

TENDER NO: AAAL/GSA-SL/Sales/92

TENDER FOR APPOINTING OF GSA IN SRI LANKA

DTD-15-SEP-2023



[Applicable for Sri Lanka – Online AAAL]

**APPOINTMENT OF “GENERAL SALES AGENT” (“GSA”) for  
PASSENGER SALES OF ALLIANCE AIR AVIATION LIMITED**

**BID DOCUMENT**



**Alliance Air Aviation Limited**  
**ALLIANCE AIR**

*Connecting India*  
Registered Office At:

**Alliance Air, Alliance Bhawan IGI Airport,**

**Terminal 1 Palam New Delhi - 110 037**

**Phone: +91 11 25673302**

**Date: 15 / 09 / 2023**

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### **DISCLAIMER**

The information contained in this tender document (hereinafter referred to as the “Tender”) or and any information pertaining to the aforesaid subject matter provided subsequently to the applicants/bidders in any form by ALLIANCE AIR AVIATION LIMITED (hereinafter referred to as “AAAL”) shall be subject to the terms and conditions to which such information is provided contained herein and any other terms and conditions as may be prescribed by AAAL prior to award of the tender.

The purpose of this Tender is to provide all Bidders with the information that may be useful to them in the formulation of their Bids in response to this Tender. The statements and facts contained herein, which reflect various assumptions and assessments arrived at by Alliance Air Ltd. do not purport to contain all/exhaustive the information on the aforesaid subject matter that each applicant may require for the purposes of submitting their Bids.

The assumptions, assessments, statements and information contained in this Tender may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own due diligence, investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, and information contained in this tender document and shall obtain independent advice from appropriate sources.

The information provided in this Tender to the Applicants is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. Alliance Air Ltd. accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on the law expressed herein.

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Alliance Air Ltd. also accepts no liability of any nature whether resulting from negligence or otherwise however caused arising from reliance of any Applicant/Bidder upon the statements contained in this Tender.

Alliance Air Ltd. may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumption contained in this Tender, from time to time till opening of the Bids (technical and financial).

The Tender does not imply that Alliance Air Ltd. is bound to select a Bidder or to appoint the Selected Bidder, as the case may be, and Alliance Air Ltd. reserves the right to reject all or any of the Bids without assigning any reason at any time.

The Bidder shall bear any and all its costs associated with or relating to the preparation & submission of its Bids including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by Alliance Air Ltd. or any other costs incurred in connection with or relating to its proposals. All such costs and expenses shall remain with the Bidder and Alliance Air Ltd. shall not be liable in any manner whatsoever for the same or any other costs or other expenses incurred by the Bidder in preparation or submission of the proposal, regardless of the conduct or outcome of the bid selection process as contained herein.



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Alliance Air Limited

**SUMMARY OF BIDDING INFORMATION**

NAME OF WORK : General Sales Agent for  
Passenger Sales in Sri Lanka

AVAILABILITY OF BIDDING : From 15 / SEP/ 2023 at  
DOCUMENT [www.allianceair.in](http://www.allianceair.in)

TIME AND DATE FOR SEEKING : Till 29 / SEP / 2023  
CLARIFICATION ON BID DOCUMENT  
Through Email ID: HOM@allianceair.in

LAST DATE AND TIME FOR : DATE: 06 / OCT / 2023  
RECEIPT OF BIDS TIME: 1700 Hrs.

TIME AND DATE OF OPENING : DATE: 09 / OCT / 2023  
TECHNICAL BIDS TIME: 1100 Hrs.

PLACE OF OPENING OF TECHNICAL : **Alliance Air,  
Alliance Bhawan IGI  
Airport, Terminal 1 Palam  
New Delhi – 110 037**

CONTACT PERSON : Head Of Sales & Marketing

Tel no: +91 11 25673302

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## INVITATION FOR BIDS (IFB)



**ALLIANCE AIR LIMITED****INVITATION FOR BIDS (IFB)****APPOINTMENT OF GENERAL SALES AGENT FOR PASSENGER SALES  
ALLIANCE AIR**

1. Alliance Air Aviation Limited (AAAL)-Alliance Air is a 100% wholly owned subsidiary of Air India Assets Management Ltd., fully owned by the Government of India under administrative control of Ministry of Civil Aviation and currently operates a fleet of ATR 72-600, ATR 42-600 & DORNIER 228 aircraft inducted on lease with the brand “**ALLIANCE AIR**” and operates domestic flights within India. AAAL is interested in appointing Passenger General Sales Agent (GSA) for AAAL in Sri Lanka.
2. The scope of the work (hereinafter referred to as “Works”) for the GSA shall be as detailed under the GSA Agreement attached herewith.
3. The bidders (hereinafter referred to as Bidders/Applicants) who have experience in similar works and have established organization for taking up such works and who satisfy the qualification criteria of the Tender need only apply.
4. AI invites sealed bids in two stage bid system i.e. the **Technical** and **Financial Bid**. The first stage of the bidding process shall involve the opening of the “General Information and Eligibility Criteria” (collectively referred to as “**Technical Bid**”) and the second stage shall involve the opening of the “Selection criteria” (referred to as “**Financial Bid**”). For the bid submission purposes, the Bidders shall ensure that each of the aforesaid bids should be sealed in two different envelopes, and further super scribed in bold as “**Technical Bid**” for the work “General Sales Agent” for Passenger Sales- Tender dated 15-09-2023 and “**Financial Bid**” for the work “General Sales Agent” for Passenger Sales-Tender dated 15-09-2023 respectively. Both these envelopes must be put in a third master envelope super scribed in bold for the work “General Sales Agent” for Passenger Sales - dated 15-09-2023 (the “Bid/Bids”). Further, each of Technical and Financial Bid must be submitted in a hard bound form (*hard bound implies binding between two covers through stitching or otherwise, whereby it may not be possible to replace any paper without disturbing the documents*). Spiral Bound Form, loose form, open/unsealed envelopes etc. shall not be accepted and the bid shall be rejected. Further, all pages of the Bid shall be electronically numbered serially, along with an index of submissions. **Figure**

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**quoted in Financial Bid** should be covered with a transparent adhesive tape.

5. The estimated annual sales/flown revenue of Alliance Air Ltd. from the territory of Sri Lanka is USD 8,000,000/- (US Dollar Eight Million Only).
6. All relevant supporting documents as listed herein should be attached with the technical bid and should be duly signed on each page by the Bidder/Applicant. In case if the bids are not accompanied by any and all supporting documents, such Bids shall be liable to be rejected.
7. A complete set of Tender documents are available online on Alliance Air website [www.allianceair.in](http://www.allianceair.in) under the tenders section.
8. All bids must be accompanied by Earnest Money Deposit (EMD) of USD 2,500/- (US Dollar Two Thousand Five Hundred Only) paid via ECS/RTGS/wire transfer .Bank charges, if any would be borne by the Bidder. Once the ECS/RTGS/wire transfer is done, by the Bidder, the Bidder should email AAAL on [HOM@allianceair.in](mailto:HOM@allianceair.in) informing the details of the ECS/RTGS/wire transfer
9. The Bidders are required to submit the Earnest Money Deposit amount through ECS/RTGS/wire transfer only, through banks of international repute as per details given below. Please note that AAAL requires the copy of the document mentioning 'confirmed transfer', as given by the said bank. Copy of the document showing/mentioning 'applied' or 'pending transfer' are / is not acceptable. Earnest Money Deposit shall be remitted to Alliance Air's Bank Account as advised in the Bid Document.
10. No other mode of payment like Cash/ Cheque / Draft etc. will be accepted. The original instrument receipt should be enclosed along with the hard copy of the technical bid, in the sealed technical bid envelope. Tenders received without the Earnest Money Deposit, or proof/details of remittance (in the case of wire transfer), or insufficient Earnest Money Deposit shall be summarily rejected. Date of ECS/RTGS/wire transfer should be after the date of issue of Tender Document.
11. The EMD for all technically disqualified Bidders/Applicants shall be returned/ refunded. Any bid without proof of EMD deposit shall be summarily rejected and shall not be considered as a valid Bid. Interest



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will not be payable on EMD amount. Alliance Air will endeavor to return the EMD deposit of unsuccessful Bidders/Applicants at the earliest. Applicable bank charges would be deductible at the time of return of EMD deposit. Earnest Money Deposit of the Bidder/Successful Bidder will be forfeited and the Bidder/Successful Bidder will not be allowed to participate in any tenders of Alliance Air Limited for a minimum period of three years if:

(a) The Bidder withdraws or modifies its bid or fails to abide by any terms of the Tender, after opening of the bids or deviates or derogates from the conditions of the Tender;

Or

(b) If the Successful Bidder declines or refuses to accept the Letter of Intent (LOI) and execute the contract, or declines to furnish the security deposit;

12. Once a Bidder/Applicant has been declared as the lowest Bidder and has been shortlisted as per the Tender process, the Successful Bidder/Applicant will have to deposit USD 10,000/- (US Dollar Ten Thousand Only) on the day of signing of GSA Agreement (the “**Security Deposit**”). This Security Deposit amount shall be forfeited in full, in case the Successful Bidder/Applicant backs out or he fails to operationalize the GSA Agreement within 45 (forty five) days of the execution of the same. This Security Deposit will be refunded once the GSA Agreement is in force and the requisite bank guarantee (mentioned in clause 12(i) of the GSA agreement) have been received by Alliance Air.
13. The Successful Bidder will have to deposit a **Non Transferable “Bank Guarantee”** in the required format, for the amount required to cover the financial exposure of Alliance Air in Sri Lanka Market. The BG amount will be calculated on the basis of remittance cycle detailed in the attached GSA Agreement (Annexure B).
14. The Bids must reach Alliance Air office at address specified below through the following modes viz courier/speed post/by hand prior to the date as specified in the bid document to

**Head of Sales & Marketing,**

**Alliance Air, Alliance Bhawan IGI Airport,**

**Terminal 1 Palam New Delhi - 110 037**

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not later than 1600 hrs. on 06 / 10 / 2023.

15. The Technical Bids will be opened by the GSA Committee of Alliance Air on 09 / 10 / 2023. The technical evaluation would include onsite inspection by AAAL designated staff. Technical site inspection would be conducted of the Bidders/Applicants who fulfill the technical requirements based on the documents submitted by the respective Bidder/Applicant. The technically qualified Bidders/Applicants shall permit AAAL or its authorized personnel or representative to inspect its Site. During the site visit credentials of the Bidder/Applicant in terms of the details provided by them in the Technical Bid “Basic Mandatory Information” (in Clause 6) and “Eligibility criteria” (in clause 7) shall be verified.
16. During the site visit, if any claims as made by the Bidder /Applicant are found to be misrepresented /incorrect, the Bids of such Applicants/Bidder shall be deemed to be disqualified.
17. The Financial Bids of only those Bidders/Applicants shall be opened, who are found to be technically qualified, on the basis of the Bid document submitted by them and the technical site inspection. These Bidders may on their own expense attend the opening of Financial Bid at address, which will be notified by Alliance Air.
18. Please note that the form of the GSA Agreement attached as Annexure to the BID Document form an Integral part of the Bid Document and all the functions/obligations stated in the GSA agreement needs to be fulfilled by the selected applicant as listed in the various clauses of the GSA agreement.
19. AAAL reserves the right to accept or reject any Bid and to annul the Tender process and reject all Bids, at any time prior to award of GSA Agreement, without thereby incurring any liability to the affected Bidders/Applicants or any obligation to inform the affected Bidders/Applicants of the grounds for the AAAL’s action.
20. In case the Bidder/Applicant is not able to operationalize the agreement within 45 (Forty Five) days of appointment then Alliance Air shall forfeit the EMD and Security Deposit and the GSA Agreement would be declared null and void.

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21. All Bidders/Applicants will have to indemnify that they have not been blacklisted by AAAL across network. The self-indemnification will in itself be a contained document.
22. Bidders/Applicant may obtain any further information/clarification regarding the availability of Tender documents, within the stipulated time as specified in the Bid Document through email only. The email address is " HOM@Allianceair.in. The replies to all the queries raised by the Bidders/Applicants would be posted on the Alliance Air website within 5 days after the close of the stipulated time for seeking clarifications.

**Head of Sales & Marketing,**

**Alliance Air,**

**Alliance Bhawan IGI Airport,**

**Terminal 1 Palam**

**New Delhi - 110 037**

**Phone: +91 11 25673302**

**Web site: [http:// www.allianceair.in](http://www.allianceair.in)**

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**INSTRUCTION TO BIDDERS**



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**ALLIANCE AIR**

*Connecting India*

**Alliance Air Aviation Limited****Appointment of General Sales Agent for Passenger Sales of Alliance Air****INSTRUCTIONS TO BIDDERS****A. General****1. Scope of Bid**

Alliance Air Aviation Limited invites sealed bids from eligible Bidders/Applicants, for the appointment of Passenger General Sales Agent of AAAL in Sri Lanka, under a two (2) bid system i.e. Technical and Financial bid for the work scope as listed under Annexure- B in the GSA Agreement. The GSA Agreement attached as Annexure to the BID Document form an Integral part of the Bid Document and all the functions/obligations stated in the GSA agreement needs to be fulfilled by the selected applicant as listed in the various clauses of the GSA agreement

**2. Scope of Works:**

Alliance Air Aviation Limited is desirous of appointing General Sales Agent in the territory of Sri Lanka for handling air passenger transportation services. The initial term of the GSA Agreement would be five (5) years from the date of execution of the same, which would be subject to review by Alliance Air every year based on the performance of the Successful Bidder. The scope of work has been laid down in the forms of the GSA agreement attached as Annexure B for Alliance Air Aviation Limited. The GSA Agreement attached as Annexure to the BID Document forms an Integral part of the Bid Document and all the functions/obligations stated in the GSA agreement needs to be fulfilled by the selected applicant as listed in the various clauses of the GSA agreement.

**3. Definitions**

3.1 For the purpose of the Tender following definitions are defined as under:

- a) The term "Applicant"/"Bidder", as used in the Tender, shall mean the entity that has signed the Bid Document and submitted the quotation in response to the Tender.

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- b) The term “Days” shall mean the working days of AAAL.
- c) The term “GSA Agreement” shall mean the agreement entered into between AAAL and the Successful Bidder, confirming its acceptance of the Tender, on the terms and conditions mentioned therein.
- d) The term “**General Sales Agent**” (**GSA**) shall mean the exclusive representative of Alliance Air in the territory of Appointment i.e. Sri Lanka for the purpose of the Works. The GSA is required to carry out the Works as contemplated in this Tender and the GSA Agreement (attached herewith in Annexure-B).
- e) The term “Territory” shall mean the geographical limits of the country i.e. Sri Lanka.
- f) The term “Site” shall mean the registered office/principle place of business of the Bidder/Applicant, from where it operates at present and provides the services as contemplated in the Works referred to herein.
- g) The term “Successful Bidder/Applicant” shall mean the Bidder/Applicant who has been awarded the GSA Agreement for the Work Scope contemplated in this Tender.
- h) The term “**Turnover of Applicant**” shall mean the annual sales volume net of discount and taxes of its core business and not from any subsidiaries. Turnover should be average of at least three financial year/s, (as applicable) immediately preceding the date of this Tender.
- i) The term “**Over Riding Commission (ORC)**” shall mean a commission paid to the GSA for entire sales effected in Sri Lanka. This ORC would be payable on the basic fare component and fuel surcharge (if any) of the flown revenue realized for the entire Alliance Air sales effected in Sri Lanka.

#### **4. Tender fee**

The tender document is free of cost and can be downloaded from the Alliance Air Aviation Limited website under the tenders section. All bids must be accompanied by “Earnest Money Deposit” EMD.

**5. Earnest Money Deposit (EMD)**

- a) All technical bids must be accompanied by Earnest Money Deposit of the amount USD 2,500/- (US Dollar Two Thousand Five Hundred Only) through ECS/RTGS/Wire Transfer to Bank a/c details as placed below:
- b) Earnest Money Deposit shall be remitted to the following bank account:
- |                  |   |
|------------------|---|
| BENEFICIARY NAME | Alliance Air Aviation Limited                     |
| LKR ACCOUNT NO.  | 25161309220001                                    |
| NAME OF THE BANK | SBI   |
| Address          | 16, SIR BARON, Iyathilake Mawatha,<br>Fort Branch |
| City             | Colombo   |
| Country          | SriLanka  |
| SWIFT CODE       | SBINLKLXXXX                                       |
| Customer ID      | 251613092   |
- c) A proof of the ECS/RTGS/Wire transfer needs to be attached to the Technical Bid of the respective Bidder. No other forms of payment would be accepted. The EMD for all technically disqualified Bidders/Applicants shall be returned/ refunded without any interest.
- d) Any Technical bid without proof of EMD deposit will be rejected.
- e) EMD so deposited shall not carry any interest.
- f) EMD of the Successful Bidder will be adjusted against the security deposit.
- g) **Forfeiture of EMD**

The said EMD shall be forfeited in full in the following circumstances without any interest and obligation on part of Alliance Air Aviation Limited:

I) In case the Applicant / Bidder withdraws their Bid at any stage of the Tender process.

II) EMD of a bidder shall be forfeited if the Bidder withdraws or amends its or deviates or derogates from the conditions of the

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Tender in any respect, or declines to accept the Contract if awarded in its favor.

III) If the Successful Bidder fails to furnish Security Deposit or Bank Guarantee within the specified period.

IV) In case, if the Successful Bidder refuses to accept the GSA Agreement or fails to abide by any terms of the Tender.

V) If the Successful Bidder fails to operationalize the GSA Agreement within 45 (forty five) days of appointment due to the reasons specifically attributable to the Successful Bidder/Applicant.





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**TECHNICAL BID**



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**ALLIANCE AIR**

*Connecting India*

**6. Basic Mandatory Information**

6.1 Each Applicant/Bidder shall provide the information/details with regard to the technical bids as follows:

**TECHNICAL Bid**

Basic Mandatory Information (Technical Bid)		
Sr. No.	Details	Response of the Bidder/Applicant
1.	The name and legal status of Bidder/Applicant	
2.	What is the Principal business of Bidder/Applicant	
3.	Full address of Bidder/Applicant along with the contact details of the person submitting the bid on behalf of the Bidder/Applicant  <b>( Also advise Email ID, alternative email id, telephone numbers, Mobile phone number and website )</b>	
4.	Date of establishment/incorporation of Bidder/Applicant	
5.	Is Bidder/Applicant owned by any other organization? Give the name of the owners of Bidder/Applicant. Also provide details of sister concerns fully/partially owned by Bidder/Applicant.	
6.	Do the local laws of the country entitle Bidder/Applicant to represent a foreign Airline *	

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Sr. No.	Details	Response of the Bidder/Applicant
7.	Have any partners, officers/directors/employers having authorization to act and sign on behalf of the Bidder/Applicant, been involved in bankruptcy proceedings? If yes are they now legally and fully discharged of their obligations by the court involved? *	
8.	Attach photographs/blue print of the exterior and interior of the Bidder/Applicant's office. The name of the Bidder/Applicant should be clearly visible in the photograph.	
9.	Please advise your total annual turnover/sales revenue from air transportation business as per the audited financial statements of the past three years, immediately preceding the date of this Tender.	
10.	Please submit the business plan proposed as the GSA of AAAL in the territory.	
11.	Provide the details of Bidder/Applicant's bank account, your bankers and their addresses.	Attach letter from the Bank
*Please attach confirmation on letter head under Bidder/Applicant's seal		

## 7. Eligibility Criteria

Further, the Bidders/Applicants should fulfill all eligibility criteria (Technical Bid) in order for their applications to be processed further. The Bidder/Applicants should answer all the questions as mentioned under the respective fields below.

Sr. No	TECHNICAL BID (Eligibility Criteria)		
	CRITERIA	QUESTION	RESPONSE OF BIDDER/APPLICANT
1	<p>The Bidder/Applicant entity should have at least 05(Five) years of experience in Travel business in Sri Lanka and should be registered with the same name/style in Sri Lanka. Travel business in this context refers to sale of air passenger transportation on scheduled Airline services. Experience in business refers to experience of the applicant/organization and not of the partners/owners/directors and/or an associate/group company. It is hereby clarified that the Bidder/Applicant can be any of the following:</p> <ul style="list-style-type: none"> <li>a) Company, registered under the applicable laws in Sri Lanka</li> <li>b) Sole Proprietorship Firm in Sri Lanka, as per the laws applicable in Sri Lanka</li> <li>c) Partnership Firm in Sri Lanka as per the laws applicable in Sri Lanka</li> <li>d) Joint Venture of either of the entities as specified in sub-clauses (a), (b) or (c) above.</li> </ul>	<p>Specify name of the organization and number of years in travel business in that Territory (Sri Lanka). Please provide the registration number of the Bidder/Applicant. (Attach certified copy of certificate of incorporation/ registration number of the Bidder/Applicant).</p>	
2	<p>The Bidder/ Applicant should <b>not be an IATA Accredited agent.</b> If</p>	<p>Please specify if Bidder/Applicant is not</p>	

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Sr. No	TECHNICAL BID (Eligibility Criteria)		
	the Bidder/Applicant is an IATA accredited travel agent then he should surrender the IATA accreditation of the organization who is the Bidder/Applicant, if appointed as a GSA for AAAL.	an IATA agent - YES/NO.  In case your organization is IATA accredited agent are you are willing to surrender IATA accreditation if appointed as GSA of AAAL – Yes/No	
3	Should not have been in loss in the last 2 years consecutively (preceding the date of this Tender). (Attach audited financial statements for the past Two years immediately preceding the date of this Tender)	Please confirm if the Bidder/Applicant has not been in loss in the last 2 years consecutively(preceding the date of this tender)	YES/NO (If No please specify and give details)
4	Should not be GSA for any Airlines operating direct services (single flight number) including code share operation from that territory to India i.e. Sri Lanka (Specify the airlines for whom you act as a GSA)	Please confirm if the Bidder/Applicant is not a GSA of any other Airlines operating direct services including code share operation from Sri Lanka to India	YES/NO (If No please specify)
5	Should be familiar/have experience with IATA BSP procedures or equivalent in that territory i.e. Sri Lanka.	Is the Bidder/Applicant familiar with IATA BSP procedures or equivalent in Sri Lanka?	YES/NO
6	Should undertake to cover defaults of any Sales Agent appointed by the Bidder/Applicant (if selected) in Sri Lanka.	Is the Bidder/Applicant ready to cover defaults of the Sale Agents appointed by Bidder/applicant in Sri	YES/NO

Sr. No	TECHNICAL BID (Eligibility Criteria)		
		Lanka?	
7	The Bidder/Applicant undertakes (if selected) that it would not be entitled for any ORC for sales generated by agents for which it doesn't cover defaults in Sri Lanka.	Is the Bidder/Applicant ready to undertake that it would not be entitled for any ORC for sales generated by agents for which it doesn't cover defaults in Sri Lanka?	
8	Should be willing to provide for appointment as GSA for AAAL, Bank Guarantee in the required format, for the amount required to cover the financial exposure of AAAL in Sri Lanka Market.	Is the Bidder/Applicant willing to provide Bank Guarantee from a reputed Bank in the format acceptable to AAAL	YES/NO
9	Should have minimum turnover of at least USD 2,500,000/- (US Dollar Two Million Five Hundred Thousand Only) in Sri Lanka. Turnover of the Bidder/Applicant should be average of three financial year/s, (as applicable) immediately preceding the date of this Tender.	Please advise the Turnover of the Bidder/Applicant for the immediate preceding year in Travel Business	
10	<p><b><u>The following applies for appointment as GSA for AAAL</u></b></p> <p><b>Performance security:</b> The Bidder/Applicant is willing to accept the targets assigned to it from time to time. The targets would be advised to the GSA on a yearly basis. These targets will be specified for each O&amp;D and 6<sup>th</sup> freedom traffic. The Non achievement of the targets would</p>	Does the Bidder/Applicant Agree to the performance security clause of AAAL and penalty in case of non-achievement of Targets	Yes/No

Sr. No	TECHNICAL BID (Eligibility Criteria)		
	<p>be reckoned for continuing the services as a General Sales Agent of AAAL. However, if there is a change in the competition level and extent of operation, the same will be taken into account while computing target v/s achievement. In the event of non-achievement of the target the GSA would be given an opportunity of 90 (ninety) days to come up to the expectations of Alliance Air and GSA's performance would be monitored. If the GSA is not able to perform in the said time frame AAAL reserves full right to review the contract and take appropriate action as deemed fit, including the termination of the GSA Agreement.</p>		
11	<p>The Bidder/Applicant agrees to provide at its own cost all facilities and infrastructure (telephone/fax/ high speed internet/office stationery/ mobile, etc.) as per the requirements of AAAL. The interiors and facilities provided Space shall be befitting the status of a global airline of repute. AAAL shall only bear the actual rental cost of unfurnished (Bare-shell) office space leased in the name of Principal, on a mutually agreed terms &amp; conditions.</p>	<p>Does the Bidder/Applicant agree to provide facilities as per AAAL requirement listed under point number 11?</p>	Yes/No

Sr. No	TECHNICAL BID (Eligibility Criteria)		
12	The Bidder/Applicant should not have been into any kind of legal dispute or arbitration in the past with AAAL or its subsidiaries.	The Bidder/Applicant has not been in any kind of legal dispute or arbitration with AAAL or its subsidiaries in the past.	Yes/No
13	The bidder/applicant agrees to bear legal costs of defending any action by any incumbent agent/GSA of AAAL and bear the cost of compensation if any, awarded as a result of terminating the incumbent agent(s)/GSA in Sri Lanka. Self-indemnification to be given for the same as per Annexure “A” of this Tender	Does the Bidder/Applicant agree to bear the legal cost of defending any action by the incumbent GSA of AAAL and bear the cost of compensation, if any awarded as a result of terminating the GSA?	YES/NO

In case, any Applicant replies with regard to the technical bid in negative (i.e. as - No) or with any conditions attached to the technical bid, the Applicant would be disqualified from the Tender process.

**8. Office Space and Manpower Requirements for Alliance Air**

- 8.1 AAAL would select office space for various functions like Reservation & Ticketing, Sales, and Marketing & Finance etc. at a prominent place. The GSA would enter into a contract for lease of such space with the third party. The rental for such unfurnished space (Bare-Shell) would be reimbursed to the successful bidder/applicant by AAAL as per actuals.
- 8.2 The skilled staff required for various functions viz. reservation /ticketing /sales/accounts functions, in Sri Lanka will be selected by AAAL at the time of appointment as per the requirements of AAAL. The GSA would hire the staff selected by AAAL on its pay roll. The salary payable to such staff will be reimbursed to the successful bidder/applicant by Alliance Air as per actuals.



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- 8.3 GSA will bear all employment related incidental expenses including conveyance, overtime, travelling allowance, etc. payable to the staff provided by the GSA.
- 8.4 The successful Bidder/Applicant shall provide at its own cost all facilities and infrastructure (telephone/fax/ high speed internet/office stationery/ mobile, etc.) including electricity, water charges, facility maintenance charges, etc. for the AAAL office as per the requirements of AAAL. The interiors and facilities provided shall be befitting the status of a global airline of repute. Cost of furnishing the AAAL office would be borne by the successful Bidder/Applicant.

## 9. Documentation and Information of the Bidder/Applicant

- 9.1 To be qualified for award of the contract, Bidders/Applicant shall provide evidence satisfactory to AAAL of their capability and adequacy of resources to carry out the respective contracts effectively. **Technical Bids shall include the following documentation and information on the relevant information forms attached with the Technical Bid Document:**

- a) Copies of original documents defining the constitution or legal status, place of registration and principal place of business i.e. Certificate of Incorporation, Memorandum/Article of Association/Registration Certificate of the organization; written power of attorney of the signatory of the Bid to commit the Bidder.
- b) Total annual turnover in the business expressed in terms of total sale of passenger air transportation business and sale on air transportation business in each of the last three years immediately preceding the date of this Tender.
- c) Performance in Works of a similar nature and complexity over the last five years, and details of other work in hand and contractual commitments.
- d) Reports on the financial standing of the bidder/applicant **including profit and loss statements, balance sheets and auditor's reports for the past three years** immediately preceding the date of this Tender, and an estimated financial projection for the next two years from the date of the Tender.
- e) Bankers and bank account details. Letter from the bank (on its letter head and bearing the common seal of the bank) with details of bank accounts of your Company/organization.

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- f) Photograph of Interior and exterior of the office. Attach photographs/blue print of the exterior and interior of your existing office. The name of the organization should be clearly visible in the photograph. In case space has been identified for AAAL office, photos/blue print of the same may be attached.
- g) Self-Indemnification (as per Annexure "A") confirming:
- that all the information furnished by the Bidder/Applicants in the bid are correct and the Bidder/Applicant binds himself with all the stipulations of the Tender document, including provision of adequate equipment, personnel and other resources required and agrees to augment them, if found necessary and will confirm that local laws of Sri Lanka entitle him to represent a foreign Airline.
  - That the Bidder/Applicants have not been blacklisted by AAAL in past across AAAL officers/directors/employees having authorization to act and sign on behalf of the Bidder/Applicant, have been involved in bankruptcy proceedings and in case involved in the past, have been fully discharged of their obligations by the court involved.
  - That no member of the Bidder/Applicant's immediate family is running or is employed by any company/GSA who operates direct services (single flight number including code share operations) from Sri Lanka to India.
  - That the Bidder/Applicants have not been in any kind of legal dispute or arbitration with Alliance Air in the past.
  - That the Bidder/Applicant agrees to bear legal costs of defending any action by any incumbent agent/GSA of AAAL Ltd. and bear the cost of compensation, if any, awarded as a result of terminating such incumbent agent(s)/GSA in Sri Lanka.
- h) EMD of USD 2,500/- (US Dollar Two Thousand Five Hundred Only) (refundable), proof of RTGS/Wire Transfer for EMD deposit.
- i) Confirmation letter on the official letter head under company/organization seal, confirming that applicable local laws of your country entitle you to represent a foreign Airline.

## **10. Litigation History**

The Bidder/Applicant should provide accurate information about any litigation or arbitration resulting from contracts completed or ongoing

under its execution in the past since the time of its incorporation. A consistent history of awards against the Bidder/Applicant or any partner of a joint venture will result in failure of the application. Suppression of any information or material in this regard would be construed as a fundamental breach and AAAL reserves its right to take appropriate action including cancellation of the bid, forfeiting of bid security etc., as may be deemed fit and proper by AAAL at any time without requiring giving any notice to the Applicant in this regard.

## **11. Disqualification**

11.1 Even though the Bidders/Applicants meet the above criteria, they are subject to be disqualified if Bidder/Applicant or any of its constituent partners have:

- a. Made misleading or false representation in the forms, statements, and attachments submitted; or
- b. Records of poor performance since the time of its incorporation, as on the date of application such as abandoning the work, rescinding of contract for which the reasons are attributable to the non-performance of the Bidder/Applicant, inordinate delays in completion, any history of litigation / arbitration awarded against the Applicant or any of its constituents or financial failure due to bankruptcy etc.
- c. Been debarred by AAAL or its subsidiaries as on the date of submission of the bid.
- d. Litigation History.
- e. Involved in corrupt and fraudulent practices as mentioned herein below.

## **12. One Bid per Bidder/Applicant**

A Bidder/Applicant is permitted to submit only one bid per contract package either by itself or as a member in a joint venture. A Bidder/Applicant who submits or participates in more than one bid will cause all the proposals with the Bidder's participation to be disqualified.

## **13. Cost of Bidding**

The Bidder/Applicant shall bear all costs associated with the preparation and submission of its bid and AAAL will in no case be responsible or liable for those costs, regardless of the outcome of bidding and AAAL is not liable for any financial obligation, whatsoever.

**14. Amendment and Clarification of Tender Documents****14.1 Amendment of Bidding Documents**

- a) At any time prior to the deadline for submission of bids, AAAL may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, amend the bidding documents by issuing Addendum within the specific time limit.
- b) Any Addendum thus issued shall be part of the bidding documents will be hosted on AAAL's website. Advertisement in Sri Lanka (from where the bids have been invited with regard to this Tender) will be released in the newspapers in Sri Lanka.
- c) To afford prospective Bidders/Applicants reasonable time in which to take an Addendum into account in preparing their bids, AI may extend as necessary the deadline for submission of bids, without assigning any reasons, whatsoever.

**14.2 Clarification of Tender Documents**

A Bidder requiring any clarification of the Tender documents may notify AAAL in writing through email only (**Email Id: HOM@allianceair.in**). AI will endeavor to provide clarification if justifiable and in connection to the Bid requirement within 5 days after the date specified in the bid document for seeking clarifications on the Tender Document. Copies of the AAAL's response will be hosted on AAAL's website.

A minimum of 5 (five) days shall be given by the Bidders to AAAL, for responding to such queries after the last date for seeking clarifications on the Bid Document. Nonetheless this will not affect the change in last date for submission of Bids until and unless communicated as an addendum. AAAL reserves the right not to disclose or clarify any points or issues which AAAL considers has no relevance to the Tender.

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**FINANCIAL BID**



QATAR AIRWAYS  
ALLIANCE AIR

**15. Financial Bid**

**15.1 Selection Criteria (“Financial Bid”):**

15.1.1 That the Financial Bid of only those Bidders/ Applicants would be considered who meet all the eligibility criteria and is found technically qualified after the site visit inspection. The applicant who quotes the lowest Financial Bid would be selected. If there are two or more than two Applicants giving the exact same financial bid then re-bid will be invited from such Applicants.

15.1.2 **Over-riding commission (ORC)** would be payable **on the basic fare component and fuel surcharge (If any)** of the flown revenue realized for the entire **AAAL sales** effected in Sri Lanka. No Overriding commission shall be paid on sale of transportation of Non-revenue tickets, Transportation Service Contract (TSC), Embassy Sales, Excess baggage, Electronic Miscellaneous Documents (EMDs), Mail, Insurance, Taxes, GST, User Development charges, any other Govt. / Airport levies, Ancillary Services, Cost of deportee (C.O.D.) and AAAL web/mobile-app sales. ORC shall be paid on the flown revenue for sale made from the date of operationalization of the GSA agreement.

15.1.3 The maximum ORC that can be quoted is capped at 2%. Any bid received over & above the maximum cap of 2% will be disqualified.

15.1.4 Financial Bid format:

The Bidder/Applicant needs to quote only one figure in the ORC percentage column placed below. The quote should be covered with a transparent adhesive tape:

	<p>The percentage (%) of Over-riding commission (ORC) the applicant is willing to quote for providing the services as per AAAL's requirement Listed above</p>	<p>(In words and figures)</p>
--	---	-------------------------------

**Very Important:** Financial bid document is only one page. It should be sealed in a separate envelope super-scribed in bold as **Financial Bid**. No other document needs to be attached with the Financial Bid.

**All supporting documents are to be attached with the Technical Bid.**

**16. Preparation of Bids****16.1 Language of Bid**

The Bid, and all correspondence and documents related to the Bid exchanged by the Bidder/Applicant and AAAL shall be written in the English language. Supporting documents and printed literature furnished by the Bidder/Applicant may be in another language provided they are accompanied by an authenticated translation from appropriate authority of the relevant passages in English, in which case, for purposes of interpretation of the Bid, the English translation shall prevail.

**16.2 Documents Comprising the Bid**

The Bids should be submitted as in two parts, which comprise the following documents:

**Part-I Technical Bid**

- a. The basic mandatory information and eligibility criteria (Technical Bid) as listed in clauses 6 and 7 with all necessary supporting documents/ material / information required to be submitted in accordance with the Technical Bid and as specified in the technical bid document. Further all documents mentioned in clause 8, are to be submitted with the Technical Bid. Any conditional bid would be rejected out-rightly.
- b. The Technical Bid shall be hard bound, and all pages numbered (hard bound implies binding between two covers through stitching or otherwise whereby it may not be possible to replace any paper without disturbing the documents - spiral bound form, loose form etc. will not be accepted.
- c. All pages should be numbered serially electronically signed with seal, along with an index of submissions.
- d. No overwriting or cutting/usage of white correction ink would be accepted in the Bid Document.

**Part-II Financial Bid**

- a) Financial Bid is only one page. The figure (to be mentioned in words and figures) needs to be filled in and signed. No other document to be attached to the financial bid.

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- b) The financial bid quoted by the Bidder/Applicant should be in percentage of Overriding Commission (ORC).
- c) **Each part (Part 1 and Part II) should be separately sealed and marked in accordance with the sealing and marking instruction provided herein.**
- d) Figures quoted in the Financial Bids shall be mentioned in numbers and words and in case of discrepancy between the two; the amount mentioned in words shall prevail. All figures quoted in Financial Bid should be covered with a transparent adhesive tape.
- e) The Bidder/Applicant shall prepare and submit original set of the Technical and Financial Bids.

## 17. Format and Signing of Bid

- 17.1 The Bidder/Applicant shall prepare and submit original set of the Technical and Financial Bids.
- 17.2 The Bids shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Bidder. All pages of the Technical Bid and Financial Bid shall be initialed by the person or persons signing the Bid. All entries or amendments shall be initialed by the person or persons signing the Bid.
- 17.3 All witnesses of the declarations and indemnifications shall be persons of status and probity and their full names, occupations and addresses shall be printed below their signatures as per the respective laws of the country.

## 18. Submission of Bids

### 18.1 Sealing and Marking of Bids

- 18.1.1 The Bidder/Applicant shall submit the Bid in two parts, the Technical Bid and the Financial Bid. Each part of the Bid shall be sealed in separate envelopes and the two sealed envelopes shall be sealed in an outer master envelope. The Bid envelopes shall be super scribed in bold and marked as follows:

- a) **Outer Master Envelope:**

Technical and Financial Bid for the Work - "Passenger General Sales Agent for "Sri Lanka", Further, the name and address of



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**TENDER FOR APPOINTING OF GSA IN SRI LANKA**

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the Bidder/Applicant shall be mentioned on the outer master envelope.

**b) Inner Envelope, Technical Bid:**

Technical Bid for the work - "Passenger General Sales Agent for "Sri Lanka" Tender Ref No. (AAAL/GSA-SL/Sales/92) dated (15/09/2023).

**c) Inner Envelope, Financial Bid:**

Financial Bid for the work - "Passenger General Sales Agent for "Sri Lanka", Tender Ref No. (AAAL/GSA-SL/Sales/92) dated (15/09/2023).

18.1.2 The outer master envelopes shall: be addressed to the following address:

**Head of Sales & Marketing**

**Alliance Air, Alliance Bhawan IGI Airport,**

**Terminal 1 Palam New Delhi - 110 037**

**Phone: +91 11 25673302**

18.1.3 If the outer envelope is not sealed and marked as above, AAAL will assume no responsibility for the misplacement or premature opening of the 'Technical Bid' and 'Financial Bid'.

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**18.2 Deadline for Submission of Bids**

18.2.1 Bids must be received by AAAL at the address specified above not later than the time and date specified in the Invitation for Bid. In the event of the specified date to submission of bids declared a holiday for AAAL, the Bids will be received up to the appointed time on next working day.

18.2.2 AAAL may, at its discretion, extend the deadline for submission of the Bids by issuing an amendment, in which case all rights and obligations of AAAL and the Bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.

**18.3 Late Bids**

Any bid received by AAAL after the deadline for submission of bids will not be opened and will be rejected and AAAL will not be liable for any communication/explanation/obligation in this regard.

**18.4 Modification and Withdrawal of Bids**

18.4.1 The Bidder may modify or withdraw its bid after bid submission, provided that written notice of the modification or withdrawal is received by the Employer prior to the deadline for submission of bids. Any MODIFICATIONS in respect of TECHNICAL BID and FINANCIAL BID shall be submitted in separate sealed envelope duly marked so.

18.4.2 A Bidder's modification or withdrawal notice shall be prepared, sealed, marked and delivered in accordance with this Tender, with the outer and inner envelopes additionally marked "MODIFICATIONS" or "WITHDRAWAL" as appropriate.

18.4.3 No Bid shall be modified by the Bidder after the deadline for submission of bids.

18.4.4 Withdrawal of a Bid during the interval between the deadline for submission of Bids and the expiration of the period of Bid Validity specified herein result in the forfeiture of the EMD.

**19. Bid Opening and Evaluation**

19.1 The technical bids submitted by the Applicant/Bidder would be opened by the GSA committee/Authorized Officials of AAAL on the date as specified in the summary of Bidding Information. The Applicants may attend the opening of technical bids at their own cost on the date and place as specified in the Tender.

19.2 In case if the Applicant/Bidder does not attend the opening of Technical Bid, the same would be opened in the presence of GSA committee/Authorized Officials of AAAL.

19.3 The evaluation of the Technical Bid shall be done by the GSA committee/Authorized Officials of AAAL.

19.4 Technical qualification of the Applicant/Bidder would be evaluated based on the bid submitted by the Applicant/Bidder to the technical Bid and documents submitted by them in support of their bid. Technical evaluation would include onsite inspection. Technical site inspection would be conducted of the Bidders who fulfill the technical requirements based on the Technical Bids submitted by them. During the Site visit credentials of the Bidder/Applicant in terms of the details provided by them in the Technical Bid " Basic Mandatory Information " (in Clause 6) and " Eligibility criteria" (in clause 7) shall be verified.

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19.5 All the technically qualified applicants would be notified by email the date and time of opening of Financial Bids. The applicants may attend the opening of financial bids at their own cost on the date and place as notified to them by AAAL. In case the technically qualified Applicant/Bidder does not attend the opening of Financial Bids, the same would be opened in the presence of GSA committee/Authorized Officials of AAAL. Thereafter the Successful Bidder would be notified and would be awarded the GSA Agreement.

## **20. Award of Contract**

### **20.1 Award**

Subject to Clause 20.5, AAAL will award the GSA Agreement to the Bidder who has offered the lowest Bid price, provided that such Bidder has been determined to be eligible and qualified in accordance with the provisions of the Tender.

### **20.2 Notification of Award**

Prior to expiration of the period of bid validity, AAAL will notify the Successful Bidder by email that its bid has been accepted. The notification of award will constitute the formation of the GSA Agreement, subject to furnishing of a Security Deposit in accordance with the provisions of clause 20.3

### **20.3 Security Deposit and Bank Guarantee**

20.3.1 Once the Bidder/Applicant has been declared as Successful Bidder/Applicant as per the Tender process, the Successful Bidder/Applicant will have to deposit USD 10,000/- (US Dollar Ten Thousand Only) as Security Deposit on the day of signing of GSA Agreement. This Security Deposit amount shall be forfeited in full in case the Successful Bidder/Applicant backs out or he fails to operationalize the GSA Agreement within 45 (Forty five) days of the date of execution. This Security Deposit will be refunded once the GSA Agreement is in force and the requisite bank guarantee as mentioned herein below has been received by AAAL. This Deposit shall be remitted to the following bank account:

BENEFICIARY NAME Alliance Air Aviation Limited  
LKR ACCOUNT NO. 25161309220001  
NAME OF THE BANK SBI  
Address 16, SIR BARON, Iyathilake Mawatha,  
Fort Branch

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City	Colombo
Country	Sri Lanka
SWIFT CODE	SBINLKLXXXX
Customer ID	251613092
REFERENCE:	Security Deposit
TENDER NO:	AAAL/GSA-SL/Sales/92

20.3.2 The Successful Bidder will have to deposit **Non Transferable “Bank Guarantee”** in the required format, for the amount required to cover the financial exposure of AAAL in Sri Lanka Market. The amount of Bank Guarantee will be revised in the same proportion whenever there is an increase in sales/Seat capacity in the Territory of Appointment.

20.3.3 In case of breach of the GSA Agreement or violation of any terms of the same, bank guarantee as mentioned in clause 20.3.2, shall be encased.

20.3.4 The cost of execution of Bank Guarantee would be borne by the Successful Bidder.

#### 20.4 **Signing of Agreement**

20.4.1 At the time that AAAL notifies the Successful Bidder that its Bid has been accepted AAAL will direct him to submit the aforesaid Security Deposit and attend the office of AI at New Delhi on a date determined by AI for signing the GSA Agreement.

20.4.2 The Bidder/Applicant who is qualified and selected by AAAL in accordance with the Tender Documents shall enter into a definitive agreement with AAAL in the form attached as **Annexure B** for AAAL, However the Successful Bidder/Applicant to note that, the said GSA Agreement, may be varied, in accordance with the operational requirements and policies of AAAL, and also to comply with any applicable laws, regulations etc., as may be stipulated by any applicable laws as applicable to AAAL.

20.4.3 Within 45 days of the date of signing the GSA Agreement, the Successful Bidder shall, if required, have the same stamped and registered according to the applicable laws and return the same duly signed and executed on behalf of the Successful Bidder to AAAL. In case of Joint Venture, all partners of the Joint Venture shall sign the GSA Agreement.

20.4.4 It is clarified that the Bid of each Bidder/Applicant constitutes its agreement to enter into the GSA Agreement as above, read with the

terms of the Tender Documents, and receive the Over-Riding commission (“**ORC**”) quoted in its financial bid.

**20.5 Right to accept any Bid and Reject any or All Bids**

Notwithstanding anything stated above or elsewhere in the Tender Documents, AAAL reserves the right to accept or reject any Bid and to annul the bidding process and reject all bids, at any time prior to award of the GSA Agreement, without AAAL thereby incurring any liability to the affected bidder/Applicant or bidders/Applicants or any obligation to inform the affected bidder/Applicant or bidders/Applicant on the grounds for AAAL’s action.

**20.6 Corrupt or Fraudulent Practices**

AAAL will reject a proposal for award if they determine that the Bidder/Applicant recommended for award has engaged in any corrupt or fraudulent practices in competing for the contract in question or has engaged in corrupt or fraudulent practices even in the past for procurement of any kind of a contract, or during execution. AAAL will declare the firm/organization ineligible, either indefinitely or for a stated period of time, to be awarded a contract by AAAL Limited, if it at any time the firm has engaged in corrupt or fraudulent practices.

**(I)** “corrupt practice” means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves and/or those close to them, or induce other to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; and

**(II)** “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of AAAL, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-responsive levels and to deprive AAAL of the benefits of free and open competition.

**21. Jurisdiction**

This Tender and Contract will shall be governed and construed in accordance with the laws of India subject the exclusive jurisdiction of the Courts of New Delhi.

**Annexure A: Form of Self-Indemnification**

**Sample Draft**

**[Attached as a separate document]**

**Annexure B: Form of General Sales Agent for Passenger Sales Agreement**

**Proposed Sample Draft (Actual may vary based on legal inputs)**

**[Attached as a separate document]**

**Note:** *The form of the agreement attached as annexure is a generic format, and the AAAL may, prior to execution of the agreement, make such changes to the format, as may be required by AAAL in its sole discretion, including without limitation changes specific to a particular country.*

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**GENERAL SALES AGENCY AGREEMENT FOR PASSENGER SALES**

**Between**

**M/s AIR INDIA LIMITED**

**AND**

M/s \_\_\_\_\_

**THIS GENERAL SALES AGENCY AGREEMENT FOR PASSENGER SALES** (hereinafter referred to as “**Agreement**”) is made at New Delhi on the \_\_\_\_\_ (hereinafter referred to as the “**Execution Date**”).

**BETWEEN**

**Alliance Air Aviation Limited** (with trade name as **Alliance Air** and operating **AAAL** code flights), having its Registered Office at Alliance Bhawan, Domestic Terminal 1, Indira Gandhi International Airport, New Delhi – 110037, (hereinafter called “**The Principal**” or “**Alliance Air**” which expression shall, unless repugnant to the context or meaning thereof include its successors and assignees) of the **One Part**;

**AND**

M/s \_\_\_\_\_, a firm **registered as per the Commercial Laws of** \_\_\_\_\_ and having its Registered Office for passenger sales at \_\_\_\_\_ (hereinafter referred to as “**GSA**” or the “**General Sales Agent**” which expressions shall unless repugnant to the context or meaning thereof include its successors and permitted assignees) of the **Other Part**.

(Affix rubber stamp of Attester)

- 1 -

(Signature of executor)

## WHEREAS

- A. Alliance Air is engaged in the business of providing passenger air transport service.
- B. Alliance Air is desirous of appointing General Sales Agent in the territory of Sri Lanka for handling air passenger transportation services for which a Tender was floated on the website in August 2023.
- C. The General Sales Agent mentioned herein-above has applied to the aforesaid tender and has been found technically suitable and qualified as L1 on the basis of the tender conditions. The General Sales Agent has represented to Alliance Air that it has adequate infrastructure and manpower in handling air Passenger services and thereby offers its services for the same.
- D. Relying upon the representation made by the General Sales Agent, and after due verification of facts and M/s \_\_\_\_\_ being selected as L1, Air India has consented to appoint M/s \_\_\_\_\_ as its General Sales Agent for passenger Sales on terms and conditions stated hereunder:

For the purpose of the agreement following definitions are defined as under:

- **"Party"** means either the Principal or the General Sales Agent individually, and **"Parties"** means the Principal and the General Sales Agent collectively.
- **Requirements of Law :** **"Requirements of Law"** means, with respect to any person, all laws, statutes, treaties, rules, regulations, determinations, orders, writs, processes, decrees, injunctions, judgments, or awards of an arbitrator, a court or any other Governmental Authority, and all Governmental Authorizations binding upon or applicable to such person or to any of its properties or assets.
- **Governmental Authorization:** **"Governmental Authorization"** means any authorization, approval, consent, no objections, license, covenant, order, ruling, permit, certification, exemption or similar right or actions by, or filing or registration with, any Governmental Authority.
- **Governmental Authority :** **"Governmental Authority"** means any nation or government, any state, province, local bodies or other political subdivision thereof, and any governmental, executive, legislative, judicial, administrative or regulatory agency, department, authority, instrumentality, commission, board or statutory corporation of, or any corporation or other entity (including a trust), owned or controlled directly or indirectly by, any of the foregoing or any similar body and includes, without limitation, the Directorate General of Civil Aviation (DGCA), Ministry of Civil Aviation (MCA), Directorate General of Foreign Trade (DGFT) and the Reserve Bank of India (RBI) in India.

(Affix rubber stamp of Attester)

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(Signature of executor)



- **Control** : “**Control**” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management polices of a person, whether through the ownership of voting securities, by contract or credit arrangement, as trustee or executor, or otherwise.
- **Taxes** : “**Taxes**” means all present and future taxes, levies, imposts, duties, withholdings, fees or charges of any nature whatsoever, and wheresoever imposed, including, without limitation, value added tax, consumption tax or any other tax in respect of added value or any income (including, without limitation, gross income, minimum, alternative minimum, capital gains income, gross receipts and net receipts), franchise, transfer, sales, use, business, occupation, excise, personal property, real property, stamp or other tax imposed by a taxing authority of any country, or governmental subdivision thereof or therein or by any international authority, together with any penalties, additions to tax, fines or interest with respect to any of the foregoing; and “Tax” and “Taxation” shall be construed accordingly.

**NOW THIS AGREEMENT IS WITNESSETH AS UNDER:**

**1. EXECUTION AND E.FFECTIVE DATE**

1.1 This Agreement shall be deemed to have been executed on ("Execution Date").

1.2. The Services under this Agreement shall deemed to have been commenced on ("*Effective/ Commencement Date*").

**2. APPOINTMENT, TERRITORY AND EXCLUSIVE REPRESENTATION:**

- Principal appoints M/s \_\_\_\_\_, as its General Sales Agent for the sale of air passenger transportation within the territory mentioned in **Schedule “A”** in accordance with the terms and conditions set out hereunder (hereinafter referred to as the “**Territory of Appointment**”).
- If the General Sales Agent or his immediate family (parents/spouse/children) has in the Territory of Appointment, interest in the ownership management or profits of an IATA registered consolidator or an IATA approved passenger sales agent or if any interest in the ownership management or profits of the General Sales Agent is held by an IATA registered consolidator or an IATA approved passenger sales agent, the General Sales Agent shall disclose the nature and extent of such interest to the Principal.
- The General Sales Agent hereby represents that the General Sales Agent shall not act directly or indirectly as a General Sales Agent in the Territory of Appointment for sale of passenger transportation for any other airline which operates direct services

(Affix rubber stamp of Attester)

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(Signature of executor)

(single flight number) including code share operations from that country/territory to India. In the event, the General Sales Agent accepts appointment as General Sales Agent /Marketing Sales Agent of a competitor airline without the consent of the Principal, the Principal shall have the right to forthwith terminate this Agreement with immediate effect without any compensation/damages.

- iv. The General Sales Agent shall not be accredited, or have a location approved as an IATA Approved Location in the territory for which it is appointed by the Principal under this Agreement. In the event that the General Sales Agent applies for accreditation as an IATA Agent in that territory, it shall immediately notify the Principal. In the further event that it is subsequently accredited, the General Sales Agent shall relinquish its appointment under this Agreement forthwith.

### **3. FUNCTIONS AND OBLIGATIONS OF THE GENERAL SALES AGENT**

General Sales Agent shall inter-alia perform on behalf of the Principal the following functions:

- i. Sale of air passenger transportation on the regular air services (on 9I code flights) of Principal. Providing and operating enquiry, reservations and booking of seats on the Airline's flights including issuing tickets, EMDs, refunds, provided by the Principal to the Passengers over the counter, by mail, web, telephone, Call Centre or any channel as deemed fit by the Airlines in city booking office and at the Airport
- ii. Solicitation and promotion of sales on the regular air passenger transportation services of the Principal.
- iii. Appoint persons as Sales Agents on its behalf within the territory to carry out functions and obligations effectively and efficiently within the Territory of Appointment.
- iv. In the event the Principal is of the opinion that appointment of additional Sales Agent may be able to generate additional sales of air passenger transportation in the Territory of Appointment, it may request the General Sales Agent to appoint additional Sales Agents. Upon the Principal making such request, the General Sales Agent shall appoint such number of additional Sales Agents as may be requested by the Principal, in such areas within the Territory of Appointment as may be determined mutually by the General Sales Agent and the Principal.
- v. The General Sales Agent shall, prior to entering into any legally binding agreement with the Sales Agent, provide execution copies of such agreements to the Principal. The General Sales Agent confirms and agrees that it will not enter into any agreements or arrangements unless it has obtained prior written approval from the Principal in respect of

the same. It is expressly clarified that such approval from the Principal shall not reduce or diminish any obligation of the General Sales Agent under or pursuant to the terms of this Agreement. General Sales Agent shall promptly inform the Principal of any agreements or arrangements made or entered into between the General Sales Agent and any Sales Agents and upon a request by the Principal, promptly furnish copies of any and all of the agreements or details of the arrangements so entered into.

- vi. The General Sales Agent shall fully perform and shall cause the Sales Agent to fully perform the functions and obligations under the terms of this Agreement in compliance with the quality standards and policies specified by the Principal.
- vii. The General Sales Agent shall at all times maintain a consolidated list of all Sales Agents and shall update such list on a monthly basis. Such list shall contain all such information (including without limitation, sale of air passenger transportation) relating to the Sales Agent as may be requested by the Principal from time to time.
- viii. The General Sales Agent shall promptly and without any delay, inform the Principal if the Sales Agent(s) is in or is likely to be in, breach of its obligations (including any payment obligations) under or pursuant to its contractual arrangement with the General Sales Agent or if the continuation of its contractual arrangement with the Sales Agent may (i) prevent or adversely affect the General Sales Agent from discharging its obligations under or pursuant to this Agreement or (ii) may in any manner have an adverse effect on the operations or otherwise can bring the Principal into disrepute.
- ix. If the Principal is of the opinion that any arrangement or agreement with any Sales Agent may adversely affect or is likely to adversely affect the Principal's reputation, operations or sales of air passenger transportation, the Principal may notify the General Sales Agent of the same, whereupon the General Sales Agent shall forthwith terminate, without any liability or recourse to the Principal, any or all of such agreements or arrangements entered into with such Sales Agent(s).
- x. The General Sales Agent shall be:
  - a. Responsible for the services rendered by Sales Agents;
  - b. Supervise and issue instructions that would facilitate the functions of Sales Agents;
  - c. Shall help Sales Agents in carrying out their responsibility;
  - d. Supervision and settlement of accounts with Sales Agents in the territory;

- e. Supervision, monitoring and settlement of accounts for maintaining adequate balance in their account.
- xi. General Sales Agent shall assume responsibility for the acts, omissions and defaults of its Sales Agents and indemnify and hold harmless at all times the Principal, its officers, employees and servants from all responsibility and liability for any injury, damage, expense or losses (including, without limitation, reasonable attorney's fees and other dispute resolution costs) and for such acts, omissions, short recovery and defaults of the Sales Agents and against all complaints, if any, against such Sales Agents by any party whatsoever and also against claims and demands, if any, of such Sales Agents against the Principal.
- xii. Handling and administration of reservations for passenger transportation.
- xiii. Make every effort to enhance the business reputation and goodwill of the Principal in the Territory of Appointment.
- xiv. Represent and negotiate with appropriate authorities all matters relating to the operations and tariffs of the Principal.
- xv. Provide and / or assist in the obtaining of data concerning the local laws, regulations, taxes and other information of like nature required by Principal. Compile and dispatch such statistics, returns and reports as may be required by Principal from time to time.
- xvi. Distribute and display publicity materials provided by the Principal in accordance with the requirements of the Principal.
- xvii. General Sales Agent shall:-
  - a. Provide a dedicated budget for the purpose of sales promotion, publicity and public relations, as set out in Schedule B. The same will be spent in consultation and association with the local Managers of the Principal;
  - b. Undertake special publicity and /or advertising campaigns as and when required by Principal. The cost of any such campaigns to be budgeted and paid for as mutually agreed between the parties.
  - c. Provide and maintain an administrative office , suitable in the opinion of the Principal , in the Territory of Appointment, to be used exclusively for the transaction of business of the Principal as mentioned in Schedule "B" (Attachment to GSA agreement – Other Terms & Conditions)
- xviii. The General Sales Agent shall at all times observe and comply with all rules, regulations, instructions and reasonable directions given to it by Principal or its authorized local

representatives concerning the services to be provided under that terms of Agreement and shall ensure that all its staff concerned shall be at all times familiar with all such rules, regulations, instructions, and directions as may be amended from time to time.

- xix. Provide such other services, which may be required by the Principal under this Agreement.
- xx. The General Sales Agent would provide assistance to Principal in obtaining better rates for airport charges, ground handling, supply of fuel, catering supplies, office space, manpower etc. as may be required by the Principal.
- xxi. With respect to passenger transportation, provide passenger reservations facility to Sales Agents and the general public and handling agent, if required in the assigned territory.
- xxii. The General Sales Agent shall provide whatever sureties that may be required by any organization in the Territory of Appointment for provision of the credit to Principal. In case Bank Guarantee is required by the principal, the GSA will provide the same. The funding of the BG and any related cost will be absorbed by the Principal.
- xxiii. The General Sales Agent will be responsible for compliance of various local laws and levies/taxes as well as filing of various returns in this connection with the local authorities.
- xxiv. The General Sales Agent will assist and represent the Principal in all legal matters that are arising in the Territory of Appointment, in the matters relating to the Passenger complaints / Business related / other issues involving court cases, consumer courts, etc. The cost of all such cases will be borne by the Principal.
- xxv. The General Sales Agent will assist the Principal in changing the office set up, procedures, signage and any other related matters in compliance with the "Alliances" requirements, as and when Alliance Air Limited joins any "Alliance"
- xxvi. The General Sales Agent will ensure that the distribution channels in the Territory of Appointment including handling agent, if any are informed of the Principal's own terms and conditions of contract of carriage including booking procedures, ticketing & reservation policy, agency debit policy and any other policy that is introduced by the Principal from time to time and assist in recovering financial dues from the Sales Agents.
- xxvii. Warranty:** The General Sales Agent shall not give any warranty in the name of the Principal except where the same shall have been authorized by the Principal.
- xxviii. Legal Proceedings:** The General Sales Agent shall not take legal proceedings in the name of the Principal without the consent in writing of the Principal nor shall it without

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such consent defend, settle, release, or discontinue any action or other legal proceedings or otherwise prejudicially affect the interests of the Principal.

- xxix. **Confidentiality:** The Parties hereto shall take all practical measures to ensure that information concerning each other's business results and activities, and any data including relating to passengers, frequent flyers etc are not revealed to any third party without the consent of the party concerned.
- xxx. **Acceptance of other Appointments:** The General Sales Agent shall not accept other appointments as General Sales Agent or Passenger General Sales Agent by any other carrier (especially competitor Airlines in "the Territory of Appointment" or in "India") without the prior written consent of the Principal, which consent shall not be withheld unreasonably.

## 5. SALES AGENTS

- (i). For the purpose of this Agreement, all Agents appointed in the territory assigned to the General Sales Agent, shall be deemed as Sales Agents appointed by General Sales Agent, except in the case of agents who are specifically identified by Principal as having been appointed by the Principal.
- (ii). The General Sales Agent will be entirely responsible for full payment of dues to the Principal, irrespective of what payment is received from the Sales Agents towards outstanding from defaulting agent appointed by the GSA.
- (iii). The General Sales Agent will ensure safeguard of all monies which may be due to Principal from Sales Agents and to take all legal action in the event of default by such agent/s at GSA's cost to recover all the monies due from them.
- (iv). General Sales Agent shall perform any agency related administrative and accounting and other functions including but not limited to screening of documents, reconciliation of accounts, raising of debit notes and recovering the amount, monitoring of sales, monitoring credit sales if any, monitoring distribution channels, payment platforms and Charge back, if required.
- (v). GSA will not be entitled for any ORC for sales generated by Sales Agents for which it doesn't undertake to cover defaults.

## 6 SCOPE OF GENERAL SALES AGENT'S AUTHORITY

- (i) The authority of General Sales Agent to represent the "Principal" shall be specifically limited to the authority expressly granted under this Agreement.

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- (ii) The authority of the General Sales Agent to represent the Principal granted by this agreement is limited to the territory of Appointment (herein-after referred to as the said “territory”.)
- iii) General Sales Agent shall maintain for the sale of such air passenger transportation on the office or offices in the Territory of Appointment as shown in **Schedule A** attached to this Agreement. Any existing or subsequently established branch/offices of the General Sales Agent within the Territory of Appointment shall be subject to all the terms and conditions of this agreement. The General Sales Agent shall keep the Principal advised of all locations in the Territory of Appointment at which it operates or opens offices.

**7. REPRESENTATIONS AND WARRANTIES OF PARTIES:**

- A. **Representations of General Sales Agent:** The General Sales Agent hereby represents and warrants to the Principal as under:
  - (i) The General Sales Agent is duly incorporated and validly existing under the laws of its jurisdiction and have all necessary corporate power, authority and capacity to enter into this Agreement and to undertake the obligations contemplated herein;
  - (ii) The execution of this Agreement has been duly authorized and constitutes a valid and legally binding obligation on the General Sales Agent and is enforceable in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally) and the performance hereof does not in any way:
    - a. Violate any provision of the organization or governance documents of the General Sales Agent;
    - b. Conflict with or result in any material breach or violation of any of the terms and conditions of, or constitute or (with notice or lapse of time or both) will constitute default under, any provision of any agreement or other instrument to which the General Sales Agent may be bound; and
    - c. Violate any order, judgment or decree against, or binding upon the General Sales Agent or upon its properties or businesses; or violate any Applicable Laws;
  - (iii) The General Sales Agent represents that there are no legal proceedings, including appeals and applications for review, in progress, pending against or relating to the General Sales Agent or its affiliates or any of the assets or properties of the General Sales Agent that could materially adversely affect its ability to perform its obligations under this Agreement;
  - (iv) The General Sales Agent may represent itself as the representative of the

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Principal on its letter head advertisement, telephone listing and classifications and office signs and otherwise as a General Sales Agents representing the Principal, but shall not use any other designation without the prior approval of the Principal in writing;

- (v) The Intellectual Property including those as may be amended or added, used by the Principal while carrying on business in the Territory of Appointment shall remain the property of the Principal. Intellectual Property shall mean
  - (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuance, continuations, continuations-in-part, revisions, extensions, and re-examinations thereof,
  - (b) all trademarks, service marks, trade dress, logos, trade names, and corporate names, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith,
  - (c) all copyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith,
  - (d) all mask works and all applications, registrations, and renewals in connection therewith, (e) all trade secrets and confidential business information (including ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals),
  - (f) all computer software (including data and related documentation),
  - (g) all other proprietary rights, and
  - (h) all copies and tangible embodiments there of (in whatever form or medium).The General Sales Agent shall only on the express/written consent of Principal use such Intellectual Property belonging to the Principal during its tenure as the General Sales Agent for the Principal in the said Territory;
- (vi) The General Sales Agent shall cease to use the Intellectual Property belonging to the Principal on the expiry/termination of the Agreement;
- (vii) The General Sales Agent shall render all necessary assistance to the Principal to register any Intellectual Property, including but not limited to any trade mark(s), logo(s) or any other commercial inscription(s), belonging to the Principal in the Territory of Appointment in its capacity as the nominee of the Principal and shall not have any right or make any claim over the same at any point of time. It is clarified that the costs for such registration shall be borne by the Principal. The



ownership of any new Intellectual Property that might be created by General Sales Agent in pursuance of the performance of its obligations under this Agreement shall vest in the Principal. The General Sales Agent agrees and undertakes not to make any claims in respect of the same. Notwithstanding anything contained herein, this Agreement neither transfers nor assigns any Intellectual Property rights whatsoever belonging to the Principal and such Intellectual Property rights shall remain and continue to vest in the Principal;

- (viii) The General Sales Agent shall inform the Principal immediately about any infringement or threatened infringement of such Intellectual Property belonging to the Principal and shall extend the best possible cooperation to stop the same. It is hereby clarified that costs incurred by the GSA in protecting such Intellectual Property of the Principal from infringement shall be reimbursed to the GSA on actual costs basis;
- (ix) Nothing herein contained shall be deemed to create or constitute any agency, a partnership or joint venture between the Parties hereto and the relationship between the Principal and the General Sales Agent shall be on Principal-to-Principal basis. General Sales Agent shall not represent that it is authorized to bind Principal in any manner to any agreement or contract or undertake or create any liability on behalf of the Principal, without Principal's express prior written consent, and General Sales Agent shall not hold out itself as an agent of Principal. General Sales Agent shall be solely responsible for its own actions and those of its employees, agents and representatives, and no joint liability is or shall be deemed to be created hereunder;
- (x) The General Sales Agent shall comply with all Applicable Laws in connection with the performance of its obligations under this Agreement;
- (xi) All Governmental Authorizations, consents, registrations and notifications required by the General Sales Agent in connection with the entry into, performance, validity and enforceability of, this Agreement have been obtained or effected (as appropriate) and are and will continue to be in full force and effect;
- (xii) The General Sales Agent shall be subject to Applicable Laws with respect to its obligations under this Agreement and neither the General Sales Agent nor any of its assets is entitled to any right of immunity; and the entry into and performance of this Agreement by the General Sales Agent shall constitute private and commercial acts;
- (xiii) The rights and remedies of the Principal in relation to any misrepresentation or

breach of warranty on the part of the General Sales Agent shall not be prejudiced by any investigation rights exercised by the Principal into the affairs of the General Sales Agent;

(xiv) The GSA represents that the representations, covenants and warranties contained in this Clause 7 are given and made on and as of the execution of this Agreement and shall survive the termination of this Agreement and shall be deemed to have been repeated on each day this Agreement continues in force, as though made on and as of such date and shall be true and accurate until the expiry of the Term of this Agreement or prior termination of this Agreement;

(xv) **Representations of Principal:** Principal hereby represents and warrants to the GSA as under:

a. It is duly incorporated and validly existing under the laws of its jurisdiction and have all necessary corporate power, authority and capacity to enter into this Agreement; the execution of this Agreement has been duly authorized and constitutes a valid and legally binding obligation on the Principal and is enforceable in accordance with its terms (except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally);

b. The Principal will not appoint any other person, firm, company or corporation as its general sales agent in the Territory of Appointment to carry out similar Services as described herein and agreed to be undertaken by the General Sales Agent. However, the Principal shall be entitled to establish and maintain its own representation within the Territory of Appointment for sales, promotion and supervision of the services to be rendered and facilities to be provided by the General Sales Agent. Further, the Principal reserves the right to appoint at its sole discretion other agents including but not limited to Passenger Sales (Scheduled & Non Scheduled) agents in the Territory of Appointment and the General Sales Agent would have no objection whatsoever to such appointment by the Principal.. Such representation shall be rendered with all possible assistance and co-operation by the General Sales Agent.

**8. SALE OF PASSENGER TRANSPORTATION, COMPLIANCE WITH TARIFFS, RULES, REGULATIONS AND INSTRUCTIONS.**

(i) All transportation sold by General Sales Agent or by Sales Agents under the provisions of this Agreement shall be subject to the conditions of carriage of Principal applicable to such transportation and to the tariffs, rules, regulations and instructions governing the sale and use of such transportation in force from time to time as

published in Principal tariff time table, notices and elsewhere. General Sales Agent shall transmit to Principal such specific instructions, requests or particulars in connection with such client as may be proper to enable Principal to render efficient service to its clients.

- (ii) No Passenger ticket issued on fares other than that fixed by Principal either directly or indirectly by the General Sales Agent nor shall the General Sales Agent sell or issue tickets, exchange voucher / order or any forms, or documents covering air passenger transportation offered by Principal which has not been authorized by Principal.
- (iii) Tickets issued under market arrangements shall be issued as per the guidelines advised under the marketing arrangements.
- (iv) No sale of transportation shall be deemed to have been made unless and until space has been reserved by the Principal, except that passenger tickets or miscellaneous charges orders / EMDs (Electronic Multipurpose Documents), may be issued where no reservations have been made. Ticket/ EMD utilization shall be subject to restrictions printed on either for transportation and /or for ancillary services.
- (v) Advice to passengers concerning Passport, Health, Currency, Immigration and other regulations in force in countries to and through which they are to travel and ensuring as far as practicable that such regulations are observed by all such passengers. In case the Principal is charged any deportation fees for non-adherence of such regulations on documents issued by the GSA, then the Principal reserves the right to recover such fees from the GSA in case the explanation given by the GSA is not justified. In case the situation is beyond the control of the GSA such fees may not be charged by the Principal.
- (vi) General Sales Agent or Sales Agent appointed by the General Sales Agent shall make only such representations as to Principal, aircraft or route by which any passenger is to be transported or as to any service to be furnished by Principal as are herein authorized or may hereafter be authorized by Principal.
- (vii) This Agreement shall be subject to and General Sales Agent agreeing to and accepting to observe, all applicable laws, rules and regulations as applicable in India to the sale of air transportation, subject, however, that such laws are not in conflict with the laws of the Territory of Appointment.
- (viii) The General Sales Agent shall at all times comply with the reasonable directions and instructions given to it by the Principal or its authorized local representatives concerning the services to be provided under the terms hereof and shall ensure that all its staff concerned shall be at all times familiar with all such directions and

instructions as may be amended from time to time. In providing the services required herein, the General Sales Agent shall observe and comply with all applicable laws and regulations and generally shall carry out its duties hereunder with all due efficiency and dispatch and to the standards required by the Principal.

- (ix) The General Sales Agent shall perform the services set out in this Agreement only in the Territory of Appointment and shall not, without the prior written consent of the Principal, perform the services outside the Territory of Appointment.
- (x) The General Sales Agent shall achieve (either directly or through Sales Agents appointed in accordance with the terms of the Agreement) the targets set in accordance with Clause 21 hereof to the satisfaction of the Principal.
- (xi) The General Sales Agent shall comply with all applicable Requirements of Law (including, without limitation, all labour legislations), and obtain and maintain in full force and effect, all licenses, approvals and all other Governmental Authorizations.
- (xii) The General Sales Agent shall upon the Principal's request, furnish to the Principal detailed statements of accounts with respect to the sales of passenger tickets for such period as may be requested by the Principal.
- (xiii) The General Sales Agent shall keep proper books of record and account, in which full and accurate entries shall be made of all financial transactions and the assets and business of the General Sales Agent in accordance with applicable GAAP/IFRS from time to time and with all Requirements of Law.
- (xiv) GSA should report to principal all documents sold in his territory including Airport, in a computerized readable format within 5 days from the end of the reporting period as advised by the principal from time to time. Any manual documents issued should be provided in scanned version on a weekly basis with a report in excel format which will be shared by the principal.

## **9. COMMISSION/REMUNERATION**

- (i) Subject to the terms and provisions of this Agreement, for all sales of Passenger transportation on the regular air transport services of Principal, including supplementary flights, the Principal shall pay or allow to the General Sales Agent commission/remuneration in the form of Over-Riding Commission (ORC) only as set forth in schedule "B" attached to hereto and made a part hereof, in respect of net sales (sales net of incentives and refunds), generated by the General Sales Agent and the Sale Agent appointed by the GSA in the territory of Appointment as set forth in schedule "A" attached hereto and made part hereof.

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- (iii) The Over-riding commission set forth in schedule “B” would be assessed only on Basic Fare and Fuel Surcharge components (if any) of the actual net sale and only on sectors operated by the Principal and the code-share flights (if any)
- (iv) ORC shall not be assessed on any supplementary charges such as Excess baggage charges, Special/ ancillary services, Cancellation, Rebooking/ reissue, refund charges, valuation charges, Insurance, Taxes, Surcharge, GST, User Development charges, ADF, any other Govt. / Airport levies,
- (v) No over-riding commission shall be paid for sale of transportation of cargo, mails, TSC, non-revenue tickets and Cost of deportee (C.O.D), sale generated from Indian mission abroad and sales generated directly from passengers on Principal’s website or mobile app.
- (vi) No transaction fee or over-riding commission shall be paid if the document of carriage is issued in violation of any provision of this Agreement.
- (vii) The Principal reserves the right to change the ‘Remuneration pattern’ in the Territory of Appointment as and when necessitated, by moving away from ‘Commission based remuneration’ to ‘Transaction fee based remuneration’. If at any time during the subsistence of Agreement, 'no or zero-commission' is offered by the Principal for sale of air passenger transportation services in the Territory of Appointment, the General Sales Agent or sales agents would be at liberty to collect 'transaction fee' / 'service charges' from the passengers for including issuance / re-issuance/refund of tickets to such passengers, in concurrence with the Principal. It is, however, clarified that the rate / amount at which the said 'transaction fee' / 'service charges' may be charged by the General Sales Agent shall be decided by authorized personnel at Principal’s Headquarters based on market practices and communicated to the relevant personnel of the Principal, as mutually agreed in writing. General Sales Agent to submit quarterly and annual statement of the service charges collected out of all locations from where Direct sales of Principal are being effected.
- (viii) If Principal for any reason shall make or allow a refund of the whole or part of any fare or charge for transportation sold by GSA or by Sales Agents appointed by the GSA, no commission and / or overriding commission shall be payable to GSA upon any sum so refunded. The General Sales Agent shall reimburse Principal for any commission which shall in fact have been paid in respect of any sum so refunded.
- (ix) The General Sales Agent shall not be entitled for Over Riding Commission on sale of tickets in the said territory which are endorsed / closed for carriage on other airlines services. However, the General Sales Agent shall be entitled for ORC on sale of

tickets of other airlines in the said territory which are flown on the services of the Principal and Code share partners.

- (x) General Sales Agent will not be entitled for overriding commission on transportation sold at all fare levels to Government of India/State government of India and transportation sold and paid for directly by Government to Principal.
- (xi) The proceeds of the sale of passenger tickets and any other monies (such as any charges collected towards cancellation of passenger tickets, etc.) which are paid by the customer pursuant to the conditions governing the sale and/or issue of passenger tickets referred to in Clause 8 shall become due to the Principal upon the General Sales Agent selling (either by itself or through a Sales Agent) each passenger ticket.
- (xii) As a condition for the Principal making payment of over-riding commission to the GSA, the GSA shall stand guarantee of any and all sums due to the Principal from any Sales Agent(s) appointed by the GSA in the said Territory.
- (xiii) The Principal shall be entitled to set-off, adjust, net-off any amount payable by it to the General Sales Agent against any monies owing to the Principal by the General Sales Agent.

#### **10. OTHER BUSINESS TERMS AND CONDITIONS:**

Provisions with regard to the Staff, Infrastructure, Administration and Representation, Data and Voice Communication, Advertising and Publicity Budget, Remittance, Bank Guarantee, Commission, and Exclusivity are provided in detail in **Schedule B** attached to this Agreement.

#### **11. OTHER EXPENSES**

Principal may reimburse General Sales Agent for expenditures which are normally rechargeable to Principal or which are of an exceptional nature provided however, that such expenditures are evidenced through sufficient proof of their incurrence by the General Sales Agent.

#### **12. BANK GUARANTEE**

- (i) The General Sales Agent would provide **Non Transferable** Bank Guarantee (hereinafter referred to as “**BG**”) USD 50,000/- (US Dollar Fifty Thousand Only) in the required format. The amount of Bank Guarantee will be revised in the same proportion, whenever there is an increase in Sales / Seat capacity in the Territory of Appointment

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- (iii) General Sales Agent shall procure BG from a Scheduled Bank or a bank of repute and acceptable to the principal in favour of the Principal and shall ensure that the said BG does not lapse or is otherwise rendered unenforceable on account of non-renewal after the expiry of the period mentioned in the BG during the currency of this Agreement.
- (iii) It is agreed by the General Sales Agent that the amount of BG may be revised (increased or decreased) at any time during the currency of the Agreement at the sole discretion of the Principal. In such an event, General Sales Agent shall within 30 days of the intimation in writing, of the increase or decrease of the BG by the Principal, as the case may be, provide the revised BG to the Principal.
- (viii) In the event General Sales Agent permits the BG to lapse as provided for in clause 12.(ii) above and / or fails to provide the revised BG as demanded by Principal in terms of clause 12.(iii) above, then Principal shall have the right to terminate the Agreement forthwith without any compensation or damages to the General Sales Agent.
- (ix) The Bank Guarantee Amount would also be applicable for performance monitoring and can be invoked if the GSA does not settle the said amount as per the performance security clause for non-achievement of set targets as advised by the Principal in clause 21 of the Agreement.
- (x) The Principal shall post credit against the GSA in the Principal's Reservation system of the amount equivalent to 80% of the total amount of the BG provided by the GSA. This amount of credit shall be depleted by the Gross Sales value excluding transaction fees (if any) for all sales and rebooking transactions and incremented by the value of refunds processed on the system by the GSA and its Sales Agents.
- (xi) The settlement of the utilized top up needs to be done on a weekly basis or on utilization of 90% of the top up amount, whichever is earlier and the necessary credit would be posted by the Principal in their Reservation system for further sale.

### **13. REMITTANCE**

- (i) General Sales Agent shall remit to Principal the monies due for the transportation (Passenger) sold hereunder, under such conditions and in accordance with the accounts procedure, as Principal may prescribe from time to time in writing.
- (ii) All financial settlements under this Agreement shall be in the local currency of the Territory of Appointment, unless specified otherwise.

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- (iii) All monies collected by General Sales Agent for transportation sold hereunder including any commission withheld by General Sales Agent pursuant to clause 9 hereof are the property of Principal and shall be retained by General Sales Agent as the property of Principal until satisfactorily accounted for to Principal. General Sales Agent shall not use such monies to engage directly or indirectly in any transactions which are intended to obtain for General Sales Agent any monetary advantage additional to his commission. The General Sales Agent shall not deduct, adjust or apportion monies held in its custody in trust belonging to the Principal, unless specifically provided herein.
- (iv) Sales for each remittance cycle would be accounted for and remitted by General Sales Agent to the Principal. Remittance of the sale proceeds for each remittance cycle shall be made by the General Sales Agent, in an account designated by the Principal on the dates as specified in **Schedule B** Clause D (i) and (ii) attached to and forming part of this Agreement.

**14. COMMUNICATION**

The GSA will pay the communication charges as specified in Schedule 'B' of the agreement.

**15. PROMOTIONAL EXPENSES**

Principal will not assume or pay any local telephone, mailing, printing or other advertising or promotional expenses of General Sales Agent for any purpose, unless expressly agreed to in advance.

**16. ADVERTISING AND PUBLICIZING THE PRINCIPAL SERVICES**

- (i) General Sales Agent shall make known the services of Principal in every way reasonably practicable. General Sales Agent shall display in its offices, posters, circulars or other promotional or publicity material supplied by Principal free of charge to General Sales Agent. Any such material of a permanent or valuable character and so designated by Principal shall remain the property of Principal.
- (ii) All advertising matter issued by and at the expense of General Sales Agent in which reference is made to Principal must be approved by Principal.
- (xii) Designation of Agency: The Agent shall be entitled to describe itself as Agent of the Principal at its places of business and on commercial documents, advertisements, notices, publications, letterheads and similar items but shall in all cases qualify such description by the words Passenger General Sales Agent.
- (xiii) The Parties agree that the relationship between the Parties shall be that of an

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independent contractor for the purposes of this Agreement and accordingly all advertisements, notices, publications etc. published by the GSA shall be the sole responsibility of the GSA. Additionally, all such advertisements, notices etc., shall comply with the applicable local laws and the Principal in no manner shall be liable for any false or misleading advertisements etc., by the GSA. which are not approved by the Principal

- (iv) **Directory Insertion and Publicity:** The General Sales Agent shall arrange for the insertion in appropriate telephone and other directories, of the name of the Principal and the local address of the General Sales Agent and showing its own name as General Sales Agent, if it so wishes.

**17. TRANSFER, ASSIGNMENT, CHANGE OF NAME, OWNERSHIP OR ADDRESS.**

- (i) General Sales Agent shall not assign, transfer, or delegate his right and obligations under this agreement to any company, organization or other person without the prior written consent of Principal. Further, if the GSA assigns, transfers, sub-contracts or delegates its rights and obligations to a third party either after obtaining the consent of the Principal in writing, GSA shall continue to be liable to Principal for the actions of the third party to whom the rights and obligations have been assigned, transferred or delegated.
- (ii) The name(s) under which activities of General Sales Agent are conducted or under which any of its offices are operated shall be only such as are set forth herein. Neither such names nor the location of General Sales Agent's office(s) as specified in **Schedule 'A'** attached to nor forming part of this Agreement, shall be changed without the prior written consent of Principal.
- (iii) The General Sales Agent shall not assign this Agreement or its obligations there under to any party without prior written consent of the Principal. Any transfer or transfers in all amounting to more than 50 % of the present shareholding of the General Sales Agent or of the controlling interest of the General Sales Agent during the subsistence of this agreement including any renewal thereof, shall be deemed to be an assignment for the purpose of this article.
- (iv) **No action contrary to Law:** Nothing contained herein shall require the General Sales Agent to take any action contrary to law or contrary to any rule, resolution, regulation or agreement of the IATA.

- (v) **Prohibited Dealings:** In matters arising out of this Agreement, the General Sales Agent shall not give credit to or deal with any person, firm or company to who the Principal shall, from time to time, instruct it not to give credit or to deal.

## **18. CUSTODY AND ISSUANCE OF TICKETS**

- (i) All tickets issued and other necessary manual / electronic documents in the Territory of Appointment for use in connection with business transacted under this Agreement, and such documents shall remain the property of Principal. General Sales Agent shall issue such e-tickets / other manual documents for transportation services of Principal as specified in clause 8 of this Agreement. General Sales Agent shall follow the procedure with regard to custody, issuance and accounting of such documents as may be intimated to General Sales Agent by Principal in writing from time to time.
- (ii) General Sales Agent shall be responsible for the safe custody and care of such documents while in its possession and shall be liable to Principal for the value of any such documents.
- (iii) General Sales Agent shall not sell or issue tickets and other documents supplied by Principal in connection with the sale of air transportation offered by any other air carrier unless Principal has so authorized General Sales Agent in writing.
- (iv) General Sales Agent shall not in any manner vary or modify the terms and conditions set forth in any documents or instructions of Principal.

## **19. INDEMNITY**

- (i) Subject to the application of the principles of contributory negligence, Principal hereby agrees to indemnify and hold harmless General Sales Agent, its officers, agents, employees and servants from all responsibility and liability for any injury, damage, expense or loss sustained by any person or property caused by or arising from any negligent act, omission or willful misconduct of Principal, its officers, agents, employees and servants and related directly or indirectly to any transportation sold by General Sales Agent pursuant to this Agreement.
- (ii) The General Sales Agent shall indemnify and hold harmless the Principal from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, awards, suits, costs, expenses or disbursements of any kind or nature whatsoever, that may be imposed on, incurred by, or asserted against the Principal in any way relating to, arising out of or in connection with this Agreement or the services provided by the General Sales Agent (or its Sales Agent) pursuant hereto or

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the transactions contemplated herein (including any liabilities, losses, etc in respect of lost, stolen or fraudulent passenger tickets, claims of employees of the General Sales Agent or any claims of sub-agents) and including any and all out-of-pocket expenses, the reasonable costs and expenses of counsel, which the Principal may incur or suffer or is likely to incur or suffer as a result of having entered into this Agreement or the performance of its obligations hereunder. It is expressly clarified that any act or omission of a Sales Agent shall be deemed to be an act or omission of the General Sales Agent.

## **20. LIABILITY**

- (i) Principal reserves the right to appoint at its sole discretion other agents (hereinafter "**Passenger Sales Agents**") in General Sales Agent's territory subject to the condition that Principal will be responsible for their activities including obtaining payments from Passenger Sales Agents. The General Sales Agent would NOT receive the overriding commission on sales generated by such agents.
- (ii) The General Sales Agent will cover all liabilities concerning sales in the market for GSA appointed agents.
- (iii) The General Sales Agent will supervise and review the sales performance of all the existing Agents in the Territory of Appointment and if found necessary due to poor sales performance, or their poor financial position, or bad reputation in the market, to take suitable action against such agents.
- (iv) GSA will not be entitled for any ORC for sales generated by BSP agents for which it doesn't undertake to cover defaults.
- (v) The GSA will be solely responsible for the payment due to the Principal of monies in respect of the sales of passenger in the Territory of Appointment, whether sold by the GSA or sales agents appointed by the GSA in the Territory of Appointment.
- (vi) Principal shall always retain the right to add / increase / curtail/ reduce the frequencies, the number of seats and/ or to bring change in the type of aircraft and the GSA acknowledges that it shall have no right or cause of action on account of this.

## **21. REFUNDS**

General Sales Agent shall make refunds in accordance with the tariffs, rules, regulations and instructions issued by Principal.

## **22. PERFORMANCE MONITORING**

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General Sales Agent will be advised the revenue target to be achieved from time to time by Principal, in writing and performance will be reviewed periodically. These targets will be specified for each cabin class and 6<sup>th</sup> Freedom traffic, wherever applicable. The achievement of set annual revenue targets and performance in the Territory of Appointment will be reckoned, for continuing the services as General Sales Agent for the Principal.

- Once the agreement becomes effective the General Sales Agent would be advised the annual revenue target to be achieved for the first year.
- The revenue targets assigned would be based on the Principals level of operations to that territory.
- Targets would be revised, only if there is a major increase or decrease in the operations by the Principal in the territory of appointment.
- The General Sales agent would be required to submit various reports as per the formats provided to him by the principal from time to time.
- Meetings shall be convened between the Principal and the GSA on quarterly basis to review targets.

In the event of non- achievement of the target the GSA would be given an opportunity of Thirty (30) days to come upto the expectations of the Principal and his performance would be monitored. If the GSA is not able to perform in the said time frame Principal reserves full right to terminate the contract in case the explanation given by the GSA for non-achievement of targets is not justified.

Damages in case of non-achievement of set targets: (Targets shall be applicable as and when targets are assigned by the Principal): In case the GSA is not able to achieve the agreed targets, the Principal reserves the right to claim up to Five Percent (5%) of its annual ORC as damages and the said amount if not paid by the GSA within Fifteen (15) days, may be claimed by the Principal by invoking the Bank guarantee.

## **23. TERMINATION OR SUSPENSION**

- (i) If General Sales Agent shall at any time default in observing and performing any of the provisions of this Agreement or there shall be a transfer of 51% (fifty one percent) of the present shareholding of the General Sales Agent or of the controlling interest of the General Sales Agent as contemplated in the article 17 sub clause (iii), or the General Sales Agent shall become bankrupt or make any assignment for the benefit of or enter into any agreement or composition with its creditors or go into liquidation or suffer due to any of its assets being taken in the execution or if it ceases to be in business as an agent

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for sale of air passenger transportation, this Agreement may at the sole discretion of Principal be terminated or its operation suspended forthwith and for such period as Principal may decide. Principal may without prejudice to any of its right under this Agreement take possession of any documents and property belonging to Principal.

- (ii) The Principal may, at its option, terminate the Agreement with forthwith effect upon the occurrence of any of the following termination events (each a “**Termination Event**”):
- a. If the General Sales Agent defaults at any time in observing or performing any of its obligations under this Agreement and shall fail to remedy such default within 30 days of receiving notice from the Principal in this regard, the Principal shall be entitled to terminate this Agreement forthwith on expiry of the 30 days;
  - b. If the General Sales Agent convenes a meeting of its creditors, takes any corporate action to authorize, proposes or makes any scheme or arrangement or composition with, or any assignment for the benefit of, its creditors, or convenes a meeting for the purpose of considering a resolution for the liquidation or winding up of its business or a resolution for the making of a petition for liquidation, reorganization or other relief under any bankruptcy, reorganization, compromise, arrangement, insolvency, readjustment of debt, suspension of payments, dissolution, liquidation or similar law, whether now or hereafter in effect;
  - c. If the General Sales Agent suspends or ceases or threatens to suspend or cease to carry on its business;
  - d. If the General Sales Agent threatens to dispose or takes any action to dispose of all or a substantial part of its assets, whether by one or a series of transactions, related or not;
  - e. If the bank guarantee furnished by the General Sales Agent ceases to be in full force and effect; or
  - f. If the General Sales Agent defaults in making payment as per schedule “B” para D or
  - g. if the General Sales Agent is or becomes insolvent or is unable to pay its debts as they fall due, shall admit its inability to pay its debts as they fall due or shall be deemed for the purpose of any law to be insolvent or unable to pay its debts;
  - h. If there is a direct or indirect change in the Control of the General Sales Agent for whatever reason without the prior written consent of the Principal;

- i. If any of the representations or warranties made by the General Sales Agent under this Agreement is found to be false or incorrect, either fully or partially;
  - j. If in the opinion of the Principal, the continuation of this Agreement shall adversely affect the reputation, goodwill or sales of the passenger tickets or the operations, in the Territory of Appointment; or
  - k. If the General Sales Agent fails to furnish the bank guarantee in accordance with Clause 12 of this Agreement.
- (iii) This Agreement may be terminated or suspended between General Sales Agent and Principal at any time by 90 days' notice in writing from either side. Such notice shall take effect immediately upon its receipt or as otherwise provided herein subject to the fulfillment by each of all the obligations accrued prior to the receipt of such notice. Upon suspension or termination of Agreement, all unused documents of Principal shall immediately be returned by General Sales Agent to Principal together with all moneys due and payable to Principal hereunder and a complete and satisfactory accounting shall be rendered. The bank guarantee provided by the GSA would be returned only after the final settlement of accounts. In case the Bank Guarantee expires prior to settlement of accounts, the GSA would be required to extend the same till the settlement of accounts. In case the GSA fails to extend the BG, principal would be at a liberty to invoke the same.
- (iv) In the event that substantial performance of this Agreement is rendered impossible by reason of any action, order or reservation of any air transportation body or organization of which either the General Sales Agent or the Principal is a member or by an act of God (force majeure), this Agreement shall stand terminated forthwith and either party shall not be entitled to any damages, compensation or costs, but without prejudice to the liabilities/obligations incurred prior thereto.
- (v) If the General Sales Agent is not able to achieve targets set in accordance with Clause 21 of this Agreement, the Principal shall be entitled to terminate this agreement forthwith by giving 90 days notice in writing.
- (vi) Any termination of this Agreement by the Principal shall be without prejudice to the accrued rights of the Principal.
- (vii) Upon termination of this Agreement by the Principal, the General Sales Agent shall promptly deliver to the Principal all intellectual property of the Principal, customer data, records showing sales of passenger tickets, accounts statements (as may be required by the Principal), brochures, marketing material, banners, flight schedules, all

the Principal stationary, letter heads and all other documents provided by or proprietary to the Principal to the General Sales Agent

- (viii) Upon termination, the General Sales Agent shall forthwith (a) pay all monies accrued to the Principal pursuant to this Agreement; (b) stop providing the services and shall remove the name and the corporate insignia of the Principal from its stationary and office premises, and (c) issue notice to all Sales Agents notifying them of the termination of this Agreement.
- (ix) The Parties hereby agree that upon termination, any and all dues between the Parties shall be settled in the manner provided under this Agreement. The General Sales Agent further agrees that it shall not make any claims nor demand the payment of any dues, costs, damages or other moneys unless it is expressly provided for in this Agreement

**23. GROSSING UP OF TAXES:**

- (i) General Sales Agent shall pay and discharge or cause to be paid or discharged, within the period for payment permitted by law (and shall, if requested by Principal, produce to Principal evidence of the payment and discharge thereof) and indemnify Principal and keep Principal fully indemnified at all times from and against all Taxes levied in connection with the execution, delivery and performance of this Agreement or in respect of any transaction contemplated by this Agreement.
- (ii) General Sales Agent shall ensure that all payments to be made by General Sales Agent under or pursuant to this Agreement shall be made in full without any deduction or withholding, whether in respect of set-off, net-off, counterclaim, duties, Taxes, charges or otherwise, unless such deduction or withholding is required by law, in which event General Sales Agent shall:
  - (a) ensure that any deduction or withholding by it does not exceed the minimum amount legally required;
  - (b) on the due date for such payment pay to Principal such additional amount as shall result in the net amount received by Principal being equal to that amount which would have been received by Principal had no such deduction or withholding been made;
  - (c) pay to the applicable taxation or other authorities within the period for payment permitted by law the full amount of the deduction or withholding legally required to be paid by it (including, but without prejudice to the generality of the foregoing, the full amount of any deduction or withholding from any additional amount paid pursuant to this sub-clause); and
  - (d) furnish to Principal, within thirty days of payment of such Taxes by it either (i) an official receipt of the applicable taxation or other authorities for all amounts deducted or withheld as aforesaid or (ii) if such receipts are not

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issued by the taxation or other authorities concerned on payment to them of amounts so deducted or withheld, a certificate of deduction or other evidence of the relevant deduction or withholding reasonably acceptable to Principal.

- (e) Any tax(es) payable on behalf of Principal to the regulatory authorities at the Territory can only be deducted from the remittance to Principal, once prior approval is obtained from Principal.
- (f) Further, it is hereby clarified that the GSA shall be liable for payment of its income taxes, as per the applicable laws.

24. **CONFIDENTIALITY AND NON-DISCLOSURE:**

- (i) The General Sales Agent shall maintain in strict confidence, and agrees not to disclose to any third party, except as necessary for the performance of this Agreement when authorized by the Principal in writing, Confidential Information that the General Sales Agent receives from the Principal or its affiliates. “**Confidential Information**” means: all non-public information of a competitively sensitive nature concerning the Principal or its affiliates, including, but not limited to, this Agreement; any information regarding identifiable individuals, including without limitation, customer or employee, which information has been collected by or on behalf of the Principal or its affiliates; trade secrets, as defined by any applicable law; and any other non-public information (whether in writing or retained as mental impressions) concerning research and development; present and future projections; operational costs and processes; pricing, cost or profit factors; quality programs; annual and long-range business plans; marketing plans and methods; customers or suppliers; contracts and bids; products or services; and personnel.
- (ii) Confidential Information does not include information: that is, or subsequently may become within the knowledge of the public generally through no fault of the General Sales Agent; that the General Sales Agent can show was previously known to it as a matter of record at the time of receipt; that the General Sales Agent may subsequently obtain lawfully from a third party who has lawfully obtained the information free of any confidentiality obligations; or that the General Sales Agent may subsequently develop as a matter of record, independently of disclosure by the Principal.
- (iii) As between the Principal and the General Sales Agent, Principal shall own all right title and interest in and to Confidential Information and any Intellectual Property owned by Principal or developed pursuant to the terms of this Agreement by Principal or co-developed by Principal and the GSA.
- (iv) General Sales Agent shall comply with the provisions of all applicable data protection and privacy laws. In connection therewith, General Sales Agent shall be obligated to take appropriate security measures in respect of the personal data of customers of the



Principal (including without limitation, credit card details or personal banking information) stored and processed and to ensure that personal data is not disclosed to any third parties without the express written permission of Principal and the consent of the customer(s) concerned. It is expressly agreed between the Parties that this Clause shall survive the termination of this Agreement and shall continue to bind the General Sales Agent. It is also agreed by the General Sales Agent that it shall promptly return and/ or destroy, as per the directions of Alliance Air, all the Confidential Information immediately after the expiry or termination of this Agreement

- (v) Notwithstanding the restrictions in this Clause, the General Sales Agent may disclose Confidential Information or trade secrets to the extent required by an order of any court or other Governmental Authority, but only after the General Sales Agent has notified the Principal and Principal has had the opportunity, if possible, to obtain reasonable protection for such information in connection with such disclosure.

## 25. NOTICES

All notices to the respective parties hereunder, if not personally delivered shall be sufficient, if sent by fax/email followed by registered/couriered letter addressed

In the case of notices to the **Principal** to:

**Chief Commercial Officer**

**Alliance Air Aviation Limited**

Alliance Bhawan,

Domestic Airport Terminal 1 Palam,

New Delhi – 110001

with a copy to the Station Manager of the Principal.

And in the case of notices to the **General Sales Agent** to:

**CEO**

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or at such other address as the Party to whom such notices, is to be given shall have last notified the Party giving the same in the manner provided in this Agreement, but no such change of address shall be deemed to have been given until it is actually received by the other Party sought to be charged with the knowledge of its contents. Any notice delivered to' the Party to whom it is addressed as provided in this Agreement shall be deemed (unless there is evidence that it has been received earlier) to have been given and received, if;

- (1) sent by registered mail, within Ten (10) working days after posting it;

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- (2) sent by e-mail, when confirmation of its transmission has been recorded by the sender's email account

## 26. INSPECTION

All records of General Sales Agent such as books, vouchers, tickets, exchange orders, reservation information relating to the sale of air transportation offered by Principal shall be open to inspection by Principal. General Sales Agent shall furnish to Principal adequate opportunity to interview and obtain information from any officer or employee of General Sales Agent whom Principal has reason to believe is or might be in possession of information related to the complaint or other matter under investigation.

## 27. APPLICABLE LAW

This Agreement shall be construed in accordance with, and all rights and obligations of the Parties hereto shall be governed by the laws of Republic of India.

## 28. ARBITRATION

- (i) Any dispute, violation, controversy, contest or claim(s) arising out of or relating to this Agreement or the breach, termination or validity thereof shall be resolved amicably in the first instance within 60 days of occurrence of such dispute(s). All unresolved disputes or differences after the aforesaid date shall be settled by arbitration in accordance with the Arbitration and Conciliation Act, 1996, or any statutory modification or re-enactment thereof for the time being in force and the award made in pursuance thereof shall be final and binding upon the Parties.
- (ii) Arbitration shall be referred to a sole Arbitrator to be mutually appointed by the Parties to this Agreement.
- (iii) All proceedings in such Arbitration shall be conducted in English. The Arbitration shall take place in Delhi, India. The award passed by the arbitrator(s) shall be final and binding on the Parties.
- (iv) The cost of the arbitration shall be borne by the respective Parties as per the award passed by the Sole Arbitrator.

## 29. VALIDITY AND CONTINUATION:

This Agreement shall unless earlier terminated, be valid for a period of Five years from the 'Effective Date' (i.e., date of receipt of Bank Guarantee by the Principal) under this Agreement i.e. the "**Term**" which may be extended to another one year after mutual agreement of both Parties ("**Subsequent Term**"), provided, however, that the

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continuance of this Agreement after the first year shall be subject to the General Sales Agent having met the performance targets laid down by the Principal during the first year. In the event of such targets not having been duly performed, and the Principal having consequently decided not to continue this General Sales Agent Agreement for subsequent years, the Principal shall give to the General Sales Agent at least 90 days' notice in writing of its intention not to so continue the Agreement. It is hereby clarified and agreed that the General Sales Agent shall not be entitled to any form of compensation on termination.

**30. JURISDICTION**

Subject to Clause 28, the Parties irrevocably and unconditionally agree that the courts at Delhi, India shall have exclusive jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes, which may arise out of or in connection with this Agreement. The Parties irrevocably submit to the jurisdiction of the courts of Delhi and waive any objection to the laying of proceedings in the courts of Delhi on grounds of inconvenient forum or otherwise. Nothing in this Clause shall limit the right of the Principal to bring proceedings against the General Sales Agent in connection with this Agreement in any other court of competent jurisdiction or concurrently in more than one jurisdiction.

**31. MODIFICATIONS / AMENDMENTS:**

Modifications of, or additions to this Agreement must be accepted in writing by the responsible official of both parties and shall, thereafter, be attached to this Agreement as 'Amendments'. However, if either or both the Parties of this Agreement are in conflict with any provision of this Agreement or otherwise require an amendment to this Agreement, then the Parties shall negotiate in good faith to amend this Agreement in a manner which most nearly reflects the intent of the Parties and that restores this Agreement as nearly as possible to its original intent and effect, to the maximum extent as permitted by the said resolution.

**32. OTHER AGREEMENTS / AMENDMENTS SUPERSEDED:**

This Agreement shall supersede any and all prior General Sales Agency Agreement and its amendments, schedules, MOUs, side letters, if any, between the Parties hereto concerning the sale of air transportation offered by the Principal, under this Agreement except with respect to such rights and liabilities as may otherwise exist at the date hereof.

**33. SURVIVAL**

The Parties hereby acknowledge this Agreement shall survive, at the discretion of Second Party, in the event either gets acquired or merges with any other company/ entity. In the event of aforesaid, the terms and conditions of this Agreement shall survive and shall remain in full force & effect. The Parties also agrees that the Clause 7 (*Representations*

*and Warranties of Parties*), Clause 19 (Indemnity) clause 20 (Liability), Clause 22 (iii), Clause 24 (*Confidentiality and Non-Disclosure*), any obligations accrued prior to the termination of this Agreement and any other provisions herein which by their nature shall survive the termination/ expiration shall survive the termination/ expiration of this Agreement.

**34. SEVERABILITY**

If any term of this Agreement is declared by any competent jurisdictional court or tribunal to be illegal or unenforceable, it will not affect validity or enforceability of the other terms or provisions, unless the terms and provisions declared illegal or unenforceable are in the nature of a condition precedent or the essence of this Agreement or comprises an integral part of, and inseparable from, the remainder of this Agreement. In such event, Parties will take all necessary action and shall execute any other documents required to suitably revise the illegal/unenforceable provision and facilitate the attainment of objectives of this Agreement.

**35. OTHER AGREEMENTS/ AMENDMENTS SUPERSEDED**

This Agreement (along with all its Schedules hereunder) shall supersede any and all prior General Sales Agency Agreement and its amendments, schedules, MOUs, side letters, if any, between the Parties hereto concerning the sale of air transportation offered by AAAL, under this Agreement except with respect to such rights and liabilities as may otherwise exist at the date hereof.

**36. WAIVERS**

The failure of a Party hereto at any time or times to require performance of any provision hereof will in no manner affect its right at a later time to enforce the same. No waiver by a Party of any condition or of any breach of any term, covenant, representation or warranty contained in this Agreement **will** be effective unless in writing, and no waiver in any one or more instances will be deemed to be a further or continuing waiver of any such condition or breach in other instances or a waiver of any other condition or breach of any other term, covenant, representation or warranty.

**37. HEADINGS**

The headings used in this Agreement are for convenience of reference only and are not to affect the construction of or to be taken into consideration in interpreting this Agreement.

**38. COUNTERPARTS**

The Parties may sign this Agreement in counterparts

**IN THE WITNESS WHEREOF** the Parties hereto get their hands unto this Agreement.

<p><b>For and on behalf of Alliance Air Aviation limited through its Authorised signatory</b></p> <p>Signature:</p> <p>Name:</p> <p>Designation:</p>	<p>WITNESS:</p> <p>1. Signature:</p> <p>Name:</p> <p>Designation:</p> <p>Address:</p> <p>2. Signature:</p> <p>Name:</p> <p>Designation:</p> <p>Address:</p>
<p><b>For and on behalf of General Sales Agent through its Authorised signatory</b></p> <p>Signature:</p> <p>Name:</p> <p>Designation:</p>	<p>WITNESS:</p> <p>1. Signature:</p> <p>Name:</p> <p>Designation:</p> <p>Address:</p> <p>2. Signature:</p> <p>Name:</p> <p>Designation:</p> <p>Address:</p>

On this ----day of ----,2023 ,Mr. ----- appeared before me and being first duly sworn and stated that he is the -----of M/s -----, that being duly authorized to do so, he executed the foregoing agreement on behalf of M/s. -----and that it is his signature which appears above.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Affix rubber stamp of attester)

Note: If attester is a Notary Public, notary stamp(s) of appropriate value must be affixed.

(Affix rubber stamp of Attester)

(Signature of executor)

**SCHEDULE "A"**

**ATTACHMENT TO GENERAL SALES AGENCY AGREEMENT**

EXECUTED ON \_\_\_\_\_

EFFECTIVE FROM- \_\_\_\_\_ or the date advised by  
Alliance Air in writing.

**Name of Agency** - M/s

**Territory of Appointment** - \_\_\_\_\_

**Place of office (s) including** - \_\_\_\_\_

\_\_\_\_\_  
**Alliance Air :**

\_\_\_\_\_  
**AGENT:**

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name in Block Letters)

\_\_\_\_\_  
(Name in Block Letters)

(Title )

(Title)

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**SCHEDULE "B"**

**ATTACHMENT TO GENERAL SALES AGENCY AGREEMENT**

**EXECUTED ON** - \_\_\_\_\_

**EFFECTIVE FROM-** \_\_\_\_\_ or the date advised by  
Alliance Air in writing.

**Other Terms and Conditions**

**The General Sales Agent will provide the following facilities:**

**A. INFRASTRUCTURE, ADMINISTRATION AND REPRESENTATION.**

- (i) **Dedicated City/Town Office premises for the Principal:** GSA would select the office space in consultation with the Principal for various functions like Reservation & Ticketing, Sales, Marketing & Finance etc. at a prominent place. The GSA would enter into a contract for lease of such space with the third party in the name of the Principal. The rental for such unfurnished space (Bare-Shell) would be reimbursed to the GSA by the Principal on mutually agreed terms and conditions. Cost of furnishing the Principal's office would be borne by the GSA. The GSA shall provide at its own cost all facilities and infrastructure (telephone/fax/ high speed internet/office stationery/ mobile, etc) including electricity, water charges, facility maintenance charges etc. for the Principal's office as per the requirements of Alliance Air. Interiors and facilities shall be befitting the status of Airline of repute.
- (ii) The expense for Office at Airport will be borne by the Principal.
- (iii) The GSA has also agreed to open additional Satellite offices as per market requirement in consultation and approval of the Principal. The rent of unfurnished office space and manpower cost will be reimbursed by the Principal as per actuals. All other expenses shall be borne by the GSA.
- (iv) All offices would have separate specific branding and distinct space allocation for the Principal.

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- (v) The offices would be fully furnished and equipped with Stationery, photocopier, scanner, telephones, Fax, PCs, Printers Internet and other communication facilities as may be required by Airline and of a standard satisfactory to Principal. These offices would be clearly identifiable as Principal's office by Sign - Board, Neon-signs, window displays, flyers, with the Principal's information, Back drops of work areas with the Principal's advertisements or information, etc.
- (vi) The GSA has agreed to provide high speed internet line /Wi-fi for the Principal's offices.
- (vii) All printing expenses, cleaning, repairs and maintenance of the property and equipment owned/provided by the General Sales Agent will be borne by the General Sales Agent.
- (viii) The General Sales Agent would provide assistance to the Principal in obtaining better rates for ground handling, supply of fuel, catering supplies, office space, manpower etc.
- (ix) Uniform cloth and stitching charges for the dedicated staff of the General Sales Agent would be provided by the Principal once in two years.
- (x) The General Sales Agent agrees to provide all assistance for arranging Custom clearance of the Principal's stationery, Publicity material, CVDs and other material sent by the Principal. The cost and expenses {other than custom duty and clearing agent charge) for arranging such custom clearance shall be borne by the General Sales Agent. In case any penalty is attributable on account of GSA, the same will be borne by the GSA.
- (xi) The GSA would provide 03 (Three) dedicated qualified and quality skilled staff to handle various functions of the Principal in the territory of Appointment at the city office and the airport to handle the expected work load including, but not limited to Reservations, Ticketing, Sales/Promotion, Administration, Accounting/ Airport Functions including ticketing functions and recovery of dues. The deployment of the General Sales Agents staff would be as desired by the Principal and in consultation with the Principal's Local Managers
- (xii) The salary payable to such staff will be reimbursed to the GSA by the Principal to a maximum limit of Lankan Rupees Three Million Only (LKR 3,000,000/-) annually. It is however clarified that the above reimbursement of staff salary may vary depending upon the scale of operations of the Principal in the Territory of Appointment, It is further clarified that in case more number of staff (i.e. over and above 3) is provided by the GSA on request of the Principal, the maximum reimbursement for the entire



staff salary by the Principal to the GSA shall be LKR83,400/-per month per staff member.

- (xiii) It is also clarified that the matters related to recruitment and termination of the staff deployed by the GSA (including all claims, actions and proceedings arising out of or in connection with the recruitment/termination of staff) shall be the sole responsibility of the GSA as per the local laws in the Territory of Appointment and the GSA shall indemnify, defend and hold harmless AAAL from any liability arising out of such matters.
- (xiv) GSA will bear all employment related incidental expenses including conveyance, overtime, travelling allowance, etc. payable to the staff provided by the GSA.
- (xv) The cost of rental accommodation and transport for IBOs positioned in the Territory of Appointment will be borne by the Principal and will be reimbursed by the Principal as per the rates of the rental agreement in existence for the above mentioned period.

## **B. DATA AND VOICE COMMUNICATION**

- (i) Connection to Principal's computerized reservation system will be provided at dedicated offices of Alliance Air . The local line rental for the city office will be paid by Principal to the concerned local authority directly.
- (ii) Cost of any equipment or replacement of equipment installed at city dedicated office which is owned by the Principal will be paid by Principal.
- (iii) All local charges and their other related expenses including, procurement
- (iv) Installation / maintenance / replacement / rental etc. pertaining to local telephones/fax/internet/PC/Printers/Scanners/Photocopier etc and recurring cost associated with it which are installed at city office and owned/provided by the GSA, will be borne by General Sales Agent.
- (v) Charges towards ISD Fax and International calls on the telephones under the exclusive use of Principal personnel at Airport, City offices will be borne by the Principal.

**C. ADVERTISING AND PUBLICITY BUDGET**

- (i) In the beginning of each financial year, the General Sales Agent would allocate dedicated annual advertising and sales budget of 5% of the ORC earned in the previous year for the Principal. The said amount would be given to the Principal through a credit note at the beginning of each Financial year.
- (ii) This subject amount shall be spent in consultation and association with the local Managers of the Principal.
- (iii) The General Sales Agent will be required to furnish complete details, bills and receipts for the amount spent from the advertisement and publicity budget to the relevant personnel of the Principal for ratification.
- (iv) In addition to the above for undertaking special publicity and advertising campaign, as and when required and as decided by Principal, the expenditure towards such special publicity and advertisement campaign shall be as per the mutually agreed terms between the parties.
- (v) The General Sales Agent would provide adequate exposure for the Principal's promotion and services through their web portal free of cost.

**D. REMITTANCE**

- (i) All payments / monies for passenger air transportation and ancillaries sold for each fortnight by the General Sales Agent under this Agreement shall be remitted by the General Sales Agent to the Principal, if any short fall in agency account.
- (ii) The General Sales Agent shall remit to the Principal entire sales proceeds by the General Sales Agent and the sales agents in the Territory of Appointment, after deducting there from
  - (a) overriding commission applicable on such sales,
  - (b) payments made by the General Sales Agent on behalf of the Principal, and
  - (c) refunds made by the General Sales Agent in respect of such sales;

provided that any such deductions should have been duly certified by the Principal. All payments from agents with respect of Sales would be remitted directly to the Principal's account. The General Sales Agent shall continue to be entirely responsible for full payment of dues to the Principal irrespective of what payment is received by the General Sales Agent from or sales agents, as the case may be. The GSA shall also be responsible for recovering of all valid Debit Notes raised by the Principal's finance from time to time related to the

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Territory of Appointment.

The amount of overriding commission will be calculated based on the flown value of the tickets (Base fare and fuel surcharge (if any) only). The applicable ORC will be credited in GSA account in local currency.

- (iii) GSA shall not deduct any amounts until same is approved by the Principal along with evidence of approval.
- (iv) The GSA shall remit / deposit all payments to the Principal under this Agreement to the following bank account:

- (v) BENEFICIARY NAME :
- LKR ACCOUNT NO. :
- NAME OF THE BANK :
- ADDRESS :
- CITY :
- COUNTRY :
- SWIFT CODE :
- CUSTOMER ID :

It is clarified that all payments on account of TOP Up be remitted by the GSA in the local currency of the Territory of Appointment, unless otherwise specified by the Principal in its sole discretion or in the event of change in the fare structure for sale of air passenger transportations services of the Principal.

*GSA will provide the necessary assistance to open the bank account of the Principal in the Territory of Appointment. After successful operations of bank account by the Principal at the Territory of Appointment, the sales generated in flights of the Principal under the Territory of Appointment will be deposited in the Principal's bank account by General Sales Agent.*

**E. BANK GUARANTEE**

- (i) For due performance of its obligations and other terms and conditions contained in this Agreement, the General Sales Agent would prior to the execution and as a condition for enforceability of this Agreement, provide to the Principal a Bank guarantee of USD 50,000/- {US Dollar Fifty Thousand) in the format provided or in such other format covering all clauses which is acceptable to the Principal.
- (ii) It is agreed by the General Sales Agent that the said amount of Bank guarantee may be revised (increased or decreased) at any time during the currency of the Agreement

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at the sole discretion of the Principal In such an event, General Sales Agent shall within 30 days of the intimation in writing, of the increase or decrease of the deposit by the Principal, as the case may be.

- (iii) The Agreement signed shall be deemed to terminate immediately upon first request by Principal to the Bank, for remittance under Bank Guarantee and/or if General Sales Agent fails to provide a replacement for an expired Bank Guarantee and/or if the General Sales Agent does not provide Bank Guarantee as demanded by the Principal.
- (iv) The General Sales Agent hereby agree that the Principal may invoke or offset the Bank guarantee towards adjustment of any arrears of any charges or amounts payable by the General Sales Agent, if remaining unpaid, under this Agreement. The General Sales Agent be liable to restore the Bank guarantee to the full amount in case of encashment (whether in whole or in part) of the advance deposit by the Principal. Restoration of value shall be done within 15 (fifteen) days of any such part encashment. Failure of the General Sales Agent to restore the deficit of Bank guarantee in accordance with the provisions of this Agreement shall entitle the Principal to forthwith terminate the Agreement without any compensation or damages to the General Sales Agent. It is clarified that in case the Bank guarantee given is insufficient to recover the dues payable by the General Sales Agent, the General Sales Agent shall pay to the Principal such balance amount along with the interest @ 18% p.a. within fifteen (15) days from the date of issue of notice by the Principal in respect thereof.

**F. COMMISSION/REMUNERATION:**

- (i) If the remuneration pattern in the Territory of Appointment is Commission basis, then the General Sales Agent shall be not paid agency sales commission (hereinafter referred to as Normal Commission) on the sale of tickets / ancillaries on Principal's documents issued by the General Sales Agent on published, special and/or commissionable market fares for domestic and international sectors.
- (ii) Depending on the market demand, Principal may from time to time, offer net fares to the General Sales Agent. In such a case the General Sales Agent would not be paid normal commission on the net fares. General Sales Agent shall pay to Principal all taxes, levy and/or charges applicable from time to time.
- (iii) Principal shall pay General Sales Agent **overriding commission (hereinafter "ORC") @ 2% (Two Percent) on the net flown revenue** (i.e. sales net of incentives and refunds) **on the Services of the Principal including code-share flights** in respect of all Passenger Sales made in the Territory of Appointment, as determined by the Principal. The net flown revenue data for a particular month will be provided by the Principal by 15<sup>th</sup> of the following month. The applicable ORC will be credited

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in GSA account in local currency.

- (iv) ORC would be payable on the net flown revenue. The net flown revenue means - Ticket wise flown revenue less all kinds of incentives including Corporate/PLB/ Boarding incentives less normal agency commission.
- (v) No Overriding commission shall be paid on other fees and charges such as Transaction fees, Re-booking/ Cancellation fees, fees for ancillary / special services, Refund fees, Incentives, Excess baggage, Electronic Miscellaneous Documents (EMDs), Mail, Insurance, Taxes, GST, User Development charges, any other Govt. / Airport levies.
- (vi) No overriding commission shall be payable to the GSA on non revenue tickets, TSC tickets, COD tickets, tickets issued in favour of Indian Embassies/ Mission abroad.
- (vii) No ORC shall be paid on sales generated directly from passengers through the Principal's website (IBE).
- (viii) With respect to charters, the commission and / or overriding commission to be paid by Principal shall be agreed on case to case basis.
- (ix) Any change in commission level / remuneration pattern shall be effected by giving at least 30 days of notice to the General Sales Agent.
- (x) Refund Administration Fee (RAF) will be fully reimbursable to the Principal.

**G. OTHER CONDITIONS**

This Agreement is being entered between the General Sales Agent and the Principal on the basis of the details provided by him as per the GSA Tender Process of the Principal. If at any point of time it is found that the GSA has misrepresented the facts /figures/documents submitted by him, the Principal can terminate the Agreement with immediate effect and claim compensation thereof from the General Sales Agent.

- (i) The GSA has agreed to bear legal costs of defending any action by the incumbent GSA and bear the cost of compensation if any, awarded as a result of terminating the incumbent GSA.
- (ii) The GSA has agreed to provide soft as well as hard copy of the Sales Report and Statement of Accounts in the prescribed format as advised by the Principal. The GSA will provide information/reports as required by Finance.

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- (iii) The GSA will carry out the payments made by the GSA on behalf of the Principal after due verification and scrutiny of bills. The same would be certified by the Country Manager of the Principal.
- (iv) The GSA will register manual documents issued at the station (if any) into the SITA system. Principal would provide necessary/suitable training on the same. GSA agrees to provide scanned copy of manual documents as mandated by Audit/vigilance on weekly basis along with reports in the prescribed format to be uploaded on AAAL/GSA server.
- (v) Targets would be assigned to the GSA based on the saleable capacity and will be adjusted from time to time in case of any increase or decrease in capacity deployed by the Principal in the said territory. The targets assigned to the GSA would be monitored as per the clause 21 of the main agreement.
- (vi) GSA will be responsible for accounting, timely remittances & maintaining proper record of the Airport Collections by way of Sale of EBs, EMDs, CODs, LOMs, and Wheel Chairs etc. in coordination with GHA for AAAL.
- (vii) Excess Baggage Remittances: In case excess baggage remittances are collected by GSA, same would be remitted immediately along with weekly/fortnightly remittance.
- (viii) Scope of work/listing of activities that will be carried out by Accounts Manager in addition to regular accounting functions will be intimated by AAAL from time to time.
- (ix) GSA will provide sufficient space to maintain accounting record as required by Local as well as Indian Laws.

#### **H. REVIEW OF FACILITIES**

The above arrangements to be provided by the GSA vide clauses A to G above will be subject to review/change by mutual agreement, in the event of increase/decrease in capacity deployed by the Principal in the territory of appointment.

#### **I. EXCLUSIVITY**

The General Sales Agent agrees not to function as the General Sales Agent /PSA of any private Airline operating in India / Competitor Airlines that would involve a conflict of interest with the Principal.

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**Alliance Air.**

**General Sales Agent**

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(Signature)

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(Signature)

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(Name in block letters)

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**Witness**

1. \_\_\_\_\_

1. \_\_\_\_\_

2. \_\_\_\_\_

2. \_\_\_\_\_

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