Financial Bid. Any change in the format of Financial Bid file shall render it unfit for bidding. Following Steps may be followed in submission of Financial Bid:
- Download BOQ of Financial Bid in XLS/ XLSX format.
  - The same XLS / XLSX file is a password protected file. Don't unprotect the file.
  - Fill 'Bidder's Name' & 'financial quote' in colored unprotected cells only in the downloaded BOQ.
  - Bidder need to fill the rates only against the Site for which they want to quote their rates. Rate column for the Site should be left blank for which bidder is not interested to quote their rates.
  - Validate the above sheet and save the same file in your computer and upload this duly filled file.

Please note that the format of Financial Bid as provided in Appendix-10 is only for the purpose of reference/acclimatization, the Bidder needs to submit the Financial Bid online as per the procedure mentioned above.

**4.14 Late Bids**

Bids received by the Authority after the specified time on the Bid Due Date shall not be eligible for consideration and shall be summarily rejected.

**4.15 Modifications/Substitution/Withdrawal of Bids**

The Bidder may modify, substitute or withdraw its Bid on the e-tender portal prior to the Bid Due Date. No Bid shall be modified, substituted or withdrawn by the Bidder on or after the Bid Due Date.

The Authority reserves 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.

**4.16 Validity of bids**

The bids shall be valid for a period of not less than 180 (one hundred and eighty) days from the Bid Due Date. The validity of Bids may be extended by mutual consent of the respective Bidders and the Authority.

**4.17 Proprietary data**

All documents and other information supplied by the Authority or submitted by a Bidder to the Authority shall remain or become the property of the Authority. 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 Bid. The Authority will not return any Bid documents or any information provided along with it.

**4.18 Opening and Evaluation of Bids**

- 4.18.1 Bidders shall note that qualification of Bids will be entirely at the discretion of the Authority. Bidders will be deemed to have understood and agreed that no explanation or justification on any aspect of the Bidding Process or selection will be given.

- 4.18.2 Any information contained in the Bid shall not in any way be construed as binding on the Authority, its agents, successors or assigns, but shall be binding against the Bidder if the lease is subsequently awarded to it on the basis of such information.
- 4.18.3 The Authority reserves the right not to proceed with the Bidding Process at any time without notice or liability and to reject any or all Bid(s) without assigning any reasons.
- 4.18.4 To facilitate evaluation of Bidders, the Authority may, at its sole discretion, seek clarifications from any Bidder regarding its Bid. Such clarification(s) shall be provided within the time specified by the Authority for this purpose.
- 4.18.5 If a Bidder does not provide clarifications sought under Clause 4.18.4 above within the prescribed time, its Bid shall be liable to be rejected. In case the Bid is not rejected, the Authority may proceed to evaluate the Bid by construing the particulars requiring clarification to the best of its understanding, and the Bidder shall be barred from subsequently questioning such interpretation of the Authority.

#### 4.19 **Test of responsiveness**

- 4.19.1 Prior to evaluation of Bids, the Authority shall determine whether each Bid is responsive to the requirements of the RFP. A Bid shall be considered responsive only if:
- it is received as per formats prescribed in Appendices;
  - it is received by the Bid Due Date including any extension;
  - it paid the Bid Processing Fee and Bid Security online;
  - it is submitted by the eligible bidders as per eligibility criteria;
  - it is accompanied by the Power(s) of Attorney;
  - it contains all the information and documents (complete in all respects) as requested in this RFP;
  - it contains information in formats same as those specified in this RFP/Bidding documents;
  - it contains certificates from statutory auditors/ chartered accountants;
  - it does not contain any condition or qualification; and
  - it is not non-responsive in violation of terms hereof.
- 4.19.2 The Authority reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Bid. Provided, however, that the Authority may, in its discretion, allow the Bidder to rectify any infirmities or omissions if the same do not constitute a material modification of the bid.
- 4.19.3 The Bidder shall be debarred for a period of 3 years without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or under the Lease Agreement, or otherwise, if
- a Bidder submits a non-responsive Bid;
  - a Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in Clause 5 of this RFP;

- c) a Bidder withdraws its Bid during the period of Bid validity as specified in this RFP and as extended by mutual consent of the respective Bidder(s) and the Authority;
- d) the Selected Bidder fails within the specified time limit –
  - i. to sign and return the duplicate copy of LOI & LOA; or
  - ii. to sign the Lease Agreement; or
  - iii. to furnish the Performance Security within the period prescribed thereof in the Lease Agreement.
- e) the Selected Bidder, having signed the Lease Agreement, commits any breach thereof prior to furnishing the Performance Security.

#### 4.20 Selection of Bidder

- 4.20.1 Subject to provision of the Clause 4.2.6 & 4.15, the bidder whose bid is adjudged as responsive in terms of Clause 4.19.1 and who has quoted the highest Lease Fee shall be declared as the Selected Bidder (the “**Selected Bidder**”).

In the event that two or more Bidders quote the same amount of Lease Fee in the Financial Bid (**‘Tie Bidders’**), the Authority may ask the Tie Bidders to submit their revised financial bid, in physical form in a sealed envelope, to be submitted to the O/o ED (LM&BD), C-Block, RGB, Safdarjung Airport, New Delhi-03, by the due date and time. Such sealed envelopes of Tie-bidders shall be opened at the same day in the presence of the Tie-bidders available, if any, to witness the same. The due date, time and the format for submission of revised financial bid in sealed envelope will be intimated by Authority in writing after schedule opening of Financial Bid at CPPP. The Tie-Bidder who quotes the highest amount (above their original quote) in this financial bid in sealed envelope will be declared as the Selected Bidder.

- 4.20.2 In the event that the Highest Bidder withdraws or is not selected for any reason in the first instance (the “first round of bidding”), the Authority may invite all the remaining qualified Bidders to revalidate or extend the validity of their respective Bid Security, as necessary, and match the Bid of the aforesaid Highest Bidder (the “second round of bidding”). If in the second round of bidding, only one Bidder matches the Highest Bidder, it shall be the Selected Bidder. If two or more Bidders match the said Highest Bidder in the second round of bidding, then the Bidder whose Bid was higher as compared to other Bidder(s) in the first round of bidding shall be the Selected Bidder. For example, if the third and fifth highest Bidders in the first round of bidding offer to match the said Highest Bidder in the second round of bidding, the said third highest Bidder shall be the Selected Bidder.
- 4.20.3 In the event that no Bidder offers to match the Highest Bidder in the second round of bidding as specified in Clause 4.20.2, the Authority may, in its discretion, invite fresh Bids (the “third round of bidding”) from all Bidders except the Highest Bidder of the first round of bidding, or annul the Bidding Process, as the case may be.
- 4.20.4 Upon conclusion of the Bid process, the Authority may issue a Letter of Intent (the “LOI”) as per following:
- a) Selected Bidder, already certified by DGCA (under CAR-145) as MRO/ AMO agency (the “**Certified Selected Bidder**”), shall within a period of 15 (fifteen) days from the date of

issuance of LOI, submit the documentary proof of such certification to the Authority. Within 15 days of receiving such communication, the Authority shall issue a Letter of Award (the “LOA”) to such Certified Selected Bidder.

- b) Selected Bidder, not certified by DGCA (under CAR-145) as MRO/ AMO agency (the “**Uncertified Selected Bidder**”), shall within a period of 1 (one) year from the date of issuance of LOI, seek DGCA certification under C.A.R.-145 and other requisite clearance to be a registered/ licensed MRO as per DGCA C.A.R.-145 and inform to the Authority in writing with documentary proof of the same. Within 15 days of receiving such communication, the Authority shall issue a Letter of Award (the “LOA”) to such Uncertified Selected Bidder. In case of failure to obtain the aforesaid clearance within the period of one year, such Uncertified Selected Bidder may submit a request to the Authority for extension of time to seek approval along with the payment of amount equivalent to accepted annual Lease Fee (the “**Additional Fee**”). However, in case of failure to obtain aforesaid clearances even in the extended period of 12 months, the Authority shall cancel the LOI and forfeit the Bid Security along with Additional Fee.

After handing over of Site to Lessee, the Lessee shall be responsible for creation of all necessary infrastructure for successful commissioning and commencement of MRO facility from that Site with all necessary approvals and clearances from DGCA, BCAS & other concerned Authorities. The permissible height of infrastructure on MRO Site as per AAI height NOC is mentioned at Appendix-II of Schedule-A of Tender Document Part-II (NOC already issued by AAI).

- 4.20.5 After acknowledgement of the LOA as aforesaid by the Selected Bidder, it shall cause the Lessee to execute the Lease Agreement within the period prescribed in LOA. The Selected Bidder shall not be entitled to seek any deviation, modification or amendment in the Lease Agreement.

## 5. FRAUD AND CORRUPT PRACTICES

- 5.1.1 The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process and subsequent to the issue of the LOI/ LOA and during the subsistence of the Lease Agreement. Notwithstanding anything to the contrary contained herein, or in the LOI/ LOA or the Lease Agreement, the Authority may reject a Bid, withdraw the LOI/ LOA, or the Authority may terminate the Lease Agreement, as the case may be, without being liable in any manner whatsoever to the Bidder or Lessee, as the case may be, if it determines that the Bidder or Lessee, as the case may be, 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. In such an event, the Authority shall be entitled to debar the bidder for a period of 3 years or appropriate the Performance Security, as the case may be, as Damages, without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Lease Agreement, or otherwise.



- 5.1.2 Without prejudice to the rights of the Authority under Clause 5.1.1 hereinabove and the rights and remedies which the Authority may have under the LOI/ LOA or the Lease Agreement, or otherwise if a Bidder or Lessee, as the case may be, 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, or after the issue of the LOI/ LOA or the execution of the Lease Agreement, such Bidder or Lessee shall not be eligible to participate in any tender or RFP issued by the Authority during a period of 2 (two) years from the date such Bidder or Lessee, as the case may be, 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 practices, as the case may be.
- 5.1.3 For the purposes of this Clause, the following terms shall have the meaning hereinafter respectively assigned to them:
- 5.1.3.1 **“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 associated in any manner, directly or indirectly, with the Bidding Process or the LOI/ LOA or has dealt with matters concerning the Lease Agreement or arising therefrom, before or after the execution thereof, at any time prior to the expiry of one year 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); or (ii) save and except as permitted under this RFP, engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOI/ LOA or after the execution of the Lease Agreement, as the case may be, any person in respect of any matter relating to the Bid or the LOI/ LOA or the Lease Agreement, who at any time has been or is a legal, financial or technical adviser of the Authority in relation to any matter concerning the Bids or the transaction contemplated in the Bidding Documents;
- 5.1.3.2 **“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;
- 5.1.3.3 **“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;
- 5.1.3.4 **“unfair 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
- 5.1.3.5 **“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. MISCELLANEOUS**

- 6.1.1 The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts in the State in which the Authority has its headquarters shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- 6.1.2 The Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;
- 6.1.2.1 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;
  - 6.1.2.2 consult with any Bidder in order to receive clarification or further information;
  - 6.1.2.3 retain any information and/ or evidence submitted to the Authority by, on behalf of, and/ or in relation to any Bidder; and/ or
  - 6.1.2.4 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.

It shall be deemed that by submitting the Bid, 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, pursuant hereto and/ or in connection with the Bidding Process and waives, to the fullest extent permitted by applicable laws, any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.

**7. APPENDICES****APPENDIX – 1**  
**Letter comprising the Bid**  
(Refer Clause 4.12.1)

To,

**The Chairman,**  
Airports Authority of India,  
Rajiv Gandhi Bhawan,  
Safdarjung Airport,  
New Delhi -110 003.

**Sub:** Leasing of Land for Establishing Maintenance, Repair & Overhaul (MRO) Facility on Design, Build, Operate, Maintain and Transfer (DBOMT) basis at site-1 of Chennai Airport.

Dear Sir,

1. With reference to your tender documents dated [●], we, having examined the Bidding Documents and understood their contents, hereby submit my/our Bid for the aforesaid project. The Bid is unconditional and unqualified.
2. We acknowledge that the Authority will be relying on the information provided in the Bid and the documents accompanying the Bid for selection of the Lessee for subject work and we certify that all information provided therein is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying the Bid are true copies of their respective originals.
3. We shall make available to the Authority; any additional information it may find necessary or require to supplement or authenticate the Bid.
4. We acknowledge the right of the Authority to reject our Bid 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.
5. We declare that:
  - a. We have examined and have no reservations to the Bidding Documents, including any addendum issued by the Authority;
  - b. We do not have any conflict of interest in accordance with Clause 4.2.2 of the RFP document;
  - c. 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 5.1.3 of the RFP document, in respect of any tender or request for proposals issued by or any agreement entered into with the Authority or any other public sector enterprise or any government, Central or State; and
6. We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Bid that you may receive nor to invite the Bidders to Bid for the transactions contemplated under the Bidding Documents, without incurring any liability to the Bidders, in accordance with Clause 4.18.3 of the RFP document.
7. We certify that in regard to matters other than security and integrity of the country, that any of our Directors/ Partners/ Proprietor 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 Project or which relates to a grave offence that outrages the moral sense of the community.
8. We further certify that no investigation by a regulatory authority is pending against us or against any of our Directors/ Partners/ Proprietor.



9. We further certify that any of our Directors/ Partners/ Proprietor are not barred by the Central Government/State Government or any entity controlled by it, from participation in any project, and no bar subsists as on date of Bid.
10. We understand that the Selected Bidder shall be an incorporated entity.
11. 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 Bidding Process itself and the terms and implementation thereof.
12. 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 Bidding Process itself, in respect of the transaction contemplated in the Bidding Documents and the terms and implementation thereof.
13. We have studied all the Bidding Documents carefully and also surveyed the Site. We understand that except to the extent as expressly set forth in the Lease Agreement, we shall have no claim, right or title arising out of any documents or information provided to us by the Authority or in respect of any matter arising out of or relating to the Bidding Process including the award of concession.
14. We have deposited the Bid Security to the Authority in accordance with the RFP Document.
15. The proof of payment of Bid Security is attached.
16. The documents accompanying the Bid, as specified in Clause 4.12 & 4.13 of the RFP, have been submitted through E- Portal as "Technical Bid" and "Financial Bid".
17. We agree and understand that the Bid is subject to the provisions of the Bidding Documents. In no case, we shall have any claim or right of whatsoever nature if the concession is not awarded to us or our Bid is not opened or rejected.
18. The Concession Fee has been quoted by us after taking into consideration all the terms and conditions stated in the RFP, draft Lease Agreement, our own estimates of costs and revenues and after a careful assessment of the Site and all the conditions that may affect the costs involved and implementation of the transaction contemplated by the Bidding Documents.
19. We certify that in terms of the RFP, our Net Worth is INR [●] (Indian Rupees [●] only).
20. We agree and undertake to abide by all the terms and conditions of the RFP document.
21. We shall keep this offer valid for 180 (one hundred and eighty) days from the Bid Due Date specified in the RFP.
22. In witness thereof, we submit this Bid under and in accordance with the terms of the RFP document.
23. We will procure all the necessary approvals required for establishment of MRO at the proposed Site(s) from all concerned authorities.

Yours faithfully,

Date: (Signature, name and designation of the Authorized signatory)  
Place: Name and seal of Bidder



**APPENDIX – 2****Power of Attorney for signing of Bid***(Refer Clause 4.2.9)*

Know all men by these presents, I/We [●] (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorize Mr./ Ms. (name), [●] son/daughter/wife of [●] 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 Bid for selection and submission of our bid, for the construction, operation and maintenance of the Hangar and the Apron, including but not limited to signing and submission of all bids and other documents and writings, participate in pre-bid 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 Lease Agreement and undertakings consequent to acceptance of our bid, and generally dealing with the Authority in all matters in connection with or relating to or arising out of our bid and/ or upon award thereof to us and/or till the entering into of the Lease Agreement with the Authority.

AND we 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.

IN WITNESS WHEREOF WE, [●], THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS [●] DAY OF [●], 2022

For [●]

(Signature, name, designation and address)

Witnesses:

- 1.
- 2.

Accepted

Notarised

(Signature, name, designation 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 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 Legislation Convention 1961 are not required to be legalized by the Indian Embassy if it carries a conforming Apostille certificate.*

**APPENDIX – 3**

**Statement of Legal Capacity**

*(Refer Clause 4.12.1)*

*(To be forwarded on the letterhead of the Bidder)*

Ref.

Date:

To,

**The Chairman,**  
Airports Authority of India,  
Rajiv Gandhi Bhawan,  
Safdarjung Airport,  
New Delhi -110 003.

Dear Sir,

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

We have agreed that [●] (insert individual's name) will act as our representative 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 [●]

(Signature)

(Name and designation)

**APPENDIX – 4***(Refer Clause 4.2.7; Duly notarized)***DECLARATION**

I, \_\_\_\_\_ <Name, Designation & Company Name with Address>, do hereby solemnly affirm and state as follows:

1. I/We are having/had the following contracts at Airports/Offices controlled by Airports Authority of India:

Sr. No.	Airport Name	Facility/ Contract	Contract Period		Details of Bid Security	Dues (disputed and undisputed)
			From	To		
1.						
2.						

(In case of no contracts in AAI controlled Airports, indicate NIL)

2. I/We are not debarred / blacklisted by CBI or AAI or undertakings/ Departments like Railways, Defense or any other department of Government of India or State Government (In case if you have been debarred / blacklisted, submit all the details).
3. I/We have not faced/are not facing any action under AAI Act (In case if you have faced/are facing action under AAI Act, submit all the details).
4. I/We have never been ordered by a Court of Law to pay the outstanding dues to AAI at any of the airports (In case if you have been ordered by Court of Law, submit all the details).
5. I/We declare that none of the Directors/ Partners/ Sole Proprietor of our company is also a Director of any other company or partner of a concern or a Sole Proprietor having established business with AAI and has dues with AAI" (In case if you fall under anyone of the above category, please furnish all such relevant details).
6. I/ We hereby undertake that in case I / We emerge as H-1 bidder in the subject tender and if any amount is found as outstanding against me/ us including the part of undisputed dues (referred to court but payment not stayed by the court) during the intervening period i.e. after the submission of tender and before finalization of award, then I / We shall clear all such dues before the award of lease.
7. I/ We declare that "No raid/seizure/search has been carried out and/or pending by a Regulatory Authority in respect of the lease granted by AAI in any of the Airport premises it here against me and/or against any of the Directors/ Partners/ Proprietor" (In case of raids/ seizure/ search conducted, please furnish all such relevant details).
8. All the facts stated above are true and correct to the best of my knowledge, belief and information.

Date:

Signature with Seal

## **APPENDIX – 5**

Transaction details of online payment made towards Tender Fee and Bid Security  
*(Refer Clause 1.1.7.5 & 1.1.7.7)*

**APPENDIX – 6****Particulars of the Bidder****(Details like PAN, GST, Incorporation certificate etc. also to be attached)***(Refer Clause 4.12.1)*

1. (a) Name:  
(b) Country of incorporation:  
(c) Address of the corporate headquarters and its branch office(s), if any, in India:  
(d) Date of incorporation and/ or commencement of business:
2. Brief description of the company including its business and proposed role and responsibilities:
3. Particulars of individual(s) who will serve as the point of contact/ communication for the Bidder:
  - (a) Name :
  - (b) Designation :
  - (c) Company :
  - (d) Address :
  - (e) Telephone number :
  - (f) E-mail address :
4. Particulars of the Authorized Signatory of the Bidder:
  - (a) Name :
  - (b) Designation :
  - (c) Address :
  - (d) Phone number :

5. The following information shall also be provided for the Bidder:

No.	Criteria	Yes	No
1.	Has the Bidder been barred by the [Central/ State] Government, or any entity controlled by it, from participating in any project?		
2.	If the answer to 1 is yes, does the bar subsist as on the date of Bid?		
3.	Has the Bidder paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalized due to any other reason in relation to execution of a contract, in the last three years?		

6. A statement by the Bidder disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary).



**APPENDIX – 7****Details of Technical Capacity of the Bidder***(Refer to Clauses 4.2.4 of the RFP)*

Category of Lessee <sup>#</sup>	Registered with Directorate General of Civil Aviation (DGCA) <sup>#</sup>	
	Yes	No
(1)		
Proprietary/ Partnership Firm		
Scheduled operator (SOP)		
Non-scheduled operator (NSOP)		
Maintenance, Repair & Overhaul (MRO)		
Private companies registered under the Companies Act 1956/ 2013, including joint ventures		
Original Equipment Manufacturer (OEM) of aircraft/helicopters/ drones and their engines and other parts		
Central or State Government or their undertakings.		

**Note:**

# In case the bidder is registered with DGCA tick 'yes' and specify the registration details and leave the other column blank.

**APPENDIX – 8****Details of Financial Capacity of the Bidder***(Refer to Clauses 4.2.5 of the RFP)***Format for the calculation of Net Worth:**

The Bidder shall provide a certificate from its statutory auditor in the format given below:

This is to certify that Net Worth of M/s [●] (*Name of the Bidder*) is [●], details as per the table below :

Sl. No.	Description	Write the Year
		Amount in Rupees
1	Subscribed and paid-up equity	
2	Reserves	
3	Share allotment money already received	
4	Preference shares (including redeemable)	
5	Convertible debentures but excluding warrants	
6	Sub Total ((1)+(2)+(3)+(4)+(5))	
7	Revaluation reserves	
8	Miscellaneous expenditure not written off	
9	Accumulated losses	
10	Reserves not available for distribution to equity shareholders	
11	Subtotal ((7)+(8)+(9)+(10))	
12	Net Worth ((6) – (11))	

- Signature of the statutory auditor of the Bidder :
- Name of the Partner :
- Name of the statutory auditor firm/company :
- Registration number of the partner :
- Address of the statutory auditor :
- Phone number of the statutory auditor firm/company :
- Fax number of the statutory auditor firm/comp :

**APPENDIX – 9**

(Ref clause 4.4)

**INTEGRITY PACT**

This Pact (“**Integrity Pact**”) made this [●] day 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 at [●] in 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” (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).

WHEREAS the Authority intends to award, under laid down organizational procedures, tender for construction, operation and maintenance of Hangars and the Aprons. The 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.

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 Monitors (IE) who will monitor the tender process and the execution of the agreement for compliance with the principles mentioned above.

AND WHEREAS the Bidder is submitting a tender to the Authority for construction, operation and maintenance of a Hangar and the Apron at [●] airport. In response to the NIT (Notice Inviting Tender) dated [●] Bidder is signing the agreement for the construction, operation and maintenance of a Hangar and the Apron at [●] airport.

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 term of the agreement to be entered into with a view to:

- a) enabling the Authority to obtain the desired 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
- b) enabling Authority to abstain from bribing or indulging in any corrupt practice in order to secure the agreement 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 agreement 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-agreement 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 agreement process. In such a case while an enquiry is being conducted by the Authority the proceedings under the agreement would not be stalled.
3. **Commitments of Bidders**
- The Bidder 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-tender or post-tender stage in order to secure the agreement or in furtherance to secure it and in particular commit itself to the following:-
- 3.1. The Bidder 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 agreement in exchange for any advantage in the bidding, evaluation, contracting and implementation of the agreement.
- 3.1.1. The Bidder 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 tender or forbearing to do or having done any act in relation to the obtaining or execution of the agreement or any other agreement with the Authority for showing or forbearing, to show favour or disfavour to any person in relation to the agreement or any other agreement with the Authority.
- 3.1.2. The Bidder 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.
- 3.2. The Bidder shall, when presenting its bid, disclose the name and address of agents and representatives and Indian Bidders shall disclose their foreign principals or associates, if any.
- 3.3. The Bidder shall when presenting its bid, disclose any and all the payments it has made or, is committed to or intends to make to agents/brokers or any other intermediary, in connection with this bid.
- 3.4. The Bidder, either while presenting the bid or during pre-agreement negotiations or before signing the agreement, shall disclose any payments it 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 agreement and the details of services agreed upon for such payments.
- 3.5. The Bidder will not collude with other parties interested in the agreement to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the agreement.

- 3.6. The Bidder will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 3.7. The Bidder 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 also undertake to exercise due and adequate care lest any such information is divulged.
- 3.8. The Bidder will inform to the Independent External Monitors (IE) 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).
- 3.9. The Bidder commits to refrain from submitting any complaint directly or through any other manner without supporting it with full and verifiable facts.
- 3.10. The Bidder shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- 3.11. If any employee of the Bidder or any person acting on behalf of the Bidder, 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, the same shall be disclosed by the Bidder at the time filing of tender. The term 'relative' for this purpose would be as defined in Section 2(77) of the Companies Act 2013.
- 3.12. The Bidder 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.
- 3.13. That if the Bidder, during tender process or before the award of the lease or during execution of the /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 into question, the Authority is entitled to disqualify him from the tender process or to terminate the agreement for such reason and to debar the Bidder from participating in future bidding processes.

#### 4. Previous Transgression

- 4.1. The Bidder declares that no previous transgression occurred in the last 3 (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 Bidders' exclusion from the tender process.
- 4.2. The Bidder agrees that if it makes incorrect statement on this subject, it can be disqualified from the tender process or the agreement, if already awarded, can be terminated for such reason and he may be considered for debarment for future tender processes.
- ~~4.3. That the Bidder undertakes to get this Integrity Pact signed by the subcontractor(s) whose value of the work contribution exceeds INR 2,00,00,000 (Indian Rupees Two Crore Only) and to submit the same to the Authority along with the tender document/ contract before agreement signing.~~
- ~~4.4. That the subcontractor(s) engaged by the Bidder, with the approval of the Authority after signing of the contract, and whose value of the work contribution exceeds INR 2,00,00,000 (Indian Rupees Two Crore Only) will be required to sign this Integrity Pact by the Bidder, and the same will be submitted to the Authority before doing/ performing any act/ function by such subcontractor(s) in relation to the work sub-contracted to it.~~
- ~~4.5. That the Authority will disqualify from the tender process all Bidder(s) who do not sign this Integrity Pact or violate its provisions or fails to get this Integrity Pact signed in terms of clause 4.3 or 4.4 above.~~



4.6. ~~That if the Bidder does/ do not sign this Integrity Pact or violate its provisions or fails to get this Integrity Pact signed in terms of Section 4.3 or 4.4 above. Authority will terminate the contract and initiate appropriate action against such Bidder.~~

**5. Earnest Money, security deposit, bank guarantee, draft, pay order or any other mode and its validity, performance guarantee (PG)/bond.**

While submitting bid, the Bidder shall deposit an EMD/SD/BG/draft/pay order, performance security etc. as per terms and conditions and details given in NIT / tender documents sold to the Bidders.

**6. Sanctions for violations/disqualification from tender process and exclusion from future contracts**

6.1. Any breach of the aforesaid provisions by the Bidder or anyone 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:

- 6.1.1. To immediately call off the pre-agreement negotiations without assigning any reason or giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.
- 6.1.2. To immediately cancel the agreement, if already signed, without giving any compensation to the Bidder.
- 6.1.3. 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 debar the bidder.
- 6.1.4. To recover all sums already paid by the Authority, and in case of an Indian Bidder with interest thereon at SBI One Year MCLR+ 4%, while in case of a Bidder from a country other than India with interest thereon at 2% above LIBOR. If any outstanding payment is due to the Bidder from the Authority in connection with any other agreement or any other stores, such outstanding payment could also be utilized to recover the aforesaid sum and interest.
- 6.1.5. 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 Authority, along with interest.
- 6.1.6. To cancel all or any other agreements 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.
- 6.1.7. To debar the Bidder from participating in future bidding processes for a minimum period of 3 (three) years, which may be further extended at the discretion of the Authority.
- 6.1.8. To recover all sums paid in violation of this Integrity Pact by Bidder(s) to any middleman or agent or broker with a view to securing the agreement.
- 6.1.9. 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.
- 6.1.10. Forfeiture of performance security in case of a decision by the Authority to forfeit the same without assigning any reason for imposing sanction for violation of this Integrity Pact.
- 6.1.11. That if the Authority terminates the agreement under section 2 or 3 or 4 or if the Authority is entitled to terminate the agreement under section 2 or 3 or 4, the Authority shall be entitled to demand and recover from the bidder damages equivalent to 5% of the value of the agreement or the amount equivalent to security deposit or performance bank guarantee, whichever is higher.

- 6.1.12. That the Bidder agrees and undertakes to pay the said amount without protest or demur subject only to condition that if the Bidder 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 tender after award of the tender 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 6.1.1 to 6.1.12 of this Integrity 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 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 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 Monitors' (IE) 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 Integrity 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 Integrity Pact.
7. **Allegations against Bidders:**  
That if the Authority receives any information of conduct of a Bidder or of an employee or a representative of a Bidder 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 Monitors (s)**
- 8.1. That the Authority has appointed competent and credible Independent External Monitors (s) for this Integrity Pact.
- 8.2. The task of the Independent External Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this Integrity Pact. He will also enquire into any complaint alleging transgression of any provision of this Integrity Pact made by the Bidder or Authority.
- 8.3. That the Independent External 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 accepts that the Independent External Monitor has the right to access without restriction to all project documentation of the Authority including that provided by the Bidder. The Bidder will also grant the Independent External 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 the subcontractor(s). The Independent External Monitor is under obligation to treat the information and documents of the Authority and Bidder with confidentiality.
- 8.5. That as soon as the Independent External Monitor notices, or believes to notice, a violation of this Integrity 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 Independent External Monitor can in this regard submit his recommendations/ suggestions. Beyond this, the Independent External 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 Independent External 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 Bidder. The parties offer to the Independent External Monitor the option to participate in such meetings.
- 8.7. That the Independent External 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 Independent External 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 Independent External Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.
- 8.9. The word 'Independent External Monitor' would both include singular and plural.
9. **Facilitation of Investigation**
- In case of any allegation of violation of any provisions of this Integrity Pact or payment of commission, the Authority or its agencies shall 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 Integrity 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 is a partnership, this Integrity Pact must be signed by all the partners and their authorized representatives.
12. **Integrity Pact duration (Validity)**
- 12.1. That this Integrity Pact comes into force when both the parties have signed it. It expires for the Lessee 12 months after the initial/extended term and for all other Bidders 3 months after the tender 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 Integrity 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 Integrity Pact turns out to be invalid; the remainder of this Integrity 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 behavior) and a compliance program for the implementation of the code of conduct throughout the company.

The parties hereby sign this Integrity Pact at \_\_\_\_\_ on \_\_\_\_\_

Buyer	Bidder
-------	--------



Name of the Officer	[●]
Designation	Witness
Deptt./ Ministry/ PSU	1. _____
Witness	

**APPENDIX – 10**  
**FORMAT FOR FINANCIAL BID SUBMISSION**  
(Refer Clauses 4.13.1)

Financial Bid is to be submitted online, in the prescribed format shared on the e-tendering portal

1	<div> <div>Validate</div> <div>Print</div> <div>Help</div> </div> <b>Item Rate BoQ</b>						
4	Tender Inviting Authority: Asstt. G.M. (BD), CHQ, Airports Authority of India						
5	Name of Work: Leasing of Land for Establishing Maintenance, Repair & Overhaul (MRO) Facility on Design, Build, Operate, Maintain and Transfer (DBOMT) basis at Site-1 of Chennai Airport.						
6	Contract No: 2022_AAI_112336_1						
8	Name of the Bidder/ Bidding Firm / Company : <div style="background-color: #e0ffff; width: 100%; height: 20px;"></div>						
9	<b>PRICE SCHEDULE</b> (DOMESTIC TENDERS - RATES ARE TO GIVEN IN RUPEES (INR) ONLY) (This BOQ template must not be modified/replaced by the bidder and the same should be uploaded after filling the relevant columns, else the bidder is liable to be rejected for this tender. Bidders are allowed to enter the Bidder Name and Values only )						
10	NUMBER #	TEXT #	NUMBER #	TEXT #	NUMBER #	NUMBER #	TEXT #
11	Sl. No.	Item Description	Quantity	Units	BASIC RATE In Figures To be entered by the Bidder in Rs. P	TOTAL AMOUNT Without Tax in Rs. P	TOTAL AMOUNT In Words
12	1	2	4	5	7	13	15
13	1	Lease Fee for leasing of land for establishing Maintenance, Repair & Overhaul (MRO) Facility on Design, Build, Operate, Maintain and Transfer Basis (DBOMT) at Site-1 of Chennai Airport complete as per the terms and conditions of Bidding Documents.	3000.00	per square meter per year		0.00	INR Zero Only
14	Total in Figures					0.00	INR Zero Only
16	Quoted Rate in Words				Basic Rate Entry Please enter Basic Rate in Rupees for this item.	Only	
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							

< >
BoQ1
+

**Note:** This is for representation purpose only, no figures to be quoted here. The amount shall be filled Online in BOQ section on e-tender Portal only.

**Leasing of Land for Establishing Maintenance,  
Repair & Overhaul (MRO) Facility on  
Design, Build, Operate, Maintain and Transfer  
(DBOMT) basis at [●] Airport.**

**REQUEST FOR PROPOSAL**

**TENDER DOCUMENT**

**Part-II**

*(Draft Lease Agreement)*

**April 2022**



Land Management &  
Business Development Unit  
Airports Authority of India  
Safdarjung Airport  
New Delhi-110003.

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## LEASE AGREEMENT

THIS LEASE AGREEMENT ("**Agreement**") is entered into on this [●] day of \_\_\_\_, 20\_\_ ("Execution Date") at \_\_\_\_\_

### BETWEEN

- 1) **Airports Authority of India**, established under the Airports Authority Act, 1994, represented by its Chairman and having its principal office at Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi-110003 and offices at all the Airports in India represented by **Airport Director, [●] Airport** (hereinafter referred to as the "**Authority**" or "**AAI**" which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns); of One Part;

### AND

- 2) [●], a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at [●] (hereinafter referred to as the "**Lessee**" which expression shall, unless it be repugnant to the context or meaning thereof, include its successors and permitted assigns and substitutes) of the Other Part.

### WHEREAS:

- A. The Authority had resolved to establish Maintenance, Repair & Overhaul Facility (hereinafter referred to as "MRO") on Design, Build, Operate, Maintain and Transfer basis by leasing the land at [●] Airport on a land parcel admeasuring [●] at [\_\_\_\_\_] constituting the Site. Pursuant to the above resolution of the Authority, the Authority has decided to appoint a Lessee to develop MRO as per the standards decided by Directorate General of Civil Aviation (hereinafter referred to as "DGCA") on Lease for its use in accordance with the terms and conditions set forth in this Agreement.
- B. The Authority had prescribed the technical and commercial terms and conditions, and invited bids (the "**Request for Proposal**" or the "**RFP**"), for leasing of land for establishing MRO to the successful Bidder for the term set out herein below and, accordingly issued notice inviting tender ("**NIT**"), and invited proposals from interested bidders vide Request for Proposal dated [●], 2022.
- C. After evaluation of the bids received, the Authority had accepted the bid of [●], and issued its Letter of Intent number [●] (herein after called the "**LOI**") to the Lessee, requesting them to initiate process for obtaining necessary approvals/ licenses from concerned authorities for setting up of MRO at the allotted Site.
- D. Upon obtaining approvals/ Licenses for commencement of MRO operations at the allotted Site, the Lessee intimated to the Authority and requested for issuance of Letter of Award (herein after called the "**LOA**") to which Authority had issued the LOA vide letter number [●].
- E. The Authority has agreed to enter into this Agreement with the Lessee for design, build, operate and maintenance of the MRO along with Infrastructure of MRO and associated assets required at their own cost at the Site for carrying out the MRO work efficiently as per industry standards for the Contract Period of this Agreement, subject to and on the terms and conditions set forth hereinafter.

- F. The Lessee represents and warrants that it has duly fulfilled all the terms and conditions necessary for the execution of this Agreement as per the terms and conditions in the Bid documents and is in a position to execute this Agreement and fulfil its obligations as envisaged in the Bid and this Agreement.
- G. In light of compliance by the Lessee of the pre-conditions to the execution of the Agreement, Authority has agreed to enter into this Agreement vesting the Lease rights with the Lessee on the terms, conditions, and covenants hereinafter set forth in this Agreement.

**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:

# 1 DEFINITIONS AND INTERPRETATIONS

## 1.1 Definitions

The words and expressions beginning with capital letters and defined in this Agreement shall, unless the context otherwise requires, have the meaning ascribed thereto herein, and the words and expressions defined in the Schedules and used therein shall have the meaning ascribed thereto in the Schedules.

**“Accounting Year”** means the financial year commencing from the first day of April of any calendar year and ending on the thirty-first day of March of the next calendar year except in the first and the last calendar year of the subsistence of this Agreement. In the first year of subsistence of this Agreement, it means the period from the signing of this Agreement to the immediately following, 31st March. In the last year of subsistence of this Agreement, it means the period from 1st April to the Surrender/ Transfer Date;

**“Act”** shall mean the Airports Authority of India Act, 1994;

**“Applicable Laws and Policies”** means

- (i) all laws, brought into force and effect by GOI or the State Government including rules, regulations and notifications made thereunder, and judgments, decrees, injunctions, writs and orders of any court of record, applicable to this Agreement and the exercise, performance and discharge of the respective rights and obligations of the Parties hereunder, as may be in force and effect during the subsistence of this Agreement;
- (ii) all regulations and policies framed in accordance with and under the provisions of the Act; and
- (iii) all the notifications, orders, circulars, clarifications, policies, guidelines, directives or any similar document issued by the Authority or the Ministry of Civil Aviation, GOI and applicable to the Authority.

**“Approvals”** means all clearances, Leases, permits, authorizations, no objection certificates, consents, approvals and exemptions required to be obtained by the Lessee from the Authority and/ or other statutory authorities including the fire department, Police, Directorate General of Civil Aviation, Bureau of Civil Aviation Security of India and the Ministry of Home Affairs under the Applicable Laws and Policies including without limitation the Act and rules and regulations framed thereunder and the policies of the Authority, in connection with the construction and use of the MRO by the Lessee during the subsistence of this Agreement;

**“Associate” or “Affiliate”** means, in relation to either Party, a person who controls, is controlled by, or is under the common control with such Party (as used in this definition, the expression “control” means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person, whether by operation of law or by contract or otherwise);

**“Authority Representative”** means such person or persons as may be authorized in writing by the Authority to act on its behalf under this Agreement and shall include any person or persons having authority to exercise any rights or perform and fulfill any obligations of the Authority under this Agreement including a consultant, if any, engaged by the Authority at its own cost;



**“Bid”** means the documents in their entirety comprised in the bid submitted by the Selected Bidder in response to the Request for Proposal in accordance with the provisions thereof;

**“Bid Date”** means the last date on which the Bid may have been submitted in accordance with the provisions of the Request for Proposal;

**“Bid Security”** means the, in accordance with the Request for Proposal, and which is to remain in force until substituted by the Performance Security;

**“Certificate of Compliance”** shall have meaning set forth in Clause 3.3.3;

**“Change in Law”** means the occurrence of any of the following after the Bid Date:

- a) the enactment of any new Indian law;
- b) the repeal, modification or re-enactment of any existing Indian law;
- c) the commencement of any Indian law which has not entered into effect until the Bid Date;
- d) a change in the interpretation or application of any Indian law by a judgment of a court of record which has become final, conclusive and binding, as compared to such interpretation or application by a court of record prior to the Bid Date; or
- e) any change in rates of any of the Taxes that have a direct effect on the transaction contemplated herein.

**“Certificate for Commissioning”** shall mean the certificate issued by the Authority to certify that, based on the declaration of Lessee i.e. construction of IOM is completed in all respect and necessary approvals/ Licenses for setting up of MRO facility at the allotted Site is already obtained from respective Authorities, as set out in Schedule B hereto;

**“Completion Date”** shall mean the date of issue of Certificate of Commissioning by the Authority;

**“Completion Notice”** shall have the meaning as set forth in Clause 13.2

**“Condition Precedent”** shall have the meaning as set forth in Clause 3.1;

**“Contract Period”** shall have the meaning as set forth in Clause 2.4;

**“Construction Documents”** means and includes all drawings, calculations, samples, patterns, models, operation and maintenance manuals, and other manuals and information of a similar nature prepared in relation to the IOM or MRO;

**“Construction Works”** means the activities relating to design, construction, completion and commissioning of the MRO at the Site and as the context may admit or require, including the technology, services and things to be designed, engineered, constructed, installed, equipped, supplied, executed, manufactured, completed, tested, commissioned, rectified, replaced, made good, carried out and undertaken in respect of the MRO and any other permanent, temporary or urgent works required hereunder;

**“Covenant”** shall have meaning as set forth in **Clause 4.15.3**;

**“Cure Notice”** shall have meaning as set forth in **Clause 4.20**;

**“Cure Period”** means the period specified in this Agreement/ Cure notice for curing any breach or default of any provision of this Agreement by the Party responsible for such breach or default and shall:

- a) commence from the date on which a notice is delivered by one Party to the other Party asking the latter to cure the breach or default specified in such notice;

- b) not relieve any Party from liability to pay Damages or compensation under the provisions of this Agreement; and

**"Damages"** shall mean (a) any and all monetary (or where the context so requires, monetary equivalent of) damages, fines, fees, penalties, losses, and out-of-pocket expenses (including without limitation any liability imposed under any award, writ, order, judgment, decree or direction passed or made by any Person), (b) subject to Applicable Laws and Policies, any punitive, or other exemplary or extra contractual damages payable or paid in respect of any contract, and (c) amounts paid in settlement, interest, court costs, costs of investigation, reasonable fees and expenses of legal counsel, accountants, and other experts, and other expenses of litigation or of any claim, default, or assessment;

**"Defects Liability Period"** shall have the meaning ascribed to it Clause 23;

**"Designs and Drawings"** means the conceptual and detailed designs, drawings and engineering, project master plans, backup technical information required for the construction of IOM and all calculations, samples, patterns, models, specifications and other technical information relating to the IOM, submitted by the Lessee from time to time for approval in accordance with the provisions of this Agreement;

**"Dispute"** shall have the meaning as set forth in Clause 29.1;

**"Dispute Resolution Procedure"** means the procedure for resolution of Disputes set forth in **Clause 29**;

**"Divestment Requirements"** means the obligations of the Lessee for and in respect of Termination as set forth in **Clause 22.1**;

**"Document"** or **"Documentation"** means documentation in printed or written form, or in tapes, discs, drawings, computer programs, writings, reports, photographs, films, cassettes, or expressed in any other written, electronic, audio or visual form;

**"Effective date"** shall mean the 15th (Fifteenth) day from date on which the LOA is issued to the Lessee;

**"Easement"** means all easements, reservations, rights-of-way, utilities and other similar rights as to the use of real property, which are necessary or appropriate for the conduct of activities of the Lessee related to the IOM;

**"Emergency"** means a condition or situation that is likely to endanger the security of the individuals on or about the IOM, including users thereof, or which poses an immediate threat of material damage to any of the Site and/ or the IOM;

**"Encumbrances"** means in relation to the Site and the IOM, any encumbrances such as a mortgage, charge, pledge, lien, hypothecation, Security Interest, assignment, privilege or priority of any kind having the effect of security or other such obligations, or restriction and shall include physical or legal obstructions or encroachments on the whole or any part of the Site or Third Party claims or rights of any kind attaching to the whole or any part of the Site and the IOM or any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the Site and the IOM, where applicable herein but excluding utilities referred to in **Clause 10**;

**"Force Majeure Event"** shall include the Non-political/ Indirect political/ Political events which disrupts the working environment and is (i) beyond the control of Affected Party and not arising out of the fault of the Affected Party (ii) Affected Party is unable to overcome such event by the exercise of their due diligence and efforts, skill and care, including through expenditure of reasonable sum of money and (iii) has a Material Adverse Effect;

**"GOI"** means the Government of India;

**“Good Industry Practice”** means the practices, methods, techniques, designs, standards, skills, diligence, efficiency, reliability and prudence which are generally and reasonably expected from a reasonably skilled and experienced Lessee engaged in the same type of undertaking as envisaged under this Agreement and which would be expected to result in the performance of its obligations by the Lessee in accordance with this Agreement, Applicable Laws and Policies and Approvals in reliable, safe, economical and efficient manner ;

**“Government Authority”** or **“Government”** means Gol, or any State Government or governmental department, commission, board, body, bureau, agency, authority, instrumentality, court or other judicial or administrative body, central, state, or local, having jurisdiction over the Lessee, the Site and the IOM, and the Construction Works or any part thereof or the performance of all or any of the services, obligations or covenants of Lessee under or pursuant to this Agreement or any portion thereof;

**“Government Instrumentality”** means any department, division or sub-division of the Government or the State Government and includes any commission, board, authority, agency or municipal and other local authority or statutory body including Panchayat, under the control of the Government of India or the State Government, as the case may be, and having jurisdiction over all or any part of the Site and the IOM or the performance of all or any of the services or obligations of the Lessee under or pursuant to this Agreement;

**“GST”** shall mean goods and services tax;

**“Incurred Cost Certificate”** shall refer to the certificate issued by a Chartered Accountant certifying the costs incurred by the Lessee in the designing, development and construction of the IOM;

**“Indemnified Party”** means the Party entitled to the benefit of an indemnity pursuant to clause 27.4;

**“Indemnifying Party”** means the Party obligated to indemnify the other party pursuant to **Clause 27.4**;

**“Infrastructure of MRO”** or **“IOM”** shall refer to infrastructures constructed on the Site by the Lessee in the establishment of MRO at the Airport and shall include fixed assets like buildings, hangar, apron, taxiways, roads, pavements etc. created for operation of the MRO;

**“Inspection Report”** shall have the meaning as set forth in Clause 16.2;

**“Insurance Cover”** means the aggregate of the maximum sums insured under the insurances taken out by the Lessee pursuant to Clause 18, and includes all insurances required to be taken out by the Lessee under Clause 18.2 but not actually taken, and when used in the context of any act or event, it shall mean the aggregate of the maximum sums insured and payable or deemed to be insured and payable in relation to such act or event;

**“Intellectual Property”** means all patents, trademarks, service marks, logos, get-up, trade names, internet domain names, rights in designs, blue prints, programs and manuals, drawings, copyright (including rights in computer software), database rights, semi-conductor, topography rights, utility models, rights in know-how and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world;

**“LOA”** or **“Letter of Award”** means the letter dated [●] as issued by the Authority upon intimation by the Lessee of obtaining DGCA approval/ MRO Licenses;

**“Lease Fee”** shall have the meaning as set forth in **Clause 17.1**;

**“Lease Rights”** shall have the meaning set forth in **Clause 2.1**;

**“Maintenance, Repair & Overhaul (MRO)”** means the Maintenance, Repair & Overhaul facility having required IOM for the aircrafts/ helicopters/ drones or their vital components duly approved/ recognized by DGCA;

**“Maintenance Requirements”** shall have the meaning as set forth in **Clause 14.1**;

**“Material Adverse Effect”** means a material adverse effect of any act or event on the ability of either Party to perform any of its obligations under and in accordance with the provisions of this Agreement and which act or event causes a material financial burden or loss to either Party;

**“Material Breach”** means a breach by either Party of any of its obligations under this Agreement which has or is likely to have a Material Adverse Effect on the Site and the IOM and which such Party shall have failed to cure;

**“Lessee’s Event of Default”** shall have the meaning as set forth in **Clause 21.1.1**;

**“Lessee’s Representative”** means the Person appointed by Lessee under **Clause 4.17**;

**“Parties”** means the parties to this Agreement collectively and **“Party”** shall mean any of the parties to this Agreement individually;

**“Performance Security”** shall have the meaning as set forth in **Clause 8.1**;

**“Permitted Uses”** means the maintenance activities to be carried out by the MRO agencies as prescribed by the DGCA in the relevant CAR;

**“Person”** means (unless otherwise specified or required by the context), any individual, company, corporation, partnership, joint venture, trust, unincorporated organization, Government or Governmental Authority or agency or any other legal entity;

**“Proposal”** or **“Bid”** means the entire set of technical, financial, qualifying and other documents in their entirety comprised in the proposal or bid submitted by the Selected Bidder in response to the Request for Proposal in accordance with the provisions thereof, and accepted by the Authority;

**“Re.”**, **“Rs.”** or **“Rupees”** or **“Indian Rupees”** or **“INR”** means the lawful currency of the Republic of India;

**“Safety Requirements”** shall have the meaning as set forth in **Clause 15.1**;

**“Schedule”** means any of the schedules appended to this Agreement;

**“Security Interest”** means any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, security interest or other encumbrances of any kind securing or conferring any priority of payment in respect of any obligation of any Person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any Applicable Law;

**“Selected Bidder”** means the entity that has been successful in the bidding process for the construction, maintenance and operation of the MRO;

**“Site”** shall have the meaning as set forth in **Clause 9.1**;

**“Specifications and Standards”** means the specifications and standards relating to the quality, quantity, capacity and other requirements for the establishment of MRO, any modifications thereof, or additions thereto, as included in the design and engineering for the MRO as per the Industry standards and General Industry Practices duly followed by the peers and recommended & approved by the Industry Regulator;

**“State”** means the State or the Union Territory, as the case may be, in which the MRO is situated and **“State Government”** means the government of that State or the Union Territory;

**“Statutory Auditors”** means a reputable firm of chartered accountants acting as the statutory auditors of the Lessee under the provisions of the Companies Act, 2013, including any statutory re-enactment or modification thereof, for the time being in force;

**“Subcontractor”** means the construction contractor(s) and/or operation and maintenance contractor(s) and/or any other contractors and sub-contractors, manufacturers or suppliers of works and/or building/ services or part thereof, as the context may require, to whom the Lessee contracts or subcontracts the works in full or part;

**“Surrender/ Transfer Date”** means the date on which this Agreement and the Lease Rights hereunder expire pursuant to the provisions of this Agreement or is terminated by a Termination Notice;

**“Taxes”** means any Indian taxes including excise duties, customs duties, GST, local taxes, cess and any impost or surcharge of like nature (whether Central, State or local) on the goods, materials, equipment and services incorporated in and forming part of the MRO charged, levied or imposed by any Government Instrumentality, but excluding any interest, penalties and other sums in relation thereto imposed on any account whatsoever. For the avoidance of doubt, Taxes shall not include taxes on corporate income;

**“Termination”** means the expiry or earlier termination of this Agreement and the Lease Rights & other rights granted hereunder in accordance with the terms hereof;

**“Termination Notice”** means the communication issued in accordance with this Agreement by one Party to the other Party terminating this Agreement;

**“Termination Payment”** means the amount payable by the Authority to the Lessee upon Termination;

**“Third Party”** means any Person, real or legal, or entity other than the Parties to this Agreement; and

**“Vesting Certificate”** shall have the meaning as set forth in **Clause 22.4.1**.

## 1.2 Interpretation

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

- a) references to any legislation or any provision thereof shall include amendment or re-enactment or consolidation of such legislation or any provision thereof so far as such amendment or re-enactment or consolidation applies or is capable of applying to any transaction entered into hereunder;
- b) references to laws of India or Indian law or regulation having the force of law shall include the laws, acts, ordinances, rules, regulations, bye laws or notifications which have the force of law in the territory of India and as from time to time may be amended, modified, supplemented, extended or re-enacted;
- c) references to a **“person”** and words denoting a natural person shall be construed as a reference to any individual, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and shall include successors and assigns;
- d) 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;

- e) terms and words beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein, and the terms and words defined in the Schedules and used therein shall have the meaning ascribed thereto in the Schedules.;
- f) the words “**include**” and “**including**” are to be construed without limitation and shall be deemed to be followed by “**without limitation**” or “**but not limited to**” whether or not they are followed by such phrases;
- g) references to “**construction**” or “**building**” include, unless the context otherwise requires, investigation, design, development, engineering, procurement, transportation, installation, processing, fabrication, equipping, establishing, testing, commissioning and other activities incidental to the construction and “**construct**” or “**build**” shall be construed accordingly;
- h) references to “**operation**” include, unless the context otherwise requires, construction, renovation, refurbishing, augmentation, upgradation and other activities incidental thereto, and “**operate**” shall be construed accordingly;
- i) any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- j) any reference to day shall mean a reference to a calendar day;
- k) references to a “**business day**” shall be construed as reference to a day (other than Saturday and Sunday) on which banks in the respective city are generally open for business;
- l) references to any date, period shall mean and include such date, period as may be extended pursuant to this Agreement;
- m) 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;
- n) words importing singular shall include plural and vice versa;
- o) references to any gender shall include the other and the neutral gender;
- p) “**lakh**” means a hundred thousand (100,000) and “**crore**” means ten million (10,000,000);
- q) “**indebtedness**” shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- r) save and except as otherwise provided in this Agreement, any reference, at any time, to any agreement, deed, instrument, license or document of any description shall be construed as reference to that agreement, deed, instrument, license or other document as amended, varied, supplemented, modified or suspended at the time of such reference; provided that this Sub-clause shall not operate so as to increase liabilities or obligations of the Authority hereunder or pursuant hereto in any manner whatsoever;
- s) any agreement, consent, Approval, authorisation, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effective only if it is in writing under the hand of a duly authorised representative of such Party, as the case may be, in this behalf and not otherwise;
- t) 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;

- u) references to Recitals, Clauses, Sub-clauses, Provisos or Schedules in this Agreement shall, except where the context otherwise requires, mean references to Recitals, Clauses, Sub-clauses, Provisos and Schedules of or to this Agreement, references to an Annex shall, subject to anything to the contrary specified therein, be construed as a reference to an Annex to the Schedule in which such reference occurs, and references to a Paragraph shall, subject to anything to the contrary specified therein, be construed as a reference to a Paragraph of this Schedule or Annex, as the case may be, in which such reference appears;
  - v) the Damages payable by either Party to the other, 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 in the nature of penalty ;
  - w) time shall be of the essence in the performance of the Parties' respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence; and
  - x) wherever in this Agreement provision is made for the giving or issuing of any notice, endorsement, consent, Approval, certificate, agreement, authorization, communication, information or report or determination by any Party, unless otherwise specified, such notice, endorsement, consent, Approval, certificate, agreement, authorization, communication, information or report or determination shall be in writing under the hand of duly authorized representative of such Party in this behalf.
- 1.2.2 Unless expressly provided otherwise in this Agreement, any documentation required to be provided or furnished by the Lessee to the Authority shall be provided free of cost and in three copies, 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 the drafting and preparation 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 Measurements and Arithmetic Conventions
- All measurements and calculations shall be in metric system and calculations done to 2 (two) decimal places, with the third digit of 5 (five) or above being rounded up and below 5 (five) being rounded down.
- 1.4 Priority of agreements, clauses and schedules
- 1.4.1 This Agreement, and all other agreements and documents forming part of or referred to in 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 or referred to herein 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 or referred to herein i.e. the Agreement at a) above shall prevail over the agreements and documents at b) above.

- 1.4.2 Subject to the provisions of Clause 1.4.1 above, in case of ambiguities or discrepancies within this Agreement, the following shall apply:
- a. between two or more clauses of this Agreement, the provisions of a specific Clause relevant to the issue under consideration shall prevail over those in other Clauses;
  - b. between the Clauses of this Agreement and the Schedules, the Clauses shall prevail and between Schedules and Annexes, the Schedules shall prevail;
  - c. between any two Schedules, the Schedule relevant to the issue shall prevail; and
  - d. between any value written in numerals and that in words, the latter shall prevail.



## 2 LEASE RIGHTS

### 2.1 Grant of Rights

Subject to and in accordance with the terms and conditions set forth in this Agreement, the Authority hereby grants to the Lessee and the Lessee hereby accepts the limited lease rights over the Site to develop, build, operate and maintain the MRO during the subsistence of this Agreement and shall transfer the IOM at the Airport to Authority at zero cost after expiry of the Contract Period or Termination of this Agreement, whichever is earlier ("**Lease Rights**").

2.2 Subject to and in accordance with the terms and conditions set forth in this Agreement, the Lease Rights hereby granted shall entitle the Lessee to enjoy, and oblige the Lessee to undertake the following in accordance with the provisions of this Agreement, the Applicable Laws and Policies and the Approvals:

2.2.1 right of way, access and lease to the Site for the purpose of and to the extent conferred by the provisions of this Agreement;

2.2.2 to design, build, operate and maintain the MRO and associated IOM, at its own cost, in accordance with the guidelines of DGCA and transfer the IOM to Authority upon expiry of the Contract Period or Termination of this Agreement, whichever is earlier;

2.2.3 construct/ strengthen the taxiways/ roads/ pavements from runway/ existing taxiways to the Site at its own cost as per their requirement after approval of the same from Authority;

2.2.4 to use the IOM and the Site only for the Permitted Use as set out in this Agreement;

2.2.5 manage, administer, use and maintain the MRO with all associated infrastructure created by the Concessionaire as per the provisions of this Agreement;

2.2.6 perform and fulfil all of the Lessee's obligations under this Agreement;

2.2.7 bear and pay all costs, expenses and charges in connection with or incidental to the performance of its obligations under this Agreement; and

2.2.8 neither assign, transfer or sublet or create any lien or Encumbrance on this Agreement or the Lease Rights hereby granted; or transfer, lease, license or part possession of the IOM and/or the Site.

2.2.9 Subject to the provisions contained in this Agreement, the Lessee may sub-contract the Construction Work and maintenance relating to the MRO by any other Person by entering into appropriate contractual arrangements co-terminus with this Agreement; provided however that:

- a. Lessee shall not create any Encumbrance on the whole or any part of the Site and/ or the IOM in any form or under any arrangement, device or method. This is an essential condition of this Agreement, the breach of which shall constitute a Lessee's Event of Default that shall entitle the Authority to terminate this Agreement in accordance with the provisions hereof;
- b. Lessee shall retain overall management, responsibility, obligation and liability in relation to the sub-contracted work. Any such subcontracting shall not relieve the Lessee from any of its obligations in respect of such work under this Agreement. It is clarified that Lessee shall remain

liable and responsible for any acts, omissions or defaults of any Subcontractors, and shall indemnify the Authority in respect thereof; and

- c. The Lessee acknowledges, accepts and confirms that the covenants contained herein are essence of this Agreement.

### 2.3 Acceptance by Lessee

In consideration of the rights, privileges and benefits conferred upon by Authority and other good and valuable consideration expressed herein, the Lessee hereby accepts and agrees and undertakes to perform/ discharge all of its obligations in accordance with the provisions hereof.

### 2.4 Contract Period

The Contract Period shall mean a period of 30 (Thirty) years commencing from the Effective Date and continuing to be in force till the Transfer Date and during which the Lessee is authorized to use the Site and the IOM for MRO operations in accordance with the provisions and subject to the conditions hereof ("**Contract Period**").

## 3 CONDITIONS PRECEDENT

- 3.1 Save and except as expressly provided in this Agreement, or unless the context otherwise requires, the respective rights and obligations of the Parties under this Agreement shall be subject to the satisfaction in full, of the conditions precedent specified in this Clause 3 (the "**Conditions Precedent**") save and except to the extent of waiver, if any, that a Party may grant in accordance with the provisions of this Clause 3 as the case may be.
- 3.2 Within 365 (Three hundred & Sixty Five) days from the Effective Date, the Lessee shall have:
  - 3.2.1 obtained all the pre-establishment Approvals listed in Schedule B unconditionally or if such Approvals have been granted subject to conditions then all such conditions have been satisfied in full and such Approvals are and shall be kept in full force and effect for the relevant period during the subsistence of this Agreement;
  - 3.2.2 provided a Performance Security of an amount equivalent to Rs [●] (Rupees [●]) which is equivalent to the first year annual Lease Fee towards the performance security, in full, to the Authority in accordance with Clause 8.2 below within 15 (fifteen) days of issue of LOI;
  - 3.2.3 delivered to the Authority, copies (certified as true copies by an authorised officer of the Lessee) of the constitutional documents of the Lessee;
  - 3.2.4 delivered to the Authority, copies (certified as true copies by a director of the Lessee) of all resolutions adopted by the board of directors of the Lessee authorizing the execution, delivery and performance by the Lessee of this Agreement;
  - 3.2.5 cause its Directors to submit their respective application for Security vetting.
  - 3.2.6 procured applicable License/ No Objection Certificate (NOC) for setting up of MRO from DGCA;
  - 3.2.7 delivered to the Authority, a legal opinion from the Indian legal counsel of the Lessee with respect to

the authority of the Lessee to enter into this Agreement and the enforceability of the provisions thereof.

Any of the conditions precedent set forth in this Clause 3.2 may be waived in writing fully or partially by the Authority at any time in its sole discretion.

### 3.3 Obligations to satisfy Condition Precedents

3.3.1 The Lessee shall make all reasonable endeavours to procure the satisfaction in full of the Conditions Precedent set out in Clause 3.2 above. The Lessee shall bear its own costs and expenses of satisfying such Conditions Precedent.

3.3.2 The Lessee shall notify Authority in writing at least once a month on the progress made in satisfying the Conditions Precedent. The Lessee shall promptly inform the Authority when any Condition Precedent for which it is responsible have been satisfied.

3.3.3 Upon satisfaction in full of all Conditions Precedent by the Lessee, the Lessee shall deliver all the relevant documents evidencing the completion of Conditions Precedent set out in Clause 3.2 above. Upon receipt of the aforesaid documents and the Authority, on being satisfied, shall issue a certificate of compliance with Conditions Precedent (the "**Certificate of Compliance**") within a period of 15 (fifteen) days therefrom. The Authority shall be deemed to be satisfied with the fulfilment of Conditions Precedent in case it fails to issue the Certificate of Compliance within the aforesaid period of 15 (fifteen) days.

### 3.4 Deemed Termination upon Delay

3.4.1 In the event that the Lessee does not procure fulfilment of any or all of the Conditions Precedent set forth in Clause 3.2 above within a period of 1 (One) year from the date of LOA, it shall constitute Lessee's Event of Default and Authority shall be entitled to and be at liberty to terminate this Agreement forthwith and resume possession of the Site without payment of any compensation of damages and forfeit in full or in part the Performance Security deposited by the Lessee.

3.4.2 The Lease Fee payable, if any, from the date of LOA to the Termination Date shall be deducted/adjusted from the Performance Guarantee available with the Authority.

3.4.3 Upon termination of this Agreement by the Authority in terms of Clause 3.4.1 above, all rights, privileges, claims and entitlements of the Lessee under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Lessee, and the Agreement shall be deemed to have been terminated by mutual agreement of the Parties and the Performance Security of the Lessee shall be encashed and appropriated by the Authority as Damages thereof.

## 4 OBLIGATIONS OF THE LESSEE

4.1 The Lessee acknowledges that the Authority has granted Lease of Site for establishment of MRO under the vision of Government of India's '**आत्मनिर्भर भारत**' in order to encourage establishment of MROs in India and has received concessions from the Authority for the same. **In light of the aforementioned, the Lessee undertakes to pass on the concessions received from the Authority to develop a world class MRO facility with adequately trained professionals,**

**services, operations and maintenance and safety standards.** Subject to and on the terms and conditions of this Agreement, the Lessee shall, at its own cost, undertake the design, engineering, procurement, construction, operation and maintenance of the MRO facility and observe, fulfil, comply with and perform all its obligations set forth in this Agreement or arising hereunder.

- 4.2 The Lessee shall obtain the all pre-operational Approvals set out in Schedule B hereto before commissioning of MRO. The Lessee can access and operate its MRO facility during normal workinghours of operational airport. Beyond that period, if the Lessee extends its working hours then the Lessee shall bear the extra expenditure, if any, incurred by the Authority in providing security and access to IOM.
- 4.3 The Lessee shall comply with all Applicable Laws and Policies including without limitation, the Act and the policies of the Authority (as issued and amended from time to time) and the DGCA and obtain and comply with the terms and conditions of all the Approvals (including renewals thereof) in the performance of its obligations under this Agreement.
- 4.4 The Lessee shall keep the Performance Security furnished to the Authority valid at all times and furnish fresh Performance Security in accordance with Clause 8 hereinbelow, during the subsistence of this Agreement.
- 4.5 The Lessee shall pay all costs, charges, statutory deposits, Taxes (including GST), duties (including stamp duties, if any), fees (including any Fee) rates and other user charges (including those applicable for existing utility connections), if any, and any other dues assessment or outgoings payable in respect of the MRO (including new utility connections obtained by it, if any) which may be levied by Government Instrumentalities, wherever applicable. The Lease Fee payable by the Lessee in terms of this Agreement shall not be changed by the Authority, for any reason whatsoever, except for the reason of escalation in terms of Clause 17 of this Agreement.
- 4.6 The Lessee shall use the Site and IOM only for the permitted MRO activities as per DGCA.
- 4.7 The Lessee may construct/ strengthen required Taxiway/ roads/ pavements of required strength suiting to their business requirements in the location finalized by the Authority after obtaining necessary approval. The maximum permitted height of structure at MRO Site is mentined in Appendix-C of Schedule A.
- 4.8 The Lessee shall discharge its obligations in accordance with Good Industry Practice and as a reasonable and prudent person.
- 4.9 The Lessee shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set forth in this Agreement:
  - 4.9.1 make, or cause to be made, necessary applications to the Authority, DGCA and other relevant Government Instrumentalities with such particulars and details, as may be required for obtaining all Approvals, other than those set forth in Clause 3.2 above, and obtain and keep in force and effect such Approvals in conformity with the Applicable Laws and Policies;
  - 4.9.2 make all other payments required to be made in accordance with Applicable Laws and Policies in relation to its rights and obligations under this Agreement;
  - 4.9.3 procure, as required, the appropriate proprietary rights, licenses, agreements and permissions for materials, methods, processes and systems required for the establishment of the MRO;

- 4.9.4 make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its Sub-contractors in connection with the performance of its obligations under this Agreement;
- 4.9.5 ensure and procure that its Sub-contractors comply with all Approvals and Applicable Laws and Policies in the performance by them of any of the Lessee's obligations under this Agreement;
- 4.9.6 ensure optimal use, operation and maintenance of the Site & IOM throughout the Contract Period;
- 4.9.7 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;
- 4.9.8 transfer the Site & IOM at zero cost to the Authority upon expiry of the Contract Period or upon the Termination of this Agreement, in accordance with the provisions hereof;
- 4.9.9 make the payments set out in Clause 17 below including but not limited to the Lease Fee to the Authority in accordance with the provisions contained herein below, till the expiry or termination of this Agreement;
- 4.9.10 take all reasonable steps to protect the Site, IOM, other infrastructure of Authority and to limit the damages and nuisance to the people, IOM and the Site resulting from establishment of the MRO by the Lessee;
- 4.9.11 comply with all the Applicable Laws and Policies and the terms of the Approvals, in the performance of the Lessee's obligations under this Agreement including those being performed by any of the Sub-contractors;
- 4.9.12 develop, implement and administer a safety program, including correction of safety violations and deficiencies, and taking of all other actions necessary to provide a safe environment in accordance with Schedule E - Safety Requirements, Applicable Laws and Policies and Good Industry Practice;
- 4.9.13 take all reasonable precautions for the prevention of accidents on or about the Site and provide all reasonable assistance and emergency medical aid to the victims;
- 4.9.14 remove promptly from the Site, all waste materials (including, without limitation, hazardous materials and waste water), rubbish and other debris (including without limitation accident debris), dispose-off all appropriately and shall keep the Site in a neat and clean condition and in conformity with the Applicable Laws and Policies and Approvals;
- 4.9.15 obtain and maintain in force on and from the Effective Date, all insurance in accordance with the provisions of this Agreement and Good Industry Practice; and
- 4.9.16 ensure that such Site remains free from all encroachments and take all steps necessary to remove encroachments, if any.
- 4.10 The Lessee shall, prior to commencement of construction at the Site:
  - 4.10.1 have requisite organisation and designate and appoint a manager and such other managers, officers and representatives as it may deem appropriate to supervise the construction and to deal with the Authority Representative and be responsible for all necessary exchanges of information required pursuant to this Agreement; and

- 4.10.2 undertake, do and perform such acts, deeds and things as may be necessary or required for construction at Site and operation of the MRO, including without limitation obtaining necessary Approvals, permits, registrations and consents, as may be required and such other things as may be required under and in accordance with this Agreement.
- 4.11 The Lessee shall submit such reports, statements and certifications to the Authority during the Contract Period as detailed in this Agreement. Such reports will contain such information as is reasonably required to keep the Authority properly informed of matters relating to operation and maintenance of the IOM.
- 4.12 The Lessee shall provide all assistance to the Authority Representative, independent auditor/arbitrator as it may require for the performance of their obligations and services hereunder.
- 4.13 In the event of an accident, the Lessee shall, by most expeditious means, inform the Authority, police and other concerned authorities. The Lessee shall take expeditious action to provide medical aid, emergency services and relief to the accident victims and upon completion of legal formalities clear the accident site and remove the debris and wreckage.
- 4.14 The Lessee shall arrange at its own cost, foreign exchange and clearances required for import of technology, equipment or materials to be used for the purposes of this Agreement and pay all requisite duties and levies in this regard.
- 4.15 Obligations relating to other agreements
- 4.15.1 It is expressly agreed that the Lessee shall, at all times, be responsible and liable for all its obligations under this Agreement notwithstanding anything contained in any other agreement entered into by it with a Third Party in connection with performance of its obligations or enjoyment of its rights hereunder, and no default under any other agreement shall excuse the Lessee from fulfilment of its obligations or liability hereunder.
- 4.15.2 Notwithstanding anything to the contrary contained in this Agreement, the Lessee shall not sub-lease or in any manner create any Encumbrance on the IOM and/or the Site.
- 4.15.3 The Lessee shall procure that each of the agreement executed by the Lessee in connection with the transactions contemplated hereunder, expressly contain provisions that entitle the Authority to step into such agreement in substitution of the Lessee in the event of Termination (the “**Covenant**”). For the avoidance of doubt, it is expressly agreed that in the event the Authority does not exercise such rights of substitution, such agreements shall cease to be in force and effect on the Transfer Date without any liability whatsoever on the Authority and the Covenant shall expressly provide for such eventuality. The Lessee agrees to expressly include the Covenant in all such agreements and undertakes that it shall, in respect of each of the such agreements, procure and deliver to the Authority an acknowledgment and undertaking, in a form acceptable to the Authority, from the counter party(s) of each of such agreements, whereunder such counter party(s) shall acknowledge and accept the Covenant and undertake to be bound by the same and not to seek any relief or remedy whatsoever from the Authority in the event of Termination.
- 4.15.4 The Lessee shall at all times retain overall responsibility, obligation and liability in relation to maintenance of the IOM and the Site. It is clarified that the Lessee shall remain solely liable and responsible for any acts, omissions or defaults of any other Persons authorised by the Lessee in relation to this Agreement, the Sub-contractors and shall at all times indemnify and keep indemnified the Authority in respect thereof.

4.15.5 The Lessee shall neither erect any flag- staff, wireless poles or other such high structures nor shall it erect or display or any high power electric light or any electric sky signs or any other mechanism lighted or otherwise for purpose of advertisements or signboards without the previous approval in writing of the Authority.

#### 4.16 Employment of trained personnel

The Lessee 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.

#### 4.17 Lessee's Representative

4.17.1 The Lessee's Representative shall be the person so designated by the Lessee. If at some point of time, the Lessee is unable to provide the services of the person named the Lessee's Representative, and then it shall notify the Authority its reasons for this, and thereafter, provide a substitute person who can be the Lessee's Representative.

4.17.2 The person named as the Lessee's Representative under this Agreement shall be a qualified and competent person having previous experience in a similar capacity in works comparable to the works contemplated hereunder.

4.17.3 Except as otherwise stated in the Agreement, the Lessee's Representative shall receive on behalf of the Lessee all notices, instructions, consents, Approvals, certificates, determinations and other communications under the Agreement. Whenever the Lessee's Representative is to remain absent from the Site for a continuous period, a suitable replacement Person shall be appointed with the Authority's written consent.

4.17.4 The Lessee's Representative may delegate, while retaining his prime responsibilities, any of his powers, functions and authorities to any competent Person, and may at any time revoke any such delegation. Any such delegation or revocation shall be in writing and shall not take effect until the Authority has received prior written notice signed by the Lessee's Representative, specifying the powers, functions and authorities being delegated or revoked. Lessee's Representative shall notify in writing to the Authority the names, duties and scope of authority of such Persons. Any instructions given to any of them shall be deemed to have been given to the Lessee's Representative. Any such delegation shall not relieve the Lessee's Representative of its obligation and duties under this Agreement.

#### 4.18 Change in Control

4.18.1 The Lessee cannot make any changes in its shareholding pattern that results in change in control of the Lessee for a minimum period of 3 (three) years from the Effective Date. Notwithstanding anything to the contrary, at no stage, shall any change in the shareholding pattern of the Lessee that results in change in control of the Lessee shall be made without obtaining prior written approval from the Authority, which shall not be unreasonably withheld. On an application made for the purpose, the Authority may permit the change of equity components/ shareholding pattern resulting in a change in control, provided that the Authority is satisfied that the proposed changes shall be in the interest of the transaction contemplated herein and would not be detrimental to any of the rights or interests of the Authority and any of the confirming authorities.

The expression "control" shall have the meaning ascribed thereto in the Companies Act, 2013.

#### 4.19 Standard Health Requirement

The Lessee shall comply with the requirements of all standard health clauses including those given below:

- 4.19.1 The Airport Health Officer or persons authorized by him may, without notice enter the premises any time and inspect the premises, material, instruments and implements etc., used by the Lessee.
- 4.19.2 All instructions given by the Airport Health Officer or any person authorized by him in the maintenance of public health of the Airport including sanitation, control and prevention of infectious disease, control and prevention of nuisance from insects, rodents or any other source, shall be carried out by him and his agent and servant.
- 4.19.3 The Lessee, his agents and servants shall not without consent of the Airport Health Officer, interfere with, injure, destroy or render useless any work executed or any materials of 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.
- 4.19.4 The Lessee shall notify to the Airport Health Officer whenever any person working under him is suffering or suspected to be suffering or convalescing from any infectious disease. The Airport Health Officer may medically inspect the said person or any person who is suspected to have been in contact with the person and take any precautionary and preventive measures considered necessary.
- 4.19.5 The Lessee, his agents and servants shall not abuse the water sources and drainage facilities provided in the Airport area so as to create nuisance or insanitary situation, prejudicial to public health.
- 4.19.6 In the event of any default, failure, negligence or breach, in the opinion of the Authority or the part of the Lessee in complying with either of these conditions specified in the foregoing sub clauses, the Authority shall be entitled to and be at liberty to terminate this Agreement forthwith and resume possession of the premises without payment of any compensation of damages and forfeit in full or in part the Performance Security deposited by the Lessee for the due performance of this Agreement.
- 4.20 If the Lessee does not comply with the Applicable Laws and Policies, Specifications and Standards and this Agreement, the Authority shall issue a notice with the Lessee, indicating the deviations/ defaults and requiring the Lessee to make such alterations as would be required to ensure its conformity with the Applicable Laws and Policies, Specifications and Standards and this Agreement ("**Cure Notice**").

## **5 OBLIGATIONS OF THE AUTHORITY**

- 5.1 The Authority shall, at its own cost and expense, undertake, comply with and perform all its obligations set out in this Agreement or arising hereunder.
- 5.2 The Authority agrees to provide support to the Lessee and undertakes to observe, comply with and perform, subject to and in accordance with the provisions of this Agreement and Applicable Laws and Policies, the following:
  - 5.2.1 enable access to the Site, free from Encumbrances, in accordance with this Agreement;
  - 5.2.2 permit peaceful occupation and use of the Site by the Lessee, under and in accordance with the



provisions of this Agreement without any hindrance from the Authority or persons claiming through or under it;

- 5.2.3 execute and deliver (in the capacity of the owner of the Site), such requisite documents to the Lessee as may be necessary for obtaining the Approvals hereunder;
- 5.2.4 observe and comply with its obligations set forth in this Agreement and the Applicable Laws and Policies; and
- 5.2.5 Pay all the Taxes, cesses and duties imposed by the relevant Government Authorities and/ or Government Instrumentalities in relation to the Site including without limitation the municipal taxes.

## **6 REPRESENTATIONS AND WARRANTIES**

### **6.1 Representations and warranties of the Lessee**

The Lessee represents and warrants to the Authority that:

- 6.1.1 It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation;
- 6.1.2 It has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- 6.1.3 It has taken all necessary corporate and other action under Applicable Laws and Policies and its constitutional documents to authorize the execution, delivery and performance of this Agreement and to validly exercise its rights and perform its obligations under this Agreement;
- 6.1.4 It has the technical and financial standing and capacity to fulfil its obligations hereunder;
- 6.1.5 The obligations of the Lessee under this Agreement will be legally valid, binding and enforceable against it in accordance with the terms hereof;
- 6.1.6 It is subject to laws of India with respect to this Agreement and it hereby expressly and irrevocably waives any immunity in any jurisdiction in respect thereof;
- 6.1.7 All the information furnished in the Bid is, and shall be, true and correct as on the LOI Date and true, correct and accurate in all respects;
- 6.1.8 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 Memorandum and Articles of Association of the Lessee or any Applicable Laws and Policies 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 is bound or affected;
- 6.1.9 There are no actions, suits, proceedings, or investigations pending or, to the Lessee'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 result in the breach of or constitute a default of the Lessee under this Agreement or which individually or in the aggregate may result in any Material Adverse Effect on its business, properties or assets or its condition, financial or otherwise, or in any impairment

of its ability to perform its obligations and duties under this Agreement;

- 6.1.10 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 Governmental Agency which may result in any Material Adverse Effect or impairment of the Lessee's ability to perform its obligations and duties under this Agreement;
- 6.1.11 It has complied with all Applicable Laws and Policies 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 on its financial condition or its ability to perform its obligations and duties under this Agreement;
- 6.1.12 All rights of the Lessee in and to the Site and IOM shall pass to and vest in Authority on the Transfer/Termination Date, free and clear of all liens, claims, and Encumbrances without any further act or deed on the part of the Lessee or Authority;
- 6.1.13 No representation or warranty by the Lessee contained herein or in any other document furnished by it to Authority, or to any Government Authority in relation to Approvals, 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;
- 6.1.14 It warrants that no sums, in cash or kind, have been paid or will be paid by or on behalf of the Lessee, to any person by way of fees, commission or otherwise for securing the Lease Rights or entering into this Agreement or for influencing or attempting to influence any officer or employee of Authority in connection therewith;
- 6.1.15 All undertakings and obligations of the Lessee arising from the Request for Proposals or otherwise shall be binding on the Lessee as if they form part of this Agreement.

## 6.2 Representations and warranties of the Authority

The Authority represents and warrants to the Lessee that:

- 6.2.1 Authority is duly organized and validly existing under the laws of India;
- 6.2.2 Authority has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- 6.2.3 Authority has taken all necessary action to authorize the execution, delivery and performance of this Agreement;
- 6.2.4 This Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- 6.2.5 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 any Material Adverse Effect on the Authority's ability to perform its obligations under this Agreement;
- 6.2.6 To the best of the Authority's knowledge and belief, there are no actions, suits, proceedings or investigations pending against it, at law or in equity, before any court or Governmental Authority, the outcome of which may result in the breach of or constitute a default of the Authority under this Agreement or result in impairment of the Authority's ability to perform its obligations and duties under

this Agreement; and

6.2.7 It has complied with Applicable Laws and Policies in all material respects.

### 6.3 Disclosure

In the event that any occurrence or circumstance comes to the attention of either Party that renders any of its aforesaid representations or warranties untrue or incorrect, such Party shall immediately notify the other Party 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 right, remedy or obligation of either Party under this Agreement.

## 7 DISCLAIMER

### 7.1 Acceptance of Site

The Lessee acknowledges that it has undertaken a due diligence of the Site. For the purposes of this Agreement, the Lessee shall be deemed to have:

7.1.1 inspected Site and its surroundings;

7.1.2 satisfied itself as to the nature of the climate, noise level, hydrological and general physical conditions of Site, the nature of the ground, the nature of its obligations, and the nature of the design, work and materials necessary for the performance of its obligations under this Agreement;

7.1.3 satisfied itself as to the means of communication with, access to and accommodation around the Site, it may require or as may be otherwise necessary for the performance of its obligations under this Agreement;

7.1.4 obtained for itself, all necessary information as to the risks, contingencies and all other circumstances which may influence or affect its rights and obligations hereunder; and

7.1.5 has determined the nature and extent of the difficulties, inputs, costs, time, resources, risks and hazards that are likely to arise or may be faced by it in the course of the performance of its obligations under this Agreement.

7.2 Lessee further acknowledges that it, or any entity claiming under it, shall have no recourse against the Authority if it is, at a later date, found that the Site is deficient in any manner whatsoever, and in the event of any mistake made or misapprehension harboured by the Lessee in relation to any of the foregoing provisions of this Clause. If a deficiency is found, Lessee acknowledges and agrees that it shall, at its own cost, take all appropriate measures to remedy the same in order to undertake the establishment of the MRO.

7.3 Lessee acknowledges and hereby accepts the difficulties, inputs, costs, time, resources, risks and hazards associated with the performance of its obligations hereunder and hereby agrees that Authority shall not be liable for the same in any manner whatsoever to Lessee.

7.4 It is clarified that all fossils, antiquities, structures and/or other remains or things either of

archaeological or of particular geological interest discovered at Site or in the course of carrying out any work shall not be the property of Lessee and the Lessee shall have no right or interest in such fossils, antiquities and structures.

#### 7.5 Deemed knowledge and disclaimer

- 7.5.1 Subject to the provisions of this Agreement, the Lessee shall be fully and exclusively responsible for, and shall bear the financial, technical, commercial, legal and other risks in relation to the design, financing, construction, completion, commissioning, maintenance, use and operation of the MRO and all its other rights and obligations under or pursuant to this Agreement regardless of whatever risks, contingencies, circumstances and/or hazards may be encountered (foreseen or not foreseen) and notwithstanding any change(s) in any of such risks, contingencies, circumstances and/or hazards on exceptional grounds or otherwise and whether foreseen or not foreseen and the Lessee shall have no right whether express or implied to bring any claim against, or to recover any compensation or other amount from, the Authority and/or any of its agencies.

## 8 PERFORMANCE SECURITY

- 8.1 The Lessee shall, for securing the performance of its obligations under this Agreement, provide to the Authority, an irrevocable and unconditional bank guarantee towards Performance Security, in accordance with the provisions contained in this Clause 8, from a nationalised/ scheduled Bank in India, in the form set forth in Schedule C (the “**Performance Security**”).
- 8.2 The Lessee shall, within 15 (fifteen) days of the LOI, furnish a Performance Security of an amount as per calculation shown in Annexure-I. Until such time, the Performance Security is provided by the Lessee pursuant to this Clause and the same comes into effect, the Bid Security shall remain in force and effect.
- 8.3 The Performance Security furnished by the Lessee in terms of Clause 8.2 shall remain valid until the expiry of 3 (three) years from the Effective Date. For the subsequent period, the Lessee shall be required to furnish a revised Performance Security in advance at the end of every third year at the revised rate of the Lease Fee as shown in Annexure-I.
- 8.4 Notwithstanding anything to the contrary contained in this Agreement, in the event the Lessee fails to furnish the Performance Security in accordance with this Clause 8, the Authority may take appropriate action against the Lessee or may encash the last Performance Security and appropriate the proceeds thereof as Damages, and thereupon all rights, privileges, claims and entitlements of the Lessee under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Lessee, and this Agreement shall be deemed to have been terminated by mutual agreement of the Parties.
- 8.5 Appropriation of Performance Security
- 8.5.1 In the event of the Lessee being in default in the due and faithful performance of its obligations under this Agreement and failing to remedy such default within the Cure Period, the Authority shall without prejudice to its other rights and remedies hereunder, be entitled to encash and appropriate the Performance Security as Damages for such default. Upon such encashment and appropriation of the Performance Security, Authority shall grant a period of 15 (fifteen) days to the Lessee to provide fresh Performance Security and the Lessee shall within the time so granted furnish to Authority such

Performance Security failing which Authority shall be entitled to terminate this Agreement under Clause 21.1.1.

- 8.5.2 Notwithstanding anything to the contrary contained in Clause 8.5.1, upon furnishing of fresh Performance Security in accordance with Clause 8.5.1, the Lessee shall be granted a Cure Period of a 60 days for remedying the defaults and complying with his obligations under this Agreement. In the event, the Lessee continues to be in breach of the provisions of this Agreement after such Cure Period, Authority shall be entitled to terminate this Agreement under the provisions of Clause 21 hereof.

#### 8.6 Release of Performance Security

The Performance Security shall remain in force and shall be kept in effect by the Lessee, during the subsistence of this Agreement and 6 (six) months thereafter. Upon expiry of the abovementioned period and upon successful Transfer of the Site as well as IOM by the Lessee, the Lessee shall make a request to the Authority for release of the Performance Security along with the particulars which establish satisfaction of the requirements for release. The Authority shall, subject to the other provisions of this Agreement, including but not limited to Clause 32 (Transfer Provisions) and Clause 23 (Defects Liability), release the Performance Security within a period of 15 (fifteen) days.

## 9 LEASE AND ACCESS TO THE SITE

### 9.1 The Site

- 9.1.1 The Site shall refer to the land admeasuring [•] as more particularly described in Schedule-A and in respect of which the right of way shall be provided and granted by the Authority to the Lessee under and in accordance with this Agreement (the “**Site**”). For the avoidance of doubt, it is hereby acknowledged and agreed that references to the Site shall be construed as references to the land parcel required for the establishment of MRO.

### 9.2 Lease and Access

- 9.2.1 In consideration of the payments specified under this Agreement and the covenants and warranties on the part of the Lessee herein contained, the Authority, in accordance with the terms and conditions set forth herein, hereby agrees to grant to the Lessee the Lease Rights comprising the following, on and from the Effective Date:

- a) limited Lease in respect of the Site, on an “**as is where is**” basis, free of any Encumbrances, to access the Site only for the purpose of establishment of the MRO during the Construction Period and;
- b) Lease rights to use, operate and maintain the Site and IOM, together with all and singular rights, liberties, privileges, easements and appurtenances whatsoever to the said Site and the IOM, hereditaments or any part thereof belonging to or in any way appurtenant thereto or enjoyed therewith, for the Contract Period and for the Permitted Uses under this Agreement, and for no other purposes whatsoever.

- 9.2.2 It is expressly agreed that the Lease Rights agreed to be granted hereunder shall terminate automatically and forthwith, upon the Termination of this Agreement for any reason whatsoever. For the avoidance of doubt, the Parties expressly agree that notwithstanding any temporary or permanent

structures erected on the Site by the Lessee or any other person authorised by the Lessee, such right in respect of the Site shall automatically terminate, without any further act of the Parties, upon Termination of this Agreement.

- 9.2.3 The Lessee hereby irrevocably appoints the Authority (or its nominee) to be its true and lawful attorney, to execute and sign in the name of the Lessee, a surrender of the Lease granted hereunder at any time after the Contract Period has expired or has been terminated earlier in terms hereof, a sufficient proof of which will be a declaration by Authority Representative, and the Lessee consents to it being registered for this purpose.

### 9.3 Handover of the Site

- 9.3.1 The Parties shall, within 7 (seven) days of the Authority's notice in this behalf to the Lessee from Letter of Award (LOA), carry out handing-taking over of Site through the Authority Representative and the Lessee Representative, on a mutually agreed date and time. A memorandum shall be prepared containing the inventory of Site including the vacant and unencumbered land, structures thereupon, road works, and any other immovable property on or attached to the Site. Signing of the memorandum, in two counterparts (each of which shall constitute an original), by the authorized representatives of the Parties shall, subject to the provisions of Clause 9.2.2 above be deemed to constitute a valid Lease to the Lessee for the use of the Site in accordance with the provisions of this Agreement during the Contract Period and for no other purpose whatsoever.

- 9.3.2 In addition to the memorandum, the Lessee's Representative shall execute and deliver to the Authority a letter acknowledging the handover of Site to the Lessee in the format set out in Schedule G.

- 9.3.3 On and after signing the memorandum referred to in Clause 9.3.1 above, and until the Transfer Date, the Lessee shall maintain a round-the-clock vigil over the Site and shall ensure and procure that no encroachment thereon takes place, and in the event of any encroachment or occupation on any part thereof, the Lessee shall report such encroachment or occupation forthwith to the Authority and undertake its removal at its cost and expenses.

### 9.4 Site to be free from Encumbrances

Subject to the provisions of Clause 9.3 above, the Site shall be made available by the Authority to the Lessee pursuant hereto, free from all Encumbrances and occupations and without the Lessee being required to make any other payment to the Authority on account of any costs, compensation, expenses and charges for the acquisition and use of such Site for the duration of the Contract Period, 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 Site shall not be deemed to be Encumbrances. It is further agreed that the Lessee accepts and undertakes to bear any and all risks arising out of the inadequacy or physical condition of the Site.

### 9.5 Fee for temporary allotment of land during construction stage

The Lessee shall restrict all their construction activities/ godowns / material stacks etc. within their allotted land parcel. If they wish to get additional temporary space for the same, Authority may consider allotting of the same on the basis on availability. However, the Lessee to bear all costs and charges as applicable to MRO Site.

#### 9.6 Access to the Authority, Authority Representative, and Government Authorized Persons

The Lease and right to the Site granted to the Lessee hereunder shall always be subject to the right of access of the Authority, the Authority Representative, and the Government Authorized Persons and their employees and agents for inspection, viewing and exercise of their rights and performance of their obligations under this Agreement.

#### 9.7 Geological and archaeological finds

It is expressly agreed that mining, geological or archaeological rights do not form part of the Lease granted to the Lessee under this Agreement and the Lessee hereby acknowledges that it shall not have any mining rights or interest in the underlying minerals, fossils, antiquities, structures or other remnants or things either of particular geological or archaeological interest and that such rights, interest and property on or under the Site shall vest in and belong to the Authority. The Lessee shall take all reasonable precautions to prevent its workmen or any other person from removing or damaging such interest or property and shall inform the Authority forthwith of the discovery thereof and comply with such instructions as the Authority may reasonably give for the removal of such property. For the avoidance of doubt, it is agreed that any reasonable expenses incurred by the Lessee hereunder shall be reimbursed by the Authority. It is also agreed that the Authority shall procure that the instructions hereunder are issued by the Authority within a reasonable period.

### 10 UTILITIES AND ASSOCIATED ROADS

#### 10.1 Shifting of obstructing utilities

The Lessee shall, subject to Applicable Laws and Policies and with prior written consent and supervision of the Authority, undertake shifting of any utility including electric lines, water pipes and telephone cables, to an appropriate location or alignment within or outside the Site if and only if such utility causes or shall cause a Material Adverse Effect on the construction, operation or maintenance of the IOM. The cost of such shifting shall be borne by the Authority.

#### 10.2 New utilities and roads

The Lessee shall allow, subject to such conditions as the Authority may specify, access to, and use of the Site for laying telephone lines, water pipes, electric cables or other public utilities. For the avoidance of doubt, it is agreed that use of the Site under this Clause 10.2 shall not in any manner relieve the Lessee of its obligation to use and maintain the Site & IOM in accordance with this Agreement and any damage caused by such use shall be restored forthwith.

### 11 LESSEE'S COVENANTS

#### 11.1 Covenants in respect of the Lease Rights

##### 11.1.1 In consideration of payments to the Authority in accordance with the terms hereof and adherence to the terms and conditions as contained in this Agreement, the Authority grants to the Lessee Lease Rights of the Site for the Contract Period;

- 11.1.2 The Lessee shall be solely responsible to seek connection of, to procure and ensure at its own cost and expense, water, electricity and all other utilities required for the construction, maintenance and use of the IOM and the Authority shall not be responsible to provide any infrastructure in relation to any such services and/or utilities. However, Authority shall extend all possible co-operation on best efforts basis to enable the Lessee in obtaining such necessary connections/ facility from the respective service providers of State/ City authorities. The Lessee to intimate and take prior approval of Authority's representative regarding the service connections/ cables/ pipelines to be laid in the airport premises for which right of way shall be granted by Authority without any land Lease Fee. In case, if such utilities are spare and provided by the Authority, the Lessee shall reimburse the charges for the same to the Authority on actual basis applicable to that location. Right of way for such utilities through AAI land is marked in the Site plan available at Annexure-III of this tender document.
- 11.1.3 It is agreed that the Lessee shall, with effect from the Effective Date, pay all present and future outgoings, Taxes (including GST), levies, import duties, fees and other charges whatsoever and all increases thereto, pertaining to the Lease contemplated hereunder and construction of the IOM or in respect of the materials stored on the due dates thereof and the Authority shall not be liable to pay the same. On and from the Effective Date, the Lessee shall also pay all the Taxes (including GST), levies, import duties, fees and other charges, dues, assessments or outgoings payable in respect of the Fee (including GST) or in respect of the IOM which may be levied by any Governmental Authority;
- 11.1.4 During the Contract Period, the Lessee shall not transfer or create any Encumbrance over the Site and the IOM;
- 11.1.5 The Parties recognize and agree that nothing contained in this Agreement shall be construed to constitute a transfer of title in the Site in favour of the Lessee. The Lessee shall not at any time during the Contract Period, assert any ownership rights over the Site;
- 11.1.6 Notwithstanding anything to the contrary contained in this Agreement, the Lessee shall not use any area on the Airport other than the Site. However, the Authority may allow the Lessee to store its materials and stores at the areas as may be designated by the Authority for such purposes on such terms and conditions as it may consider appropriate. Further, the Authority may, on payment of charges to be prescribed by the Authority, allow the Lessee to use any other area on the Airport on the terms determined by the Authority;
- 11.1.7 The Lessee shall at all times be responsible for the construction and maintenance of IOM in accordance with this Agreement and in compliance with the Applicable Laws and Policies and the Specifications and Standards hereto;
- 11.1.8 The Lessee shall undertake its obligations hereunder using due care and diligence in a professional manner, using sound engineering and design principles and project management and supervisory procedures and in accordance with Good Industry Practice;
- 11.1.9 The Lessee shall at all times, obtain and maintain all Approvals which are required by for fulfilment of its obligations in terms of this Agreement. The Parties agree that the Lessee shall indemnify the Authority in respect of any loss caused to, or suffered by the Authority, arising out of a breach of the terms of any Approvals obtained by it in connection herewith;
- 11.1.10 The Lessee shall maintain the Site during the Contract Period, with regard to safety precautions, fire protection, security, transportation, delivery of goods, materials, plant and equipment, control of pollution, maintenance of personnel, labour and industrial relations and general site services;



- 11.1.11 Lessee shall ensure that all materials, equipment, machinery, etc. installed and/ or used at Site will be of sound and merchantable quality, that all workmanship shall be in accordance with Good Industry Practices applicable at the time of installation, construction or repair and that each part of the construction will be fit for the purpose for which it is required;
- 11.1.12 Lessee shall be responsible for safety, soundness and durability of the IOM constructed upon Site and shall ensure their compliance with the relevant Specifications and Standards;
- 11.1.13 The Lessee shall obtain and maintain in force on and from the Effective Date, all insurance in accordance with the provisions of this Agreement and Good Industry Practice;
- 11.1.14 In the event there are any existing structures laid upon or on the Site, then the Lessee shall be required to demolish/ dispose all such structures at its own risk and cost, with the prior written approval of the Authority, which shall not be unreasonably withheld;
- 11.1.15 The Lessee shall not set up labour camp and/ or lay down areas within the Airport, provided however that the Lessee may set up lay down areas within the Site;
- 11.1.16 During construction, the Lessee shall use only those approach roads to the Site within the Airport which are specified by the Authority, provided that the Authority may notify any change in such approach routes which shall be followed by the Lessee;
- 11.1.17 The Lessee shall indemnify the Authority against all actions, suits, claims, demands and proceedings and any loss or damage or cost or expense that may be suffered by the Authority on account of anything done or omitted to be done by the Lessee in connection with the performance of its obligations under this Agreement; and
- 11.1.18 The Lessee shall, from time to time, promptly pay all the charges/ bills for the usage of infrastructure facilities provided to it by the relevant Governmental Authority or by the Authority.

## 11.2 Bird Control

The Parties expressly acknowledge that due to the proximity of Site with the Airport, the Lessee shall be required to take all reasonable measures and comply with all Applicable Laws and Policies to prevent the possibility of any bird nuisance in and around the operational areas of the Airport. In addition to all other Approvals, the Lessee shall not be permitted to plant any trees upon Site, without the prior written approval of the Authority, which approval will be granted solely be from the perspective of preventing any bird nuisance. Such approval by the Authority shall in no event amount to certifying the conformity of the Lessee with Applicable Laws and Policies or discharge the Lessee from the requirement of obtaining Approvals.

## 11.3 Sub-Contracts

- 11.3.1 Lessee shall have the right to grant a sub-contract any activity for fulfilling its obligations relating to the Construction Works, including but not limited to the design, construction, maintenance or any part thereof, provided always that notwithstanding the sub-contract, Lessee shall retain the overall responsibility, obligation and liability hereunder. It is clarified that Lessee shall remain liable and responsible for any acts, omissions or defaults of any Sub-contractor, and shall indemnify the Authority in respect thereof. Provided further that, the Lessee shall ensure that all such sub-contracts are in compliance with the terms of this Agreement.

## 12 CONSTRUCTION OF THE IOM

### 12.1 Obligations prior to commencement of construction

Prior to commencement of Construction Works, the Lessee shall:

- 12.1.1 submit to the authority the requisite drawing and details for seeking approval of the DGCA, BCAS and other Govt. Authority.
- 12.1.2 appoint its representative duly authorised to deal with the Authority in respect of all matters under or arising out of or relating to this Agreement;
- 12.1.3 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, Applicable Laws and Policies and Approvals;
- 12.1.4 obtain all the statutory Approvals or permits required to be taken before the commencement of the Construction Works from State/ Central Government Authorities; and
- 12.1.5 make its own arrangements for construction and procurement of materials needed under and in accordance with Good Industry Practice, Approvals, Applicable Laws and Policies.

## 13 COMPLETION OF CONSTRUCTION OF IOM

- 13.1 The Lessee shall be obliged to achieve commissioning of MRO facility on the Site, within a period of 2 (two) years from the Effective Date. Upon the occurrence of (i) a Authority Event of Default, which substantially prevents the Lessee from achieving commissioning of MRO facility on the Site, within a period of 2 (two) years from the Effective Date; or (ii) an event beyond the control of the Lessee which renders the construction and development of the MRO facility impossible, the Lessee shall be entitled to extend the aforesaid time period of 2 (two) years, by such time as such events mentioned in aforementioned (i) and (ii) subsist. It is clarified that any financial hardship or any change in circumstances affecting the Lessee, its sub-contractors or its sub-lessees or the Project becoming unviable would not excuse performance of the Lessee or entitle it to extend the time period for achieving the commissioning of MRO facility on the Site under (ii) above.
- 13.2 Upon the completion of the Construction Works as per prevailing Specification and Standards of MRO facility with other activities i.e. Structural Safety Certificate, Approvals and NOC etc. the agency to intimate in writing to the Authority about completion of all MRO facility mentioning Cost of facility ("**Completion Notice**") with a copy of various approvals, certificates and licenses obtained for commissioning and seek approval of the Authority for commencement of MRO operations from the respective site.
- 13.3 Upon intimation of completion of construction activities by MRO agency vide Completion Notice, intimating readiness of the MRO facility as per Applicable Laws and Policies, Specifications and Standards, the Authority shall issue consent/ go ahead for commissioning of MRO facility through

issuance of Certificate For Commissioning ("**Certificate For Commissioning**") as per Schedule D.

- 13.4 Upon receipt of a consent from the Authority after obtaining necessary MRO Approvals from concerned departments, the Lessee may commence the MRO operations at Site.
- 13.5 Authority shall not be responsible for any loss of business, profit, goodwill or any other loss caused to the Lessee due to a delay in the completion of construction of the IOM on any account.

## **14 MAINTENANCE REQUIREMENTS**

- 14.1 The Lessee shall be solely responsible for maintaining the Site and the IOM in good condition, neat and clean, to the satisfaction of the Authority. The Lessee shall assure that, at all times during the Contract Period, the Site and the IOM conform to the maintenance requirements as per Good Industry Practices and the statutory requirements ("**Maintenance Requirements**").
- 14.2 The Lessee shall, during the Contract Period, maintain, at its cost, the existing facilities (e.g. road, apron, buildings, water supply system, sewerage, solid waste etc.) so that the Site surroundings and safety thereof are at no time materially inferior as compared to their condition 7 (seven) days prior to the date of this Agreement, and shall undertake the necessary repair and maintenance works for this purpose; For the avoidance of doubt, it is agreed that the Lessee shall at all times be responsible for ensuring safe operation of the MRO and no hindrance to Airport operations.
- 14.3 De-commissioning due to Emergency
  - 14.3.1 If, in the reasonable opinion of the Lessee, there exists an Emergency which warrants de-commissioning and closure of the whole or any part of the IOM & MRO, the Lessee shall be entitled to de-commission and close the whole or any part of the IOM & MRO for so long as such Emergency and the consequences thereof warrant; provided that such decommissioning and particulars thereof shall be notified by the Lessee to the Authority without any delay, and the Lessee shall diligently carry out and abide by any reasonable directions that the Authority may give for dealing with such Emergency.
  - 14.3.2 The Lessee shall re-commission the IOM & MRO or the affected part thereof as quickly as practicable after the circumstances leading to its decommissioning and closure have ceased to exist or have so abated as to enable the Lessee to re-commission the IOM & MRO and shall notify the Authority of the same without any delay.
  - 14.3.3 Any Decommissioning or closure of any part of the Site and/or IOM and/or MRO and re-commissioning thereof shall, as soon as practicable, be brought to the notice of affected person by means of public announcement/ notice.
- 14.4 Damages for breach of maintenance obligations
  - 14.4.1 In the event the Lessee does not maintain and/ or repair the Site, the IOM or a part thereof upto and in accordance with the Specifications and Standards and/or in accordance with the Maintenance Requirements, and shall have failed to commence remedial works within 15 (fifteen) days of receipt of notice in this behalf from Authority, or the Inspection Report, as the case may be, Authority shall, without prejudice to its rights under this Agreement, including Termination thereof, be entitled to undertake the repair and maintenance of the Site and/ or the IOM at the risk and cost of the Lessee

and to recover the same from the Lessee. In addition to recovery of the aforesaid cost of repair and maintenance by the Authority, a sum equal to 25% (twenty five per cent) of such cost shall also be recovered by the Authority from the Lessee as penalty for Damages.

- 14.4.2 In the event the Authority does not exercise its option to undertake the required repair and maintenance after expiry of the 15 (fifteen) days period set forth in 14.4.1 above, it shall recover Damages from the Lessee for default in operating and maintaining the Site in conformity with this Agreement. Such Damages shall be payable after the aforesaid period of 15 (fifteen) days and until the default is cured. The amount to be claimed as Damages shall be calculated for each day of default at the higher of the following, namely (a) INR 1,000 (Indian Rupee One Thousand), or (b) 0.1% (zero point one per cent) of the cost of such repair as estimated by the Authority. Recovery of such Damages shall be without prejudice to the other rights of the Authority under this Agreement, including Termination thereof.

#### 14.5 Restoration of loss or damage

Save and except as otherwise expressly provided in this Agreement, in the event the Site, the IOM or any part thereof suffers any loss or damage during the Contract Period from any cause whatsoever, the Lessee shall, at its cost and expense, rectify and remedy such loss or damage forthwith.

#### 14.6 Modifications to the IOM

The Lessee shall not carry out any material modifications to the IOM, save and except where such modifications are necessary to operate in conformity with the Specifications and Standards, Safety Requirements, Operational Requirements, Maintenance Requirements, Good Industry Practice and Applicable Laws and Policies; provided that the Lessee shall carry out such modifications only if such modifications have been approved by the Authority in advance.

#### 14.7 Overriding Powers of the Authority

- 14.7.1 If in the reasonable opinion of the Authority, the Lessee is in material breach of its obligations under this Agreement and, in particular, the Maintenance Requirements, and such breach is causing or likely to cause material hardship or danger to any person or property, the Authority may, without prejudice to any of its rights under this Agreement including Termination thereof, by notice require the Lessee to take reasonable measures immediately for rectifying or removing such hardship or danger, as the case may be.

- 14.7.2 In the event that the Lessee, upon notice under Clause 14.7.1 above, fails to rectify or remove any hardship or danger within a reasonable period, the Authority may exercise overriding powers under this Clause 14.7.2 and take over the performance of any or all the obligations of the Lessee to the extent deemed necessary by it for rectifying or removing such hardship or danger; provided that the exercise of such overriding powers by the Authority shall be of no greater scope and of no longer duration than, it is reasonably required hereunder; provided further that the Lessee shall be responsible for any costs and expenses incurred by the Authority in discharge of its obligations hereunder, and the Authority shall be entitled to recover them from the Lessee as Damages.

## 15 SAFETY REQUIREMENTS

- 15.1 The Lessee shall comply with the provisions of this Agreement, Applicable Laws and Policies and

Approvals and conform to Good Industry Practice for securing the safety of the visitors to the Site, the IOM and other persons present at the Site. In particular, the Lessee shall develop, implement and administer a surveillance and safety programme for providing a safe environment on or about the Site and shall comply with the safety requirements set forth in Schedule E - Safety Requirements (the "**Safety Requirements**").

- 15.2 The Authority reserves the rights require the Lessee to get a safety audit of the Site, the IOM done in accordance with the Safety Requirements, and shall take all other actions necessary for securing compliance with the Safety Requirements.

15.3 Expenditure on Safety Requirements

All costs and expenses arising out of or relating to Safety Requirements shall be borne by the Lessee.

15.4 Security Requirements

- 15.4.1 The Lessee shall at its own costs be liable to and shall obtain necessary security clearances/permits for its employees.

- 15.4.2 The Lessee shall not use wireless communications systems, Leased or otherwise at any frequency bands within the Airport without the prior written permission of AAI.

- 15.4.3 The Lessee shall be responsible for the security of the Site and/or the IOM and their use by the Lessee in a safe manner.

- 15.4.4 The Lessee, in consultation and with approval of Authority, shall provide and take all such security measures as necessary to prevent unauthorised intrusion into the Site & the IOM.

- 15.4.5 The Lessee shall include all such measures as part of the security system during the Contract Period, as may be prescribed by AAI from time to time.

- 15.5 The Lessee shall ensure that the Lessee, its agents, employees, subcontractors or representatives shall comply with the safety and emergency requirements and take all such security measures as necessary to prevent unauthorised intrusion into the Site and the IOM and ensure that the actions of the Lessee or its employees, agents or representatives do not compromise the security of the airport or the operations of the airport, its users, visitors etc. at any point of time.

## **16 MONITORING OF LESSEE'S OBLIGATIONS**

16.1 Operation Reports

- 16.1.1 During the Contract Period, the Lessee shall, no later than 10 (Ten) days after the close of each quarter of Accounting Year, furnish to the Authority a monthly compliance report indicating the total MRO cases handled and completed by the Lessee containing;

- a) a summary of the compliances undertaken during the quarter in terms of the Approvals, Safety Requirements, Maintenance Requirements, Applicable Laws and Policies and other obligations of the Lessee in terms of this Agreement;
- b) a summary of any other relevant facts and information pertaining to the Site, the MRO and/ or the

rights and obligations of the Lessee under this Agreement; and

- c) documents evidencing the subsistence of all the Approvals (including but not limited to license) obtained by the Lessee in relation to the Site.

16.1.2 The Lessee shall also submit a copy of valid licenses annually as authorized by DGCA/ concerned departments.

#### 16.2 Inspection

The Authority reserves the right to inspect the Site, IOM and/ or conduct such tests as and when it may deem necessary, without any notice. It shall make a report of such inspection and/ or tests (the "**Inspection Report**") stating in reasonable detail the defects or deficiencies, if any, with particular reference to the obligations of the Lessee under this Agreement including Maintenance Requirements and the Safety Requirements, and send a copy thereof to the Authority and the Lessee within 7 (seven) days of such inspection.

#### 16.3 Audit right of the Authority

Notwithstanding anything to the contrary contained herein, the Authority shall have the right, but not the obligation, to appoint at its cost from time to time and at any time, another firm of chartered accountants to audit and verify the expenses, costs and realizations disclosed by the Lessee to the Authority. The Lessee undertakes to co-operate with Authority and the entities authorized by Authority in the conduct of such audit, and for such purpose to provide access to the officials of Authority and its authorized agencies to the books of accounts, bills, documents, papers and such other details as may be required by the Authority or its representatives.

#### 16.4 Remedial measures

16.4.1 The Lessee shall repair or rectify the defects or deficiencies, if any, set forth in the Inspection Report and furnish a report in respect thereof to the Authority within 15 (fifteen) days of receiving the Inspection Report; provided that where the remedying of such defects or deficiencies is likely to take more than 15 (fifteen) days, the Lessee shall submit progress reports of the remedial works once every week until such works are completed in conformity with this Agreement.

16.4.2 The Authority shall require the Lessee to carry out or cause to be carried out tests, at its own cost, to determine that such remedial measures have brought the Site and the IOM into compliance with the Maintenance Requirements and the procedure set forth in this Clause shall be repeated until the Site and the IOM conforms to the Maintenance Requirements. In the event that remedial Authority measures are not completed by the Lessee in conformity with the provisions of this Agreement, the Authority shall be entitled to recover Damages from the Lessee under and in accordance with the provisions of Clause 14.4 above.

#### 16.5 Reports of Unusual Occurrence

The Lessee shall, prior to the close of day, send to the Authority, by or e-mail, a report stating accidents and unusual occurrences on the Site and IOM, if any. A monthly summary of such reports shall also be sent within 3 (three) days of the closing of each month, as the case may be. For the purposes of this Clause, accidents and unusual occurrences on the Site, or IOM shall include:

- a) death or injury to any person;

- b) damaged or dislodged fixed equipment;
- c) any damage or obstruction on the Site or IOF;
- d) all major accidents or crime;
- e) smoke or fire or flooding of the Site; and
- f) such other relevant information as may be required by the Authority.

## 17 PAYMENTS TO BE MADE BY THE LESSEE TO THE AUTHORITY

### 17.1 Fee

17.1.1 In consideration of this Agreement and other rights granted to the Lessee under this Agreement, the Lessee shall pay to the Authority, an annual lease rental ("**Lease Fee**") for the Site allotted from the Effective Date. This Lease Fee shall be escalated at the rate of 15% after every third year as depicted in Schedule I for the allocated Site. However, no Lease Fee shall be charged from the Lessee for the link taxiway/ approach road constructed for reaching the Site by the Lessee.

17.1.2 The Lease Fee shall be paid in advance in four equal installments, each installment to be paid prior to the 7<sup>th</sup> day of each quarter by cheque/ RTGS/ NEFT in favour of the Authority, from the Effective Date.

17.2 It is expressly clarified that Lease Fee payable to the Authority by the Lessee is exclusive of Applicable Taxes. For the avoidance of doubt, GST, cess or any other tax applicable shall be borne by the Lessee over and above the accepted Lease Fee as per Clause 17.1.1 above.

17.2.1 The Parties hereto agree that payments due from the Lessee to the Authority under the provisions of this Agreement shall be made within the period set forth therein, and if no such period is specified, within 30 (thirty) days of receiving a demand along with the necessary particulars. Unless otherwise specified in this Agreement, in the event of delay beyond such period, the Lessee shall pay simple interest for the period of delay calculated at a rate equal to SBI One Year MCLR plus 4% (four per cent) and recovery thereof shall be without prejudice to the rights of the Parties under this Agreement including Termination thereof.

17.3 Other Charges: No additional charges shall be levied by the Authority over and above the Fee in terms of this clause. Furthermore, as per Clause 11.1.2, the Lessee shall reimburse the charges in respect of usage of electricity and water to the Authority on actual basis, if applicable.

## 18 INSURANCE

### 18.1 Insurance during Contract Period

#### 18.1.1 Insurance during Contract Period

- a) The Lessee shall effect and maintain at its own cost, during the Contract Period, such insurances for such maximum sums as may be required under the Applicable Laws and Policies, and such insurances as may be necessary or prudent in accordance with Good Industry Practice. The Lessee 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 Lessee during the Contract Period. The Lessee shall procure that in each insurance policy, the Authority shall be either a first insured or co-insured.
- b) The Lessee shall by notice furnish to the Authority, in reasonable detail, information in respect of the insurances that it proposes to effect and maintain in accordance with this Clause. Within 30 (thirty) days of receipt of such notice, the Authority may require the Lessee to effect and maintain such other insurances as may be necessary pursuant hereto, and in the event of any difference or disagreement relating to any such insurance, the Dispute Resolution Procedure shall apply.



For the sake of brevity, the aggregate of the maximum sums insured under the insurance taken out by the Lessee pursuant to this Clause are herein referred to as the “**Insurance Cover**”.

## 18.2 Insurance Cover

Without prejudice to the provisions contained in Clause 18.1 above, the Lessee shall, during the Contract Period, procure and maintain Insurance Cover including but not limited to the following:

- 18.2.1 loss, damage or destruction of the Site and/ or the IOM, including assets handed over by the Authority to the Lessee, at replacement value;
- 18.2.2 comprehensive Third Party liability insurance including injury to or death of personnel of the Authority or others caused by the transactions contemplated herein;
- 18.2.3 the Lessee’s general liability arising out of the Lease Rights;
- 18.2.4 liability to third parties for goods or property damage;
- 18.2.5 workmen’s compensation insurance; and
- 18.2.6 any other insurance that may be necessary to protect the Lessee and its employees, including all Force Majeure Events that are insurable at commercially reasonable premiums and not otherwise covered in items Clause 18.2.1 to 18.2.5 above.

## 18.3 Evidence of Insurance Cover

All insurances obtained by the Lessee in accordance with this Clause 18.3 shall be maintained with insurers on terms consistent with Good Industry Practice. Within 15 (fifteen) days of obtaining any Insurance Cover, the Lessee shall furnish to the Authority, notarized true copies of the certificate(s) of insurance, copies of insurance policies and premia 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 Lessee to the Authority.

## 18.4 Remedy for failure to insure

If the Lessee shall fail to effect and keep in force all insurances for which it is responsible pursuant hereto, the Authority shall have the option to either keep in force any such insurances, and pay such premia and recover the costs thereof from the Lessee.

## 18.5 Waiver of subrogation

All insurance policies in respect of the Insurance Cover obtained by the Lessee pursuant to this Clause 18 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.

## 18.6 Lessee’s waiver

The Lessee 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 Lessee 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 Lessee 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.

#### 18.7 Application of insurance proceeds

The proceeds from all insurance claims, except life and injury, shall be paid to the Lessee and it shall, notwithstanding anything to the contrary contained in Clause 18.3 above, apply such proceeds for any necessary repair, reconstruction, reinstatement, replacement, improvement or delivery of the Site and/or the IOM.

## 19 COMPENSATION FOR BREACH OF AGREEMENT

#### 19.1 Compensation for default by Lessee

In the event of Lessee being in material default of this Agreement and such default is cured before Termination, the Lessee shall pay to Authority as compensation, all direct additional costs suffered or incurred by Authority arising out of such material default by the Lessee, in one lumpsum within 30 (thirty) days of receiving the demand from the Authority supported by necessary particulars thereof; provided that no compensation shall be payable under this Clause 17 for any material breach or default in respect of which damages are expressly specified and payable under this Agreement or for any consequential losses incurred by the Authority.

#### 19.2 Mitigation of costs and damage

The Affected Party shall make all reasonable efforts to mitigate or limit the costs and damage arising out of or as a result of breach of Agreement by the other Party.

## 20 Shifting/ Relocation of MRO to new Site

20.1 Without prejudice to any other rights or remedies which the Authority may have under this Agreement, the Authority shall be entitled to vacate the MRO operations by Lessee from present Site for its own use due to operational exigencies/ requirements. Although change of location is highly unlikely but in the interest of efficiency and operations of the airport, if necessary, MRO may require shifting. In such event, another land parcel of near equivalent size at the same airport shall be identified by Authority and communicated to the Lessee with the request to relocate/ shift their MRO operations from the present Site to Proposed Site ("Proposed Site") immediately with same terms and conditions of this contract. However, Lessee shall be granted a period of 12 (Twelve) months from issuance of notice for relocation during which no land Lease Fee shall be charged by Authority for the new site. During this period Lessee is expected to complete the construction along with all necessary approvals required for setting up of MRO at proposed site.

20.2 Such allocation of new land parcel for setting up off MRO operations by an existing Lessee shall be for a balance period of present contract under same terms and conditions of the agreement. However,

this clause shall not be applicable if 27 years of Contract Period of Lessee is already completed.

- 20.3 Upon serving notice for shifting / relocation of MRO by Authority to another site/ location from the existing MRO location, within the airport, Lessee is expected to shift/ relocate all their assets/ facility to their new site at their own cost and Land Lease Fee shall be charged from the Lessee for the existing Site till the time of Lessee vacating and handover the existing MRO Site including IOM, free from all encumbrances as per Clause 32. However, if Lessee does not shift/ vacate even after expiry of 12 (Twelve) months from date of notice for shifting/ relocation, necessary penal action including Termination shall be initiated for this default.
- 20.4 Upon successful handing over of existing MRO Site to the Authority, Lessee shall be entitled to get suitable payment for the remaining value of fixed IOM, as per Termination payment defined under Clause 21.4.

## 21 TERMINATION

### 21.1 Termination for Lessee's Default

- 21.1.1 Each of the following events or circumstances, to the extent not caused by a default of Authority shall be considered for the purposes of this Agreement as events of default of the Lessee ("**Lessee's Event of Default**") which, if not remedied within the Cure Period set forth below, or where no Cure Period is specified, within 60 (sixty) days, upon receipt of written notice from Authority, shall provide Authority the right to terminate this Agreement:
- a. The Lessee abandons the Site, the MRO unattended for more than 30 (thirty) consecutive days without the prior consent of Authority, provided that the Lessee shall be deemed not to have abandoned such operation if such abandonment was (i) on account of a breach of its obligations by Authority;
  - b. The Lessee creates any Encumbrance, charges or lien in favour of any person save and except as otherwise expressly permitted under this Agreement;
  - c. Upon occurrence of the change in control of the Lessee and the Lessee does not *suo moto* cure such default within 30 (thirty) days of its occurrence;
  - d. the Lessee is adjudged bankrupt or insolvent, or if a trustee or receiver or interim resolution professional/ resolution professional is appointed for the Lessee or for the whole or material part of its assets that has a material bearing on this Agreement and the transactions contemplated hereunder;
  - e. a resolution for winding up of the Lessee is passed, or any petition for insolvency resolution process/ liquidation/winding up of the Lessee is admitted by a court/tribunal of competent jurisdiction and an interim resolution professional/ resolution professional /provisional liquidator/liquidator or receiver is appointed and such order has not been set aside within 90 (ninety) days of the date thereof or the Lessee is ordered to be wound up/liquidated by Court/tribunal except for the purpose of amalgamation or reconstruction; provided that, as part of such amalgamation or reconstruction, the entire property, and undertaking of the Lessee are transferred to the amalgamated or reconstructed entity and that the amalgamated or reconstructed entity has unconditionally assumed the obligations of the Lessee under this Agreement and the other agreements executed by the Lessee in connection herewith; and provided that:

- (i) the amalgamated or reconstructed entity has the capability and operating experience necessary for the performance of its obligations under this Agreement and other agreements executed by the Lessee in connection herewith ;
  - (ii) the amalgamated or reconstructed entity has the financial standing to perform its obligations under this Agreement and the other agreements executed by the Lessee in connection herewith and has a credit worthiness at least as good as that of the Lessee as at the date immediately preceding the date on which such proposal for amalgamation or reconstruction has been approved; and
  - (iii) each of the other agreements executed by the Lessee in connection herewith remain in full force and effect;
- f. there is a transfer, pursuant to law either of (i) the rights and/or obligations of the Lessee under any of the agreements executed by the Lessee or of (ii) undertaking of the Lessee, and such transfer causes a Material Adverse Effect;
  - g. a resolution is passed by the shareholders of the Lessee for the voluntary winding up of the Lessee;
  - h. the Lessee repudiates this Agreement or otherwise evidences an intention not to be bound by this Agreement;
  - i. the Lessee suffers an execution being levied on any of its equipment or assets causing a Material Adverse Effect and allows it to be continued for a period of 15 (fifteen) days;
  - j. the Lessee has delayed any payment that has fallen due under this Agreement if such delay exceeds 90 (ninety) days;
  - k. the Lessee is in breach of the provisions contained in Clause 8 of this Agreement;
  - l. subsequent to the replenishment or furnishing of fresh Performance Security in accordance with Clause 8.5.1 above, the Lessee fails to meet any Condition Precedent or cure the Lessee Default, as the case may be, for which whole or part of the Performance Security was appropriated, within the Cure Period specified with respect to that particular default;
  - m. the Lessee fails to fulfil any of its obligations hereunder and such default is not remedied within the Cure Period specified herein; or
  - n. the Lessee has failed to make any payment to the Authority within the period specified in this Agreement including without limitation the amounts set out in Clause 17 above;
  - o. the Lessee fails to achieve the Certificate of Commissioning before the 5<sup>th</sup> anniversary of the Effective Date;
  - p. the Lessee fails to re-validate its certificate of approval from DGCA for a continuous period of two years.

## 21.2 Termination for Authority's convenience

Without prejudice to any other rights or remedies which the Authority may have under this Agreement, the Authority shall be entitled to terminate this Agreement for any reasons whatsoever, including upon determination that the Authority requires the Site for its own use, and without having to specify any reasons therefor, by issuing a Termination Notice of not less than 12 (twelve) months to the Lessee.

### 21.3 Termination by Lessee

The Lessee may, at any time after the Completion Date, terminate this Agreement upon serving a Termination Notice of not less than 12 (twelve) months, without having to specify any reasons therefor.

### 21.4 Termination Payment

21.4.1 The Lessee hereby acknowledges that no Termination Payment shall be due or payable on account of a Lessee's Event of Default in terms of Clause 21.1 or Termination by Lessee in terms of Clause 21.3 above.

21.4.2 In the event of Termination of this Agreement by the Authority, post Completion Date, in terms of Clause 21.2, Authority or any entity designated by it shall acquire all of Lessee's rights, title and interests in and to the IOM in the manner set out in Clause 32 on payment of Fair Market Value of such IOM to the Lessee. Such payment shall be made simultaneous with the transfer of possession of the Site together with the IOM thereon by the Lessee to Authority. Additionally, Authority shall simultaneously with the transfer of possession of the Site and IOM in accordance with Clause 8.6 hereof, to refund the entire Performance Security furnished by the Lessee, after adjustment of any amounts payable by the Lessee to Authority under this agreement.

21.4.3 Such Termination Payment is to be released after successful completion of Lessee's obligation under Clause 24 (Defects Liability).

21.4.4 The Lessee expressly agrees that Termination Payment under this Clause 21 shall constitute a full and final settlement of all claims of the Lessee on account of Termination of this Agreement for any reason whatsoever and that the Lessee or any shareholder thereof shall not have any further right or claim under any law, treaty, convention, contract or otherwise.

### 21.5 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 accrued rights of either Party including its right to claim and recover money damages and other rights and remedies which it may have in law or contract. All rights and obligations of either Party under this Agreement, including without limitation Termination Payments and Divestment procedures, shall survive the Termination of this Agreement to the extent such survival is necessary for giving effect to such rights and obligations.

## 22 DIVESTMENT OF RIGHTS AND INTEREST

### 22.1 Divestment Requirements

22.1.1 Upon Termination, the Lessee shall comply with and conform to the following Divestment Requirements:

- a) transfer forthwith the Site and IOM, free and clear of all Encumbrances, defects and deficiencies, provided that in the event of Termination during the Construction Period, the Site and the IOM shall be handed over on 'as is where is' basis after bringing them to in a safe condition;
- b) deliver and transfer relevant records, reports and complete 'as built' Drawings as on the Transfer

Date;

- c) transfer and/or deliver all Approvals to the extent permissible under Applicable Laws and Policies;
- d) execute such documents and other writings as the Authority may reasonably require for divesting and assigning all the rights, title and interest of the Lessee, including manufacturers' warranties and the right to receive outstanding insurance claims to the extent due and payable to the Authority, absolutely unto the Authority or its nominee; and
- e) comply with all other requirements as may be prescribed or required under Applicable Laws and Policies for completing the divestment and transfer of all rights and interest of the Lessee in the IOM and the Site, free from all Encumbrances, absolutely unto the Authority or to its nominee.

22.1.2 Subject to the exercise by the Authority of its rights under this Agreement or under any of the other agreements executed in connection with this Agreement, to perform or procure the performance by a Third Party of any of the obligations of the Lessee, the Parties shall continue to perform their obligations under this Agreement, notwithstanding the issuance of any Termination Notice, until the Termination of this Agreement becomes effective in accordance with its terms.

## 22.2 Inspection and cure

Not earlier than 2 (Two) months prior to Termination but not later than 30 (thirty) days prior to the effective date of such Termination, the Authority Representative shall verify, after giving due notice to the Lessee of the time, date and place of such verification, compliance by the Lessee with the Maintenance Requirements and the Safety Requirements. Defaults, if any, in the Maintenance Requirements and the Safety Requirements shall be cured by the Lessee at its cost and the provisions of Clause 23 below shall apply, *mutatis mutandis*, in relation to curing of defects or deficiencies under this Clause.

## 22.3 Cooperation and assistance on transfer of Site and the IOM

22.3.1 The Parties shall cooperate on a best effort basis and take all necessary measures, in good faith, to achieve a smooth transfer of the Site and the IOM in accordance with the provisions of this Agreement.

22.3.2 The Lessee shall provide to the Authority, 2 (Two) months prior to the Transfer Date in the event of Termination by efflux of time and immediately in the event of either Party conveying to the other Party its intent to issue a Termination Notice, as the case may be, such reasonable advice and assistance as the Authority may reasonably require.

## 22.4 Vesting Certificate

22.4.1 The divestment of all rights and interest in the Site and the IOM shall be deemed to be complete on the date when all of the Divestment Requirements have been fulfilled, and the Authority shall, without unreasonable delay, thereupon issue a certificate substantially in the form set forth in Schedule F (the "**Vesting Certificate**"), which will have the effect of constituting evidence of divestment by the Lessee of all of its rights and interest in the Site and the IOM, and their vesting in the Authority pursuant hereto. It is expressly agreed that any defect or deficiency in the Divestment Requirements shall not in any manner be construed or interpreted as restricting the exercise of any rights by the Authority or its nominee, on the footing that "all Divestment Requirements have been complied with by the Lessee".

## 22.5 Divestment costs etc.

- 22.5.1 The Lessee shall bear and pay all costs incidental to divestment of all of the rights and interest of the Lessee in the Site and IOM in favour of the Authority upon Termination, save and except that all stamp duties payable on any deeds or documents executed by the Lessee in connection with such divestment shall be borne by the Authority.

## 23 Other rights and obligations of the Authority

Upon Termination for any reason whatsoever, the Authority shall:

- a) cancel the Lease and take control of the Site and the IOM forthwith, as per Clause 32;
- b) be entitled to restrain the Lessee and any person claiming through or under the Lessee from entering upon the Site and the IOM;
- c) require the Lessee to comply with the Divestment Requirements; and
- d) succeed upon election by the Authority, without the necessity of any further action by the Lessee, to the interests of the Lessee under other agreements executed by the Lessee in connection herewith, as the Authority may in its discretion deem appropriate, and shall upon such election be liable to the Subcontractors only for compensation accruing and becoming due and payable to them under the terms of their respective agreements from and after the date the Authority elects to succeed to the interests of the Lessee. For the avoidance of doubt, the Lessee acknowledges and agrees that all sums claimed by such Subcontractors as being due and owing for works and services performed or accruing on account of any act, omission or event prior to such date shall constitute debt between the Lessee and such Subcontractors, and the Authority shall not in any manner be liable for such sums. It is further agreed that in the event the Authority elects to cure any outstanding defaults under such agreements, the amount expended by the Authority for this purpose shall be deducted from the Termination Payment and the Performance Security, as the case may be.

## 24 DEFECTS LIABILITY

### 24.1 Liability of Defects

The Lessee shall be responsible for all defects and deficiencies in the IOM and at the Site for the Contract Period and for a period of 120 Days after the Termination ("**Defects Liability Period**"), and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by the Authority Representative in the IOM and Site during the aforesaid period. In the event that the Lessee fails to repair or rectify such defect or deficiency within a period of 15 (fifteen) days from the date of notice issued by the Authority in this behalf, the Authority shall be entitled to get the same repaired or rectified at the Lessee's risk and cost so as to make the IOM conform to the Maintenance Requirements, Safety Requirements and Standards and Specifications. All costs incurred by the Authority hereunder shall be reimbursed by the Lessee to the Authority within 15 (fifteen) days of receipt of demand thereof, and in the event of default in reimbursing such costs, the Authority shall be entitled to recover the same from the Performance Security provided hereunder.

## 25 ASSIGNMENT AND CHARGES

### 25.1 Restrictions on assignment and charges

25.1.1 Subject to Clause 25.2 below, this Agreement shall not be assigned by the Lessee to any person, save and except with the prior consent in writing of the Authority, which consent the Authority shall be entitled to decline without assigning any reason.

25.1.2 Subject to the provisions of Clause 25.2 below, the Lessee shall not create nor permit to subsist any Encumbrance, or otherwise transfer or dispose of all or any of its rights and benefits under this Agreement or any other agreements executed by the Lessee in connection with this Agreement except with prior consent in writing of the Authority, which consent the Authority shall be entitled to decline without assigning any reason.

### 25.2 Assignment by the Authority

Notwithstanding anything to the contrary contained in this Agreement, the Authority may, after giving 60 (sixty) days' notice to the Lessee, assign and/or transfer any of its rights and benefits and/or obligations under this Agreement to an assignee who is, in the reasonable opinion of the Authority, capable of fulfilling all of the Authority's then outstanding obligations of the Agreement.

It is hereby agreed between the Parties that the Authority shall have the right to novate this Agreement in favour of any other Person on the same terms and conditions as contained in this Agreement and the Lessee hereby agrees to enter into such novation agreement recognizing the Third Party as the lessor in place of the Authority and release the Authority of all liabilities and obligations arising from and after the date of transfer/novation of such rights.

The Authority agrees that in the event the Authority transfers the rights to operate and maintain the airport to a Third Party(s) during the Contract Period, the Authority shall ensure that:

- (a) it causes to transfer/novate this Agreement, in favour of such Third Party on the same terms and conditions as contained in this Agreement, 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 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 Lessee shall be vested in such Third Party.

## 26 CHANGE IN LAW

26.1 Any Change in Law ("**Change in Law**") subsequent to the date of this Agreement, shall not affect the rights and obligations of the Parties hereunder and shall not absolve the Lessee from the fulfilment of its obligations hereunder unless such Change in Law makes the performance of any provision of this Agreement or any transaction contemplated hereunder impracticable or impossible. Accordingly, the Lessee shall continue to fulfil its obligations hereunder including without limitation the payment of the amounts set out in Clause 17 above by the Lessee, without any delay or demur, in the event of any Change in Law.

26.2 In case any Change in Law makes the performance of this Agreement impracticable or impossible, the



Parties shall jointly make such modifications to this Agreement, as may be approved by the Authority, which will make the performance of this Agreement practicable or possible.

## **27 LIABILITY AND INDEMNITY**

### **27.1 Liability in respect of the Site and the IOM**

Lessee shall be solely responsible for the construction, use, operation and maintenance of the IOM on the Site, and shall have the overall responsibility and liability with respect to the Site, the IOM located upon the Site. In no event shall the Authority have any liability or be subject to any claim for damages arising out of the design, development, financing, construction, use, operation, maintenance or management of the IOM located upon the Site.

### **27.2 General indemnity**

The Lessee will indemnify, defend, save and hold harmless the Authority and its officers, servants, agents, Government Instrumentalities and Government owned and/ or controlled entities/ enterprises, against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense of whatever kind and nature, whether arising out of any breach by the Lessee of any of its obligations under this Agreement or any related agreement or from any negligence of the Lessee under contract or tort or on any other ground whatsoever, except to the extent that any such suits, proceedings, actions, demands and claims have arisen due to any negligent act or omission, or breach or default of this Agreement on the part of the Authority Indemnified Persons.

### **27.3 Indemnity by the Lessee**

#### **27.3.1 Without limiting the generality of Clause 27.2 above, the Lessee shall fully indemnify, hold harmless and defend the Authority and the Authority Indemnified Persons from and against any and all loss and/or damages arising out of or with respect to:**

- a) failure of the Lessee to comply with the terms of the Approvals, Applicable Laws and Policies;
- b) payment of taxes required to be made by the Lessee in respect of the IOM or on income therefrom or other taxes of the Lessee's contractors, suppliers and representatives; or
- c) Non-payment of amounts due as a result of materials or services furnished to the Lessee or any of its contractors which are payable by the Lessee or any of its contractors.

#### **27.3.2 Without limiting the generality of the provisions of this Clause 27, the Lessee 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 Lessee or by the Lessee's Sub-contractors in performing the Lessee's obligations or in any way incorporated in or related to this Agreement. If in any such suit, action, claim or proceedings, a temporary restraint order or preliminary injunction is granted, the Lessee shall make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the revocation or**

suspension of the injunction or restraint order. If, in any such suit, action, claim or proceedings, use and operation of the IOM, is held to constitute an infringement and its use is permanently enjoined, the Lessee shall promptly make every reasonable effort to secure for the Authority a lease, at no cost to the Authority, authorising continued use of the infringing work. If the Lessee is unable to secure such license within a reasonable time, the Lessee shall, at its own expense, and without impairing the Specifications and Standards, either replace the affected work, or part, or process thereof with non-infringing work or part or process, or modify the same so that it becomes non-infringing.

#### 27.4 Notice and contest of claims

In the event that the Authority receives a claim or demand from a Third Party in respect of which it is entitled to the benefit of an indemnity under this Clause 27 (the “**Indemnified Party**”) it shall notify the Lessee (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.

#### 27.5 Defence of claims

27.5.1 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 paid 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 Clause 27, 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.

27.5.2 If the Indemnifying Party has exercised its rights under Clause 27.4 above, 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).

27.5.3 If the Indemnifying Party exercises its rights under Clause 27.4 above, 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, when and as incurred, unless:

- a) the employment of counsel by such party has been authorised in writing by the Indemnifying Party;
- 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;

- 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 27.5.3 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.

#### 27.6 Survival on Termination/Expiry

It is expressly understood by the Parties that this Clause 27 shall survive the termination or expiry hereof.

## 28 RIGHTS AND TITLE OVER THE SITE

#### 28.1 Lease rights

For the purpose of this Agreement, the Lessee shall have rights to the use of the Site as sole Lessee subject to and in accordance with this Agreement, and to this end, it may, subject to Authority's primary rights over the Site, regulate the entry and use of the Site and the IOM by Third Parties in accordance with and subject to the provisions of this Agreement.

#### 28.2 Ownership rights of the Authority and others

The Lessee agrees and acknowledges that:

- 28.2.1 the Authority has granted to the Lessee: (a) Lease to access the Site for the purposes of construction of the IOM on the Site during the Construction Period; and (b) Lease rights to construct, use, operate and maintain the IOM in accordance with the terms of this Agreement for the Contract Period;
- 28.2.2 the Fee payable by the Lessee to the Authority is being charged at significantly lower rates.

The Parties further acknowledge that the title to the Site at all times remain with the Authority.

#### 28.3 Taxes, property tax and charges

28.3.1 The Lessee shall:

- a) On and from the Effective Date, pay all Taxes, duties, cesses and charges levied under the Applicable Laws and Policies and other charges payable in connection with the Lease granted hereunder and construction of IOM on the Site.

- b) On and from the Completion Date, pay all Taxes, duties, cesses and charges levied under Applicable Laws and Policies and other charges payable in connection with the grant of Lease Right hereunder by the Authority and the use, maintenance and operation of the MRO.
- c) Pay/reimburse all charges, taxes, fines, late fees and other outgoings in relation to the use of utilities and services during the Contract Period such as water supply, sewage disposal, fuel, garbage collection and disposal, electric power, gas, telephone and other utilities and ensure avoidance of any disruption thereof due to disconnection or withdrawal of the facility.

28.3.2 Notwithstanding anything to the contrary contained in this Agreement, all property taxes on the Site shall be payable by the Authority as owner of the Site; provided, however, that any taxes on property payable by the Authority to the extent arising out of any development undertaken by the Lessee, shall be paid by the Authority in accordance with Applicable Laws and Policies and reimbursed by the Concessionaire to the Authority within a period of 60 (sixty) days of receiving a notice from the Authority along with necessary particulars thereof. For the avoidance of doubt, the Parties agree that stamp duties, if any, due and payable on the grant of license comprising this Agreement shall be paid by the Authority. Provided, however, that the Authority may require the Concessionaire to pay such stamp duties, which shall be reimbursed by the Authority to the Concessionaire within 15 (fifteen) days of receiving the demand therefor.

#### 28.4 Restriction on sub-letting

The Lessee shall not sub-let the whole or any part of the Site and/ or the IOM without prior written consent of the Authority; provided that nothing contained herein shall be construed or interpreted as restricting the right of the Lessee to appoint Subcontractors for the performance of its obligations hereunder.

## 29 DISPUTE RESOLUTION

29.1 Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either Party to the other Party (the “**Dispute**”) shall, in the first instance, be attempted to be resolved amicably in accordance with the conciliation procedure set forth in Clause 29.3 (Conciliation).

29.2 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.

#### 29.3 Conciliation

In the event of any Dispute between the Parties, either Party may require such Dispute to be referred to the Chairman of the Authority for amicable settlement, and upon such reference, the said persons shall meet no later than 7 (seven) days from the date of reference to discuss and attempt to amicably resolve the Dispute. If such meeting does not take place within the 7 (seven) day period or the Dispute is not amicably settled within 15 (fifteen) days of the meeting or the Dispute is not resolved as evidenced by the signing of written terms of settlement within 30 (thirty) days of the notice in writing

referred to in Clause 29.1 or such longer period as may be mutually agreed by the Parties, either Party may refer the Dispute to arbitration in accordance with the provisions of Clause 29.4 below.

#### 29.4 Arbitration

29.4.1 Any Dispute which is not resolved amicably by conciliation, as provided in Clause 29.3, shall be finally decided by reference to arbitration by an arbitral tribunal constituted in accordance with Clause 29.4.2 below. Such arbitration shall be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996. The place of such arbitration shall be **Delhi**, and the language of arbitration proceedings shall be English.

29.4.2 There shall be an arbitral tribunal comprising 3 (three) arbitrators, of whom each Party shall select one, and the third arbitrator shall be appointed by the two arbitrators so selected, and in the event of disagreement between the two arbitrators, the appointment shall be made in accordance with the Rules.

29.4.3 The arbitral tribunal shall make a reasoned award (the "**Award**"). Any Award made in any arbitration held pursuant to this Clause 29 shall be final and binding on the Parties as from the date it is made, and the Lessee and the Authority agree and undertake to carry out such Award without delay.

29.4.4 The Lessee and the Authority agree that an Award may be enforced against the Lessee and/or the Authority, as the case may be, and their respective assets wherever situated.

29.4.5 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.

#### 29.5 Continued performance

While any Dispute under this Agreement is pending, including the commencement and pendency of any Dispute referred to arbitration, the Parties shall continue to perform all of their respective obligations under this Agreement without prejudice to the final determination in accordance with the provisions under this Clause.

#### 29.6 Adjudication by a tribunal

In the event of constitution of a statutory tribunal with powers to adjudicate upon disputes between the Lessee and the Authority, all Disputes arising after such constitution shall, instead of reference to arbitration under Clause 29.4, be adjudicated upon by such tribunal in accordance with Applicable Laws and Policies and all references to Dispute Resolution Procedure shall be construed accordingly.

### 30 DISCLOSURE AND CONFIDENTIALITY

#### 30.1 Confidentiality

30.1.1 Each Party hereby agrees and undertakes to keep all information received from the other Party (and/or its employees, directors, officers or authorized representatives), confidential.

30.1.2 Further, each Party hereby agrees that this Agreement and/or all other agreements or the contents thereof shall not be disclosed by either Party to any Third Party without the prior written consent of the other Party.

## 30.2 Disclosure

30.2.1 Provided however that nothing contained hereinabove, shall apply to any disclosure by either Party of any information received from the other Party if:

- a) Such disclosure is required by Applicable Law and Policies or requested by Governmental Authority or required to be made under the Agreement;
- b) Such information being available in the public domain, other than by a breach of the Agreement by the party seeking to make such disclosure;
- c) Such information being made available to the consultants and professional advisers of either Party; or
- d) Such information is disclosed by a Party with the prior written consent of the other Party. Provided the disclosure is made strictly in accordance with such written consent.

## 31 TERM, RENEWAL AND EXPIRY

31.1 This Agreement shall continue to be in full force and effect until the 30<sup>th</sup> (Thirty) anniversary of the Effective Date and shall not be renewable.

31.2 The Lessee shall not have the right to seek a renewal/ Extension of this Agreement for a further any period of 30 (Thirty) years.

31.3 Notwithstanding the foregoing, in case the existing Lessee wishes to continue using the site, he shall be required to participate in successive/ fresh bidding process initiated by Authority for that Site wherein Right of First Refusal (ROFR) shall be given to the Lessee to match the first rank bid in terms of the selection criteria provided its bid is within 15% of the most competitive bid received and subject to the condition that no Lessee's Event of Default has occurred during the preceding 5 (Five) years.

## 32 SURRENDER/ TRANSFER PROVISIONS

32.1 Upon expiry of the Contract Period and Termination of this Agreement and consequent right of Authority to receive back the Site and the IOM under Clause 22 above and Clause 32 without the Authority being required to pay any amount to the Lessee, the Lessee shall ensure that on the expiry of the Contract Period or upon Termination of this Agreement, whichever is earlier, all the rights/interest of Lessee in:

32.1.1 all immovable property and structures on the Site shall be transferred to Authority or its nominee, clear of any Encumbrances and at zero cost;

32.1.2 the rights and obligations under or pursuant to all contracts relatable to the IOM and other arrangements entered into in accordance with the provisions of this Agreement between Lessee and any Third Party shall (in consideration of Authority's assumption of the obligations under or pursuant to the contracts and other arrangements), at the option of Authority, be vested in Authority or its nominee, clear of any Encumbrance and with good title. The Lessee shall ensure such rights of Authority are incorporated in all contracts between Lessee and Third Party(ies) with a specific obligation on the parties to such contracts to enter into a novation agreement with Authority upon exercise of its option by Authority; and

- 32.1.3 Notwithstanding anything contained in Clause 32.1.1 above and 32.1.2 above, prior to any surrender of the Site and the transfer of IOM, the Authority shall have the right to conduct a due diligence of the contracts and agreements, the rights and obligations of which it is assuming and shall not be bound to assume the rights and obligations of contracts that, in the sole opinion of Authority are unreasonably onerous, and would be considered onerous at the time that the contracts were entered into. In relation to all such contracts that are not transferred to the Authority, no third entity, including the counter-party of such contract shall have any right, license title, interest, benefit, claim or demand against or over the Site, the MRO and the same shall be transferred to the Authority or its nominee, clear of any Encumbrance and with good title.
- 32.2 Furthermore, notwithstanding anything contained in the Clause 32.1 above, no liability (accrued or contingent) of Lessee or relating to the Site and/ or the IOM arising on account of actions or inactions prior to the expiry of the Contract Period shall be assumed by or transferred to the Authority or its nominees. Authority or its nominees shall only be liable for liabilities in relation to the Site and/ or the IOM arising pursuant to the expiry of the Contract Period. In the event of any such liability being assumed or transferred to Authority or its nominee or any Encumbrance existing on Site and the IOM, the quantum of such liability and/or amount corresponding to such Encumbrance, shall be deducted from the Performance Security.
- 32.3 Without prejudice to the foregoing, the Lessee agrees to indemnify and keep indemnified the Authority from and against all actions, proceedings, losses, damages, liabilities, claims, costs and expenses whatsoever which may be sustained or suffered by Authority as a result of any actions or omissions of Lessee prior to the surrender of the Site and/ or the transfer of IOM. It is expressly understood by the Parties that this Clause shall survive the termination or expiry of this Agreement.
- 32.4 Lessee shall in accordance with Good Industry Practice ensure that all property, assets, rights which are vested in or surrendered/ transferred to Authority shall be in good working order and in a good state of repair. For this purpose, the Parties shall appoint an Authority Representative to conduct an audit of the Site, the IOM being transferred. In the event Site and the IOM surrendered and transferred to Authority are not fit for purpose/ in a good state of repair/ as would be expected of an international world class asset, as certified by such Authority Representative, then the cost or capital expenditure required to be incurred to bring it to good state of repair, the Site and/ or the IOM shall be payable by the Lessee to Authority, and the same may be deducted from the Performance Security.
- 32.5 Expiry or termination of this Agreement shall be without prejudice to all rights and obligations then having accrued to Authority and/or Lessee (or which may thereafter accrue in respect of any act or omission prior to such expiry or termination) and without prejudice to those provisions which expressly provide for continuing obligations or which are required to give effect to such expiry or termination or the consequences of such expiry or termination.
- 32.6 The Parties' rights to terminate this Agreement shall be limited to those expressly set out in this Agreement.

### **33 MISCELLANEOUS**

#### **33.1 No consequential losses**

In no event shall the either party be liable to the other party for special, incidental or consequential damages arising under or as a result of this Agreement (or termination thereof), including, but not

limited to, the loss of prospective revenue or on account of expenses, investments, or commitments in connection with the business or goodwill or otherwise.

### 33.2 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 Delhi shall have exclusive jurisdiction over matters arising out of or relating to this Agreement.

### 33.3 Eviction Proceedings

Notwithstanding anything contained in this Agreement, the Parties acknowledge and agree that the provisions of Chapter V-A of the Act shall be applicable in relation to the Site and/ or IOM leased under this Agreement.

### 33.4 Waiver of immunity

Each Party unconditionally and irrevocably:

- 33.4.1 agrees that the execution, delivery and performance by it of this Agreement constitute commercial acts done and performed for commercial purpose;
- 33.4.2 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;
- 33.4.3 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
- 33.4.4 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).

### 33.5 Waiver

- 33.5.1 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 authorised representative of the Party; and
  - c) shall not affect the validity or enforceability of this Agreement in any manner.
- 33.5.2 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.

### 33.6 Liability for review of Documents and drawings

Except to the extent expressly provided in this Agreement:

33.6.1 no review, comment or approval by the Authority of any agreement executed by the Lessee in connection herewith, Document or Drawing submitted by the Lessee nor any observation or inspection of the construction, operation or maintenance of the IOM & MRO nor the failure to review, approve, comment, observe or inspect hereunder shall relieve or absolve the Lessee from its obligations, duties and liabilities under this Agreement, Approvals, Applicable Laws and Policies; and

33.6.2 the Authority shall not be liable to the Lessee by reason of any review, comment, Approval, observation or inspection referred to in Sub-clause 33.6.1 above.

### 33.7 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.

### 33.8 Survival

#### 33.8.1 Termination shall:

- a) not relieve the Lessee 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.

33.8.2 All obligations surviving Termination shall only survive for a period of 3 (three) years following the date of such Termination.

### 33.9 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. For the avoidance of doubt, the Parties hereto agree that any obligations of the Lessee arising from the Request for Proposal shall be deemed to form part of this Agreement and treated as such.

### 33.10 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.

33.11 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.

33.12 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.

33.13 Successors and assigns

This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns.

33.14 Notices

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:

- 33.14.1 in the case of the Lessee, be given by registered acknowledgement due, air mail or by courier or e-mail, by facsimile and by letter delivered by hand to the address given and marked for attention of the person set out below or to such other person as the Lessee may from time to time designate by notice to the Authority.

Attention:  
Designation:  
Address:  
Fax No:  
Email:

Notwithstanding anything to the contrary contained in this Agreement, a notice served on the Lessee's Representative at the Site shall be deemed to have been served upon the Lessee.

- 33.14.2 in the case of the Authority, be given by letter/ e-mail and by letter delivered by hand at the address given below and be addressed to the Chairman of the Authority with a copy delivered to the Authority Representative or such other person as the Authority may from time to time designate by notice to the Lessee; provided that if the Lessee does not have an office in [•] it may send such notice by facsimile or e-mail and by registered acknowledgement due, air mail or by courier.

Address:  
Contact No:  
Email:

33.14.3 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 and in all other cases, it shall be deemed to have been delivered on the actual date and time of delivery; provided that in the case of facsimile or e-mail, it shall be deemed to have been delivered on the working day following the date of its delivery.

33.15 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.

33.16 Counterparts

33.17 This Agreement may be executed in two counterparts, each of which, when executed and delivered, shall constitute an original of this Agreement.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN

SIGNED, SEALED AND  
DELIVERED

For and on behalf of  
THE AUTHORITY by:

Signed, sealed and delivered for and on  
behalf of the

Lessee

(Signature)

\_\_\_\_\_  
Airport Authority of India,

\_\_\_\_\_

Ph:

Place:

Date

(Signature)

Director

In the presence of:

## **SCHEDULES**

## SCHEDULE A – SITE AND SITE LAYOUT PLAN

(See **Clause 9.1**)

### 1. **The Site**

- a. Site for Development of MRO on DBOM basis at [●] airport for AAI is described in Annexure-I of the Schedule A.
- b. An inventory of the Site including the land, buildings, structures, road works, trees and any other immovable property on or attached to the Site shall be prepared jointly by the Authority and the Lessee.
- c. The Total Area for Construction of MRO is as per Annexure –II of Schedule A.
- d. The location of the MRO at respective Airports is shown in Drawings as per Annexure –III of Schedule A.

### 2. **Land Possession**

- a. The land earmarked for the Development of MRO Facility on DBOMT basis at various airports is under possession of the Authority.

### 3. **Development Controls applicable to Site**

Sl. No	Description	Value
(i)	Maximum Gross Built-up Area (GBA)	FSI 1.0 for individual plot of land for all types of buildings, ensuring that the FSI of the total area, including the area for apron is maintained at 1.00.
(ii)	Permissible Ground Coverage	No restriction
(iii)	Area for Basement	Not permitted
(iv)	Maximum Permissible Height	AAI has shown the maximum permissible building height at the Site as per Annexure-II of Schedule-A based on to the approval from NOCAS, AAI/ Defense Authority
(v)	Security	As per BCAS/ AAI Norms

### 4. **Environmental Factor:**

- (a) Hazardous waste disposal: The disposal of paint sludge, expiry paints & paint containers and batteries shall be responsibility of Lessee. Those disposals have to be carried out as per the Central/State Pollution control norms.
- (b) Used Oil shall be collected in containers meant for it and is to be stored in the hazardous waste area.

**ANNEXURE – I**  
(SCHEDULE A )

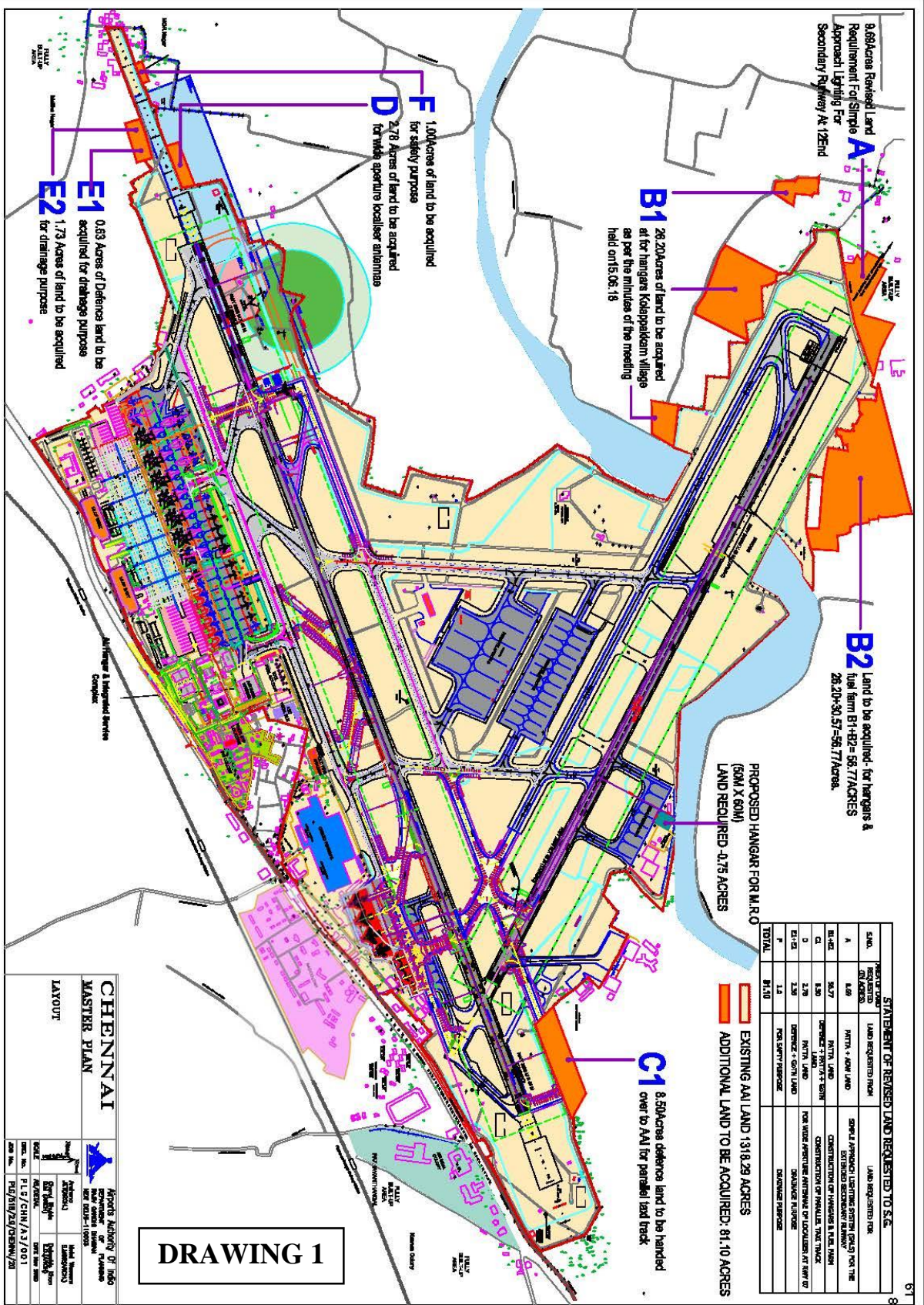
- a) The “Site” of the “Development of MRO on DBOMT basis at various airports” shall cover the land area measuring approximately as tabulated in Annexure –II:
- b) The area of land parcels and its location, mentioned above and elsewhere in the Agreement are subject to verification. However, the Lessee shall be required to conduct its own study/ survey.
- c) The exact area of land available for the development shall be mentioned in the memorandum to be prepared jointly by the Lessee and Authority.

**ANNEXURE – II**  
(SCHEDULE A )

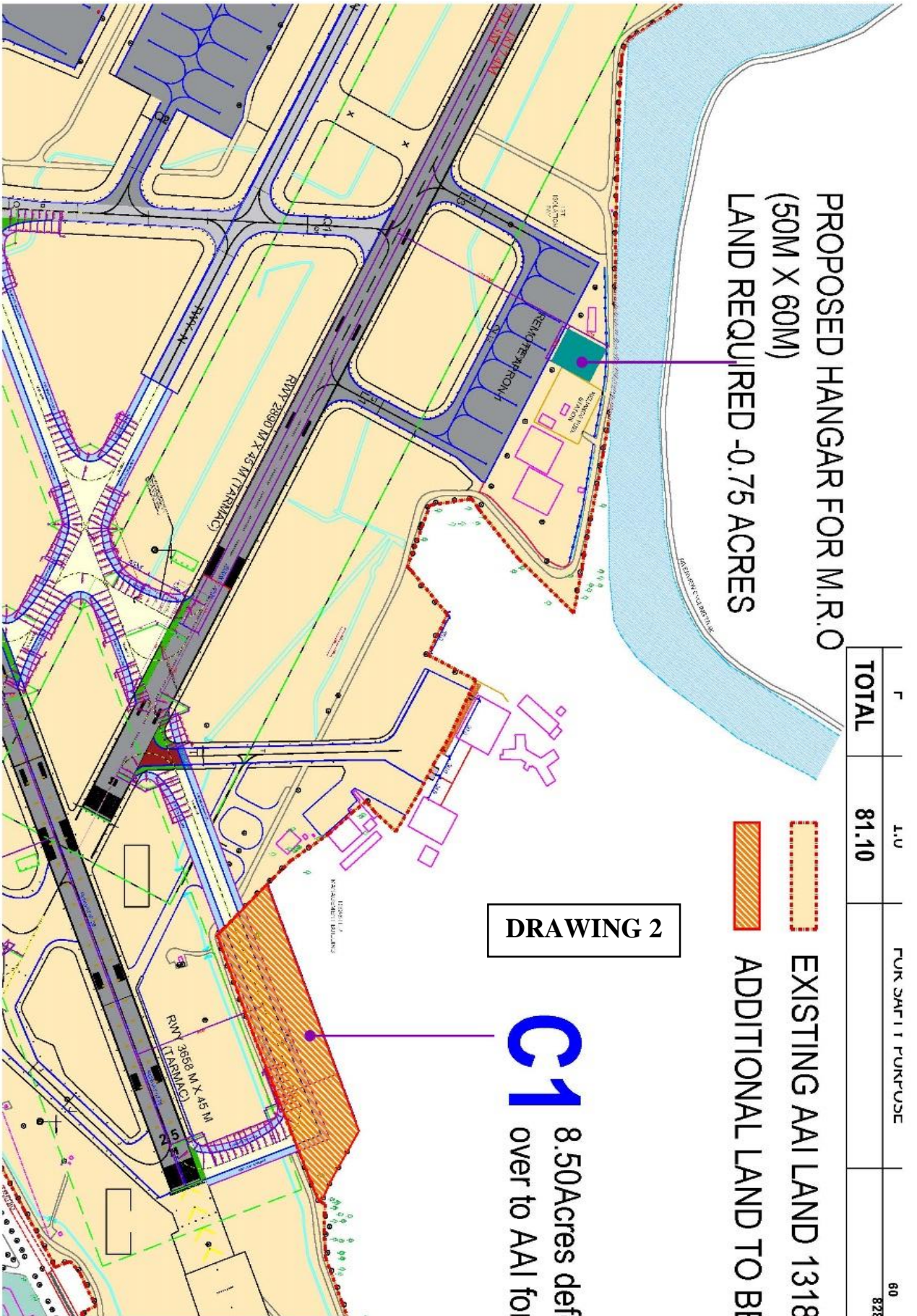
Sl. No.	Location of MRO	Approx. Plot Size (In Sq. meter)	Permitted Height (in meter)
1	Chennai	3,000	18.74



(SCHEDULE A )







## SCHEDULE B – APPROVALS

(See **Clause 3.2**)

Sl. No.	Approval required	Department/ Organization
<b>Pre-establishment Approvals</b>		
1.	Fire Department NOC	Local Government-Additional Division Fire Officer
2.	Safety Case Assessment and Reporting System (SCARS)	Director General of Civil Aviation (DGCA)
3.	Approval of Site Layout and Building Plans with respect to Security Clearance	Bureau of Civil Aviation Security (BCAS)
<b>Pre-operational Approvals</b>		
4.	Issue of NOC for Fire Safety	Local Government Fire Department
5.	Issue of Certificate of Commissioning	Airports Authority of India
6.	MRO license	DGCA
7.	Security Clearance	BCAS

## SCHEDULE C – PERFORMANCE SECURITY

(See **Clause 8.1**)

The [●],

[●]

[●]

### WHEREAS:

- A. [●] (the “**Lessee**”) and the [●],[●] (the “**Authority**”) have entered into an agreement dated [●] (the “**Agreement**”) whereby the Authority has agreed to the Lessee undertaking the construction, maintenance and operation of a MRO Facility, subject to and in accordance with the provisions of the Agreement.
- B. The Agreement requires the Lessee to furnish a Performance Security to the Authority in a sum of INR [●] (Indian Rupees [●]) (the “**Guarantee Amount**”) as security for due and faithful performance of its obligations, under and in accordance with the Agreement, during the Contract Period (as defined in the Agreement).
- C. We, [●] through our Branch at [●] (the “**Bank**”) have agreed to furnish this Bank Guarantee by way of Performance Security.

NOW, THEREFORE, the Bank hereby, unconditionally and irrevocably, guarantees and affirms as follows:

- A. The Bank hereby unconditionally and irrevocably guarantees and undertakes to pay to the Authority upon occurrence of any failure or default in due and faithful performance of all or any of the Lessee’s obligations, under and in accordance with the provisions of the Agreement, on its mere first written demand, and without any demur, reservation, recourse, contest or protest, and without any reference to the Lessee, such sum or sums upto an aggregate sum of the Guarantee Amount as the Authority shall claim, without the Authority being required to prove or to show grounds or reasons for its demand and/or for the sum specified therein.
- B. A letter from the Authority, under the hand of an Officer not below the rank of [●] in the Authority, that the Lessee has committed default in the due and faithful performance of all or any of its obligations under and in accordance with the Agreement shall be conclusive, final and binding on the Bank. The Bank further agrees that the Authority shall be the sole judge as to whether the Lessee is in default in due and faithful performance of its obligations during the Contract Period under the Agreement and its decision that the Lessee is in default shall be final, and binding on the Bank, notwithstanding any differences between the Authority and the Lessee, or any dispute between them pending before any court, tribunal, arbitrators or any other authority or body, or by the discharge of the Lessee for any reason whatsoever.
- C. In order to give effect to this guarantee, the Authority shall be entitled to act as if the Bank were the principal debtor and any change in the constitution of the Lessee and/or the Bank, whether by their absorption with any other body or corporation or otherwise, shall not in any way or manner affect the liability or obligation of the Bank under this guarantee.
- D. It shall not be necessary, and the Bank hereby waives any necessity, for the Authority to proceed against the Lessee before presenting to the Bank its demand under this

guarantee.

- E. The Authority shall have the liberty, without affecting in any manner the liability of the Bank under this guarantee, to vary at any time, the terms and conditions of the Agreement or to extend the time or period for the compliance with, fulfilment and/ or performance of all or any of the obligations of the Lessee contained in the Agreement or to postpone for any time, and from time to time, any of the rights and powers exercisable by the Authority against the Lessee, and either to enforce or forbear from enforcing any of the terms and conditions contained in the Agreement and/or the securities available to the Authority, and the Bank shall not be released from its liability and obligation under these presents by any exercise by the Authority of the liberty with reference to the matters aforesaid or by reason of time being given to the Lessee or any other forbearance, indulgence, act or omission on the part of the Authority or of any other matter or thing whatsoever which under any law relating to sureties and guarantors would but for this provision have the effect of releasing the Bank from its liability and obligation under this guarantee and the Bank hereby waives all of its rights under any such law.
- F. This guarantee is in addition to and not in substitution of any other guarantee or security now or which may hereafter be held by the Authority in respect of or relating to the Agreement or for the fulfilment, compliance and/or performance of all or any of the obligations of the Lessee under the Agreement.
- G. Notwithstanding anything contained hereinbefore, the liability of the Bank under this Guarantee is restricted to the guarantee Amount and this guarantee will remain in force for [●] days and unless a demand or claim in writing is made by the Authority on the Bank under this guarantee, no later than 6 (six) months from the date of expiry of this guarantee, all rights of the Authority under this guarantee shall be forfeited and the Bank shall be relieved from its liabilities hereunder.
- H. The Bank undertakes not to revoke this guarantee during its currency, except with the previous express consent of the Authority in writing, and declares and warrants that it has the power to issue this guarantee and the undersigned has full powers to do so on behalf of the Bank.
- I. Any notice by way of request, demand or otherwise hereunder may be sent by post addressed to the Bank at its above referred Branch, which shall be deemed to have been duly authorised to receive such notice and to effect payment thereof forthwith, and if sent by post it shall be deemed to have been given at the time when it ought to have been delivered in due course of post and in proving such notice, when given by post, it shall be sufficient to prove that the envelope containing the notice was posted and a certificate signed by an officer of the Authority that the envelope was so posted shall be conclusive.
- J. This guarantee shall come into force with immediate effect and shall remain in force and effect for a period of [●] days as mentioned in the Agreement or until it is released earlier by the Authority pursuant to the provisions of the Agreement.

Signed and sealed this [●] day of [●], 20[●] at [●]

SIGNED, SEALED AND DELIVERED

For and on behalf of the BANK by:

(Signature)

(Name)

(Designation)

(Code Number)

(Address)

NOTES:

- A. The bank guarantee should contain the name, designation and code number of the officer(s) signing the guarantee.
- B. The address, telephone number and other details of the Head Office of the Bank as well as of issuing Branch should be mentioned on the covering letter of issuing Branch.

#### SCHEDULE D – CERTIFICATE FOR COMMISSIONING

(To be issued by AAI based on the certification by the Lessee in Completion Notice that the construction of IOM in all respect is completed and all approvals/ licenses obtained as per laid down specifications and standards for commencement of MRO operations)

(See **Clause 13.3**)

1. We, Airports Authority of India, hereby certify that the Lessee (M/s [●]) , under and in accordance with the Lease Agreement dated [●] (the “**Agreement**”) and as intimated vide letter dt. [●], has completed the construction activities of IOM on DBOMT model as on [●] for starting the MRO facility as per relevant specifications and standards after receiving the necessary approvals.
2. AAI is satisfied that the MRO & IOM can be safely and reliably placed in operation.

SIGNED, SEALED AND DELIVERED

For and on behalf of Authority Representative

(Signature)

(Name)

(Designation)

(Address)

## SCHEDULE E – SAFETY REQUIREMENTS

*As per BCAS guidelines*

*(See Clause 15.1)*

### 1. **Guiding principles**

- (a) Safety Requirement aim at reduction in injuries, loss of life and damage to property resulting from accidents on or about the airport, irrespective of the person(s) at fault.
- (b) For the safety of the users of the MRO including the staff of the Lessee, the Third Party users and its contractors working on the Site.
- (c) Safety Requirements apply to all phases of operation, management and development with emphasis on identification of factors associated with accidents, consideration of the same, and implementation of appropriate remedial measures.
- (d) Safety Requirement include measures associated with safe movement, safety management, safety equipment, fire safety, enforcement and emergency response.

### 2. **Obligations of the Lessee**

The Lessee shall abide by the following in so far as they related to safety of the users of the MRO:

- (a) Applicable Laws and Policies and Approvals;
- (b) Provisions of this Agreement;
- (c) Good Industry Practice;
- (d) Airport Safety Program, if any.

### 3. **Safety measures during Contract Period**

- (a) The Lessee shall develop, implement and administer a surveillance and safety program for users of the MRO.
- (b) The Lessee shall keep a copy of every first information report (the “**FIR**”) recorded by Police with respect to any accident occurring in the MRO. In addition, the Lessee shall also collect data for all cases of accidents not recorded by the Police. The information so collected shall be summarized in the form prescribed by the Authority for this purpose. The Lessee shall also record the exact location of each



accident and aforesaid data shall be submitted to Authority at the conclusion of every quarter.

- (c) Once in every Accounting Year, a safety audit shall be carried out by the Authority Representative. The recommendations of the Authority Representative shall be processed, mutatis mutandis, and acted upon by the Lessee.

4. **Costs and expenses**

Costs and expenses incurred in connection with the Safety Requirements set forth herein, shall be borne by the Lessee

5. **Safety Guidelines are specified in Annexure–I of Schedule E.**

## **Annexure I**

*(Schedule E)*

### **SAFETY GUIDELINES**

#### **1. Safe Movement**

In the design, operation, management and development of the MRO, particular care shall be taken to ensure safety of users of the MRO. This shall include facilities for safe and efficient evacuation in case of emergency. In particular, the MRO shall be designed and tested for safe movement.

#### **2. System integrity**

In the design of power supply, lighting, communication and security equipments, particular care shall be taken to minimise the likely incidence of failure.

#### **3. Restoration of operation of the MRO**

The MRO shall be designed in a manner that in the event a fault occurs, the operation of the MRO can be restored at the earliest.

#### **4. Contingency and Safety management**

(a) The Lessee shall procure and ensure that appropriate contingency arrangements are in place at the MRO to deal with the following events in accordance with the provisions of the relevant applicable guidelines laid down in standard codes, stated by concerned local/State/Central Government or the Authority.

(i) aircraft accidents in and around the vicinity of the MRO;

(ii) fires at the MRO;

(iii) natural calamities and disasters; and

(iv) any other emergency at the MRO.

(b) The Lessee shall procure and ensure that emergency alarm bells are installed and operated to link the MRO to all the emergency services located at the airport, including fire services, medical services and the Police.

(c) A safety statement shall be prepared by the Lessee once every quarter to bring out clearly the system of management of checks and maintenance tolerances and the compliance thereof. The statement shall also bring out the nature and extent of staff training and awareness in dealing with such checks and tolerances. Two copies of the statement shall be sent to the Authority Representative within 15 (fifteen) days of the close of every quarter.

#### **5. Safety equipment**

The following safety equipment shall be provided at the MRO:

(a) Fire extinguishers and fire alarms at appropriate locations at the MRO;

(b) adequate number of stretchers and standard first aid boxes; and

- (c) such other equipment as may be required in conformity with the relevant applicable guidelines laid down in standard codes, stated by concerned local/State/Central Government Department or the Authority and Good Industry Practice.

**6. Emergency**

A set of emergency procedures shall be formulated to deal with different emergency situations and the Lessee's staff shall be trained to respond appropriately during emergency through periodic simulated exercises.

**7. Fire safety**

- (a) The Lessee shall conform to the Approvals, Applicable Laws and Policies.
- (b) To prevent fire in and about the MRO, the Lessee shall use fire resistant materials in the construction thereof and shall avoid use of materials which are to some extent flammable, or which emit smoke and harmful gases when burning.
- (c) All notices and signages shall be uniform and standardized.

**8. User safety and information system:**

The Lessee shall provide one-way communication to the users at the MRO through a public announcement system. The user call points should be located at convenient locations to allow users to contact the airport staff in emergencies. The User information system shall comprise dynamic visual displays and loudspeakers.

SCHEDULE F – VESTING CERTIFICATE

(See Clause 22.4)

The [●], [●] Department, (the “**Authority**”) refers to the Land Lease Agreement dated [●] (the “**Agreement**”) entered into between the Authority and [●] (the “**Lessee**”) for selection of an Lessee for construction, maintenance and operation of MRO at [●] airport on DBOMT model.

The Authority hereby acknowledges compliance and fulfilment by the Lessee of the Divestment Requirements set forth in **Clause** 22 of the Agreement on the basis that upon issue of this Vesting Certificate, the Authority shall be deemed to have received back the possession of the Site and the IOM, and all rights of the Lessee in the Site and the IOM shall be deemed to have vested unto the Authority, free from any Encumbrances, charges and liens whatsoever.

Notwithstanding anything to the contrary contained hereinabove, it shall be a condition of this Vesting Certificate that nothing contained herein shall be construed or interpreted as waiving the obligation of the Lessee to rectify and remedy any defect or deficiency in any of the Divestment Requirements and/or relieving the Lessee in any manner of the same.

Signed this [●] day of [●], 20[●] at [●]

AGREED, ACCEPTED AND SIGNED

For and on behalf of

Lessee by:

(Signature)

(Name)

(Designation)

(Address)

SIGNED, SEALED AND DELIVERED

For and on behalf of

Department, AAI by:

(Signature)

(Name)

(Designation)

(Address)

In the presence of:

1.

2.

SCHEDULE G – FORMAT OF ACKNOWLEDGEMENT OF SITE

(See Clause 9.3.2)

FORMAT OF ACKNOWLEDGEMENT OF SITE [●]

[on the letter head of the Lessee]

Date:

To:

[●]

Re: Handing over of Site [●]

Dear Sir,

We write in reference in to the Lease Agreement dated [●], entered into by us with Authority. As per the requirements of Clause 9.3.2 of the said Agreement, we acknowledge handover of Site by the Authority. We further acknowledge that the Site is unencumbered and is fit and immediately available for the purpose of construction of MRO thereon.

We have undertaken a due diligence over the Site, ourselves for the purposes of this Agreement.

We further acknowledge that we, or any entity claiming under us, shall have no recourse against the Authority if it is, at a later date, found that the Site is deficient in any manner whatsoever, and in the event of any mistake made or misapprehension harboured by us in relation to any of the foregoing provisions mentioned above(deficiency).If a deficiency is found, we acknowledge and agree that we shall, at our own cost, take all appropriate measures to remedy the same in order to fulfil our obligations under the Agreement.

It is clarified that all fossils, antiquities, structures and/or other remains or things either of archaeological or of particular geological interest discovered at Site or in the course of carrying out any work shall not be the our property and we shall have no right or interest in such fossils, antiquities and structures.

For and on behalf of

Signature of Authorised Representative Seal/Stamp

## SCHEDULE H – CHARGES PAYABLE FOR SPECIAL/ TEMPORARY ACCESS

*(See Clause 9.5)*

The Lessee shall be liable to pay Lease fee for the land allotted by Authority for installation of plants, cement godown and site office at the Lease Fee rates as per Clause 17.1 of this Agreement.

**SCHEDULE I - Calculation of the amount of Performance Security**

(Ref. Clause 8 & 17)

**Performance Security & Lease Fee**

<b>Sl. No.</b>	<b>Year of the Contract Period</b>	<b>Lease Fee as per the LOI</b>	<b>Multiplication factor for escalation</b>	<b>Lease Fee for the year of Contract Period (Amount in INR)</b>	<b>Performance Security</b>
<b>(A)</b>	<b>(B)</b>	<b>(C)</b>	<b>(D)</b>	<b>(E)=(C) x (D)/100</b>	<b>(F)=(E)</b>
1	1 <sup>st</sup>	[●]	100		
2	2 <sup>nd</sup>	[●]	100		
3	3 <sup>rd</sup>	[●]	100		
4	4 <sup>th</sup>	[●]	115		
5	5 <sup>th</sup>	[●]	115		
6	6 <sup>th</sup>	[●]	115		
7	7 <sup>th</sup>	[●]	132.25		
8	8 <sup>th</sup>	[●]	132.25		
9	9 <sup>th</sup>	[●]	132.25		
10	10 <sup>th</sup>	[●]	152.09		
11	11 <sup>th</sup>	[●]	152.09		
12	12 <sup>th</sup>	[●]	152.09		
13	13 <sup>th</sup>	[●]	174.90		
14	14 <sup>th</sup>	[●]	174.90		
15	15 <sup>th</sup>	[●]	174.90		
16	16 <sup>th</sup>	[●]	201.14		
17	17 <sup>th</sup>	[●]	201.14		
18	18 <sup>th</sup>	[●]	201.14		
19	19 <sup>th</sup>	[●]	231.31		
20	20 <sup>th</sup>	[●]	231.31		
21	21 <sup>st</sup>	[●]	231.31		
22	22 <sup>nd</sup>	[●]	266		
23	23 <sup>rd</sup>	[●]	266		
24	24 <sup>th</sup>	[●]	266		
25	25 <sup>th</sup>	[●]	305.9		
26	26 <sup>th</sup>	[●]	305.9		
27	27 <sup>th</sup>	[●]	305.9		
28	28 <sup>th</sup>	[●]	351.79		
29	29 <sup>th</sup>	[●]	351.79		
30	30 <sup>th</sup>	[●]	351.79		