

Tender No. KIAL/RFP/FIN001/2015-16

KANNUR INTERNATIONAL AIRPORT LIMITED (KIAL)

REQUEST FOR PROPOSAL (RFP)

FOR

CREDIT RATING OF KIAL



'Parvathy', T.C 36/1, NH Bypass, Chacka, Thiruvananthapuram, Kerala-695 024, India

July 2015

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SECTION 1: LETTER OF INVITATION

1. **KANNUR INTERNATIONAL AIRPORT LIMITED**, 'Parvathy', T.C 36/1, N H Bypass, Chacka, Thiruvananthapuram, Kerala-695 024 invite Proposal for its credit rating. The details are provided in the attached Terms of Reference.
2. An Agency will be selected under Least Cost Based Selection (LCBS) and procedures described in this RFP.
3. The RFP includes the following documents:
 - Section 1 - Letter of Invitation
 - Section 2 - Information to Credit Rating Agencies
 - Section 3 - Technical Proposal - Standard Forms
 - Section 4 - Terms of Reference
 - Section 5 - Financial Proposal - Standard Forms
 - Section 6 - Standard Form of Contract.
4. The due date for submission of proposal is upto 5 PM on **21 August 2015**.

The Technical Proposal (Part-I) shall be opened on 22 August 2015 at 11:00 AM in presence of Bidders` representative who choose to be present. The Financial Proposal (Part-II) shall be opened the same day at 4.00 PM whose Technical Proposals have been found acceptable.
5. Please confirm the receipt of this Letter of Invitation

Yours sincerely,
For Kannur International Airport Limited.

Managing Director.

SECTION 2. INFORMATION TO CREDIT RATING AGENCIES

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SECTION 2. INFORMATION TO CREDIT RATING AGENCYS

1.0 INTRODUCTION

- 1.1 Kannur International Airport Limited (KIAL), promoted by Government of Kerala was incorporated as a Limited company under the Companies Act, 1956 in December 2009 for construction of an International Airport at Mattanur, Kannur on build, own and operate (BOO) model. Government of Kerala holds 35% shares in the Company.
- 1.2 The Assignment shall be implemented in accordance with the details indicated in the Section-4, TOR. (Terms of Reference).
- 1.3 The Client will provide the inputs specified in the TOR, to carry out the services.
- 1.4 Any costs associated with preparation and submission of the proposal and negotiating of the contract, including visits to the Client, are not reimbursable and the Client is not bound to accept any of the Proposals submitted and reserves the right to annul the selection process at any time prior to contract award without thereby incurring any liability to the bidders.

2.0 FRAUD AND CORRUPTION

- 2.1 The Client will reject a proposal for award if it determines that the agency recommended for award or any of its representatives, has been directly or through an agent, engaged in corrupt, fraudulent, collusive coercive or obstructive practices in competing for the Contract in question.
- 2.2 The Client will sanction an Agency or individual, including declaring ineligible, either indefinitely or for a stated period of time, to be awarded a contract if it at any time determines that Agency has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, the contract.
- 2.3 The Client may declare an Agency ineligible, either indefinitely or for 2 years, to be awarded a contract if at any time it determines that corrupt, fraudulent, coercive or collusive practices were resorted by the agency or any of its representatives, during the bidding process or the execution of the contract.

3.0 ONLY ONE PROPOSAL:

Agencies may submit only one proposal. If an agency submits or participates in more than one proposal, such proposals shall be disqualified.

4.0 CLARIFICATIONS ON DOCUMENTS COMPRISING THE RFP:

- 4.1 Agencies may request for clarification if any, on RFP documents, which should reach KIAL at least five days prior to the date of Bid submission. Any request for clarification must be sent in writing by mail, facsimile, or electronic mail to the Client's address is given below:

Managing Director,
Kannur International Airport Limited,
'Parvathy', T.C 36/1, N H Bypass,
Thiruvananthapuram, Kerala-695 024,
Tel: 0471 2508668, Fax – 0471 250866.
E-mail: managingdirector@kannurairport.in

- 4.2 The Client will respond by cable, or facsimile or electronic mail to such requests and will send copies of the response (including an explanation of the query but without identifying the source of inquiry) to all invited Agencies who have been issued this RFP document.
- 4.3 At any time before the submission of Proposals, the Client may, for any reason, whether at its own initiative or in response to a clarification requested by an invited Agency, modify the RFP documents, which will be binding. The Client may at its discretion extend the deadline for the submission of Proposals or may annul the bidding process without assigning any reason whatsoever.

5.0 PREPARATION OF PROPOSAL

- 5.1 Technical & Financial proposal should be submitted separately. Following the procedures prescribed in para 6.0 below.

5.2 TECHNICAL PROPOSAL

- a) In preparing the Technical Proposal, Agencies are expected to study the RFP documents in detail. The RFP document, duly signed by the authorized officers of the agency on each page must be enclosed with the Technical Proposal. Material deficiencies in providing the information requested may result in rejection of a Proposal. Price should not be given in the Technical proposal.

b) Eligibility Criteria

The Agency (Bidder) should have successfully completed a minimum of one Rating Assignment for an Infrastructure Term Loan facility for a minimum amount of Rs 750 Crore in India under consortium/multiple/single lending arrangement with Nationalized Banks/Financial Institutions during the three immediately preceding financial years ending on 31 March 2015

- 5.3 While preparation the Technical Proposal, Bidders must give particular attention to the following:

- i) Furnish proof that the Agency has successfully completed the Credit Rating Assignment for any PSU (Central/State) by way of a Client Certificate specifying the commencement and completion date of the assignment.
- ii) Power of Attorney confirming authorized representative to sign the proposal submitted.
- iii) Copy of registration certificates issued by RBI and SEBI.

Note: Non-submission of above will lead to rejection of bid.

5.4 The Technical Proposal should provide the following information using the attached Standard Forms (Section 3):

- (i) Technical Proposal Submission Form **(Form 3A)**
- (ii) A description of the methodology and work plan for performing the assignment **(Section 3B)** consistent with the time schedule given in TOR **(Section 4)**.
- (iii) Deviation, if any, in deviation schedule **(Form 3C)**.

Deviations mentioned anywhere else in the proposal shall not be considered. In case of no deviation `NIL deviation' must be written in the deviation schedule.

- (v) Additional information if any.

5.5 The Technical Proposal shall not include any financial information.

However unpriced copy of financial proposal (Replica of financial proposal **Form-5A, 5B** striking out the priced portion) to be submitted with the technical proposal.

5.6 FINANCIAL PROPOSAL

In preparing the Financial Proposal, Bidders are expected to take into account the requirements and conditions of the RFP documents. The Financial Proposal should follow Standard Forms (Section 5). The lump sum price for services as per Format 5B shall include all costs associated with the Assignment, including but not limited to remuneration for staff, reimbursable, transportation, services and equipment (vehicles, office equipment etc.), travelling, boarding and lodging, out-of-pocket expenses, printing & stationery, etc.,.

The Lump sum price is to be quoted separately as Per Price Schedule for both the assignment, which will remain firm during execution of the contract. The assignment for credit rating shall be commenced immediately and the prices shall remain firm till execution of the contract.

5.7 The Financial Proposal should include the taxes & duties. However Service Tax applicable in India is to be separately mentioned in the Price Schedule.

5.8 Commission and gratuities, if any, paid or to be paid by bidder and related to the Assignment will be listed in the Financial Proposal submission form (**Form-5A**).

5.9 PROPOSAL VALIDITY

The proposal must remain valid for 60 days after the submission date. The Client will make its best effort to award the work within this period.

6.0 SUBMISSION, RECEIPT, AND OPENING OF PROPOSALS

6.1 The original Proposal (Technical Proposal as well as Financial Proposal; shall be prepared in indelible ink. It shall contain no inter-lineation or overwriting, except as necessary to correct errors made by the Agency itself. Any such corrections must be initiated by the person or persons who sign(s) the Proposal.

6.2 An authorized representative of the Agency shall initial all pages of the Proposal. Copy of power of attorney confirming the authority of the officer signing the Proposal should be attached with Technical Proposal.

6.3 The Credit Rating Agencies must submit an Original and one additional copy in duplicate of each proposal (separately sealed in Technical as well as Financial Proposal envelopes). Each Technical Proposal (Part I) and Financial Proposal (Part II) should be marked "**Original**" or "**Copy**" as appropriate. If there are any discrepancies between the original and the copy of the Proposal, the original copy governs.

6.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "Technical Proposal," and the original and all copies of the Financial Proposal in a sealed envelope clearly marked "**Financial Proposal**" and warning "**Do Not Open with the Technical Proposal.**" Both envelopes shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and due date / time and clearly marked, "**DO NOT OPEN, EXCEPT IN PRESENCE OF THE EVALUATION COMMITTEE.**"

6.5 The completed Technical and Financial Proposal as above must be delivered on or before the stipulated time and date at the submission address stated below.

**Managing Director,
Kannur International Airport Limited,
'Parvathy', T.C 36/1, N H Bypass,
Chacka, Thiruvananthapuram,
Kerala- 695 024.
Tel: 0471 2508668, Fax – 0471 250866.**

The information on the outer envelope should also include:

'Tender No.KIAL/RFP/FIN001/2015-16 due upto 5 PM on 21 August, 2015'

Any Proposal received after the closing time and date for submission of proposals shall be returned unopened.

- 6.6 Technical Proposals shall be opened by the evaluation committee at 11 AM on 22 August 2015. Only the Financial Proposals of Agencies whose Technical Proposals have been accepted, will be opened on 22 August 2015 at 4 P.M.

7.0 PROPOSAL EVALUATION

GENERAL

- 7.1 From the time the bids are opened to the time the contract is awarded, if any Credit Rating Agency wishes to contact the Client on any matter related to their proposal, they should do so in writing at the address indicated at clause no. 4.1 above.
- 7.2 Prior to the detailed evaluation of Bids, the Client will determine whether each Bid is substantially responsive to the requirements of the RFP Documents. To be substantially responsive, a Bidder must:
- (a) Submit a Bid complying with all the requirements of RFP document.
 - (b) Submit a Bid complying with the time of completion indicated in the Bidding Documents,
 - (c) Provide with all the Technical Bid Forms as given in Section 3, duly filled in.
- 7.3 For the purpose of this Clause, a substantially responsive Bidder is one which conforms to all the terms and conditions of the RFP Documents without material deviation or reservation. A material deviation or reservation is one which affects in any substantial way the scope, quality, or performance of the Work, or which limits in any substantial way, the Owner's rights or the Bidder's obligations under the Contract (inconsistent with the RFP Documents), and in case the rectification of such deviation or reservation would affect unfairly the competitive position of other Bidders, presenting substantially responsive Bids.
- 7.4 If a Bid is not substantially responsive to the requirements of the RFP Documents, it may be rejected by the Client, and may not subsequently be made responsive by the Bidder having corrected or withdrawing the non-conforming deviation or reservation.
- 7.5 The financial proposal of non-responsive agencies/bidders will not be opened and returned to the bidders.

8.0 OPENING AND EVALUATION OF FINANCIAL PROPOSALS

- 8.1 After the evaluation of the Technical proposal, the Client shall notify those Bidders whose technical proposals are found responsive, regarding opening of their financial proposals.
- 8.2 The Financial Proposals shall be opened in the presence of the bidder's representatives who choose to attend. The name of the bidder and the quoted prices shall be readout.

- 8.3 The evaluation committee will determine whether the Financial Proposals are complete. The total cost quoted in **Form-5B** shall be final & binding. Between the prices quoted in figures and words the price in words shall prevail in case of any discrepancy.
- 8.4 The evaluation shall include the applicable Service tax. The total cost quoted by the Credit Rating Agencies in Form-5B Price Schedule Plus Service Tax shall be compared amongst the Credit Rating Agencies to determine the lowest financial proposal.

9.0 AWARD OF CONTRACT

- 9.1 The letter of award (LOA) will be issued to the successful lowest evaluated bidder for acceptance. The acceptance of Letter of Award will constitute the formation of the contract until the Contract Agreement has been formally signed pursuant to clause 10.3 below.
- 9.2 After acceptance of letter of award and the agency shall commence the work as per Clause 5.0 of the TOR.
- 9.3 After that Credit Rating Agency shall sign the Agreement within two weeks of issuance of Letter of Award (LOA).

10.0 CONFIDENTIALITY

- 10.1 Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the Agencies who submitted the proposals or to other persons not officially concerned with the process, until the winning bidder has been notified.

SECTION 3. TECHNICAL PROPOSAL - STANDARD FORMS

3A. Technical Proposal submission form.

3B. Activity (Work) schedule

3C. Deviation Schedule.

**3A. TECHNICAL PROPOSAL SUBMISSION FORM
(ON BIDDERS' LETTER HEAD)**

Date:

To:

The Managing Director,
'Parvathy', T.C 36/1,
N.H Bypass,
Chacka,
Thiruvananthapuram,
Kerala – 695 024.

Dear Sir

**Subject: Technical Proposal for credit rating of Kannur International
Airport Limited (KIAL)**

We, the undersigned, offer to provide the services for the above in accordance with your Request for Proposal dated [Date], and our Proposal. We are hereby submitting our Proposal which includes this Technical Proposal along with duly signed RFP document, and a Financial Proposal sealed under a separate envelope.

We understand you are not bound to accept any Proposal you receive.

Thanking you

Yours sincerely,

Name and Title of Authorized Signatory:
Name of Agency:

3B. ACTIVITY SCHEDULE

Sl.No.	Activity	Start Date	Completion Date

**Signature of
Authorized Signatory of the Agency**
(SEAL OF THE AGENCY)

3C. DEVIATION SCHEDULE

Sl.No.	Clause No.	Deviation	Reason for deviation

**Signature of
Authorized Signatory of the Agency**
(SEAL OF THE AGENCY)

SECTION 4. TERMS OF REFERENCE (TOR)

Terms of Reference contain the following sections:

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SECTION 4 - TERMS OF REFERENCE

1.0 BACKGROUND

1.1 GENERAL

Kannur International Airport Limited (KIAL), promoted by Government of Kerala was incorporated as a Limited company under the Companies Act, 1956 in December 2009 for construction of an International Airport at Mattannur, Kannur on build, own and operate (BOO) model.

Government of Kerala is acquiring the land through KINFRA, the nodal agency for acquiring the land for the Airport Project. Already 1266 acres of land has been acquired transferred to the Airport Project, part of which has been transferred on ownership basis in the form of equity and remaining will be on lease basis. Government has also acquired another 612 acres of land, which is yet to be transferred to the Company. Total land planned for the Project is 2061 acres.

The Company has received all clearances for construction of the Airport including Environmental Clearance.

M/s AECOM Asia Company Limited has been appointed as the Integrated Project Consultants for Runway and Airside Works. M/s CRISIL is the financial consultants to the Project and has prepared the Financial Viability Report. M/s SBI CAPs have prepared the Project Information Memorandum for investors and lenders. M/s KITCO Ltd has been appointed as the Project Consultants for Terminal Buildings and Cityside Works.

M/s Larsen and Toubro Limited has been awarded the contracts for Runway and Airside Works for Rs 694 Crore and Terminal Buildings and Cityside Works for Rs 498 Crore. Both the Runway and Terminal Building works have achieved significant progress.

The details of Detailed Project Report (DPR) and Project's Information Memorandum (IM) are available in our website 'www.kannurairport.in'.

1.2 FINANCIAL

KIAL was incorporated with an authorized capital of the Rs.1000 crores. The equity share capital structure is as follows:

The Equity Share Capital structure is made up as follows:

Government of Kerala	-	35% (Land – 31.59%; Cash – 3.41%)
PSUs	-	23%
Airport PSUs	-	20%
Private Sector	-	22%

Of the 23% equity meant for PSUs, BPCL has subscribed 21.68% and the remaining equity has been subscribed by Kerala PSUs. Airports Authority of India has subscribed 10% of the equity meant for Airport PSUs and they have been requested to subscribe the balance 10%. 16% of the Private Sector equity has been tied up and the balance 6% will be tied up through retail individuals in due course.

The total Project Cost is Rs 1892 Crore with a debt equity ratio of 0.89: 1.

The Company has signed the Term Loan Agreement for its debt requirement of Rs 892 Crore with a consortium of banks, viz., Canara Bank (Rs 692 Crore), South Indian Bank (Rs 110 Crore) and Federal Bank (Rs 90 Crore). The Company has commenced draw down of the facility.

The first trial landing of the Airport is expected to be in December 2015 and the commercial operations of the Airport is expected to commence in August 2016/September 2016.

2.0 OBJECTIVES OF THE ASSIGNMENT

The objective of this assignment is to engage an experienced Agency for credit rating of KIAL.

3.0 SCOPE OF SERVICES:

KIAL proposes to invite bids from RBI & SEBI approved Credit Rating Agencies and the Credit Rating Agency's scope of services shall be as under:

3.1 General Provisions:

3.1.1 The Credit Rating Agency shall assess and provide credit rating of KIAL.

The scope of services includes the carrying out the domestic credit rating of KIAL for an amount of Rs. 892 Crores. The rating would be used by the company for debt funds of Rs 892 Crore raised from Banks and/ or for future fund/ non fund based requirements of KIAL from domestic market.

The rating would have interchangeability with fund and non-fund based facility.

The fund based facility would include loan from banks and financial institution.

3.2 General Approach of Services

The Credit Rating Agency shall render the services in the following phases:

- a. Review of relevant existing Data and documentation provided at RFP stage.

- b. Obtaining from Client additional data/documents, their study and analysis for credit rating of KIAL.

4.0 METHODOLOGY, WORK PLAN & SCHEDULE FOR COMPLETION OF TASK:

The methodology, work plan for carrying out the various activities, progress reporting etc. shall be elaborated by the Credit Rating Agency. Regular interactions among the Client's Personnel, Credit Rating Agency Professionals are essentially required for timely completion of the task. The Credit Rating Agency shall elaborate its approach for conducting such interactions at regular intervals.

5.0 COMMENCEMENT OF SERVICES:

The Agency shall give acceptance of Letter of Award within 7 days. The Agency shall commence the services within 7 days of issuance or acceptance of Letter of Award whichever is earlier. The contract shall become effective after 7 day after the date of issue of Letter of Award.

6.0 TIME SCHEDULE:

The time is the essence of the contract and the Agency shall ensure to complete the assigned services within the time period prescribed below from the effective date of contract adhering to the various milestones (starting from the effective date of the contract) as under:

1. *Work/Service Plan Report: 7 Days*
2. *Collection of additional data/documents from KIAL: 7 days*
3. *Submission of Draft Credit Rating Report: 10 Days after obtaining requisite document/information from KIAL.*
4. *Submission of Final Credit Rating Report: 7 days after obtaining approval from KIAL.*

7.0 INFORMATION / DATA TO BE PROVIDED BY KIAL:

Input to Agency by KIAL: KIAL shall provide all the required available information/data to the Credit Rating Agency within 7 days of their demand.

8.0 FINAL OUTPUT REQUIRED FROM THE CREDIT RATING AGENCY

- The Detailed Final Credit Rating Report for Credit Rating of KIAL.

9.0 OFFICER-IN-CHARGE (OIC) TO MONITOR CREDIT RATING AGENCY'S WORK

A nominated Officer In-charge appointed by KIAL will review the progress and coordinate with the Agency.

10.0 MODE OF BILLING AND PAYMENT

Billing and payments in respect of the Services shall be made as follows:

- (A) The Client shall cause to be paid to the Credit Rating Agency as specified here under.
 - (i) No advance payment shall be made.
 - (ii) 50% of rating fee will be released on acceptance of draft credit rating by KIAL.
 - (iii) 25% of rating fee will be released on acceptance of final credit rating by KIAL.
 - (iv) Balance 25% of rating fee shall be released not later than 30 days after submission of Credit Rating Report to KIAL.
 - (v) The fee would be payable within 30 days from the date of receipt of the cenvatable invoice.
- (B) The Client shall cause the payment of the Agency as given in schedule of payment above within thirty (30) days after the receipt by the Client of bills with supporting documents. Only such portion of a bill that is not satisfactorily supported by required documents may be withheld from payment. Should any discrepancy be found to exist between actual payment and costs authorized to be incurred by the Agency, the Client may add or subtract the difference from any subsequent payments. No interest shall be payable as from the above due date on any amount due by, but not paid on such due date. Deductions from the payment be done as per the prevailing laws.

11.0 TAXES DUTIES & LEVIES:

All Taxes, Duties and Levies payable on account of performance of the required services by the Agency under this contract, including corporate income tax shall be payable by the Credit Rating Agency. The TDS shall be deducted under Income Tax Act, 1961 as per rates applicable from time to time, and the Certificate for Tax Deducted at Source (TDS) will be issued by the client to the Agency for further filing of return.

(Ref No. KIAL/RFP/FIN001/2015-16)

SECTION 5. FINANCIAL PROPOSAL STANDARD FORM

- 5A FINANCIAL PROPOSAL SUBMISSION FORM
- 5B. PRICE SCHEDULE.

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5A. FINANCIAL PROPOSAL SUBMISSION FORM

To: [Name and address of Client]

Date

Dear Sirs:

We, the undersigned, offer services for the Credit rating of KIAL in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount (s) in words and figures¹].

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date [Insert Date] indicated in Paragraph 5.90 of Section -2.

“No commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Contract execution.”

We understand you are not bound to accept any Proposal you receive. We

remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: _____

Name of Agency: _____

Address: _____

-
1. Amounts must coincide with the total cost indicated in price schedule in Form 5B.

5B PRICE SCHEDULE

(Tender No. Ref No. KIAL/RFP/FIN001/2015-16)

Sl. No. (1)	Description (2)	Unit (3)	Amount in INR (in Fig.) (4)	Service Tax @-----%	TOTAL (Rs)
1	Initial Rating Fee for the first year for KIAL's Domestic Credit Rating of Rs. 892 Cr.	Lump Sum			

Total amount in words:

**Signature of
Authorized Signatory of the Agency**

(SEAL OF THE AGENCY)

SECTION – 6

FORM OF CONTRACT

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I. FORM OF CONTRACT

This CONTRACT (hereinafter called the "Contract") is made the _____ day of the month of _____, 200 __, between, on the one hand, **KANNUR INTERNATIONAL AIRPORT LIMITED** (hereinafter called _____ the "Owner/Client/KIAL") and, on the other hand, M/S _____ (hereinafter called the "Credit Rating Agency / Agency").

WHEREAS

- (a) The Client has requested the agency for ASSESSMENT and declaration of its Credit rating the (hereinafter called the "Services");
- (b) The agency, having represented to the Client that they shall maintain the confidentiality as per the attached Confidentiality Conditions in Appendix-A and have agreed to provide the Services on the terms and conditions set forth in this Contract.

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract. These documents are to be taken as mutually explanatory of one another. For the purpose of interpretation the priority of documents shall be in accordance with the following sequence:
 - (i) This Agreement
 - (ii) Letter of Award
 - (iii) Terms of Reference
 - (iv) Information to Credit Rating Agency
 - (v) Correspondences exchanged between KIAL and the agency after opening of technical proposal and before issue of Letter of Award
 - (vi) Financial proposal
 - (vii) Technical proposal
2. The mutual rights and obligations of the Client and the agencies shall be as set forth in the Contract; in particular:
 - (a) The agency shall carry out the Services in accordance with the provisions of the Contract; and
 - (b) The Client shall make payments to the agency in accordance with the provisions of the Contract.
3. The agency's obligations under this Agreement shall survive the termination of its appointment to carry out its work with the KIAL regardless of the manner of such termination, and shall be binding upon its successors and assigns.
4. The agency agrees that no failure or delay on the Client part in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof.

5. Any amendments, changes or modifications to this Agreement must be in writing and executed by authorized officials of both the Parties to this agreement.
6. This Agreement constitutes the entire agreement of the agency and the Client with respect to the subject matter thereof and supersedes any and all prior understandings and agreements between the client and the agency
7. Any disputes, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance the Arbitration and Conciliation Act, 1996 by a sole arbitrator appointed by MD, KIAL, Thiruvananthapuram. The place of arbitration shall be Thiruvananthapuram/Kannur and the language to be used in the arbitral proceedings shall be English. The award of the sole arbitrator shall be final and binding on both parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of:
Kannur International Airport Limited

For and on behalf of:
(Name of the Agency)

Name of Authorized Signatory:
Designation:

Name of Authorized Signatory:
Designation:

WITNESS:

1.0

2.0

Note: If the Agency consists of more than one entity, all of these entities should appear as signatories, e.g., in the following manner:]

Appendix-A

CONFIDENTIALITY CONDITIONS

Kannur International Airport Limited, a company registered under Companies Act, 1956 and having its registered office at 'Parvathy', T.C 36/1, N H Bypass, Chacka, Thiruvananthapuram, Kerala-695024 (hereinafter called as the "Client"/ "KIAL") and M/s (name of the Rating Agency) (hereinafter referred as the "Credit Rating Agency/Agency.").

RECITALS

WHEREAS, the Client has provided or will provide information to agency to facilitate assessment of the Credit Rating to be made by the Credit Rating Agency.

As part of its work/services, the agency will receive certain strictly confidential or proprietary information, including, but not limited to, data, records, reports, correspondence, notes, studies, documents and contract formats, and other information disclosed about the Company directly or indirectly by the Company and/or its respective affiliates, Credit Rating Agencies, advisors and management (the "Confidential Information").

Any Confidential Information disclosed by the Client and/or any of its respective affiliates, management, Credit Rating Agencies, directors, advisors or agents under this Agreement, irrespective of whether it is marked confidential or not, shall be treated by the agency as confidential.

In consideration for the Client agreeing to disclose the Information to agency, agency hereby undertakes and agrees as follows:

1. Agency undertakes that any information which the Client disclose to the agency, or to any director, officer, employee, agent or other representative of the agency, in any form which in any way is required agency's work/service with KIAL shall be retained in strict confidence and shall not be disclosed or caused or permitted to be disclosed or discussed, published, reproduced or otherwise directly or indirectly to any third party without KIAL's prior written approval and shall not be used by the agency for any reason other than to conduct the work assigned to him by KIAL. The obligation of agency to retain Confidential Information in confidence shall not apply to:
 - a) Information which is now in or hereafter enters the public domain beyond the control of the agency and without its violation of this Agreement; or
 - b) Such information, which the agency discloses under operation of law, rule or legal process;

Provided, however, that (i) the burden shall be on the agency to prove the applicability of one or more of the foregoing exceptions by documentary evidence should the Client question the applicability of such exceptions; (ii) as to exception (b), agency provides the Client with prompt written notice of any request or legal proceeding through which agency may be required to disclose such Information under operation of law, rule or legal process.

2. The agency agrees to use the Confidential Information solely for the purpose of the work assigned for and for no other purpose.
3. The agency agrees not take copies of the Confidential Information without the prior written request of the Client.
4. The agency agrees to transmit the Confidential Information only to those directors, officers, employees, agents or other representatives who need access to the Confidential Information for the purpose of carrying out its work for the Client and who are informed by the agency of the confidential nature of the Confidential Information and who agree to be bound by the terms of this Agreement. Agency further agrees to be responsible for any breach of this Agreement by the agency or any director, officer, employee or other representative of Credit Rating Agency.
5. The agency agrees that all Confidential Information and documents disclosed to the agency hereunder shall be and remains exclusive property of the Client. Any tangible form of the Confidential Information including, but not limited to, documents, papers, computer diskettes and electronically transmitted Information shall be destroyed by the agency or returned together with all copies thereof to the Client promptly upon its request. If such tangible form of the Confidential Information is destroyed, a certification of such destruction executed by a duly authorized officer of the agency shall be delivered to the Client.