

**Development & Management of Club & Community Centre on Public  
Private Partnership**

**At Boria Kala, Raipur C.G.**

**SECTION 2 - DRAFT CONCESSION AGREEMENT**

**BETWEEN**

**CHHATTISGARH HOUSING BOARD  
[“CHB” OR “CONCESSIONING AUTHORITY”]**

**AND**

**(Name of the Concessionaire)  
[“CONCESSIONAIRE”]**

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**This AGREEMENT for Development & Management of Club & Community Centre at Boria Kala on Design, Finance, Built, Operate and Transfer basis under PPP mode** is entered into on this the \_\_\_\_\_ day of \_\_\_\_\_(month), \_\_\_\_\_(year) at Raipur,

**BETWEEN**

Dy. Housing Commissioner, Chhattisgarh Housing Board (CHB), Raipur on behalf of Housing Commissioner, Chhattisgarh Housing Board, Raipur having its office at Boria Kala, Raipur – 492001, Chhattisgarh (hereinafter referred to as "**Concessions Authority**" or "**CHB**", which expression shall, unless the context otherwise requires, include its administrators, successors and assigns) of the **FIRST PART**;

**AND**

\_\_\_\_\_, {a company incorporated under the provisions of the Companies Act, 1956}/Firm/ Individual having its registered office at \_\_\_\_\_(hereinafter referred to as the "**Successful Bidder**", which expression shall, unless the context otherwise requires, include its successors/ successors in business and permitted assigns and substitutes) of the **SECOND PART**

**WHEREAS,**

- A. Concessions Authority had decided to select the Successful Bidder through a competitive bidding process for the designing, built, financing, operation and transfer of a Club & Community Centre (the "**Project**") on public private partnership module at Boria Kala, Raipur, Chhattisgarh admeasuring about 75450 Sq. Ft. and 20000 Sq. Ft. in accordance with the terms and conditions set forth in the Concession Agreement.
- B. Concessions Authority is in the ownership and possession of the aforesaid land admeasuring about 75450 Sq. Ft. for the development of Club Facility and admeasuring about 20000 Sq. Ft. for the development of Community Centre.
- C. With an objective to seek private sector participation in the development of the aforesaid Project, Concessions Authority had invited competitive Proposals/ Bids from interested parties to partner Concessions Authority inter alia, to subsequently design, built, finance, operate, market, maintain, manage and transfer the same to the concessioner authority after **30 years** on the terms and conditions contained in the Request for Proposal (RFP) document and to determine, levy, demand, collect, retain and appropriate User Charges from the Users of the Project Facility.
- D. In response to the Request for Proposal document, the Concessions Authority received Proposals from various Bidders;
- E. Concessions Authority evaluated the Financial Proposals submitted by all Bidders who met the Technical Qualification Criterion specified in the RFP document and accepted the Proposal/Bid submitted by the "**Successful Bidder**" consisting of M/s \_\_\_\_\_, \_\_\_\_\_ & \_\_\_\_\_(collectively the "**Consortium**") with \_\_\_\_\_ as its Lead Member or M/s \_\_\_\_\_ (Single/ Individual Bidder) and a Notice of Award, bearing No. \_\_\_\_\_ Dated \_\_\_\_\_ was issued to the Successful Bidder.
- F. As per the terms and conditions of the RFP Document, the Successful Bidder {have incorporated the Concessionaire as a Special Purpose Company in India / is a company incorporated} under the Companies Act, 1956 to implement the Project. The Successful Bidder hereby agrees to serve as a guarantor towards the roles and obligations of the Concessionaire as detailed out in the Concession Agreement.
- G. Concessions Authority acknowledges that as on this day, the Concessionaire has submitted an demand draft/ bank guarantee for a value of Rs 5.00 lacs (Rupees five lacs only) as Performance Security for the Concession Period as per the conditions specified in Article 3.2.
- H. In pursuance to the above, Concessions Authority is executing the Agreement to grant the Concession for the period of 30 years to the Concessionaire to design, built, finance, construct, market, operate & maintain and manage the above mentioned Project and its allied facilities at the proposed place in accordance with terms, conditions and covenants hereinafter set forth.

**NOW THEREFORE THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:**

**ARTICLE 1  
DEFINITIONS & INTERPRETATIONS**

**1.1 Definitions**

In the Agreement, except to the extent that the subject or context otherwise requires, the following expressions shall have the following meanings:

**"Affected Party"** shall have the meaning ascribed to it in Article 5.1.1(a).

**"Affiliate"** means, with respect to any Party and/or with respect to the Single/ Individual Bidder and/or with respect to any member of Consortium, any other Person directly or indirectly controlling, controlled by or under common control with such Party, Single/ Individual Bidder and/or member of Consortium. For the purposes of this definition, the term "control" (including with correlative meaning, the terms "controlled by" and "under common control with") as applied to any Party or Single/ Individual Bidder or a member of Consortium, means the possession, directly or indirectly, of the power to direct or cause the direction of the management of that Party or Single/ Individual Bidder or a member of Consortium whether through ownership of 50% (fifty percent) or more of the voting securities, by contract, or otherwise.

**"Agreement"** means this signed Concession Agreement (including the Schedules, Recitals of the Concession Agreement, the Notice of Award issued by CHB, the written clarifications, addendums, amendments etc to the RFP document issued subsequently to the Bidders and all other documents and papers attached as annexure).

**"Annual Concession Fee"** shall have the meaning ascribed to it in Article 2.9.1.

**"Appendix"** means any of the schedules, supplements or documents appended to the Agreement.

**"Applicable Laws"** means any statute, law, regulation, development control regulations, ordinance, notification, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any Government Agency or instrumentality thereof having jurisdiction over the matter in question, as may be in force and effect during the subsistence of the Agreement.

**"Applicable Permits"** means all clearances, permits, authorisations, permissions, consents, exemptions, licenses, no-objection certificates and approvals required to be obtained or maintained under or pursuant to Applicable Laws, in connection with implementation of the Project during the subsistence of the Agreement.

**"Appointed Date"** means the date of the Agreement.

**"Arbitration Act"** means the Arbitration and Conciliation Act, 1996 and shall include modifications to or any re-enactment thereof as in force from time to time.

**"Certificate of Compliance"** shall have the meaning ascribed to it in Article 2.4.1(ii).

**"Clearance"** means, as on the date of execution of the Agreement, any consents, licenses, approvals, permits, exemptions, registrations, filings or other authorizations of whatever nature, which is necessary for effective implementation of the Project.

**"Concession Period" or "Term" of the Concession Agreement** shall have the meaning ascribed to it in Article 2.7.

**"Concessionaire Event of Default"** shall have the meaning ascribed to it in Article 6.1 (a). **"Concessionaire's Proposal to Rectify"** shall have the meaning ascribed to it in Article 6.2 (a)(ii). **"Concessions Authority Event of Default"** shall have the meaning ascribed to it in Article 6.1(b).

**"Concessions Authority Proposal to Rectify"** shall have the meaning ascribed to it in Article 6.2 (b)(ii).

**"Consortium"** means the consortium consisting of (i) XXXX, (ii) YYYY, and (iii) ZZZZ formed, to implement the Project

**"Competent Authority"** means the concerned department, Government Instrumentality or authority of the Concessions Authority duly empowered and authorized to grant necessary sanctions and approvals.

**"Compliance Date"** means the date falling after 180 (One hundred and eighty) days after the Appointed Date or such other date as agreed to between Concessions Authority and the Concessionaire by which time the Parties fulfill their Conditions Precedent (under Article 2.4), by the issuance of **"Certificate of Compliance"** to each other by the respective Parties / their authorized representatives.

**"Conditions Precedent"** shall have the meaning ascribed to it in Article 2.4.

**"Construction Period"** means the period from the Compliance Date till the achievement of Project Milestone and the issuance of Project Milestone Completion Certificate, in accordance with the Project Milestone set forth in Article 2.8.

**"Contractor(s)"** means a reputed Person with whom the Concessionaire has entered into or may enter into contracts / agreements for the purpose of development and implementation of the Project.

**"Cure Period"** shall have the meaning ascribed to it in Article 6.2 (a) (iii).

**"Debt Due"** means the aggregate of the following sums expressed in Indian Rupees outstanding and payable to the Senior Lender under the Financing Documents :-

- a) The principal amount of the debt provided by the Senior Lender under the Financing Documents for financing the Project, which is outstanding as on the Termination Date, excluding any part of the principal that had fallen due for repayment one year prior to the Termination Date unless such repayment had been rescheduled with the prior consent of the Concessions Authority; and
- b) All accrued interest, financing fee and charges payable on or in respect of the debt referred to in the Para (a) above up to the date preceding the Termination Date but excluding any interest or charges that had fallen due one year prior to the Termination Date, and penal interest or charges payable under the Financing Documents to any Senior Lender.

**"Dispute Resolution"** shall have the meaning ascribed to it in Article 7.

**"Easementary Rights"** means all easements, reservations, right-of-way, utilities and other similar rights as to the use of the real property, which are necessary or appropriate for the conduct of business of the Concessionaire related to the Project.

**"Encumbrance"** means any encumbrance 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 and encroachments on the Project Site.

**"Expert"** shall have the meaning ascribed to it in Article 4.2 (a).

**"Financial Assistance"** means the aggregate amount provided to the Concessionaire by way of loan, finance, advances, guarantees, refinancing or otherwise and other debt instruments by the Senior Lenders for the financing of the Total Project Cost (including any amendments or modifications made thereto) and for all facilities and services relating to the Project.

**"Financial Closure"** means the date on which the Financing Documents with respect to the Financing Package for the Project have been executed and become effective and the Concessionaire has fulfilled all the conditions needed for draw down of Financing and the Concessionaire has immediate access to such Financing and which shall in any case not be later than 180 days from the Appointed Date as applicable hereof..

**"Financial Year"** means the year commencing from 1st April of any calendar year to the 31st March of the next calendar year except in the first and the last calendar year of the subsistence of the Agreement. In the first year of subsistence of the Agreement, it means the period from the Compliance Date to immediately following 31st March. In the last year of subsistence of the agreement, it means the period from 1st April to the Transfer Date.

**"Financing Documents"** means the documents / agreements executed by the Concessionaire in respect of Financial Assistance to be provided by the Senior Lenders to the Concessionaire by way of loans, guarantees, subscription to non-convertible debentures and other debt instruments including loan agreements, guarantees, notes, debenture bonds and other debt instruments, security agreements and other documents relating to the financing (including refinancing) of the Total Project Cost.

**"Force Majeure"** or **"Force Majeure Event"** shall have the meaning ascribed to it in Article 5.

**"Good Industry Practice"** means the exercise of that degree of skill, diligence, prudence and foresight in compliance with the undertakings and obligations under the Agreement which would reasonably and ordinarily be expected from a skilled and experienced Person engaged in the development, implementation, operation and maintenance or supervision or monitoring thereof or any of them of a Project of the type and size similar to that of the Project.

**"GOI"** shall mean the Government of India.

**"Legal Entity"** shall mean any body corporate, organization, society, trust or institution established as per the applicable laws of India, or in case of a Foreign Entity, recognized or found eligible by Government of India to enter into any commercial trade or transaction, after obtaining necessary approvals and sanctions from the Government of India in this regard, as per the applicable laws of India including national security and public interest perspective.

**"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 the Concession ineffective, or (b) significantly impairs or frustrates the ability of any Party to observe and perform in a timely manner its obligations under the Concession Agreement, or (c) frustrates a material provision of the Concession Agreement or any of the Project Agreements.

**"Material Breach"** means a breach by either Party of any of its obligations under the Agreement which has or is likely to have a Material Adverse Effect on the Project and which such Party shall have failed to cure.

**“Movable Assets”** shall mean and include all such machines, equipments and furniture/s of the Project Facility, which are tangible in nature and that is movable (and not immovable like the civil structure etc), and which was owned by the Concessionaire and used as part of overall Development, Operation and Maintenance of the Project Facility..

**“CHB” means** Chhattisgarh Housing Board.

**“Notice to Commence”** shall have the meaning ascribed to it in Article 2.4.1 (iii).

**“Operation and Maintenance Phase”** is the period commencing after the Project Construction Completion Date (as per Project Milestone in Article 2.8) and terminating at the Transfer Date.

**“O&M Manual”** shall have the meaning ascribed to it in Article 3.5 (b)

**“O&M Expenses” means** expenses incurred towards Operations and Maintenance of the Project Facility/ies

**“Parties”** means the parties to the Agreement and **“Party”** shall mean either of them, as the context may admit or requires.

**“Performance Security”** means the Performance Security by way of Demand Draft or Bank Guarantee from a scheduled nationalised bank acceptable to Concessions Authority, as per Schedule 2, and as also ascribed to in article 3.2.

**“Person”** unless specifically provided otherwise, shall mean any individual, company, corporation, partnership, joint venture, trust or Government Agency or any other legal entity as the context may admit.

**“Preliminary Notice to Remedy”** shall have the meaning ascribed to it in Article 6.2 (a) (ii) and Article 6.2 (b) (ii).

**“Project”** means, subject to the provisions of the Concession Agreement, the development, financing, designing, construction, operation, maintenance and management, at the Project Site, of Club & Community Centre which includes (i) Party Lawn (ii) Restaurant (iii) Banquet Hall; (iv) Convention & Recreation Facilities (v) levy, collection, retention and appropriation of User Charges from Users of the Project Facility; (vi) insurance of the Project Facility, for the purposes of providing the services on a continuous basis and (vii) transfer of the Project Facility, as envisaged, to the Concessions Authority at the end of the Concession Period or on prior termination of the Concession Agreement on Concessionaire/ Concessions Authority Event of Default or otherwise. The Project shall also include all equipments, foundations, buildings, structures, super- structures, constructions, additions, alterations or improvements, etc. thereof, landscape structures, pavements, walkways, drainage facilities, sign boards, electrical, mechanical, civil, sanitation, HVAC, furnishings and other works, equipments installed therein to be used for the purposes of the Project and including but not limited to the furniture, fixtures and equipments, other related facilities installed or affixed and all additions, modifications, alterations and extensions thereto as may be effected by the Concessionaire from time to time, as per the approved and sanctioned plans on the Project Site.

**“Project Agreements”** means collectively, the Concession Agreement, the Financing Documents, Construction Agreements and Operation & Maintenance Agreements, in each case as amended, supplemented or otherwise modified from time to time and any other agreements or contract that may be entered into by the Concessionaire with any person in connection with matters relating to, arising out of or incidental to the Project.

**“Project Assets”** means all tangible and intangible assets relating to the Project / Project Facility.

**“Project Construction Completion Date”** means a date of the completion of the Construction Period, which shall be at the expiry of a period of 3 (Three) years from the Compliance Date or such other date (with the consent of Concessioneing Authority) by which the overall development and operationalisation of the Project is completed in accordance with the provisions of the Agreement and when the Project Milestone Completion Certificate is issued by Concessioneing Authority as per Article 2.8.

**“Project Facility”** means the Club & Community Centre consist of Convention and Recreational Facility including Rooms, Gym, Party Lawn, Banquet hall and the facilities and amenities to be provided in the Club & Community Centre as per the specifications given under Schedule 4.

**“Project Milestone”** means the milestone as set out in Article 2.8.

**“Project Milestone Completion Certificate”** means the certificate issued to the Concessioneing Authority by the Concessioneing Authority as described in Article 2.8 and Article 2.8.1.

**“Project Site”** means the land area earmarked for the development of Club & Community Centre at Raipur, comprising a land area of 75450 Sq. Ft.. However, the details of Project Site has been laid down in Schedule-1, wherein the Project/ Project Facility is to be developed, constructed, implemented, established, operated, maintained and managed by the Concessioneing Authority in accordance with the provisions of the Agreement.

**“Regulatory Approvals”** shall mean Governmental or regulatory approvals required by the Parties for the establishment of the Project in Raipur and as per the applicable laws of India.

**“Reference Exchange Rate”** means, in respect of any one currency that is to be converted into another currency in accordance with the provisions of the Agreement, the exchange rate as of 12.00 (twelve) noon on the relevant date quoted in Delhi by the State Bank of India, and in the absence of such rate, the average of similar rates quoted in Delhi by the Bank of India and the Bank of Baroda;

**“Right of Way”** means the constructive possession of the Project Site, together with all way leaves, easements, unrestricted access and other rights of way, howsoever described, necessary for construction, operation and maintenance of the Project in accordance with the Concession Agreement;

**“Rupee(s)” or “Rs.” or “Re.”** shall mean Indian rupee(s).

**“SBI PLR”** means the prime lending rate per annum for loans with 1 (one) year maturity as fixed from time to time by the State Bank of India or any other arrangement that substitutes such prime lending rate as mutually agreed between the Parties.

**“Senior Lenders”** means financial institutions, banks and multilateral lending agencies including their successors and assigns, who have agreed to guarantee or provide finance to the Concessioneing Authority under any of the Financing Documents for meeting all or any part of the Total Project Cost and who hold *parri pasu* charge on the assets, rights, title and interests of the Concessioneing Authority.

**“Structural Engineer”** shall have the meaning ascribed to it in Article 3.4 (g).

**“Structural Safety Certificate”** shall have the meaning ascribed to it in Article 3.4 (e).

**“Subordinated Debt”** means the aggregate of the following sums expressed in Indian Rupees outstanding as on the Transfer Date:

- (a) the principal amount of debt provided by lenders or the Concessioneing Authority 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 SBI PLR in case of loans expressed in Indian Rupees.

**“Successful Bidder”** means the Single/ Individual Bidder or the Bidder Consortium consisting of M/s \_\_\_\_\_ & \_\_\_\_\_ (with \_\_\_\_\_ as its Lead Member) that is finally awarded the Project and invited to enter into the Concession Agreement.

**“Termination”** means early termination of the Agreement, pursuant to Termination Notice or non- fulfillment of Conditions Precedent or otherwise in accordance with the provisions of the Agreement but shall not, unless the context otherwise requires, include expiry of the Agreement due to efflux of time in the normal course.

**“Termination Date”** means the date specified in the Termination Notice as the date on which Termination occurs.

**“Termination Notice”** means the notice of Termination of the Agreement by either Party to the other Party, in accordance with the applicable provisions of the Agreement.

**“Termination Payment”** means the amount payable by the Concessioneing Authority to the Concessionaire upon Termination in accordance with the provisions of the Agreement; It is agreed that within a period of 60 (sixty) days from Project Construction Completion Date, the Concessionaire shall notify to the Concessioneing Authority, the Total Project Cost as on Project Construction Completion Date and its disaggregation between Debt Due, Subordinated Debt and Equity, and only the amounts so conveyed shall form the basis of computing Termination Payment, and it is further agreed that in the event such disaggregation is not notified to the Concessioneing Authority, Equity shall be deemed to be the product arrived at by subtracting Debt Due from Total Project Cost.

**“Third Party” or “Third Parties”** means any Person, real or legal or Entity other than the Parties of the Agreement.

**“Total Project Cost”** means the lowest of the following:

- (a) Total Project Cost as set forth in the Financing Documents.
- (b) Actual capital cost of the Project upon completion of the Project as certified by statutory auditor(s).
- (c) a sum of about Rs. 20 Crores (Rupees twenty crores);

provided that in the event of Termination, the Total Project Cost shall be deemed to be modified to the extent of variation in WIP or Reference Exchange Rate occurring in respect of Debt Due, as the case may be, in accordance with the provisions of the Agreement;

**“Transfer Assets”** shall mean both the Movable Assets and immovable assets, fully operational and functional, of the Project which are necessary or required for the performance of services and such other assets as Concessionaire procures in accordance with the provisions of the Agreement and shall specifically include all land, property and structures thereupon acquired during the term, all equipment and services, furnishings, etc. in relation to the operation of the Project, as existing on the date of Termination.

**“Transfer Date”** means the date immediately following the date of the expiry of the Term under the Concession Agreement or any earlier termination thereof in accordance with the provisions of the Agreement.

**“Users”** means all the persons who use all or any one or more of the facilities, amenities, utilities etc. established or provided in the Project under suitable arrangement entered into by such persons with the Concessionaire / Concessionaire’s sub-lessees on terms and conditions as stipulated from time to time by the Concessionaire’s sub-lessees in this regard.

**“User Charges”** means all charges, costs, membership fees, tariff, rentals and other amounts by whatever name called, payable to Concessionaire by the users or any other Person, etc. pursuant to the Agreement, for the purpose of rendering of services by the Concessionaire and utilisation of the Project Facility of the Project by such users, or other Persons, at any time and from time to time in relation to the Project.

**“Vesting Certificate”** shall have the meaning ascribed to it in Article 6.6 (viii).

## **1.2 Interpretation**

In the Agreement, unless the context otherwise requires:

- a. any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder;
- b. references to Applicable Law shall include the laws, acts, ordinances, rules, regulations, notifications, guidelines or byelaws which have the force of law in Raipur forming part of the Union of India;
- c. the words importing singular shall include plural and vice versa, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations or partnerships, organisations or other entities (whether or not having a separate legal entity);
- d. terms and words beginning with capital letter and defined in the Agreement shall have the meaning ascribed thereto herein, and terms and words defined in the Schedule and used therein shall have the meaning ascribed thereto in the Schedule;
- e. the headings are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of the Agreement;
- f. the words "include" and "including" are to be construed without limitation;
- g. references to "construction" include investigation, design, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction;
- h. any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- i. any reference to day shall mean a reference to a calendar day;
- j. any reference to month shall mean a reference to a calendar month as per the Gregorian Calendar;
- k. reference to an individual shall include his legal representatives, successors, legal heirs, executor and administrator;
- l. the Schedules to the Agreement form an integral part of the Agreement and will be in full force and effect as though they were expressly set out in the body of the Agreement;
- m. any reference at any time to any agreement, deed, instrument, license or document of any description shall be construed as reference to that agreement, deed, instrument, license or other document as amended, varied, supplemented, modified or suspended at the time of such reference;
- n. references to recitals, Articles, sub-articles or Schedules in the Agreement shall, except where the

context otherwise requires, be deemed to be references to recitals, Articles, sub- articles and Schedules of or to the Agreement;

- o. any agreement, consent, approval, authorisation, notice, communication, information or report required under or pursuant to the Agreement from or by any Party shall be valid and effectual only if it is in writing under the hands of duly authorised representative of such Party, in this behalf and not otherwise; and
- p. unless otherwise stated, 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.

### **1.3 Measurements and Arithmetic Conventions**

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

### **1.4 Ambiguities and Discrepancies**

In case of ambiguities or discrepancies within the Agreement, the following shall apply:

- a. between two Articles of the Agreement, the provisions of specific Articles relevant to the issue under consideration shall prevail over those in other Articles;
- b. between the Articles of the Agreement and the Schedules, the Articles shall prevail, between Schedules and Appendices, the Schedules shall prevail;
- c. between the written description on the drawings and the specifications and standards, the latter shall prevail;
- d. between the dimension scaled from the drawing and its specific written dimension, the latter shall prevail; and
- e. Between any value written in numerals and that in words, the latter shall prevail.

### **1.5 Priority of Documents**

The documents forming the Concession Agreement are to be taken as mutually explanatory of one another. If there is an ambiguity or discrepancy in the documents, the Concessions Authority shall issue any necessary clarification or instruction to the Concessionaire, and the priority of the documents shall be as follows:

- i) The signed Concession Agreement (including its Schedules), alongwith any Addendums issued to the RFP document dated \_\_\_\_;
- ii) Instructions to Bidders (ITB) {Section I of the RFP document dated \_\_\_\_\_}, enclosed/ attached with the signed Concession Agreement; and
- iii) All other documents enclosed/ attached with the signed Concession Agreement.

**ARTICLE 2**  
**THE CONCESSION**

**2.1 Grant of rights to Concessionaire**

- a. Subject to and in accordance with the terms and conditions set forth in the Agreement, the Applicable Laws and Applicable Permits, the Concessions Authority hereby authorises the Concessionaire to invest, finance, design, engineer, construct, equip, commission, operate, market, maintain and manage the Project during the Term of the Agreement.
- b. For the purpose of implementing the Project, Concessions Authority inter alia grants to the Concessionaire all the rights, powers, benefits, privileges, authorisations and entitlements, to utilise the Project Site for the purposes of the Project, and to further undertake the development, construction and improvement therein or thereon, to manage the Project and the right to demand and collect User Charges from the Users of the Project / Project Site in accordance with the provisions of the Agreement.
- c. Subject to the terms of the Agreement and other relevant provisions under Applicable Laws, the Concessionaire shall have the right to enter into agreements with such Persons, as it may deem necessary and appropriate, for performing its obligations under the Agreement.
- d. The Concessionaire may create an Encumbrance, with respect to its rights, in favour of Senior Lenders, only during the Concession Period strictly as per the provisions of Article 9 and 11.1(c), in part or whole, in accordance with the terms of the Agreement. Provided that the Concessionaire shall provide written intimation to the Concessions Authority along with relevant records of the encumbrance(s) created, which shall be in strict compliance with the provisions of Article 11.1 (c).
- e. During the Concession Period, the Concessionaire shall have exclusive authority to develop, implement, operate the Project and in accordance with the provisions of this the Agreement.
- f. Title over the land shall remain with Chhattisgarh Housing Board however Concessions Authority shall provide the right to use of project land free of encumbrance to the Developer for developing the Project components. The land required for creating the Project Facilities would be given on Development and Management Rights to the Developer over the Concession Period in terms of the Concession Agreement supported by Development and Management Agreement (DMA) for the limited use as permitted under the concession agreement.

**2.2 Acceptance by Concessionaire**

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

**2.3 Access to Project Site**

Within 180 (One Hundred and Eighty) days from the Appointed Date, Concessions Authority shall provide to the Concessionaire the Right of Way to the Project Site in accordance with the provisions of Clause 2.5.

**2.4 Conditions Precedent**

- a. Save and except as may otherwise be expressly provided herein, the respective rights and obligations of the Parties under the Agreement shall be subject to the satisfaction in full of the conditions precedent ("**Conditions Precedent**") as set out in Article 2.4 (b) and Article 2.4 (c) on or before the expiry of a period of 180 (One hundred and Eighty) days from the Appointed Date.

**b. Conditions Precedent for the Concessing Authority**

The Concessing Authority shall have:

- i. Provided to the Concessionaire the Right of Way to the Project Site in accordance with the provisions of Clause 2.3 and Clause 2.5. It is however clarified that the Conditions Precedent on the part of the Concessing Authority shall be fulfilled at the end, when all other Conditions Precedent of both the Parties are met/fulfilled;
- ii. Give comments/ observations (if any) to the concept plan submitted by the Concessionaire under Article 2.4(c)(i), within a time period of 20 (twenty) days from the date of its receipt. Failure to do so will be considered deemed approval of the concept plan by the Concessing Authority.
- iii. Give approval to the amended concept plan within 5 (five) days from the date of its receipt.

**c. Conditions Precedent for the Concessionaire**

The Concessionaire shall have:-

- i. Prepared a concept plan for the Project and preliminary project cost estimates, including the area statement, block drawings, details of services to be so provided and as incorporated in the concept plan as per the applicable Local Byelaws, Norms, etc and submit to the Concessing Authority for its approval, whereby meeting all the requirements mentioned herein, apart from all other requirements of this the Concession Agreement in the concept plan within a period of 30 days from the Appointed Date. The Concessionaire shall also be required to submit a copy of the documents and drawings to the Independent Consultant for its review. CHB shall include the comments and suggestions received from Independent Consultant in the suggestions and amendments given by CHB to Concessionaire.
- ii. Incorporated the necessary suggestions / amendments proposed by the Concessing Authority in its concept plan, within a period of 10 (ten) days from the date of receipt of such suggestions from the Concessing Authority and submit again for approval.
- iii. Provided the Concessing Authority copies (certified as true by the Director of the Concessionaire) of all resolutions adopted by the Board of Directors of the Concessionaire authorizing the execution, delivery and performance of the Concession Agreement by the Concessionaire.
- iv. Delivered to the Concessing Authority, a legal opinion from the legal counsel of the Concessionaire with respect to the authority of the Concessionaire to enter into the Agreement and the enforceability of the provisions thereof.
- v. Executed and procured execution of the Substitution Agreement.
- vi. Executed the Financing Agreements and delivered to the Concessing Authority, 3 (three) true copies thereof, duly attested by a Director of the Concessionaire.

**2.4.1 Obligations to Satisfy Conditions Precedent**

- i. Each Party hereto shall use all reasonable endeavors at its cost and expense to procure the satisfaction in full of its respective Conditions Precedent set out above within 45 days of Appointed Date.
- ii. Upon satisfaction in full of all Conditions Precedent for a Party, the other Party shall forthwith issue to such Party a Certificate of Compliance with Conditions

- Precedent (the “**Certificate of Compliance**”).
- iii. The later of the date of issue of Certificate of Compliance to the Concessionaire or the Concessing Authority shall be the Compliance Date, whereupon the obligations of the Parties under the Concession shall commence and whereon the Concessing Authority shall issue the “**Notice to Commence**” to the Concessionaire.
  - iv. Each Party shall bear its respective costs and expenses of satisfying such Conditions Precedents unless otherwise expressly provided.

#### **2.4.2 Non-fulfillment of Conditions Precedent**

- i. In the event that any of the Conditions Precedents relating to the Concessionaire have not been fulfilled within 60 (One Hundred and Eighty) days of the signing of the Agreement and unless, the Concessing Authority has not waived them fully or partially, the Agreement shall cease to have any effect as of that date and shall be deemed to have been terminated by the mutual agreement of the parties and no Party shall subsequently have any rights or obligations under the Agreement and Concessing Authority shall not be liable in any manner whatsoever to the Concessionaire or persons claiming through or under it.
- ii. In the event that the Concessionaire has fulfilled its Conditions Precedent and Concessing Authority has not procured fulfillment of any or all of the Conditions Precedent set forth in Article 2.4 (b) within the period specified in respect thereof, and unless, the Concessing Authority has not waived them fully or partially, the Concessing Authority shall pay to the Concessionaire damages equivalent to an amount calculated at the rate of 0.1% (Zero point one per cent) of the Performance Security for each day's delay until the fulfillment of the Condition Precedent, subject to a maximum of 20% (twenty percent) of the performance security. In the event when the maximum damages as above has become payable and the Concessing Authority has still not been able to procure fulfillment of any or all the Conditions Precedent set forth in Article 2.4 (b) and the period for achievement of the same has not been mutually extended then the Concessing Authority shall be liable to return the Concessionaire the Performance Security. In the event the Concessing Authority has terminated the Agreement under Article 2.4.2 (i) due to non-fulfillment of Conditions Precedent by the Concessionaire, the Concessing Authority shall not be liable in any manner whatsoever to the Concessionaire or its contractors, agents and employees and the Concessing Authority shall forfeit the Performance Security of the Concessionaire.
- iii. In the event that Right of Way to the Project Site has been delivered to the Concessionaire prior to the fulfillment in full of the Conditions Precedent, upon the termination of the Agreement the Project Site shall immediately revert to the Concessing Authority, free and clear from any Encumbrances, irrespective of any outstanding claims between the Parties or any other claims, disputes etc. whatsoever between the Parties.
- iv. Instead of terminating the Agreement as provided in paragraph (a) above or as the case may be, the Parties may extend the time for fulfilling the Conditions Precedent by mutual agreement.

#### **2.5 Rights and Use of the Project Site**

- i. Pursuant to Article 2.3, the Concessionaire shall have access to the Project Site and to make at its costs, charges and expenses such investigations and development activities (including but not limited to land filling, levelling, clearing, shifting of utilities, landscaping and related works including overcoming site constraints, if any) and any other activity as may be necessary or appropriate to implement the Project. However, it is being clarified here that in the event of Termination of the Agreement due to non-fulfilment of Conditions Precedent, Concessing Authority shall have no liability to make any payment for the activities undertaken by the Concessionaire in the Project Site.
- ii. Same and except as expressly provided under this the Agreement, the Concessionaire shall

not mortgage, transfer, assign, license or otherwise Encumber the Project Site throughout the Concession Period.

- iii. Subject to the terms of this the Agreement, the Concessionaire shall have the right to develop, create, obtain, set up, construct as the context admits or requires, and operate and maintain the Project by itself or through its Contractors.
- iv. The Concessionaire shall have the right to use the Project Site in accordance with the provisions of the Agreement and for this purpose the Concessionaire may regulate the entry and use of the Project Site by the Third Parties.
- v. The Concessionaire shall not without the prior written approval of Concessions Authority use the Project Site for any purpose other than for the purpose of the Project and purposes incidental or ancillary thereto.

## **2.6 Peaceful Possession**

The Concessions Authority hereby warrants that the Project Site together with the necessary Right of Way

- a. has been acquired through the due process of law; and
- b. belongs to and is vested in Concessions Authority and that Concessions Authority has full powers to hold, dispose of and deal with the same consistent, inter alia, with the provisions of the Agreement and that the Concessionaire shall, in respect of the Project Site, have no liability regarding any compensation payment on account of rehabilitation / resettlement or land acquisition of any Persons affected thereby.

## **2.7 "Concession Period" or "Term" of Concession Agreement**

- a. The Agreement shall be valid and binding on the Parties throughout the period commencing from the Compliance Date till the end of **30 (Thirty) years** and the Concessionaire hereby accepts the Concession and agrees to implement the Project subject to and in accordance with the terms and conditions of the Agreement.  
Provided that in the event of early Termination, the period of Agreement shall be limited to the period commencing from the Compliance Date and ending with the Termination Date.
- b. Prior to the expiry of the initial Concession Period of 30 (thirty) years.
- b. Upon expiry of the Concession Period as per Article 2.7, the Concessionaire shall peacefully surrender and yield the Project Site and the Project Facility along with Transfer Assets to the Concessions Authority in accordance with the provisions of Article 6.6 (Hand back of Transfer Assets).

## **2.8 Project Milestone**

- a. The Concessionaire shall construct the Project in accordance with the Project Completion Schedule set forth in Schedule - 6 of the Agreement.
- b. In the event that any of the Project Milestone is not achieved for any reason other than Force Majeure or reasons attributable to the Concessions Authority or any Competent Authority, the Concessionaire shall, subject to clause below, pay to the Concessions Authority damages for delay beyond the date on which the Construction Completion was due to the extent of 0.05% of the performance security per day for every day of delay or part thereof until Project Milestone is achieved. Provided that nothing contained in this paragraph shall be deemed or construed to authorize any delay by the Concessionaire in achieving Project Milestone.
- c. In the event that Project Milestone does not occur within 120 (one hundred and twenty) days from the date on which the Project Milestone was due, the Concessions Authority shall be entitled to invoke the Performance Security and to terminate the Agreement on account of

Concessionaire Event of Default. Provided that instead of terminating the Concession Agreement, the Concessions Authority may at its sole option extend the time for achieving Project Milestone on such terms and conditions as it deem fit in its sole discretion.

### **2.8.1 Project Milestone Completion Certificate**

Upon completion of Project works, the Concessionaire may seek the issuance of “**Project Milestone Completion Certificate**” upon written intimation to Concessions Authority of such completion. The Concessions Authority on its part, after detailed inspections of the Project relating to the requirements set out in Schedules and in compliance with the Project Milestone set out in Article 2.8 and on verifying the relevant documentation, shall promptly and in any case within 30 (Thirty) days from the date of request therefore, issue such Certificate.

## **2.9 Consideration to Concessions Authority**

### **2.9.1 Annual Concession Fee**

- a. In consideration of the rights, privileges and interests granted by the Concessions Authority to the Concessionaire in terms of the Agreement, the Concessionaire shall pay to the Concessions Authority or its nominee / designated recipient an Annual Concession Fee of Rs 12 Lacs (Rupees Twelve Lacs only) and service tax as applicable from time to time.
- b. The Annual Concession Fee shall be increased, after every 5 years, at the rate of 10 % (ten percent), over the previous Annual Concession Fee.
- c. The first Annual Concession Fee shall be due and payable from the date of completion of 8th year, starting from the Appointed Date and accordingly, the Concessionaire shall deposit the Annual Concession Fee 7 (seven) days prior to the same date every year, throughout the Concession Period.

*For Illustration, if the date of completion of 7th year, from the Appointed Date, is 20<sup>th</sup> June, the Concessionaire shall have to deposit the Annual Concession Fee on or before 7<sup>th</sup> of June every year during the Concession Period.*

- d. The Annual Concession Fee shall be payable by the Concessionaire to the Concessions Authority or its nominee / designated recipient at the Concessions Authority's or its nominee's / designated recipient's bank account at a scheduled bank (to be intimated later on) payable at Raipur.
- d. In the event of delay up to one week in payment by the Concessionaire, the Concessionaire shall pay to the Concessions Authority or its nominee / designated recipient interest at the rate of SBI PLR plus 4% per annum. In the case of delay beyond such four weeks, it shall be a Concessionaire Event of Default.

### **2.10 User Charges**

#### **Collection and appropriation of User Charges**

On and from the date of commencement of Commercial Operations of the Project till the Transfer Date, the Concessionaire shall have the sole and exclusive right to demand, collect and appropriate User Charges from the Users of the Project Facilities in accordance with this Agreement.

### **2.11 Novation**

The Concessionaire may be allowed to novate the agreement after completion of 10 (ten) consecutive years after Project Construction Completion Date subject to the condition that the novatee fulfills the minimum eligibility criteria. The Concessionaire shall submit details of the proposed novatee along with its other qualifications (financial and technical capabilities) to the Concessions Authority for its due approval. Such novation shall be subject to execution of proper documents by the proposed novatee. Concessions Authority shall reserve the right to reject any novation at any time.



## ARTICLE 3

### OBLIGATIONS OF CONCESSIONAIRE

In addition to and not in derogation or substitution of any of its other obligations under the Agreement, the Concessionaire shall have the following obligations:

#### 3.1 Project Development

- a. The Concessionaire shall complete the construction of the Project and its related services and facilities as per the Project Milestone defined under Article 2.8 and obtain Project Milestone Completion Certificate.

#### 3.2 Performance Security

- a. For due and punctual performance of its obligations under the Agreement, relating to the Project, the Concessionaire shall deliver to Concessions Authority and maintain **Performance Security of Rs 5,00,000** (Rupees five lacs only) in the form of demand draft or a Bank Guarantee in favor of Commissioner, Chhattisgarh Housing Board, payable at Raipur; the Bank Guarantee shall be prepared and submitted as per the format given in Schedule 2 of the Agreement.
- b. The Performance Security shall be from a scheduled nationalised bank, payable at Raipur.

The Performance Security shall be valid for a period of 12 (twelve) months and shall be renewed every year, at least 30 (thirty) days prior to the date of expiry of the Bank Guarantee. All charges, fees, costs and expenses related to the Bank Guarantee shall be borne and paid by the Concessionaire. The Concessionaire undertakes and warrants to Concessions Authority that the bank guarantee furnished as above shall be unconditional and irrevocable and shall continue to be effective and enforceable for 6 (six) months after the expiry of the Concession Period.

- c. Upon occurrence of Concessionaire Event of Default, the Concessions Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to encash and appropriate relevant amounts from the Performance Security as damages. Upon such encashment and appropriation from the Performance Security, the Concessionaire shall, within 30 (thirty) days replenish the Performance Security, in case of partial appropriation, to its original level before such encashment or appropriation of and in case of appropriation of entire Performance Security to provide a fresh Performance Security and the Concessionaire shall, within the time so granted replenish or furnish to the Concessions Authority a fresh Performance Security as aforesaid, failing which the Concessions Authority shall be entitled to terminate the Agreement.
- d. The performance security in the form of bank guarantee shall be renewed every year till the end of the Concession Period and transfer of the Project along with the Project Site to CHB. If the Agreement is terminated due to any event other than a Concessionaire Event of Default, the Performance Security shall, subject to the Concessions Authority's right to receive or recover amounts, if any, due from the Concessionaire under the Agreement, be duly discharged and released to the Concessionaire.

#### 3.3 Financing Arrangement, Payment of Taxes, etc.

- a) The Concessionaire shall at its cost, expenses and risk make such financing arrangement as would be necessary to develop and implement the Project and to meet all of its obligations under the Agreement, within a period of 180 days from the Appointed Date.

- b) The Concessionaire shall pay all duties, taxes, levies, etc. such Import Duties, etc. towards all or any of the equipments, material, furnishings, etc. to be installed in the Project apart from taking any necessary approvals / permissions for the same.
- c) The Concessionaire shall pay at its own cost all applicable, existing and future taxes / charges / fees / levies including any property tax, house tax, luxury tax, service(s) tax, stamp duty, registration charges and / or pay cost of any legal documentation charges, etc. in respect of the said Project / Project Site, as leviable.

### 3.4 Project Implementation

- a. The Concessionaire shall develop the Project in accordance with the Standards and Specifications as mentioned in Schedule 4 and as per the concept plan of the Project, approved by Concessioneing Authority, within the Project Milestone specified under Article 2.8 or such extended date as may be approved by Concessioneing Authority.
- b. The Concessionaire shall design the Project Facility as per the building laws / byelaws specified by the local authorities and the "Raipur Development Plan - 2031" and "Raipur Urban Design Guideline". The Concessionaire shall be allowed to develop of built up area as per the law and regulation of town & country planning.
- c. The Concessionaire shall obtain all necessary approvals, permissions and sanctions for setting up of Project and other allied infrastructure and facilities.
- d. The Concessionaire shall submit "**Structural Safety Certificate**" of the proposed Project Facility from competent, reputed and recognized "**Structural Engineer**" before the commencement of commercial activities.
- e. The Concessionaire shall obtain the "Specification Compliance Certificate" from Independent Consultant before the commencement of commercial activities.
- f. The Concessionaire shall adhere to the safe construction parameters and complete the construction works before the Project Construction Completion Date or such extended date as may be approved by Concessioneing Authority.
- g. The Concessionaire may undertake construction works and services by itself or through Contractor(s) possessing requisite technical, financial and managerial expertise / capability; but in any case the Concessionaire shall and will remain solely responsible for its overall liabilities and obligations under the contract, overall supervision, monitoring and control of the activities of all the Contractors, sub-contractors, their employees and agents engaged under respective "**Project Agreements**" as may be necessary.
- h. For this purpose, Concessioneing shall undertake all necessary activities such as designing, planning, developing, financing, constructing, marketing, operating and maintaining the Project and the Project Site, in accordance with the provisions of the Agreement and as per Good Industry Practice.
- i. For the purposes of determining whether the construction works are being undertaken as per building laws / bye-laws, development controls, relevant provisions of Indian Standards, National Building Code, etc., the Concessioneing shall with due diligence carry out all necessary and periodical tests. The Concessioneing shall maintain proper record of such tests and the remedial measures taken to cure the defects or deficiencies, if any, indicated by the Test results.

- j. The Concessionaire shall procure and install new, specified and necessary equipments, plant, machinery, apparatus, services and its supporting infrastructure towards the Project. It shall keep all the necessary Project equipments adequately insured and shall pay regular and timely premium, at its own cost.
- k. In terms with the provisions of the Agreement, the Concessionaire shall make timely payment to Concessioneing Authority, wherever required and applicable.
- l. The Concessionaire shall implement and make operational the Project as per the Project Milestone given in Article 2.8.
- m. The Concessionaire shall not remove any earth from the land/ Project Site until unless the local authorities have provided permission for it. In addition to this, the Concessionaire shall submit a copy of the document to the Concessioneing Authority, wherein it has been clearly stated that the approval has been granted.
- n. The Concessionaire shall submit to the Concessioneing Authority the drafts of all Project Agreements or any amendments or replacements thereto for its review and comments, and the Concessioneing Authority shall have the right but not the obligation to undertake such review and provide its comments, if any, to the Concessionaire within 15 (fifteen) days of the receipt of such drafts. Within 7 (seven) days of execution of any Project Agreement or amendment thereto, the Concessionaire shall submit to the Concessioneing Authority a true copy thereof, duly attested by a Director of the Concessionaire, for its record.
- o. The Concessionaire shall ensure that all the Project Agreements, to be entered into with the Third Parties, are co-terminus with the Concession Period/ Term of the Concession Agreement and in case of Termination of the Concession Agreement (either by efflux of time or pre-mature), Concessioneing Authority shall have the option of continuing with such Project Agreements such that all proceeds / rentals, arising out of from such Project Agreements, in case they continue to accrue, shall henceforth be accrued / appropriated to the Concessioneing Authority. It is being clarified here that the similar provision shall be mandatorily incorporated in all the Project Agreements and the signed copy of the Project Agreements shall be submitted to the Concessioneing Authority for perusal.
- p. The Concessionaire shall arrange all machinery, plant and equipment necessary to complete the Works. All Concessionaire's Equipment shall, when brought on to the Project Site, be deemed to be exclusively intended for the execution of the works.
- q. Concessionaire shall follow applicable laws and rules of Government of Chhattisgarh and Government of India regarding environmental aspects.
- r. The Concessionaire shall ensure that no waste is let out in the colony area.
- t. The Concessionaire shall be prohibited to undertake activities which are mentioned in Schedule

### **3.5 Operation and Maintenance**

- a) The Concessionaire shall operate and maintain the Project Facility in accordance with Good Industry Practice and Applicable Laws. The Concessionaire shall throughout the

continuance of the Agreement, have full control and management of Project.

- b) Prior to the start of operations in Project, the Concessionaire would submit to the Concessioneing Authority, an Operations and Maintenance Manual for the Project ("**O&M Manual**") setting out in detail the standard operating procedures, schedules, periodicity and other details of the operation and maintenance activities to be carried out for the Project. The Concessionaire shall get the Operation and Maintenance Manual approved by the Concessioneing Authority and any amendments thereof.
- c) The Concessionaire may undertake operations and maintenance of the Project Facility by itself or through a Contractor possessing requisite technical, financial and managerial expertise / capability, provided Concessionaire shall be solely responsible for implementation and operation and maintenance of the Project in accordance with the provisions of the Agreement and it shall not relieve the Concessionaire of its obligations and liabilities under the Agreement in any manner.
- d) The Concessionaire shall with due diligence carry out all necessary and periodical tests in accordance with the applicable regulations and Applicable Laws. The Concessionaire shall maintain proper record of such Tests and the remedial measures taken to cure the defects or deficiencies, if any, indicated by the Test results.
- e) The Concessionaire shall be entitled at its own costs, expenses and consequences to perform the following:
  - i. Institution and supervision of operating policies, principles, systems and procedures for all departments including purchasing, accounting, credit management and maintenance, personnel, etc.
  - ii. Instituting, conducting, defending, compromising, referring to arbitration and abandoning any legal or other proceedings, claims and disputes in which the said Project is concerned.
  - iii. To issue its receipts and invoice in its own name.
- f) The Concessionaire will take professional indemnity insurance in respect of the negligence of its Project Facility staff members, employees, executives, Authorities in the operation and management of the Project. The Concessionaire shall throughout the term of the Agreement maintain the professional indemnity insurance and from time to time regularly bear and pay the insurance premium in this regard.
- g) The Concessionaire shall bear and pay all expenses, taxes, due and payable in respect of the operation and management of the Project, including sales tax, VAT where applicable, service tax, luxury tax and the like and will ensure that these are paid in time and no defaults are made in respect of the same. Further the Concessionaire shall ensure that all returns in this regard are filed before the due date as per Applicable Laws.
- h) The Concessionaire shall not in the operation of the Project do any act or omission which shall be unlawful in nature and throughout the term abide by all the law, rules, orders, regulations and other requirements as applicable for the operation and management of the Project from time to time.
- i) The Concessionaire shall keep and maintain all such books, records and reports as are required to be maintained under Applicable Laws and shall submit or cause to be submitted to appropriate authorities, all information and reports as are legally required.

- j) The Concessionaire shall submit to the Concessions Authority a copy of audited annual report every year throughout the Concession Period within one month from the date of audit.
- k) The Concessionaire shall furnish to the Concessions Authority such information as required by the Concessions Authority with respect to operation and management of the Project.
- l) Notwithstanding anything contained herein, the Concessionaire shall be solely responsible for all the claims or proceedings filed with respect to the management and operation of the Project whether with regard to any negligence committed in the Project or by reason of deficiency in the service at the Project or otherwise for any reason whatsoever whether intentionally or unintentionally and the Concessions Authority shall not be responsible or liable for the same whether vicariously or otherwise and the Concessionaire shall always keep the Concessions Authority indemnified in this regard.
- m) The Concessionaire will ensure that the highest service standards and good industry practices in Amusement Parks and Recreational Parks of similar standing will be adopted and followed in the said Project throughout the Concession Period.
- n) In the event the Concessionaire has failed to operate and maintain the Project in accordance with the Good Industry Practices and as per the provisions of this Agreement, a notice to that effect will be issued by Concessions Authority to the Concessionaire. The Concessionaire shall take all steps to address the concerns raised by Concessions Authority in the said notice within reasonable period. If the Concessionaire does not remedy any such breach in the period specified in the notice, it shall be constituted as **"Concessionaire Event of Default"** in terms of the provisions of Article 6.
- o) The Concessionaire may subcontract operations/ operation and maintenance of parts of the Project Facility, provided however, that it shall be obligatory upon the Concessionaire to provide copies of all such Project Agreements entered into from time to time with Third Parties to the Concessions Authority, with incorporated Clauses, in all Project Agreements with such respective Third Parties, that:- (i) the period of the Project Agreement shall be co-terminus with the Term of this Concession Agreement and (ii) in case of Termination of this Concession Agreement (by efflux of time or pre-mature), Concessions Authority shall have the option of continuing with such Project Agreements such that all proceeds / rentals, arising out from such Project Agreements of the Project Facility, in case they continue to accrue, shall henceforth be accrued / appropriated to the Concessions Authority.
- p) The Concessionaire shall invite a representative of CHB, as nominated by CHB, every year to the General Body Meeting of the Concessionaire.

### **3.6 Minimum Equity Requirement (Concessionaire Shareholding)**

- a) The share holding of Lead Member of the Successful Bidder, as mentioned in Recital E, in the issued and paid up equity share capital of the Concessionaire shall be not less than:
  - (i) 51% (fifty one percent) till a period of five years from the Project Construction Completion Date and;
  - (ii) 26% (twenty six percent) during the remaining Concession Period..

- b) All other members of the Consortium shall legally and beneficially hold not less than 11% (eleven percent) of the paid-up equity capital of the Concessionaire till the fifth anniversary of the Project Construction Completion Date.
- c) At no stage shall any change in the Equity Components / shareholding patterns be made by the Consortium Members or by any of the Associates without obtaining prior approval from Concessioning Authority. On an application made for the purpose, Concessioning Authority may permit the change of equity components / shareholding patterns, provided that the Concessioning Authority is satisfied that the proposed changes shall be in the interest of the implementation of the Project in future and would not be detrimental to any of the rights or interests of the Concessioning Authority. However, no such change in the equity components / shareholding pattern shall be permitted by Concessioning Authority, which would make the Consortium members non-compliant with Articles 3.6(a) and 3.6(b) above.
- d) In case any such change in composition of Consortium has been agreed upon, the modified Consortium would be required to submit a revised Memorandum of Understanding to the Concessioning Authority. In the event of non-compliance of Article 3.6 (a) and 3.6 (b) above, the same shall be construed as Concessionaire Event of Default, and the Concessioning Authority shall be entitled to terminate the Agreement in accordance with Article 6.

### **3.7 Insurance**

- a) At all times during the period of this Agreement, Concessionaire shall at its cost and expense, purchase and maintain by due re-instatement or otherwise, all insurances in respect of the Project Site and Project Facility in accordance with the Good Industry Practice, as required under the Financing Documents (“**Insurance Cover**”).
- b) All insurance policies in respect of the insurance obtained by the Concessionaire pursuant to this Article 3.7 (a) shall include a waiver of any and all rights of subrogation or recovery of the insurers thereunder against, inter alia, the Concessioning 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.

### **3.8 Environmental Clearances and Compliance**

At all times, Concessionaire shall obtain the requisite Environmental Clearances from the appropriate authorities and shall also ensure that the processes employed in the construction, operation and maintenance thereof, for the Project is in compliance to the Applicable Laws pertaining to environment, health and safety aspects including, policies and guidelines related thereto.

### **3.9 General Obligations**

The Concessionaire shall:

- a. procure and maintain in full force and effect, as necessary, appropriate proprietary rights, licenses, agreements and permissions for materials, methods, processes and systems used in or incorporated into the Project;
- b. at all times, to afford access to the Project Site to the authorized representatives of

Concessioneing Authority, Senior Lenders, other persons duly authorized by any Governmental Agency having jurisdiction over the Project, to inspect the project and to investigate any matter within their authority and upon reasonable notice.

- c. perform and fulfill its obligations under the Financing Documents.
- d. make efforts to maintain harmony and good industrial relations among the personnel employed in connection with the performance of its obligations under the Agreement and shall be solely responsible for compliance with all labour laws and solely liable for all possible claims and employment related liabilities of its staff employed in relation with the Project and hereby indemnifies Concessioneing Authority against any claims, damages, expenses or losses in this regard and that in no case and shall for no purpose shall Concessioneing Authority be treated as employer in this regard;
- e. make its own arrangements for construction materials and observe and fulfill the environmental and other requirements under the Applicable Laws and Applicable Permits from time to time;
- f. ensure that the Project Site remains free from all encroachments and take all steps necessary to remove encroachments, if any;
- g. pay all taxes, duties, levies and outgoings, including utility charges relating to the Project;
- h. not do or omit to do any act, deed or thing which may in any manner be volatile of any of the provisions of this Agreement; and
- i. transfer the Project to the Concessioneing Authority in fully operational and functional condition upon completion/ termination of this Agreement, in accordance with the provisions thereof.
- j. Ensure that the quality of treated affluent solid waste, emissions etc., conform to the standards laid down by the Competent Authorities.

### **3.10 No Breach of Obligations**

The Concessioneaire shall not be considered to be in breach of its obligations under the Agreement nor shall it incur or suffer any liability if and to the extent performance of any of its obligations under the Agreement is affected by or on account of any of the following:

- a. Force Majeure Event, subject to Article 5.3;
- b. Concessioneing Authority Event of Default;
- c. Compliance with the directions of any Government Agency, other than instructions issued as a consequence of a breach by the Concessioneaire of any of its obligations hereunder; and
- d. Closure of the Project or part thereof with the approval of the Concessioneing Authority.

### **3.11 Quarterly Progress Report**

The Concessioneaire shall prepare and submit report in each quarter on the progress of construction (the "Quarterly Progress Report") to the Concessioneing Authority. The first report shall cover the period up to the end of the calendar month in which the Compliance Date occurred. Reports shall be submitted quarterly thereafter, each within 7 (seven) days of the last day of the period to which it relates. Reporting shall continue until the Concessioneaire has completed all the Works, services, facilities and the Construction Completion Certificate is issued. Each report shall include:-

- (ii) An executive summary of activities completed and under progress;
- (iii) For the construction of each main item of the Project, the extent of progress as quantity and percent, the actual or expected dates of commencement, anticipated completion date of the activity;
- (iv) Furnishing and equipment of the Project Facility as ordered, as received, as installed, in the process of installation, testing and commissioning;

**ARTICLE 4**  
**OBLIGATIONS OF CONCESSIONING AUTHORITY**

4.1 In addition to and not in derogation or substitution of any of its other obligations under this Agreement, Concessioning Authority shall have the following obligations:-

- a. Any claims, liabilities and litigations arising out of in providing the Project Site free of Encumbrances, prior to the date of issue of Notice to Commence, shall be borne solely by the Concessioning Authority and it shall indemnify the Concessionaire and shall hold it harmless from any such liabilities that may arise as a result of any such transfer of the Project Site.
- b. To facilitate the Concessionaire in getting all such approvals, permissions and authorisations which the Concessionaire may require or is obliged to seek under the Agreement in connection with development of the Project and the performance of its obligations hereunder;
- c. Upon written request from the Concessionaire, facilitate the Concessionaire in obtaining necessary infrastructure facilities and utilities, including water, electricity and telecommunication facilities at rates and on terms no less favourable to the Concessionaire than those generally available to commercial customers receiving substantially equivalent facilities / utilities; and
- d. The Concessioning Authority shall provide to the Concessionaire Right of Way to the Project Site within 60 days from the Appointed Date. Failure to do so, for any reason other than Concessionaire Event of Default, shall constitute an event of default by Concessioning Authority ("**Concessioning Authority Event of Default**").
- e. Upon written request from the Concessionaire, provide reasonable facilitation to the Concessionaire for the purpose of discharging its obligations under the Agreement by the Concessionaire
- f. The Concessioning Authority, through itself, or its nominee may undertake the overall monitoring of the Project Facility during the construction and operation & maintenance period during Concession Period.

**4.2 Grant of Rights:-**

- a. The Concessioning Authority shall have a right to appoint a person specialising in any area as required, for review during the operation and maintenance of the project. Such persons shall act as an "Experts", whose expert professional opinion, once conformed shall be binding on the parties.
- b. The Concessioning Authority at its own discretion shall appoint or revoke the appointment of such Expert, at any point of time.

**4.3 Transaction Advisor & Independent Consultant**

- a. The Concessioning Authority has appointed Transaction Advisor, for review of the physical and financial progress of the project. ("**Transaction Advisor**") If will report to Commissioner, CHB in case if he find any deviation from concession agreement.
- b. The Independent Consultant which will be appointed by Chhattisgarh Housing Board as per clause 6 (F)(iii) of this agreement for the valuation of asset in case of termination of contract.
- c. The Independent Consultant shall submit their reports within one month to Concessioning Authority.
- d. The remuneration, cost and expenses of the Consultant shall be paid by the CHB.



**ARTICLE 5**  
**FORCE MAJEURE**

**5.1 Force Majeure Event**

5.1.1 Force Majeure Event shall mean an event which:

- (a) is beyond the control of the Party claiming to be affected thereby (the "Affected Party");
- (b) prevents the Affected Party from performing or discharging its obligations under this Agreement; and
- (c) the Affected Party has been unable to overcome or prevent despite exercise of due care and diligence.

**5.2 Force Majeure Period**

The period commencing from the date of occurrence of a Force Majeure Event and ending on the date on which the Affected Party, acting in accordance with the Good Industry Practice, resumes or should have resumed such of its obligations.

**5.3 Performance of Obligations**

If the Affected Party is rendered wholly or partially unable to perform any of its obligations under the Agreement because of a Force Majeure Event, it shall be excused from performance of such obligations to the extent it is unable to perform the same on account of such Force Majeure Event provided that:

- (a) due notice of the Force Majeure Event has been given as required by the preceding Article 5.2;
- (b) the excuse from performance shall be of no greater scope and of no longer duration than is necessitated by the Force Majeure Event;
- (c) the Affected Party has taken all reasonable efforts to avoid, prevent, mitigate and limit damage, if any, caused or is likely to be caused to the Project as a result of the Force Majeure Event and to restore the Project Facility, in accordance with the Good Industry Practice and its relative obligations under this Agreement;
- (d) when the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Party written notice to that effect and shall promptly resume performance of its obligations hereunder, the non issue of such notice being no excuse for any delay for resuming such performance;
- (e) the Affected Party shall continue to perform such of its obligations which are not affected by the Force Majeure Event and which are capable of being performed in accordance with this Agreement; and
- (f) any insurance proceeds received shall, subject to the provisions of Financing Documents, be entirely applied to repair, replace or re-instate the assets damaged on account of the Force Majeure Event, or in accordance with Good Industry Practice.

**5.4 Consequences of Force Majeure event**

In the case of Force Majeure event, the Concession Period shall be extended by the period of Force Majeure event, with the maximum extension of Concession Period being limited to 1 (one) year. In case, the Force majeure event takes place before the Project Construction Completion Date, the Construction Period shall also be extended by the period of Force Majeure event, with the maximum extension of Concession Period being limited to 1 (one) year.

**5.5 Liability for other losses, damages etc.**

Save and except as expressly provided in this Article, neither Party hereto 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 existence of any Force Majeure Event.

**ARTICLE 6**  
**EVENTS OF DEFAULT AND TERMINATION**

**6.1 Events of Default**

Events of Default shall mean either Concessionaire Event of Default or Concessioneing Authority Event of Default or both as the context may admit or requires

**a. Concessionaire Event of Default**

Any of the following events shall constitute an Event of Default by the Concessionaire ("**Concessionaire Event of Default**") unless such event has occurred as a result of one or more reasons set out in Article 5.1.1:-

- i. The Concessionaire has failed to achieve Project Milestone and obtain Project Milestone Completion Certificate, within the time period laid down in Article 2.8;
- ii. The Concessionaire has failed to pay the Annual Concession Fee.
- iii. The Concessionaire has failed to comply with the Applicable Laws / Applicable Permits or any Rules and such failure has resulted in a Material Breach of the Agreement;
- iv. The Concessionaire has failed to implement the Project in accordance with the provisions of the Agreement and such failure, in the reasonable estimation of Concessioneing Authority, is likely to delay achieving Project Construction Completion Date.
- v. The Concessionaire's failure to perform or discharge any of its obligations under this Agreement, which has or is likely to have a Material Adverse Effect;
- vi. The Concessionaire has failed to make any payments due to Concessioneing Authority and more than four weeks have elapsed since such payment became due;
- vii. The Concessionaire is in Material Breach of any of its obligations under the Agreement and the same has not been remedied for more than 120 days;
- viii. Any representation made or warranty as given by the Concessionaire under the Agreement is found to be false or misleading;
- ix. A resolution has been passed by the shareholders of the Concessionaire for voluntary winding up of the Concessionaire;
- x. Any petition for winding up of the Concessionaire has been admitted and liquidator or provisional liquidator has been appointed or the Concessionaire has been ordered to be wound up by court of competent jurisdiction, except for the purpose of amalgamation or reconstruction with the prior consent of Concessioneing Authority, provided that, as part of such amalgamation or reconstruction and the amalgamated or reconstructed entity has unconditionally assumed all surviving obligations of the Concessionaire under this Agreement;
- xi. A default has occurred under any of the Financing Documents and any of the lenders to the Project has recalled its Financial Assistance and demanded payment of the amounts outstanding under the Financing Documents or any of them as applicable;
- xii. The Concessionaire has abandoned the Project for the consecutive period of 3 (three) months;
- xiii. The Concessionaire has unlawfully repudiated the Agreement or has otherwise expressed an intention not to be bound by this Agreement;
- xiv. The Concessionaire has suffered an attachment levied on any of its assets, which has caused or is likely to cause a Material Adverse Affect on the Project and such attachment has continued for a period exceeding 120 days.
- xv. The Concessionaire has created encumbrance(s) beyond the Concession Period / Term of this Concession Agreement and in violation of the provisions herein in this regard.

**b. Concessioneing Authority Event of Default**

Failure of Concessioneing Authority to provide Right of Way to the Project Site within 60 (Sixty)

days of execution of the Agreement for any reason other than Concessionaire Event of Default shall constitute an event of default by Concessioneing Authority ("**Concessioneing Authority Event of Default**").

## **6.2 Termination due to Event of Default**

### **a. Termination for Concessionaire Event of Default**

- i. Without prejudice to any other right or remedy which Concessioneing Authority may have in respect thereof under this Agreement, upon the occurrence of a Concessionaire Event of Default, Concessioneing Authority shall be entitled to terminate the Agreement in the manner as set out under Article 6.2(a)(ii) and Article 6.2(a)(iii).
- ii. If Concessioneing Authority decides to terminate the Agreement pursuant to preceding (i), it shall in the first instance issue "**Preliminary Notice to Remedy**" to the Concessionaire and within 30 (Thirty) days of receipt of the Preliminary Notica to Remedy, the Concessionaire shall submit to Concessioneing Authority in sufficient detail, the manner in which it proposes to cure the underlying Event of Default (the "**Concessionaire's Proposal to Rectify**"). In case of non-submission of the Concessionaire's Proposal to Rectify within the period of 30 (Thirty) days, the Concessioneing Authority shall be entitled to terminate the Agreement by issuing the Termination Notice.
- iii. If the Concessionaire's Proposal to Rectify is submitted within the period stipulated therefore, the Concessionaire shall have further period of 90 (Ninety) days ("**Cure Period**") to remedy / cure the underlying Event of Default. If, however the Concessionaire fails to remedy / cure the underlying Event of Default within such further period allowed, Concessioneing Authority shall be entitled to terminate the Agreement by issuing the Termination Notice.

### **b. Termination for Concessioneing Authority Event of Default**

- i. Without prejudice to any other right or remedy which the Concessionaire may have in respect thereof under this Agreement, upon the occurrence of Concessioneing Authority Event of Default, the Concessionaire shall be entitled to terminate the Agreement by issuing Termination Notice.
- ii. If the Concessionaire decides to terminate the Agreement pursuant to preceding the above Clause (i), it shall in the first instance issue Preliminary Notice to Remedy to the Concessioneing Authority. Within 30 (Thirty) days of receipt of Preliminary Notice to Remedy, to Concessioneing Authority shall forward to the Concessionaire its proposal to remedy / cure the underlying Event of Default (the "**Concessioneing Authority Proposal to Rectify**"). In case of non-submission of Concessioneing Authority Proposal to Rectify within the said period of 30 (Thirty) days, Concessionaire shall be entitled to terminate the Agreement by issuing Termination Notice.
- iii. If Concessioneing Authority Proposal to Rectify is forwarded to the Concessionaire within the period stipulated thereof, Concessioneing Authority shall have further period of 90 (Ninety) days to remedy / cure the underlying Event of Default. If, however Concessioneing Authority fails to remedy / cure the underlying Event of Default within such further period allowed, the Concessionaire shall be entitled to terminate the Agreement by issuing Termination Notice.

### **c. Termination Notice**

If a Party having become entitled to do so decides to terminate the Agreement pursuant to the preceding Sub article 6.2 (a) or 6.2(b), it shall issue Termination Notice setting out:

- i. in sufficient detail the underlying Event of Default;
- ii. the Termination Date which shall be a date occurring not earlier than 60 days from the date of Termination Notice;

- iii. the estimated Termination Payment including the details of computation thereof; and,
- iv. Any other relevant information.

**d. Obligation of Parties**

Following issue of Termination Notice by either Party, the Parties shall promptly take all such steps as may be necessary or required to ensure that:

- i. until Termination the Parties shall, to the fullest extent possible, discharge their respective obligations so as to maintain the continued operation of the Project Facility;
- ii. The Project Facility and Project Site shall be transferred to the Concessions Authority by the Concessionaire on the Termination Date, free from all Encumbrances, as per the provisions of Clause 6.6 (Handback of Transfer Assets) of this Agreement.
- iii. The Termination Payment, if any, payable by either Party in accordance with the following sub clause (f) is paid to the Other Party on the Termination Date.

**e. Withdrawal of Termination Notice**

Notwithstanding anything inconsistent contained in this Agreement, if the Party who has been served with the Termination Notice cures the underlying Event of Default to the satisfaction of the other Party at any time before the Termination occurs, the Termination Notice shall be withdrawn by the Party which had issued the same.

Provided that the Party in breach shall compensate the other Party for any direct costs / consequences occasioned by the Event of Default, which caused the issue of Termination Notice.

**f. Termination Payments**

- (I) Upon Termination of the Agreement on account of Concessionaire Event of Default, prior to the Project Construction Completion Date, Concessions Authority shall retain payments, if any, already received from the Concessionaire and forfeit the Performance Security.
- (II) Upon Termination of the Agreement on account of Concessionaire Event of Default, the Concessions Authority shall not make any payments to the Concessionaire. In addition, Concessions Authority shall also be entitled to forfeit and retain the Performance Security, if subsisting.
- (III) Upon Termination of the Agreement on account of Concessions Authority Event of Default, Concessions Authority shall be liable to pay compensation which shall be the lower of:
  - a) The aggregate of net value, as determined by Independent Consultant, of (i) tangible assets forming part of, fixed or attached to the ground created, installed or provided by the Concessionaire and comprised in the Project, which in the reasonable judgement of the said expert are capable of being put to use / utilised by the CHB and (ii) the moveable assets which the CHB agrees to take over LESS any amount due to CHB from Concessionaire under the Agreement and the insurance claims claimed or received.

OR

- b) Debt Dues

- (IV) All payments due to the Concessionaire as calculated under Article 6.2 (f) shall be made within 30 (thirty) days of receiving the Termination Notice.

**6.3 Rights of Concessions Authority on Termination**

Upon Termination of the Agreement for any reason whatsoever, Concessions Authority shall upon

making the Termination Payment, if any, to the Concessionaire have the power and authority to:

- a. Enter upon and take possession and control of the Project Facility and Project Site forthwith as per the provisions of Clause 6.6 (Handback of Transfer Assets) of this Agreement.
- b. prohibit the Concessionaire and any person claiming through or under the Concessionaire from entering upon / dealing with the Project Facility and Project Site;
- c. Notwithstanding anything contained in this Agreement, Concessions Authority shall not, as a consequence of Termination or otherwise, have any obligation whatsoever including but not limited to obligations as to compensation for loss of employment, continuance or regularisation of employment, absorption or re-employment on any ground, in relation to any person in the employment of or engaged by the Concessionaire in connection with the Project, and the transfer of the Project Site and Project Facility by the Concessionaire to Concessions Authority shall be free from any such obligation.

#### **6.4 Accrued Rights of Parties**

Notwithstanding anything to the contrary contained in this Agreement, Termination pursuant to any of the provisions of the Agreement shall be without prejudice to accrued rights of either Party including its right to claim and recover monetary damages and other rights and remedies which it may have under law or contract. The rights and obligations of either Party under this Agreement, including without limitation those relating to the Termination Payment, shall survive the Termination but only to the extent such survival is necessary for giving effect to such rights and obligations.

#### **6.5 Expiry of "Term" of Concession Agreement**

At the end of the Term of Concession Agreement as per Article 2.7, the Concessions Authority would either run the Project Facility itself or offer it for private sector participation.

#### **6.6 Handback of Transfer Assets**

Upon Termination of the Agreement for any reason whatsoever or the Expiry of Term of Concession Agreement as mentioned under Article 6.5 and consequent obligation of Concessionaire shall hand over "**Transfer Assets**" to the Concessions Authority, on expiry of the Term -

- (i) All Movable Assets, movable property, stocks, materials, vehicles and spares relating to Transfer Assets shall be transferred to Concessions Authority or its nominee, clear of any Encumbrances and with good title;
- (ii) All assets, duly certified by the concerned regulatory / licensing / accreditation / rating agency, as given below:
  - a. Structural Safety Certificate of the Project Facility from competent, reputed and recognized Structural Engineer  
  
Shall be transferred to Concessions Authority or its nominee, clear of Encumbrances and with good title;
- (iii) All immovable property, assets, structures, buildings, services, furnishings, edifices, court-areas, ways, walls, compounds relating to Transfer Assets shall be transferred to Concessions Authority or its nominee, clear of all Encumbrances and with good title;
- (iv) The rights and obligations under or pursuant to all contracts relating to Transfer Assets and other arrangements entered into in accordance with the provisions of the Agreement

between Concessionaire and any third party shall (in consideration of Concessioneing Authority's assumption of the obligations under or pursuant to the contracts and other arrangements) be vested in Concessioneing Authority or its nominee, clear of all Encumbrances and with good title; and

- (v) Notwithstanding anything contained in Article 6.6 (i),(ii), (iii) and (iv), prior to any transfer of the Transfer Assets, Concessioneing Authority, shall have the right to conduct a due diligence of the contracts and agreements, the rights and obligations of which it is assuming and shall not be bound to assume the rights and obligations of contracts that, in the sole opinion of Concessioneing Authority are unreasonably onerous, and would be considered onerous at the time that the contracts were entered into. In relation to all such contracts that are not transferred to Concessioneing Authority, no third Entity, including the counter-party of such contract shall have any right, license, title, interest, benefit, claim or demand against or over any Asset and such Transfer Asset shall be transferred to Concessioneing Authority or its nominee, free from all Encumbrances and with good title.
- (vi) Furthermore, notwithstanding anything contained in the Agreement no liability (accrued or contingent) of Concessionaire or relating to the Project Facility arising on account of actions or inactions prior to the Transfer Date shall be assumed or transferred to Concessioneing Authority or its nominees. The Concessioneing Authority or its nominees shall not be liable for liabilities in relation to the Project arising pursuant to the Transfer Date. In the event of any such liability being assumed or transferred to Concessioneing Authority or its nominee or any Encumbrance existing on any of the Transfer Assets, the quantum of such liability and / or amount corresponding to such Encumbrance, shall be compensated by Concessionaire to Concessioneing Authority.
- (vii) Without prejudice to the foregoing, Concessionaire agrees to indemnify and keep indemnified the Concessioneing Authority from and against all actions, proceedings, losses, damages, liabilities, claims, costs and expenses whatsoever which may be sustained or suffered by the Concessioneing Authority as a result of any actions or omissions of the Concessionaire prior to the transfer of the Transfer Assets. It is expressly understood by the Parties that this Article shall survive the termination or expiry of this Agreement.
- (viii) **Vesting Certificate:** Handback of Transfer Assets is deemed to be complete on the date when all the requirements under Article 6.6 have been fulfilled by the Concessionaire, and the Concessioneing Authority shall, without unreasonable delay, thereupon issue a certificate substantially in the form set forth in Schedule- 3 (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 Concessioneing Authority pursuant hereto. It is expressly agreed that the issue of Vesting Certificate shall not in any manner be construed or interpreted as restricting the exercise of any rights by the Concessioneing Authority or its nominee on, or in respect of, the Project on the footing that all requirements under **the** Agreement have been complied with by the Concessionaire.

**ARTICLE 7**  
**DISPUTE RESOLUTION**

**7.1 Amicable Resolution**

- a. Save where expressly stated to the contrary in this Agreement, any dispute, difference or controversy of whatever nature between the Parties, howsoever arising under, out of or in relation to the Agreement (the "**Dispute**") shall in the first instance be attempted to be resolved amicably in accordance with the procedure set forth in Sub-article 7.1 (b) below.
- b. Either Party may require such Dispute to be referred to the Commissioner of Chhattisgarh Housing Board for amicable settlement. Upon such reference, the two shall meet at the earliest mutual convenience and in any case within 30(Thirty) days of such reference to discuss and attempt to amicably resolve the Dispute, as evidenced by the signing of written terms of settlement within 30 (Thirty) days of such meeting or such longer period as may be mutually agreed by the Parties. If the Dispute is not amicably settled within 30 (Thirty) days (or such longer mutually agreed period) of such meeting between the two, either Party may refer the Dispute to arbitration in accordance with the provisions of Article 7.2 below.

**7.2 Arbitration**

**a. Procedure**

All disputes and differences and claims and questions whatsoever which shall arise either during The continuance of the agreement or afterwards either between the parties hereto or their respective representatives touching these present , or any account or liability between the parties hereto in any way relating to these presents , if the dispute is not settled amicably within 30( thirty) days from the date of the dispute, shall be referred to of two arbitrators' , one to appointed by each party and a third arbitrator/umpire to be appointed by the mutual consent of the two arbitrators so appointed by the parties. Such arbitration shall be in accordance with and subject to the provisions of the arbitration act.

**b. Place of Arbitration**

The place of arbitration shall be Raipur only and the jurisdiction of the Courts of Raipur shall prevail.

The request for arbitration, the answer to the request, the terms of reference, any written submissions, any orders and awards shall be in Hindi or English and, if oral hearings take place, Hindi or English shall be the language to be used in the hearings.

**d. Enforcement of Award**

The Parties agree that the decision or award resulting from arbitration shall be final and binding upon the Parties and shall be enforceable in accordance with the provisions of the Arbitration Act subject to the rights of the aggrieved parties to secure relief from any higher forum.

**e. Performance during Arbitration**

Pending the submission of and / or decision on a dispute and until the arbitral award is published; the Parties shall continue to perform their respective obligations under this Agreement, without prejudice to a final adjustment in accordance with such award.

**7.3 Adjudication by Regulatory Authority**

In the event of the constitution of a statutory Regulatory Authority with powers to adjudicate upon Disputes between the Concessionaire and the Concessions Authority, then instead of reference to Arbitration under Article 7.2, such Regulatory Authority shall adjudicate upon all Disputes arising out after its constitution, in accordance with the Applicable Laws.

**ARTICLE 8**  
**FINANCING AND LENDER'S RIGHTS**

- 8.1** The Concessioneing Authority hereby agrees that it shall enter into a Substitution Agreement, as given in Schedule 5, with the Senior Lender and the Concessionaire thereby shall grant the Senior Lender certain rights in the event of "Termination for Concessionaire Event of Default" as set out in Article 6.2 (a). The Concessioneing Authority further confirms to the Concessionaire that it can represent to the Senior Lenders that the Concessioneing Authority has agreed to be bound by the terms and conditions specified therein.
- 8.2** At any time after the Lenders' Representative (defined under Substitution Agreement) have issued a Notice of Financial Default of the Concessionaire, it may by notice require the Concessioneing Authority to suspend all the rights of the Concessionaire and undertake the operation and maintenance of the Project on its own or through a Third Party. Upon receipt of such notice, the Concessioneing Authority may, at its discretion, undertake the operation of the Project during such "Suspension" period. The aforesaid Suspension shall be revoked upon substitution of the Concessionaire by a Nominated Company (defined under Substitution Agreement), and in the event such substitution is not completed within 180 (one hundred and eighty) days from the date of such Suspension, the Concessioneing Authority may terminate the Concession Agreement forthwith by issuing a Termination Notice in accordance with the provisions of this Concession Agreement; provided that upon written request from the Lenders' Representative and the Concessionaire, the Concessioneing Authority may extend the aforesaid period of 180 (one hundred and eighty) days by a period not exceeding 90 (ninety) days.

**ARTICLE 9**  
**REPRESENTATIONS AND WARRANTIES**

**9.1 Representations and Warranties of the Concessionaire**

The Concessionaire represents and warrants to Concessioneing Authority that:

- a. it is duly organised, validly existing and in good standing under the laws of India;
- b. it has full power and authority to execute, deliver and perform its obligations under the Agreement 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 authorise the execution, delivery and performance of this Agreement;
- d. it has the financial standing and capacity to undertake the Project;
- e. the Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- f. the information furnished in the bid / proposal and as updated on or before the date of the Agreement is true and accurate in all respects as on the date of this Agreement;
- g. the execution, delivery and performance of the 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 are bound or affected;
- h. 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 constitute Concessionaire Event of Default or which individually or in the aggregate may result in Material Adverse Effect;
- i. it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree



of any court or any legally binding order of any Government Agency which may result in Material Adverse Effect;

- j. it 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;
- k. subject to receipt by the Concessionaire from Concessioneing Authority of any amount due under any of the provisions of this Agreement, in the manner and to the extent provided for under the applicable provisions of the Agreement all rights and interests of the Concessionaire in and to the Project Site and Project Facility shall pass to and vest in Concessioneing Authority on the Transfer Date free and clear of all Encumbrances without any further act or deed on the part of the Concessionaire or Concessioneing Authority;
- l. no representation or warranty by the Concessionaire contained herein or in any other document furnished by it to Concessioneing Authority or to any Government Agency in relation to Applicable Permits 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
- m. Without prejudice to any express provision contained in this Agreement, 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 Project Site, and the information provided by Concessioneing Authority, and has determined to its satisfaction the nature and extent of risks and hazards as are likely to arise or may be faced by the Concessionaire in the course of performance of its obligations hereunder. The Concessionaire also acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth above and hereby confirms that Concessioneing Authority shall not be liable for the same in any manner whatsoever to the Concessionaire

## **9.2 Representations and Warranties of Concessioneing Authority**

Concessioneing Authority represents and warrants to the Concessionaire that:

- a. Concessioneing Authority has full power and authority to enter into the Agreement and has taken all necessary action to authorise the execution, delivery and performance of this Agreement;
- b. The Agreement constitutes Concessioneing Authority's legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- c. It has a good and valid right over the Project Site and has power and authority to grant Concession in respect thereto to the Concessionaire; and
- d. Upon the Concessionaire paying the Annual Concession Fee and performing the covenants herein, it shall not at any time during the Term hereof, interfere with peaceful exercise of the rights and discharge of its obligations by the Concessionaire, in accordance with this Agreement.

## **9.3 Obligation to Notify Change**

In the event that any of the representations or warranties made / given by a Party ceases to be true or stands changed, the Party who had made such representation or given such warranty shall promptly notify the other of the same.

**RTICLE 10**  
**MISCELLANEOUS**

**10.1 Assignment and Charges**

- a. The Concessionaire shall not assign in favour of any person the Agreement or the rights, benefits and obligations hereunder, save and except with prior consent of Concessioning Authority.
- b. The Concessionaire shall not create nor permit to subsist any Encumbrance over the Project Site, except as envisaged under this Agreement.
- c. Restraint set forth in Sub-articles 11.1(a) and 11.1(b) above, shall not apply to:
  - i. Assignment of Concessionaire's rights and benefits under the Agreement and other Project related Financial Documents to or in favour of the Senior Lenders as security for Financial Assistance provided by them.

Notwithstanding anything contained in Article 11.1 (c) the rights of the Concessionaire shall not be contrary or in derogation to the provisions relating to Transfer of Assets contained under Article 6.6.

**10.2 Interest and Right of Set Off**

Any sum which becomes payable under any of the provisions of the Agreement by one Party to the other Party shall, if the same be not paid within the time allowed for payment thereof, shall be deemed to be a debt owed by the Party responsible for payment thereof to the Party entitled to receive the same. Such sum shall until payment thereof carry interest@ SBI PLR as on 31<sup>st</sup> March 2012 + 4% per annum, from the due date for payment thereof until the same is paid to or otherwise realised by the Party entitled to the same. Without prejudice to any other right or remedy that may be available under the Agreement or otherwise under law, the Party entitled to receive such amount shall also have the right of set off. Provided the stipulation regarding interest for delayed payments contained in this Article 11.2 shall neither be deemed nor construed to authorise any delay in payment of any amount due by a Party nor be deemed or construed to be a waiver of the underlying breach of payment obligations.

**10.3 Governing Law and Jurisdiction**

This Agreement shall be governed by and interpreted in accordance with the laws of India. The Courts of Raipur only shall have jurisdiction over all matters arising out of or relating to this Agreement.

**10.4 Waiver**

- a. 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:
  - i. shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions or obligations under this Agreement;
  - ii. shall not be effective unless it is in writing and executed by a duly authorised representative of such Party; and
  - iii. Shall not affect the validity or enforceability of the Agreement 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 the Agreement or any obligation hereunder nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver / breach of any terms, conditions or provisions of this Agreement.

**10.5 Survival**

Termination of this Agreement:

- a. shall not relieve the Concessionaire or Concessions Authority of any obligations already incurred hereunder which expressly or by implication survives Termination hereof; and
- b. except as otherwise provided in any provision of the 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.

**10.6 Amendments**

The Agreement and the Schedules together constitute a complete and exclusive understanding 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 agreed to by both the Parties hereto and evidenced in writing.

**10.7 Notices**

Unless otherwise stated, notices to be given under the Agreement including but not limited to a notice of waiver of any term, breach of any term of the Agreement and termination of this Agreement, shall be in writing and shall be given by hand delivery, recognised international courier, mail, telex or facsimile transmission and delivered or transmitted to the Parties at their respective addresses set forth below:

If to Concessions Authority:

Commissioner,  
 Chhattisgarh Housing Board,  
 Shankar Nagar  
 Raipur – 492 001

If to the CONCESSIONAIRE:  
 “ \_\_\_\_\_ ”  
 \_\_\_\_\_  
 \_\_\_\_\_

Fax No. \_\_\_\_\_

Or such address, telex number, or facsimile number as may be duly notified by the respective Parties from time to time, and shall be deemed to have been made or delivered.

- a. in the case of any communication made by letter, when delivered by hand, by recognised international courier or by mail (registered, return receipt requested) at that address; and
- b. In the case of any communication made by telex or facsimile, when transmitted properly addressed to such telex number or facsimile number.

**10.8 Severability**

If for any reason whatsoever any provision of the 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 shall negotiate in good faith with a view to agreeing upon one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable. Provided failure to agree upon any such provisions shall not be subject to dispute resolution under the Agreement or otherwise.

**10.9 No Partnership**

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

whatsoever.

**10.10 Language**

All notices required to be given under the Agreement and all communications, documentation and proceedings which are in any way relevant to the Agreement shall be in writing and in Hindi or English language.

**10.11 Exclusion of Implied Warranties etc.**

The 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 and any representation by any Party not contained in a binding legal agreement executed by the Parties.

**10.12 Counterparts**

The Agreement may be executed in 2 counterparts, each of which when executed and delivered shall constitute an original of the Agreement but shall together constitute one and only the Agreement.

**10.13 General Liability and Indemnity**

- a. The Concessionaire shall indemnify, defend and hold Concessioneing Authority harmless against any and all proceedings, actions and Third Party claims arising out of a breach by Concessionaire and its contractors, sub-contractors, agents, employees, etc. of any of its obligations under the Agreement except to the extent that any such claim has arisen due to breach by Concessioneing Authority of any of its obligations under this Agreement.
- b. The Concessioneing Authority shall, indemnify, defend and hold harmless the Concessionaire against any and all proceedings, actions, Third Party claims for loss, damage and expense of whatever kind and nature arising out of breach by Concessioneing Authority, its officers, servants and agents of any obligations of Concessioneing Authority under the Agreement except to the extent that any such claim has arisen due to breach by the Concessionaire of any of its obligations under this Agreement.

IN WITNESS WHEREOF this agreement for development of Club & Community Centre at Sector – 1, Boria Kala through public private partnership is made and executed on the date mentioned above by the parties hereto in presence of the witnesses mentioned below.

For and on behalf of Concessioneing Authority

Signed by \_\_\_\_\_

For and on behalf of Concessioneaire

\_\_\_\_\_ Signed by \_\_\_\_\_

In the presence of Witnesses:

- 1)
- 2)

**SCHEDULE 1**  
*(See Article 3.2)*  
**FORMAT OF PERFORMANCE SECURITY**  
**(BANK GUARANTEE)<sup>1</sup>**

**PERFORMANCE BANK GUARANTEE OF CONCESSIONAIRE**

Bank Guarantee No.: \_\_\_\_\_

Dated: \_\_\_\_\_

**Issuer of Bank Guarantee:**

\_\_\_\_\_ (Name of the Bank)

\_\_\_\_\_

(Hereinafter referred to as the “Bank”)

**Beneficiary of Bank Guarantee:**

Commissioner, Chhattisgarh Housing Board

**Nature of Bank Guarantee:**

Unconditional and irrevocable Bank Guarantee.

**Context of Bank Guarantee**

Performance in respect of Concession Agreement (hereinafter referred to as the “Agreement”) to be entered between the Chhattisgarh Housing Board (hereinafter referred to as the “CHB” or “Concessions Authority”) and \_\_\_\_\_ (hereinafter referred to as the “Concessionaire”) for the Development of Club & Community Centre on Public Private Partnership (PPP) at Raipur, Chhattisgarh (hereinafter referred to as the “Project”), provided however, such context of the Bank Guarantee or reference to the Agreement 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 Bank Guarantee” 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.

**Operative part of the Bank Guarantee:**

1. At the request of the Concessionaire, we \_\_\_\_\_, \_\_\_\_\_ (name and address of the bank), having its branch at Raipur, hereinafter referred to as the (“Bank”), do hereby unconditionally and irrevocably affirm and undertake that we are the Guarantor and are responsible to the CHB i.e. the beneficiary on behalf of the Concessionaire, up to a total sum of Rs. 5 Laks (Rupees Five Laks Only), such sum being payable by us to CHB in a bank branch at Raipur immediately upon receipt of first written demand from the CHB.
2. We unconditionally and irrevocably undertake to pay to the CHB on an immediate basis, upon receipt of first written demand from the CHB and without any cavil or argument or delaying tactics or reference by us to Concessionaire and without any need for the CHB to

<sup>1</sup> To be issued by a Scheduled Nationalised Bank in India

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 Rs. 5 Laks (Rupees five laks only).

3. We hereby waive the necessity of the CHB demanding the said amount from Concessionaire prior to serving the Demand Notice upon us.
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 CHB that the CHB shall be the sole and the exclusive judge to determine that whether or not any sum or sums are due and payable to him by Concessionaire, which are recoverable by the CHB by invocation of this Guarantee.
5. This Guarantee will not be discharged due to the change in constitution of the Bank or the Concessionaire. We undertake not to withdraw or revoke this Guarantee during its currency / validity period, except with the previous written consent of the CHB.
6. We unconditionally and irrevocably undertake to pay to the CHB, any amount so demanded not exceeding Rs. 5 Laks (Rupees five laks only) notwithstanding any dispute or disputes raised by Concessionaire or anyone else in any suit or proceedings before any dispute review expert, 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 CHB, 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 \_\_\_\_\_

Notwithstanding anything contained herein:

1. Our liability under this Bank Guarantee shall not exceed Indian Rs. 5 Lakss (Rupees five Laks only).
2. This unconditional and irrevocable Bank Guarantee shall be valid w.e.f. \_\_\_\_\_to \_\_\_\_\_.
5. We are liable to pay the guaranteed amount or any part thereof under this unconditional and irrevocable Bank Guarantee only and only if the CHB serves upon us a written claim or demand on or before \_\_\_\_\_.

Authorized Signatory \_\_\_\_\_  
For Bank

**SCHEDULE 2**

**VESTING CERTIFICATE**

*(See Article 6.6 (viii))*

1. The Chhattisgarh Housing Board (the "**Concessing Authority**") refers to the Concession Agreement dated \*\*\* (the "**Agreement**") entered into between the Concessing Authority and \*\*\*\* (the "**Concessionaire**") for development of the Project under ("**DFBOT**") basis.
  
2. The Concessing Authority hereby acknowledges compliance and fulfilment by the Concessionaire of the requirements set forth in Article 6.6 of the Agreement on the basis that upon issue of this Vesting Certificate, the Concessing 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 Government, free from any encumbrances, charges and liens whatsoever.
  
5. 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 requirements under the Agreement and/or relieving the Concessionaire in any manner of the same

Signed this \*\*\* day of \*\*\*, 20\*\* at [\*\*\*].

AGREED, ACCEPTED AND SIGNED      SIGNED, SEALED AND DELIVERED For and on behalf

of                                      For and on behalf of

CONCESSIONAIRE by:  Name) (Designation) (Address)	CONCESSIONING AUTHORITY by (Signature) (Signature) (Name)                                      (  (Designation) (Address)
---	---

In the presence of the witness :

1.

2.

## SCHEDULE 3

### STANDARDS & SPECIFICATIONS

(See Articles 1.1, 5.4)

The Concessionaire shall design, finance, built, operate and transfer the Project Facility in accordance with the conditions as specified herein.

The Concessionaire shall be required to construct, on the Project Site, the following:

The Concessionaire shall be required to construct the Club Recreation and Convention Facility in an total land area of 75450 Sq. Ft. & Community Centre in the area of 20000 Sq. Ft. and consist of the following mandatory components:

#### Compulsory Amenities/Utilities (Provisioning as per standard industry practices)

- i. Reception/ Lobby
- ii. Party Lawn Area
- iii. Banquet Hall
- iv. Restaurant
- v. Kitchen
- vi. Swimming Pool
- vii. Party lawn along pool
- viii. Lawn Tennis
- ix. Commercial Place
- x. Conference Hall
- xi. Executive Room
- xii. Deluxe Room
- xiii. Billiards
- xiv. Gym, Spa
- xx. Table Tennis
- xxi. Squash
- xxii. Card Room
- xxiii. Badminton
- xxiv. Bar
- xxv. Party Hall

#### **For Community Bhawan**

- Hall – 2500 Sq. Ft.
- Rooms – 6 Nos.
- Open Space – 15000 Sq, Ft.
- Boundary Wall

#### **Proposed Project Components (Optional as part of PPP projects) with Club Building**

- Art / Antique / Buster Art Boutique / Commercial Space (2 nos)
- Cafeteria

Note: 1. Construction of resident's office cum library for the resident of Boria Kala Housing Board Colony in 400 Sq. Ft. area will not be commercial. Concessioner will have to construct it and provide basis facility for the library such as table, chair and rakes, further expenses for running of library will be beard by Chhattisgarh Housing Board.

2. Concessioner has to grant first preference to the resident of Boria Kala Housing Board for becoming member of the Club at discounted rate.

3. Concessioner has to give Bequest Hall and Party Lawn to the Resident of Boria Kala Housing Board Colony at concessional rate irrespective they are member of Club or not.



**SCHEDULE 4**  
**PROJECT COMPLETION SCHEDULE**

**1 Project Completion Schedule**

During Construction Period, the Concessionaire shall comply with the requirements set forth in this Schedule-5 for each of the Project Milestones (the "**Project Completion Schedule**"). Within 15 (fifteen) days of the date of each Project Milestone, the Concessionaire shall notify the Concessioneing Authority of such compliance along with necessary particulars thereof.

**2 Project Milestone-I**

2.1 Project Milestone-I shall occur on the date falling within the [120<sup>th</sup> (one hundred and twentieth)] day from the Appointed Date (the "**Project Milestone-I**").

2.2 Prior to the occurrence of Project Milestone-I, the Concessionaire shall have commenced construction of the Project and expended not less than 10% (ten per cent) of the total capital cost set forth in the Financing Documents.

**5 Project Milestone-II**

5.1 Project Milestone-II shall occur on the date falling within the [365<sup>th</sup> (three hundred and sixty fifth)] day from the Appointed Date (the "**Project Milestone-II**").

5.2 Prior to the occurrence of Project Milestone-II, the Concessionaire shall have commenced construction of permanent structures like buildings and expended not less than 50% (Fifty per cent)] of the total capital cost set forth in the Financing Documents.

**4 Project Milestone-III**

4.1 Project Milestone-III shall occur on the date falling within the [550<sup>th</sup> (seven hundred and thirtieth)] day from the Appointed Date (the "**Project Milestone-III**").

4.2 Prior to the occurrence of Project Milestone-III, the Concessionaire shall have commenced installation of machinery and equipments of rides in the Project and expended not less than 75% (Seventy five per cent)] of the total capital cost set forth in the Financing Documents.

**5 Project Construction Completion Date**

5.1 The Project Construction Completion Date shall occur within the [750<sup>th</sup> (Seven hundred and thirty)] day from the Appointed Date.

5.2 On or before the Project Construction Completion Date, the Concessionaire shall have completed full and final construction and development of the Project/Project Facility in all respect, as defined in this Agreement.

6. It is mutually agreed upon by the parties hereto that all the terms & conditions contained of this agreement will be amended time to time shall be deemed to be the part of this agreement unless otherwise specifically waived and/ or differently agreed upon in writing.

7. In the event of any changes in the terms & condition contained herein, the same shall be reduced to writing and shall be signed by all the parties.

8. The concessionaire shall strictly comply with the provision of labour laws with regards to its worker for construction the building and shall not work any person below age 18 years for construction work.

**9 Extension of period**

Upon extension of any or all of the aforesaid Project Milestones or the Project Construction Completion Date, as the case may be, under and in accordance with the provisions of this Agreement, the Project Completion Schedule shall be deemed to have been amended accordingly.

## SCHEDULE 5

### INDICATIVE LIST OF CLEARANCES

CHB would provide all the necessary support to the Concessionaire to obtain clearances required for the implementation of the project. An indicative list of minimum clearances required for the project is given in the table below:

<b>Sl.</b>	<b>Item</b>	<b>Agency</b>
1	Water connection	Municipal Corporation
2	Pricing of Services and utilities	CHB
5	Traffic Management during operation	Traffic Police
4	Application for Commercial Tax, Service Tax and other tax registrations etc.	Concerned departments of GoCG and GoI
5	Electricity connection	Chhattisgarh State Power Distribution Company Limited
6	Clearance for employing labour- Primary employer	Labour Commissioner
7	Employment of migrant labour	Labour Commissioner
8	Tab connection	Municipal Corporation, Raipur
9	Realignment and channelisation of Waste	Municipal Corporation, Raipur
10	Drains and sewers	Water & Sanitations Department
11	Boiler and Diesel Generator Set	Environment Dept.
12	License for restaurant and related activities	Commercial Tax Dept and Food Department
15	Working in Night Shifts	Police Department, Municipal Corporation
14	Re-routing of vehicles	Traffic Police
15	Storage of sludge/Silt	Concerning Dept.

Central Pollution Control Board  
Chhattisgarh Environment Conservation Board

**SCHEDULE 6**  
**TERMS OF REFERENCE FOR (TRANSACTION ADVISOR (TA) )/  
INDEPENDENT CONSULTANT**

**1 Scope**

- 1.1 These Terms of Reference for the Transaction Advisor (the "**TOR**") are being specified pursuant to the Concession Agreement dated \*\*\* (the "Agreement"), which has been entered into between the CHB and \*\*\*\* (the "Concessionaire") for development of Club & Community Centre at Raipur on PPP Basis on design, finance, build, operate and transfer (DBOT) basis, and a copy of which is annexed hereto and marked as Annex-A to form part of this TOR.
- 1.2 This TOR shall apply to construction and termination period of the Project AND as per clause 6.2(f iii) in which appointment of independent Consultant will be made by Commissioner, Housing Board.

**2 Definitions and interpretation**

- 2.1 The words and expressions beginning with or in capital letters used in this TOR and not defined herein but defined in the Agreement shall have, unless repugnant to the context, the meaning respectively assigned to them in the Agreement.
- 2.2 References to Articles, Clauses and Schedules in this TOR shall, except where the context otherwise requires, be deemed to be references to the Articles, Clauses and Schedules of the Agreement, and references to Paragraphs shall be deemed to be references to Paragraphs of this TOR.
- 2.5 The rules of interpretation stated in Clauses 1.2, 1.5 and 1.4 of the Agreement shall apply, *mutatis mutandis*, to this TOR.

**3 Role and functions of the Independent Consultant**

- 3.1 The role and functions of the Independent Consultant shall include the following:
- (i) review of the Drawings and Documents as set forth in Paragraph 4;
  - (ii) review, inspection and monitoring of physical progress as set forth in Paragraph 5;
  - (iii) conducting Tests on completion of construction and issuing Specification Compliance Certificate as set forth in Paragraph 5;
  - (iv) determining, as required under the Agreement, the costs of any works or services and/or their reasonableness;
  - (v) determining, as required under the Agreement, the period or any extension thereof, for performing any duty or obligation; and
  - (vi) undertaking all other duties and functions in accordance with the Agreement.
- 3.2 The Independent Consultant shall discharge its duties in a fair, impartial and efficient manner, consistent with the highest standards of professional integrity and Good Industry Practice.

**4 Development Period**

- 4.1 During the Development Period, the Independent Consultant shall undertake a detailed review of the Drawings to be furnished by the Concessionaire along with supporting data, including the investigations, characteristics of materials from borrow areas and sites and topographical surveys. The Independent Consultant shall complete such review and send its comments/observations to the CHB and the Concessionaire within 15 (fifteen) days of receipt of such Drawings. In particular, such

comments shall specify the conformity or otherwise of such Drawings with the Scope of the Project and Specifications and Standards.

- 4.2 The Independent Consultant shall review any modified Drawings or supporting Documents sent to it by the Concessionaire and furnish its comments within 7 (seven) days of receiving such Drawings or Documents.
- 4.5 The Independent Consultant shall review the detailed design, construction methodology, quality assurance procedures and the procurement, engineering and construction time schedule sent to it by the Concessionaire and furnish it: comments within 15 (fifteen) days of receipt thereof.
- 4.4 Upon reference by the CHB, the Independent Consultant shall review and comment on the EPC Contract or any other contract for construction, operation and maintenance of the Project, and furnish its comments within 7 (seven) days from receipt of such reference from the CHB.

## **5 Construction Period**

- 5.1 In respect of the Structural Safety Certificate received by the TA from the concessioner for its review and comments during the Construction Period the provisions of Paragraph 4 shall apply, *mutatis mutandis*.
- 5.2 The TA shall review the quarterly progress report furnished by the Concessionaire and send its comments thereon to the CHB and the Concessionaire within 7 (seven) days of receipt of such report.
- 5.5 The TA shall inspect the Construction Works and the Project once every quarter, preferably after receipt of the quarterly progress report from the Concessionaire, but before the 20th (twentieth) day of each month in an] case, 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 Scope of the Project and the Standards and Specifications. In a separate section of the Inspection Report, the Independent Consultant shall describe in reasonable detail the lapses, defects or deficiencies observed by it in the construction of the Project Facilities. The Independent Consultant shall send a copy of its Inspection Report to the CHB and the Concessionaire within 7 (seven) days of the inspection.
- 5.4 The TA may inspect the Project more than once in a quarter if any lapses, defects or deficiencies require such inspections.
- 5.5 For determining that the Construction Works conform to Standards and Specifications, the TA carry out, or cause to be carried out, tests on a sample basis in accordance with Good Industry Practice for quality assurance.
- 5.6 In the event that the Concessionaire carries out any remedial works for removal or rectification of any defects or deficiencies, the TA shall carry out, or cause to be carried out, tests to determine that such remedial works have brought the Construction Works into conformity with the Standards and Specifications, and the provisions of this Paragraph 5 shall apply to such tests.
- 5.10 If at any time during the Construction Period, the TA determines that the Concessionaire has not made adequate arrangements for the safety of workers in the zone of construction or that any work is being carried out in a manner that threatens the safety of the workers, it shall make a recommendation to the CHB forthwith, identifying the whole or part of the Construction Works that should be suspended for ensuring safety in respect thereof.

- 5.11 In the event that the Concessionaire carries out any remedial measures to secure the safety of suspended works for workers and Users, it may, by notice in writing, require the TA to inspect such works, and within 5 (three) days of receiving such notice, the TA shall inspect the suspended works and make a report to the CHB forthwith, recommending whether or not such suspension may be revoked by the CHB.
- 5.12 If suspension of Construction Works is for reasons not attributable to the Concessionaire, the TA shall determine the extension of dates set forth in the Project Completion Schedule, to which the Concessionaire is reasonably entitled, and shall notify the CHB and the Concessionaire of the same.
- 5.15 The TA shall carry out, or cause to be carried out, necessary tests to determine that the Construction Works conform to Standards and Specifications and issue a Specification Compliance Certificate ("**Specification Compliance Certificate**").
- 5.14 The TA shall aid and advise the Concessionaire in preparing the Maintenance Manual.
- 5.15 The Independent Consultant shall inspect the Project Facility once in every 15(fifteen) days during a period of 90 (ninety) days after Termination for determining the liability of CHB under Article 6.2. The Independent Consultant shall make a report in reasonable detail and send it forthwith to CHB and the Concessionaire.

## **6 Determination of costs and time**

- 6.1 The TA shall determine the costs, and/or their reasonableness, that are required to be determined by it under the Agreement.
- 6.2 The TA shall determine the period, or any extension thereof, that is required to be determined by it under the Agreement.

## **7 Other duties and functions**

The TA shall perform all other duties and functions specified in the Agreement.

## **8 Miscellaneous**

- 8.1 The TA shall notify its programme of inspection to the CHB and to the Concessionaire, who may, in their discretion, depute their respective representatives to be present during the inspection.
- 8.2 A copy of all communications, comments, instructions, Drawings or Documents sent by the TA to the Concessionaire pursuant to this TOR, and a copy of all the test results with comments of the TA thereon shall be furnished by the TA to the CHB forthwith.
- 8.3 The TA 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 TA, whereupon the TA shall send one of the copies to the CHB along with its comments thereon.
- 9.4 The TA shall retain at least one copy each of all Drawings and Documents received by it, including 'as-built' Drawings, and keep them in its safe custody.
- 9.5 Upon completion of its assignment hereunder, the TA shall duly classify and list all Drawings, Documents, results of tests and other relevant records, and hand them over to the CHB or such other person as the CHB 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 CHB.

## **SCHEDULE 7**

### **LIST OF PROHIBITED ACTIVITIES**

**The Concessionaire shall not undertake following activities on the Project Site:**

- Any activities resulting into pollution to Lake and ground water.
- Any activities creating breach of urban design guidelines of Raipur
- Any Activities of hazardous nature
- Activities resulting air and noise pollution
- Any other Unlawful activities
- Activities involving pets and animals
- Any other Unlawful activities