Government of India

MINISTRY OF CIVIL AVIATION

AIRPORTS AUTHORITY OF INDIA

(Implementing Agency)

Regional Connectivity Scheme-UDAN

(Version 5.0 April 2023)

Name of Selected Airline Operator:

Address:

RCS Routes:

Selected Airline Operator Agreement No. AAI/RCS - 5.0/ / 2022

Rajiv Gandhi Bhawan,
Safdarjung Airport, New Delhi
Delhi: 110003

1. SECTION [•]

SELECTED AIRLINE OPERATOR AGREEMENT

This SELECTED AIRLINE OPERATOR AGREEMENT ("**Agreement**") is entered into on this the_____day of_____,_____by and between:

1. **The Airports Authority of India** represented by its Chairman, acting as the Implementing Agency on behalf of the Ministry of Civil Aviation and having its registered office at Rajiv Gandhi Bhawan, Safdarjung Airport, New Delhi-110003 (hereinafter referred to as "**Authority**" which expression shall unless repugnant to the context or meaning thereof include its administrators, successors and assigns), on behalf of the Ministry of Civil Aviation, Government of India, as the Implementing Agency for the Scheme of the **ONE PART**;

   AND

2. **M/s**_____, a _____ [duly incorporated] under _____, having its [registered] office at_____(hereinafter referred to as the "**Selected Airline Operator**" which expression shall unless repugnant to the context or meaning thereof include its successors and permitted substitutes) of the **SECOND AND FINAL PART**.

Each of the Authority and the Selected Airline Operator shall hereinafter be referred to individually as a "**Party**" and collectively as the "**Parties**".

2. WHEREAS

(i) The Ministry of Civil Aviation, Government of India ("**MoCA**") notified the updated Regional Connectivity Scheme on [•] (the **"Scheme"**) to enhance regional connectivity by encouraging airline operators who fulfill the eligibility criteria set out in the Scheme, to operate RCS Flights on RCS Routes.

(ii) The Authority has been appointed as the Implementing Agency for the Scheme by MoCA, and its functions include undertaking the selection and appointment of airline operators in accordance with the Scheme.

(iii) The Authority had further issued Notice Inviting Proposals for Selection of Airline Operators under the Scheme dated [•] (the **"Notice Inviting e-Proposals"** or **"NIe-P"**) under which it had accordingly invited proposals for operation of scheduled commercial flights under the Scheme, including the route/network specified in Schedule-A (the "**RCS Network**").

(iv) After evaluation of the proposals received for the [RCS Network] M/s. _____ had been selected as the Selected Airline Operator.

(v) The Authority in accordance with the provisions of the Scheme and the NIeP has agreed accordingly to enter into this Agreement with the Selected Airline Operator

for the purposes of providing air services to passengers on the [RCS Network] subject to and in accordance with the terms and conditions set forth hereinafter.

(vi) The Selected Airline Operator has, on or prior to the date of this Agreement, provided to the Authority, the Performance Guarantee in accordance with the provisions contained in the NIeP read with the Scheme.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are hereby expressly acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

3. PRELIMINARY

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, the following words and expressions shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively assigned to them:

"**Aeronautical Information Publication**" means Manual of the Aeronautical Services issued by the Authority;

"**Agreement**" or the "Selected Airline Operator Agreement" means this Agreement, its Preamble, Recitals, and Schedules hereto and any amendments thereto made in accordance with the provisions contained in this Agreement;

"**Airfare Cap**" shall have the meaning as set forth in the Scheme;

["**Airport Development**" *means the rehabilitation/upgradation of the [insert name of the airport required to make it operationally suitable for the Air Services to be provided under this Agreement.]*

["**Airport Development Date**" with respect to [insert name of the airport(s)] *means the date notified by the Authority/DGCA on which such airport's Development has been completed.*]

"**Air Services**" shall have the meaning as set forth in Clause 3.1 of this Agreement;

"**Applicable Laws**" means all laws, promulgated or brought into force and effect by the State Government, the Government of India or any Governmental Agency including rules, regulations, guidelines, bye-laws, circulars, notifications etc. made

there-under, and judgments, decrees, injunctions, writs and orders of any court or record, applicable to this Agreement and the exercise of performance and discharge of the respective rights and obligations of the Parties hereunder, as may be in force and effect during the subsistence of this Agreement;

"**Applicable Permits**" means all clearances, permits, authorizations, consents and approvals required to be obtained or maintained under Applicable Laws in connection with the performance of the Selected Airline Operator's obligations, including but not limited to the Air Services, during the subsistence of this Agreement.

"**Award**" shall have the meaning as set forth in Clause 19.3(a);

"**Bank Rate**" means the rate of interest specified by the Reserve Bank of India from time to time in pursuance of section 49 of the Reserve Bank of India Act, 1934 or any replacement of such Bank Rate for the time being in effect;

"**Commencement Date**" means the date specified in Schedule-A as the Commencement Date for the [RCS Network] or such other date as may be extended by the Implementing Agency from time to time;

"**DGCA**" means the Directorate General of Civil Aviation, Ministry of Civil Aviation, Government of India;

"**Dispute**" shall have the meaning as set forth in Clause 19;

"**Event of Default**" shall have the meaning as set forth in Clause 15;

"**Exclusivity Period**" shall have the meaning as set forth in the Scheme;

"**Exemptions**" means the exemptions listed in Clause3.1 of the NIeP;

"**Force Majeure Event**" shall have the meaning as set forth in Clause 14.1;

"**Good Industry Practice**" means those practices, methods, techniques, standards, skills, diligence and prudence which are generally and reasonably expected of and accepted internationally from a reasonably skilled and experienced airline / operator engaged in the same type of undertaking as envisaged under this Agreement and acting generally in accordance with the provisions of Applicable Law, and would mean good engineering practices in the Air Services and which would be expected to result in the performance of its obligations by the Selected Airline Operator and in the operation and maintenance of the Air Services in accordance with this Agreement, Applicable Laws, Applicable Permits, reliability, safety, environment protection, economy and efficiency;

"**Government Agency**" means any department, division or subdivision of the Government of India or the government of any State or Union Territory in India and includes any commission, board, authority, agency or municipal and other local

authority or statutory body including panchayats under the control of the Government of India, as the case may be, and having jurisdiction over the Selected Airline Operator or the performance of all or any of the services or obligations of the Selected Airline Operator under or pursuant to this Agreement;

"**Government Indemnified Person**" shall have the meaning as set forth in Clause 10;

"**GST**" shall mean the goods and services tax levied in India or any other tax which replaces the goods and services tax in future;

"**INR**" shall mean the Indian Rupee(s);

"**MoCA**" shall have the meaning as set forth in Recital (i) of this Agreement;

"**Non-RCS Seat**" shall have the meaning set out in the Scheme;

"**Notice of Intention to Terminate**" shall have the meaning as set forth in Clause 17.3;

"**Notice Inviting e-Proposal**" or **"NIeP"** shall have the meaning as set forth in Recital (iii) of this Agreement;

"**Parties**" shall have the meaning ascribed to it in the Preamble;

"**Passengers**" mean the passengers using the Air Services;

"**Performance Guarantee**" shall have the meaning as set forth in the Scheme;

"**Person**" shall be construed as a reference to any natural person, individual, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and shall include successors and assigns;

"**Proposal**" means the proposal submitted by the Selected Airline Operator to the Authority in accordance with the Scheme and the NIeP, pursuant to which this Agreement has been entered into;

"**RCS Flights**" shall have the meaning set out in the Scheme;

"**RCS Flight Capacity**" shall have the meaning set out in the Scheme;

["**RCS Network**" shall have the meaning as set forth in Recital (iii) of this Agreement;]

"**RCS Route**" shall have the meaning set out in the Scheme;

"**RCS Seats**" shall have the meaning set out in the Scheme;

"**Scheme**" shall have the meaning as set forth in Recital (i) of this Agreement;

"**Selection Process**" shall have the meaning set out in the NIeP;

"**State Government**" shall mean the Government(s) of the State(s) of [•];

"Taxes" means any Indian taxes including GST, customs duties, value added tax, sales tax, local taxes, cess and any impost or surcharge of like nature (whether Central, State or local) on services incorporated in and forming part of this Agreement, charged, levied or imposed by any Government Agency, but excluding any interest, penalties and other sums in relation thereto imposed on any account whatsoever;

"**Termination**" means a termination of this Agreement in accordance with its terms but shall not, unless the context otherwise requires, include the expiry of this Agreement due to efflux of time in the normal course;

"**Termination Date**" means the date on which this Agreement is terminated by a Termination Notice;

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

[*"**VGF**" means viability gap funding to be provided by the Authority to the Selected Airline Operator in accordance with the Scheme and this Agreement;*]

1.2 In this Agreement, unless the context otherwise requires

(a) Any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder;

(b) References to Indian law shall include the laws, acts, ordinances, rules, regulations, or bye laws which have the force of law in any State or Union Territory forming part of the Union of India;

(c) The words importing singular shall include plural and vice versa, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal entity);

(d) The headings are for convenience of reference only and shall not be used in and shall not affect the construction or interpretation of this Agreement;

(e) Terms and words beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein and the terms and words defined in the Schedules and used therein shall have the meaning ascribed thereto in the Schedules; any capitalized term not defined herein shall have the meaning ascribed to them in the Scheme.

(f) The Words "include" and "including" are to be construed without limitation;

(g) References to "construction" include, unless the context otherwise requires, investigation, design, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction;

(h) Any reference to any period of time shall mean a reference to that according to Indian Standard Time;

(i) Any reference to day shall mean a reference to a calendar day;

(j) Any reference to month shall mean a reference to a calendar month;

(k) Any reference to year unless the context otherwise requires shall mean the calendar year.

(l) The Schedules to this Agreement form an integral part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement;

(m) Any reference at any time to any agreement, deed, instrument, license or document of any description shall be construed as reference to that agreement, deed, instrument, license or other document as amended, varied, supplemented, modified or suspended at the time of such reference provided that this clause shall not operate so as to increase liabilities or obligations of Authority hereunder or pursuant hereto in any manner whatsoever except as expressly provided in this Agreement.

(n) References to Preamble, Recitals, Articles, Clauses, Sub-clauses, Paragraphs, Schedules or Annex to Schedules in this Agreement shall, except where the context otherwise requires, be deemed to be references to Preamble, Recitals, Articles, Clauses, Sub-clauses, Paragraphs, Schedules and Annex to Schedules of or to this Agreement;

(o) Any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effectual only if it is in writing under the hands of duly authorized representative of such Party, as the case may be, in this behalf and not otherwise;

(p) Any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates;

(q) unless otherwise expressly provided in this Agreement any documentation required to be provided or furnished by the Selected Airline Operator to Authority shall be provided free of cost and in three copies and on a computer CD/pen drive or such media as is required for a soft copy storage and if Authority is required to return any such documentation with their comments and/or approval, they shall be entitled to retain two copies thereof;

(r) In the event of any dispute in respect of interpretation of any clause of the Agreement, the decision of Authority shall be final and binding subject to the parties to this Agreement taking recourse to legal action under any other law for the time being in force in the Republic of India in terms of the Agreement.

1.3 Measurements and Arithmetic Conventions

All measurements and calculations shall be in metric system and calculations done to 2 decimal places, with the third digit of 5 or above being rounded up and below 5 being rounded down.

1.4 Priority in case(s) of errors/discrepancies

(a) The terms of the Scheme as amended and updated up to the date of submission of Proposal by the Selected Airline Operator are deemed to be incorporated into this Agreement. This Agreement and the Scheme are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this Agreement, the priority of this Agreement and the Scheme shall, in the event of any conflict between them, be in the following order:

(i) This Agreement;

(ii) The NIeP and

(iii) The Scheme.

(b) In case of ambiguities or discrepancies within this Agreement the following shall apply:

(i) Between two Clauses of this Agreement, the provisions of the specific clause relevant to the issue under consideration shall prevail over those in other Clauses;

(ii) Between the Clauses and the Schedules, the Clauses shall prevail save as otherwise expressly set forth in this Agreement;

(iii) Between any two Schedules, the Schedule relevant to the issue shall prevail; and

(iv) Between any value written in numerals and that in words, the latter shall prevail.

(c) In the event of any conflict between this Agreement and the Applicable Laws, the Applicable Laws shall prevail over this Agreement.

2. TERM

This Agreement shall become effective from the date of signing of agreement and shall expire on the date which is three (3) years from the Commencement Date.

3. PROVISION OF AIR SERVICES

3.1 The Selected Airline Operator shall, commencing from the Commencement Date:

(a) schedule and operate commercial flights on the [RCS Network] at a weekly frequency set out in Schedule-A;

(b) utilize the aircraft type set out in Schedule-A and having the seating capacity set out in Schedule-A for the flights referred to in Clause 3.1 (a) above;

(c) reserve on each such flight, the RCS Flight Capacity and the number of RCS Seats set out in Schedule-A; and

(d) charge Passengers flying on RCS Seats a maximum fare based on the *[Maximum Airfare]* as specified in Schedule-A of this Agreement and Section 2.3.2 and 2.3.3 of the Scheme,

in each case, in accordance with the provisions of this Agreement and the Scheme (collectively, the "**Air Services**").

3.2 The Selected Airline Operator shall first offer and sell RCS Seats on each flight and only after selling all the RCS Seats on the relevant RCS Flight, shall sell any Non-RCS Seats on such RCS Flight.

Provided that, such restriction shall not be applicable on "business class" seats (or any other term as may be used by the Selected Airline Operator to identify seats which are different from other available seats by design, form, factor and/or arrangement, and having a clear well-defined separate section within the aircraft cabin seating arrangement) so long as, the passengers at all times have an option to choose between RCS Seat(s) and such "business class" seat(s) at the time of purchasing seat(s) and shall not be forced to buy such "business class" seats when RCS Seats are available in the RCS Flight]

3.3 In the event of cancellation of any RCS Seat by Passengers, the first seat booked subsequent to such cancellation shall be sold as an RCS Seat. In the event that the number of cancelled RCS Seats exceeds the number of seats sold after such

cancellation, such excess RCS Seats shall be considered to be sold for the purposes of the Selected Airline Operator's obligation under Clause 3.2, provided that if sought by the Implementing Agency, the Selected Airline Operator shall provide to the Authority all the Passenger details for such cancelled RCS Seats.

3.4 The *[Maximum Airfare]* charged by the Selected Airline Operator for the RCS Route(s) specified in Schedule-A shall be inclusive of all charges or levies of whatever description, and shall not be increased on account of any Taxes payable by the Selected Airline Operator, except for GST and other charges in accordance with Section 2.3.2 and 2.3.3 of the Scheme.

3.5 The Selected Airline Operator shall be entitled to change the deployed capacity pursuant to the provisions under Section 3.16 of the Scheme.

4. PERFORMANCE GUARANTEE

4.1 The Selected Airline Operator has submitted to the Authority, four separate Performance Guarantees each equivalent to 25% of the total Performance Guarantee in respect of each Route awarded under UDAN 5.0 prior to the execution of this Agreement within a period that is the earlier of, three (3) months from the issuance of Letter of Award or one (1) week before the commencement of operations, failing which, the proposal security may be forfeited by the Implementing Agency. The Selected Airline Operator will then be given an additional one (1) month to replenish the Proposal Security and submit the Performance Guarantee and/or enter into the SAOA, as the case may be, barring which, Letter of Award may be terminated after four (4) months of issuance.

4.2 The Selected Airline Operator shall submit to the Implementing Agency four separate Performance Guarantees for each RCS Route equivalent to 25% of the total Performance Guarantee required for that RCS Route. The total Performance Guarantee for each RCS Route shall be equivalent to five percent (5%) of the total VGF amount to be provided to such Selected Airline Operator in the first year of its operations, subject to a minimum of Rs Five lakhs (Rs. 5,00,000/-), where the airports in the RCS Route/ Network are operational or ready for operations.

In case there are airports in the RCS Route/ Network which are not ready for operations due to ongoing works or licensing etc., the SAO would not be required to submit the Performance Guarantee for the RCS Routes connecting such airports, till the airport is ready for operations. For the avoidance of doubt, the SAO would be required to extend its Proposal Security for such RCS Routes till the readiness of the airport and the submission of the Performance Guarantee, failing which, the Letter of Award shall be withdrawn by the Implementing Agency and the Proposal Security shall be forfeited. Upon the readiness of the airport, the Selected Airline Operator shall, within two (2) months of notification by the Implementing Agency, submit four separate Performance Guarantees for each such remaining RCS Route awarded to the SAO which is equivalent to 25% of the total Performance Guarantee required for that RCS Route. The total Performance Guarantee for each RCS Route shall be equivalent to five percent (5%) of the total VGF amount to be provided to such Selected Airline

Operator in the first year of its operations, subject to a minimum of Rs. Five lakhs (Rs. 5,00,000/-).

4.3 After the commencement of RCS Flight operations, the Selected Airline Operator shall be entitled to replace its Performance Guarantee with another four separate Performance Guarantees of an amount equivalent to five percent (5%) of the total VGF amount to be provided to such Selected Airline Operator or Five lakhs (Rs. 5,00,000/-), whichever is higher, in the first year of its operations and for the same validity period. In such a case, the Authority shall return the previously submitted Performance Guarantee within a period of seven (7) days to the Selected Airline Operator.

4.4 The Performance Guarantee submitted by the Selected Airline Operator may be forfeited and appropriated by the Authority in full or in part, upon occurrence of the events specified in Clause 15. In the event that the Selected Airline Operator does not commence operations within four (4) months from the date of the Letter of Award, twenty five percent (25%) of the Performance Guarantee for that RCS Route will be forfeited for each month of delay. For avoidance of doubt, in such cases of delay, the penalty in each month will be same for the entire month irrespective of the number of days of delay in that month, which will be assessed at the completion of the month. In case there are extraneous circumstances, the Authority shall waive this penalty. Additionally, in case the Selected Airline Operator assigns its rights to an RCS Route within the 5th month from the date of issue of Letter of Award to another airline operator as per Clause 18.1, the Authority shall waive the delayed commencement penalty of twenty five percent (25%) of the Performance Guarantee.

4.5 Upon appropriation of the Performance Guarantee by the Authority pursuant to Clause 4.3 above, the Selected Airline Operator shall replenish the Performance Guarantee within seven (7) days from the date of appropriation, failing which the Authority shall, in its discretion, be entitled to terminate this Agreement and forfeit the balance amount of Performance Guarantee, if any.

4.6 Subject to Clauses 4.2 and 4.4, the Authority shall return to the Selected Airline Operator, the balance amount of the Performance Guarantee available with it on the earlier of: (a) the date which is one (1) year from the Commencement Date, provided that the Selected Airline Operator has successfully completed at least seventy percent (70%) of the total scheduled flight operation, as proposed in Schedule-A of the SAO. While determining the total scheduled flight operation, the Authority shall have reference to any flights that may have got cancelled due to adverse weather conditions, based on the feedback provided by respective airport or (b) termination of this Agreement in accordance with Clause 16 or Clause 17.

5. OBLIGATIONS OF THE SELECTED AIRLINE OPERATOR

5.1 The Selected Airline Operator shall, at its own cost and expense, undertake, comply with and perform in addition to and not in derogation of its obligations elsewhere set out in this Agreement, the following:

(a) obtain a valid Air Operator Certificate (AOC) for Scheduled Commuter Operation or Scheduled Operator Permit for Air Transport Services from

DGCA before commencement of operations under RCS if the Selected Airline Operator had applied under Section 3.2.1.3 c) and 3.2.1.3 d) of the Scheme at the time of bidding;

(b) provide the Air Services in accordance with Applicable Laws, Applicable Permits, Good Industry Practice, and in accordance with the rules and regulations, guidelines and directions of all Government Agencies, including without limitation, the DGCA;

(c) procure, renew and maintain in full force and effect, all Applicable Permits, and all agreements and documents necessary for the performance of its obligations under this Agreement;

(d) pay all taxes, levies, duties, cess and all other statutory charges, dues, assessments or outgoings payable by it under Applicable Laws in respect of the services to be performed by it and obligations to be complied by it under this Agreement;

(e) keep the aircraft and crew in a state of readiness to ensure that the declared flying schedule is strictly adhered to;

(f) adhere to the safety standards as per the Good Industry Practice and more specifically as per rules, regulations and directions of the DGCA, Bureau of Civil Aviation Security, and Directorate of Civil Aviation.

(g) make adequate arrangements for, and where necessary, coordinate with the airport operators for adequate provision of various facilities in accordance with Applicable Laws, Applicable Permits, Good Industry Practice, and in accordance with the rules and regulations, guidelines and directions of all Government Agencies.

(h) obtain and maintain in full force and effect, all insurances in accordance with the provisions of this Agreement and Good Industry Practice;

(i) provide non-discriminatory, safe, punctual and efficient services to the Passengers;

(j) make available a web-based application for providing online booking service for Passengers. All such bookings shall be made through secure online payment system at least permitting the use of credit/debit card with a facility to reverse payment online, based on applicable cancellation policies;

(k) make reasonable efforts to maintain harmony and good industrial relations among the personnel employed in connection with the performance of the its obligations under this Agreement;

(l) maintain its books and records in accordance with Applicable Laws including without limitation, directions of the DGCA;

(m) comply with the requirements of the Scheme in letter and spirit;

(n) The Integrity Pact signed by the Selected Airline Operator as a part of its Bid

under the NIeP shall be deemed to be a part of this Agreement and therefore the Selected Airline Operator shall abide by its obligations under the Integrity Pact;

(o) The provisions on Fraud and Corrupt practices under Clause 26 of the NIeP shall be deemed to be a part of this Agreement and the Selected Airline Operator shall at all times comply with its provisions; and

(p) inform the Implementing Agency at least one week prior to the Commencement Date.

6. OBLIGATIONS OF AUTHORITY

Authority shall undertake, comply with and perform in addition to and not in derogation of its obligations elsewhere set out in this Agreement, the following:

(a) [*make payment of VGF to the Selected Airline Operator in accordance with Annex-I of Schedule-A*].

7. REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of the Selected Airline Operator

The Selected Airline Operator represents and warrants to Authority that:

(a) It is duly organized and validly existing under the laws of India, and has full power and authority to execute and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;

(b) It has taken all necessary corporate and other actions under Applicable Laws to authorize the execution and delivery of this Agreement and to validly exercise its rights and perform its obligations under this Agreement;

(c) This Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms hereof, and its obligations under this Agreement will be legally valid, binding and enforceable obligations against it in accordance with the terms hereof;

(d) It is subject to the laws of India, and hereby expressly and irrevocably waives any immunity in any jurisdiction in respect of this Agreement or matters arising thereunder including any obligation, liability or responsibility hereunder;

(e) The information furnished in the Proposal submitted by it is true and accurate in all respects as on the date of this Agreement;

(f) The execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under, or accelerate performance required by any of the terms of its Memorandum and Articles of Association or any Applicable Laws or any covenant, contract, agreement, arrangement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;

(g) There are no actions, suits, proceedings, or investigations pending or, to its knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may result in the breach of this Agreement or which individually or in the aggregate may result in any material impairment of its ability to perform any of its obligations under this Agreement;

(h) It has no knowledge of any violation or default with respect to any order, writ, injunction or decree of any court or any legally binding order of any Government Agency which may result in any material adverse effect on its ability to perform its obligations under this Agreement and no fact or circumstance exists which may give rise to such proceedings that would adversely affect the performance of its obligations under this Agreement;

(i) It has complied with Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or

criminal liabilities which in the aggregate have or may have a material and adverse effect on its ability to perform its obligations under this Agreement; and

(j) No sums, in cash or kind, have been paid or will be paid, by it or on its behalf, to any person by way of fee, commission or otherwise in the course of the Selection Process or for entering into this Agreement or for influencing or attempting to influence any officer or employee of Authority in connection therewith.

7.2 Representations and Warranties of the Authority

The Authority represents and warrants to the Selected Airline Operator that:

(a) It has taken all necessary actions to execute, deliver and perform his Agreement; and

(b) this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with the terms hereof.

8. DISCLOSURE

In the event that any occurrence or circumstance comes to the attention of either Party that renders any of its aforesaid representations or warranties untrue or incorrect, such Party shall immediately notify the other Party of the same within 3 (three) days of such occurrence or circumstance. Such notification shall not have the effect of remedying any breach of the representation or warranty that has been found to be untrue or incorrect nor shall it adversely affect or waive any right, remedy or obligation of either Party under this Agreement.

9. DISCLAIMER

9.1 The Selected Airline Operator acknowledges that prior to the execution of this Agreement, the Selected Airline Operator has after a complete and careful

examination made an independent evaluation of likely revenue from the Air Services and has determined to its satisfaction the nature and extent of such difficulties, risks and hazards as are likely to arise or may be faced by the Selected Airline Operator in the course of performance of its obligations hereunder.

9.2 The Selected Airline Operator acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters contained herein and hereby confirms that Authority, MoCA or the State Government(s) shall not be liable for the same in any manner whatsoever to the Selected Airline Operator or any other Person.

10. INDEMNITY

The Selected Airline Operator shall indemnify, defend, save and hold harmless the Authority and its officers, servants, agents, Government Agencies and Authority owned and/or controlled entities/enterprises, (the "**Government Indemnified Persons**") against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense of whatever kind and nature, whether arising out of any breach by the Selected Airline Operator of any of its obligations under this Agreement or of any defect or deficiency in the provision of services by the Selected Airline Operator or from any negligence of the Selected Airline Operator under contract or tort, or on any other ground whatsoever, except to the extent that any such suits, proceedings, actions, demands and claims have arisen due to any negligent act or omission, or breach or default of this Agreement on the part of the Government Indemnified Persons.

11. INSURANCE

The Selected Airline Operator shall effect and maintain, or cause to be affected and maintained, at no cost to Authority during the term of this Agreement such insurance as is commensurate with prevailing Applicable Laws and Good Industry Practice.

12. REPORTING OBLIGATIONS OF THE SELECTED AIRLINE OPERATOR

12.1 Implementing Agency may require the Selected Airline Operator to submit the following information to enable the Implementing Agency to monitor adherence to the terms and conditions under this Agreement:

(i) RCS specific information as specified in Schedule-B; and

(ii) Flight Manifest, as and when required, as specified in Schedule-C.

13. AUDIT

13.1 The Authority at its sole discretion may have an independent auditor conduct an audit on the Selected Airline Operator to ascertain, *inter alia*, whether or not the Selected Airline Operator is in compliance with its obligations under this Agreement and the Scheme.

13.2 The Selected Airline Operator shall extend all possible cooperation to the independent auditor and provide to the independent auditor, all records, information and documents as may be required by the independent auditor for conducting the

aforementioned audit on the Selected Airline Operator.

13.3 The Selected Airline Operator shall maintain all records, information and documents in connection with its operations under this Agreement for a period of at least three (3) years after the expiry of this Agreement. This Clause 13.3 shall survive the Termination of this Agreement.

13.4 In case the independent auditor determines that the Selected Airline Operator is in non-compliance with its obligations under this Agreement, the Selected Airline Operator shall be provided fifteen (15) days to remedy the same.

13.5 If the Selected Airline Operator fails to remedy the default in the time period stipulated above in Clause 13.4, it shall intimate the Authority in writing, of the reasons for such failure. If the Authority deems such explanation to be satisfactory, it reserves the right to grant reasonable time to the Selected Airline Operator to comply with its obligations under this Agreement.

13.6 If the Authority deems, at its sole discretion, that the reasons provided for such non-compliance are not satisfactory or if the Selected Airline Operator continues to be in default even after being provided such extended time as mentioned in Clause 13.5 above, the Authority reserves the right to forthwith terminate the Agreement in accordance with Clause 16 and 17.

14. FORCE MAJEURE

14.1 The Selected Airline Operator shall be entitled to suspend the performance of its obligations under this Agreement to the extent that it is prevented from performing its obligations by an event of Force Majeure (a "**Force Majeure Event**").

14.2 In this Agreement, no event or circumstance and/or no combination or events and circumstances shall be treated as a "Force Majeure Event" unless it satisfies all the following conditions:

(i) Materially and adversely affects the performance of an obligation;

(ii) Situation is beyond the reasonable control of the Selected Airline Operator;

(iii) The Selected Airline Operator could not have prevented or reasonably overcome with the exercise of Good Industry Practice or reasonable skill and care; and

(iv) Does not result from the negligence or misconduct of the Selected Airline Operator or its failure to perform its obligations hereunder.

14.3 Force Majeure Event includes the following events and/ or circumstances to the extent that they or their consequences satisfy the requirements set forth in Clause 14.2:

(i) After the Commencement Date, if any airport on the [*RCS Network*] becomes unusable for flight operations by the Selected Airline Operator, provided that the non-completion of the Airport Development until the Airport

Development Date shall not be construed as a Force Majeure Event;

(ii) War (whether declared or undeclared), invasion, armed conflict or act of foreign enemy;

(iii) Revolution, riot, insurrection or other civil commotion, act of terrorism or sabotage;

(iv) Nuclear explosion, radioactive or chemical contamination or ionizing radiation, unless the source or cause of the explosion, contamination, radiation or hazard happens due to any act of the Selected Airline Operator or any Affiliate of the Selected Airline Operator or any sub-contractor of the Selected Airline Operator or any of their respective employees, servants or agents;

(v) Strikes, working to rule, go-slows and/or lockouts which are in each case widespread, nationwide or political but excluding strikes by the employees or personnel of the Selected Airline Operator;

(vi) Any effect of the natural elements, including epidemic or plague, lighting, fire, earthquake, heavy rains, tidal wave, flood, storm, cyclone, typhoon or tornado;

(vii) Explosion (other than a nuclear explosion or an explosion resulting from an act of war);

(viii) Any event or circumstances of a nature analogous to any events set forth in paragraphs (i) to (vii) of this Clause.

14.4 Procedure for Force Majeure

14.4.1 If the Selected Airline Operator claims relief on account of a Force Majeure Event, it shall, immediately on becoming aware of the Force Majeure Event, give notice and describe in detail:

(i) That the Force Majeure Event(s) that has occurred;

(ii) The obligation(s) affected;

(iii) The dates of commencement and estimated cessation of such Force Majeure Event;

(iv) The manner in which the Force Majeure Event(s) affects its ability to perform its obligation(s) under this Agreement; and

(v) The nature and extent of relief sought if any, the Selected Airline Operator shall not be able to suspend or excuse the non-performance of its obligations hereunder unless it has given the notice specified above.

14.4.2 The Selected Airline Operator shall have the right to suspend the performance of the obligation(s) affected, upon delivery of the notice of the occurrence of a Force Majeure Event in accordance with sub-clause 14.4.1 above. The Selected Airline Operator, to the extent it is prevented from performing its obligations under this

Agreement, as a consequence of the Force Majeure Event, shall be excused from performance of the obligations provided that the excuse from performance shall be of no greater scope and of no longer duration than is reasonably warranted by the Force Majeure Event.

14.4.3 The time granted for performance of any obligation or compliance and for the exercise of any right by the Selected Airline Operator, shall be extended over the period during which such Force Majeure Event continues and by such additional period thereafter as is necessary to enable the Selected Airline Operator to achieve the level of activity prevailing before the event of Force Majeure Event.

14.4.4 The Selected Airline Operator shall bear its own costs, if any, incurred as a consequence of the Force Majeure Event.

14.4.5 The Authority shall, if it wishes to dispute the claim, give a written notice of dispute to the Selected Airline Operator within 30 (thirty) days of receiving the notice of claim. If the notice of claim is not contested within thirty (30) days as stated above, the Authority shall be deemed to have accepted the validity of the claim. If the Authority disputes a claim, the Parties shall follow the procedures set forth in Clause 19 regarding dispute settlement.

14.4.6 It is clarified that the term of the Agreement shall be deemed to have been extended by a period which shall be equal to the duration for which such Force Majeure Event continued and by such additional period thereafter as is necessary to enable the Selected Airline Operator to achieve the level of activity prevailing before the event of Force Majeure Event.

14.5 Mitigation

The Selected Airline Operator shall take all reasonable steps to prevent, reduce to a minimum and mitigate the effect of such Force Majeure Event. The Selected Airline Operator shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption, shall forthwith notify the Authority of the same in writing.

15. EVENT OF DEFAULT

15.1 For the purposes of this Agreement, each of the following events or circumstances, to the extent not caused by a breach or default of the Authority or Force Majeure Event, shall be considered, as Events of Default (the "**Event of Default**") which, if not remedied within the cure period, if any, set out below shall provide Authority the right to terminate this Agreement in accordance with Clause 17.3:

(a) Failure by the Selected Airline Operator to operate at least seventy percent (70%) of the flights scheduled by the DGCA in a period of one (1) year.

(b) Any breach of Sub-clauses 3.1 (b) to (d), Clause 3.2, Clause 3.3, Clause 3.4 or Clause 3.5 of this Agreement;

(c) Any other breach by the Selected Airline Operator of its obligations under this Agreement, and such breach if capable of being remedied, is not remedied

within a period mentioned in the written notice issued by Authority specifying such breach and requiring the Selected Airline Operator to remedy the same;

(d) any representation, warranty, information or statement of the Selected Airline Operator contained in this Agreement, the Selected Airline Operator's Proposal, or otherwise provided by the Selected Airline Operator to the Authority is found to be materially false, incorrect or misleading at the time it was made or the Selected Airline Operator is at any time hereafter found to be in breach of the representations and warranties made under this Agreement;

(e) a breach by the Selected Airline Operator of the NIeP or the Scheme;

(f) the Selected Airline Operator is ordered to be wound up by a court, filing of a petition for voluntary winding up by the Selected Airline Operator, or levy of an execution or restraint on the Selected Airline Operator s assets, or appointment of a provisional liquidator, administrator, trustee or receiver of the whole or substantially whole of the undertaking of Selected Airline Operator by a court of competent jurisdiction;

(g) the Selected Airline Operator is adjudged bankrupt or insolvent, or if a trustee or receiver is appointed for the Selected Airline Operator or for the whole or material part of its assets that has a material bearing on its ability to perform its obligations under this Agreement;

(h) the Selected Airline Operator has been, or is in the process of being liquidated, dissolved, wound up, amalgamated or reconstituted in a manner that would cause, in the reasonable opinion of the Authority, a material and adverse effect on the ability of the Selected Airline Operator to perform its obligations hereunder;

(i) the Selected Airline Operator doing or permitting to do any act, matter, deed or thing in violation of Applicable Law and/or Applicable Permits and such breach if capable of being remedied, is not remedied within a period mentioned in the written notice issued by Authority specifying such breach and requiring the Selected Airline Operator to remedy the same;

(j) an application for commencement of corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 against the Selected Airline Operator has been admitted before the relevant National Company Law Tribunal; and

(k) failure to commence operations from the Commencement Date and/or the relevant airport Development Date

15.2 In the event that the Selected Airline Operator commits the default set out in Clause 15.1 (b) above, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to not make payment of the VGF to the Selected Airline Operator for the RCS Flight in respect of which the default occurred or to levy a penalty of twenty-five thousand rupees (INR 25,000) per seat which may be deducted from the VGF payable to the Selected Airline Operator.

16. TERMINATION EVENTS FOR SELECTED AIRLINE OPERATOR

For the purposes of this Agreement, each of the following events or circumstances, to the extent not caused by a breach or default of the Selected Airline Operator, shall entitle the Selected Airline Operator the right to terminate this Agreement:

(a) [*The Authority does not make payment of VGF to the Selected Airline Operator in accordance with this Agreement for 2 (two) consecutive months;*]

(b) Any exemption is withdrawn, revoked or cancelled, and: (i) is not restored within 60 (sixty) days, or (ii) the Authority or the relevant State Government has not, at its option, adequately compensated the Selected Airline Operator for the loss of such Exemption; and

17. TERMINATION

17.1 Notwithstanding anything contained under this Agreement or the NIeP:

(a) the Authority may, due to unforeseen or exceptional circumstances or due to factors beyond the control of the Authority or MoCA, terminate this Agreement without any liability on the Authority, MoCA, the relevant State Government(s) or the relevant airport operator towards the Selected Airline Operator in tort, contract or otherwise, provided that this Clause shall not relieve the Authority from its obligation to make any payments to the Selected Airline Operator which had become payable at the time of such termination;

(b) the Selected Airline Operator may, at any time after the expiry of one (1) year from the Commencement Date, terminate this Agreement without any liability towards the Authority in tort, contract or otherwise, provided that this Clause shall not relieve the Selected Airline Operator from its obligations prior to such termination;

17.2 Upon a termination under Clause 16, or Clause 17.1 above, this Agreement shall terminate with immediate effect, and the Authority shall return to the Selected Airline Operator, the Performance Guarantee provided that the Authority shall be entitled to appropriate the Performance Guarantee for breaches of the Selected Airline Operator prior to such termination. Provided that the Authority shall not forfeit and/or appropriate the Performance Guarantee submitted by the Selected Airline Operator only if a breach or non-performance of the obligations of Selected Airline Operator has substantially been caused by any of the events specified in Clause 16 hereof.

17.3 Without prejudice to any other rights or remedies which the Authority may have under this Agreement or Applicable Law, upon the occurrence of an Event of Default, the Selected Airline Operator shall be liable for the breach caused and consequences thereof and the Authority shall have the right to issue a notice expressing its intention to terminate this Agreement to the Selected Airline Operator (the "**Notice of Intention to Terminate**"**)**. Upon the issuance of a Notice of Intention to Terminate, the Selected Airline Operator shall have the right to represent against such notice to the Authority who will consider the representation and assess if the default can be and or should be

permitted to be cured. If not satisfied it may terminate this Agreement by issuance of a Termination Notice (the "**Termination Notice**")**.** In case the breach or the default can be cured and the Authority considers it appropriate to allow curing of the default it will give such period as it may consider appropriate to cure, failing which the Authority may terminate the Agreement by issuing a Termination Notice. On the event of failure on the part of Selected Airline Operator to cure the breach or default in specified time limit as specified by the Authority, the Agreement shall stand terminated on the expiry of such period.

17.4 Save and except as otherwise provided in this Agreement and without prejudice to any other right or remedy which Authority may have in respect thereof under this Agreement, upon the occurrence of any breach by the Selected Airline Operator under this Agreement including any Event of Default, the Authority shall be entitled to appropriate part or whole of the Performance Guarantee (as it deems appropriate) and to terminate this Agreement by a communication in writing to the Selected Airline Operator, if it has failed to cure such breach or default within the period provided for in the notice.

17.5 If a Force Majeure Event continues for: (a) a continuous period of ninety (90) days or (b) an aggregate period of one hundred eighty (180) days within a continuous period of three hundred sixty five (365) days, either Party may terminate this Agreement.

18. ASSIGNMENT

18.1 The Selected Airline Operator shall be permitted to assign its rights and obligations under this Agreement to any Person having a valid Scheduled Operator Permit (SOP) or a valid Air Operator Certificate (AOC) for Scheduled Commuter Operation or a valid Non-scheduled Operator's Permit (NSOP) for an interim period in accordance with the Scheme, for Air Transport Services from DGCA or an equivalent permit issued by the competent civil aviation regulatory authority of any foreign country as may be permitted by MoCA, DGCA or the Authority, subject to such Person complying to all the terms and conditions under this Agreement and procuring all Applicable Permits as may be necessary for provision of Air Services in place of the Selected Airline Operator. Provided that the Selected Airline Operator shall only be entitled to assign its rights and obligations under this Agreement in accordance with this clause if it has completed at least six (6) months of providing Air Services in accordance with this Agreement from the Commencement Date. However, the Implementing Agency may also choose to permit a Selected Airline Operator to assign its rights under this Agreement, on a case-by-case basis, as per terms and conditions specified under this Agreement, to another airline operator having a valid AOP for a similar type of aircraft as required under this Agreement, at any point of time after the execution of this Agreement based on the Implementing Agency's assessment of the factors justifying such assignment, as submitted by the assignor. The assignee would be required to begin its operations on the RCS Route or RCS Routes as the case may be, within a period of two (2) months from the execution of the assignment agreement. The Implementing Agency may also choose to allow the assignee an extension to this time period based on an assessment of the situation.

18.2 In the event of a merger of the Selected Airline Operator with another entity, the successor entity pursuant to such merger shall be permitted to operate as the Selected Airline Operator under this Agreement, provided that such successor entity continues

to hold a valid Scheduled Operator Permit (SOP) or a valid Air Operator Certificate (AOC) for Scheduled Commuter Operation or a valid Non-scheduled Operator's Permit (NSOP) for an interim period in accordance with the Scheme, for Air Transport Services from DGCA and submits a written undertaking to the Authority to perform the Selected Airline Operator's obligations under this Agreement.

19. DISPUTE RESOLUTION

Save where expressly stated to the contrary in this Agreement, any dispute, difference or controversy of whatever nature howsoever arising under, out of or in relation to this Agreement and so notified in writing by either Party to the other (the "**Dispute**") in the first instance shall be attempted to be resolved in accordance with the procedure set forth below.

19.1 Amicable Settlement

In the event of any Dispute between the Parties, either Party may call upon the other Party to resolve the issue raised in the Dispute and arrive at an amicable settlement thereof. Each Party shall nominate a responsible person to resolve the issue through amicable settlement within a period of thirty (30) days

19.2 Arbitration

(a) Any Dispute, which is not resolved amicably, as provided above, shall be finally decided by reference to arbitration through an Arbitral Tribunal comprising of Sole Arbitrator to be mutually appointed by the Parties, and if not agreed within thirty (30) days, as per the provisions of the Arbitration & Conciliation Act, 1996 and any subsequent amendment thereto. Such arbitration shall be held in accordance with the Rules of Arbitration of the Indian Council of Arbitration and shall be subject to the provisions of the Arbitration and Conciliation Act, 1996 and as amended from time to time thereafter.

(b) The place of arbitration shall be New Delhi and the language of the arbitration shall be English.

19.3 Arbitration Awards to be binding

(a) The Selected Airline Operator and Authority undertake to carry out any decision or award of the arbitrators (the "**Award**") without delay. Awards relating to any Dispute shall be final and binding on the Parties as from the date they are made.

(b) The Selected Airline Operator and Authority agree that an Award may be enforced against the Selected Airline Operator and the Authority as the case may be.

(c) This Agreement and rights and obligations of the Parties shall remain in full force and effect pending the Award in any arbitration proceeding hereunder.

20. INSPECTION

The Selected Airline Operator shall make available for inspection during normal business hours on all working days copies of all records and reports to Authority as and when required.

21. GOVERNING LAW

This Agreement shall be construed and interpreted in accordance with the Laws of India.

22. MISCELLANEOUS

22.1 Waiver by either Party of any default by other Party in the observance and performance of any provision of or obligations of or under this Agreement;

(a) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Agreement;

(b) shall not be effective unless it is in writing and executed by a duly authorized representative of the Party; and

(c) shall not affect the validity or enforceability of this Agreement in any manner.

22.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or any obligation thereunder nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

22.3 In case, it is found after the execution of this Agreement and during the period of subsistence thereof, that one or more of the eligibility conditions have not been met by the Selected Airline Operator, or the Selected Airline Operator has made material misrepresentation, or has given any materially incorrect or false information, this Agreement shall, notwithstanding anything to the contrary contained therein, be liable to be terminated, by a communication in writing by Authority to the Selected Airline Operator, as the case may be, without the Authority being liable in any manner whatsoever to the Selected Airline Operator. In such an event, Authority shall be entitled to partially or fully forfeit and appropriate the Performance Guarantee without prejudice to any other right or remedy that may be available to Authority.

22.4 Authority reserves the right to verify all statements, information and documents submitted by the Selected Airline Operator in its Proposal. Failure of Authority to undertake such verification shall not relieve the Selected Airline Operator of its obligations or liabilities hereunder nor will it affect any right of Authority hereunder.

22.5 The Parties hereto agree that payments due from one Party to the other Party under the provisions of this Agreement shall be made within the period set forth therein, and if no such period is specified, within ten (10) days of receiving a demand along with the necessary particulars. Unless otherwise specified in this Agreement, in the event of delay beyond such period, the defaulting Party shall pay interest for the period of delay calculated at a rate equal to four percent (4%) above the Bank Rate, and recovery thereof shall be without prejudice to the rights of the Parties under this Agreement

including Termination thereof. Unless otherwise specified, any interest payable under this Agreement shall accrue on a daily outstanding basis and shall be compounded on the basis of quarterly rests.

22.6 Lien in respect of claims in other Contracts:

(a) Any sum of money due and payable to the SAO under the contract may be withheld or retained by way of lien by the Authority against any claim of the Authority or in respect of payment of a sum of money arising out of or under any other contract made by the SAO with the Authority.

(b) It is an agreed term of the contract that the sum of money so withheld or retained under this clause by the Authority will be kept withheld or retained as such by the Authority or till his claim arising out of the same contract or any other contract is either mutually settled or determined by the arbitration clause or by the competent court, as the case may be and that the SAO shall have no claim for interest or damages whatsoever on this account or on any other ground in respect of any sum of money withheld or retained under this clause and duly notified as such to the SAO.

23. SURVIVAL

(a) Termination of this Agreement (a) shall not relieve the Selected Airline Operator or Authority of any obligations hereunder which expressly or by implication survives Termination hereof, and (b) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, shall not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party prior to the effectiveness of such Termination or arising out of such termination.

(b) All obligations surviving the cancellation, expiration or Termination of this Agreement shall only survive for a period of 5 (five) years following the date of such Termination or expiry of this Agreement.

24. NOTICES

24.1 Any notice or other communication to be given by a Party to the other Party under, or in connection with the matters contemplated by this Agreement shall be in writing and shall in the case of the Selected Airline Operator, be marked for the attention of the person set out opposite the corresponding signature below or to such other address marked for such other attention as the Selected Airline Operator may from time to time designate by notice to the Authority, and in the case of Authority, be given by letter and be addressed to the Director of the Authority.

24.2 Copies of all notices shall also be sent by facsimile and by registered acknowledgement due pre-paid post or courier.

25. SEVERABILITY

If for any reason whatsoever any provision of this Agreement is or becomes invalid,

illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing on one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under this Agreement or otherwise.

26. NO PARTNERSHIP

Nothing contained in this Agreement shall be construed or interpreted as constituting a partnership between the Parties. Neither Party shall have any authority to bind the other in any manner whatsoever.

27. LANGUAGE

All notices required to be given by one Party to the other Party and all other communications, documentation and proceedings which are in any way relevant to this Agreement shall be in writing and in English language.

28. EXCLUSION OF IMPLIED WARRANTIES

This Agreement expressly excludes any warranty, condition or other undertaking implied by law or by custom or otherwise arising out of any other agreement between the Parties or any representation by either Party not contained in a binding legal agreement executed by both Parties.

29. COUNTERPARTS

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

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

Airports Authority of India, acting as the Implementing Agency for MoCA by:

Signature_____
Name _____
Designation_____
Address_____
Phone No_____

Signed, Sealed and Delivered
For and on behalf of [ ] by:

Signature _____
Name _____
Designation _____
Address _____
Phone No _____

Signed, Sealed and Delivered
In the presence of:
1. _____
2. _____

SCHEDULE-A

(Refer to Clause 3)

1. The Selected Airline Operator shall schedule and operate commercial flights under this Agreement in accordance with the mechanism set out below:

(a) Details of the [*RCS Network*]

Route(s)	Route Status (RCS / Non-RCS)	Stage Length / Flight Duration	VGF per RCS Seat (in Rs.)	Maximum Airfare (in Rs.)

(b) The Selected Airline Operator shall deploy [*aircraft type*] for provision of flight services;

(c) The Commencement Date shall be [•][1] {provided that the Air Services on routes involving [*name of the airport(s)] shall commence on following Airport Development Date(s)}*;

Route(s)	Expected Date of Commencement of Operations

(d) The seating capacity of the aircraft shall be [•];

(e) The RCS Flight Capacity shall be [•];

(f) The Number of RCS Seats and Non-RCS Seats per flight pursuant to this Agreement shall be [•];

(g) The Selected Airline Operator shall operate [•] flights per week

Such date shall be not later than 4 months from the date of the Letter of Award.

Annex I to Schedule-A
Payment of VGF
(Refer Clause 6(a))

1. For the sanction of monthly VGF payment, the Selected Airline Operator shall submit to the Authority, the following information for the previous month by the 7th (seventh) day of every month:

   (a) information as required under Schedule B; and

   (b) any other information in connection with the compliance of the provisions of this Agreement as may be required by the Authority.

2. The Implementing Agency may, as and when required, require the Selected Airline Operator to submit the Flight Manifest as per Schedule C to enable the Implementing Agency to monitor adherence to the terms and conditions under this Agreement

3. The Authority shall scrutinize the information received by it from the Selected Airline Operator under paragraph 1 above for the purposes of ascertaining whether the Selected Airline Operator has complied with the conditions set forth in this Agreement.

4. The VGF shall be disbursed by the Authority to the Selected Airline Operator for all RCS Seats, as mentioned in Schedule A of this Agreement, irrespective of the occupancy, for every RCS Flight operated on the [*RCS Network*] during the previous month, after adjustments for any defaults committed by the Selected Airline Operator under this Agreement. Provided that in an event where due to any orders/guidelines issued by the DGCA, the actual deployed capacity in an RCS Flight by the Selected Airline Operator is less than the RCS Flight Capacity, as mentioned in Schedule A of this Agreement, the RCS Flight Capacity for the purposes of calculation of RCS Seats, disbursement of VGF and compliance with terms and conditions under this Agreement shall be considered as the actual deployed capacity on such RCS Flight based on DGCA orders/guidelines.

5. [The Authority shall disburse the VGF due and payable to the Selected Airline Operator in the bank account number [ ] maintained with [ ] Bank at [ ] branch not later than 21st (twenty first) day of every month.

SCHEDULE-B
Reporting Obligation (As modified)

(Refer Clause 12.1)

Operational Details - Daily Basis									
Scheduled Date	**Operated / Cancelled**	**Flight Number**	**Aircraft Registration**	**Departure Details**	**Arrival Details**	**Total Seats Sold**	**Number of Passenger Carried**	**No. of RCS Seats Sold**	**Fare for RCS Seats**
				<Date, Time>	<Date, Time>				

Self-Declaration by SAO:

"It is hereby certified that in pursuance to the SAOA agreement executed by us on date (Date of the agreement) vide (Reference of the agreement) to operate RCS flight on the selected network (specify the network), we have complied with provisions set forth in the above mentioned agreement and never defaulted of our duties and responsibilities as reflected in clause 15 of the agreement for the billing period of (mention the billing period). Further it is certified that the provision of air services clause 3 of the SAOA specially para 3.3 stating that "in the event of cancellation of any RCS seat by the passenger the first seat booked subsequent to such cancellation shall be sold as an RCS seat has been complied with by (name of the operator)".

SCHEDULE-C
Other Reporting Obligation (As modified)

(Refer Clause 12.1)

Passengers Details									
(Additional details to be provided by the Selected Airline Operator for every RCS Flight, in electronic format only, as and when required)									
Seat No.	**Passenger Name**	**ID Proof No.**	**Contact Details**	**Date of Issuance**	**Time of issuance**	**Seat Fare**	**Tickets Cancelled**	**Cancellation Charges**	**Amount Reimbursed**
							(Yes/No)		