Draft Concession Agreement

Between

Department of Housing and Urban Development, Government of Punjab
 Acting Through
 Amritsar Development Authority (ADA)

AND

..............[Concessionaire]

AND

..............[Selected Bidder]

For

Development of Commercial Complex cum Convention Centre, Amritsar on Design, Build, Finance, Operate and Transfer (DBFOT) basis

Updated On: 13th January 2021

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Development of Commercial Complex cum Convention Centre in Amritsar on DBFOT basis

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Part I
Preliminary
CONCESSION AGREEMENT

THIS AGREEMENT is entered into on the __________ day of ______________________________ 2021 at ________________________________.

BETWEEN

The Governor of the State of Punjab, in his executive capacity on behalf of the Government of the State of Punjab, through Department of Housing and Urban Development, further through Amritsar Development Authority (ADA), represented by the ________________ and having its principal office at ________________ (hereinafter referred to as the “Authority” or the “Concessioning Authority” which expression shall, unless the context otherwise requires, include its administrators, successors and assigns) of ONE PART;

AND

M/s ________________ incorporated under the ________________ represented by the ________________ and having its registered office at ________________ (hereinafter referred to as the “Concessionaire” which expression shall, unless the context otherwise requires) of the SECOND PART.

AND

M/s ________________ incorporated under the ________________ represented by the ________________ and having its registered office at ________________ (hereinafter referred to as the “Selected Bidder” which expression shall, unless the context otherwise requires) of the THIRD PART.

OR

{Consortium of i) M/s ________________{Lead Member} incorporated under the ________________ and having its registered office at ________________, ii) M/s ________________{Consortium Member 2} incorporated under the ________________ and having its registered office at ________________, and iii) M/s ________________{Consortium Member 3} incorporated under the ________________ and having its registered office at ________________, (hereinafter referred to as the “Selected Bidder” which expression shall, unless the context otherwise requires) of the THIRD PART.}

Each party hereto shall be individually referred to as the “Party” and jointly referred to as the “Parties”.

Section 2 – Draft Concession Agreement

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WHEREAS

A. The Concessioning Authority intends to develop an international-standard Commercial Complex cum Convention Centre located at Amritsar through Public Private Partnership (PPP) mode on Design, Build, Finance, Operate and Transfer (DBFOT) format ("the Project") for a period of 99 years (hereinafter referred to as the “Project”).

B. The Concessioning Authority is in possession of the Project Site, as per the Schedule – 1, which shall be given on lease by the Concessioning Authority to the Concessionaire.

C. The Authority has designated Punjab Infrastructure Development Board ("PIDB") as the nodal agency, on behalf of the Authority, for selection of a private sector player for the implementation of the Project. PIDB had accordingly, prescribed technical and commercial terms and conditions and invited proposals (the “Request for Proposal” or “RFP”) from the interested bidders for execution of the above referred Project on PPP basis in DBFOT format.

D. After evaluation of the bids received, PIDB, on behalf of the Authority, had accepted the bid of the …………………………….{selected bidder/ Consortium} and issued its Letter of Award No. ……..dated......... (hereinafter called the "LOA") to the {selected bidder / Consortium} requiring, inter alia, the execution of this Concession Agreement within 60 (sixty) days of the date of issue thereof.

E. {The selected bidder/ Consortium has requested PIDB and the Authority to accept the Concessionaire as the entity which shall undertake and perform the obligations and exercise the rights of the selected bidder/ Consortium under the LOA,} including the obligation to enter into this Concession Agreement pursuant to the LOA for executing the Project.

F. _______[Single Entity/ Consortium] has promoted the Concessionaire (“Special Purpose Vehicle” or “SPV”) in accordance with the terms of the RFP and has requested PIDB and the Authority through a letter bearing number ___ dated ____ to accept the Concessionaire as the entity which shall undertake and perform the obligations and exercise the rights of the Selected Bidder under the Letter of Award, including the obligation to enter into this Agreement pursuant to the Letter of Award for implementing the Project.

G. {By its letter dated ........, the Concessionaire has also joined in the said request of the selected bidder / Consortium to PIDB and the Authority to accept it as the entity which shall undertake and perform the obligations and exercise the rights of the selected bidder / Consortium including the obligation to enter into this Concession Agreement pursuant to the LOA. The Concessionaire has further represented to the effect that it has been promoted by the Consortium for the purposes hereof).

H. The Selected Bidder has, in compliance with the terms of the LoA and as per the RFP, made the following payments on behalf of the Concessionaire to the Concessioning Authority:
   a. **Upfront Premium** - As amount of INR 5,00,00,000/- (Rupees Five Crore only), being the Upfront Premium, by means of bank draft / demand draft dated
Development of Commercial Complex cum Convention Centre in Amritsar on DBFOT basis

1. In response to the Selected Bidder / Concessionaire complying with the terms of the LoA, the Authority has agreed to the said request of the {selected bidder/ Consortium} and the Concessionaire, and has accordingly agreed to enter into this Concession Agreement with the Concessionaire for execution of the Project on DBFOT basis, subject to and on the terms and conditions set forth hereinafter.

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

If applicable

To be submitted in case where the Selected Bidder doesn’t meet the Technical Capacity-1 at the RFP stage by itself and chooses to submit an undertaking that a) it shall appoint an Operating Partner, which meets the Technical Capacity 1 as per the RFP and b) that the Operating Partner shall operate the Convention Centre and Hotel during the Operator Lock-in Period.
ARTICLE 1 : DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

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

1) (“Additional Performance Security” means a Bank Guarantee for an amount as defined in Article 9.4 of Concession Agreement; submitted by the Concessionaire towards fulfilment of its obligation for on-boarding an Operating Partner for the operations and maintenance of the Convention Centre / Hotel during the Operator Lock-in Period.)

2) “Agreement” or “Concession Agreement” means this Agreement, its Recitals, the Schedules, hereto, the RFP and any amendments thereto made in accordance with the provisions contained in this Agreement and the Letter of Award issued by PIDB, on behalf of the Authority.

3) “Adjusted Equity” means the Equity funded in Indian Rupees and adjusted on the first day of the current month (the “Reference Date”), in the manner set forth below, to reflect the change in its value on account of depreciation and variations in WPI, and for any Reference Date occurring:
   a. on or before COD, the Adjusted Equity shall be a sum equal to the Equity funded in Indian Rupees and expended on the Total Project Cost, revised to the extent of one half of the variation in WPI occurring between the first day of the month of Appointed Date and the Reference Date;
   b. from COD and until the fourth (4th) anniversary thereof, an amount equal to the Adjusted Equity as on COD shall be deemed to be the base (the “Base Adjusted Equity”) and the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, revised at the commencement of each month following COD to the extent of variation in WPI occurring between COD and the Reference Date; and
   c. after the fourth (4th) anniversary of COD, the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, reduced by zero point zero eight percent (0.08%) thereof at the commencement of each month following the fourth (4th) anniversary of COD and the amount so arrived at shall be revised to the extent of variation in WPI occurring between COD and the Reference Date;

For the avoidance of doubt, the Adjusted Equity shall, in the event of Termination, be computed as on the Reference Date immediately preceding the Transfer Date; provided that no reduction in the Adjusted Equity shall be made for a period equal to the duration, if any, for which the Concession Period is extended, but the revision on account of WPI shall continue to be made;

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3To be submitted only in case where the Selected Bidder doesn’t meet the Technical Capacity-1 at the RFP stage by itself and is hence required to on-board an Operating Partner for operations.
4) “Annual Concession Fee” or “ACF” means as described in Article 19.4 of this Agreement.

5) “Annuity” means as defined in the Article 19.4 of this Agreement.

6) “Applicable Laws” means all laws which are applicable to the Project and / or the Concessionaire extending to the State of Punjab, having been enacted or brought into force by Government of India or Government of Punjab including regulations and rules made thereunder, and judgments, decrees, injunctions, writs and orders of any Court of Record, as may be in force and effect during the subsistence of this Agreement.

7) “Appointed Date” means the latter of the date of issuance of the Compliance Certificate to the Concessioning Authority or Concessionaire under Article 4.3 and shall be deemed date of commencement of the Concession Period. For the avoidance of doubt, every Condition Precedent shall have been satisfied or waived prior to Appointed Date.

8) “Applicable Permits” means, means all clearances, licences, permits, authorisations, no objection certificates, consents, approvals and exemptions required to be obtained or maintained under Applicable Laws in connection with the implementation of the Project during the subsistence of this Agreement.

9) “Associates” means in relation to either Party and / or Consortium partners, a person who controls, is controlled by, or is under the common control with such Party or Consortium Member. As used in this definition, the expression “control” means with respect to a person which is a corporation, the ownership, directly or indirectly, of more than 50% of the voting shares of such person, and with respect to a person which is not a corporation, the power to direct the management and policies of such person, whether by operation of law or by contract or otherwise.

10) “Audit Report” means as defined in Article 12.4.4.

11) “Authority” or “Concessioning Authority” means Department of Housing and Urban Development, Government of Punjab, acting through, Amritsar Development Authority (ADA).

12) “Authority Default” means the event where the Authority has failed to cure or rectify a breach, committed by it, within the Cure Period granted in the Notice of Breach issued by the Concessionaire to the Authority. Events of Authority’s Default are provided in ARTICLE 25.

13) “Bid” or “Proposal” means the Concessionaire's quoted Financial Proposal and Technical Proposal for the Project, including the Concessionaire’s Proposal, submitted to the Concessioning Authority and as accepted by the Concessioning Authority.

14) “Bid Security” or “Proposal Security” means the security provided by the Selected Bidder to the Authority along with the Bid / Proposal in the sum of INR ............. (Rupees...............crore) in accordance with the Instructions to Bidders (ITB) and which is to remain in force until substituted by the Construction Performance Security.
15) “Building Plan Approval” means the statutory approval or sanction on the plans/drawings of a building by the competent local authority, which is required as a pre-condition to initiate construction work of the said building.

16) “Compliance Certificate” means the certificate defined in Article 4.3.3.

17) “COD” means the commercial operations date of the Project which shall be the date on which the Construction Completion Certificate for Mandatory Development Obligations is issued by the Authority to the Concessionaire.

18) “Commercial Charges” means the charges and all other sources of revenue or amounts of money by whatever name called that are payable by users from time to time to the Concessionaire/Concessioning Authority, as specified in ARTICLE 20 of the Concession Agreement.

19) “Competent Authority” or “Government Instrumentality” means any agency, authority, department, ministry, public or statutory person of the Government of Punjab or Government of India, or any local authority, or any other sub-division thereof with authority over aspects of implementation of the Project having jurisdiction over all or any part of the Project or the performance of all or any of the services or obligations of the Concessionaire under or pursuant to this Concession Agreement.

20) “Concession” means as defined in Article 3.1.

21) “Concessionaire” shall have the meaning attributed thereto in the array of Parties hereinabove as set forth in the Recitals.

22) “Concession Period” means the period for which this Concession is granted, commencing from the Appointed Date, as mentioned in the RFP and Concession Agreement hereof.

23) “Conditions Precedent” means the conditions set out in ARTICLE 4 thereof.

24) “Construction Completion Certificate” means the certificate issued under ARTICLE 14.

25) “Construction Period” means the period from the Appointed Date to the date of issue of Construction Completion Certificate, wherein the construction of the Mandatory Development Obligations has been completed and made operational, as per Schedule 3 and all other applicable provisions of this Concession Agreement.

26) “Contractor” means the person or persons, as the case may be, with whom the Concessionaire has entered into any of the EPC Contract, the O&M Contract, or any other agreement or contract for construction, operation and/or maintenance of the Project Facilities or matters incidental thereto, but does not include a person who has entered into an agreement for providing financial assistance to the Concessionaire;
27) **“Cost”** means all expenditure incurred (or to be incurred) by the Concessionaire, on the Project, including overheads and similar charges, but does not include profit.

28) **“Commercial Complex”** means all Project Facilities, other than Convention Centre & associated infrastructure, as planned and developed on the Site.

29) **“Convention Centre”** means as described in Schedule 3 to this Agreement.

30) **“Concessionaire Default”** means the event where the Concessionaire has failed to cure or rectify a breach, committed by it, within the Cure Period granted in the Notice of Breach issued by the Authority to the Concessionaire. Events of Concessionaire’s Default are provided in ARTICLE 25.

31) **“Covered Area”** of a building shall be as defined in The Punjab Urban Planning and Development Building Rules, 2018.

32) **“Cure Period”** means the period specified in this Agreement for curing any breach or default of any provision of this Agreement by a Party, and shall commence from the date on which a Notice of Breach is delivered by the other Party to the Party which has conducted the breach, asking the latter to cure the breach or default specified in such notice;

33) **“Damages”** mean the damages payable by either Party to the other Party / Parties, as set forth in this Agreement, whether on per diem basis or otherwise, are mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Party entitled to receive the same and are not by way of penalty.

34) **“Day”** means calendar day, **“Month”** means 30 (thirty) days and **“Year”** means 365 days.

35) **“Debt Due”** means the aggregate of the following sums expressed in Indian Rupees outstanding on the Transfer Date:
   a) the principal amount of the debt provided by the Senior Lenders under the Financing Agreements for financing the Total Project Cost (the "principal") but excluding any part of the principal that had fallen due for repayment two years prior to the Transfer Date;
   b) all accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in Sub-clause (a) above until the Transfer Date but excluding (i) any interest, fees or charges that had fallen due one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to any Senior Lender, due to any reason including delayed principal / interest payments and (iii) any pre-payment charges in relation to accelerated repayment of debt except where such charges have arisen due to Authority Default; and
   c) any Subordinated Debt which is included in the Financial Package and disbursed by lenders for financing the Total Project Cost; provided that if all or any part of the Debt Due is convertible into Equity at the option of Senior Lenders and/or the Concessionaire, it shall for the purposes of this Agreement be deemed to be Debt Due even after such conversion and the principal thereof shall be dealt with as if such conversion had not been undertaken;
provided further that the debt due shall in no case exceed 70% (seventy percent) of the Total Project Cost.

36) “Directive” means any present or future requirement, instruction, direction, order, rule or regulation issued by any Competent Authority which is legally binding, or which is notified by the Concessioning Authority to the Concessionaire, and any modification, extension or replacement thereof from time to time in force.

37) “DPR” means Detailed Project Report as per Article 5.10;

38) “Drawings” means all of the detailed drawings, calculations and documents pertaining to the Project Facilities, prepared in line with the approved DPR and shall include ‘as built’ drawings of the Project Facilities;

39) “Encumbrances” mean any encumbrances such as mortgage, charge, pledge, lien, hypothecation, security, interest, assignment, privilege or priority of any kind having the effect of security or other such obligations and shall include without limitation any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the Project, physical encumbrances or encroachments on the Facility where applicable herein.

40) “Escrow Account” means an Account which the Concessionaire shall open and maintain with a bank in which all inflows and outflows of cash on account of capital & revenue receipts and expenditures shall be credited and debited, as the case may be, in accordance with the provisions of this Agreement, and includes the Sub-Accounts of such Escrow Account;

41) “Escrow Agreement” shall have the meaning set forth in Article 20.1;

42) “Escrow Bank” means as set forth in Article 20.1;

43) “Equity” means the sum expressed in Indian Rupees representing the equity share capital of the Concessionaire and shall include the funds advanced by any Consortium Member or by any of the shareholders of the Concessionaire for meeting the equity component of the Total Project Cost.

44) “FAR” means the Floor Area Ratio, as defined in The Punjab Urban Planning and Development Building Rules, 2018 and as specified in Schedule 1.

45) “Finance” means the funds required to design, build, operate, maintain and manage the Project and its components.

46) “Financial Close” means the situation when all the financing agreements for the Project have been signed and all the required conditions contained in them have been met, enabling funds flow towards Project implementation.
47) **“Financial Model”** means the financial model adopted by Senior Lenders, setting forth the capital and operating costs of the Project and revenues therefrom on the basis of which financial viability of the Project has been determined by the Senior Lenders, and includes a description of the assumptions and parameters used for making calculations and projections therein;

48) **“Financial Year”** means the year commencing from 1\textsuperscript{st} April of any calendar year to the 31\textsuperscript{st} March of the next calendar year except in the first and the last calendar year of the subsistence of this Agreement. In the first year of subsistence of this Agreement, it means the period from the Appointed Date to the 31\textsuperscript{st} March of next calendar year. In the last year of subsistence of this agreement, it means the period from 1\textsuperscript{st} April to the Transfer Date.

49) **“Financing Documents”** means the documents executed by the Concessionaire in respect of financing of the Project to be provided by the Senior Lenders by way of loans, guarantees, subscription to non-convertible debentures and other debt instruments including loan agreements, guarantees, notes, debentures, bonds and other debt instruments, security arrangements, and other documents.

50) **“Force Majeure” or “Force Majeure Event”** means an act, event, condition or occurrence specified in the Article 23.1.

51) **“FSI Area”** of any building, expressed in square feet, means total Covered Area, across all floors of the building; and shall be taken as per Building Plan Approval of the said building. The FSI area excludes area towards basement and parking.

Further, **“Total FSI Area”** of the Project means a product of FAR and the land area of the Site, expressed in square feet, as per Schedule 1.

It is further clarified that the aggregate FSI Area of all buildings planned, developed or to be developed on the Site shall in no case exceed the Total FSI Area.

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

53) **“Ground Coverage”**, expressed in percentage, means the ratio of maximum allowed built-up area on ground level to the total land area of the Site; and as specified in Schedule 1.

54) **“Independent Engineer(s)”** means a person with relevant expertise as detailed in Article 34;

55) **“Lease Deed”** means the lease deed entered into between the Concessionaire and the Authority for the Site as per the format provided in the Schedules to this Concession Agreement.
56) “Lease Rental” means as defined in Article 19 of this Agreement.

57) “Material Adverse Effect” means consequences of events outside the control of the Affected Party which (a) render any right vested in a Party by the terms of this Concession ineffective, or (b) significantly impairs or frustrates the ability of any Party to observe and perform in a timely manner its obligations under this Concession Agreement, or (c) frustrates a material provisions of this Concession Agreement or any of the Project Agreements.

58) “Mandatory Development Obligations” shall have the meaning as ascribed to in Schedule 3.

59) “Necessary Applicable Permits” shall mean Applicable Permits which are necessary to be procured by the Concessionaire for execution of the Project, as a Conditions Precedent, unless waived by the Authority; and shall include permits as mentioned in Schedule 5 to this Agreement.

60) “Notice of Breach” means the notice issued by a Party intimating the other Party about a breach of its obligation as per this Agreement, on issue of which notice, the Cure Period shall commence as per provisions of ARTICLE 25.

61) “O&M Expenses” means expenses incurred by or on behalf of the Concessionaire or by the Authority, as the case may be, for all O&M of Mandatory Development Obligations including (a) cost of salaries and other compensation to employees, (b) cost of materials, supplies, utilities and other services, (c) premia for insurance, (d) all taxes, duties, cess and fees due and payable for O&M, (e) all repair, replacement, reconstruction, reinstatement, improvement and maintenance costs, (f) payments required to be made under any O&M contract, or any other contract in connection with or incidental to O&M, and (g) all other expenditure required to be incurred under Applicable Laws, Applicable Permits or this Agreement. However, O&M Expenses shall not include any cost and expense related to O&M of Optional Project Facilities;

62) "Occupation Certificate" means the statutory approval by a competent local authority certifying a building's completion, compliance with applicable building codes and fitness for occupancy.

63) “Operating Partner” means a third-party professional operator who has been selected prior to COD, by the Concessionaire to operate and maintain the Convention Centre and Hotel, as mentioned in Article 16.1.2

64) “Operator Lock-in Period”, if applicable, shall mean a period from COD till COD+60 months, wherein the Operating Partner or Replacement Operating Partner shall operate the Convention Centre and Hotel.

65) “Operations Period” or “O&M Period” means the period commencing from the COD and terminating at the Transfer Date.
66) “Optional Project Facilities” means the real estate development, including all the amenities and facilities required as basic and support infrastructure for such development, which the Concessionaire is allowed to develop on the Project Site, besides the Mandatory Development Obligations and as described in greater detail in Schedule 3.

67) “O&M Contract” means the agreement entered into between the Concessionaire and the Operating Partner for the purpose of operations and maintenance of the Convention Centre / Hotel.

68) “Party” means any of the parties to this Concession Agreement.

69) “Performance Security” means a Bank Guarantee for an amount as defined in Article 9.1 of Concession Agreement, submitted by the Concessionaire towards fulfilment of its obligations under this Agreement. The Performance Security may mean either of:
   a. Construction Performance Security, to be valid till 6 months beyond the COD.
   b. Operations Performance Security, to be valid from COD till 6 months beyond the Transfer Date.

70) “Person” means any natural person, firm, corporation, company, partnership, joint venture, trust or other entity, having legal capacity to sue and be sued in its name.

71) “Phase” means as defined in Article 19.4 of this Agreement.

72) “Project” means the project involving planning, set-up, design, construction, finance, operation and maintenance of the Project Facilities as a part of the Commercial Complex cum Convention Centre, Amritsar to be implemented on PPP basis, as per the terms and conditions of the RFP and this Concession Agreement and Schedules hereof and transfer of the same to the Concessioning Authority at the end of the Concession Period or on prior to termination of the Concession Agreement.

73) “Project Assets” means all physical and other assets relating to and forming part of the Site including:
   a) Rights over the Site in the form of lease, licence, Right of Way or otherwise;
   b) Tangible assets such as civil works and equipment including foundations, embankments, pavements, interchanges, bridges, drainage works, electrical systems, communication systems, rest areas and administrative offices;
   c) Project Facilities situated on the Site;
   d) Buildings and immovable fixtures or structures forming part of Project;
   e) All rights of the Concessionaire under the Project Agreements;
   f) Financial assets, such as receivables, security deposits etc;
   g) Insurance proceeds and
   h) Clearances, Approvals and authorisations relating to or in respect of the Project.

74) “Project Agreements” means, collectively, this Concession Agreement, the Financing Documents, hire purchase agreements, Implementation Agreements, sub-lease/ sub-license
agreements and O&M Contract, in each case as amended, supplemented or otherwise modified from time to time.

75) “Project Completion Schedule” means the progressive Project Milestones set forth for completion of the Mandatory Development Obligations on or before the Schedule Completion Date;

76) “Project Facilities” means and includes Mandatory Development Obligations and Optional Project Facilities designed, developed and constructed as a part of the Project and as described in greater detail in Schedule 3.

77) “Project Insurance” means the insurance taken out by or on behalf of the Concessionaire pursuant to the provisions of this Concession Agreement.

78) “Project Milestone” means the project milestones, as forth in Schedule 11, for completion of Mandatory Development Obligations;

79) “Project Revenue” means all Commercial Charges, tariff, fees, deposits and amounts received by or paid to the Concessionaire from or with respect to the Project Facilities, for services provided and maintenance charges for the Project Facilities and other tariff and charges including maintenance charges for services provided to the users;

80) “Replacement Operating Partner” means a third-party professional operator, selected to operate the Convention Centre and Hotel anytime during the Operator Lock in Period, as a replacement to the Operating Partner, as per Article 16.1.2;

81) “RFP” means the Request for Proposal document issued by the Concessioning Authority. The terms "RFP" and "Request for Proposal" are synonymous with "Tender Documents" and "Bidding Documents".

82) “Schedules” mean the Schedules to this Concession Agreement.

83) “Scheduled Completion Date” means the scheduled date for achieving the COD, as set forth in Article 12.4 and Schedule 11;

84) “Senior Lender” means the financial institutions, funds and banks who have advanced or agreed to advance term loan to the Concessionaire under any of the Financing Documents for meeting all or part of the Total Project Cost.

85) “Show Cause Notice” means the notice given by the Authority to the Concessionaire informing the Concessionaire of its intention to forfeit the Additional Performance Security, as mentioned in Article 9.4.

86) “Shortfall in Project Milestone” means as described in Article 12.4.4.
87) “Specifications and Standards” means the specifications and standards relating to the quality, quantity, capacity and other requirements for the Mandatory Development Obligations, and any modifications thereof, or additions thereto, as included in the design and engineering for the Mandatory Development Obligations submitted by the Concessionaire to, and expressly approved by the Authority.

88) “Statutory Auditors” means an independent, recognised and reputed firm of the chartered accountants duly licensed to practice in India acting as the Independent statutory auditors of the Concessionaire under the provisions of Companies Act, 1956/2013, including any statutory modification or re-enactment or replacement thereof, for the time being in force.

89) “Subordinated Debt” means the aggregate of the following sums expressed in Indian Rupees or in the currency of debt, as the case may be, outstanding as on the Transfer Date:

a) the principal amount of debt provided by lenders to the Concessionaire for meeting the Total Project Cost and subordinated to the financial assistance provided by the Senior Lenders; and

b) all accrued interest on the debt referred to in Sub-clause (a) above but restricted to the lesser of actual interest rate and a rate equal to 5% (five per cent) above the Bank Rate in case of loans expressed in Indian Rupees and lesser of the actual interest rate and six-month LIBOR (London Inter Bank Offer Rate) plus 2% (two per cent) in case of loans expressed in foreign currency, but does not include any interest that had fallen due one year prior to the Transfer Date; further, all penal interest or penalties for delayed principal repayments or any other defaults will not be included.

Provided that if all or any part of the Subordinated Debt is convertible into equity at the option of the lenders and/or the Concessionaire, it shall for the purposes of this Agreement be deemed to be Subordinated Debt even after such conversion and the principal thereof shall be dealt with as if such conversion had not been undertaken.

90) “Selected Bidder” means the shortlisted bidder after evaluation as per RFP, to whom Letter of Award is issued by PIDB, on behalf of the Authority.

91) “Substitution Agreement” means as defined in Article 27.3;

92) “Tax” means any tax, duty, levy, charge whatsoever charged, imposed or levied under Applicable Laws. Here, for this Project, the Concessionaire shall, at its own cost, pay all applicable existing and future taxes/charges/fees/levies including the property tax, house tax, service tax, stamp duty, registration charges and any other charges payable/leviable in respect of the said Project.

93) “Termination Date” means the date on which this Concession Agreement terminates by efflux of time or due to issue of Termination Notice, in which event the date as mentioned in the Termination Notice shall be the Termination Date.
94) “Termination Notice” means the communication issued in accordance with this Concession Agreement by a Party to the other Party for terminating this Concession Agreement.

95) “Termination Payment” means the amount payable by the Concessioning Authority to the Concessionaire upon the termination of this Concession Agreement.

96) “Third Party” means any Person, real or judicial, or entity other than the Parties to this Concession Agreement.

97) “Total Project Cost” means the lowest of the following:
   a) Capital Cost of Mandatory Development Obligations as set forth in the Financing Documents;
   b) Actual Capital Cost of the Mandatory Development Obligations upon completion of the Project as certified by Statutory Auditors;
   c) Project cost as per the Bid Documents – INR 150 crore⁴.

98) “Transfer Date” means the day immediately following the last day of the Concession Period, including any extensions thereto or earlier termination thereof, in accordance with the terms of the Concession Agreement.

99) “Upfront Premium” means as defined in Article 19 of this Agreement.

100) “Works” or “Construction Works” means to set-up, design, build, finance, operate and maintain the Project as the context may require, and all the appurtenances thereof, any other permanent, temporary or urgent works required under this Concession Agreement.

⁴ CAPEX of Minimum Development Obligations only
1.2 Interpretation

1.2.1 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 for modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder;
B. Reference to laws of Government of India or Indian Laws or state Laws or regulation having force of law shall include the laws, acts, ordinances, rules, regulations, guidelines or byelaws which have the force of law in state of Punjab;
C. References to a "person" and words denoting a natural person shall be construed as a reference to any individual, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and shall include successors and assigns;
D. The Table of Contents, headings and sub-headings are for convenience and reference only and shall not be used in and shall not affect, the construction or interpretation of this Agreement;
E. The words "include" and "including" are to be construed without limitation and shall be deemed to be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases;
F. Reference to “construction” or “building” include, unless the context otherwise requires, investigation, design, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction, and “construct” or “build” shall be construed accordingly.
G. References to “development” include, unless the context otherwise requires, construction, renovation, refurbishing, augmentation, upgradation and other activities incidental thereto, and “develop” shall be construed accordingly;
H. Any reference to any period of time shall mean a reference to that according to Indian Standard Time;
I. Reference to an “Accounting Year” shall mean the financial year commencing from the first day of April of any calendar year and ending on the thirty-first day of March of the next calendar year;
J. Words importing Person or Parties shall include firms and corporations and any organisation having legal capacity to sue and be sued in its name;
K. Words importing the singular shall include the plural and vice-versa where the Concession requires;
L. References to a "business day" shall be construed as a reference to a day (other than a Sunday) on which banks in Amritsar are generally open for business;
M. Any reference to day shall mean a reference to a calendar day;
N. Any reference to month shall mean a reference to a calendar month as per Gregorian Calendar;
O. References to any date, period or Project Milestone shall mean and include such date, period or Project Milestone as may be extended pursuant to this Agreement;
P. The Schedules of 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;
Q. Any reference at any time to any agreement, deed, instrument or document of any description shall be construed as reference to that agreement, deed, instrument or other
document as amended, varied, supplemented, modified or suspended at the time of such reference;

R. References to recitals, Articles, sub-articles or Schedules in this Agreement shall, except where the context otherwise requires, be deemed to be references to recitals, Articles, sub-articles and Schedules of or to this Agreement;

S. References to the "winding-up", "dissolution", "insolvency", or "reorganization" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, arrangement, protection of debtors;

T. Any Agreement, consent, approval, authorisation, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effective only if it is in writing under the hands of duly authorised representative of such party, as the case may be, in this behalf and not otherwise;

U. Any reference to any period commencing “from” a specified day or date and “till” or “until” a specified day or date shall include both such days or dates; provided that if the last day of any period computed under this Agreement is not a business day, then the period shall run until the end of next business day.

V. The damages payable by either Party to the other as set forth in this Agreement, whether on per diem basis or otherwise, are mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Party entitled to receive the same and are not by way of penalty.

W. Time shall be of the essence in the performance of the Parties’ respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence.

1.2.2 Unless expressly provided otherwise in this Agreement, any Documentation required to be provided or furnished by the Concessionaire to the Authority and/ or the Independent Engineer(s) shall be provided free of cost and in three copies, and if the Authority and/or the Independent Engineer(s) is required to return any such Documentation with their comments and/or approval, they shall be entitled to retain two copies thereof.

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

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

1.3 Measurements and Arithmetic Conventions

1.3.1 All measurements and calculations shall be in metric system and calculations done in 2 decimals places, with the third digit of 5 or above rounded up and below 5 belong down except in Fee calculation which shall be rounded off to nearest Indian Rupee Hundred (100).
1.4 Priority of Agreements, clauses and schedules

1.4.1 This Agreement, and all other agreements and documents forming part of or referred to in this agreement are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this Agreement, the priority of this Agreement and other documents and agreements forming part hereof or referred to herein shall, in the event of any conflict between them, be in the following order:
   a. This Agreement; and
   b. All other agreements and documents forming part hereof or referred to herein;
      i.e. the agreement at (a) above shall prevail over the documents at (b) above.

1.4.2 In case of ambiguities or discrepancies within this Agreement, the following shall apply:
   a. Between two or more Clauses / Articles of this Agreement, the provisions of a specific Clause / Articles relevant to the issue under consideration shall prevail over those in other Clauses/ Articles;
   b. Between the Clauses/ Articles of this Agreement and the Schedules, the Clauses / Articles shall prevail and between Schedules and Annexes, the Schedules shall prevail;
   c. Between any two Schedules, the Schedule relevant to the issue shall prevail;
   d. Between the written description on the Drawings and the Specifications and Standards, the latter shall prevail;
   e. Between the dimension scaled from the Drawing and its specific written dimension, the latter shall prevail; and
   f. Between any value written in numerals and that in words, the latter shall prevail.

1.5 Priority of Documents

1.5.1 The documents forming this Concession Agreement are to be taken as mutually explanatory of one another. If there is an ambiguity or discrepancy in the documents, the Concessioning Authority shall issue any necessary clarification or instruction to the Concessionaire, and the priority of the documents shall be as follows:
   a. This signed Concession Agreement (including its Schedules), along-with any Addendums issued to the RFP document dated ____________;
   b. Instructions to Bidders (ITB) (Section 1 of the RFP document dated ________), enclosed/ attached with this signed Concession Agreement; and
   c. All other documents enclosed / attached with this signed Concession Agreement.
Part II
The Concession
ARTICLE 2: SCOPE OF THE PROJECT

The Concessioning Authority has selected the Concessionaire for development of the Project as per the Scope of the Project as outlined below. The Concessionaire shall develop and operate and maintain the Project accordingly in accordance with the provisions of this Concession Agreement.

2.1 Scope of the Project

2.1.1 The scope of the Project (the "Scope of the Project") shall mean and include, and as further elaborated in Schedule 2, during the Concession Period:

A. To design, finance, construct and develop the Project on the Site as set forth in Schedule 1, as per the Scope outlined in Schedule 2, together with the provision of Project Facilities as specified in Schedule 3, and in adherence to the Specifications and Standards as set forth in Schedule 4.

B. To operate and maintain the Project Facilities, within the specified Concession Period and to keep the Mandatory Development Obligations ready to use (i.e. operational & functional) in all respects during the Concession Period.

C. Performance and fulfilment of all other obligations of the Concessionaire in accordance with the Concession Agreement and matters incidental thereto or necessary for the performance of any or all of the obligations of the Concessionaire under this Concession Agreement.

2.2 Project Facilities

2.2.1 The Concessionaire shall develop the Project comprising of the Project Facilities as described in detail in Schedule 3 ("Project Facilities") which include Mandatory Development Obligations and Optional Project Facilities.

2.2.2 All the Project Facilities shall be developed as per the minimum Specifications and Standards set-out for the purpose in the Schedule 4.

2.2.3 While undertaking development of the Project, the Concessionaire shall adhere to latest amended National Building Code of India, other relevant IS Codes and practices, Development Control Regulations, FAR Limits, statutory requirements, laws of land, the principles of good industry practices and any other norms as applicable from time to time.

2.2.4 The Concessionaire shall be responsible for all the Applicable Permits and Approvals as may be required for the implementation of the Project.

2.2.5 The Concessionaire shall keep the Mandatory Development Obligations ready for operation and use within the Construction Period.
ARTICLE 3  : GRANT OF CONCESSION

3.1  The Concession (“Concession”)

3.1.1  Subject to and in accordance with the terms and conditions set forth in this Concession Agreement, the Concessioning Authority hereby grants to the Concessionaire and the Concessionaire hereby accepts the Concession for a period of 99 (Ninety Nine) years, commencing from the Appointed Date, including the exclusive right, license, authority and authorization during the subsistence of this Agreement, including extension thereof, to design, build, finance, operate, maintain and manage the Project during the Concession Period.

3.1.2  Subject to and in accordance with the provisions of this Agreement, the Concession hereby granted shall oblige or entitle (as the case may be) the Concessionaire to:

a)  Right of way, access and license to the Site for the purpose of and to the extent conferred by the provisions of this Agreement;

b)  design, finance and construct the Project Facilities;

c)  manage, operate and maintain the Project Facilities and regulate the use thereof by third parties;

d)  Demand, collect and appropriate Project Revenues from guests and users, liable for payment of Commercial Charge, for using the Project Facilities or any part thereof and refuse entry of guests if the Commercial Charges due is not paid;

e)  Perform and fulfil all of the Concessionaire's obligations under and in accordance with this Agreement;

f)  Bear and pay all costs, expenses and charges in connection with or incidental to the performance of the obligations of the Concessionaire under this Agreement; and

g)  Neither assign, transfer or sublet, or create any lien or Encumbrance on this Agreement, or on the Concession hereby granted, or on the whole or any part of the Project; nor transfer, or part with the possession of the Project Site thereof, save and except as expressly permitted by this Agreement or the Substitution Agreement;

h)  To enter into sub-contracts, joint development agreement, development management agreements, sub lease or any other kind of arrangements with regards to design, planning, construction, implementation or operations and maintenance of Optional Project Facilities during the term of the Agreement and in a way that does not contravene any of the underlying terms of the Concession under this Agreement.

3.2  Concession Period

3.2.1  The concession period for the Project shall commence from the Appointed Date and shall extend for a period of 99 (Ninety-nine) years from such date (the “Concession Period”).

3.2.2  The Concessionaire shall be required to complete construction of the Mandatory Development Obligations within a pre-defined period from the Appointed Date (“Construction Period”).

3.2.3  For the avoidance of doubt, the Concession Period shall include the Construction Period.
3.2.4 It is hereby made clear that:
   a) In the event of the Concession Period being extended by the Concessioning Authority
      beyond the said period, in accordance with the provisions of this Concession Agreement,
      the Concession Period shall include the period / aggregate period by which the
      Concession is so extended, and
   b) In the event of Termination, the Concession Period shall mean and be limited to the
      period commencing from the Appointed Date and ending with the Termination.

3.2.5 At the end of the Concession Period or early termination of this Concession Agreement for
any reason whatsoever, all rights given under this Concession Agreement shall cease to have
effect and the Project Facilities, in good and operational condition, shall revert to the
Concessioning Authority without any obligation of Concessioning Authority to pay or adjust
any consideration or other payment to the Concessionaire. For more details, please refer
ARTICLE 25 of this Concession Agreement.
ARTICLE 4 : CONDITIONS PRECEDENT

Save and except as expressly provided in ARTICLE 4, ARTICLE 5, ARTICLE 6, ARTICLE 7, ARTICLE 8, ARTICLE 18, ARTICLE 23, ARTICLE 25 or unless the context otherwise requires, the respective rights and obligations of the Parties under this Agreement shall be subject to the satisfaction in full of the conditions precedent specified in this ARTICLE 4 (the “Conditions Precedent”).

4.1 Conditions Precedent for Concessioning Authority

The Concessionaire may, at any time after the signing of this Agreement, by notice require the Authority to satisfy any or all of the Conditions Precedent set forth in this Article 4.1 within a period not exceeding 90 (ninety) days from the date of the Notice, or such longer period not exceeding 180 days from the date of this Agreement, and the Conditions Precedent required to be satisfied by the Authority shall be deemed to have been fulfilled when the Authority shall have:

A. Provided the right of way of the Project Site, free from encumbrances, to the Concessionaire;
B. Appointed an Independent Engineer, as per provisions of ARTICLE 34.

4.2 Conditions Precedent for Concessionaire

The Conditions Precedent, required to be satisfied by the Concessionaire within a period of 180 (one hundred and eighty) days from the date of this Agreement, shall be deemed to have been fulfilled when the Concessionaire shall have:

A. Applied for the Necessary Applicable Permits
B. Achieved Financial Close, executed Financing Agreements and delivered to the Authority, 3 (three) true copies of the Financing Agreements, Financial Package and the Financial Model, duly attested by a Director of the Concessionaire, along with 3 (three) soft copies of the Financial Model in MS Excel version or any substitute thereof, which is acceptable to the Senior Lenders;
C. Executed and procured execution of the Escrow Agreement;
D. Executed and procured execution of the Substitution Agreement and submitted copies of the same to the Authority;
E. Delivered to the Authority from the Selected Bidder confirmation, in original, of the correctness of its representation and warranties set forth in sub-clauses of Article 7.1 of this Agreement;
F. Delivered to the Authority a legal opinion from the legal counsel of the Concessionaire with respect to the authority of the Concessionaire to enter into this Agreement and the enforceability of the provisions thereof;
G. Prepared, submitted and received approval from the Authority of the Detailed Project Report (DPR) as per Article 5.10;

Provided that upon request in writing by the Concessionaire, the Authority may, in its discretion, waive any of the Conditions Precedent set forth in this Article 4.2. For the avoidance of doubt, the Authority may, in its sole discretion, grant any waiver hereunder with such conditions as it may deem fit.
4.3 Obligations to satisfy Condition Precedents

4.3.1 Each Party hereto shall use all reasonable endeavors at its cost and expense to procure the satisfaction, in full, of its respective Conditions Precedent within the time stipulated and shall provide the other Party with such reasonable cooperation as may be required to assist that Party in satisfying the Conditions Precedent for which that Party is responsible.

4.3.2 The Parties shall notify each other in writing at least once a month on the progress made in satisfying the Conditions Precedent. Each Party shall promptly inform the other Party when any Condition Precedent for which it is responsible has been satisfied.

4.3.3 Upon satisfaction of compliance with the Conditions Precedent, each Party shall forthwith issue a Compliance Certificate to the other Party ("Compliance Certificate"), pursuant to which the obligations of the Parties related to Conditions Precedent shall be deemed to be fulfilled.

4.3.4 Notwithstanding anything contained in this clause, the Parties may mutually decide to extend the time period for the fulfillment of the Conditions Precedent.

4.4 Damages for delay and Termination

4.4.1 Damages for delay by the Authority: In the event that
(i) the Authority does not procure fulfillment or waiver of any or all of the Conditions Precedent set forth in Article 4.1 within the period specified in respect thereof, and
(ii) the delay has not occurred as a result of breach of this Agreement by the Concessionaire or due to Force Majeure,

the Authority shall extend the Concession Period for a period reckoned on a day to day basis, equivalent to the number of days of delay attributable to the Authority, subject to a maximum delay of 90 (ninety) days, after expiry of which the Concessionaire may issue a Termination Notice to the Authority. The Agreement shall stand terminated on the expiry of 15 (fifteen) days from the date of issue of Termination Notice.

4.4.2 Damages for delay by the Concessionaire: In the event that
(i) the Concessionaire does not procure fulfillment or waiver of any or all of the Conditions Precedent set forth in Article 4.2 within the period specified in that clause, and
(ii) the delay has not occurred as a result of failure of the Authority to fulfill its obligations under Article 4.1 or other breach of this Agreement by the Authority, or due to Force Majeure,

the Concessionaire shall pay to the Authority, Damages in an amount calculated at the rate of 1% (one per cent) of the Performance Security for each week’s delay until the fulfillment of such Conditions Precedent, subject to a maximum delay of 90 (ninety) days, after expiry of which the Authority may issue a Termination Notice to the Concessionaire. The Agreement shall stand terminated on the expiry of 15 (fifteen) days from the date of issue of Termination Notice.
Provided that the Concessionaire shall not have any right to claim fulfilment of Condition Precedents after expiry of the delay period of 90 days period, unless a waiver or extension is granted by the Authority.

Provided that in the event of delay by the Authority in procuring fulfillment of the Conditions Precedent specified in Article 4.1, no damages shall be due or payable by the Concessionaire under this Article 4.4 until the date on which the Authority shall have procured fulfillment of the Conditions Precedent specified in the Article 4.1.

4.5 Consequence of Termination for delay

4.5.1 Upon termination of this Concession Agreement pursuant to delay / non-fulfilment of Condition Precedents by the Concessionaire:
- The Concessionaire shall transfer all of its rights, title and interest in the Project Assets to the Concessioning Authority;
- The Performance Security, as subsisting, shall be forfeited by the Authority;
- The Upfront Premium paid by the Concessionaire shall be retained, forfeited and appropriated by the Authority;
- {100% of Additional Performance Security, if paid, shall be returned.}

4.5.2 Upon termination of this Concession Agreement pursuant to delay / non-fulfilment of Condition Precedents by the Authority:
- The Concessionaire shall transfer all of its rights, title and interest in the Project Assets to the Concessioning Authority;
- The Performance Security, as subsisting, shall be returned by the Authority to the Concessionaire;
- The Upfront Premium paid by the Concessionaire shall be returned by the Authority;
- {100% of Additional Performance Security, if paid, shall be returned.}

4.6 Commencement of Concession Period

4.6.1 The date on which all the Conditions Precedent specified in Article 4.1 & Article 4.2 are satisfied or waived, as the case may be, and each Party has issued a Compliance Certificate to the other Party towards fulfillment of all Conditions Precedent required thereof, shall be the Appointed Date which shall be the date of commencement of the Concession Period (“Appointed Date”). For the avoidance of doubt, the Parties agree that the Concessionaire may, upon occurrence of the Appointed Date hereunder, by notice convey the particulars thereof to the Authority, and shall thereupon be entitled to commence construction of the Project.
ARTICLE 5 : OBLIGATIONS OF THE CONCESSIONAIRE

5.1 General Obligations

5.1.1 Subject to and on the terms and conditions of this Agreement, the Concessionaire shall, at its own cost and expense, procure finance for and undertake the design, engineering, procurement, up-gradation, construction, operation and maintenance of the Project and observe, fulfill, comply with and perform all its obligations set out in this Agreement or arising hereunder.

5.1.2 Subject to the provisions of Articles 5.1.1, the Concessionaire shall discharge its obligations in accordance with Good Industry Practice and as a reasonable and prudent person.

5.1.3 The Concessionaire shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set out in this Agreement:
   a) Make, or cause to be made, necessary applications to the relevant Government Instrumentalities with such particulars and details as may be required for obtaining all Applicable Permits and obtain and keep in force and effect such Applicable Permits in conformity with the Applicable Laws;
   b) Procure, as required, the appropriate proprietary rights, licences, agreements and permissions for materials, methods, processes and systems used or incorporated into the Project;
   c) Perform and fulfil its obligations under the Financing Agreements;
   d) Make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its Contractors in connection with the performance of its obligations under this Agreement;
   e) Ensure and procure that its Contractors comply with all Applicable Permits and Applicable Laws in the performance by them of any of the Concessionaire's obligations under this Agreement;
   f) Procure and comply with all Applicable Laws and Applicable Permits (including renewals as required) in the performance of its obligations under this Agreement. It is explicitly clarified that the Concessionaire shall be expected to comply with all the Applicable Laws, including any modifications to such Applicable Laws, during the Concession Period, without the Authority being liable or accountable for such changes.
   g) Not do or omit to do any act, deed or thing which may in any manner violate any of the provisions of this Agreement;
   h) Ensure that all the facilities and amenities within the Project are operated and maintained in accordance with Good Industry Practice and Schedule10; and
   i) transfer the Project to the Authority upon expiry or termination of this Agreement, in accordance with the provisions thereof;
   j) Take all reasonable precautions for the prevention of accidents on or about the Site and the Project Facilities and provide all reasonable assistance and emergency medical aid to accident victims;
   k) Make its own arrangements for quarrying, if necessary, and observe and fulfil the environmental and other requirements under the Applicable Laws / Applicable Permits;
Be responsible for safety, soundness and durability of the Project Facilities including all structures forming part thereof and their compliance with the Specifications and Standards.

5.2 Specific Obligations

5.2.1 The Concessionaire shall, before commencement of construction of the Project:
   i. Have requisite organisation and designate and appoint suitable officers/representatives as it may deem appropriate to supervise the Project and to deal with the Independent Engineer and to be responsible for all necessary exchange of information required pursuant to this Agreement;
   ii. Undertake, do and perform all such acts, deeds and things as may be necessary or required to achieve Project completion under and in accordance with this Agreement.

5.2.2 The Concessionaire shall, at all times, afford access to the Project Site, to the authorised representatives of the Authority, the Independent Engineer and officer of any Government Agency having jurisdiction over the Project, including those concerned with safety, security or environmental protection to inspect the Project and to investigate any matter within their authority and upon reasonable notice, the Concessionaire shall provide to such persons reasonable assistance necessary to carry out their respective duties and functions.

5.2.3 The Concessionaire shall be responsible for ensuring that any existing utility on, under or above the Project Site is kept in continuous satisfactory use, if necessary, by the use of suitable temporary or permanent diversions.

5.2.4 The Concessionaire shall bear all costs and charges for special or temporary rights of way required by it in connection with access to the Project Site. The Concessionaire shall obtain at its cost such facilities on or outside the Project Site as may be required by it for the purposes of the Project and the performance of its obligations under this Agreement.

5.2.5 The Concessionaire shall not create any third-party rights on the Project Site. However, the Concessionaire shall be entitled to create a charge on the following in favour of Senior Lenders for the purpose of securing its borrowings for the Project: i) Project Facilities and ii) its rights, benefits and interest in the Concession Agreement and Lease Deed.

5.3 Obligations relating to Project Agreements

5.3.1 It is expressly agreed that the Concessionaire shall, at all times, be responsible and liable for all its obligations under this Agreement notwithstanding anything contained in the Project Agreements or any other agreement, and no default under any Project Agreement shall excuse the Concessionaire from its obligations or liability hereunder.

5.3.2 The Concessionaire shall submit to the Authority the drafts of all Project Agreements, or any amendments or replacements thereto, with regards to Mandatory Development Obligations, for its review and comments, and the Authority shall have the right but not the obligation to undertake such review and provide its comments, if any, to the Concessionaire within thirty
(30) days of the receipt of such drafts. In the event no comments are provided within 30 (thirty) days of receipt of drafts by the Authority, it shall be deemed as approved by the Authority and the Concessionaire may execute the said agreement/s. Within seven (7) days of execution of any Project Agreement or amendment thereto, the Concessionaire shall submit to the Authority a true copy thereof, duly attested by a Director of the Concessionaire, for its record. For the avoidance of doubt, it is agreed that the review and comments hereunder shall be limited to ensuring compliance with the terms of this Agreement. It is further agreed that no review and/or observation of the Authority and/or its failure to review and/or convey its observations on any document shall relieve the Concessionaire of its obligations and liabilities under this Agreement in any manner nor shall the Authority be liable for the same in any manner whatsoever. Further, the Concessionaire shall not be required to take Authority’s explicit approval with respect to Project Agreements executed for Optional Project Facilities. However, it shall submit a copy of such executed Project Agreements for the Authority’s record within 7 (seven) days of such execution. Notwithstanding anything to the contrary as mentioned in this Article 5.3.2, the liability of compliance of all Project Agreements with the terms of this Agreement, shall solely rest with the Concessionaire.

5.3.3 The Concessionaire shall not make any addition, replacement or amendments to any of the Financing Agreements without the prior written consent of the Authority if such addition, replacement or amendment has, or may have, the effect of imposing or increasing any financial liability or obligation on the Authority, and in the event that any replacement or amendment is made without such consent, the Concessionaire shall not enforce such replacement or amendment nor permit enforcement thereof against the Authority. For the avoidance of doubt, the Authority acknowledges and agrees that it shall not unreasonably withhold its consent for restructuring or rescheduling of the debt of the Concessionaire.

5.3.4 The Concessionaire shall procure that each of the Project Agreements contains provisions that entitle the Authority to step into such agreement, in its sole discretion, in substitution of the Concessionaire in the event of Termination or Suspension (the “Covenant”). For the avoidance of doubt, it is expressly agreed that in the event the Authority does not exercise such rights of substitution within a period not exceeding 90 (ninety) days from the Transfer Date, the Project Agreements shall be deemed to cease to be in force and effect on the Transfer Date without any liability whatsoever on the Authority and the Covenant shall expressly provide for such eventuality. The Concessionaire expressly agrees to include the Covenant in all its Project Agreements and undertakes that it shall, in respect of each of the Project Agreements, procure and deliver to the Authority an acknowledgment and undertaking, in a form acceptable to the Authority, from the counter party(ies) of each of the Project Agreements, whereunder such counter party(ies) shall acknowledge and accept the Covenant and undertake to be bound by the same and not to seek any relief or remedy whatsoever from the Authority in the event of Termination or Suspension.

5.3.5 The Concessionaire may undertake development of Project by itself or through one or more contractors possessing requisite technical, financial and managerial expertise/capability; but in either case, the Concessionaire shall remain solely responsible to meet the obligations under this Agreement.
5.4 Obligations relating to Change in Ownership

5.4.1 The Concessionaire shall not undertake or permit any Change in Ownership in the Concessionaire, except with the prior written approval of the Authority.

5.4.2 Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire agrees and acknowledges that shall constitute a Change in Ownership requiring prior approval of the Authority from national security and public interest perspective, the decision of the Authority in this behalf being final, conclusive and binding on the Concessionaire:

a) All acquisitions of Equity by an acquirer, either by himself or with any person acting in concert, directly or indirectly, including by transfer of the direct or indirect legal or beneficial ownership or control of any Equity, in aggregate of not less than 25% (twenty five per cent) of the total Equity of the Concessionaire; or
b) Acquisition of any control directly or indirectly of the Board of Directors of the Concessionaire by any person, either by himself or together with any person or persons acting in concert with him

The Concessionaire undertakes that it shall not give effect to any such acquisition of Equity or control of the Board of Directors of the Concessionaire without such prior approval of the Authority. For the avoidance of doubt, it is expressly agreed that approval of the Authority hereunder shall be limited to national security and public interest perspective, and the Authority shall endeavour to convey its decision thereon expeditiously. It is also agreed that the Authority shall not be liable in any manner on account of grant or otherwise of such approval and that such approval or denial thereof shall not in any manner absolve the Concessionaire from any liability or obligation under this Agreement.

For the purposes of this Article 5.4.2:

a) the expression "acquirer", "control" and "person acting in concert" shall have the meaning ascribed thereto in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 or any statutory re-enactment thereof as in force as on the date of acquisition of Equity, or the control of the Board of Directors, as the case may be, of the Concessionaire;
b) the indirect transfer or control of legal or beneficial ownership of Equity shall mean transfer of the direct or indirect beneficial ownership or control of any company or companies whether in India or abroad which results in the acquirer acquiring control over the shares or voting rights of shares of the Concessionaire; and

5.4.3 Subject to Article 5.4.1 and Article 5.4.2, a Change in Ownership of the Concessionaire is
deemed not to have occurred upon a transfer of any ownership interest in the Concessionaire by the Initial Shareholders, provided that:

a) Each of the consortium members of the Selected Bidder, whose experience has been evaluated for Technical Capacity and/or Financial Capacity evaluation at the time of selection of the Selected Bidder, shall hold at least 26% (twenty six percent) of the total Equity till a period of 5 (five) years following COD; and

b) Lead consortium member (of the Selected Bidder) shall hold at least 51% (fifty one percent) of the total Equity till COD; and at least 26% (twenty six percent) thereafter till the 5th anniversary of the COD, and provided that the experience of this member has been evaluated for Technical Capacity and/or Financial Capacity evaluation at the time of selection of the Selected Bidder.

c) Single entity / all consortium members (of the Selected Bidder), shall collectively hold at least 51% (fifty one percent) of the total Equity till 5th anniversary of the COD.

5.4.4 Concessionaire shall inform the Authority about any change in equity shareholding of the Concessionaire within 15 days of such change taking place.

5.5 Employment of foreign nationals

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

5.6 Employment of trained personnel

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

5.7 Sole purpose of the Concessionaire

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

5.8 Naming and Branding of the Project

5.8.1 The Concessionaire shall have the sole right to brand and/or name the Project or any part thereof. However, the Concessionaire shall be required to obtain prior approval from the
Authority, which approval the Authority shall not withhold or deny unreasonably, before naming of the Convention Centre.

5.9 Facilities for differently-abled and elderly persons

5.9.1 The Concessionaire shall, in conformity with the guidelines issued from time to time by the Ministry of Social Justice and Empowerment, or a substitute thereof, procure a barrier free environment for the physically or visually challenged and for elderly persons using the Project Facilities.

5.10 Detailed Project Report (DPR)

5.10.1 The Concessionaire shall, within 90 days of date of signing of the Agreement, prepare and submit, for review, comments and approval from the Authority and the Independent Engineer(s), a Detailed Project Report (“DPR”) for the Project. The DPR shall include, but not be limited to, the following:

a) Zoning and allocation of areas for different usages in the Project Site;

b) Layout Plan for the Project showing both Mandatory Development Obligations and Optional Project Facilities;

c) Schematic drawings, designs and specifications for Mandatory Development Obligations, showing:
   a. Building details - Floor plans, elevation, room sizes, uses etc.
   b. Specifications
   c. 3D elevations

d) Indicative phasing for development of various Project Facilities;

e) Circulation and traffic plan;

f) Planning and lay-out of the infrastructure required for the Site, including:
   i. Water supply network;
   ii. Waste management and sewerage system (including treatment plant, sewage network);
   iii. Road network;
   iv. Drainage network and
   v. Power distribution network and sub-station

g) Details of parking (open / covered / under-ground) for serving various Project Facilities

h) Details of all the facilities and services to be provided in the Project

i) Total project cost for development of Mandatory Development Obligations

j) PERT chart / Gantt Chart for Project implementation

k) Indication of various Applicable Permits / approvals / clearances required for the Project

l) Indication of support required from the Authority

In addition to the above, the Concessionaire may be required to provide any further information as may be reasonably required by the Authority and/or the Independent Engineer(s).

The Drawings to be submitted with respect to the Mandatory Development Obligations as mentioned in Article 12.2 shall be consistent with the DPR, as mentioned above.
5.10.2 On receipt of the DPR, the Independent Engineer and the Authority shall review the DPR submitted by the Concessionaire and provide its comments/observations and suggestions on the same within 30 (thirty) days from the date of the receipt of such DPR.

5.10.3 In the event that the Authority / Independent Engineer has observed that the DPR is not in conformity with the scope of the Project, the Concessionaire shall promptly and without any undue delay revise and resubmit the DPR or satisfy the Authority / Independent Engineer with regards to its compliance, within 21 days of receipt of comments from the Authority.

5.10.4 On receipt of the revised DPR from the Concessionaire, the Authority / Independent Engineer shall approve or give comments on the revised DPR within 15 days of such receipt. The Concessionaire shall not change the final DPR reviewed and approved by the Authority under this Agreement, without submitting such revised DPR for the review of the Authority.

5.10.5 Notwithstanding anything to the contrary contained in this Section 5.10, however, the Concessionaire shall have the sole right to determine design, specifications and development phasing for Optional Project Facilities, subject to compliance with Applicable Regulations.

5.10.6 It is clarified that the review and comments hereunder shall be limited to ensuring compliance with the terms of this Agreement. It is further agreed that no review and/or observation of the Authority and/or its failure to review and/or convey its observations on the DPR shall relieve the Concessionaire of its obligations and liabilities under this Agreement in any manner nor shall the Authority and/or Independent Engineer(s) be liable for the same in any manner whatsoever.

5.10.7 The Concessionaire shall not be entitled to any extension of time for developing the Project or any other relief on account of delay caused due to providing any clarification or in resubmitting the DPR.

5.10.8 Notwithstanding the review by the Authority, the Concessionaire shall be solely responsible for any defect and/or deficiency relating to the Project or any part thereof and accordingly the Concessionaire shall at all times remain responsible for its obligations under this Agreement.

5.10.9 The Concessionaire shall in no way represent to any Person that, as a result of any review by the Authority and/or the Independent Engineer(s), the Authority have accepted responsibility for the technical or soundness of any work relating to the Project or part thereof carried out by the Concessionaire, and the Concessionaire shall, in accordance with the provisions of this Authority, be solely responsible for the technical feasibility, operational capability and reliability of the Project or any part thereof.
ARTICLE 6 : OBLIGATIONS OF THE CONCESSIONING AUTHORITY

6.1 General Obligations

It shall be the Concessioning Authority's obligation to ensure that the followings are made available or executed by the Concessioning Authority within the Concession Period:

a) Handover or cause to be handed over, the right of way of the Project Site, free from any Encumbrance, as per terms of Clause 4.1;

b) Execute a Lease Deed, in accordance with Schedule 16 of this Agreement, relating to the Project Site in favour of the Concessionaire, within 15 (fifteen) days of the Appointed Date;

c) Upon written request from the Concessionaire, and subject to the Concessionaire complying with Applicable Laws, provide reasonable support and assistance on best efforts basis to the Concessionaire in procuring Applicable Permits required from any Government Instrumentality for implementation and operations of the Project;

d) Upon written request from the Concessionaire, provide reasonable assistance to the Concessionaire in obtaining access to all necessary infrastructure facilities and utilities, including water and electricity at rates and on terms no less favourable to the Concessionaire than those generally available to commercial customers receiving substantially equivalent services;

e) Procure that no barriers are erected or placed on or around the Project by any Government Instrumentality or persons claiming through or under it, except for reasons of Emergency, national security or law and order;

f) Bear and be responsible for all costs, expense or charges incurred in making available the Project Site in accordance with Article 4.1. Further, the Concessioning Authority shall hold the Concessionaire harmless from all costs, expenses or charges incurred in relocating, rehabilitating or resettling Persons in connection with making available the possession of the Project Site free from all Encumbrances to the Concessionaire;

g) Neither do nor omit to do any act, deed or thing which may in any manner be violative of any of the provisions of this Agreement;

h) Support, cooperate with and facilitate the Concessionaire in the implementation and operation of the Project in accordance with the provisions of this Agreement; and

i) Upon written request from the Concessionaire and subject to the provisions of Article 5.5, provide reasonable assistance to the Concessionaire and any expatriate personnel of the Concessionaire or its Contractors to obtain applicable visas and work permits for the purposes of discharge by the Concessionaire or its Contractors their obligations under this Agreement and the Project Agreements.

j) Grant specific rights to the Concessionaire to confer substitution rights to the lenders during the period of Concession granted under this Agreement subject to the provisions of this Agreement, provided further that the Authority shall have the absolute freedom and authority to cancel such rights granted as per relevant provisions of this Agreement.

k) Assist the Concessionaire in procuring Police assistance for regulation of movement of any person on the Project site, removal of trespassers and for security of the material, labour and machinery.
ARTICLE 7 : REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of the Concessionaire

The Concessionaire represents and warrants to the Concessioning Authority that:

a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and Laws of India

b) It has full power and authority to execute, deliver and perform its obligations under this Concession and to carry out the transactions contemplated hereby;

c) It has taken all necessary corporate and other action under Applicable Laws and its constitutional documents to authorize the execution, delivery and performance of this Concession Agreement;

d) It has the financial standing and capacity to undertake the Project;

e) This Concession Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;

f) It is subject to laws of India with respect to this Concession Agreement and it hereby expressly and irrevocably waives any immunity in any jurisdiction in respect thereof;

g) The information furnished in the Bid / Proposal and as updated on or before the date of this agreement is true and accurate in all respects as on the date of this agreement.

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

i) There are no actions, suits, proceedings, or investigations pending or, to the Concessionaire’s knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may result in the breach of or constitute a default of the Concessionaire under this Concession or which individually or in the aggregate may result in any Material Adverse Effect on its business, properties or assets or its condition, financial or otherwise, or in any impairment of its ability to perform its obligations and duties under this Concession Agreement;

j) It shall at no time undertake or permit any Change in Ownership except in accordance with the provisions of Article 5.4; and that the (Selected Bidder), (single entity) together with its / their Associates, hold not less than 51% (fifty one per cent) of its issued and paid-up Equity as on the date of this Agreement; and that such single entity or lead member of the Initial Consortium, whose technical and financial capacity was evaluated for the purposes of qualification and short-listing in response to the Request for Proposal, shall hold at least 51% (fifty one percent) of the total Equity till COD, and at least 26% (twenty six percent) thereafter till 5th anniversary of the COD; and that the Concessionaire shall inform the Authority about any change in equity shareholding of the SPV within 15 days of such change taking place;

k) The Concessionaire has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Competent Authority which may result in any Material Adverse Effect or impairment of the Concessionaire’s ability to perform its obligations and duties under this Concession Agreement;
l) {the Selected Bidder} is duly organised and validly existing under the laws of the jurisdiction of its incorporation, and has requested the Authority to enter into this Agreement with the Concessionaire pursuant to the Letter of Award, and has agreed to and unconditionally accepted the terms and conditions set forth in this Agreement;
m) The Concessionaire has complied with all Applicable Laws and has not been subject to any fines, penalties, injunctive relief or any other Civil or criminal liabilities which in the aggregate have or may have Material Adverse Effect on its financial condition or its ability to perform its obligations and duties under this Concession Agreement;
n) No order has been made and no resolution has been passed for the winding up of the Concessionaire or for a provisional liquidator to be appointed in respect of the Concessionaire and no petition has been presented and no meeting has been convened for the purpose of winding up the Concessionaire. No receiver has been appointed in respect of the Concessionaire or all or any of its assets. The Concessionaire is not insolvent or unable to pay its debts as they fall due.
o) The aggregate equity share-holding of the Consortium Partners and their Associates (in case of a Consortium) or equity share holding of the Associates (in case of individual bidder) in the issued and paid up equity share capital of the Concessionaire are in accordance with the requirements stipulated in ARTICLE 5;
p) Each Consortium Member was and is duly organised and existing under the laws of the jurisdiction of its incorporation and has full power and authority to consent to and has consented to the Concessionaire entering into this Concession and has agreed to and unconditionally accepted the terms and conditions set forth in this Concession Agreement;
q) All rights and interests of the Concessionaire in the Project shall pass to and vest in the Concessioning Authority on the Transfer Date free and clear of all liens, claims, and encumbrances without any further act or deed on the part of the Concessionaire or the Concessioning Authority and that none of Assets including materials, supplies or equipment forming part thereof shall be acquired by the Concessionaire subject to any agreement under which a security interest or other lien or encumbrance is retained by any person save and except as expressly provided in this Concession Agreement;
r) No representation or warranty by the Concessionaire contained herein or in any other document furnished by it to the Concessioning Authority, or to any Competent Authority in relation to clearances contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading; and
s) The Concessionaire warrants that no sums, in cash or kind, have been paid or will be paid by or on behalf of the Concessionaire, to any person by way of commission or otherwise for securing the Concession or entering into this Concession Agreement or for influencing or attempting to influence any officer or employee of the Concessioning Authority.
t) Subject to receipt by the Concessionaire from the Authority of the Termination Payment and any other amount due under any of the provisions of this Agreement, in the manner and to the extent provided for under the applicable provisions of this Agreement all rights and interests of the Concessionaire in and to the Project Assets shall pass to and vest in the Authority on the Termination Date free and clear of all Encumbrances without any further act or deed on the part of the Concessionaire or The Authority;
u) It shall not novate the Concession Agreement and any rights and obligation arising therefrom to any party without any written approval from the Concessioning Authority.

7.2 Representations and Warranties of the Concessioning Authority

The Concessioning Authority represents and warrants to the Concessionaire that:

a) The Concessioning Authority has full power and authority to execute, deliver and perform its obligations under this Concession Agreement and to carry out the transactions contemplated hereby;

b) The Concessioning Authority have taken all necessary action to authorize the execution, delivery and performance of this Concession Agreement;

c) This Concession Agreement constitutes a legal, valid and binding obligation enforceable against the Concessioning Authority in accordance with the terms hereof;

d) The Concessioning Authority is subject to laws of India with respect to this Concession and it hereby expressly and irrevocably waives any sovereign immunity in any jurisdiction in regard to matters set forth in this Concession Agreement;

e) The Concessionaire shall have complete, lawful and uninterrupted Site Possession of the Project by way of lease in accordance with this Concession Agreement;

f) All information provided by the Concessioning Authority in the RFP document in connection with the Project is to the best of its knowledge and true and accurate in all material respects; and

g) The Concessioning Authority has the financial standing and capacity to perform its obligations under the Concession Agreement.

h) The Authority holds complete ownership and clear title of the Site.

7.3 Disclosure

7.3.1 In the event that any occurrence or circumstance comes to the attention of either Party that renders any of its aforesaid representations or warranties untrue or incorrect, such Party shall immediately notify the other Party of the same. Such notification shall not have the effect of remedying any breach of the representation or warranty that has been found to be untrue or incorrect nor shall it adversely affect or waive any right, remedy or obligation of either Party under this Agreement.
ARTICLE 8 : DISCLAIMER

8.1 Disclaimer

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

8.1.2 The Concessionaire acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth in Article 8.1.1 above and hereby acknowledges and agrees that the Authority shall not be liable for the same in any manner whatsoever to the Concessionaire or any person claiming through or under any of them.

8.1.3 The Parties agree that any mistake or error in or relating to any of the matters set forth in Article 8.1.1 above shall not vitiate this Agreement, or render it voidable.

8.1.4 In the event that either Party becomes aware of any mistake or error relating to any of the matters set forth in Article 8.1.1 above, that Party shall immediately notify the other Party, specifying the mistake or error; provided, however, that a failure on part of the Authority to give any notice pursuant to this Article 8.1.4 shall not prejudice the disclaimer of the Authority contained in Article 8.1.1 and shall not in any manner shift to the Authority any risks assumed by the Concessionaire pursuant to this Agreement.

8.1.5 Except as otherwise provided in this Agreement, all risks relating to the Project shall be borne by the Concessionaire and the Authority shall not be liable in any manner for such risks or the consequences thereof.
Part III
Development and Operations
ARTICLE 9 : PERFORMANCE SECURITY

9.1 Performance Security

9.1.1 The Concessionaire shall, for the due and faithful performance of its obligations hereunder during the Concession Period, provide to the Authority, on or before the date set for signing the Concession Agreement, an irrevocable and unconditional guarantee from a Bank for a sum equivalent to **INR 7.5 Crore (Rupee Seven Crore Fifty Lakh only)** in the form set forth in RFP (the "Construction Performance Security"). Until such time the Construction Performance Security is provided by the Concessionaire pursuant hereto and the same comes into effect, the Bid Security shall remain in force and effect, and upon such provision of the Construction Performance Security pursuant hereto, the Authority shall release the Bid Security to the Concessionaire. The Construction Performance Security shall remain valid, in force and effective upto a period of 6 months beyond the COD. The Authority shall return the Construction Performance Security to the Concessionaire within 3 months of achieving COD, subject to submission of a fresh Operations Performance Security by the Concessionaire as per Article 9.1.2.

9.1.2 At least 30 (thirty) days prior to COD, the Concessionaire shall submit, to the Authority, a fresh Performance Security, in the form of an irrevocable and unconditional bank guarantee for a sum equivalent to **INR 3.75 Crore (Rupees Three Crore Seventy Five Lakh only)**, in the form set forth in RFP (the “Operations Performance Security”). The Authority shall return the Construction Performance Security (submitted as per Article 9.1.1) to the Concessionaire on the date which is later of i) Submission of Operations Performance Security by the Concessionaire, and ii) date falling 3 months from COD.

9.1.3 The Operations Performance Security shall initially remain valid for a period of 3 years from COD. At least 90 (ninety) days prior to the expiry of Operations Performance Security, it shall be renewed and revalidated, each time for a period of not less than 3 (three) years. The value of every renewed and revalidated Operations Performance Security shall increase by 15% over the value of the previous Operations Performance Security. The Concessionaire shall be obligated to keep the Operations Performance Security revalidated, renewed, extended and continuously in force and effect upto a period of six months beyond the Transfer Date.

9.1.4 It must be noted that a reference to Performance Security in this Agreement shall refer to the Construction Performance Security or Operations Performance Security, as may be valid and in force at the time when such reference is made.

9.2 Appropriation of Performance Security

9.2.1 Upon occurrence of a breach of this Agreement by the Concessionaire or failure to meet any Condition Precedent, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to encash and appropriate the relevant amounts from the Construction Performance Security or Operations Performance Security, as the case may be, as Damages for such breach or failure to meet any Condition Precedent. Upon such encashment and appropriation from the Performance Security, the Concessionaire shall,
within 30 (thirty) days thereof, replenish, in case of partial appropriation, to its original level
the Performance Security, as the case may be, and in case of appropriation of the entire
Performance Security provide a fresh Performance Security, as the case may be, and the
Concessionaire shall, within the time so granted, replenish or furnish fresh Performance
Security as aforesaid failing which the Authority shall be entitled to terminate this Agreement
in accordance with ARTICLE 25.

9.3 Release of Performance Security

9.3.1 The Construction Performance Security shall remain in force and effect up to a period of six
months beyond the COD and shall cease to be in force and effect only when the
Concessionaire shall have submitted the Operations Performance Security.

9.3.2 The Operations Performance Security shall remain in force and effect up to a period of six
months beyond the Transfer Date and shall cease to be in force and effect only when the
Authority shall have issued the Vesting Certificate to the Concessionaire.

9.4 Additional Performance Security

9.4.1 In case the Selected Bidder didn’t itself meet the Technical Capacity-1, as per the RFP, and had
submitted an undertaking that it shall appoint an Operating Partner, which meets the
Technical Capacity 1 as per the RFP, the Concessionaire shall be required to furnish an
Additional Performance Security of value INR 3 crore (Rupees Three Crore) (the “Additional
Performance Security”), in the form of a bank guarantee, simultaneous to signing of this
Agreement. Until such time the Additional Performance Security, if applicable, is provided by
the Concessionaire pursuant hereto and the same comes into effect, the Bid Security shall
remain in force and effect.

9.4.2 The Concessionaire shall be obligated to keep the Additional Performance Security
revalidated, renewed, extended and continuously in force and effect up to a period of six
months beyond the expiry of the Operator Lock-in Period, when the Authority shall have
issued a release certificate to the Concessionaire to this effect.

9.4.3 The Concessionaire shall on-board an Operating Partner before COD. The Authority shall
monitor whether the Operating Partner is operating the Convention Centre and Hotel at all
times during the Operator Lock-in Period i.e. between COD and COD+60 months, failing which
the Authority shall issue a Show Cause Notice, informing the Concessionaire of its decision to
forfeit the Additional Performance Security. The Authority shall be entitled to forfeit and
appropriate the Additional Performance Security, after 30 days of such Show Cause Notice, if
the Concessionaire fails to satisfy the Authority in response to the Show Cause Notice.

9.4.4 In case of forfeiture of the original Additional Performance Security by the Authority as
mentioned above, the Concessionaire shall be required to replenish and renew the Additional

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5 Only applicable if the Selected Bidder did not meet the Technical Capacity-1 at the RFP stage by itself and chose to submit an undertaking
that a) it shall appoint an Operating Partner, which meets the Technical Capacity 1 as per the RFP and b) that the Operating Partner shall
operate the Convention Centre and Hotel during the Operator Lock-in Period.
Performance Security, to its original amount, within 15 (fifteen) days of forfeiture of the original Additional Performance Security. The renewed and replenished Additional Performance Security shall be kept valid and in force and effect up to a period of six months beyond the expiry of the Operator Lock-in Period.

Upon such renewal and replenishment of original Additional Performance Security by the Concessionaire as per Article 9.4.4, the Authority shall grant to the Concessionaire, additional time of 90 (ninety) days from the date the forfeiture of original Additional Performance Security to re-board the Operating Partner or on-board Replacement Operating Partner (who also meets the criteria defined in Technical Capacity 1 of the RFP), failing which the Authority shall take the following measures:

i. Forfeit the replenished Additional Performance Security; and

ii. Issue Notice of Breach to the Concessionaire, leading to Termination, after the expiry of Cure Period as mentioned in ARTICLE 25.
ARTICLE 10 : PROJECT

10.1 The Site
10.1.1 The site of the Project shall comprise the real estate described in Schedule 1 and in respect of which the Site shall be provided and granted by the Authority to the Concessionaire on lease under and in accordance with this Agreement (the "Site").

10.1.2 The ownership of the Site shall always remain vested with the Authority.

10.2 Lease and Access
10.2.1 The Authority hereby grants to the Concessionaire, access to the Site for carrying out any surveys and investigations that the Concessionaire may deem necessary prior to Appointed Date, it being expressly agreed and understood that the Authority shall have no liability whatsoever in respect of survey, investigations and tests carried out or work undertaken by the Concessionaire on or about the Site pursuant hereto in the event of Termination or otherwise.

10.2.2 In consideration of this Agreement and the covenants and warranties on the part of the Concessionaire herein contained, the Authority, in accordance with the terms and conditions set forth herein, hereby agrees to grant to the Concessionaire, lease-hold rights in respect of all the land (along with any buildings, constructions or immovable assets, if any, thereon) comprising the Site which is described, delineated and shown in Schedule 1 hereto, on an "as is where is" basis, free of any Encumbrances, to develop, operate and maintain the said premises, together with all and singular rights, liberties, privileges, easements and appurtenances whatsoever to the said premises, hereditaments or premises or any part thereof belonging to or in any way appurtenant thereto or enjoyed therewith, for the duration of the Concession Period and, for the purposes permitted under this Agreement, and for no other purpose whatsoever.

10.2.3 The Authority shall execute the Lease Deed with the Concessionaire within 15 day from the Appointed Date. Unless exempted or waived by the Authority, the stamp duty and registration charges in respect of the Lease Deed including the costs, charges and expenses shall be borne and paid wholly and exclusively by the Concessionaire.

10.2.4 It is expressly agreed that the lease granted hereunder shall terminate automatically and forthwith, without the need for any action to be taken by the Authority to terminate the Lease, upon the Termination of this Agreement for any reason whatsoever. For the avoidance of doubt, the Parties expressly agree that notwithstanding any temporary or permanent structures erected on the Site by the Concessionaire or its sub-lessees, the lease in respect of the Site shall automatically terminate, without any further act of the Parties, upon Termination of this Agreement.

10.2.5 The Concessionaire shall, neither, assign, transfer, create any charge or Encumbrance; nor shall the Concessionaire create or permit creation of any third-party rights whatsoever, on the
whole or any part of the Site, except as specified in Article 10.2.7. The Concessionaire shall not be allowed to mortgage or create charge on the Project Site for any purpose.

10.2.6 The ownership of the Project Facilities including buildings, structures, infrastructure, utilities, equipment and other immovable and movable assets constructed, installed, located, created or provided by the Concessionaire at the Site, pursuant to this Agreement, shall, until expiry of this Agreement or transfer to the Authority on the Termination, be with the Concessionaire. However, such ownership of assets shall not confer any rights in the Project Site upon the Concessionaire, save as that of a lease, as provided for in this Agreement.

10.2.7 The Concessionaire shall be entitled to create a charge on its rights, title and interest in the Project Facilities referred to in Article 10.2.6 and on its rights, benefits, entitlements, including Project Revenue, pursuant to the Concession Agreement, in favour of Senior Lenders for securing financial assistance. Provided that any such charge shall not be effective before the Financial Close, and shall not continue for a period exceeding the Concession Period. Provided further that in the event of termination of this Agreement, the said charge shall stand extinguished upon payment of compensation by the Concessioning Authority to the Concessionaire / Lenders, to the extent they are entitled to receive the same in accordance with the provisions of this Agreement.

10.3 Procurement of the Site

10.3.1 Pursuant to the notice specified in Article 4.1, the Authority’s Representative and the Concessionaire shall, on a mutually agreed date and time, inspect the Site and prepare a memorandum containing an inventory of the Site including the vacant and unencumbered land, buildings, structures, road works, trees and any other immovable property on or attached to the Site. Such memorandum shall have appended thereto an appendix (the "Appendix") specifying in reasonable detail those parts of the Site to which vacant access has not been granted to the Concessionaire. Signing of the memorandum, in two counterparts (each of which shall constitute an original), by the authorised representatives of the Parties shall, subject to the provisions of Article 10.2.2, be deemed to constitute a valid lease to the Concessionaire for free and unrestricted use and development of the vacant and unencumbered Site during the Concession Period under and in accordance with the provisions of this Agreement and for no other purpose whatsoever. For the avoidance of doubt, it is agreed that valid lease with respect to the parts of the Site as set forth in the Appendix shall be deemed to have been granted to the Concessionaire upon vacant access thereto being provided by the Authority to the Concessionaire.

10.3.2 On and after signing the memorandum referred to in Article 10.3.1, and until the Transfer Date, the Concessionaire shall maintain a round-the-clock vigil over the Site and shall ensure and procure that no encroachment thereon takes place, and in the event of any encroachment or occupation on any part thereof, the Concessionaire shall report such encroachment or occupation forthwith to the Authority and undertake its removal at its cost and expenses.

10.3.3 The Authority shall make best efforts to procure and grant, within 30 (thirty) days, and in any event no later than 90 (ninety) days from the signing of this Agreement, the right of way to
the Site to the Concessionaire in respect of all land included in the Appendix.

10.4 Site to be free from Encumbrances
10.4.1 The Site shall be made available by the Authority to the Concessionaire pursuant hereto free from all encumbrances “on as is where is basis” and occupations and without the Concessionaire being required to make any payment to the Authority on account of any costs, compensation, expenses and charges for the acquisition and use of such Site for the duration of the Concession Period, except insofar as otherwise expressly provided in this Agreement.

10.5 Protection of Site from encroachments
10.5.1 During the Concession Period, the Concessionaire shall protect the Site from any and all occupations, encroachments or Encumbrances, and shall not place or create nor permit any Contractor or other person claiming through or under the Concessionaire to place or create any Encumbrance or security interest over all or any part of the Site or the Project Assets, or on any rights of the Concessionaire therein or under this Agreement, save and except as otherwise expressly set forth in this Agreement.

10.6 Access to Concessioning Authority
10.6.1 The lease and right to the Site granted to the Concessionaire hereunder shall always be subject to the right of access of the Concessioning Authority and their employees for inspection, viewing and exercise of their rights and performance of their obligations under this agreement.

10.7 Geological and archaeological finds
10.7.1 It is expressly agreed that mining, geological or archaeological rights do not form part of the lease granted to the Concessionaire under this Agreement and the Concessionaire hereby acknowledges that it shall not have any mining rights or interest in the underlying minerals, fossils, antiquities, structures or other remnants or things either of particular geological or archaeological interest and that such rights, interest and property on or under the Site shall vest in and belong to the Authority or the concerned Government Instrumentality. The Concessionaire shall take all reasonable precautions to prevent its workmen or any other person from removing or damaging such interest or property and shall inform the Authority forthwith of the discovery thereof and comply with such instructions as the concerned Government Instrumentality may reasonably give for the removal of such property. For the avoidance of doubt, it is agreed that any reasonable expenses incurred by the Concessionaire hereunder shall be reimbursed by the Authority. It is also agreed that the Authority shall procure that the instructions hereunder are issued by the concerned Government Instrumentality within a reasonable period.
ARTICLE 11 : UTILITIES

11.1 Existing utilities and roads
11.1.1 Notwithstanding anything to the contrary contained herein, the Concessionaire shall ensure that the respective entities owning the right of way or utilities on, under or above the Site are enabled by it to keep such utilities in continuous satisfactory use, if necessary, by providing suitable temporary or permanent diversions with the authority of the controlling body of that road, right of way or utility, and the Authority shall, upon written request from the Concessionaire, initiate and undertake at the Concessionaire’s cost, legal proceedings for acquisition of any right of way necessary for such diversion.

11.2 Shifting of obstructing utilities
11.2.1 The Concessionaire shall, subject to Applicable Laws and with assistance of the Authority, undertake shifting of any utility including electric lines, water pipes and telephone cables, to an appropriate location or alignment within or outside the Site if and only if such utility causes or shall cause a material adverse effect on the construction, operation or maintenance of the Project. The cost of such shifting shall be borne by the Authority or by the entity owning such utility, if the Authority so directs, and in the event of any delay in shifting thereof, the Concessionaire shall be excused for failure to perform any of its obligations hereunder if such failure is a direct consequence of delay on the part of the entity owning such electric lines, water pipes or telephone cables, as the case may be.

11.3 New utilities and roads
11.3.1 The Concessionaire shall allow, subject to such conditions as the Authority may specify, access to, and use of the Site for laying telephone lines, water pipes, electric cables or other public utilities. Where such access or use causes any financial loss to the Concessionaire, it may require such user of the Site to pay compensation or damages as per Applicable Laws. For the avoidance of doubt, it is agreed that use of the Site under this Article shall not in any manner relieve the Concessionaire of its obligation to maintain the Project in accordance with this Agreement and any damage caused by such use shall be restored forthwith.
ARTICLE 12 : CONSTRUCTION OF MANDATORY DEVELOPMENT OBLIGATIONS

12.1 Obligations prior to commencement of construction
Prior to commencement of Construction Works related to Mandatory Development Obligations, the Concessionaire shall:
   a) submit to the Authority and the Independent Engineer(s) its detailed design, construction methodology, quality assurance procedures and the engineering, procurement and construction time schedule for completion of the Mandatory Development Obligations in accordance with the DPR, as mentioned in Article 5.10;
   b) appoint its representative duly authorized to deal with the Authority in respect of all matters under or arising out of or relating to this Agreement;
   c) undertake, do and perform all such acts, deeds and things as may be necessary or required before commencement of construction under and in accordance with this Agreement, the Applicable Laws and Applicable Permits; and
   d) make its own arrangements for quarrying of materials needed for the Project under and in accordance with the Applicable Laws and Applicable Permits.

12.2 Drawings
In respect of the Concessionaire's obligations with respect to the Drawings of the Mandatory Development Obligations, the following shall apply:
   a) The Concessionaire shall prepare and submit, with reasonable promptness and in such sequence as is consistent with the DPR, three copies each of all Drawings to the Authority for review;
   b) By submitting the Drawings for review to the Authority, the Concessionaire shall be deemed to have represented that it has determined and verified that the design and engineering, including field construction criteria related thereto, are in conformity with the Scope of the Project and the Specifications and Standards;
   c) Within 30 (thirty) days of the receipt of the Drawings, the Authority, itself or through an Independent Engineer, shall review the same and convey its observations to the Concessionaire with particular reference to their conformity or otherwise with the Scope of the Project and the Specifications and Standards. The Concessionaire shall not be obliged to await the observations of the Authority or the Independent Engineer(s) on the Drawings submitted pursuant hereto beyond the said 30 (thirty) days period and may begin or continue Construction Works at its own discretion and risk;
   d) If the aforesaid observations of the Authority / Independent Engineer indicate that the Drawings are not in conformity with the Scope of the Project or the Specifications and Standards, such Drawings shall be revised by the Concessionaire and resubmitted to the Independent Engineer for review. The Independent Engineer shall give its observations, if any, within 7 (seven) days of receipt of the revised Drawings;
   e) No review and/or observation of the Independent Engineer and/or its failure to review and/or convey its observations on any Drawings shall relieve the Concessionaire of its obligations and liabilities under this Agreement in any manner nor shall the Independent Engineer or the Authority be liable for the same in any manner; and
f) Within 60 (sixty) days of the Scheduled Completion Date, the Concessionaire shall furnish to the Authority and the Independent Engineer a complete set of as-built Drawings, in 2 (two) hard copies and in micro film form or in such other medium as may be acceptable to the Authority, reflecting the Mandatory Development Obligations as actually designed, engineered and constructed, including the buildings and structures forming part thereof.

12.3 Maintenance during Construction Period

12.3.1 During the Construction Period, the Concessionaire shall maintain, at its cost, the existing Site so that its worthiness is at no time materially inferior as compared to its condition 7 (seven) days prior to the date of handover of Site to the Concessionaire. For the avoidance of doubt, it is agreed that the Concessionaire shall at all times be responsible for ensuring safe operation of the Project.

12.4 Completion of Mandatory Development Obligations

12.4.1 On or after Appointed Date, the Concessionaire shall undertake construction of Mandatory Development Obligations, as specified in Schedule 3, and in conformity with the Specifications and Standards set forth in Schedule 4 and in accordance with the Project Completion Schedule set forth in Schedule 4. The Concessionaire agrees and undertakes that Mandatory Development Obligations shall be completed within the Construction Period, as set out in Schedule 11.

12.4.2 The Concessionaire shall carry out and complete the construction and development of Mandatory Development Obligations on a date falling 42 months from Appointed Date (“Scheduled Completion Date”). The Concessionaire shall, by written notice, inform the Authority and the Independent Engineer(s) about completion of such construction Works.

12.4.3 The “Construction Period” shall be a period equivalent to 42 months from Appointed Date. The Construction Period shall start from the Appointed Date till the Scheduled Completion Date, wherein the Concessionaire shall be required to comply with the following obligations:

a) Take all necessary / mandatory Applicable Permits etc. which are required for construction and commencing the operations and maintenance of the Mandatory Development Obligations, so that all such conditions have been satisfied in full, and all such Applicable Permits, etc. are in full force and effect.

b) Concessionaire shall obtain the Building Plan Approval for the Mandatory Development Obligations within a maximum of 6 months from the Appointed Date.

c) Prepare, submit and get approval for the DPR which includes encompassing activities like facility planning & construction, details of required personal, equipment, furniture & fixtures and consumables (before the Appointed Date).

d) Prepare and submit and submit a note on Commercial charges to be levied on the Mandatory Development Obligations.

e) Prepare and get approved the Operation & Maintenance Manual.

f) Recruit and maintain the required staff for management, operation and maintenance of the Project.
g) Procure and install equipment, machinery, furniture & fixtures and other consumables in accordance with the DPR as approved by Concessioning Authority.

h) Keep the Mandatory Development Obligations ready for operations and occupation.

i) Procure full insurance cover for the Project and provide the necessary information on the same to the Concessioning Authority.

j) Concessionaire shall procure Occupation Certificate for the Mandatory Development Obligations before occupying the Project Facilities.

12.4.4 The Concessionaire shall be required to adhere to the Project Milestones as per the Project Completion Schedule set forth in Schedule 11, and comply with the following:

a) Within 7 days of the Project Milestone, the Concessionaire shall notify the Authority and the Independent Engineer about compliance / non-compliance of its obligations related to the Project Milestone, including the nature and extent of physical progress and the detailed break-up of the expenditure incurred till the Project Milestone.

b) Within 7 days of receipt of such notice, the Independent Engineer, shall audit the expenditure incurred, determine that the physical progress is commensurate with the expenditure incurred and confirm the Concessionaire’s compliance or non-compliance with its obligation related to the Project Milestone.

c) The Independent Engineer shall submit a report (“Audit Report”) of its audit to the Authority (with a copy of the report marked to the Concessionaire), giving details of the actual expenditure incurred, actual physical progress and (if applicable) shortfall in incurred expenditure as against the minimum requirement of the Project Milestone, as expressed in INR Crore (“Shortfall in Project Milestone”).

d) The Concessionaire shall, within 15 days of receipt of Audit Report which shows Shortfall in Project Milestone, make a payment of 20% of Shortfall in Project Milestone as Damages to the Authority.

e) In the event the Concessionaire disputes the Audit Report, the Concessionaire may bring the same to the notice of the Independent Engineer and the Authority, within 15 days of receipt of Audit Report along with the payment of 20% of Shortfall in Project Milestone as Damages.

f) If the Independent Engineer or the Authority revise the Audit Report based on the representation by the Concessionaire and revise downwards / waive the Damages, any excess Damages paid shall be refunded. In case the Concessionaire still disputes the Authority review of the Audit Report post the formal representation by the Concessionaire, the Concessionaire may use the dispute resolution process as defined in Article 30.

g) For avoidance of doubt, it is agreed that recovery of Damages under this Article 12.4.4 shall be without prejudice to the rights of the Authority under this Agreement, or otherwise including the right of Termination thereof.

h) It is clarified that the Damages payable under this Article 12.4.4 shall only apply to non-compliance of Project Milestone-I, Project Milestone-II and Project Milestone-III as per Project Completion Schedule in Schedule 11. Any delay / non-compliance in achievement of Scheduled Completion Date shall be dealt with under provisions of Article 12.4.5 and 12.5.
i) Provided however that, in the event the COD is achieved on or before the Scheduled Project Completion Date, the sum of Damages paid under this Article 12.4.4 shall be refunded by the Authority to the Concessionaire without any interest.

12.4.5 In the event that COD is not achieved by the Scheduled Completion Date for any reason, other than Force Majeure or reasons attributable to the Concessioning Authority or any Competent Authority, the Concessionaire shall, subject to sub-clause 12.5 below, comply with following:

a) The Concessionaire shall be liable to pay to the Authority, Damages for delay beyond the Scheduled Completion Date at the rate of INR 40 Lakh (Rupees Forty Lakh) per month of delay beyond the Scheduled Completion Date until COD is achieved.

b) The Damages, as mentioned above, shall be payable in advance, before start of each month beyond the Scheduled Completion Date. For avoidance of doubt:
   i. For the purpose of assessment of Damages under this Article 12.4.5, a period of at least 1 day and maximum 30 days shall be counted as a month.
   ii. The Damages payable for the first month beyond Scheduled Completion Date, shall be payable before Scheduled Completion Date.

c) The Concessionaire shall, within 7 days prior to Scheduled Completion Date, issue a notice to the Authority informing about such delay in COD, expected date when COD shall be achieved and compliance with terms of this Article 12.4.5(a) related to payment of Damages. The Concessionaire shall promptly make payment of the Damages as per Article 12.4.5(a) in advance.

d) Any further delay in achieving COD shall be approved in prior by the Authority and shall be subject to payment of Damages by the Concessionaire in advance.

e) In case of failure of the Concessionaire to inform the Authority, in writing, about the delay in achievement of COD and/or payment of Damages as per Article 12.4.5(a), the Authority may levy the Damages from the Construction Performance Security, after issue of a notice to the Concessionaire to this effect.

f) Provided that nothing contained in this sub-clause shall be deemed or construed to authorize any delay by the Concessionaire in achieving the Scheduled Completion Date.

12.5 Termination due to failure to complete Mandatory Development Obligations

12.5.1 In the event that COD is not achieved within 18 months from the Scheduled Completion Date, for reasons other than Force Majeure or default by the Concession Authority, the Concessioning Authority may, in its discretion, issue the Notice of Breach to the Concessionaire, leading to termination of this Agreement.

12.6 Construction of Optional Project Facilities

12.6.1 The Concessionaire shall undertake and complete the construction of Optional Project Facilities anytime as desired, before the completion of 10 years from the Appointed Date.

12.6.2 The Concessionaire shall be granted Occupation Certificate for the Optional Project Facilities only after achievement of COD of the Mandatory Development Obligations.

12.6.3 The Concessionaire shall prepare and submit, with reasonable promptness, three copies each
of all detailed as-built designs and drawings of Optional Project Facilities for Authority's records, within 30 days of completion of construction of such Optional Project Facilities. The Concessionaire shall not be obliged to seek or await any observations of the Authority or the Independent Engineer(s) on the designs and drawings related to Optional Project Facilities. Nothing contained in this Article 12.6, shall relieve the Concessionaire of its obligations of adherence to Good Industry Practices or its liabilities under this Agreement in any manner nor shall the Independent Engineer or the Authority be liable for the same in any manner.
ARTICLE 13 : MONITORING OF CONSTRUCTION

13.1 Quarterly progress reports
13.1.1 During the Construction Period, the Concessionaire shall, no later than 7 (seven) days after the close of every quarter, furnish to the Authority and the Independent Engineer(s) a quarterly report on progress of the Construction Works and shall promptly give such other relevant information as may be required by the Independent Engineer(s).

13.2 Inspection
13.2.1 During the Construction Period, the Independent Engineer shall inspect the Mandatory Development Obligations at least once a month and make a report of such inspection (the "Inspection Report") stating in reasonable detail the defects or deficiencies, if any, with particular reference to the Scope of the Project and Specifications and Standards. It shall send a copy of the Inspection Report to the Authority and the Concessionaire within 7 (seven) days of such inspection and upon receipt thereof, the Concessionaire shall rectify and remedy the defects or deficiencies, if any, stated in the Inspection Report. Such inspection or submission of Inspection Report by the Authority shall not relieve or absolve the Concessionaire of its obligations and liabilities hereunder in any manner whatsoever.

13.3 Tests
13.3.1 For determining that the Construction Works for Mandatory Development Obligations conform to the Specifications and Standards, the Independent Engineer shall require the Concessionaire to carry out or cause to be carried out tests, at such time and frequency and in such manner as may, be specified by the Independent Engineer from time to time, in accordance with Good Industry Practice for quality assurance. The costs incurred on such tests, and to the extent certified by the Independent Engineer(s) as reasonable, shall be reimbursed by the Authority to the Concessionaire. For the avoidance of doubt, the costs to be incurred on any Test which is undertaken for determining the rectification of any defect or deficiency in construction shall be borne solely by the Concessionaire.

13.3.2 In the event that results of any tests conducted under this Article13.3 establish any defects or deficiencies in the Construction Works, the Concessionaire shall carry out remedial measures and furnish a report to the Independent Engineer in this behalf. The Independent Engineer shall require the Concessionaire to carry out or cause to be carried out tests to determine that such remedial measures have brought the Construction Works into compliance with the Specifications and Standards, and the procedure set forth in this Article13.3 shall be repeated until such Construction Works conform to the Specifications and Standards. For the avoidance of doubt, it is agreed that tests pursuant to this Article13.3 shall be undertaken in addition to and independent of the tests that shall be carried out by the Concessionaire for its own quality assurance in accordance with Good Industry Practice. It is also agreed that a copy of the results of such tests shall be sent by the Concessionaire to the Independent Engineer forthwith.
13.4 Delays during Implementation

a) The Concessionaire may apply for an extension in Construction Period if it is reasonably sure and anticipates that it shall be delayed in achieving the Scheduled Completion Date, by any of the following causes:-
   a. A Change in Scope;
   b. A Force Majeure Event;
   c. A cause of delay giving an explicit and express entitlement to extension of time under any Articles in this Concession Agreement, unless the Concessionaire has not complied with such Article;
   d. Any delay, impediment or prevention by the Concessioning Authority;
   e. Any delay caused by action taken by Competent Authorities.

Provided that the Concessionaire shall at all times use its best endeavours to minimize any delay in the performance of its obligations under this Concession Agreement, whatever may be the cause of such delay.

b) If the Concessionaire intends to apply for an extension of the Construction Period, the Concessionaire shall give notice to the Concessioning Authority of such intention as soon as possible and in any case within 28 (twenty-eight) days of the start of the event giving rise to any such delay, together with any other notice required by this Concession Agreement and relevant to such cause. Any such notice shall state the extent of the actual and anticipated delay and its anticipated effect on the Scheduled Completion Date, and shall specify the steps the Concessionaire proposes to take to minimize such delay. The Concessionaire shall keep such records as may be necessary to substantiate any application, at a location acceptable to the Concessioning Authority and such other records as may reasonably be requested by Concessioning Authority. The Concessionaire shall provide and permit Concessioning Authority to inspect all such records.

c) Within 28 (twenty-eight) days of the first day of such delay (or such other period as may be agreed by Concessioning Authority), the Concessionaire shall submit full supporting details of its application. Except that, if the Concessionaire cannot submit all relevant details within such period because the cause of delay continued for a period exceeding 7 (seven) days, the Concessionaire shall submit interim details at intervals of not more than 28 (twenty-eight) days (from the first day of such delay) and full and final supporting details of its application within 21 (twenty-one) days of the last day of delay.

d) Provided that the Concessionaire has complied with this ARTICLE 13, the Concessioning Authority shall proceed in accordance with Article 25.1 to determine either prospectively or retrospectively such adjustment as may be due, taking into account all relevant circumstances. The Concessioning Authority shall notify the Concessionaire accordingly. When determining each extension of time, Concessioning Authority shall review its previous determinations and may revise, but shall not decrease, the extension, and provided that the extension of time is not a consequence of any negligence, default or breach of Concession Agreement by the Concessionaire or those for whom it is responsible.

e) However, the Concessionaire shall not be entitled to an extension of the Scheduled Completion Date, to the extent that the delay in respect of which the extension of time is requested is attributable to any negligence, default or breach of this Concession Agreement.
13.5 Suspension of unsafe Construction Works

13.5.1 Upon recommendation of the Independent Engineer to this effect, the Authority may by notice require the Concessionaire to suspend forthwith the whole or any part of the Construction Works if in the reasonable opinion of the Authority such work threatens the safety of the users.

13.5.2 The Concessionaire shall, pursuant to the notice under Article 13.5.1, suspend the Construction Works or any part thereof for such time and in such manner as may be specified by the Authority and thereupon carry out remedial measures to secure the safety of suspended works and the Users. The Concessionaire may by notice require the Independent Engineer to inspect such remedial measures forthwith and make a report to the Authority recommending whether or not the suspension hereunder may be revoked. Upon receiving the recommendations of the Independent Engineer, the Authority shall either revoke such suspension or instruct the Concessionaire to carry out such other and further remedial measures as may be necessary in the reasonable opinion of the Authority, and the procedure set forth in this Article 13.5 shall be repeated until the suspension hereunder is revoked.

13.5.3 Subject to the provisions of Article 13.5.2, all reasonable costs incurred for maintaining and protecting the Construction Works or part thereof during the period of suspension (the "Preservation Costs"), shall be borne by the Concessionaire; provided that if the suspension has occurred as a result of any breach of this Agreement by the Authority, the Preservation Costs shall be borne by the Authority.
ARTICLE 14 : CONSTRUCTION COMPLETION CERTIFICATE

14.1 Tests and Construction Completion Certificate
14.1.1 At least 30 (thirty) days prior to the likely completion of construction works related to Mandatory Development Obligations, the Concessionaire shall notify, in writing, the Authority and the Independent Engineer(s) of its intent to subject the Project Facilities to necessary Tests. The Independent Engineer(s) shall, within 28 (twenty eight) days of such notice, require the Concessionaire to carry out or cause to be carried out such necessary checks and tests, as the Independent Engineer(s) may deem appropriate in accordance with the Good Industry Practice and the nature of such Project Facility including its intended use, to determine conformation of the Project Facilities to the Specifications and Standard as per this Agreement. The date and time of each such test shall be determined by the Independent Engineer(s) in consultation with the Concessionaire. If it is reasonably anticipated or determined by the Independent Engineer(s) during the course of any such tests that such Project Facility or any part thereof does not meet the Specifications and Standards, it shall have the right to suspend or delay such test and require the Concessionaire to remedy and rectify the defects or deficiencies. Upon completion of each such test, the Independent Engineer(s) shall provide copies of all such test data and results thereof to the Concessionaire with copy to the Authority. Costs of all such tests shall be borne by the Concessionaire.

14.1.2 Upon the Independent Engineer(s) determining that the Mandatory Development Obligations conform to the Specifications and Standards and have been completed in accordance with the provisions of this Agreement, it shall forthwith issue to the Concessionaire and the Authority a Construction Completion Certificate (the “Construction Completion Certificate”).

14.1.3 The Construction Completion Certificate shall be given by the Authority within 28 (twenty-eight) days after:
   a) The Concessionaire has remedied any defects in the works carried out;
   b) The Concessionaire has completed and tested all the Works, as specified by the Concessioning Authority / external Independent Engineer(s) appointed by the Concessioning Authority;
   c) The Works are in conformity with the provisions laid down in the Concession Agreement and its Schedules.

14.2 Rectification
14.2.1 If the Concessionaire is obliged to carry out adjustments, repairs, replacements or modifications after completion of construction to maintain the Mandatory Development Obligations, the Concessioning Authority shall permit the Concessionaire to carry out all such adjustments, repairs, replacements or modifications as may be necessary. If the adjustment, repair, replacement or modification cannot be made without stopping the operations, then such request shall only be granted if the Concessionaire’s request is reasonable under all the circumstances, having regard to the Concessioning Authority’s obligations to keep the operation of the Project open during all hours of the day. The Concessioning Authority shall, based on written request by the Concessionaire, grant suitable rectification time period,
within which the Concessionaire needs to complete the necessary works and during which period the Concessionaire shall not be considered in breach of the Agreement.

14.3 Provisional Certificate

14.3.1 The Independent Engineer may, at the request of the Concessionaire, issue a provisional certificate of completion substantially in the form set forth in Schedule 10 (the "Provisional Certificate") if the Tests as per ARTICLE 14 are successful and the Project can be safely and reliably placed in commercial operation though certain works or things forming part thereof are outstanding and not yet complete. In such an event, the Provisional Certificate shall have appended thereto a list of outstanding items signed jointly by the Independent Engineer and the Concessionaire (the "Punch List"); provided that the Independent Engineer shall not withhold the Provisional Certificate for reason of any work remaining incomplete if the delay in completion thereof is attributable to the Authority.

14.3.2 The Parties hereto expressly agree that a Provisional Certificate under this Article 14.3 may, upon request of the Concessionaire to this effect, be issued for operating part of the Mandatory Development Obligations, if at least 85% (eighty five per cent) of Project Cost estimated towards the Mandatory Development Obligations have been incurred and relevant Works completed. Upon issue of such Provisional Certificate, the provisions of ARTICLE 15 shall apply to such completed part.

14.3.3 All items in the Punch List shall be completed by the Concessionaire before Scheduled Completion Date. Upon completion of all Punch List items, the Independent Engineer shall issue the Construction Completion Certificate.

14.4 Restriction on grant of Occupation Certificate for Project Facilities

14.4.1 Subject to the other provisions contained in this Agreement, at any time during the Concession Period, the Concessionaire shall be granted Occupation Certificate for only that portion of the Total FSI Area, for which proportionate instalments of Annuity has already been paid in full.

14.4.2 For instance, if an aggregate 50% of the total Annuity (as quoted by the Selected Bidder) has been paid by the Concessionaire till a reference date, the Concessionaire shall be eligible to receive Occupation Certificate for only upto 50% of the Total FSI Area as of the reference date, irrespective of the FSI Area actually constructed till such reference date.

14.5 Restriction on Sub-Leasing of Project Facilities

14.5.1 Subject to the other provisions contained in this Agreement, at any time during the Concession Period, the Concessionaire shall be allowed to sub-lease (to 3rd parties) only that portion of the Total FSI Area, for which proportionate instalments of Annuity has already been paid in full.

14.5.2 For instance, if an aggregate 50% of the total Annuity (as quoted by the Selected Bidder) has been paid by the Concessionaire till a reference date, the Concessionaire shall be eligible to
sub-lease only upto 50% of the Total FSI Area as of the reference date, irrespective of the FSI Area actually constructed till such reference date.
ARTICLE 15 : COMMENCEMENT OF OPERATIONS

15.1 Commercial Operation Date (COD)

15.1.1 The Mandatory Development Obligations shall be deemed to be complete when the Construction Completion Certificate is issued under the ARTICLE 14, and accordingly, the commercial operations date shall be the date when Construction Completion Certificate is issued ("COD"). The Project shall enter into commercial operation on COD or on issue of Provisional Certificate, whereupon the Concessionaire shall be entitled to demand and collect Commercial Charges in accordance with the provisions of ARTICLE 20.

15.1.2 Subject to the provisions of the Article 12.4, the Concessionaire hereby agrees and undertakes that it shall achieve COD on or before the Scheduled Completion Date. If COD does not occur on the Scheduled Completion Date, unless the delay is on account of reasons solely attributable to the Authority or due to Force Majeure, the Concessionaire shall pay Damages to the Authority for each day of the delay computed in accordance with the provisions of this Agreement mentioned in Article 12.4.

15.1.3 Further, the Concessionaire hereby agrees and undertakes that, even after receipt of Construction Completion Certificate or Provisional Certificate, the Concessionaire shall have an obligation to obtain Occupation Certificate for the relevant portion of the Project Facilities, from the Competent Authority, before occupying the said portion of the Project Facilities.
ARTICLE 16 : OPERATION AND MAINTENANCE

16.1 O&M obligations of the Concessionaire

16.1.1 During the Concession Period, the Concessionaire shall operate and maintain the Project in accordance with this Agreement by itself, modify, repair or otherwise make improvements to the Project to comply with the provisions of this Agreement, Applicable Laws and Applicable Permits, and conform to Specifications and Standards and Good Industry Practice. The obligations of the Concessionaire shall include:

a) Ensuring optimal operations and maintenance of the Project Facilities, in accordance with the Specifications and Standards prescribed herein, throughout the Concession Period, either by performing the operation and maintenance itself or by making effective and diligent arrangements for due performance of the operation and maintenance obligations by third party(s);

b) The Concessionaire shall be required to take care of the operational expenses arising out of the Project.

c) The Concessionaire shall have the right to sub-lease / sub-license part of the Project for the O&M Period, in accordance with the provisions of the Concession Agreement. All such sub-leases / licenses shall be terminable within the Concession Period and shall be co-terminus with the termination of this Agreement.

d) The Concessionaire shall obtain prior approval of the Concessioning Authority for a format of the standard sub-Lease / sub-license agreement before its execution with any sublessee / sub-license. In case, any deviation in this format of standard sub-License / sub-lease deed is required, the Concessionaire shall again obtain prior approval of the Concessioning Authority before entering into an agreement with the sub-licensee / sublessee.

e) The Concessionaire is expected to invest in furnishing and making the facility operational. It would provide best-in-class facilities and adhere to minimum requirements as stipulated in Schedule 3 and Schedule 4.

f) The Concessionaire shall remove promptly from the Project all surplus construction machinery and materials, waste materials (including hazardous materials and waste water), rubbish and other debris (including, without limitation, accident debris) and keep the Project in a clean, tidy and orderly condition, and in conformity with the Applicable Laws, Applicable Permits and Good Industry Practice.

g) The Concessionaire shall comply with all the Safety requirements as prescribed under any statute, regulation, bye laws and under good industry practice as applicable for such kind of projects;

h) Carry out periodic preventive maintenance and periodic renovation of the Project Facilities;

i) Undertaking routine maintenance including prompt repairs of potholes, cracks, joints, structures, buildings, replacement of lights, pavement lighting, road signs, electricity lines, telephone lines, water facilities, sewage system and other public amenities on the Site;

j) Undertaking major maintenance such as resurfacing of roads, pavements, repairs to structures and buildings including repairs and refurbishment of other infrastructure and Project Facilities;
k) Maintaining a public relations unit to interface with and attend to suggestions from the users, government agencies, media and other agencies

16.1.2 In case the Selected Bidder didn’t itself meet the eligibility criteria as per Technical Capacity-1 [O&M Experience] of the RFP:

a) The operation & maintenance obligations of the Convention Centre and Hotel shall be entrusted to an Operating Partner, who satisfies the criteria of Technical Capacity 1 [O&M Experience] in the RFP, for the entire duration of Operator Lock-in Period (COD and COD+60 months).

b) The Concessionaire shall enter into an O&M Contract with the Operating Partner before COD. A copy of the O&M Contract shall be provided to the Authority and the same shall not be amended, substituted or revoked without the prior written consent of the Authority;

c) The Authority shall monitor whether the Operating Partner is operating the Convention Centre and Hotel at all times during the Operator Lock-in Period, failing which the Authority shall issue a Show Cause Notice, informing the Concessionaire of its decision to forfeit the Additional Performance Security. The Authority shall be entitled to forfeit and appropriate the Additional Performance Security, after 30 days of such Show Cause Notice, as mentioned in Article 9.4, if the Concessionaire fails to satisfy the Authority in response to the Show Cause Notice;

d) In case of forfeiture of the original Additional Performance Security by the Authority as mentioned in point c) above, the Concessionaire shall be required to replenish and renew the Additional Performance Security, to its original amount, within 15 (fifteen) days of forfeiture of the original Additional Performance Security. The renewed and replenished Additional Performance Security shall be kept valid and in force and effect up to a period of six months beyond the expiry of the Operator Lock-in Period;

e) Upon such renewal and replenishment of Additional Performance Security by the Concessionaire, the Authority shall grant to the Concessionaire, additional time of 90 (ninety) days from the date the forfeiture of original Additional Performance Security to re-board the Operating Partner or on-board a Replacement Operating Partner (which also meets the criteria defined in Technical Capacity 1 of the RFP), failing which the Authority shall take the following measures:

i. Forfeit the replenished Additional Performance Security; and

ii. Declare Concessionaire Event of Default, leading to Termination, after the expiry of Cure Period as mentioned in Article 25.1.

16.1.3 The details of Scope of Work and the obligations of Concessionaire during Operations Period have been given in the Schedules to this Agreement.

16.1.4 The selected Concessionaire shall have to provide 7-days rent free space ("Event Days"), every year, to Government of Punjab’s agencies for hosting various government events and functions.

a) The number of Event Days shall not be transferable to next year.

b) The line department for managing the bookings shall be ADA.
c) The Convention Centre / events space shall be provided rent free. However, other services including accommodation and F&B shall be chargeable and payable as per negotiated rates.
d) Further, the concerned agency shall be required to book the space at least 3-months in advance of the event date.
e) However, if the Concessionaire already has a conflicting booking, the Concessionaire would retain the right to refuse the booking and suggest alternate dates.

16.2 Maintenance Requirements
16.2.1 The period commencing from the date immediately succeeding the COD and up to the expiry of this Agreement (whether by efflux of time or by Termination under the provisions of this Agreement), shall be considered as “O&M Period” or “Operations Period”. The Concessionaire shall procure that at all times during the Concession Period the Project conforms to the maintenance requirements set forth in Schedule-10.

16.3 Maintenance Manual
16.3.1 On or before COD, the Concessionaire shall, in consultation with the Independent Engineer(s), evolve a repair and maintenance manual (the "Maintenance Manual") for the regular and preventive maintenance of the Mandatory Development Obligations in conformity with the Specifications and Standards, Maintenance Requirements, Safety Requirements and Good Industry Practice, and shall provide 5 (five) copies thereof to the Authority and 2 (two) copies to the Independent Engineer(s). The Maintenance Manual shall be revised and updated once every 3 (three) years and the provisions of this Article16.3 shall apply, mutatis mutandis, to such revision.

16.3.2 Without prejudice to the provision of Article 16.3.1, the Maintenance Manual shall, in particular, include provisions for maintenance of Mandatory Development Obligations and shall provide for life cycle maintenance, routine maintenance and reactive maintenance which may be reasonably necessary for maintenance and repair of the Mandatory Development Obligations, including replacement thereof, such that their overall condition conforms to Good Industry Practice.

16.4 Maintenance Programme
16.4.1 On or before COD and no later than 45 (forty five) later than days prior to the beginning of each Accounting Year during the Concession Period, as the case may be, the Concessionaire shall provide to the Authority and the Independent Engineer(s), its proposed annual programme of preventive, urgent and other scheduled maintenance (the "Maintenance Programme") to comply with the Maintenance Requirements, Maintenance Manual and Safety Requirements. Such Maintenance Programme shall include:
   a) Preventive maintenance schedule;
   b) Arrangements and procedures for carrying out urgent repairs and regular wear & tear of the equipment installed by the Concessionaire;
   c) Criteria to be adopted for deciding maintenance needs;
   d) Intervals and procedures for carrying out inspection of all elements of the Project;
e) Intervals at which the Concessionaire shall carry out periodic maintenance;
f) Arrangements and procedures for carrying out safety related measures; and
g) Intervals for major maintenance works and the scope thereof.

16.4.2 Within 15 (fifteen) days of receipt of the Maintenance Programme, the Independent Engineer(s) shall review the same and convey its comments to the Concessionaire with particular reference to its conformity with the Maintenance Requirements, Maintenance Manual and Safety Requirements.

16.4.3 The Concessionaire may modify the Maintenance Programme as may be reasonable in the circumstances, and the procedure specified in Articles 16.4.1 and 16.4.2 shall apply mutatis mutandis to such modifications.

16.5 Damages for breach of maintenance obligations
16.5.1 In the event that the Concessionaire fails to repair or rectify any defect or deficiency set forth in the Maintenance Requirements within the period specified therein, it shall be deemed to be in breach of this Agreement and the Authority shall be entitled to recover Damages, to be calculated and paid for each week of delay until the breach is cured, at 1.5% (one point five per cent) of the Operations Performance Security per week till a maximum of 60 (sixty) days, post which the Authority shall have the right to issue Notice of Breach to the Concessionaire, leading to termination of the Agreement in accordance with ARTICLE 25.

16.6 Restoration of loss or damage to Project
16.6.1 Save and except as otherwise expressly provided in this Agreement, in the event that the Project or any part thereof suffers any loss or damage during the Concession Period from any cause whatsoever other than Force Majeure Event, the Concessionaire shall, at its cost and expense, rectify and remedy such loss or damage forthwith so that the Project conforms to the provisions of this Agreement.

16.7 Modifications
16.7.1 The Concessionaire shall not carry out any material modifications to the Mandatory Development Obligations save and except where such modifications are necessary for the Mandatory Development Obligations to operate in conformity with the Specifications and Standards, Maintenance Requirements and Good Industry Practice and Applicable Laws; provided that the Concessionaire shall notify the Independent Engineer(s) of the proposed modifications along with particulars thereof at least 15 (fifteen) days before commencing work on such modifications and shall reasonably consider any suggestions that the Independent Engineer(s) may make within 15 (fifteen) days of receiving the Concessionaire's proposal. For the avoidance of doubt, all modifications made hereunder shall comply with the Specifications and Standards, Applicable Laws and the provisions of this Agreement.

16.8 Excuse from performance of obligations
16.8.1 The Concessionaire shall not be considered in breach of its obligations under this Agreement if any part of the Mandatory Development Obligations is not available on account of any of
the following for the duration thereof:

a) An event of Force Majeure;

b) Measures taken to ensure the safe use of the Mandatory Development Obligations except when unsafe conditions occurred because of failure of the Concessionaire to perform its obligations under this Agreement; or

c) Compliance with a request from the Authority or the directions of any Government Instrumentality, the effect of which is to close all or any part of the Mandatory Development Obligations.

Notwithstanding the above, the Concessionaire shall keep all unaffected parts of the Mandatory Development Obligations open provided they can be operated safely.

16.9 Advertising on the Site

16.9.1 The Concessionaire shall be allowed to undertake or permit any form of commercial advertising, display or hoarding at any place on the Site if the advertising thereon does not, in the opinion of the Authority violate orders passed by any Competent Court of law. All advertising on the Project shall also conform to Good Industry Practice. For the avoidance of doubt, it is agreed that the rights of the Concessionaire hereunder shall be subject to Applicable Laws, as in force and effect from time to time, and no compensation shall be claimed on account thereof.

16.10 Operations and Maintenance of Optional Project Facilities

16.10.1 The Parties expressly agree that the provisions of Articles 16.3, 16.4, 16.5, 16.7 shall not apply to Optional Project Facilities; provided, however, that the Concessionaire agrees and undertakes to maintain these Project Facilities at all times in accordance with Good Industry Practice and Applicable Laws.

16.11 Safety Requirements

16.11.1 The Concessionaire shall comply with the provisions of this Agreement, Applicable Laws and Applicable Permits and conform to Good Industry Practice for securing the safety of users of the Project Facilities and other persons present at the Project Site. In particular, the Concessionaire shall develop, implement and administer a surveillance and safety programme for providing a safe environment on or about the Project, and shall comply with the safety requirements.

16.11.2 All costs and expenses arising out of or relating to safety requirements shall be borne by the Concessionaire.
ARTICLE 17 : MONITORING OF OPERATION AND MAINTENANCE

17.1 Quarterly status reports
17.1.1 During Concession Period, the Concessionaire shall, no later than 7 (seven) days after the close of each quarter, furnish to the Authority and the Independent Engineer(s) a quarterly report stating in reasonable detail the condition of the Project Facilities including its compliance or otherwise with the Maintenance Requirements, Maintenance Manual, Maintenance Programme and Safety Requirements, and shall promptly give such other relevant information as may be required by the Independent Engineer(s). In particular, such report shall separately identify and state in reasonable detail the defects and deficiencies that require rectification.

17.2 Inspection
17.2.1 The Independent Engineer(s) shall inspect the Project Facilities at least once a quarter during the O&M Period. It shall make a report of such inspection (the "O&M Inspection Report") stating in reasonable detail the defects or deficiencies, if any, with particular reference to the Maintenance Requirements, Maintenance Manual, the Maintenance Programme and Safety Requirements, and send a copy thereof to the Authority and the Concessionaire within 7 (seven) days of such inspection.

17.3 Tests
17.3.1 For determining that the Project Facilities conform to the Maintenance Requirements, the Independent Engineer shall require the Concessionaire to carry out, or cause to be carried out, tests specified by it in accordance with Good Industry Practice. The Concessionaire shall, with due diligence, carry out or cause to be carried out all such tests in accordance with the instructions of the Independent Engineer and furnish the results of such tests forthwith to the Independent Engineer. One half of the costs incurred on such tests, and to the extent certified by the Independent Engineer as reasonable, shall be reimbursed by the Authority to the Concessionaire.

17.4 Remedial measures
17.4.1 The Concessionaire shall repair or rectify the defects or deficiencies, if any, set forth in the O&M Inspection Report or in the test results referred to in Article 17.3 and furnish a report in respect thereof to the Independent Engineer(s) and the Authority within 15 (fifteen) days of receiving the O&M Inspection Report or the test results, as the case may be; provided that where the remedying of such defects or deficiencies is likely to take more than 15 (fifteen) days, the Concessionaire shall submit progress reports of the repair works once every week until such works are completed and in no case later than 30 days from the date of O&M Inspection Report, beyond which the Authority shall may levy damages as per Article 16.5.

17.4.2 The Independent Engineer(s) shall require the Concessionaire to carry out or cause to be carried out tests, at its own cost, to determine that such remedial measures have brought the Project into compliance with the Maintenance Requirements and the procedure set forth in this Article 17.4 shall be repeated until the Project conforms to the Maintenance Requirements.
Requirements. In the event that remedial measures are not completed by the Concessionaire in conformity with the provisions of this Agreement, the Authority shall be entitled to recover Damages from the Concessionaire under and in accordance with the provisions of Article 16.5.
Part IV
Financial Covenants
ARTICLE 18 : FINANCIAL CLOSE

18.1 Financial Close
18.1.1 The Concessionaire hereby agrees and undertakes that it shall achieve the Financial Close within 180 (one hundred and eighty) days from the date of this Agreement and in the event of delay, it shall be liable to pay damages as per provisions of Article 4.4.2.

18.1.2 The Concessionaire shall, upon occurrence of Financial Close, notify the Authority forthwith, and shall have provided to the Authority, at least 2 (two) days prior to Financial Close, 3 (three) true copies of the Financial Package (the “Financial Package”) and the Financial Model, duly attested by a Director or authorized representative of the Concessionaire, along with 3 (three) soft copies of the Financial Model in MS Excel version or any substitute thereof, which is acceptable to the Lenders.

18.2 Termination due to failure to achieve Financial Close
18.2.1 Notwithstanding anything to the contrary contained in this Agreement, but subject to ARTICLE 23, in the event that Financial Close does not occur, for any reason whatsoever, within the period set forth in Article 18.1, all rights, privileges, claims and entitlements of the Concessionaire under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with concurrence of the Concessionaire, and the Concession Agreement shall be deemed to have been terminated by mutual Agreement of the Parties. For the avoidance of doubt, it is agreed that in the event that the Parties hereto have, by mutual consent, determined the Financial Close, the provisions of this Article 18.2.1 shall not apply.

18.2.2 Upon termination under Article 18.2.1, the termination payments shall be as defined in Article 4.5.
ARTICLE 19 : PROJECT CONSIDERATION AND PROJECT REVENUE

A.  PROJECT CONSIDERATION

19.1  Project Consideration

19.1.1 The Project Consideration ("Project Consideration") shall comprise of the following payments by the Concessionaire to the Authority:
   a)  Upfront Premium, as per Article 19.2 below;
   b)  Lease Rental, as per Article 19.3 below;
   c)  Annuity, as per Article 19.4 below.

19.2  Upfront Premium

19.2.1 In consideration of grant of the Concession, the Concessionaire has made, simultaneous to the signing and execution of this Agreement, a non-refundable payment of INR 5,00,00,000 (Rupee Five Crore), as specified in the Bid Documents, to the Authority ("Upfront Premium").

19.3  Lease Rental

19.3.1 In consideration of the lease of the Site and the rights appurtenant thereto in favor of the Concessionaire, the Concessionaire shall, during the Concession Period, in terms of this Agreement and the Site Lease Deed, make payments to the Authority by way of annual lease rentals (the "Lease Rentals") starting at a concessional rate of INR 1,00,00,000 (Rupees One Crore) per annum and subject to escalation at 5% (five per cent) per annum on a compounded basis.

19.3.2 The first payment shall be made on the date of execution of the Lease Deed. The subsequent payments shall be due and payable on every subsequent anniversary of the date of execution of the Lease Deed.

19.3.3 The Concessionaire shall be allowed to make advance payment of Lease Rentals due for the entire duration of the Concession Agreement ("Pre-Payment of Lease Rentals"), subject to the following provisions:
   a)  The Concessionaire may, solely at its discretion, choose to pay the Lease Rentals, due for the residual Concession Period, in a single instalment.
   b)  A request for pre-payment shall only be allowed during a period starting from 1st anniversary of COD till date falling on 6th anniversary of COD ("Allowed Pre-Payment Window").
   c)  In case the Concessionaire chooses to make Pre-Payment of Lease Rentals during the Allowed Pre-Payment Window, it shall submit a written request to the Authority in this regard, citing estimates Pre-Payment Amount and expected date of payment.
   d)  The Pre-Payment Amount shall be computed as a net present value (NPV) of residual Lease Rentals over the Concession Period, discounted at 12% ("Pre-Payment Amount").
   e)  Upon receipt of Pre-Payment Amount, the Authority shall sign a supplementary Lease Deed with the Concessionaire, revising the Lease Rental payable for each year of the remaining Concession Period as INR 1 (Rupee One).
19.4 **Annuity**

19.4.1 **Annuity ("Annuity"):** In consideration of grant of the Concession, the Concessionaire agrees to pay to the Authority, a payment equivalent to INR ……………………., as quoted by the Selected Bidder in its financial proposal dated [●].

19.4.2 The Annuity shall be payable in 10 equal annual instalments (with applicable interest).

19.4.3 The first installment of Annuity payment shall be due and payable on the 1st anniversary of the Appointed Date. The subsequent instalments of the Annuity shall be due and payable on every subsequent anniversary of the Appointed Date.

19.4.4 Interest would be computed at the rate of 5% per annum on compounded basis from the Appointed Date till the date of the payment and shall be applicable on each instalment.

19.4.5 The Concessionaire shall have the flexibility to make early payment of the residual instalments of the Annuity.

For instance:

**Case 1 (Base Case – If the Concessionaire pays the minimum amount due each year i.e. in 10 equal annual instalments)**

<table>
<thead>
<tr>
<th>Anniversary of the Appointed Date</th>
<th>Instalment of Annuity paid</th>
<th>Instalment of Annuity payable with interest</th>
<th>Say the Annuity is INR 30 Cr, the amount payable shall be:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*1 = 10.50%</td>
<td>INR 3.15 Cr</td>
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<tr>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*2 = 11.03%</td>
<td>INR 3.31 Cr</td>
</tr>
<tr>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*3 = 11.58%</td>
<td>INR 3.47 Cr</td>
</tr>
<tr>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*4 = 12.16%</td>
<td>INR 3.65 Cr</td>
</tr>
<tr>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*5 = 12.76%</td>
<td>INR 3.83 Cr</td>
</tr>
<tr>
<td>6&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*6 = 13.4%</td>
<td>INR 4.02 Cr</td>
</tr>
<tr>
<td>7&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*7 = 14.07%</td>
<td>INR 4.22 Cr</td>
</tr>
<tr>
<td>8&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*8 = 14.77%</td>
<td>INR 4.43 Cr</td>
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<tr>
<td>9&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*9 = 15.51%</td>
<td>INR 4.65 Cr</td>
</tr>
<tr>
<td>10&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*10 = 16.29%</td>
<td>INR 4.89 Cr</td>
</tr>
<tr>
<td><strong>Sum Total Paid</strong></td>
<td></td>
<td></td>
<td><strong>INR 39.62 Cr</strong></td>
</tr>
</tbody>
</table>

Case 2 (An illustrative case where the Concessionaire choses to pay more than the minimum due instalments each year i.e. the Concessionaire finishes payment of Annuity earlier than 10 years).

<table>
<thead>
<tr>
<th>Anniversary of the Appointed Date</th>
<th>Instalment of Annuity paid</th>
<th>Instalment of Annuity payable with interest</th>
<th>Say the Annuity is INR 30 Cr, the amount payable shall be:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>20%</td>
<td>20%*[1+5%]*1 = 21.00%</td>
<td>6.3 Cr</td>
</tr>
<tr>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>20%</td>
<td>20%*[1+5%]*2 = 22.05%</td>
<td>6.62 Cr</td>
</tr>
<tr>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*3 = 11.58%</td>
<td>3.74 Cr</td>
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<tr>
<td>4&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*4 = 12.16%</td>
<td>3.65 Cr</td>
</tr>
<tr>
<td>5&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*5 = 12.76%</td>
<td>3.83 Cr</td>
</tr>
<tr>
<td>6&lt;sup&gt;th&lt;/sup&gt;</td>
<td>10%</td>
<td>10%*[1+5%]*6 = 13.4%</td>
<td>4.02 Cr</td>
</tr>
<tr>
<td>7&lt;sup&gt;th&lt;/sup&gt;</td>
<td>20%</td>
<td>20%*[1+5%]*7 = 28.14%</td>
<td>8.44 Cr</td>
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<tr>
<td>8&lt;sup&gt;th&lt;/sup&gt;</td>
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<td>9&lt;sup&gt;th&lt;/sup&gt;</td>
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<td>10&lt;sup&gt;th&lt;/sup&gt;</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Sum Total Paid</strong></td>
<td></td>
<td></td>
<td><strong>INR 36.33 Cr</strong></td>
</tr>
</tbody>
</table>
19.5 **Damages for Delay in Payment of Project Consideration**

19.5.1 In case of delay by the Concessionaire to make the payment of the Upfront Premium and/or Lease Rentals on or before the due date, it shall be liable to pay interest on the delayed payments calculated at the rate of 18% (eighteen percent) per annum for the days of the delay, subject to a maximum delay of 60 (sixty) days beyond the due date, after which the Authority shall be issue a Notice of Breach to the Concessionaire, leading to termination of this Agreement in accordance with ARTICLE 25.

19.5.2 In case of delay by the Concessionaire to make payment of the minimum yearly instalment of Annuity, along with due interest amount, by the due date, it shall be liable to pay interest on the delayed payments calculated at the rate of 18% (eighteen percent) per annum for the days of the delay, subject to a maximum delay of 60 (Sixty) days beyond the due date, after which the Authority shall be issue a Notice of Breach to the Concessionaire, leading to termination of this Agreement in accordance with ARTICLE 25.

B. **PROJECT REVENUE**

19.6 **Collection and appropriation of Commercial Charges**

19.6.1 The Concessionaire shall be entitled to levy, collect, retain and appropriate user charges (“Commercial Charges”), from the users and visitors after the COD or after issue of Provisional Certificate, as the case may be, until the expiry of the Concession Period or early termination thereof, in accordance with the provisions of this Agreement (“Project Revenues”).

19.6.2 The Concessionaire shall at all times be bound by the terms and conditions of this Agreement and shall not create any Encumbrance on the Mandatory Development Obligations or any part thereof during the Concession Period.

19.6.3 The Concessionaire shall be allowed to enter into sub-lease / sub-license / branding agreements for various Project Facilities and shall be free to determine sub-license / sub-lease / branding fee based on market rates. The Concessionaire shall be free to collect advances, deposits and any other fee pertaining to such sub-lease / sub-license. However, it must be noted that such sub-lease / sub-license agreements should not exceed within the Concession Period and be co-terminus with the termination of the Concession Agreement.
ARTICLE 20 : ESCROW ACCOUNT

20.1 Escrow Account
20.1.1 The Concessionaire shall, prior to the Appointed Date, open and establish an Escrow Account with a Bank, acceptable to the Authority (the “Escrow Bank”) in accordance with this Agreement, read with the Escrow Agreement.

20.1.2 The Escrow Account shall be set-up for a period commencing from the Appointed Date till the 10th anniversary of the Appointed Date. Provided that in case the entire Annuity, along with due interest as per Article 19.4, is paid by the Concessionaire before the 10th anniversary of the Appointed Date, the Concessionaire may request the Authority, which request the Authority shall not unreasonably deny, for early closure of the Escrow Account on a day which falls 30 days after the full and final payment of Annuity has been made by the Concessionaire to the Authority.

20.1.3 The nature and scope of the Escrow Account are fully described in the agreement (the “Escrow Agreement”) to be entered into amongst the Concessionaire, the Authority, the Escrow Bank and the Senior Lenders through the Lenders’ Representative, which shall be substantially in the form set forth in Schedule 14.

20.2 Deposits into Escrow Account
20.2.1 The Concessionaire shall deposit or cause to be deposited the following inflows and receipts into the Escrow Account:
   a) all Project Revenues and any other revenues from or in respect of the Project, including the proceeds of any rentals, advances, deposits, fee or charges etc. received from any party;
   b) all funds received in relation to the Project from any source, including the Senior Lenders, lenders of Subordinated Debt and the Authority;
   c) all proceeds received pursuant to any insurance claims.

Provided that the Senior Lenders may make direct disbursements to the EPC Contractor in accordance with the express provisions contained in this behalf in the Financing Agreements.

20.3 Withdrawals during Concession Period
20.3.1 The Concessionaire shall, at the time of opening the Escrow Account, give irrevocable instructions, by way of an Escrow Agreement, to the Escrow Bank instructing, inter alia, that deposits in the Escrow Account shall be appropriated in the following order every month, or at shorter intervals as necessary, and if not due in a month then appropriated proportionately in such month and retained in the Escrow Account and paid out therefrom in the month when due:
   a) All Taxes due and payable by the Concessionaire for and in respect of the Project;
   b) All payments relating to construction of the Project, subject to and in accordance with the conditions, if any, set forth in the Financing Agreements;
20.3.2 The Concessionaire shall not in any manner modify the order of payment specified in Article 20.3.1 above except with the prior written approval of the Authority.

20.3.3 Notwithstanding anything to the contrary contained in this Article 20, the Concessionaire shall, at any point of time during the tenure of the Escrow Account, maintain a minimum amount equivalent to the amount of Project Considerations due and payable to the Authority over the next 12 months.

20.4 Withdrawals upon Termination

20.4.1 Notwithstanding anything to the contrary contained in this Agreement, all amounts standing to the credit of the Escrow Account shall, upon Termination, be appropriated in the following order:
   a) All Taxes due and payable by the Concessionaire for and in respect of the Project;
   b) Ninety per cent (90%) of the Debt Due including subordinate debt;
   c) Outstanding Project Consideration as per 20.3.1 (e);
   d) Retention and payments relating to the liability for defects and deficiencies;
   e) Outstanding Debt Service including the balance of Debt Due;
   f) Outstanding Subordinated Debt;
   g) Incurred or accrued O&M Expenses;
   h) All payments and damages certified by the Authority as due and payable to it by the Concessionaire;
   i) Any other payments required to be made under this Agreement; and
   j) Balance, if any, in accordance with the instructions of the Concessionaire.

Provided that no appropriation shall be made under sub-clause (j) of this Article 20.4.1 until a Vesting Certificate has been issued by the Authority.
The provisions of this Article 20 and the instructions contained in the Escrow Agreement shall remain in full force and effect until the obligations set forth in Article 20.4.1 has been discharged.
ARTICLE 21 : INSURANCE

21.1 Insurance during Concession Period
21.1.1 The Concessionaire shall effect and maintain at its own cost, during the Concession Period, such insurances for such maximum sums as may be required under the Applicable Laws, and such insurances as may be necessary or prudent in accordance with Good Industry Practice to cover third party claims and Non Political Event (the “Insurance Cover”). The Concessionaire shall procure that in each insurance policy, the Authority shall be a co-insured.

21.2 Insurance Cover
21.2.1 Without prejudice to the provisions contained in Article 21.1, the Concessionaire shall, during the Operations Period, procure and maintain Insurance Cover including but not limited to the following:
   a) Loss, damage or destruction of the Project Assets, including assets handed over by the Authority to the Concessionaire, at replacement value;
   b) Comprehensive third-party liability insurance including injury to or death of personnel of the Authority or others caused by the Project;
   c) The Concessionaire's general liability arising out of the Concession;
   d) Liability to third parties for goods or property damage;
   e) Workmen's compensation insurance;
   f) Such insurances as may be necessary for mitigating the risks that may devolve on the Authority as a consequence of any act or omission of the Concessionaire during the Construction Period; and
   g) Any other insurance that may be necessary to protect the Concessionaire and its employees, including all Force Majeure Events that are insurable at commercially reasonable premiums and not otherwise covered in items (a) to (f) above.

21.3 Notice to the Authority
21.3.1 Before the Appointed Date, the Concessionaire shall by notice furnish to the Authority, in reasonable detail, information in respect of the insurances that it proposes to effect and maintain in accordance with this 0. Within 30 (thirty) days of receipt of such notice, the Authority may require the Concessionaire to effect and maintain such other insurances as may be necessary pursuant hereto, and in the event of any difference or disagreement relating to any such insurance, the Dispute Resolution Procedure shall apply.

21.4 Evidence of Insurance Cover
21.4.1 All insurances obtained by the Concessionaire in accordance with this 0 shall be maintained with insurers on terms consistent with Good Industry Practice. Within 15 (fifteen) days of obtaining any insurance cover, the Concessionaire shall furnish to the Authority, notarized true copies of the certificate(s) of insurance, copies of insurance policies and premia payment receipts in respect of such insurance, and no such insurance shall be cancelled, modified, or allowed to expire or lapse until the expiration of at least 45 (forty five) days after notice of such proposed cancellation, modification or non-renewal has been delivered by the Concessionaire to the Authority.
21.5 Remedy for failure to insure
21.5.1 If the Concessionaire shall fail to effect and keep in force all insurances for which it is responsible pursuant hereto, the Authority shall have the option to either keep in force any such insurances, and pay such premia and recover the costs thereof from the Concessionaire, or in the event of computation of a Termination Payment, treat an amount equal to the Insurance Cover as deemed to have been received by the Concessionaire.

21.6 Waiver of subrogation
21.6.1 All insurance policies in respect of the insurance obtained by the Concessionaire pursuant to this Agreement shall include a waiver of any and all rights of subrogation or recovery of the insurers thereunder against, inter alia, the Authority, and its assigns, successors, undertakings and their subsidiaries, affiliates, employees, insurers and underwriters, and of any right of the insurers to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under any such policy or in any way connected with any loss, liability or obligation covered by such policies of insurance.

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

21.8 Application of insurance proceeds
21.8.1 The proceeds from all insurance claims, except life and injury, shall be paid to the Concessionaire by credit to the Escrow Account. The Concessionaire shall apply all proceeds from insurance for any necessary repair, reconstruction, reinstatement, replacement, improvement, delivery or installation of the Project, and the balance remaining, if any, shall be applied in accordance with the provisions contained in this behalf in the Financing Agreements.

21.9 Compliance with conditions of insurance policies
21.9.1 The Concessionaire expressly acknowledges and undertakes to fully indemnify the Authority from and against all losses and claims arising from the Concessionaire’s failure to comply with conditions imposed by the insurance policies effected in accordance with the Agreement.
ARTICLE 22 : ACCOUNTS AND AUDIT

22.1 Audited accounts
22.1.1 The Concessionaire shall maintain books of accounts recording all its receipts (including all Project Revenues derived/collected by it from or on account of the Project and/or its use), income, expenditure, payments (including payments from the Escrow Account), assets and liabilities, in accordance with this Agreement, Good Industry Practice, Applicable Laws and Applicable Permits. The Concessionaire shall provide 2 (two) copies of its Balance Sheet, Cash Flow Statement and Profit and Loss Account, along with a report thereon by its Statutory Auditors, within 90 (ninety) days of the close of the Accounting Year to which they pertain and such audited accounts, save and except where expressly provided to the contrary, shall form the basis of payments by either Party under this Agreement. The Authority shall have the right to inspect the records of the Concessionaire during office hours and require copies of relevant extracts of books of accounts, duly certified by the Statutory Auditors, to be provided to the Authority for verification of basis of payments, and in the event of any discrepancy or error being found, the same shall be rectified and such rectified account shall form the basis of payments by either Party under this Agreement.

22.1.2 The Concessionaire shall, within 30 (thirty) days of the close of each quarter of an Accounting Year, furnish to the Authority its unaudited financial results in respect of the preceding quarter, in the manner and form prescribed by the Securities and Exchange Board of India for publication of quarterly results by the companies listed on a stock exchange.

22.1.3 Along with the copies of the Audited Accounts and the Auditors Report thereon as per Article 22.1.1, the Concessionaire shall provide segregated Profit and Loss Accounts for the operations of various Project Facilities, duly audited by the statutory auditors.

22.1.4 On or before the 31st May of each year, the Concessionaire shall provide to the Authority, for the preceding account year, a statement duly audited by its statutory auditors, giving any such information as the Authority may reasonably require, including a summarizing information on: (a) the occupancy of the Project Facilities (b) User Fee charged and received and other revenues derived from the Project / Site / Project Facilities, (c) annual gross revenue earned from the Project / Site / Project Facilities, and (d) such other information as the Authority may reasonably require.

22.2 Certification of claims by Statutory Auditors
22.2.1 Any claim or document provided by the Concessionaire to the Authority in connection with or relating to receipts, income, payments, costs, expenses, accounts or audit, and any matter incidental thereto shall be valid and effective only if certified by its Statutory Auditors. In the event of there being any difference or dispute in respect thereof, such Dispute shall be resolved by recourse to the Dispute Resolution Procedure. For the avoidance of doubt, such certification shall not be required for exchange of information in the normal course of business.
22.3 Set off

22.3.1 In the event any amount is due and payable by the Authority to the Concessionaire, it may set-off any sums payable to it by the Concessionaire and pay the balance remaining. Any exercise by the Authority of its rights under this Clause shall be without prejudice to any other rights or remedies available to it under this Agreement or otherwise.
Part V

Force Majeure and Termination
ARTICLE 23 : FORCE MAJEURE

23.1 Force Majeure
23.1.1 As used in this Agreement, the expression "Force Majeure" or "Force Majeure Event" shall, save and except as expressly provided otherwise, mean occurrence in India of any or all of Non-Political Event, Indirect Political Event and Political Event, as defined in Articles 23.2, 23.3, 23.4 respectively, if it affects the performance by the Party claiming the benefit of Force Majeure (the "Affected Party") of its obligations under this Agreement and which act or event:
   a) Is beyond the reasonable control of the Affected Party, and
   b) The Affected Party could not have prevented or overcome by exercise of due diligence and following Good Industry Practice, and
   c) Has Material Adverse Effect on the Affected Party.

23.2 Non-Political Event
23.2.1 A Non-Political Event shall mean one or more of the following acts or events:
   a) Acts of God, epidemic, extremely adverse weather conditions, lightening, earthquake, landslide, cyclone, flood, volcanic eruption, chemical, radioactive contamination or ionising radiation, fire or explosion (to the extent of contamination or radiation or fire or explosion originating from a source external to the Site);
   b) Any judgement or order of any court of competent jurisdiction or statutory authority made against the Concessionaire in any proceedings for reasons other than (i) failure of the Concessionaire to comply with any Applicable Law or Applicable Permits (ii) on account of breach of any Applicable Law or of any contract, or (iii) enforcement of this Agreement, or (iv) exercise of any of its rights under this Agreement by the Authority;
   c) The discovery of geological conditions, toxic contamination or archaeological remains on the Site that could not reasonably have been expected to be discovered through a site inspection;
   d) Strikes or boycotts (other than those involving the Concessionaire, Contractors or their respective employees / representatives, or attributable to any act or omission of any of them) interrupting supplies and services to the Project Site for a continuous period of 24 (twenty four) hours and an aggregate period exceeding 7 (seven) days in an Accounting Year, and not being an Indirect Political Event, as set forth in Article 23.3.
   e) Any other event or circumstance of a nature analogous to the foregoing.

23.3 Indirect Political Event
23.3.1 An Indirect Political Event shall mean one or more of the following acts or events:
   a) An act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage;
   b) Industry-wide or State-wide strikes or industrial action for a continuous period of 24 (twenty-four) hours and exceeding an aggregate period of 7(seven) days in an Accounting Year;
c) Any public agitation, civil commotion, boycott or political agitation which prevents collection of Commercial Charges by the Concessionaire for an aggregate period of 7 (seven) days in an Accounting Year;

d) Any political or economic upheaval, disturbance, movement, struggle or similar occurrence which could not have been anticipated or foreseen by a prudent person and which causes the construction, operations or management of the Project to be financially unviable or otherwise not feasible;

e) Failure of the Authority to permit the Concessionaire to continue with the Construction Works, with or without modifications, in the event of stoppage of such works after discovery of any geological or archaeological finds;

f) Any failure or delay of a Contractor to the extent caused by any Indirect Political Event and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor;

g) Any event or circumstances of a nature analogous to any of the foregoing.

23.4 Political Event

23.4.1 A Political Event shall mean one or more of the following acts or events by or on account of any Authority Instrumentality:

a) Compulsory acquisition in national interest or expropriation of any Project Assets or rights of the Concessionaire or of the Contractors;

b) Unlawful or unauthorized or without jurisdiction revocation of, or refusal to renew or grant without valid cause, any clearance, license, permit, authorization, no objection certificate, consent, approval or exemption required by the Concessionaire or any of the Contractors to perform their respective obligations under this Agreement and the Project Agreements; provided that such delay, modification, denial, refusal or revocation did not result from the Concessionaire's or any Contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, license, authorisation, no objection certificate, exemption, consent, approval or permit;

c) Any failure or delay of a Contractor but only to the extent caused by another Political Event and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor; or

d) Any event or circumstance of a nature analogous to any of the foregoing.

23.5 Duty to report Force Majeure Event

23.5.1 Upon occurrence of a Force Majeure Event, the Affected Party shall by notice report such occurrence to the other Party forthwith. Any notice pursuant hereto shall include full particulars of:

a) The nature and extent of each Force Majeure Event which is the subject of any claim for relief under this ARTICLE 23 with evidence in support thereof;

b) The estimated duration and the effect or probable effect which such Force Majeure Event is having or will have on the Affected Party's performance of its obligations under this Agreement;

c) The measures which the Affected Party is taking or proposes to take for alleviating the impact of such Force Majeure Event; and
d) Any other information relevant to the Affected Party’s claim.

23.5.2 The Affected Party shall not be entitled to any relief for or in respect of a Force Majeure Event unless it shall have notified the other Party of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event not later than 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence, and shall have given particulars of the probable material effect that the Force Majeure Event is likely to have on the performance of its obligations under this Agreement.

23.5.3 For so long as the Affected Party continues to claim to be materially affected by such Force Majeure Event, it shall provide the other Party with regular (and not less than weekly) reports containing information as required by Article 23.5.1, and such other information as the other Party may reasonably request the Affected Party to provide.

23.6 Effect of Force Majeure before the Appointed Date

23.6.1 Upon occurrence of any Force Majeure Event prior to the issuance of the Appointed Date, the following shall apply:
   a) The Appointed Date shall be extended by the period for which such Force Majeure event shall subsist; and
   b) The Parties shall bear their respective costs arising out of such Force Majeure Event.

23.7 Effect of Force Majeure after Appointed Date

23.7.1 Upon occurrence of any Force Majeure Event after the Appointed Date, the following shall apply:
   a) Where the Force Majeure Event occurs before the COD, the Concession Period and the Scheduled Completion Date shall be extended by the period for which such Force Majeure Event shall subsist;
   b) after COD, whereupon the Concessionaire is unable to collect Project Revenues despite making best efforts or it is directed by the Authority or any Government Instrumentality to suspend the collection thereof during the subsistence of such Force Majeure Event, the Authority shall consider the impact of any such Force Majeure Event and provide appropriate remedies in accordance with the provisions of Applicable Laws.

23.8 Allocation of costs during the subsistence of Force Majeure

23.8.1 Upon occurrence of any Force Majeure Event prior to the Appointed Date, the Parties shall bear their respective Force Majeure Costs and neither Party shall be required to pay to the other Party any costs thereof.

23.8.2 Upon occurrence of a Force Majeure Event after Appointed Date, the cost arising out of such event shall be allocated as follows:
   a) When the Force Majeure Event is a Non-Political Event, the Parties shall bear their respective Force Majeure Costs and neither Party shall be required to pay to the other Party any cost arising out of any such Force Majeure Event;
b) Where the Force Majeure Event is an Indirect Political Event, the costs attributable to such Indirect Political Event, and not exceeding the Insurance Cover admitted and paid for such Indirect Political Event, shall be borne by the Concessionaire, and to the extent Force Majeure Costs, as duly certified by the Statutory Auditors, exceed such Insurance Cover admitted and paid, one half of such excess shall be reimbursed by the Authority to the Concessionaire within 120 (one hundred and twenty) days from the date of receipt of Concessionaire’s claim therefore;

c) Upon occurrence of a Political Event, all Force Majeure Costs attributable to such Political Event shall be reimbursed by the Authority to the Concessionaire.

23.8.3 For the avoidance of doubt, Force Majeure Costs may include interest payments on debt, O&M Expenses, any increase in the cost of Construction Works for the Mandatory Development Obligations on account of inflation and all other costs attributable directly to the Force Majeure Event, but shall not include loss of Project Revenue or debt repayment obligations, and for determining such costs, information contained in the Financial Package may be relied upon to the extent it is relevant.

23.8.4 Save and except as expressly provided in this Article 23, neither Party shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands, and proceedings relating to or arising out of occurrence or existing of any Force majeure Event or exercise of any right pursuant hereto.

23.9 Termination Notice for Force Majeure Event

23.9.1 If the Force Majeure Event subsists for a cumulative period of 180 (one hundred eighty) days or more within a continuous period of 365 (three hundred sixty five) days, either Party may in its sole discretion terminate this Agreement by issuing a Termination Notice to the other Party without being liable in any manner whatsoever, save as provided in this Article 28, and upon issue of such Termination Notice, the Agreement shall, notwithstanding anything to the contrary contained herein, stand terminated forthwith, provided that before issuing such Termination Notice, the Party intending to issue the Termination Notice shall inform the other Party of such intention and grant 15 (fifteen) days’ time to make a representation, and may after the expiry of such 15 (fifteen) days period, whether or not in receipt of such representation, in its sole discretion issue the Terminal Notice.

23.10 Termination Payment for Force Majeure Event

23.10.1 Upon termination of this Agreement due to a Force Majeure Event, Termination Payment shall be made to the Concessionaire by the Authority in accordance with the following:

23.10.2 If Termination is on account of a Non-Political Event and Indirect Political Event, the Authority shall pay to the Concessionaire an amount equal to 90% (ninety percent) of the Debt Due, less Insurance Cover admitted and paid.\(^6\)

23.10.3 If Termination is on account of a Political Event, the Authority shall pay to the Concessionaire:

\(^6\) Provided that the Debt Due shall in no case exceed 70% of the Total Project Cost
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23.10.4 The Termination Payments pursuant to this Article 23.10, shall become due and payable to the Concessionaire by the Concessioning Authority upon actual or constructive transfer of the Project Assets by the Concessionaire to the Authority free from all Encumbrances, charges and liens whatsoever, unless expressly directed by the Authority otherwise.

23.11 Dispute resolution
23.11.1 In the event that the Parties are unable to agree in good faith about the occurrence or existence of a Force Majeure Event, such dispute shall be finally settled in accordance with the Dispute Resolution procedure as under ARTICLE 30, provided however that the burden of proof as to the occurrence or existence of such Force Majeure event shall be upon Party claiming relief and/or excuse on the account of such Force Majeure Event.

23.12 Excuse from performance of obligations
23.12.1 If the Affected Party is rendered wholly or partially unable to perform its obligations under this Agreement because of a Force Majeure Event, it shall be excused from performance of such of its obligations to the extent it is unable to perform on account of such Force Majeure Event provided that:
   a) The suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
   b) The Affected Party shall make all reasonable efforts to mitigate or limit damage to the other Party arising out of or as a result of the existence or occurrence of such Force Majeure Event and to cure the same with due diligence; and
   c) When the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Party notice to that effect and shall promptly resume performance of its obligations hereunder.

23.13 Relief for Unforeseen Events
23.13.1 Upon occurrence and continuance of an unforeseen event, situation or similar circumstances not contemplated or referred to in this Agreement, and which could not have been foreseen by a prudent and diligent person (“Unforeseen Event”), any Party may by notice inform the other Party of the occurrence of such Unforeseen Event with the particulars thereof and its effects on the costs, expense and revenues of the Project. Within 15 (fifteen) days of such notice, the Parties shall meet and make efforts in good faith to determine if such Unforeseen Event has occurred and is continuing, and upon reaching agreement on occurrence thereof deal with it in accordance with the provisions of this Clause 23.13.

23.13.2 Upon determination of the occurrence and continuation of an Unforeseen Event, the Parties shall make a reference to the Punjab Infrastructure Regulatory Authority for adjudication as

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per provisions of Article 30. The Punjab Infrastructure Regulatory Authority shall to conduct preliminary proceedings to satisfy itself that:

a. An Unforeseen Event has occurred;

b. The effects of such Unforeseen Event cannot be mitigated without a remedy or relief which is not contemplated in the Agreement; and

c. The Unforeseen Event or its effects have not been caused by any Party by any act or omission on its part,

and if the Punjab Infrastructure Regulatory Authority is satisfied that each of the conditions specified hereinabove is fulfilled, it shall issue an order to this effect and conduct further proceedings under this Clause 23.13.

23.13.3 Upon completion of the adjudication proceedings referred to in this Clause 23.13, the Punjab Infrastructure Regulatory Authority may, by a reasoned order, make recommendations and setting out the terms of reference, which shall be:

a. Based on a fair and transparent justification;

b. No greater in scope than is necessary for mitigating the effects of the Unforeseen Event;

c. Of no greater duration than is necessary for mitigating the effects of the Unforeseen Event; and

d. Quantified and restricted in terms of relief or remedy.

23.13.4 Within 15 (fifteen) days of receiving the order and terms of reference referred to in Clause 1.12.5, the Parties shall meet and make efforts in good faith to accept, in whole or in part, the relief or remedy recommended by the conciliation tribunal for mitigating the effects of the Unforeseen Event and to procure implementation of the Project in accordance with the provisions of this Agreement, by way of entering into a Memorandum of Understanding (MoU) setting forth the agreement reached hereunder. The terms of such MoU shall have force and effect as if they form part of this Agreement and would deem to have modified the concerned terms of this Agreement, if any.
ARTICLE 24 : COMPENSATION FOR BREACH OF AGREEMENT

24.1 Compensation for default
24.1.1 Subject to the provisions of Article 24.3, In the event of the Concessionaire being in material default or breach of this Agreement, it shall pay to the Authority by way of compensation, all direct costs suffered or incurred by the Authority as a consequence of such material default or breach, within 30 (thirty) days of receipt of the demand supported by necessary particulars thereof; provided that no compensation shall be payable under this Article 24.1, for any material breach or default in respect of which Damages are expressly specified and payable under this Agreement or for any consequential losses incurred by the Authority. In such cases where the costs suffered or incurred by the Authority are not quantifiable or determinable, the Concessionaire shall be liable to pay Damages equivalent to 1.5% (one point five percent) of Construction Performance Security or Operations Performance Security, as the case may be, for each day till such breach or default is cured, till a maximum of 60 days, post which the Authority may issue the Notice of Breach to the Concessionaire, leading to termination of the Agreement in accordance with ARTICLE 25.

24.1.2 Subject to the provisions of Article 24.3, In the event of the Authority being in material default or breach of this Agreement at any time after COD, it shall pay to the Concessionaire by way of compensation, all direct costs suffered or incurred by the Concessionaire as a consequence of such material default or breach within 30 (thirty) days of receipt of the demand supported by necessary particulars thereof; provided that no such compensation shall be payable for any material breach or default in respect of which Damages have been expressly specified in this Agreement. For the avoidance of doubt, compensation payable may include interest payments on debt, O&M Expenses, and all other costs directly attributable to such material default or breach but shall not include loss of Project Revenues, debt repayment obligations or other consequential losses.

24.2 Compensation to be in addition
24.2.1 Compensation payable under this ARTICLE 24 shall be in addition to, and not in substitution for, or derogation of, Termination Payment, if any.

24.3 Mitigation of costs and damage
24.3.1 The Affected Party shall make all reasonable efforts to mitigate or limit the costs and damage arising out of or as a result of breach of Agreement by the other Party.
ARTICLE 25 : TERMINATION

25.1 Termination for Concessionaire Default

25.1.1 Save as otherwise provided in this Agreement, in the event that any of the defaults specified below shall have occurred, the Concessionaire shall be deemed to be in default of this Agreement (the "Concessionaire Default"), unless the default has occurred solely as a result of any breach of this Agreement by the Authority or due to Force Majeure. Upon occurrence of a Concessionaire Default, the Authority shall issue a Notice of Breach to the Concessionaire and to the Lender’s Representative, intimating about the breach and commencement of Cure Period for repair of such breach. The Cure Period shall be for a duration of 60 (sixty) days from the date of issue of Notice of Breach. The breach / defaults referred to herein shall include:

a) The Performance Security has been encashed and appropriated in accordance with ARTICLE 9 and the Concessionaire fails to replenish or provide fresh Performance Security within 30 (thirty) days of encashment / appropriation, in accordance with Article 9.2;

b) (If Applicable, the original Additional Performance Security has been encashed and the Concessionaire fails to replenish the same within 30 (thirty) days of such encashment, in accordance to Article 9.4.4.)

c) (If Applicable, the Concessionaire fails to meet its obligations related to on-boarding an Operating Partner in accordance with Article 0.)

d) The Concessionaire abandons or manifests intention to abandon the operation of the Project without the prior written consent of the Authority;

e) The Concessionaire fails to undertake or complete the construction of the Mandatory Development Obligations in accordance with ARTICLE 12;

f) The Concessionaire fails to achieve COD within 180 (one hundred and eighty days) of Scheduled Completion Date, subject to provisions of Article 12.4.4 and Article 15.1.2;

g) The Concessionaire fails to repair / rectify any breach of the Maintenance Requirements within a period specified in Article 16.5;

h) The Concessionaire has failed to make payment of Project Consideration to the Authority within the period specified in Article 19.5;

i) The Concessionaire has failed to make any payment to the Authority within the period specified in this Agreement;

j) An Escrow Default has occurred and the Concessionaire fails to cure the default within the period specific in the Escrow Agreement;

k) A breach of any of the Project Agreements by the Concessionaire has caused a Material Adverse Effect;

l) The Concessionaire creates any Encumbrance in breach of this Agreement;

m) The Concessionaire repudiates this Agreement or otherwise takes any action or evidences or conveys an intention not to be bound by the Agreement;

n) A Change in Ownership has occurred in breach of the provisions of Article 5.4;

o) If the Concessionaire is declared as a wilful defaulter by any of the Scheduled Banks in India;

p) If the Concessionaire is declared unfit/ineligible to continue as a “going concern” or undertake the responsibilities as per this Agreement under an Indian Law;
q) There is a transfer, pursuant to law either of (i) the rights and/or obligations of the Concessionaire under any of the Project Agreements, or of (ii) all or part of the assets or undertaking of the Concessionaire, and such transfer causes a Material Adverse Effect;

r) The Concessionaire is adjudged bankrupt or insolvent, or if a trustee or receiver is appointed for the Concessionaire or for the whole or material part of its assets that has a material bearing on the Project;

s) The Concessionaire has been, or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would cause, in the reasonable opinion of the Authority, a Material Adverse Effect;

t) A resolution for winding up of the Concessionaire is passed, or any petition for winding up of the Concessionaire is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 (ninety) days of the date thereof or the Concessionaire is ordered to be wound up by Court except for the purpose of amalgamation or reconstruction; provided that, as part of such amalgamation or reconstruction, the entire property, assets and undertaking of the Concessionaire are transferred to the amalgamated or reconstructed entity and that the amalgamated or reconstructed entity has unconditionally assumed the obligations of the Concessionaire under this Agreement and the Project Agreements; and provided that:
   a. the amalgamated or reconstructed entity has the capability and operating experience necessary for the performance of its obligations under this Agreement and the Project Agreements;
   b. the amalgamated or reconstructed entity has the financial standing to perform its obligations under this Agreement and the Project Agreements and has a credit worthiness at least as good as that of the Concessionaire as at COD; and
   c. each of the Project Agreements remains in full force and effect;

u) Any representation or warranty of the Concessionaire herein contained which is, as of the date hereof, found to be materially false, incorrect or misleading or the Concessionaire is at any time hereafter found to be in breach thereof;

v) The Concessionaire submits to the Authority any statement, notice or other document, in written or electronic form, which has a material effect on the Authority's rights, obligations or interests and which is false in material particulars;

w) It is found that the Selected Bidder has hidden a Conflict of Interest, as outlined in RFP, during the bidding process;

x) The Concessionaire has failed to fulfil any obligation, for which failure, Termination has been specified in this Agreement; or

y) The Concessionaire commits a default in complying with any other provision of this Agreement if such default cause a Material Adverse Effect on the Authority.

z) The Concessionaire novates and /or assigns the agreement to any third party without any prior approval from the Concessioning Authority.

25.1.2 Without prejudice to any other rights or remedies which the Authority may have under this Agreement, upon occurrence of a breach of the terms of this Agreement due to any of the reasons mentioned above in Article 25.1.1:

a) The Authority shall, upon observation of a Concessionaire Default as per Article 25.1.1, send a Notice of Breach to the Concessionaire and the Lender’s Representative,
intimating the start of the Cure Period, the reason for the breach, and whether it intend to exercise its rights to Suspension as per provisions of Article 25.5;

\(b\) In case the breach is not cured by the Concessionaire within the Cure Period, the Authority shall issue a Termination Notice to the Concessionaire, 30 (thirty) days from the issue of which this Agreement shall stand terminated.

25.1.3 The Authority shall also, if there be Senior Lenders, send a copy of Notice of Breach and Termination Notice to inform the Lenders’ Representative. The Lender’s Representative shall be given 15 (fifteen) days from the Termination Notice to make a representation on behalf of the Senior Lenders stating the intention to substitute the Concessionaire in accordance with the Substitution Agreement. In the event the Authority receives such representation on behalf of Senior Lenders, it shall, in its discretion, either withhold Termination for a period not exceeding 90 (ninety) days from the date of such representation or exercise its right of Suspension, as the case may be, for enabling the Lenders’ Representative to exercise the Senior Lenders’ right of substitution in accordance with the Substitution Agreement.

Provided that the Lenders’ Representative may, instead of exercising the Senior Lenders’ right of substitution, procure that the default specified in the notice is cured within the aforesaid period of 90 (ninety) days, and upon such curing thereof, the Authority shall withdraw its notice referred to above and restore all the rights of the Concessionaire.

25.2 Termination for Concessioning Authority Default

25.2.1 In the event that any of the defaults specified below shall have occurred, the Authority shall be deemed to be in default of this Agreement (the "Authority Default") unless the default has occurred as a result of any breach of this Agreement by the Concessionaire or due to Force Majeure. In case of an Authority Default, the Concessionaire shall issue a Notice of Breach to the Authority intimating about the commencement of Cure Period of 60 (sixty) days or such longer period as has been expressly provided in this Agreement, to rectify the breach.

\(a\) The Authority commits a material default in complying with any of the provisions of this Agreement and such default has a Material Adverse Effect on the Concessionaire;

\(b\) The Authority repudiates this Agreement or otherwise takes any action that amounts to or manifests an irrevocable intention not to be bound by this Agreement;

25.2.2 Without prejudice to any other right or remedy which the Concessionaire may have under this Agreement, upon occurrence of an Authority Default, the Concessionaire shall be entitled to terminate this Agreement by issuing a Termination Notice to the Authority, 30 (thirty) days from the issue of which this Agreement shall stand terminated.

25.2.3 A copy of the Notice of Breach and Termination Notice shall also be issued to Lender’s Representatives.

25.3 Termination Payment

25.3.1 Upon Termination on account of a Concessionaire Default any time after COD during the Concession Period, the Authority shall pay to the Concessionaire, by way of Termination
Payment, an amount equal to:

a) 90% of Debt Due⁷;

b) Less: Insurance Cover, provided that if any insurance claims forming part of the Insurance Cover are not admitted and paid, then 80% (eighty per cent) of such unpaid claims shall be included in the computation of the Debt Due.

25.3.2 Upon Termination on account of Concessionaire Default during the Construction Period before COD, no Termination Payment shall be due and payable.

25.3.3 Upon Termination on account of an Authority Default after Appointed Date, the Authority shall pay to the Concessionaire, by way of Termination Payment, an amount equal to:

d) 100% of Debt Due⁸;

e) Plus: 100% of Adjusted Equity;

f) Less: Insurance Cover, provided that if any insurance claims forming part of the Insurance Cover are not admitted and paid, then 80% (eighty per cent) of such unpaid claims shall be included in the computation of the Debt Due.

25.3.4 It is clarified that in the event of Termination on account of an Authority Default, 100% of subsisting Performance Security shall be returned to the Concessionaire. However, in case of Concessionaire Default, the 100% of subsisting Performance Security shall be forfeited.

25.3.5 Termination Payment shall become due and payable to the Concessionaire within 15 (fifteen) days of a demand being made by the Concessionaire to the Authority with the necessary particulars, and in the event of any delay, the Authority shall pay interest at a rate equal to RBI Policy repo rate + 4% on the amount of Termination Payment remaining unpaid. For the avoidance of doubt, it is expressly agreed that Termination Payment shall constitute full discharge by the Authority of its payment obligations in respect thereof hereunder.

25.3.6 The Concessionaire expressly agrees that Termination Payment under this ARTICLE 25 shall constitute a full and final settlement of all claims of the Concessionaire on account of Termination of this Agreement for any reason whatsoever and that the Concessionaire shall not have any further right or claim under any law, treaty, convention, contract or otherwise.

25.3.7 **Consequence of Termination**: Irrespective of the reason for Termination, the Concessionaire shall transfer all movable and immovable assets to the Authority upon the Transfer Date.

25.4 **Other rights and obligations of the Authority**

25.4.1 Upon Termination for any reason whatsoever, the Authority shall:

a) be deemed to have taken possession and control of the Project Assets forthwith;

b) be entitled to restrain the Concessionaire and any person claiming through or under the Concessionaire from entering upon the Site or any part of the Project;

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⁷ Debt Due shall in no case exceed 70% of Total Project Cost
⁸ Debt Due shall in no case exceed 70% of Total Project Cost
c) require the Concessionaire to comply with the Divestment Requirements set forth in this Agreement; and

d) succeed upon election by the Authority, without the necessity of any further action by the Concessionaire, to the interests of the Concessionaire under such of the Project Agreements as the Authority may in its discretion deem appropriate, and shall upon such election be liable to the Contractors only for compensation accruing and becoming due and payable to them under the terms of their respective Project Agreements from and after the date the Authority elects to succeed to the interests of the Concessionaire. For the avoidance of doubt, the Concessionaire acknowledges and agrees that all sums claimed by such Contractors as being due and owing for works and services performed or accruing on account of any act, omission or event prior to such date shall constitute debt between the Concessionaire and such Contractors, and the Authority shall not in any manner be liable for such sums. It is further agreed that in the event the Authority elects to cure any outstanding defaults under such Project Agreements, the amount expended by the Authority for this purpose shall be deducted from the Termination Payment.

25.5 Suspension upon Concessionaire Default

25.5.1 Upon occurrence of a Concessionaire Default, the Authority shall be entitled, without prejudice to its other rights and remedies under this Agreement including its rights of Termination hereunder, to (a) suspend all rights of the Concessionaire under this Agreement including the Concessionaire’s right to collect revenues, and (b) exercise such rights itself and perform the obligations hereunder or authorise any other person to exercise or perform the same on its behalf during such suspension (the “Suspension”). Suspension hereunder shall be effective forthwith upon issue of Notice of Breach by the Authority to the Concessionaire and may extend up to a period not exceeding 90 (ninety) days from the date of issue of such notice; provided that upon written request from the Lenders’ Representative, the Authority may extend the aforesaid period by a further period not exceeding 90 (ninety) days.

25.6 Authority to act on behalf of Concessionaire

25.6.1 During the period of Suspension, the Authority shall, on behalf of the Concessionaire, collect all Project Revenues under and in accordance with this Agreement and deposit the same in the Escrow Account. The Authority shall be entitled to make withdrawals from the Escrow Account for meeting the O&M Expenses and for meeting the costs incurred by it for remedying and rectifying the cause of Suspension.

25.6.2 During the period of Suspension hereunder, all rights and liabilities vested in the Concessionaire in accordance with the provisions of this Agreement shall continue to vest in the Concessionaire, and all things done or actions taken, including expenditure incurred by the Authority for discharging the obligations of the Concessionaire under and in accordance with this Agreement and the Project Agreements, shall be deemed to have been done or taken for and on behalf of the Concessionaire and the Concessionaire undertakes to indemnify the Authority for all costs incurred during such period. The Concessionaire hereby leases, licenses and sub-leases, sub-licenses respectively, the Authority or any other person authorised by
it, to use during Suspension, all Intellectual Property belonging to or licensed to the Concessionaire with respect to the Project and its design, engineering, construction, operation and maintenance and which is used or created by the Concessionaire in performing its obligations under the Agreement.

25.7 Revocation of Suspension

25.7.1 In the event that the Authority shall have rectified or removed the cause of Suspension within a period not exceeding 60 (sixty) days from the date of Suspension, it may revoke the Suspension forthwith and restore all rights of the Concessionaire under this Agreement. For the avoidance of doubt, the Parties expressly agree that the Authority may, in its discretion, revoke the Suspension at any time, whether or not the cause of Suspension has been rectified or removed hereunder.

25.7.2 Upon the Concessionaire having cured the Concessionaire Default within the Cure Period, the Authority shall revoke the Suspension forthwith and restore all rights of the Concessionaire under this Agreement.

25.8 Survival of rights

25.8.1 Notwithstanding anything to the contrary contained in this Agreement, any Termination pursuant to the provisions of this Agreement shall be without prejudice to the accrued rights of either Party including its right to claim and recover money damages, insurance proceeds, security deposits, and other rights and remedies, which it may have in law or contract. All rights and obligations of either Party under this Agreement, including Termination Payments and Divestment Requirements, shall survive the Termination to the extent such survival is necessary for giving effect to such rights and obligations.
ARTICLE 26 : DIVESTMENT OF RIGHTS AND INTEREST

26.1 Divestment Requirements
26.1.1 Upon Expiry or Termination, the Concessionaire shall comply with and conform to the following Divestment Requirements:
   a) notify to the Authority forthwith the particulars of all Project Assets;
   b) deliver forthwith the actual or constructive possession of the Project, free and clear of all Encumbrances;
   c) cure all Project Assets, of all defects and deficiencies so that the Project is compliant with the Maintenance Requirements;
   d) deliver and transfer relevant records, reports, Intellectual Property and other licences pertaining to the Project and its operation and maintenance, including all programmes and manuals pertaining thereto, as on the Transfer Date. For the avoidance of doubt, the Concessionaire represents and warrants that the Intellectual Property delivered hereunder shall be adequate and complete for the operation and maintenance of the Project and shall be assigned to the Authority free of any encumbrance;
   e) transfer and / or deliver all Applicable Permits to the extent permissible under Applicable Laws;
   f) execute such deeds of conveyance, documents and other writings as the Authority may reasonably require for conveying, divesting and assigning all the rights, title and interest of the Concessionaire in the Project, including manufacturers’ warranties in respect of any plant or equipment and the right to receive outstanding insurance claims to the extent due and payable to the Authority, absolutely unto the Authority or its nominee; and
   g) comply with all other requirements as may be prescribed or required under Applicable Laws for completing the divestment and assignment of all rights, title and interest of the Concessionaire in the Project, free from all Encumbrances, absolutely unto the Authority or to its nominee.

26.1.2 Subject to the exercise by the Authority of its rights under this Agreement or under any of the Project Agreements to perform or procure the performance by a third party of any of the obligations of the Concessionaire, the Parties shall continue to perform their obligations under this Agreement, notwithstanding the giving of any Termination Notice, until the Termination of this Agreement becomes effective in accordance with its terms.

26.1.3 It is clarified that only the assets of the Concessionaire shall be taken over and not the liabilities, including without limitation liabilities relating to staff and personnel related obligations of the Concessionaire and the Persons claiming through or under the Concessionaire or liabilities related to the commercial area/premises. All such staff and employees shall be the responsibility of the Concessionaire/such Persons even after the expiry of the Concession Period and they shall have no claim to any type of employment or compensation from Authority or its nominated agency.

26.2 Inspection and cure
26.2.1 Not earlier than 90 (ninety) days prior to Termination but not later than 15 (fifteen) days prior
to the effective date of such Termination, the Independent Engineer(s) shall verify, after giving due notice to the Concessionaire specifying the time, date and venue of such verification, compliance by the Concessionaire with the Maintenance Requirements.

26.3 Cooperation and assistance on transfer of Project
26.3.1 The Parties shall cooperate on a best effort basis and take all necessary measures, in good faith, to achieve a smooth transfer of the Project in accordance with the provisions of this Agreement so as to protect the safety of and avoid undue delay or inconvenience to the users, other members of the public or the lawful occupiers of any part of the Site.

26.3.2 The Parties shall provide to each other, 9 (nine) months prior to the Transfer Date in the event of Expiry by efflux of time and immediately in the event of either Party conveying to the other Party its intent to issue a Termination Notice, as the case may be, as much information and advice as is reasonably practicable regarding the proposed arrangements for operation of the Project following the Transfer Date. The Concessionaire shall further provide such reasonable advice and assistance as the Authority, its concessionaire or agent may reasonably require for operation of the Project until the expiry of 6 (six) months after the Transfer Date.

26.3.3 The Authority shall have the option to purchase or hire from the Concessionaire at a fair market value and free from any encumbrance all or any part of the movable plant and machinery used in connection with the Project and is reasonably required in connection with operation of the Project. For the avoidance of doubt, in the event of dispute or difference relating to fair market value, the Dispute Resolution Procedure shall apply.

26.4 Vesting Certificate
26.4.1 The divestment of all rights, title and interest in the Project shall be deemed to be complete on the date when all of the Divestment Requirements have been fulfilled, and the Authority shall, without unreasonable delay, thereupon issue a certificate substantially in the form set forth in Schedule13 (the "Vesting Certificate"), which will have the effect of constituting evidence of divestment by the Concessionaire of all of its rights, title and interest in the Project, and their vesting in the Authority pursuant hereto. It is expressly agreed that any defect or deficiency in the Divestment Requirements shall not in any manner be construed or interpreted as restricting the exercise of any rights by the Authority or its nominee on, or in respect of, the Project on the footing that all Divestment Requirements have been complied with by the Concessionaire.

26.5 Divestment costs etc.
26.5.1 The Concessionaire shall bear and pay all costs incidental to divestment of all of the rights, title and interest of the Concessionaire in the Project in favour of the Authority upon Termination, save and except that all stamp duties payable on any deeds or Documents executed by the Concessionaire in connection with such divestment shall be borne by the Authority. In the event of any dispute relating to matters covered by and under this ARTICLE 26, the Dispute Resolution Procedure shall apply.
Part VI
Other Provisions
ARTICLE 27 : ASSIGNMENT AND CHARGES

27.1 Restrictions on assignment and charges
27.1.1 Subject to Articles 27.2 and 27.3, this Agreement shall not be assigned by the Concessionaire to any person, save and except with the prior consent in writing of the Authority, which consent the Authority shall be entitled to decline without assigning any reason.

27.1.2 Subject to the provisions of Article 27.2, the Concessionaire shall not create nor permit to subsist any Encumbrance, or otherwise transfer or dispose of all or any of its rights and benefits under this Agreement or any Project Agreement to which the Concessionaire is a party.

27.2 Permitted assignment and charges
27.2.1 The restraints set forth in Articles 27.1 shall not apply to:
   a) liens arising by operation of law (or by an agreement evidencing the same) in the ordinary course of business of the Project;
   b) sub-license or sub-lease of Project Facilities;
   c) mortgages/pledges/hypothecation of Project Facilities, and their related documents of title, arising or created in the ordinary course of business of the Project, and as security only for indebtedness to the Senior Lenders under the Financing Agreements and/or for working capital arrangements for the Project, as permitted by the provisions of this Agreement;
   d) Mortgage/pledges of rights, benefits, entitlements (including the Project Revenues) of the Concessionaire pursuant to the Concession Agreement and the Lease Deed, as security only for indebtedness to the Senior Lenders under the Financing Agreements and/or for working capital arrangements for the Project; and
   e) liens or encumbrances required by any Applicable Law.

27.3 Substitution Agreement
27.3.1 The Lenders' Representative, on behalf of Senior Lenders, may exercise the right to substitute the Concessionaire pursuant to the agreement for substitution of the Concessionaire (the "Substitution Agreement") to be entered into amongst the Concessionaire, the Authority and the Lenders' Representative, on behalf of Senior Lenders, substantially in the form set forth in Schedule 14.

27.3.2 Upon substitution of the Concessionaire under and in accordance with the Substitution Agreement, the Nominated Company substituting the Concessionaire shall be deemed to be the Concessionaire under this Agreement and shall enjoy all rights and be responsible for all obligations of the Concessionaire under this Agreement as if it were the Concessionaire; provided that where the Concessionaire is in breach of this Agreement on the date of such substitution, the Authority shall by notice grant a Cure Period of 120 (one hundred and twenty) days to the Concessionaire for curing such breach.
27.4 Assignment by the Authority

27.4.1 Notwithstanding anything to the contrary contained in this Agreement, the Authority may, after giving 60 (sixty) days' notice to the Concessionaire, assign and/or transfer any of its rights and benefits and / or obligations under this Agreement to an assignee who is, in the reasonable opinion of the Authority, capable of fulfilling all of the Authority's then outstanding obligations under this Agreement.
ARTICLE 28 : LIABILITY AND INDEMNITY

28.1 General indemnity
28.1.1 The Concessionaire will indemnify, defend, save and hold harmless the Authority and its officers, servants, agents, Authority Instrumentalities and Authority owned and/or controlled entities/enterprises, ("the Authority 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 Concessionaire of any of its obligations under this Agreement or any related agreement or on account of any defect or deficiency in the provision of services by the Concessionaire to any User or from any negligence of Concessionaire under contract or tort or on any other ground whatsoever, except to the extent that any such suits, proceedings, actions, demands and claims have arisen due to any negligent act or omission, or breach or default of this Agreement on the part of the Authority Indemnified Persons.

28.1.2 The Authority will indemnify, defend, save and hold harmless the Concessionaire 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 arising out of (i) defect in title and/or the rights of the Authority in the land comprised in the Site, and/or (ii) breach by the Authority of any of its obligations under this Agreement or any related agreement, which materially and adversely affect the performance by the Concessionaire of its obligations under this Agreement, save and except that where any such claim, suit, proceeding, action, and/or demand has arisen due to a negligent act or omission, or breach of any of its obligations under any provision of this Agreement or any related agreement and/or breach of its statutory duty on the part of the Concessionaire, its subsidiaries, affiliates, contractors, servants or agents, the same shall be the liability of the Concessionaire.

28.2 Indemnity by the Concessionaire
28.2.1 Without limiting the generality of Article 28.1, the Concessionaire shall fully indemnify, hold harmless and defend the Authority and the Authority Indemnified Persons from and against any and all loss and/or damages arising out of or with respect to:
   a) failure of the Concessionaire to comply with Applicable Laws and Applicable Permits;
   b) payment of taxes required to be made by the Concessionaire in respect of the income or other taxes of the Concessionaire's contractors, suppliers and representatives; or
   c) non-payment of amounts due as a result of materials or services furnished to the Concessionaire or any of its contractors which are payable by the Concessionaire or any of its contractors.

28.2.2 Without limiting the generality of the provisions of this ARTICLE 28, the Concessionaire shall fully indemnify, hold harmless and defend the Authority Indemnified Persons from and against any and all suits, proceedings, actions, claims, demands, liabilities and damages which the Authority Indemnified Persons may hereafter suffer, or pay by reason of any demands, claims, suits or proceedings arising out of claims of infringement of any domestic or foreign patent rights, copyrights or other intellectual property, proprietary or confidentiality rights
with respect to any materials, information, design or process used by the Concessionaire or by the Concessionaire’s Contractors in performing the Concessionaire’s obligations or in any way incorporated in or related to the Project. If in any such suit, action, claim or proceedings, a temporary restraint order or preliminary injunction is granted, the Concessionaire shall make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the revocation or suspension of the injunction or restraint order. If in any such suit, action, claim or proceedings, the Project, or any part thereof or comprised therein, is held to constitute an infringement and its use is permanently enjoined, the Concessionaire shall promptly make every reasonable effort to secure for the Authority a license, at no cost to the Authority, authorizing continued use of the infringing work. If the Concessionaire is unable to secure such license within a reasonable time, the Concessionaire shall, at its own expense, and without impairing the Specifications and Standards, either replace the affected work, or part, or process thereof with non-infringing work or part or process, or modify the same so that it becomes non-infringing.

28.3 Notice and contest of claims
28.3.1 In the event that either Party receives a claim or demand from a third party in respect of which it is entitled to the benefit of an indemnity under this ARTICLE 28 (the “Indemnified Party”) it shall notify the other Party (the "Indemnifying Party") within 15 (fifteen) days of receipt of the claim or demand and shall not settle or pay the claim without the prior approval of the Indemnifying Party, which approval shall not be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim or demand, it may conduct the proceedings in the name of the Indemnified Party, subject to the Indemnified Party being secured against any costs involved, to its reasonable satisfaction.

28.4 Defence of claims
28.4.1 The Indemnified Party shall have the right, but not the obligation, to contest, defend and litigate any claim, action, suit or proceeding by any third party alleged or asserted against such Party in respect of, resulting from, related to or arising out of any matter for which it is entitled to be indemnified hereunder, and reasonable costs and expenses thereof shall be indemnified by the Indemnifying Party. If the Indemnifying Party acknowledges in writing its obligation to indemnify the Indemnified Party in respect of loss to the full extent provided by this ARTICLE 28, the Indemnifying Party shall be entitled, at its option, to assume and control the defense of such claim, action, suit or proceeding, liabilities, payments and obligations at its expense and through the counsel of its choice; provided it gives prompt notice of its intention to do so to the Indemnified Party and reimburses the Indemnified Party for the reasonable cost and expenses incurred by the Indemnified Party prior to the assumption by the Indemnifying Party of such defense. The Indemnifying Party shall not be entitled to settle or compromise any claim, demand, action, suit or proceeding without the prior written consent of the Indemnified Party, unless the Indemnifying Party provides such security to the Indemnified Party as shall be reasonably required by the Indemnified Party to secure the loss to be indemnified hereunder to the extent so compromised or settled.

28.4.2 If the Indemnifying Party has exercised its rights under Article28.3, the Indemnified Party shall
Development of Commercial Complex cum Convention Centre in Amritsar on DBFOT basis

not be entitled to settle or compromise any claim, action, suit or proceeding without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

28.4.3 If the Indemnifying Party exercises its rights under Article 28.3, the Indemnified Party shall nevertheless have the right to employ its own counsel, and such counsel may participate in such action, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party, when and as incurred, unless:

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

b) the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in the conduct of the defence of such action; or

c) the Indemnifying Party shall not, in fact, have employed independent counsel reasonably satisfactory to the Indemnified Party, to assume the defence of such action and shall have been so notified by the Indemnified Party; or

d) the Indemnified Party shall have reasonably concluded and specifically notified the Indemnifying Party either:
   a. that there may be specific defences available to it which are different from or additional to those available to the Indemnifying Party; or
   b. that such claim, action, suit or proceeding involves or could have a material adverse effect upon it beyond the scope of this Agreement:

28.4.4 Provided that if Sub-clauses (b), (c) or (d) of this Article 28.4.3 shall be applicable, the counsel for the Indemnified Party shall have the right to direct the defense of such claim, demand, action, suit or proceeding on behalf of the Indemnified Party, and the reasonable fees and disbursements of such counsel shall constitute legal or other expenses hereunder.

28.5 No consequential claims

28.5.1 Notwithstanding anything to the contrary contained in this ARTICLE 28, the indemnities herein provided shall not include any claim or recovery in respect of any cost, expense, loss or damage of an indirect, incidental or consequential nature except as expressly provided in this Agreement.

28.6 Survival on Termination

28.6.1 The provisions of this ARTICLE 28 shall survive Termination.
ARTICLE 29 : RIGHTS AND TITLE OVER THE SITE

29.1 Lease rights
29.1.1 For the purpose of this Agreement, the Concessionaire shall have rights to the use of the Site as sole lease-holder subject to and in accordance with this Agreement, and to this end; it may regulate the entry and use of the Project by third parties in accordance with and subject to the provisions of this Agreement.

29.2 Access rights of the Authority and others
29.2.1 The Concessionaire shall allow free access to the Site at all times for the authorized representatives of the Authority and the Independent Engineer(s), to inspect the Project and to investigate any matter within their authority, and upon reasonable notice, the Concessionaire shall provide to such persons reasonable assistance necessary to carry out their respective duties and functions.

29.2.2 The Concessionaire shall, for the purpose of operation and maintenance of any utility, allow free access to the Site at all times for the authorised persons and vehicles of the controlling body of such utility.

29.3 Property taxes
29.3.1 As per Section 97 (2) of the Punjab Municipal Corporation Act, 1976, the Concessionaire shall bear all property taxes, house taxes, municipal taxes, etc. as levied by relevant authorities. Any such taxes payable by the Concessionaire under Applicable Laws for use of the Site shall not be reimbursed or payable by the Authority.

29.4 Restriction on sub-licensing for operations
29.4.1 The Concessionaire shall not sub-lease or sub-let the whole or part of the Site, save and except as may be expressly set forth in this Agreement. All agreements or arrangements with the sub-licensees / sub-lessees shall specifically have stipulation of a covenant that the sub-licenses / sub-leases shall be co-terminus with the termination of this agreement.
ARTICLE 30 : DISPUTE RESOLUTION

30.1 Dispute Resolution
30.1.1 Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either Party to the other Party (the “Dispute”) shall, in the first instance, be attempted to be resolved amicably.

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

30.2 Adjudication
30.2.1 Any Dispute which is not resolved amicably as provided in Article 30.1, shall be submitted for adjudication before Punjab Infrastructure Regulatory Authority, established under section 4 of Punjab Infrastructure (Development & Regulation) Act, 2002, in accordance with applicable law and all reference to Dispute Resolution shall be construed accordingly.

30.2.2 The Punjab Infrastructure Regulatory Authority shall make a reasoned award (the “Award”). Any Award made by Punjab Infrastructure Regulatory Authority pursuant to this ARTICLE 30 shall be final and binding on the Parties as from the date it is made, and the Concessionaire and the Authority agree and undertake to carry out such Award without delay.

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

30.2.4 This Agreement and the rights and obligations of the Parties shall remain in full force and effect, pending the Award in any adjudication proceedings hereunder.

30.3 Costs associated with Dispute Resolution
30.3.1 The cost incurred on adjudication including inter alia the cost of Regulatory Authority proceedings shall be borne by the Parties in equal proportions.

30.3.2 Each Party shall bear its own legal fees incurred as a result on any Dispute under this ARTICLE 30.

30.4 Performance during Dispute
30.4.1 Performance of this Concession Agreement shall continue during the settlement of any Dispute under this ARTICLE 30. The provisions for dispute settlement shall be binding upon the successors; assigns and any trustee or receive of either the Concessioning Authority or the Concessionaire.
ARTICLE 31 : DISCLOSURE

31.1 Disclosure of Specified Documents
31.1.1 The Concessionaire shall make available for inspection by any person, copies of this Concession Agreement, the Maintenance Manual, the Maintenance Programme and the Maintenance Requirements (hereinafter collectively referred to as the "Specified Documents"), free of charge, during normal business hours on all working days at the project location and Concessionaire’s Project Office. The Concessionaire shall make copies of the same available to any person upon payment of copying charges on a 'no profit no loss' basis.

31.2 Disclosure of Documents relating to safety
31.2.1 The Concessionaire shall make available for inspection by any person copies of all Documents and data relating to safety of the Project, free of charge, during normal business hours on all working days, at the Concessionaire's Project Office. The Concessionaire shall make copies of the same available to any person upon payment of copying charges on a 'no profit no loss' basis.

31.3 Withholding of documents
31.3.1 Notwithstanding the provisions of Article 31.1 and Article 31.2, the Authority shall be entitled to direct the Concessionaire, from time to time, to withhold the disclosure of Protected Documents (as defined herein below) to any person in pursuance of the aforesaid Clauses.

Explanation:
The expression Protected Documents shall mean such of the Specified Documents or documents referred to in Article 31.1 and Article 31.2, or portions thereof, the disclosure of which the Authority is entitled to withhold under the provisions of the Right to Information Act, 2005.
ARTICLE 32 : MISCELLANEOUS

32.1 Governing law and jurisdiction

32.1.1 This Agreement shall be construed and interpreted in accordance with and governed by the laws of India, and the courts at Amritsar shall have jurisdiction over matters arising out of or relating to this Agreement.

32.2 Waiver of immunity

Each Party unconditionally and irrevocably:

a) agrees that the execution, delivery and performance by it of this Agreement constitute commercial acts done and performed for commercial purpose;

b) agrees that, should any proceedings be brought against it or its assets, property or revenues in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity (whether by reason of sovereignty or otherwise) from such proceedings shall be claimed by or on behalf of the Party with respect to its assets;

c) waives any right of immunity which it or its assets, property or revenues now has, may acquire in the future or which may be attributed to it in any jurisdiction; and

d) consents generally in respect of the enforcement of any judgement or award against it in any such proceedings to the giving of any relief or the issue of any process in any jurisdiction in connection with such proceedings (including the making, enforcement or execution against it or in respect of any assets, property or revenues whatsoever irrespective of their use or intended use of any order or judgement that may be made or given in connection therewith).

32.3 Depreciation and interest

32.3.1 For the purposes of depreciation under the Applicable Laws, the property representing the capital investment made by the Concessionaire in the Project Facilities shall be deemed to be acquired and owned by the Concessionaire. For the avoidance of doubt, the Authority shall not in any manner be liable in respect of any claims for depreciation to be made by the Concessionaire under the Applicable Laws.

32.3.2 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 rates.

32.4 Delayed payments

32.4.1 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 30 (thirty) days of receiving a demand along with the necessary particulars.

For specific event(s) of delay where no interest rate is defined / mentioned elsewhere in this agreement, the defaulting Party shall pay interest at a rate equal to 18% (eighteen percent) for delay beyond 30 days and recovery thereof shall be without prejudice to the rights of the Parties under this Agreement including Termination thereof.
32.5 Waiver
32.5.1 Waiver, including partial or conditional waiver, by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Agreement:
   a) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Agreement;
   b) shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and
   c) shall not affect the validity or enforceability of this Agreement in any manner.

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

32.6 Liability for review of Documents and Drawings
32.6.1 Except to the extent expressly provided in this Agreement:
   a) no review, comment or approval by the Authority or the Independent Engineer(s) of any Project Agreement, Document or Drawing submitted by the Concessionaire nor any observation or inspection of the operation or maintenance of the Project nor the failure to review, approve, comment, observe or inspect hereunder shall relieve or absolve the Concessionaire from its obligations, duties and liabilities under this Agreement, the Applicable Laws and Applicable Permits; and
   b) the Authority shall not be liable to the Concessionaire by reason of any review, comment, approval, observation or inspection referred to in Sub-clause (a) above.

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

32.8 Survival
32.8.1 Termination shall:
   a) not relieve the Concessionaire or the Authority, as the case may be, of any obligations hereunder which expressly or by implication survive Termination hereof; and
   b) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of, or caused by, acts or omissions of such Party prior to the effectiveness of such Termination or arising out of such Termination.

32.8.2 All obligations surviving Termination shall only survive for a period of 3 (three) years following the date of such Termination.
32.9 Entire Agreement
32.9.1 This Agreement and the Schedules together constitute a complete and exclusive statement of the terms of the agreement between the Parties on the subject hereof, and no amendment or modification hereto shall be valid and effective unless such modification or amendment is agreed to in writing by the Parties and duly executed by persons especially empowered in this behalf by the respective Parties. All prior written or oral understandings offers or other communications of every kind pertaining to this Agreement are abrogated and withdrawn. For the avoidance of doubt, the Parties hereto agree that any obligations of the Concessionaire arising from the Request for Proposals, as the case may be, shall be deemed to form part of this Agreement and treated as such.

32.10 Severability
32.10.1 If for any reason whatever, any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to the Dispute Resolution Procedure set forth under this Agreement or otherwise.

32.11 No partnership
32.11.1 This Agreement shall not be interpreted or construed to create an association, joint venture or partnership between the Parties, or to impose any partnership obligation or liability upon either Party, and neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

32.12 Third Parties
32.12.1 This Agreement is intended solely for the benefit of the Parties and their respective successors and permitted assigns, and nothing in this Agreement shall be construed to create any duty to, standard of care with reference to, or any liability to, any person not a Party to this Agreement.

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

32.14 Notices
32.14.1 Any notice or other communication to be given by any Party to the other Party under or in connection with the matters contemplated by this Agreement shall be in writing and shall:
   a) in the case of the Concessionaire, be given by facsimile or e-mail and by letter delivered by hand to the address given and marked for attention of the person set out below or to such other person as the Concessionaire may from time to time designate by notice to the
Authority; provided that notices or other communications to be given to an address outside Amritsar may, if they are subsequently confirmed by sending a copy thereof by registered acknowledgement due, air mail or by courier, be sent by facsimile or e-mail to the number as the Concessionaire may from time to time designate by notice to the Authority;

b) in the case of the Authority, be given by facsimile or e-mail and by letter delivered by hand and be addressed to the Chief Administrator, ADA with a copy delivered to the Authority Representative or such other person as the Authority may from time to time designate by notice to the Concessionaire; provided that if the Concessionaire does not have an office in Amritsar it may send such notice by facsimile or e-mail and by registered acknowledgement due, air mail or by courier; and

c) any notice or communication by a Party to the other Party, given in accordance herewith, shall be deemed to have been delivered when in the normal course of post it ought to have been delivered and in all other cases, it shall be deemed to have been delivered on the actual date and time of delivery; provided that in the case of facsimile or e-mail, it shall be deemed to have been delivered on the working day following the date of its delivery.

32.15 Language
32.15.1 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.

32.16 Counterparts
32.16.1 This Agreement may be executed in two counterparts, each of which, when executed and delivered, shall constitute an original of this Agreement.
ARTICLE 33 : TRANSFER OF PROJECT

33.1.1 On the Transfer Date, the Concessionaire shall, transfer and assign to the Concessioning Authority or its nominated agency, as the case may be, free and clear of any charges, liens and Encumbrances created or suffered by the Concessionaire after the Appointed Date of all the Concessionaire’s right, title and interest in and to the Works, movable and immovable assets “on as is where is basis”. The Concessionaire shall also deliver to the Concessioning Authority or its nominated agency on such date such operating and maintenance manuals, plans, reports, accounts and other information as may reasonably be required by the Concessioning Authority or its nominated agency to enable it to continue the operation of the Project either directly or by its nominated agency. The personnel of the Concessionaire shall continue to be the employees of the Concessionaire and the transfer of all the immovable assets shall not in any manner affect their status as employees of the Concessionaire and they shall have no claim to any type of employment or compensation from the Concessioning Authority or its nominated agency.

33.1.2 The Concessionaire shall to the extent possible assign to the Concessioning Authority or its nominated agency at the time of transfer all unexpired guarantees and warranties by Subcontractors and suppliers and all insurance policies on immovable assets. The Concessionaire shall ensure that any rights, which are to be so assigned, are capable of assignment and the counterpart to the Concessionaire has approved such assignment under the terms and conditions of the relevant contract.

33.1.3 The Concessionaire shall, to the extent possible at the time of transfer, assign to the Concessioning Authority or its nominated agency all sub-lease / sub-license, contracts, supply contracts and all other contracts relating to the Project entered into by the Concessionaire and subsisting at the time of transfer except any contracts with employees.

33.1.4 6 (six) months prior to the Transfer Date, the Authority shall be entitled to appoint any Consulting Independent Engineer(s) to assess the condition of the Project. Such Consulting Independent Engineer(s) shall be entitled to have free access to inspect the Project, provided that such inspection is reasonable and is carried out with minimum disruption to normal operation of the Project.

33.1.5 Until the Transfer Date, all risks shall lie with the Concessionaire for loss of or damage to the whole or any part of the Project, unless such loss or damage is due to an act or omission of the Concessioning Authority in contravention of its obligations under this Concession Agreement.

33.1.6 The Concessionaire shall provide fair and just compensation to its employees as required under the Laws or under this Agreement, and shall indemnify the Authority against any claims from any such employees for their loss of office, redundancy, loss of employment or otherwise. The Authority shall accept absolutely no liability on account of any matter pertaining to the Concessionaire’s employees, staff, labor etc.
33.1.7 The Concessioing Authority shall be responsible for the legal costs and expenses, including stamp duties, taxes, legal fees and expenses, incurred in connection with the Transfer of the Project to it by the Concessionaire.

33.1.8 On the Transfer Date, the Concessionaire shall hand over the Project with all the movable and immovable assets to the Concessioning Authority or its nominated agency at zero cost.

33.1.9 From the Transfer Date, the rights of the Concessionaire under this Agreement shall terminate vis-à-vis the Authority and the Authority or its nominated agency shall take over the Project and the operation and maintenance and any other rights arising out of this Concession Agreement which either expressly or implicitly survive termination of this Concession Agreement; provided, however, that the Concessionaire may continue with any other business operations arising other than in connection with this Agreement and; provided further that the Concessionaire shall no longer act in its capacity as Concessionaire in relation or pursuant to this Concession Agreement.
ARTICLE 34 : INDEPENDENT ENGINEER(S)

34.1 Appointment of Independent Engineer(s)
34.1.1 The Authority shall appoint Independent Engineer(s) (the “Independent Engineer(s)”). The Independent Engineer(s) shall mean any financial, technical, legal, statutory auditor, operations & maintenance or any other Independent Engineer as deemed appropriate by the Authority for the Project.

34.1.2 The selection and appointment of the Independent Engineer shall be as detailed in Schedule 12.

34.2 Fee and expenses
34.2.1 The nature and quantum of duties and services to be performed by the Independent Engineer during the Concession Period shall be determined by the Authority in conformity with the provisions of this Agreement and with due regard for economy in expenditure. All payments made to the Independent Engineer on account of fee and expenses during the Concession Period shall be shared equally between the Concessionaire and the Authority.

34.3 Duties and Functions
34.3.1 The Independent Engineer shall discharge its duties and functions substantially in accordance with the terms of reference in Schedule 12. The Independent Engineer shall submit regular periodic reports to the Authority in respect of its duties and functions set forth in Schedule 12.

34.4 Termination of Appointment
34.4.1 The Authority shall appoint the Independent Engineer of a period of 3 years, or such other tenure as the Authority may decide, and again for a period of subsequent 3 years or such other tenure as the Authority may decide, after which fresh selection of Independent Engineer(s) shall be undertaken as per this Schedule, if required.

34.4.2 If the Concessionaire has reason to believe that the Independent Engineer is not discharging its duties and functions in a fair, efficient and diligent manner, it may make a written representation to the Authority and seek termination of the appointment of the Independent Engineer. Upon receipt of such representation, the Authority shall hold a tripartite meeting with the Concessionaire and Independent Engineer for an amicable resolution of the Dispute, and if any difference or disagreement between the Authority and the Concessionaire remains unresolved, the Dispute shall be settled in accordance with the Dispute Resolution Procedure. In the event that the change of Independent Engineer is considered appropriate, the Authority shall appoint forthwith another Independent Engineer.

34.5 Dispute Resolution
34.5.1 If either Party disputes any advice, instruction, decision, direction or award of the Independent Engineer, or, as the case may be, the assertion or failure to assert jurisdiction, the Dispute shall be resolved in accordance with the Dispute Resolution Procedure laid down in this Agreement.
IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN

SIGNED SEALED AND DELIVERED  SIGNED SEALED AND DELIVERED  SIGNED SEALED AND DELIVERED  
For and on behalf of the Concessioning Authority:  For and on behalf of the Concessionaire:  For and on behalf of the Selected Bidder:  
By:  

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

In the presence of WITNESS: 
1.  2.  3.
Section 3
Schedules to Concession Agreement
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1 Site of the Project (the “Site”)

1.1 Introduction

1.1.1 Amritsar City is a major commercial and cultural hub of Punjab. The region is the center for several industrial and commercial developments. The region is also a major tourist destination. The Golden Temple is a famous tourist attraction and the tourism industry in the city has benefitted greatly from it. The city attracts more than 1 crore domestic tourists and more than 1 lakh international tourists annually and is a major pilgrim site. It is one of the heritage cities for HRIDAY (Heritage City Development and Augmentation Yojana).

1.1.2 The Sri Guru Ram Das Ji International Airport in Amritsar serves as the international airport of the entire state, providing connectivity to international destinations like London and Doha along with domestic destinations.

1.1.3 All these growth drivers have transformed Amritsar into an attractive destination for commerce and tourism. The Amritsar region has a lot of potential to tap into service-led convention and exhibition events. Presently, the MICE industry in the region is supported by meeting spaces and banquet halls provided by hotels and banquet halls. However, Amritsar does not have any dedicated convention centre for hosting such events.

1.1.4 Therefore, there is need of a state-of-the-art convention center in the city which can act as the nodal hub for B2B and G2G convention and exhibition events in the city. The convention center would be targeted at upcoming industries as well as at G2G conferences and events.

1.2 Project Site

1.2.1 The site of the Project is owned and managed by ADA. The site was earlier a part of the Old Jail Site. It is located at the Gumtala Chowk which has direct connectivity to the Sri Guru Ram Dass Jee International Airport, 5 km away, via the Airport Road. The Amritsar Railway Station is located at a distance of 6.5 km from the site. The site lies en-route to many 4-star hotels in the Ranjit Avenue area from the Airport which provides greater visibility to the site.

1.2.2 Salient features of the site are:

- Land area of the Project Site – 8.26 acres
- Land use – Commercial – Reserved for development of Convention Centre
- Flat terrain with frontage on the Airport road
- Development bye-laws
  - FAR – 2.5
  - FSI – ~8,99,500 sqft
  - Ground Coverage – 40% to be separately maintained for a) Convention Centre and Hotel and b) Commercial Areas
  - Height Restriction – As per AAI norms and ADA norms

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9 The land area would be duly measured at the time of signing of the concession agreement and the same shall be final
10 The FSI area is indicative – and would be calculated as per the exact land area that is determined at the time of signing of the concession agreement and transfer of possession.
1.3 Benefits under Punjab Mega Project Policy

The Concessionaire shall be eligible to avail various benefits and incentives granted under the guidelines for Mega Project issued by the Government of Punjab and any such other policy applicable from time to time.

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13 All maps are indicative – and the land parcel would be duly measured at the time of signing of the concession agreement
2 Scope of Work

Scope of work of the Concessionaire is as follows –

a) Procurement of all required permits/clearances
   The Concessionaire shall take all necessary/mandatory clearances, permits required for design, construction, finance, operation and maintenance of the Convention Centre in Amritsar such that all such conditions are satisfied in full and all such Clearances, Permits etc. to execute the Project are in full force and effect.
b) Prepare and get approved a DPR
The Concessionaire shall prepare a DPR to detail out the facilities envisaged by the Concessionaire, details of capital expenditure to be incurred on each facility, designs of the Mandatory Development Obligations etc.

c) Set up the Facility
The Concessionaire shall design and develop/construct, on the Project Site, Mandatory Development Obligations within the stipulated Construction Period. Pursuant to the completion of the construction, the Concessionaire shall operate, maintain and manage the Project Facilities during the Concession Period. The Concessioning Authority shall approve the overall design of all the Mandatory Project Facilities. The Concessionaire is expected to provide best-in-class facilities and adhere to minimum requirements as stipulated in the Schedules of the RFP.

d) Sub-Licence/Sub-contract
The Concessionaire shall have the right to sub-contract / license project Facilities for the Concession Period in accordance with the provisions of the concession agreement. The Concessionaire shall obtain prior approval of the Concessioning Authority for a format of the standard Sub-Licence Agreement before its execution with any sub-licensee. In case, any deviation in this format of standard Sub-Licence Agreement is required, the Licensee shall again obtain prior approval of the Concessioning Authority before entering into an agreement with the sub-licensee.

e) Operate and manage entire facility

f) Provide manpower to manage entire facility
The Concessionaire shall hire the adequate manpower required for operation and maintenance of requisite facilities. The Concessionaire will be required to submit a detail project development plan in which he will provide the need of the adequate manpower required for the project. The manpower should be both skilled and unskilled and would have experience in working and maintaining the kind of facilities.

g) Maintenance of all facilities provided in the Project
The Concessionaire shall ensure that the Project Facilities are properly managed and maintained during the Concession Period.

h) Managing Operational Expenses
The Concessionaire is required to undertake and manage all kinds of operational expenses like consumables, salaries, water, electricity, repair and maintenance, etc. of the facilities during the concession period.

i) Repair and Maintenance
The Concessionaire is required to undertake the repair and maintenance work of all the Project Facilities and bear all the cost related to the same.
j) Create and Maintain a Website
The Concessionaire shall be required to create, maintain and manage a website for the Project detailing out location, facilities present within, calendar of events, availability of rooms/halls etc. The Concessionaire would also be required to update the website every 3 months.

k) Levy of Charges and Collection of Revenue
The Concessionaire shall have the right to levy and collect revenues, as generated, pursuant to the operationalization of the Project, as per the provisions laid down in the draft Concession Agreement.

l) During the Concession Period, the Concessionaire shall be required to extend cordial relations to the annual audits conducted by the Technical Auditor appointed by the Concessioning Authority and to other consultants as and when appointed by the Concessioning Authority.

m) At the end of the Concession Period, by efflux of time or premature termination for any reason whatsoever, all rights given under the Concession Agreement shall cease to have effect and the Project Site & the entire Project, thereof shall transfer back to the Authority as per the provisions of the draft Concession Agreement (Section II of the RFP document). All the immovable assets attached to the Project/Project Site shall revert to ADA without any obligation on ADA to pay or adjust any consideration or other payment to the Concessionaire.

n) The Concessionaire shall fulfill all other obligations in accordance with the provisions of this Concession Agreement and matters incidental thereto or necessary for the performance of any or all of the obligations of the Concessionaire under this Concession Agreement and its Schedules thereof.

In lieu of the rights granted for Concession Period, the Successful Bidder will have to make certain payments (as per financial proposal) to Concessioning Authority. At the end of the Concession Period, all rights given under the Concession Agreement shall cease to have effect and the entire Project shall be transferred back to the Authority in good condition and at zero cost, without any obligation on the Authority to pay or to adjust any consideration or other payment to the Concessionaire.

It is clarified herewith that in addition to the above-stated “Scope of Work”, the Concessionaire shall be required to carry out any incidental works and services as required and to comply with all the provisions of the Concession Agreement, the Schedules to the Concession Agreement and as per the requirements of applicable byelaws/ norms etc., while completing the development of the Project.
3 Project Facilities

3.1 Project Facilities
The project would be developed as a world-class international standard Commercial Complex cum
Convention Centre and shall be planned, designed and developed in accordance with the
Development Control regulations as applicable on the Project Site. The Project Facilities (“Project
Facilities”) shall mean and include the followings:

A. Mandatory Development Obligation: These shall comprise of project facilities to be
mandatorily planned, designed and developed as a part of the Project.

B. Optional Project Facilities: These shall comprise of various real estate / commercial
developments along with supporting basic physical infrastructure / utilities, considered
ancillary and incidental to the Mandatory Project Facilities as elaborated in greater details
below.

3.2 Mandatory Development Obligations
The Concessionaire shall be required to plan, design and develop the following mandatory project
facilities on the Project Site during the Construction Period (“Mandatory Development Obligations”):

a. Reconfigurable & partition-able flat floor plenary hall – Minimum capacity 2,500 pax, which
would be measured as minimum carpet area of 30,000 sqft
b. At least 4 meetings rooms with total cumulative capacity of 150 pax
c. 4-star or 5-star hotel with minimum 100 keys
d. Parking (Basement / Multi Level / On ground)
   a. Convention Centre - Minimum 3 ECS per 100 sqm of Covered Area
   b. Other Project Facilities - As specified by PUDA / ADA norms extant at the time of
      receiving building plan approvals

The Project Facilities as part of the Mandatory Development Obligations are described in greater
details as below:

a) Convention Centre
   The proposed convention centre will need to follow the below-mentioned configuration
   requirements:
   • Convention centre
     o Total FSI Area of the convention centre (including plenary hall) – Min. 80,000 sqft.
   • Plenary hall
     o Pillar-less
     o Capacity – Minimum 2,500 pax
     o Height – Minimum floor to ceiling height of 10 m
     o Design - Flexibility to split into small halls through sound proof foldable partitions.
• Break-out / Meeting Rooms
  o A sufficient number of meeting rooms are to be provided to serve as supplementary break-out areas to large plenary hall events as well as to meet the demand for standalone meetings. Provision for partitioning and the ability to merge meeting rooms should be provided.
  o At least 4 meeting rooms of 10-100 pax each
  o Total capacity – Minimum 150 pax

• Board Rooms
  o Smaller capacity rooms with a high degree of sophistication and facilities, intended for meetings with small attendance.
  o At least 2 board rooms with minimum size 10 pax

• Lobby / Foyer – Minimum 20,000 sqft for delegates to assemble
• Sufficient circulation area – for elevators, escalators, passages etc.
• Food and Beverage spaces
• Support infrastructure
  o Washrooms for male and female distributed across 2-3 washroom units
  o Two or three pantries
  o Two electrical rooms
  o Back-of-House / Housekeeping Rooms to be divided across stewarding area, service area, dishwasher room etc.
  o Storage areas divided across multiple rooms like F&B store room, steward’s store room, refrigerated food & beverage store room, operating supplies store, lost & found store, cleaning equipment store, general store etc. would be provided.
  o Organizer’s offices

• Suitable provisions for differently abled are to be provided across the entire facility (lifts, ramps, entrances, seating in plenary hall and washrooms).
• Adequate fire safety measures
• Adequate signages

b) Hospitality
• Minimum size – 100 keys
• Certification - 4 star or 5 star
• The Concessionaire may develop larger hospitality space based on his own assessment.

c) Parking
• Parking to be provided in basement/ MLCP / On-ground.
• Development of multi-level car parking shall be free from FSI and ground coverage calculation.
• Separate parking to be provided for 2-wheelers, 4-wheelers and buses

d) Supporting basic infrastructure / utilities
• Round the clock security at various entry and exit gates to the Site including CCTV monitoring, barricades, boom barrier etc.
• Provision of drinking water supply
• Solid waste disposal system
• Back-up power system for emergency
• Paved internal roads with minimum ROW of 7.5 m
• Public toilets at various places
• Street lighting across the Site
• Landscaping and tree plantation in open areas
• Provision for Rain water harvesting and drainage
• Suitable facilities for disabled

3.3 Optional Project Facilities
The Concessionaire shall be allowed to develop various real estate facilities on the Project Site apart from the Mandatory Development Obligations, subject to the available FAR and subject to the prevalent norms and regulations. These real estate facilities are intended to be ancillary or incidental to the development of the Project and may include:

i. Exhibition spaces
ii. Banquet Hall
iii. Commercial office
iv. Retail (mall / high street)
v. Entertainment / recreational spaces
vi. Sports-related facilities
vii. Serviced apartments

Restricted Activities:
The following uses shall be restricted for development on the Project Site:
• Residential development
• Industrial development

If undertaken, the construction of Optional Project Facilities shall be completed on or before the date of completion of 10 years from the Appointed Date.
4 Specifications & Standards

The Project and the Project Facilities to be designed, developed and constructed as a part of the Project shall conform to the regulations, provisions, principles and guidelines as laid down hereunder:

a) The applicable regulations of the PUDA Building Rules 2018.

b) Regulations and approvals under the Environmental Protection Act, 1986

c) Latest amended National Building Code of India, other relevant IS Codes and practices, Development Control Rules, FSI Limits, statutory requirements, laws of land, the principles of good industry practices and any other norms as applicable from time to time

d) The Project should be designed, developed, operated and maintained in order to hold the international and domestic MICE events.

e) The Project shall be developed, constructed and commissioned by the Scheduled Completion Date.

General industry practices / standards / requirements will need to be adhered to for the design, development, construction, operation and maintenance of the Project. In addition to the above, the specific configuration, norms and standards to be followed for each of the specific facilities are as given below. The Concessionaire would be required to adhere to these as the minimum configuration, norms and standards and shall be free to conform to and provide these or better configuration, norms and standards.

4.1 Convention Centre

4.1.1 General interior design

- Acoustic ceiling in combination of tiles/Acoustic panels/perforated wooden panels etc.
- Carpeted floor
- Best-in-class decorative flooring (marble / granite / VDF / Tile / Kota Stone / Vinyl etc.)
- Suitable skirting on walls
- General & Decorative Lighting fittings
- Wall finishing of best quality (POP with Plastic Emulsion Paint / Tile / Granite Cladding / Paint & Plaster)
- Best-in-class Art work, Arti-facts and accessories

4.1.2 Partitions – Plenary Hall / Meeting Rooms

- Sound-proof
- Sliding-type

4.1.3 Acoustics

- Acoustical wall treatment
- Acoustic wall panelling in combination of fabric, wooden strips, with insulation
- Acoustical false ceiling
- Acoustic sound-proof door
- Wall insulations
- Sound proof partitions between meetings rooms and plenary hall.
4.1.4 Façade
- Decorative façade (glass façade with stone cladding / Plaster Pain / POP / Glazing.

4.1.5 Pre-function Area
- False ceiling in combination of PoP/Veneer/Acoustic Panels
- Best-in-class flooring (marble / granite / tiles etc.)
- Wooden / Marble cladding on wall, where necessary
- Graphic signage panels
- Decorative light fixtures
- Audio-visual equipment like LCD, speakers etc.

4.1.6 Toilets
- POP / Gyp false ceiling
- Marble / Tile / Stone Clad floor
- Wash basin counters with mirrors
- Imported Sanitary Fittings and fixtures
- Artwork, Artifacts and Accessories

4.1.7 F&B Area
- Metal Grid ceiling
- Tile flooring
- Decorative tile cladding
- Premium specifications for front counter, display units etc.

4.1.8 MEP Facilities
- Central Air conditioning for Convention Centre
- External chilled water piping
- Low-side air conditioning facilities (air handling units, special jet diffuser, BTU meter, chilled water pipes, ventilation system etc.)
- Best-in-class Passenger Elevators (Min. 2 Nos. of at least 16 pax capacity) and Service Elevators (Min. 2 No.)
- Basement ventilation system consisting of emergency and normal exhaust fans
- Fire fighting systems including exhausts, fire sprinklers, fire hydrant, extinguishers etc.
- Solar lighting, where possible
- Underground ducting for telecommunications

4.1.9 IT Infrastructure
- Data nodes and Voice nodes in meeting rooms, lobby, ticket centre, F&B area and admin area
- IPTV in meeting rooms and lobby
- Digital Signage facility in meeting rooms, lobby and F&B areas
- Access control facilities meeting rooms, board rooms, lobby, ticket centre, F&B area and admin area
- IP Cameras across the entire centre
4.1.10 Exits / Entry Gates
- The facility should provide sufficient number of exit / entry doors for normal / emergency evacuation.
- Separate doors shall be provided for service and delegate entry

4.2 Parking
- Separate dedicated parking for convention centre and hotel
- Separate parking for 2-wheelers, 4-wheelers
- Adequate provision as per guidelines of local bye-laws
- The minimum bay dimensions per car space shall be made as per Town Planning norms or any other Local Building Bye laws for basement parking and above ground parking facilities.
- Minimum carriageway of pavement for circulation space within parking facilities shall be 4 m if one-way and 6m if two-way.
- All parking spaces shall be paved to withstand vehicle loads and forces due to frequent acceleration and deceleration of vehicles. Parking bays/lots shall have proper cross slope and drainage. They shall be marked with paint as per Indian Standards to demarcate parking and circulation space.

4.3 Infrastructure / Utilities
The aforementioned elements shall be supported with adequate infrastructure facilities. The concessionaire must design and provide for basic infrastructure facilities as required for the proposed Project Facilities and for use during various events held at the site. The bulk infra should include water supply network, sewage network, solid waste disposal facility, electrical substation, electrical network, street lights, roads, boundary wall, gate etc. A dedicated services area shall be provided for the utilities.

Minimum guidelines for development of infrastructure are given below:

- **Internal Road Network**
  The minimum road width for the internal road network shall be 7.5 m for the Service Roads and 14 m for the Main road.

- **Electricity**
  The concessionaire shall be responsible for provision of continuous electrical supply to the entire infrastructure developed on the Project Site by creating a suitable sub-station. Suitable power network needs to be designed with a dedicated sub-station for the convention centre and plug-n-play power lines for serving both outdoor and indoor spaces. Suitable back-up power arrangements need to be made for emergency power.

- **Water Supply**
  Both ground water and municipal water sources need to be evaluated. The water supply network should be designed to provide tap-off points at across the complex. Underground reservoirs and over-head tanks may be designed to ensure seamless water supply to the facilities.
• **Streetlights**
  Streetlights should be provided on both sides on the entrance road. The internal roads should have streetlights on at least one side.

• **Boundary Wall**
  The complex needs to be surrounded by a boundary wall of brick masonry / stone work.

• **Solid Waste Management**
  Suitable waste management plan should be prepared and followed by the concessionaire.

• **Sewerage and Solid Waste Disposal**
  Provision of adequate drainage and sewage facilities and ensure zero waste discharges. There should be adequate facilities and manpower for solid waste disposal.

• **Fire Protection System**
  o Fire Sprinkler system
  o Hose reels
  o Extinguishers
  o Manual Call points

• **Security**
  o CCTV cameras
  o Entrance Boom Barriers
  o Security Guards

• **Landscaping**
  Rest of the area, not covered by project facilities, shall be landscaped to provide circulation space and leisure spaces for the visitors. This space can also be utilized for holding temporary events, F&B facilities and entertainment activities during large events.

4.4 **Support Facilities**
Appropriate provisions in line with the national standards like NBC, BIS, recognized International Standards and the best Industry Practices will have to be made by the Concessionaire based on detailed architectural & structural designs.

4.5 **Signage**
The Concessionaire shall provide signage so as to facilitate necessary information to the visitors regarding amenities and their location. The signage would be provided separately – Information / Facility / Others.
5 Applicable Permits

5.1 Necessary Applicable Permits
The Concessionaire shall obtain, as required under the Applicable Laws, the following Necessary Applicable Permits, as Conditions Precedent, on or before the Appointed Date, save and except to the extent of a waiver granted by the Authority in accordance with the Agreement:

a) Environmental Clearance – MoEF / State Environmental Impact Assessment Authority / other central or state body, as applicable
b) No Objection Certificate (NOC) / Clearance – State Pollution Control Board

5.2 Other Applicable Permits
The Concessionaire shall obtain, as required under the Applicable Laws, the following other Applicable Permits, as necessary for implementation of the Project:

a) Pre-construction approvals
   • No objection certificate – Airport Authority of India (AAI)
   • Layout Plan Approval / Building Plan Approval / Development Proposal Approval
   • Fire Opinion / No Objection Certificate - Fire
   • Electricity approval
   • No Objection Certificate / Permission from Police Department
   • Any other approval from any Competent Authority
b) Stage-wise Commencement Certificate (During construction approval – for each stage), if applicable
c) Post construction approval
   • No Objection Certificate – Fire
   • No Objection Certificate – Lift
   • No Objection Certificate / Permission from Police Department
   • Water Connection
   • Drainage approval
   • Occupation Certificate
d) Any other approvals or No Objection Certificate(s) or permits or clearances required under Applicable Laws.
6 Performance Security

Bank Guarantee No.: Dated: ______________

**Issuer of Bank Guarantee:**
(Name of the Bank) ____________________

(Hereinafter referred to as the “Bank”)

**Beneficiary of Bank Guarantee:**
Chief Administrator
ADA

**Details of the Bank of the Beneficiary**
Bank: <>
Branch: <>
IFSC Code: <>

**Nature of Bank Guarantee:**
Unconditional and irrevocable Bank Guarantee.

**Context of Bank Guarantee**
Concession Agreement (hereinafter referred to as the “Concession”) to be executed amongst the ADA [hereinafter referred to as the “Concessioning Authority”] and ________________ (name of the Selected Bidder) [hereinafter referred to as the “Concessionaire”] for the Development of Convention Centre in Amritsar on DBFOT basis (hereinafter referred to as the “Project”), provided however, such context of the Bank Guarantee or reference to the Concession in this Bank Guarantee shall in no manner be relied upon at any stage to adversely affect or dilute the unconditional and irrevocable nature of this Bank Guarantee. The title of this Guarantee i.e. “Performance Security” shall in no manner and at no stage be relied upon to adversely affect or dilute the unconditional and irrevocable nature of this Bank Guarantee. The Contract of Bank Guarantee is an independent Contract between the Bank and the Authority and is not dependent upon the execution or performance of any Contract/Agreement amongst the Authority and the Selected Bidder/Concessionaire.

As per the terms of Concession Agreement, the Concessionaire is required to furnish to THE AUTHORITY, an unconditional and irrevocable bank guarantee for an amount of INR ………… (Rupees ……………… Crores only) as security for due and punctual performance / discharge of its obligations under the Concession Agreement for the Concession Period.

**Operative part of the Bank Guarantee:**
1. At the request of the Concessionaire, we ________________, ________________ (name and address of the bank), hereinafter referred to as the
“Bank”), do hereby unconditionally and irrevocably affirm and undertake that we are the Guarantor and are responsible to the Authority i.e. the beneficiary on behalf of the Bidder, upto a total sum of INR _____ Crores (Rupees _____ Crores Only), such sum being payable by us to the Authority immediately upon receipt of first written demand from the Authority.

2. We unconditionally and irrevocably undertake to pay to the Authority, on an immediate basis, upon receipt of first written demand from the Authority, and without any cavil or argument or delaying tactics or reference by us to Concessionaire and without any need for the Authority to convey to us any reasons for invocation of the Guarantee or to prove the failure to perform on the part of the Concessionaire or to show grounds or reasons for the demand or the sum specified therein, the entire sum or sums within the limits of INR____ Crores (Rupees _____ Crores Only).

3. We hereby waive the necessity of the Authority to demand the said amount from the Concessionaire first, prior to serving a Demand Notice upon us for the encashment of this Bank Guarantee amount.

4. We further agree and affirm that no change or addition to or other modification to the terms of the Agreement, shall in any way release us from any liability under this unconditional and irrevocable Guarantee and we hereby waive notice of any such change, addition or modification. We further agree with the Authority that the Authority shall be the sole and the exclusive judge to determine that whether or not any sum or sums are due and payable to it by the Concessionaire, which are recoverable by the Authority by invocation of this Guarantee.

5. This Guarantee will not be discharged due to the change in constitution of the Bank or the Contractor. We undertake not to withdraw or revoke this Guarantee during its currency/validity period, except with the previous written consent of the Authority.

6. We unconditionally and irrevocably undertake to pay to the Authority, any amount so demanded not exceeding INR _____Crores (Rupees _____ Crores Only) notwithstanding any dispute or disputes raised by Concessionaire or anyone else in any suit or proceedings before any dispute review Independent Engineer, arbitrator, court, tribunal or other authority, our liability under this Guarantee being absolute, unconditional and unequivocal. The payment so made by us under this Guarantee to the Authority, shall be a valid discharge of our liability for payment under this Guarantee and the Concessionaire shall have no claim against us for making such payment.

7. This unconditional and irrevocable Guarantee shall remain in full force and effect and shall remain valid until ______________

8. This Bank Guarantee is issued by the Bank having its office at _________ but as per the Authority’s requirement, this Guarantee can be encashable/negotiable at the Bank’s branch at Amritsar having address at ______________.

Notwithstanding anything contained herein:

1. Our liability under this Bank Guarantee shall not exceed Indian INR _____ Crores (Rupees _____ Crores Only).

2. This unconditional and irrevocable Bank Guarantee shall be valid w.e.f. ____________ to ______________.
3. We are liable to pay the guaranteed amount or any part thereof under this unconditional and irrevocable Bank Guarantee only and only if the Authority serves upon us a written claim or demand on or before __________.

__________________
Authorized Signatory
For Bank
7 Drawings

7.1 Drawings
In compliance of the obligations set forth in Article 12.2 of this Agreement, the Concessionaire shall furnish to the Independent Engineer(s), free of cost, all Drawings related to the Project.

The Project Drawings, as defined in the Concession Agreement, shall consist:
   i. Working drawings of all components / elements of Mandatory Development Obligations as determined by the Independent Engineer(s) / Authority; and
   ii. As-built drawings for the Project Facilities components / elements as determined by the Independent Engineer(s) / Authority. As-built drawings for Mandatory Development Obligations shall be duly certified by the Independent Engineer(s).

7.2 Additional Drawings
If the Independent Engineer(s) determines that for discharging its duties and functions under this Agreement, it requires any drawings other than those listed in this schedule, it may by notice require the Concessionaire to prepare and furnish such drawings forthwith. Upon receiving a requisition to this effect, the Concessionaire shall promptly prepare and furnish such drawings to the Independent Engineer(s), as if such drawings formed part of this Schedule 7.
8 Tests

8.1 Schedule for Tests

i. The Concessionaire shall, no later than 30 (thirty) days prior to the likely completion of the Mandatory Development Obligations, notify the Independent Engineer(s) and the Authority of its intent to subject the Mandatory Development Obligations to Tests, and no later than 7 (seven) days prior to the actual date of Tests, furnish to the Independent Engineer(s) and the Authority detailed inventory and particulars of all works and equipment forming part of the Project.

ii. The Concessionaire shall notify the Independent Engineer(s) of its readiness to subject the Mandatory Development Obligations to Tests at any time after 7 (seven) days from the date of such notice, and upon receipt of such notice, the Independent Engineer(s) shall, in consultation with the Concessionaire, determine the date and time for each Test and notify the same to the Authority who may designate its representative to witness the Tests. The Independent Engineer(s) shall thereupon conduct the Tests itself or cause any of the Tests to be conducted in accordance with Article 17.3 and this Schedule 8.

8.2 Tests

i. Visual and physical Test: The Independent Engineer(s) shall conduct a visual and physical check of work of Mandatory Development Obligations to determine that all works and equipment forming part thereof conform to the provisions of this Agreement.

ii. Other Tests: The Independent Engineer(s) may require the Concessionaire to carry out or cause to be carried out additional Tests, in accordance with Good Industry Practice, for determining the compliance of the Mandatory Development Obligations with Specifications and Standards.

iii. Environmental audit: The Independent Engineer(s) shall carry out a check to determine conformity of the Mandatory Development Obligations with the environmental requirements set forth in Applicable Laws and Applicable Permits.

iv. Safety review: Safety audit of the Mandatory Development Obligations shall have been undertaken by the Independent Engineer(s), and on the basis of such audit, the Independent Engineer(s) shall determine conformity of the Project with the relevant provisions relating to the aspects of safely under the prevalent law governing the Project in accordance with the provisions of this Agreement.

8.3 Agency for conducting Tests

All tests set forth in this Schedule 8 shall be conducted by the Independent Engineer(s) or such other agency or person as it may specify in consultation with the Authority.
8.4 Completion / Provisional Certificate

Upon successful completion of Tests, the Independent Engineer(s) shall issue the Construction Completion Certificate or the Provisional Certificate, as the case may be, in accordance with the provisions of ARTICLE 14.
9 Construction Completion Certificate

1. I, ……………………..(Name of the Independent Engineer), acting as Independent Engineer, under and in accordance with the Concession Agreement dated ……………..(the “Agreement”), for Development of Commercial Complex cum Convention Centre in Amritsar on DBFOT basis, through …………………………….(Name of Concessionaire), hereby certify that the Tests specified in ARTICLE 14 and Schedule 8 of the Agreement have been successfully undertaken to determine compliance of the Project with the provisions of the Agreement, and I am satisfied that the Project can be safely and reliably placed in commercial service of the Users thereof.

2. It is certified that, in terms of the aforesaid Agreement, all works forming part of Project have been completed, and the Project is hereby declared fit for entry into commercial operation on this the ……….day of ……….20…..

SIGNED, SELAED AND DELIVERED
For and on behalf of INDEPENDENT ENGINEER by:

(Signature)
(Name)
(Designation)
(Address)
10 Maintenance Requirement

10.1 Maintenance Requirements
The Concessionaire shall, at all times, operate and maintain the Mandatory Development Obligations in accordance with the provisions of this Agreement, Applicable Laws and Applicable Permits. In particular, the Concessionaire shall, at all times during the Operations Period, conform to the maintenance requirements set forth in this Schedule 10 (the “Maintenance Requirements”).

10.2 Repair/rectification of defects and deficiencies
The obligations of the Concessionaire in respect of Maintenance Requirements shall include repair and rectification of defects and deficiencies to Project Assets in accordance with Good Industry Practice.

10.3 Extension of time limit
Notwithstanding anything to the contrary specified in this Schedule 10, if the nature and extent of any defect or deficiency justifies more time for its repair or rectification than the time specified in the Maintenance Program, the Concessionaire shall be entitled to additional time in conformity with Good Industry Practice. Such additional time shall be determined by the Independent Engineer(s) and conveyed to the Concessionaire and the Authority with reasons thereof.

10.4 Emergency repairs/restoration
Notwithstanding anything to the contrary contained in this Schedule 10, if any defect, deficiency or deterioration in the Mandatory Development Obligations poses a hazard to safety or risk of damage to property, the Concessionaire shall promptly take all reasonable measures for eliminating or minimizing such risk or danger.

10.5 Divestment Requirement
All defects and deficiencies specified in this Schedule 10 shall be repaired and rectified by the Concessionaire so that the Mandatory Development Obligations conforms to the Maintenance requirements on the Transfer Date.

10.6 Maintenance Works and Performance Standards
The Concessionaire shall ensure:
- Maintaining site environment so as to cause minimum disturbance to the environment.
- Ensure that the facilities are operational and rectification of the defects and deficiencies within the minimum time.
- Ensure that the fixed parameters provided in this RFP are abided by at any time during the Concession Period.
The Concessionaire shall perform routine and periodic maintenance activities for the Project Facilities to meet the specific performance standards as given below:

<table>
<thead>
<tr>
<th>Description</th>
<th>Required Level of Performance</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Supply, Electrical Installations, Electrical Equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Standby power arrangements shall be made for Convention Centre and Hotel.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• No loose open, uninsulated wiring should be left in any of the areas.</td>
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<tr>
<td>• Switch boards, Electrical meters shall be enclosed in boxes and accessible to only authorised persons.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Standby power supply by DG sets shall be ready to be operated and should be available on 24X7 (hr) basis.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Any disruption in power supply shall be rectified in 4 (four) hours.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural and Mechanical Ventilation and Illumination</td>
<td>• Shall meet the required illumination level as specified in the IS Code and NBC.</td>
<td></td>
</tr>
<tr>
<td>• Shall meet the required ventilation level as specified in the IS code and NBC.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Any disruption to mechanical ventilation, if provided, shall be rectified within 24 hours.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• HVAC System parts including skylights ventilators, shafts etc. shall be cleaned once every week.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Air conditioning to work across all common areas between 10:00 am till 10:00 pm.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common Areas within Convention Centre</td>
<td>Routine maintenance of all common areas.</td>
<td>Annual maintenance of all common area accessories like fans, A/C, lights, façade, fixtures, paintings etc.</td>
</tr>
<tr>
<td>• Replacement of minor fixtures like light bulbs, fans etc. at routine interval.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• At least twice a day housekeeping / cleaning of common areas</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Cleaning of washrooms every 2 hrs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Signboards should be marked across all common areas.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Min. 95% of toilets and urinals to be functional at any given time.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Drinking water chambers to be provided at least 4 places across the convention centre.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Boundary Wall</td>
<td>Routine maintenance and upkeep of boundary wall.</td>
<td>Any damage/ breach to the boundary wall shall be rectified within three (3) days after their detection.</td>
</tr>
<tr>
<td>Internal Roads</td>
<td>Routine maintenance and upkeep of internal infrastructure</td>
<td>Any damage/ breach to the internal road shall be rectified within 15 (fifteen) days after their detection.</td>
</tr>
<tr>
<td>Description</td>
<td>Required Level of Performance</td>
<td>Key Performance Indicators</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Landscaping</td>
<td>Routine maintenance of landscape.</td>
<td>Prevent water-logging and take immediate action to clear any such incident. Regular planation and re-plantation in the landscaped area to maintain aesthetic beauty of the area.</td>
</tr>
<tr>
<td>Dustbins / Garbage Management</td>
<td>Dustbins should be placed at various places across the convention centre and should be kept clean and functional</td>
<td>The dustbin shall be emptied after every six hours or earlier if it is full or if creates foul smell.</td>
</tr>
<tr>
<td>Signages and information boards</td>
<td>Should be visible, legible and functional</td>
<td>Signages should be cleaned at least twice a week. Replacement of damaged signages within 5 days of detection.</td>
</tr>
<tr>
<td>Seats and interiors of convention halls</td>
<td>Seats, walls, steps, stage, curtains, center tables, chairs etc. within the convention halls should be kept clean and functional.</td>
<td>Any damaged seat, curtains, table etc. shall be replaced within 7 (seven) days of detection. Maximum 5% of seats may be damaged at any time.</td>
</tr>
<tr>
<td>IT / PA system / telecommunication Infrastructure</td>
<td>To be properly updated and maintained.</td>
<td>Less than 10% downtime of IT infrastructure across any month. Any downtime or error should be repaired within 3 hrs.</td>
</tr>
<tr>
<td>Staircases, elevators, escalators etc.</td>
<td>To be kept clean and functional</td>
<td>The staircases, lifts and escalators shall be cleaned at least twice a day. Damaged handrails, raisers or treads shall be repaired within three days after detection.</td>
</tr>
<tr>
<td>Plumbing</td>
<td>To be kept operational and leak-free.</td>
<td>Any damages or leaks to be repaired within 4 hrs. Water Tank shall be cleaned and disinfected every month (by usage of approved chemicals) to ensure that no inorganic sedimentation takes place.</td>
</tr>
<tr>
<td>Fire Fighting</td>
<td>System to functional at all times.</td>
<td>Any damage to firefighting Equipment shall be rectified within 2 days of detection. Fire extinguishers shall be replaced before the end of its expiry date. The water tank meant for fire fighting purpose shall remain flooded with water to its capacity at all the time.</td>
</tr>
</tbody>
</table>
### Description

<table>
<thead>
<tr>
<th>Description</th>
<th>Required Level of Performance</th>
<th>Key Performance Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and carpentry</td>
<td>To be replaced, repainted, repaired when necessary</td>
<td>Repainting of furniture and functionality check / repair to be conducted at least once a year.</td>
</tr>
<tr>
<td>works</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Facade</td>
<td>To be kept clean.</td>
<td>All internal and external glasses to be cleaned once a day. External and internal walls should be painted at least once every 4 years.</td>
</tr>
<tr>
<td>Front Desk</td>
<td>-</td>
<td>At least 2 receptionist / information officers to be positioned at all times. At least 100 brochures and hand-outs about the Convention Centre to be available for sharing with guests.</td>
</tr>
<tr>
<td>Website</td>
<td>Website of convention centre with salient details to be available at all times.</td>
<td>Less than 5% downtime during any month. Any downtime to be repaired within 4 hours.</td>
</tr>
</tbody>
</table>

#### 10.7 Operations Requirement

The Concessionaire shall keep the Project Facilities operational as below:

- Convention Centre - At least 12 hrs a day throughout the year
- Hotel – 24 hours a day through the year
- Parking – 24 hours a day through the year
- Information System – 24 hours a day through the year
- Security – 24 hours a day through the year
- Diesel Generator – 24 hours a day through the year
11 Project Completion Schedule

11.1 Project Completion Schedule

During Construction Period, the Concessionaire shall comply with the requirements set forth in this Schedule 11 for each of the Project Milestones and Scheduled Completion Date (the “Project Completion Schedule”). Within [7 (seven)] days of the date of each Project Milestone, the Concessionaire shall notify the Authority of such compliance / lack of compliance, along with necessary particulars thereof.

i. Project Milestone-I

Project Milestone-I shall occur on the 1st anniversary of the Appointed Date (the “Project Milestone-I”). As on the occurrence of Project Milestone-I, the Concessionaire shall have commenced Construction Works of the Mandatory Development Obligations and incurred an expenditure of not less than 30% (thirty percent) of the Total Project Cost and further, conveyed to the Independent Engineer, the nature and extent of physical progress and the detailed break-up of the expenditure incurred, so as to enable the Independent Engineer to i) Audit the expenditure incurred and ii) Determine that the physical progress is commensurate with the expenditure incurred.

ii. Project Milestone-II

Project Milestone-II shall occur on the 2nd anniversary of the Appointed Date (the “Project Milestone-II”). As on the occurrence of Project Milestone-II, the Concessionaire shall have incurred an expenditure of not less than 60% (sixty percent) of the Total Project Cost and conveyed to the Independent Engineer, the nature and extent of physical progress and the detailed break-up of the expenditure incurred, so as to enable the Independent Engineer to i) Audit the expenditure incurred and ii) Determine that the physical progress is commensurate with the expenditure incurred.

iii. Project Milestone-III

Project Milestone-III shall occur on the 3rd anniversary of the Appointed Date (the “Project Milestone-III”). As on the occurrence of Project Milestone-II, the Concessionaire shall have incurred an expenditure of not less than 90% (ninety percent) of the Total Project Cost and conveyed to the Independent Engineer, the nature and extent of physical progress and the detailed break-up of the expenditure incurred, so as to enable the Independent Engineer to i) Audit the expenditure incurred and ii) Determine that the physical progress is commensurate with the expenditure incurred.

iv. Scheduled Completion Date

The Scheduled Completion Date shall occur on the completion of 42 months from the Appointed Date. On or before the Scheduled Completion Date, the Concessionaire shall have incurred 100% (one hundred percent) of the Total Project Cost and completed the Mandatory Development Obligations in accordance with this Agreement, and further, conveyed to the Independent Engineer, the nature and extent of physical progress and the detailed break-up of the expenditure incurred, so as to enable the Independent Engineer
to i) Audit the expenditure incurred and ii) Determine that the physical progress is commensurate with the expenditure incurred.

11.2 Extension of period
Upon extension of the Scheduled Completion Date under and in accordance with the provisions of this Agreement, the Project Completion Schedule shall be deemed to have been amended accordingly.
12 Independent Engineer(s)

12.1 Appointment of Independent Engineer(s)
   a) The Authority shall appoint Independent Engineer(s) as per terms of Article 34. The Independent Engineer(s) shall mean any financial, technical, legal, statutory auditor, operations & maintenance or any other Independent Engineer as deemed appropriate by the Authority for the Project.

   b) The Authority shall invite technical and financial offers (in separate envelopes) from consulting firms or bodies corporate to undertake and perform the duties and functions set forth in Schedule 12. All the technical bids so received shall be opened and pursuant to the evaluation thereof, the Authority shall shortlist a maximum of 4 (four) eligible firms on the basis of their technical scores. The financial bids in respect of such shortlisted firms shall be opened and the order of priority as among these firms shall be determined on the basis of a weighted technical and financial evaluation (Combined Quality-cum-Cost-Basis Selection).

   c) The Concessionaire shall be entitled to scrutinize the relevant records of the Authority to ascertain whether the selection of firms has been undertaken in accordance with best industry practices.

12.2 Role and functions of the Independent Engineer
   i. The role and functions of the Independent Engineer shall include the following:
      a) Review of the Detailed Project Report including a review of the Drawings and Documents forming a part of the DPR; and other drawings and documents;
      b) Monitoring compliance with Project Construction Schedule as per Schedule 11;
      c) Review, inspection and monitoring of Construction Works;
      d) Conducting tests on completion of construction and issuing Construction Completion/ Provisional Certificate;
      e) Review, inspection and monitoring of O&M and Management Obligations;
      f) Review, inspection and monitoring of Divestment Requirements
      g) Determining, as required under the Agreement, the costs of any works or services and/or their reasonableness;
      h) Determining, as required under the Agreement, the period or any extension thereof, for performing any duty or obligation;
      i) Assisting the Parties in resolution of disputes; and
      j) Undertaking all other duties and functions in accordance with the Agreement.

   ii. The Independent Engineer(s) shall discharge its duties in a fair, impartial and efficient manner, consistent with the highest standards of professional integrity and Good Industry Practice.

12.3 Construction Period
   i. In respect of the Drawings, Documents, Detailed Project Report and Safety Report received by the Independent Engineer(s) for its review and comments during the Construction Period, the provisions of this Schedule shall apply, mutatis mutandis.
ii. The Independent Engineer(s) shall review the quarterly progress report furnished by the Concessionaire and send its comments thereon to the Authority and the Concessionaire within 7 (seven) days of receipt of such report.

iii. The scope of work defined in this section shall be specific to Mandatory Development Obligations, as per the Concession Agreement. The role of Independent Engineers with respect to Optional Project Facilities shall be limited to assurance of Good Industry Practices.

iv. The Independent Engineer shall review compliance / non-compliance of the Concessionaire to the Project Milestones, as defined in Project Construction Schedule, as per Schedule 11. The Independent Engineer shall undertake a review of the report submitted by the Concessionaire, undertake audit and submit an Audit Report with 7 days of the receipt of compliance report from the Concessionaire. The Independent Engineer shall determine the Shortfall in Project Milestone, if applicable, and report to Authority.

v. The Independent Engineer(s) shall inspect the Construction Works related to Mandatory Development Obligations once every month, before the 20th (twentieth) day of the month, and make out a report of such inspection (the “Inspection Report”) setting forth an overview of the status, progress, quality and safety of construction, including the work methodology adopted, the materials used and their sources, and conformity of Construction Works with the Detailed Project Report, Scope of the Project and the Specifications and Standards. In a separate section of the Inspection Report, the Independent Engineer(s) shall describe in reasonable detail the lapses, defects or deficiencies observed by it in the construction of the Project. The Inspection Report shall also contain a review of the maintenance of the existing lanes in conformity with the provisions of the Agreement. The Independent Engineer(s) shall send a copy of its Inspection Report to the Authority and the Concessionaire within 7 (seven) days of the inspection.

vi. The Independent Engineer(s) may inspect the Project more than once in a month if any lapses, defects or deficiencies require such inspections.

vii. For determining that the Construction Works conform to Specifications and Standards, the Independent Engineer(s) shall require the Concessionaire to carry out, or cause to be carried out, tests on a sample basis, to be specified by the Independent Engineer(s) in accordance with Good Industry Practice for quality assurance. The Independent Engineer(s) shall issue necessary directions to the Concessionaire for ensuring that the tests are conducted in a fair and efficient manner and shall monitor and review the results thereof.

viii. The sample size of the tests, to be specified by the Independent Engineer(s) shall comprise 10% (ten per cent) of the quantity or number of tests prescribed for each category or type of tests in Quality Control manuals; provided that the Independent Engineer(s) may, for reasons to be recorded in writing, increase the aforesaid sample size by up to 10% (ten per cent) for certain categories or types of tests.
ix. The timing of tests, and the criteria for acceptance/ rejection of their results shall be determined by the Independent Engineer(s) in accordance with the Quality Control Manuals. The tests shall be undertaken on a random sample basis and shall be in addition to, and independent of, the tests that may be carried out by the Concessionaire for its own quality assurance in accordance with Good Industry Practice.

x. In the event that the Concessionaire carries out any remedial works for removal or rectification of any defects or deficiencies, the Independent Engineer(s) shall require the Concessionaire to carry out, or cause to be carried out, tests or determine that such remedial works have brought the Construction Works into conformity with the Specifications and Standards, and the provisions of this Schedule 12 shall apply to such tests.

xi. In the event that the Concessionaire fails to achieve Scheduled Completion Date, the Independent Engineer(s) shall undertake a review of the progress of construction and identify potential delays, if any. If the Independent Engineer(s) shall determine that completion of the Mandatory Development Obligations is not feasible within the time specified in the agreement, it shall require the Concessionaire to indicate within 15 (fifteen) days, the steps proposed to be taken to expedite progress, and the period within which the Scheduled Completion Date shall be achieved. Upon receipt of a report from the Concessionaire forthwith, the Independent Engineer(s) shall review the same and send its comments to the Authority and the Concessionaire forthwith.

xii. If at any time during the Construction Period, the Independent Engineer(s) determines that the Concessionaire has not made adequate arrangements for the safety of workers and users in the zone of construction or that any work is being carried out in a manner that threatens the safety of the workers and the users, it shall make a recommendation to the Authority forthwith, identifying the whole or part of the Construction Works that should be suspended for ensuring safety in respect thereof.

xiii. In the event that the Concessionaire carries out any remedial measures to secure the safety of suspended works and users, it may, by notice in writing, require the Independent Engineer(s) to inspect such works, and within 3 (three) days of receiving such notice, the Independent Engineer(s) shall inspect the suspended works and make a report to the Authority forthwith, recommending whether or not such suspension may be revoked by the Authority.

xiv. If suspension of Construction Works is for reasons not attributable to the Concessionaire, the Independent Engineer(s) shall determine extension of Scheduled Completion Date, to which the Concessionaire is reasonably entitled, and shall notify the Authority and the Concessionaire of the same.

xv. The Independent Engineer(s) shall carry out or cause to be carried out, all the Tests specified in Schedule 8 and issue a Completion Certificate or Provisional Certificate as the case may be. For carrying out its functions under this Paragraph and all matters incidental thereto,
the Independent Engineer(s) shall act under and in accordance with the provisions of ARTICLE
14.

xvi. Upon reference from the Authority, the Independent Engineer(s) shall make a fair and
reasonable assessment of the costs of providing information, works and services and certify
the reasonableness of such costs for payment by the Authority to the Concessionaire.

xvii. The Independent Engineer(s) shall aid and advise the Concessionaire in preparing the
Maintenance Manual and Maintenance Programme.

12.4 Operation & Maintenance

i. In respect of the Drawings, Documents and Safety Report received by the Independent
Engineer(s) for its review and comments during the Operations Period, the provisions of this
paragraph shall apply, mutatis mutandis.

ii. The Independent Engineer(s) shall review the annual Maintenance Programme furnished by
the Concessionaire and send its comments thereon to the Authority and the Concessionaire
within 15 (fifteen) days of receipt of the Maintenance Programme.

iii. The Independent Engineer(s) shall review the quarterly status report furnished by the
Concessionaire and send its comments thereon to the Authority and the Concessionaire
within 7 (seven) days of receipt of such report.

iv. The Independent Engineer(s) shall inspect the Project at least once every quarter, preferably
after receipt of the quarterly status report from the Concessionaire, but before the 20th
(twentieth) day of the first month of the quarter in any case, and make out an O&M Inspection
Report setting forth an overview of the status, quality and safety of O&M including its
conformity with the Maintenance Requirements. In a separate section of the O&M Inspection
Report, the Independent Engineer(s) shall describe in reasonable detail the lapses, defects or
deficiencies observed by it in O&M of the Mandatory Development Obligations. The
Independent Engineer(s) shall send a copy of its O&M Inspection Report to the Authority and
the Concessionaire within 7 (seven) days of the inspection.

v. The Independent Engineer(s) may inspect the Project more than once in a quarter, if any
lapses, defects or deficiencies require such inspections.

vi. The Independent Engineer(s) shall in its O&M Inspection Report specify the tests, if any, that
the Concessionaire shall carry out, or cause to be carried out, for the purpose of determining
that the Project is in conformity with the Maintenance Requirements. It shall monitor and
review the results of such tests and the remedial measures, if any, taken by the Concessionaire
in this behalf.

vii. In the event that the Concessionaire notifies the Independent Engineer(s) of any modifications
that it proposes to make to the Project, the Independent Engineer(s) shall review the same
and send its comments to the Authority and the Concessionaire within 15 (fifteen) days of receiving the proposal.

12.5 Termination
i. At any time, not earlier than 90 (ninety) days prior to Termination but not later than 15 (fifteen) days prior to such Termination, the Independent Engineer(s) shall, in the presence of a representative of the Concessionaire, inspect the Project for determining compliance by the Concessionaire with the Divestment Requirements set forth in Article 26.1 and, if required, cause tests to be carried out at the Concessionaire’s cost for determining such compliance.

ii. The Independent Engineer(s) shall inspect the Project once in every 15 (fifteen) days during a period of 90 (ninety) days after Termination for determining the liability of the Concessionaire, in respect of the defects or deficiencies specified therein. If any such defect or deficiency is found by the Independent Engineer(s), it shall make a report in reasonable detail and send it forthwith to the Authority and the Concessionaire.

12.6 Determination of costs and time
i. The Independent Engineer(s) shall determine the costs, and/or their reasonableness, that are required to be determined by it under the Agreement.

ii. The Independent Engineer(s) shall determine the period, or any extension thereof, that is required to be determined by it under the Agreement.

12.7 Assistance in Dispute resolution
i. When called upon by either Party in the event of any Dispute, the Independent Engineer(s) shall mediate and assist the Parties in arriving at an amicable settlement.

ii. In the event of any disagreement between the Parties regarding the meaning, scope and nature of Good Industry Practice, as set forth in any provision of the Agreement, the Independent Engineer(s) shall specify such meaning, scope and nature by issuing a reasoned written statement relying on good industry practice and authentic literature.

12.8 Other duties and functions
i. The Independent Engineer(s) shall perform all other duties and functions specified in the Agreement.

12.9 Miscellaneous
i. The Independent Engineer(s) shall notify its programme of inspection to the Authority and to the Concessionaire, who may, in their discretion, depute their respective representatives to be present during the inspection.

ii. A copy of all communications, comments, instructions, Drawings or Documents sent by the Independent Engineer(s) to the Concessionaire pursuant to this TOR, and a copy of all the test
results with comments of the Independent Engineer(s) thereon shall be furnished by the Independent Engineer(s) to the Authority forthwith.

iii. The Independent Engineer(s) shall obtain, and the Concessionaire shall furnish in two copies thereof, all communications and reports required to be submitted, under this Agreement, by the Concessionaire to the Independent Engineer(s), whereupon the Independent Engineer(s) shall send one of the copies to the Authority along with its comments thereon.

iv. The Independent Engineer(s) shall retain at least one copy each of all Drawings and Documents received by it and keep them in its safe custody.

v. Upon completion of its assignment hereunder, the Independent Engineer(s) shall duly classify and list all Drawings, Documents, results of tests and other relevant records, and hand them over to the Authority or such other person as the Authority may specify and obtain written receipt thereof. Two copies of the said document shall also be furnished in micro film form or in such other medium as may be acceptable to the Authority.

vi. Wherever no period has been specified for delivery of services by the Independent Engineer(s), the Independent Engineer(s) shall act with the efficiency and urgency necessary for discharging its functions in accordance with Good Industry Practice.
13 Vesting Certificate

Vesting Certificate

1 ADA (the “Authority”) refers to the Concession Agreement dated …….. (the “Agreement”) entered into between the Authority and ……………… (the “Concessionaire”) for Development of a Commercial Complex cum Convention Centre in Amritsar on DBFOT basis (the “Project”).

2 The Authority hereby acknowledges compliance and fulfilment by the Concessionaire of the Divestment Requirements set forth in ARTICLE 26 of the Agreement on the basis that upon issue of this Vesting Certificate, the Authority shall be deemed to have acquired, and all title and interest of the Concessionaire in or about the Project shall be deemed to have vested unto the Authority, free from any encumbrances, charges and liens whatsoever.

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

Signed this ………….day of …………. 20….. at……….

AGREED, ACCEPTED AND SIGNED
For and on behalf of
CONCESSIONAIRE by:

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

In the presence of:
1. 2.
14 Substitution Agreement

Substitution Agreement

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

AMONGST

1. ADA, having its principal offices at Amritsar (hereinafter referred to as the "Authority" which expression shall unless repugnant to the context or meaning thereof include its administrators, successors and assigns);

2. ………………………..Limited a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at .............., (hereinafter referred to as the "Concessionaire" which expression shall unless repugnant to the context or meaning thereof include its successors and permitted assigns and substitutes);

3. ………………………………..(name and particulars of Lenders' Representative) and having its registered office at ..................., acting for and on behalf of the Senior Lenders as their duly authorised agent with regard to matters arising out of or in relation to this Agreement (hereinafter referred to as the "Lenders' Representative", which expression shall unless repugnant to the context or meaning thereof include its successors and substitutes);

WHEREAS:

A. The Authority has entered into a Concession Agreement dated............ with the Concessionaire (the "Concession Agreement") for Development of a Commercial Complex cum Convention Centre in Amritsar on DBFOT basis (the “Project”), and a copy of which is annexed hereto and marked as Annex-A to form part of this Agreement.

B. Senior Lenders have agreed to finance the Project in accordance with the terms and conditions set forth in the Financing Agreements.

C. Senior Lenders have requested the Authority to enter into this Substitution Agreement for securing their interests through assignment, transfer and substitution of the Concession to a Nominated Company in accordance with the provisions of this Agreement and the Concession Agreement.

D. In order to enable implementation of the Project including its financing, construction, operation and maintenance, the Authority has agreed and undertaken to transfer and assign the Concession to a Nominated Company in accordance with the terms and conditions set forth in this Agreement and the Concession Agreement.

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

14.1 Definitions and Interpretation

Definitions

In this Substitution Agreement, the following words and expressions shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively assigned to them:
"Agreement" means this Substitution Agreement and any amendment thereto made in accordance with the provisions contained in this Agreement;

"Financial Default" means occurrence of a material breach of the terms and conditions of the Financing Agreements or a continuous default in Debt Service by the Concessionaire for a minimum period of 3 (three) months;

"Lenders' Representative" means the person referred to as the Lenders' Representative in the foregoing Recitals;

"Nominated Company" means a company, incorporated under the provisions of the Companies Act, 1956, selected by the Lenders' Representative, on behalf of Senior Lenders, and proposed to the Authority for assignment/transfer of the Concession as provided in this Agreement;

"Notice of Financial Default" shall have the meaning ascribed thereto in Article 18.2; and

"Parties" means the parties to this Agreement collectively and "Party" shall mean any of the Parties to this Agreement individually.

Interpretation

i. References to Lenders' Representative shall, unless repugnant to the context or meaning thereof, mean references to the Lenders' Representative, acting for and on behalf of Lenders.

ii. References to Clauses are, unless stated otherwise, references to Clauses of this Agreement.

iii. The words and expressions beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein, and the words and expressions used in this Agreement and not defined herein but defined in the Concession Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Concession Agreement.

iv. The rules of interpretation stated in Articles 1.2, 1.3 and 1.4 of the Concession Agreement shall apply, mutatis mutandis, to this Agreement.

14.2 Assignment

i. Assignment of rights and title

The Concessionaire hereby agrees to assign the rights, title and interest in the Concession to, and in favour of, the Lenders' Representative pursuant to and in accordance with the provisions of this Agreement and the Concession Agreement by way of security in respect of financing by the Senior Lenders under the Financing Agreements.

14.3 Substitution of the Concessionaire

i. Rights of Substitution

Pursuant to the rights, title and interest assigned under Article 18.2, the Lenders' Representative shall be entitled to substitute the Concessionaire by a Nominated Company under and in accordance with the provisions of this Agreement and the Concession Agreement.

The Authority hereby agrees to substitute the Concessionaire by endorsement on the Concession Agreement in favour of the Nominated Company selected by the Lenders' Representative in accordance with this Agreement. (For the avoidance of doubt, the Senior
Lenders or the Lenders’ Representative shall not be entitled to operate and maintain the Project as Concessionaire either individually or collectively).

ii. Substitution upon occurrence of Financial Default

Upon occurrence of a Financial Default, the Lenders' Representative may issue a notice to the Concessionaire (the "Notice of Financial Default") along with particulars thereof and send a copy to the Authority for its information and record. A Notice of Financial Default under this clause shall be conclusive evidence of such Financial Default and it shall be final and binding upon the Concessionaire for the purposes of this Agreement.

Upon issue of a Notice of Financial Default hereunder, the Lenders’ Representative may, without prejudice to any of its rights or remedies under this Agreement or the Financing Agreements, substitute the Concessionaire by a Nominated Company in accordance with the provisions of this Agreement.

At any time after the Lenders' Representative has issued a Notice of Financial Default, it may by notice require the Authority to suspend all the rights of the Concessionaire and undertake the operation and maintenance of the Project in accordance with the provisions of the Concession Agreement, and upon receipt of such notice, the Authority shall undertake Suspension under and in accordance with the provisions of the Concession Agreement. The aforesaid Suspension shall be revoked upon substitution of the Concessionaire by a Nominated Company, and in the event such substitution is not completed within 180 (one hundred and eighty) days from the date of such Suspension, the Authority may terminate the Concession Agreement forthwith by issuing a Termination Notice in accordance with the provisions of the Concession Agreement; provided that upon written request from the Lenders' Representative and the Concessionaire, the Authority may extend the aforesaid period of 180 (one hundred and eighty) days by a period not exceeding 90 (ninety) days. For the avoidance of doubt, the Authority expressly agrees and undertakes to terminate the Concession Agreement forthwith, upon receipt of a written request from the Lender’s Representative at any time after 240 (two hundred and forty) days from the date of Suspension hereunder.

iii. Substitution upon occurrence of Concessionaire Default

Upon occurrence of a Concessionaire Default, the Authority shall by a notice inform the Lenders' Representative of its intention to issue a Termination Notice and grant 15 (fifteen) days’ time to the Lenders' Representative to make a representation, stating the intention to substitute the Concessionaire by a Nominated Company.

In the event that the Lenders' Representative makes a representation to the Authority within the period of 15 (fifteen) days specified in Article 18.2, stating that it intends to substitute the Concessionaire by a Nominated Company, the Lenders' Representative shall be entitled to undertake and complete the substitution of the Concessionaire by a Nominated Company in accordance with the provisions of this Agreement within a period of 180 (one hundred and eighty) days from the date of such representation, and the Authority shall either withhold Termination or undertake Suspension for the aforesaid period of 180 (one hundred and
eighty) days; provided that upon written request from the Lenders’ Representative and the Concessionaire, the Authority shall extend the aforesaid period of 180 (one hundred and eighty) days by a period not exceeding 90 (ninety) days.

iv. Procedure for substitution
The Authority and the Concessionaire hereby agree that on or after the date of Notice of Financial Default or the date of representation to the Authority under Article 18.2, as the case may be, the Lenders’ Representative may, without prejudice to any of the other rights or remedies of the Senior Lenders, invite, negotiate and procure offers, either by private negotiations or public auction or tenders for the take over and transfer of the Project including the Concession to the Nominated Company upon such Nominated Company’s assumption of the liabilities and obligations of the Concessionaire towards the Authority under the Concession Agreement and towards the Senior Lenders under the Financing Agreements.

To be eligible for substitution in place of the Concessionaire, the Nominated Company shall be required to fulfil the eligibility criteria that were laid down by the Authority for /pre-qualify/ short-listing the bidders for award of the concession; provided that the Lenders’ Representative may represent to the Authority that all or any of such criteria may be waived in the interest of the Project, and if the Authority determines that such waiver shall not have any material adverse effect on the Project, it may waive all or any of such eligibility criteria.

Upon selection of a Nominated Company, the Lenders’ Representative shall request the Authority to:

a) accede to transfer to the Nominated Company the right to construct, operate and maintain the Project in accordance with the provisions of the Concession Agreement;
b) endorse and transfer the Concession to the Nominated Company, on the same terms and conditions, for the residual Concession Period; and
c) enter into a Substitution Agreement with the Lenders’ Representative and the Nominated Company on the same terms as are contained in this Agreement.

If the Authority has any objection to the transfer of Concession in favour of the Nominated Company in accordance with this Agreement, it shall within 15 (fifteen) days from the date of proposal made by the Lenders’ Representative, give a reasoned order after hearing the Lenders’ Representative. If no such objection is raised by the Authority, the Nominated Company shall be deemed to have been accepted. The Authority thereupon shall transfer and endorse the Concession within 15 (fifteen) days of its acceptance/deemed acceptance of the Nominated Company; provided that in the event of such objection by the Authority, the Lenders’ Representative may propose another Nominated Company whereupon the procedure set forth in this Article 22.3 shall be followed for substitution of such Nominated Company in place of the Concessionaire.

v. Selection to be binding
The decision of the Lenders’ Representative and the Authority in selection of the Nominated Company shall be final and binding on the Concessionaire. The Concessionaire irrevocably agrees and waives any right to challenge the actions of the Lenders’ Representative or the
Senior Lenders or the Authority taken pursuant to this Agreement including the transfer/assignment of the Concession in favour of the Nominated Company. The Concessionaire agrees and confirms that it shall not have any right to seek revaluation of assets of the Project or the Concessionaire’s shares. It is hereby acknowledged by the Parties that the rights of the Lenders’ Representative are irrevocable and shall not be contested in any proceedings before any court or Authority and the Concessionaire shall have no right or remedy to prevent, obstruct or restrain the Authority or the Lenders’ Representative from effecting or causing the transfer by substitution and endorsement of the Concession as requested by the Lenders' Representative.

14.4 Project Agreements

Substitution of Nominated Company in Project Agreement
The Concessionaire shall ensure and procure that each Project Agreement contains provisions that entitle the Nominated Company to step into such Project Agreement, in its discretion, in place and substitution of the Concessionaire in the event of such Nominated Company’s assumption of the liabilities and obligations of the Concessionaire under the Concession Agreement.

14.5 Termination of Concession Agreement
i. Termination upon occurrence of Financial Default
   At any time after issue of a Notice of Financial Default, the Lenders’ Representative may by a notice in writing require the Authority to terminate the Concession Agreement forthwith, and upon receipt of such notice, the Authority shall undertake Termination under and in accordance with the provisions of ARTICLE 25 of the Concession Agreement.

ii. Termination when no Nominated Company is selected
   In the event that no Nominated Company acceptable to the Authority is selected and recommended by the Lenders' Representative within the period of 180 (one hundred and eighty) days or any extension thereof, the Authority may terminate the Concession Agreement forthwith in accordance with the provisions thereof.

iii. Realization of Debt Due
   The Authority and the Concessionaire hereby acknowledge and agree that, without prejudice to their any other right or remedy, the Lenders' Representative is entitled to receive from the Concessionaire, without any further reference to or consent of the Concessionaire, the Debt Due upon Termination of the Concession Agreement.

14.6 Duration of the Agreement
This Agreement shall come into force from the date hereof and shall expire at the earliest to occur of the following events:
 i. Termination of the Agreement; or
 ii. No sum remains to be advanced, or is outstanding to the Senior Lenders, under the Financing Agreements.
14.7 Indemnity
   i. General Indemnity

   The Concessionaire will indemnify, defend and hold the Authority and the Lenders' Representative harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense of whatever kind and nature arising out of any breach by the Concessionaire of any of its obligations under this Agreement or on account of failure of the Concessionaire to comply with Applicable Laws and Applicable Permits.

   The Authority will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Authority to fulfil any of its obligations under this Agreement, materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement or this Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Authority, its officers, servants and agents.

   The Lenders' Representative will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Lenders' Representative to fulfil its obligations under this Agreement, materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Lenders' Representative, its officers, servants and agents.

   ii. Notice and Contest of claims

   In the event that any Party hereto receives a claim from a third party in respect of which it is entitled to the benefit of an indemnity under Article 22.7 or in respect of which it is entitled to reimbursement (the "Indemnified Party"), it shall notify the other Party responsible for indemnifying such claim hereunder (the "Indemnifying Party") within 15 (fifteen) days of receipt of the claim and shall not settle or pay the claim without the prior approval of the Indemnifying Party, such approval not to be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim, it may conduct the proceedings in the name of the Indemnified Party and shall bear all costs involved in contesting the same. The Indemnified Party shall provide all cooperation and assistance in contesting any claim and shall sign all such writings and documents as the Indemnifying Party may reasonably require.

14.8 Dispute Resolution

Any dispute difference or claim arising out of or in connection with this agreement, which is not resolved amicably, shall be decided finally by reference to arbitration to a Board of Arbitrators comprising one nominee of each Party to the dispute, and where the number of such nominee is an even number, the nominees shall elect another person to such Board. Such arbitration shall be held in accordance with provisions of the Arbitration and Conciliation Act, 1996.
The Arbitrators shall issue a reasoned award and such award shall be final and binding on the Parties. The venue of arbitration shall be Amritsar and the language of arbitration shall be English.

14.9 Miscellaneous Provisions

i. Governing law and jurisdiction
   This Agreement shall be construed and interpreted in accordance with and governed by the laws of India, and the Courts at Ahmedabad shall have jurisdiction over all matters arising out of or relating to this Agreement.

ii. Waiver of sovereign immunity
   The Authority unconditionally and irrevocably:
   a) agrees that the execution, delivery and performance by it of this Agreement constitute commercial acts done and performed for commercial purpose;
   b) agrees that, should any proceedings be brought against it or its assets, property or revenues in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity (whether by reason of sovereignty or otherwise) from such proceedings shall be claimed by or on behalf of the Authority with respect to its assets;
   c) waives any right of immunity which it or its assets, property or revenues now has, may acquire in the future or which may be attributed to it in any jurisdiction; and
   d) consents generally in respect of the enforcement of any judgement or award against it in any such proceedings to the giving of any relief or the issue of any process in any jurisdiction in connection with such proceedings (including the making, enforcement or execution against it or in respect of any assets, property or revenues whatsoever irrespective of their use or intended use of any order or judgement that may be made or given in connection therewith).

iii. Priority of agreements
   In the event of any conflict between the Concession Agreement and this Agreement, the provisions contained in the Concession Agreement shall prevail over this Agreement.

iv. Alteration of terms
   All additions, amendments, modifications and variations to this Agreement shall be effectual and binding only if in writing and signed by the duly authorised representatives of the Parties.

v. Waiver
   Waiver by any Party of a default by another Party in the observance and performance of any provision of or obligations under this Agreement:
   I. 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;
   II. shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and
   III. shall not affect the validity or enforceability of this Agreement in any manner.
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 another Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

vi. No third-party beneficiaries
This Agreement is solely for the benefit of the Parties and no other person or entity shall have any rights hereunder.

vii. Survival
Termination of this Agreement:
  a) shall not relieve the Parties of any obligations hereunder which expressly or by implication survive termination hereof; and
  b) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, 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.

All obligations surviving the cancellation, expiration or termination of this Agreement shall only survive for a period of 3 (three) years following the date of such termination or expiry of this Agreement.

viii. Severability
If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under Article 22.8 of this Agreement or otherwise.

ix. Successors and assigns
This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

x. Notices
All notices or other communications to be given or made under this Agreement shall be in writing, shall either be delivered personally or sent by courier or registered post with an additional copy to be sent by facsimile or e-mail. The address for service of each Party, its facsimile number and e-mail address are set out under its name on the signing pages hereto. A notice shall be effective upon actual receipt thereof, save that where it is received after 5.30 (five thirty) p.m. on any day, or on a day that is a public holiday, the notice shall be deemed to be received on the first working day following the date of actual receipt. Without prejudice to the foregoing, a Party giving or making a notice or communication by facsimile or e-mail
shall promptly deliver a copy thereof personally or send it by courier or registered post to the addressee of such notice or communication. It is hereby agreed and acknowledged that any Party may by notice change the address to which such notices and communications to it are to be delivered or mailed. Such change shall be effective when all the Parties have notice of it.

xi. Language
All notices, certificates, correspondence and proceedings under or in connection with this Agreement shall be in English.

xii. Authorised representatives
Each of the Parties shall by notice in writing designate their respective authorised representatives through whom only all communications shall be made. A Party hereto shall be entitled to remove and/or substitute or make fresh appointment of such authorised representative by similar notice.

xiii. Original Document
This Agreement may be executed in three 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.

THE COMMON SEAL OF CONCESSIONAIRE has been affixed pursuant to the resolution passed by the Board of Directors of the Concessionaire at its meeting held on the ..........day of .........., 20..... hereunto affixed in the presence of .........., Director, who has signed these presents in token thereof and .........., Company Secretary / Authorized Officer who has countersigned the same in token thereof in the presence of:

(Signature) (Signature)
(Name) (Name)
(Designation (Address) (Designation (Address)
(Fax No.) (Fax No.)
(e-mail address) (e-mail address)

SIGNED, SEALED AND DELIVERED
For and on behalf of
AUTHORITY by:

(Signature) (Signature)
(Name) (Name)
(Designation (Address) (Designation (Address)
(Fax No.) (Fax No.)
(e-mail address) (e-mail address)

SIGNED, SEALED AND DELIVERED
For and on behalf of
SENIOR LENDERS by the Lenders Representative:

(Signature) (Signature)
(Name) (Name)
(Designation (Address) (Designation (Address)
(Fax No.) (Fax No.)
(e-mail address) (e-mail address)

In the presence of:

1. 2.
15 Escrow Agreement

THIS ESCROW AGREEMENT is entered into on this the .......... day of ............. 20**.

AMONGST

...............Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at .................... (hereinafter referred to as the "Concessionaire" which expression shall, unless repugnant to the context or meaning thereof, include its successors, permitted assigns and substitutes);

............... (name and particulars of Lenders’ Representative) and having its registered office at ......................... acting for and on behalf of the Senior Lenders as their duly authorised agent with regard to matters arising out of or in relation to this Agreement (hereinafter referred to as the "Lenders’ Representative" which expression shall, unless repugnant to the context or meaning thereof, include its successors and substitutes);

...............(name and particulars of the Escrow Bank) and having its registered office at ...................... (hereinafter referred to as the "Escrow Bank" which expression shall, unless repugnant to the context or meaning thereof, include its successors and substitutes); and

<..........................> and having its principal offices at ................... (hereinafter referred to as the "Authority" which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns).

WHEREAS:

A. The Authority has entered into a Concession Agreement dated .............. with the Concessionaire (the "Concession Agreement") for development of a Commercial Complex cum Convention Centre at Amritsar on DBFOT basis, and a copy of which is annexed hereto and marked as Annex-A to form part of this Agreement.

B. Senior Lenders have agreed to finance the Project in accordance with the terms and conditions set forth in the Financing Agreements.

C. The Concession Agreement requires the Concessionaire to establish an Escrow Account, inter alia, on the terms and conditions stated therein.

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

15.1 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:
"Agreement" means this Escrow Agreement and any amendment thereto made in accordance with the provisions contained herein;

"Concession Agreement" means the Concession Agreement referred to in Recital (A) above and annexed hereto as Annex-A, and shall include all of its Recitals and Schedules and any amendments made thereto in accordance with the provisions contained in this behalf therein;

"Cure Period" means the period specified in this Agreement for curing any breach or default of any provision of this Agreement by the Concessionaire, and shall commence from the date on which a notice is delivered by the Authority or the Lenders' Representative, as the case may be, to the Concessionaire asking the latter to cure the breach or default specified in such notice;

"Escrow Account" means an escrow account established in terms of and under this Agreement, and shall include the Sub-Accounts;

"Escrow Default" shall have the meaning ascribed thereto in Article 15.24 of this Escrow Agreement;

"Lenders' Representative" means the person referred to as the Lenders' Representative in the foregoing Recitals;

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

"Payment Date" means, in relation to any payment specified in Article 15.14, the date(s) specified for such payment; and

"Sub-Accounts" means the respective Sub-Accounts of the Escrow Account, into which the monies specified in Article 15.14 would be credited every month and paid out if due, and if not due in a month then appropriated proportionately in such month and retained in the respective Sub Accounts and paid out therefrom on the Payment Date(s).

15.2 Interpretation

i. References to Lenders' Representative shall, unless repugnant to the context or meaning thereof, mean references to the Lenders' Representative, acting for and on behalf of Senior Lenders.

ii. The words and expressions beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein, and the words and expressions used in this Agreement and not defined herein but defined in the Concession Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Concession Agreement.

iii. References to Clauses are, unless stated otherwise, references to Clauses of this Agreement.

iv. The rules of interpretation stated in Articles 1.2, 1.3 and 1.4 of the Concession Agreement shall apply, mutatis mutandis, to this Agreement.
15.3 Escrow Bank to act as trustee
The Concessionaire hereby appoints the Escrow Bank to act as trustee for the Authority, the Lenders' Representative and the Concessionaire in connection herewith and authorizes the Escrow Bank to exercise such rights, powers, authorities and discretion as are specifically delegated to the Escrow Bank by the terms hereof together with all such rights, powers, authorities and discretion as are reasonably incidental hereto, and the Escrow Bank accepts such appointment pursuant to the terms hereof.

The Concessionaire hereby declares that all rights, title and interest in and to the Escrow Account shall be vested in the Escrow Bank and held in trust for the Authority, the Lenders' Representative and the Concessionaire, and applied in accordance with the terms of this Agreement. No person other than the Authority, the Lenders' Representative and the Concessionaire shall have any rights hereunder as the beneficiaries of or as third party beneficiaries under this Agreement.

15.4 Acceptance of Escrow Bank
The Escrow Bank hereby agrees to act as such and to accept all payments and other amounts to be delivered to and held by the Escrow Bank pursuant to the provisions of this Agreement. The Escrow Bank shall hold and safeguard the Escrow Account during the term of this Agreement and shall treat the amount in the Escrow Account as monies deposited by the Concessionaire, Senior Lenders or the Authority with the Escrow Bank. In performing its functions and duties under this Agreement, the Escrow Bank shall act in trust for the benefit of, and as agent for, the Authority, the Lenders' Representative and the Concessionaire or their nominees, successors or assigns, in accordance with the provisions of this Agreement.

15.5 Establishment and operation of Escrow Account
Within 30 (thirty) days from the date of this Agreement, and in any case prior to the Appointed Date, the Concessionaire shall open and establish the Escrow Account and a separate sub-account viz the Construction Period Fee Escrow sub-account with the ************* (name of Branch) Branch of the Escrow Bank. The Escrow Account and the sub-account shall be denominated in Rupees.

The Escrow Bank shall maintain the Escrow Account and the sub-account in accordance with the terms of this Agreement and its usual practices and applicable regulations, and pay the maximum rate of interest payable to similar customers on the balance in the said account from time to time.

The Escrow Bank and the Concessionaire shall, after consultation with the Lenders' Representative, agree on the detailed mandates, terms and conditions, and operating procedures for the Escrow Account and the sub-account, but in the event of any conflict or inconsistency between this Agreement and such mandates, terms and conditions, or procedures, this Agreement shall prevail.

15.6 Escrow Bank's fee
The Escrow Bank shall be entitled to receive its fee and expenses in an amount, and at such times, as may be agreed between the Escrow Bank and the Concessionaire in respect of Escrow account and
sub-account. For the avoidance of doubt, such fee and expenses shall form part of the O&M Expenses and shall be appropriated from the Escrow Account in accordance with Article 15.14.

15.7 Rights of the parties
The rights of the Authority, the Lenders' Representative and the Concessionaire in the monies held in the Escrow Account are set forth in their entirety in this Agreement and the Authority, the Lenders' Representative and the Concessionaire shall have no other rights against or to the monies in the Escrow Account.

15.8 Substitution of the Concessionaire
The Parties hereto acknowledge and agree that upon substitution of the Concessionaire with the Nominated Company, pursuant to the Substitution Agreement, it shall be deemed for the purposes of this Agreement that the Nominated Company is a Party hereto and the Nominated Company shall accordingly be deemed to have succeeded to the rights and obligations of the Concessionaire under this Agreement on and with effect from the date of substitution of the Concessionaire with the Nominated Company.

15.9 Deposits by the Concessionaire
The Concessionaire agrees and undertakes that it shall deposit into and/or credit the Escrow Account with:

a) all Project Revenues and any other revenues from or in respect of the Project, including the proceeds of any rentals, advances, deposits, fee or charges etc. received from any party;
b) all funds received in relation to the Project from any source, including the Senior Lenders, lenders of Subordinated Debt and the Authority;
c) all proceeds received pursuant to any insurance claims.

The Concessionaire may at any time make deposits of its other funds into the Escrow Account, provided that the provisions of this Agreement shall apply to such deposits.

15.10 Deposits by the Authority
The Authority agrees and undertakes that, as and when due and payable, it shall deposit into and/or credit the Escrow Account with:

a) any other monies disbursed by the Authority to the Concessionaire;
b) all Fee collected by the Authority in exercise of its rights under the Concession Agreement;
   and
   c) Termination Payments.

Provided that, notwithstanding the provisions of Article 15.14, the Authority shall be entitled to appropriate from the aforesaid amounts, any Concession Fee due and payable to it by the Concessionaire, and the balance remaining shall be deposited into the Escrow Account.

15.11 Deposits by Senior Lenders
The Lenders' Representative agrees, confirms and undertakes that the Senior Lenders shall deposit into and/or credit the Escrow Account with all disbursements made by them in relation to or in respect
of the Project; provided that notwithstanding anything to the contrary contained in this Agreement, the Senior Lenders shall be entitled to make direct payments to the EPC Contractor under and in accordance with the express provisions contained in this behalf in the Financing Agreements.

15.12 Interest on deposits
The Escrow Bank agrees and undertakes that all interest accruing on the balances of the Escrow Account shall be credited to the Escrow Account; provided that the Escrow Bank shall be entitled to appropriate therefrom the fee and expenses due to it from the Concessionaire in relation to the Escrow Account and credit the balance remaining to the Escrow Account.

15.13 Deposits during Construction Period
The Authority shall, at the time of opening of the Escrow Account give irrevocable instructions by way of the Escrow Agreement, to the Escrow Bank instructing, inter alia, that all Commercial Charges in respect of the Project until the COD shall be transferred to a separate Account viz. Construction Period Fee Escrow sub-account and shall be dealt with as per Article 15.14.

15.14 Withdrawals during Concession Period
At the beginning of every month, or at such shorter intervals as the Lenders' Representative and the Concessionaire may by written instructions determine, the Escrow Bank shall withdraw amounts from the Escrow Account and appropriate them in the following order by depositing such amounts in the relevant Sub-Accounts for making due payments, and if such payments are not due in any month, then retain such monies in such Sub-Accounts and pay out therefrom on the Payment Date(s):

a) all Taxes due and payable by the Concessionaire for and in respect of the Project;
b) all payments relating to construction of the Project, subject to and in accordance with the conditions, if any, set forth in the Financing Agreements;
c) O&M Expenses, subject to ceiling, if any, set forth in the Financing Agreements, in accordance with the Applicable Laws, Applicable Permits and Good Industry Practices;
d) O&M Expenses and other costs and expenses incurred by the Authority in accordance with the provisions of this Agreement, and certified by the Authority as due and payable to it;
e) Project Consideration due and payable to the Authority; less the fee waived or not collected in terms of this Agreement.
f) monthly proportionate provision of Debt Service including but not limited to interest and principal repayment due in an Accounting Year;
g) all payments and Damages certified by the Authority as due and payable to it by the Concessionaire;
h) any reserve requirement set forth in the Financing Agreements; and
i) balance, if any, in accordance with the instructions of the Concessionaire.

All fee and other revenues from or in respect of the Project transferred to the Construction Period Fee Escrow sub-account and amount thereof shall be disbursed to the Escrow Account on achieving COD, as certified by the Independent Engineer to that effect.

Not later than 60 (sixty) days prior to the commencement of each Accounting Year, the Concessionaire shall provide to the Escrow Bank, with prior written approval of the Lenders' Representative, details of the amounts likely to be required for each of the payment obligations; provided that such amounts
may be subsequently modified, with prior written approval of the Lenders’ Representative, if fresh information received during the course of the year makes such modification necessary.

Notwithstanding anything to the contrary contained in the Agreement, the Concessionaire shall, at any point of time during the tenure of the Escrow Account, maintain a minimum amount equivalent to the amount of Project Considerations due and payable to the Authority over the next 12 months.

15.15 Withdrawals upon Termination

Upon Termination of the Concession Agreement, all amounts standing to the credit of the Escrow Account shall, notwithstanding anything in this Agreement, be appropriated and dealt with in the following order:

- a) all Taxes due and payable by the Concessionaire for and in respect of the Project;
- b) 90% (ninety per cent) of the Debt Due including subordinate debt;
- c) outstanding Project Consideration;
- d) retention and payments relating to the liability for defects and deficiencies;
- e) outstanding Debt Service including the balance of Debt Due;
- f) outstanding Subordinated Debt;
- g) Incurred or accrued O&M Expenses;
- h) all payments and damages certified by the Authority as due and payable to it by the Concessionaire;
- i) any other payments required to be made under this Agreement; and
- j) balance, if any, in accordance with the instructions of the Concessionaire.

Provided that the disbursements specified in Sub-clause (j) of this Article 15.15 shall be undertaken only after the Vesting Certificate has been issued by the Authority.

In the event of Termination during the Construction Period, the balances, if any, in the Construction Period Fee Escrow sub-account shall be dealt with in the following manner:

- a) If the Termination occurs solely on account of the Authority default or Political event or Non-Political event, as certified by the Independent Engineer then the balances as on the Termination date shall belong to and be disbursed to the Concessionaire;
- b) If the Termination occurs solely on account of the Concessionaire default, as certified by the Independent Engineer then the balances as on the Termination date shall belong to and be disbursed to the Authority and the Concessionaire shall not be entitled to the same in any manner whatsoever;
- c) If the Termination occurs solely on account of the Indirect Political event as certified by the Independent Engineer then the balances as on the Termination date shall belong to and be disbursed in equal proportion to the Authority and the Concessionaire.

15.16 Application of insufficient funds

Funds in the Escrow Account shall be applied in the serial order of priority set forth in Articles 15.14 and 15.15, as the case may be. If the funds available are not sufficient to meet all the requirements, the Escrow Bank shall apply such funds in the serial order of priority until exhaustion thereof.
15.17 Application of insurance proceeds
Notwithstanding anything in this Agreement, the proceeds from all insurance claims, except life and injury, shall be deposited into and/or credited to the Escrow Account and utilized for any necessary repair, reconstruction, reinstatement, replacement, improvement, delivery or installation of the Project, and the balance remaining, if any, shall be applied in accordance with the provisions contained in this behalf in the Financing Agreements.

15.18 Withdrawals during Suspension
Notwithstanding anything to the contrary contained in this Agreement, the Authority may exercise all or any of the rights of the Concessionaire during the period of Suspension of the Concession Agreement. Any instructions given by the Authority to the Escrow Bank during such period shall be complied with as if such instructions were given by the Concessionaire under this Agreement and all actions of the Authority hereunder shall be deemed to have been taken for and on behalf of the Concessionaire.

15.19 Segregation of funds
Monies and other property received by the Escrow Bank under this Agreement shall, until used or applied in accordance with this Agreement, be held by the Escrow Bank in trust for the purposes for which they were received, and shall be segregated from other funds and property of the Escrow Bank.

15.20 Notification of balances
7 (seven) business days prior to each Payment Date (and for this purpose the Escrow Bank shall be entitled to rely on an affirmation by the Concessionaire and/or the Lenders' Representative as to the relevant Payment Dates), the Escrow Bank shall notify the Lenders' Representative of the balances in the Escrow Account and Sub-Accounts as at the close of business on the immediately preceding business day.

15.21 Communications and notices
In discharge of its duties and obligations hereunder, the Escrow Bank:
   a) may, in the absence of bad faith or gross negligence on its part, rely as to any matters of fact which might reasonably be expected to be within the knowledge of the Concessionaire upon a certificate signed by or on behalf of the Concessionaire;
   b) may, in the absence of bad faith or gross negligence on its part, rely upon the authenticity of any communication or document believed by it to be authentic;
   c) shall, within 5 (five) business days after receipt, deliver a copy to the Lenders' Representative of any notice or document received by it in its capacity as the Escrow Bank from the Concessionaire or any other person hereunder or in connection herewith; and
   d) shall, within 5 (five) business days after receipt, deliver a copy to the Concessionaire of any notice or document received by it from the Lenders' Representative in connection herewith.

15.22 No set off
The Escrow Bank agrees not to claim or exercise any right of set off, banker's lien or other right or remedy with respect to amounts standing to the credit of the Escrow Accounts. For the avoidance of doubt, it is hereby acknowledged and agreed by the Escrow Bank that the monies and properties held
by the Escrow Bank in the Escrow Account shall not be considered as part of the assets of the Escrow Bank and being trust property, shall in the case of bankruptcy or liquidation of the Escrow Bank, be wholly excluded from the assets of the Escrow Bank in such bankruptcy or liquidation.

15.23 Regulatory Approvals
The Escrow Bank shall use its best efforts to procure, and thereafter maintain and comply with, all regulatory approvals required for it to establish and operate the Escrow Accounts. The Escrow Bank represents and warrants that it is not aware of any reason why such regulatory approvals will not ordinarily be granted to the Escrow Bank.

15.24 Escrow Default
Following events shall constitute an event of default by the Concessionaire (an "Escrow Default") unless such event of default has occurred as a result of Force Majeure or any act or omission of the Authority or the Lenders' Representative:

a) the Concessionaire commits breach of this Agreement by failing to deposit any receipts into the Escrow Account as provided herein and fails to cure such breach by depositing the same into the Escrow Account within a Cure Period of 5 (five) business days;

b) the Concessionaire causes the Escrow Bank to transfer funds to any account of the Concessionaire in breach of the terms of this Agreement and fails to cure such breach by depositing the relevant funds into the Escrow Account or any Sub-Account in which such transfer should have been made, within a Cure Period of 5 (five) business days; or

c) the Concessionaire commits or causes any other breach of the provisions of this Agreement and fails to cure the same within a Cure Period of 5 (five) business days.

Upon occurrence of an Escrow Default, the consequences thereof shall be dealt with under and in accordance with the provisions of the Concession Agreement.

15.25 Duration of the Escrow Agreement
The Escrow Account shall be set-up for a period commencing from the Appointed Date till the 10th anniversary of the Appointed Date. Provided that in case the entire Annuity, along with due interest as per Article 19.4, is paid by the Concessionaire before the 10th anniversary of the Appointed Date, the Concessionaire may request the Authority, which request the Authority shall not unreasonably deny, for early closure of the Escrow Account on a day which falls 30 days after the full and final payment of Annuity has been made by the Concessionaire to the Authority.

This Agreement shall remain in full force and effect so long as any sum remains to be advanced or is outstanding from the Concessionaire in respect of the debt, guarantee or financial assistance received by it from the Senior Lenders, or any of its obligations to the Authority remain to be discharged, unless terminated earlier by consent of all the Parties or otherwise in accordance with the provisions of this Agreement.

15.26 Substitution of Escrow Bank
The Concessionaire may, by not less than 45 (forty five) days prior notice to the Escrow Bank, the Authority and the Lenders' Representative, terminate this Agreement and appoint a new Escrow Bank,
provided that the new Escrow Bank is acceptable to the Lenders' Representative and arrangements are made satisfactory to the Lenders' Representative for transfer of amounts deposited in the Escrow Account to a new Escrow Account established with the successor Escrow Bank. The termination of this Agreement shall take effect only upon coming into force of an Escrow Agreement with the substitute Escrow Bank.

15.27 Closure of Escrow Account
The Escrow Bank shall, at the request of the Concessionaire and the Lenders' Representative made on or after the payment by the Concessionaire of all outstanding amounts under the Concession Agreement and the Financing Agreements including the payments specified in Article15.15, and upon confirmation of receipt of such payments, close the Escrow Account and Sub-Accounts and pay any amount standing to the credit thereof to the Concessionaire. Upon closure of the Escrow Account hereunder, the Escrow Agreement shall be deemed to be terminated.

15.28 Supplementary Escrow Agreement
The Lenders' Representative and the Concessionaire shall be entitled to enter into a supplementary escrow agreement with the Escrow Bank providing, inter alia, for detailed procedures and documentation for withdrawals from Sub-Accounts pursuant to Article15.14 and for matters not covered under this Agreement such as the rights and obligations of Senior Lenders and lenders of Subordinated Debt, investment of surplus funds, restrictions on withdrawals by the Concessionaire in the event of breach of this Agreement or upon occurrence of an Escrow Default, procedures relating to operation of the Escrow Account and withdrawal therefrom, reporting requirements and any matters incidental thereto; provided that such supplementary escrow agreement shall not contain any provision which is inconsistent with this Agreement and in the event of any conflict or inconsistency between provisions of this Agreement and such supplementary escrow agreement, the provisions of this Agreement shall prevail.

15.29 General Indemnity
The Concessionaire will indemnify, defend and hold the Authority, Escrow Bank and the Senior Lenders, acting through the Lenders' Representative, harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of any breach by the Concessionaire of any of its obligations under this Agreement or on account of failure of the Concessionaire to comply with Applicable Laws and Applicable Permits.

The Authority will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Authority to fulfil any of its obligations under this Agreement materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement or this Agreement other than any loss, damage, cost and expense arising out of acts done in discharge of their lawful functions by the Authority, its officers, servants and agents.

The Escrow Bank will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Escrow Bank to fulfil its obligations under this Agreement materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement other
than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Escrow Bank, its officers, servants and agents.

15.30 Notice and contest of claims
In the event that any Party hereto receives a claim from a third party in respect of which it is entitled to the benefit of an indemnity under Article 15.29 or in respect of which it is entitled to reimbursement (the "Indemnified Party"), it shall notify the other Party responsible for indemnifying such claim hereunder (the "Indemnifying Party") within 15 (fifteen) days of receipt of the claim and shall not settle or pay the claim without the prior approval of the Indemnifying Party, which approval shall not be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim, it may conduct the proceedings in the name of the Indemnified Party and shall bear all costs involved in contesting the same. The Indemnified Party shall provide all cooperation and assistance in contesting any claim and shall sign all such writings and documents as the Indemnifying Party may reasonably require.

15.31 Dispute Resolution
Any dispute difference or claim arising out of or in connection with this Agreement, which is not resolved amicably, shall be decided finally by reference to arbitration to a Board of Arbitrators comprising one nominee of each Party to the dispute, and where the number of such nominee is an even number, the nominees shall elect another person to such Board. Such arbitration shall be held in accordance with provisions of the Arbitration and Conciliation Act, 1996.

The Arbitrators shall issue a reasoned award and such award shall be final and binding on the Parties. The venue of arbitration shall be Amritsar and the language of arbitration shall be English.

15.32 Governing law and jurisdiction
This Agreement shall be construed and interpreted in accordance with and governed by the laws of India, and the Courts at Amritsar shall have jurisdiction over all matters arising out of or relating to this Agreement.

15.33 Waiver of sovereign immunity
The Authority unconditionally and irrevocably:

a) agrees that the execution, delivery and performance by it of this Agreement constitute commercial acts done and performed for commercial purpose;

b) agrees that, should any proceedings be brought against it or its assets, property or revenues in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity (whether by reason of sovereignty or otherwise) from such proceedings shall be claimed by or on behalf of the Authority with respect to its assets;

c) waives any right of immunity which it or its assets, property or revenues now has, may acquire in the future or which may be attributed to it in any jurisdiction; and

d) consents generally in respect of the enforcement of any judgement or award against it in any such proceedings to the giving of any relief or the issue of any process in any jurisdiction in connection with such proceedings (including the making, enforcement or execution against it or in respect of any assets, property or revenues whatsoever irrespective of their use or
intended use of any order or judgement that may be made or given in connection therewith).

15.34 Priority of agreements
In the event of any conflict between the Concession Agreement and this Agreement, the provisions contained in the Concession Agreement shall prevail over this Agreement.

15.35 Alteration of terms
All additions, amendments, modifications and variations to this Agreement shall be effectual and binding only if in writing and signed by the duly authorised representatives of the Parties.

15.36 Waiver
Waiver by any Party of a default by another Party in the observance and performance of any provision of or obligations under this Agreement:
   a) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Agreement;
   b) shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and
   c) shall not affect the validity or enforceability of this Agreement in any manner.

Neither the failure by any 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 any Party to another Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

15.37 No third party beneficiaries
This Agreement is solely for the benefit of the Parties and no other person or entity shall have any rights hereunder.

15.38 Survival
Termination of this Agreement:
   a) shall not relieve the Parties of any obligations hereunder which expressly or by implication survive termination hereof; and
   b) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, 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.

All obligations surviving the cancellation, expiration or termination of this Agreement shall only survive for a period of 3 (three) years following the date of such termination or expiry of this Agreement.

15.39 Severability
If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be
invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under Article 15.31 & 15.32 of this Agreement or otherwise.

15.40 Successors and assigns
This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

15.41 Notices
All notices or other communications to be given or made under this Agreement shall be in writing and shall either be delivered personally or sent by courier or registered post with an additional copy to be sent by facsimile or e-mail. The address for service of each Party, its facsimile number and e-mail are set out under its name on the signing pages hereto. A notice shall be effective upon actual receipt thereof, save that where it is received after 5.30 (five thirty) p.m. on a business day, or on a day that is not a business day, the notice shall be deemed to be received on the first business day following the date of actual receipt. Without prejudice to the foregoing, a Party giving or making a notice or communication by facsimile or e-mail shall promptly deliver a copy thereof personally, or send it by courier or registered post to the addressee of such notice or communication. It is hereby agreed and acknowledged that any Party may by notice change the address to which such notices and communications to it are to be delivered or mailed. Such change shall be effective when all the Parties have notice of it.

15.42 Language
All notices, certificates, correspondence and proceedings under or in connection with this Agreement shall be in English.

15.43 Authorised representatives
Each of the Parties shall, by notice in writing, designate their respective authorised representatives through whom only all communications shall be made. A Party hereto shall be entitled to remove and/or substitute or make fresh appointment of such authorised representative by similar notice.

15.44 Original Document
This Agreement may be executed in four 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.
THE COMMON SEAL OF CONCESSIONAIRE has been affixed pursuant to the resolution passed by the Board of Directors of the Concessionaire at its meeting held on the ..........day of .........., 20.... hereunto affixed in the presence of .........., Director, who has signed these presents in token thereof and .........., Company Secretary / Authorised Officer who has countersigned the same in token thereof in the presence of:

SIGNED, SEALED AND DELIVERED
For and on behalf of SENIOR LENDERS by the Lenders’ Representative:

(Signature)
(Name)
(Designation (Address))
(Fax No.)
(e-mail address)

SIGNED, SEALED AND DELIVERED
For and on behalf of ESCROW BANK by:

(Signature)
(Name)
(Designation)
(Address)
(Fax No.)

In the presence of:
1. 2.
16 Draft Lease Deed

LEASE DEED

This Lease Deed ("Lease Deed") is made and executed on this ........day of ............20..... by and amongst:

1. Department of Housing and Urban Development, Government of Punjab, acting through, ADA, an authority represented by its __________ and having its principal office at _______ (hereinafter referred to as “ADA” or the “Lessor” which expression shall, unless it be repugnant to the context or meaning thereof, include its successors and permitted assigns) and represented herein by ____________ of the FIRST PART; and

2. __________________________, a company incorporated under the Companies Act, 2013 and having its registered office at_______________________________ (hereinafter referred to as the “Lessee” which expression shall, unless it be repugnant to the context or meaning thereof, include its successors and permitted assigns) represented herein through Mr.____________________, the Authorised Signatory, as authorised vide Board Resolution dated ________________ of the OTHER PART

The Lessor and the Lessee are hereinafter collectively referred to as the “Parties” and individually as a “Party”.

WHEREAS

A. The Lessor and the Lessee have entered into a Concession Agreement dated ------- (the “Concession Agreement”) pursuant to which the Lessor has, among others, granted to the Lessee, the right to develop the Project Site as a Commercial Complex cum Convention Centre on DBFOT basis, in accordance with the terms and conditions set forth therein.

B. The Lessor is in the prime ownership of the Project Site (the “Project Site”) and now desires to lease the Project Site to the Lessee and the Lessee desires to take on lease from the Lessor, the Land for the purpose of implementation of the development of the Project Site.

NOW THEREFORE, in consideration of the promises and covenants herein set forth and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the Parties mutually agree as hereunder.

16.1 Definitions and Interpretation

1. Definitions

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

“Applicable Permits” means all clearances, permits, authorizations, consents and approvals required to be obtained or maintained under Applicable Laws in connection with the Project Site and development of Project Site during the subsistence of the Lease Deed;
“Encumbrance” means any encumbrance such as easement, right of way, license, mortgage, charge, lien, hypothecation, pre-emptive right or security interest whether or not registered and howsoever arising, including by statute or common law;

“Lease Period” means the term of lease for which the Project Site is given on lease to the Lessee, commencing from the date of signing of Lease Deed and ending on the Expiry Date or Termination Date of the Concession Agreement;

“Lease Rent” shall mean an amount of INR 1 crore per year payable by the Lessee on yearly basis to the Authority in accordance with the terms of this Agreement and Lease Deed.

“Project Site” shall have the meaning set forth in Schedule 1 to the Concession Agreement; and

2. Interpretations
In this Lease Deed, except to the extent that the context requires otherwise:
   a) the terms of this Lease Deed should be read in consonance with and not in derogation with the terms of Concession Agreement;
   b) the rules of interpretation in Articles 1.2, 1.3 and 1.4 of the Concession Agreement shall apply, mutatis mutandis, to this Lease Deed; and
   c) the words and expressions beginning with capital letters and defined in this Lease Deed shall have the meaning ascribed thereto herein, and the words and expressions used in this Lease Deed and not defined herein but defined in the Concession Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Concession Agreement.

16.2 Grant of lease and possession
   i. The provisions of this Lease Deed shall take effect and become binding on the Parties on the date first above written (“Effective Date”).
   ii. In consideration of the Lease Rent, the Lessor grants on lease to the Lessee and the Lessee agrees to accept the lease from the Lessor, free from Encumbrances and/or encroachments, the Project Site measuring ................., described in Schedule 1 to the Concession Agreement, hereto together with all and singular rights, liberties, privileges, easements, benefits, rights of way, paths, passages whatsoever in or appurtenant to the Project Site or any part thereof, and to hold, use and enjoy the Project Site and/or any part thereof, in accordance with the provisions of this Lease Deed.
   iii. Subject to the prior express written approval of the Lessor, the Parties agree that the Lessee may sub-lease / sub-license any portion of the Project Facilities, developed on the Project Site to third parties engaged in activities connected with or in relation to the development or operations of Project Site. The sub-lease / sub-license shall not in any manner absolve the Lessee of its obligations under the Lease Deed. Any sub-lease / sub-license, executed under this Lease Deed shall be co-terminable with the Lease Deed. The Lessor shall not be liable in any manner whatsoever in respect of such sub-leases.
16.3 Lease Rent
   i. Upon execution of the Lease Deed and in consideration of the Lessor leasing the Project Site to the Lessee and granting the rights, privileges and benefits set forth in this Lease Deed, the Lessee shall pay annual lease rent of INR 1 crore per year.
   ii. The Annual Lease Rent for the Project Site shall become payable from the date of execution of the Lease Deed. The first of such payment shall be made on the date of execution of the Lease Deed and subsequent payments shall be paid on every anniversary of the date of execution of Lease Deed thereof till expiry or early termination of the Lease Period.
   iii. Lease Rental shall be payable by means of a cheque/demand draft drawn in favour of “Chief Administrator, ADA” payable at Amritsar or at such other place as may be notified by the Lessor.
   iv. If the Lessee fails to pay the Lease Rent as aforesaid, the default interest @ 18% shall be charged on the amounts due and payable towards the Annual Lease Rent beginning from the due date of Annual Lease Rent.
   v. The Annual Lease Rent shall be paid by the Concessionaire till the expiry of the Lease Period. The Annual Lease Rent shall be increased by 5% (five percent) compounded at the end of every year.

16.4 Use of Project Site
   i. During the Term of this Lease Deed, the Lessee agrees to use the Project Site for implementing the development of Project Site as defined in the Concession Agreement. Lessee is not permitted to utilize the Project Site for any other purpose.

16.5 Determination of Lease Deed
   i. This Lease Deed may be determined earlier by mutual agreement between the Parties in writing.
   ii. In the event that the Concession Agreement is terminated, then this Lease Deed shall be determined by the Lessor by giving a 90 (ninety) day notice to the Lessee and upon such termination, the Lessor shall be at full liberty to deal with the Project Site in such manner as it deems fit in its sole discretion.
   iii. The Lessor shall have the right to determine this Lease Deed on occurrence of any one or more default(s) by the Lessee as enlisted hereunder:
      a) filing of a voluntary bankruptcy petition by the Lessee;
      b) institution of winding up proceedings against Lessee and such proceedings not being stayed or discharged by a competent court within 180 (one hundred and eighty) days;
      c) appointment of a receiver of Lessees assets or any general assignment for the benefit of Lessee’s creditors and such appointment or assignment is not stayed by a competent court within 180 (one hundred and eighty) days;
      d) failure of the Lessee to make payments to the Lessor in accordance with the provisions hereof, where such failure continues for a period of 30 (thirty) days after a written notice from the Lessor;
e) failure by Lessee to perform any of the covenants, conditions, or obligations mentioned under this Lease Deed where the failure continues for a period of 60 (sixty) days after notice from the Lessor;
f) transfer or assignment of this Lease Deed or creation of any Encumbrance on the Project Site without securing prior written approval of the Lessor;
g) use of the Project Site for any purpose other than the purposes stated in this Lease Deed and such breach is not remedied within a period of 60 (sixty) days after a notice from the Lessor in this behalf; and

iv. Upon determination under sub-points i, ii, iii above, the Lessor shall have the following additional rights:
   a) the recovery of any unpaid Lease Rent due and payable at the time of termination;
   b) the recovery of any damages, costs, fees and expenses incurred by the Lessor as a result of the breach of the Lease Deed by the Lessee; and
   c) any other right or remedy, legal or equitable, that the Lessor is entitled to under Applicable Laws.

v. The Lessee shall have the right to determine this Lease Deed on account of the occurrence of any of the following events:
   a) any material breach of the terms and conditions of the Lease Deed by the Lessor, which material breach is not remedied by the Lessor within 90 (ninety) days of receipt of notice regarding such breach; or
   b) any interference with the peaceful possession of the Project Site by the Lessor due to which the Lessee is not able to carry on its business for a continuous period of 60 (sixty) days or more, which interference is not rectified by the Lessor within a period of 60 (sixty) days from the date on which the Lessee notifies the same to the Lessor.

16.6 Lessor’s obligations and covenants
The Lessor hereby agrees and warrants that:
   a) subject to the terms of the Lease Deed, the Lessee shall be entitled to hold, use and enjoy the Project Site and every part thereof during the Lease Period, without any interruption by the Lessor;
   b) the Lessee shall, during the Lease Period, enjoy free ingress and egress to and from the Project Site without any hindrance;
   c) subject to timely payment of the Lease Rent and performance of the covenants and conditions of the Lease Deed, the Lessee shall peacefully hold and enjoy the Project Site during the Term of the Lease Deed;
   d) upon execution of the Lease Deed and subject to the terms thereof, the Lessor shall deliver, or cause to be delivered, to the Lessee vacant access and right of way of the Project Site. The Lessor shall, at its cost and expense clear any Encumbrances, including occupation, if any, by third parties prior to delivery of vacant possession of the Project Site to the Lessee;
   e) the Lessor shall pay and discharge all property taxes, land revenues, levies, cesses and other payments/dues in respect of the Project Site during the Lease Period. For avoidance of doubt, any taxes, cess, levies with respect to utilization or developments on the Project Site shall be borne by the Lessee;
f) upon execution of the Lease Deed, the Lessor shall provide the Lessee with any consent(s) or no objection(s) of the Lessor in obtaining power, water, telephone and such other facilities that the Lessee may require, to use and enjoy the Project Site effectively for the purposes stated in this Lease Deed. Such consents or no objection(s) shall be provided by the Lessor within a reasonable time; and

g) The Parties hereby agree that the Lessee shall not mortgage, transfer, assign or otherwise encumber the Project Site, except as permitted under the Concession Agreement.

16.7 Lessee’s obligations and covenants
Lessee hereby covenants, agrees and represents that:

a) upon execution of this Lease Deed and subject to the terms thereof, the Lessee shall accept the Project Site on the condition it is handed over and undertakes to use the same only for the purposes as enlisted in this Lease Deed;

b) this Lease Deed has been duly authorized, executed, and delivered by the Lessor after fulfilling all legal formalities and constitutes its legal, valid and binding obligation;

c) during the Term of the Lease Deed, the Lessee shall pay the Lease Rent in accordance with terms and conditions set out in this Lease Deed and shall observe and fulfill each of its obligations and covenants set forth herein;

d) during the Term of the Lease Deed, the Lessee shall undertake the development of the Project Site, and other works which in the reasonable opinion of the Lessee would be required for and in relation to the development of Project Site, and obtain necessary approvals/clearances from the appropriate authorities for the same;

e) at its own cost and expense, the Lessee shall obtain all utilities such as water, electricity from the appropriate authorities;

f) it shall obtain and keep current all Applicable Permits that may be required under the Applicable Laws;

g) it shall pay all taxes, service tax, cesses, assessments and levies in respect of the Project Site, which are leviable at any time during the Term of the Lease Deed;

h) it shall not create any lien, charge or Encumbrance on the Project Site, except as permitted in the Concession Agreement, without prior approval of the Lessor;

i) it shall, indemnify the Lessor in respect of any charges, deposits and other monies levied by third parties for and in relation to the provision by such third parties to the Lessee of water, electricity, telephone, communication and other facilities and in relation to any and all third party claims made with respect to the Project Site;

j) it shall (i) keep and maintain the Project Site and the buildings and structures thereon in good and habitable condition at all times, and (ii) shall ensure that the Project Site shall be free from encroachments at all times and to the extent that there occur any encroachments on the Project Site, it shall make diligent efforts to remove such encroachments from the Project Site, as soon as practicable; and

k) it shall take all necessary care to keep the premises neat and clean and in sanitary conditions.

16.8 Regulatory approvals for construction
The Lessee agrees and covenants that the Lessee shall undertake construction of buildings and/or structures at the Project Site only after obtaining all Applicable Permits as are necessary for such
constructions. The Lessee further agrees that the Lessee shall at all times comply with the conditions of such Applicable Permits.

16.9 Inspection by the Lessor
   a) The Lessee agrees and covenants that during the Term of the Lease Deed, the Lessee shall not restrict or obstruct the Lessor and its authorised agents to enter upon and inspect the Project Site at all reasonable hours on any working day.

   b) The Lessee undertakes that the Lessee shall notify the Lessor of any material breach by the Lessee of any Applicable Permits acquired in relation to the Project Site.

16.10 Stamp duty and registration charges
Subject to the exemption or waiver, if any, granted by Lessor or any other authority, the Parties agree that all stamp duties and registration charges payable in respect of the lease contemplated herein shall be to the account of and borne by the Lessee.

16.11 Indemnities and limitation of liability
The Lessee shall fully indemnify, defend and hold harmless the Lessor, of any liability which may be incurred or suffered by the Lessor and which may arise out of or as a result of any of the following causes:
   a) any breach by the Lessee of any of its obligations, covenants, agreements, representations or warranties set forth in this Lease Deed; and
   b) any loss of property, damage to property, personal injury or death occasioned to or suffered by any person, to the extent that the damage to or loss of property or the personal injury or death is caused willfully or negligently by the Lessee.

16.12 Assignment
The Lessee shall not, without the Lessor’s prior written consent, transfer, assign, or grant any form of security over any of its rights or obligations under this Lease Deed. However, the Lessee shall be, subject to the terms of Agreement, allowed to create charge / mortgage on the Project Facilities and the Lessee’s rights, benefits, entitlements under this Lease Deed, to the Senior Lenders for the purpose raising financing.

16.13 Handover of the Project Site
In the event of termination of the Concession Agreement by efflux of time or otherwise and the land lease determined, the Lessee shall immediately hand over encumbrance free possession of the Project Site along with all structures, development works etc. to the Authority, or to its contractors, subcontractors, agents.

16.14 Force Majeure
   a) Neither Party shall be liable to the other for non-performance of its obligations under this Lease Deed (other than the obligation to make payments when due) on account of any event of Force Majeure including but not limited to fire, flood, act of God or irresistible force, civil
disobedience, riots, terrorism, strikes, lock-out, act of government, or any other event beyond
the reasonable control of such Party.

b) Where the event of Force Majeure exists for a continuous period of 6 (six) months, the Parties
shall mutually decide on the course of action to be adopted, which may include the
determination of this Lease Deed.

c) Notwithstanding anything to the contrary in this Lease Deed, if the Lease Deed is determined,
neither Party shall be liable to pay any compensation to the other for such termination.

16.15 Dispute Resolution
a) The Parties shall use their respective reasonable endeavour to settle any dispute, difference,
claim, question or controversy between the Parties arising out of, in connection with or in
relation to this Lease Deed (“Dispute”) amicably between themselves through negotiation.

b) Any Dispute which the Parties are unable to resolve pursuant to sub-point a above,
within 60 (sixty) days (or such longer period as the Parties may agree) of notice by one Party to the other
of the existence of a Dispute, shall be resolved in accordance with the provisions of the
Concession Agreement.

16.16 Governing Law
This Lease Deed is governed by and shall be construed in accordance with the laws of India.

16.17 General Provisions
1. Entire Agreement
This Lease Deed together with Concession Agreement constitutes the entire agreement
between the Parties with respect to the subject matter and the transaction envisaged in this
Lease Deed, but shall be subject to the provisions of the Concession Agreement at all times.

2. Waiver
a) Waiver, including partial or conditional waiver, by either Party of any default by the other
Party in the observance and performance of any provision of or obligations under this Lease
Deed:
   i. 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 Lease Deed;
   ii. shall not be effective unless it is in writing and executed by a duly authorised
       representative of the Party; and
   iii. shall not affect the validity or enforceability of this Lease Deed in any manner.

b) Neither the failure by either Party to insist on any occasion upon the performance of the
terms, conditions and provisions of this Lease Deed or any obligation there under 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.
16.18 Severability
If for any reason whatever, any provision of this Lease Deed is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to the Dispute Resolution Procedure set forth under this Lease Deed or otherwise.

16.19 Specific Performance
In the event of default or breach in performance of obligations by any Party, the Party in default or breach shall be entitled, without prejudice to its other rights and remedies, to seek and enforce specific performance of this Lease Deed.

16.20 Expenses
Each Party shall pay its own costs and expenses (including, without limitation, the fees and expenses of its agents, authorised representatives, advisors, counsel and accountants) necessary for negotiation, preparation, execution, delivery, performance of and compliance with this Lease Deed.

16.21 Notices
Any notice or other communication to be given by any Party to the other Party under or in connection with the matters contemplated by this Lease Deed shall be in writing and shall:

a) in the case of the Lessee, be given by facsimile or e-mail and by letter delivered by hand to the address given and marked for attention of the person set out below or to such other person as the Lessee may from time to time designate by notice to the Lessor; provided that notices or other communications to be given to an address outside Amritsar may, if they are subsequently confirmed by sending a copy thereof by registered acknowledgement due, air mail or by courier, be sent by facsimile or e-mail to the number as the Lessee may from time to time designate by notice to the Lessor;

b) in the case of the Lessor, be given by facsimile or e-mail and by letter delivered by hand and be addressed to Chief Administrator, ADA with a copy delivered to the Lessor’s Representative or such other person as the Lessor may from time to time designate by notice to the Lessee; provided that if the Lessee does not have an office in Amritsar, it may send such notice by facsimile or e-mail and by registered acknowledgement due, air mail or by courier; and

c) any notice or communication by a Party to the other Party, given in accordance herewith, shall be deemed to have been delivered when in the normal course of post it ought to have been delivered and in all other cases, it shall be deemed to have been delivered on the actual date and time of delivery; provided that in the case of facsimile or e-mail, it shall be deemed to have been delivered on the working day following the date of its delivery.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS LEASE DEED AS OF THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN.
THE COMMON SEAL OF CONCESSIONAIRE has been affixed pursuant to the resolution.
passed by the Board of Directors of the Concessionaire at its meeting held on the ........ day of 20...... hereunto affixed in the presence of ......................, Director, who has signed these presents in token thereof and ........................., company Secretary / Authorized Officer who has countersigned the same in token thereof

SIGNED, SEALED AND DELIVERED

-----------------------------
For and on behalf of ADA by:
(Signature)
(Name)
(Designation)
SIGNED, SEALED AND DELIVERED

-----------------------------
For and on behalf of ........... by:
(Signature)
(Name)
(Designation)
In the presence of:
1.
2.