



**Directorate of Medical Education and  
Training for Government of Uttar Pradesh**

**CONCESSION AGREEMENT**

**FOR DEVELOPMENT OF MEDICAL COLLEGE AND  
HOSPITAL IN CHITRAKOOT, UTTAR PRADESH  
THROUGH PPP MODE**

**Directorate General of Medical Education and Training, Government of Uttar  
Pradesh**

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**Part I**  
**PRELIMINARY**

## CONCESSION AGREEMENT

This **CONCESSION AGREEMENT** (“**Agreement**”) is entered into on this \_\_\_\_\_20\_\_\_\_ at \_\_\_\_\_.

### **BETWEEN**

1. The Governor of Uttar Pradesh, represented through Director General Medical Education with its principal office at \_\_\_\_\_] (hereinafter referred to as the “**Authority**” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and permitted assigns) of One Part;

### **AND**

2. [\_\_\_\_\_] , a company incorporated under the provisions of the Companies Act, 2013 with its registered office at \_\_\_\_\_, India (hereinafter referred to as the “**Concessionaire**” which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns and substitutes) of the Other Part.

The Authority and the Concessionaire shall collectively be referred to as “**Parties**” and individually as “**Party**”.

### **WHEREAS:**

- (A) The Government of Uttar Pradesh is considering private sector participation to augment the associated district hospital (“**District Hospital**”) having at least 100 Beds (*as defined hereinafter*) capacity into a teaching hospital, and to construct, operate, maintain and transfer the medical college with a minimum annual intake capacity of [100 (hundred)] students (“**Medical College**”) for providing access to high quality Healthcare Services (*as defined hereinafter*), in Chitrakoot, Uttar Pradesh For this purpose, it has empowered the Authority to develop, operate and maintain the Project (*as defined hereinafter*) on a public private partnership mode.
- (B) The Authority had accordingly invited proposals under its [Request for Proposal No. \_\_\_\_\_ dated [●] (the “**Request for Proposal**” or “**RFP**”) for selection of bidders for undertaking the Project. Pursuant to the terms of the RFP, bids were received by the Authority on or before [\*\*\*]. The {Selected Bidder/consortium comprising ..... and ..... (collectively the “**Consortium**”.....) with ... ..... as its lead member (the “**Lead Member**”)7} was one of the bidders who had submitted its bid for the Project (the “**Bid**”).
- (C) Following the evaluation of the bids submitted by the bidders, including that of the Selected Bidder, the Authority had accepted the Bid. Subsequently, the Authority had issued the letter of award no. [●] dated [●] (the “**Letter of Award**” or “**LOA**”) to the

Selected Bidder, *inter alia*, requiring it to incorporate a private limited company under the Companies Act (*as defined hereinafter*) and execution of this Agreement within [30 (thirty)] days of the date of issue thereof.

- (D) The {Selected Bidder/Consortium} has since incorporated the Concessionaire and has requested the Authority, by its [letter dated \_\_\_\_\_], to accept the Concessionaire as the entity which shall undertake and perform the obligations and exercise the rights of the {Selected Bidder/Consortium} including the obligation to enter into this Agreement pursuant to the LOA. {The Concessionaire has further represented to the effect that the ownership and control of the Concessionaire it has been structured by the Selected Bidder/Consortium for the purposes hereof. }
- (E) The Authority, through its [letter dated \_\_\_\_\_], had agreed to the request of the Selected Bidder, and accordingly intends to enter into this Agreement with the Concessionaire for execution of the Project, subject to and on the terms and conditions set forth hereinafter.

**NOW, THEREFORE**, in consideration of the promises and mutual covenants herein contained, the adequacy of which is hereby acknowledged and confirmed, the terms and conditions of this Agreement are set out below.

**Article 1**  
**DEFINITIONS AND INTERPRETATION**

**1.1. Definitions**

The words and expressions beginning with capital letters and defined in this Agreement (including those in Article 49) shall, unless the context otherwise requires, have the meaning ascribed thereto herein, and the words and expressions defined in the Schedules and used therein shall have the meaning ascribed thereto in the Schedules.

**1.2. Interpretation**

1.2.1 In this Agreement, except where the context otherwise requires:

- (a) references to any legislation or any provision thereof shall include amendment or re-enactment or consolidation of such legislation or any provision thereof so far as such amendment or re-enactment or consolidation applies or is capable of applying to any transaction entered into hereunder;
- (b) references to laws of India or Indian law or regulation having the force of law shall include the laws, acts, ordinances, rules, regulations, bye-laws or notifications which have the force of law in the territory of India and as from time to time may be amended, modified, supplemented, extended or re-enacted;
- (c) references to a “**person**” and words denoting a natural person shall be construed as a reference to any individual, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and shall include successors and assigns;
- (d) the table of contents, headings or sub-headings in this Agreement are only for convenience of reference and shall not be used in, and shall not affect, the construction or interpretation of this Agreement;
- (e) the words “**include**” and “**including**” are to be construed without limitation and shall be deemed to be followed by “**without limitation**” or “**but not limited to**” whether or not they are followed by such phrases;
- (f) references to “**construction**” or “**building**” include, unless the context otherwise requires, investigation, design, developing, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction, and “**construct**” or “**build**” shall be construed accordingly;
- (g) references to “**development**” include, unless the context otherwise requires, construction, renovation, refurbishing, augmentation, up-gradation and other

activities incidental thereto, and “**develop**” shall be construed accordingly;

- (h) any reference to any period of time shall mean a reference to such time according to Indian Standard Time;
- (i) any reference to “**hour**” shall mean a period of 60 (sixty) minutes commencing either on the hour or on the half hour of the clock, which by way of illustration means 5.00 (five), 6.00 (six), 7.00 (seven) and so on being hours on the hour of the clock and 5.30 (five thirty), 6.30 (six thirty), 7.30 (seven thirty) and so on being hours on the half hour of the clock;
- (j) any reference to a day shall mean a reference to a calendar day;
- (k) reference to a “business day” shall be construed as reference to a day (other than a Sunday) on which banks in the State are generally open for business;
- (l) any reference to month shall mean a reference to a calendar month as per the Gregorian calendar;
- (m) references to any date, period or project milestone shall mean and include such date, period or project milestone as may be extended pursuant to this Agreement;
- (n) any reference to any period commencing '**from**' a specific date or date and '**till**' or '**until**' a specific day or date shall include both such days or dates; provided that if the last day of any period computed under this Agreement is not a business day, then the period shall run until the end of the next business day;
- (o) the words importing singular shall include plural and vice versa;
- (p) references to any gender shall include the other and the neutral gender;
- (q) “**lakh**” means a hundred thousand (100,000) and “**crore**” means ten million (10,000,000);
- (r) “**indebtedness**” shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (s) save and except as otherwise provided in this Agreement, any reference, at any time, to any agreement, deed, instrument, licence or document of any description shall be construed as reference to that agreement, deed, instrument, licence or other document as amended, varied, supplemented, modified or suspended at the time of such reference; provided that this sub -clause (s) shall not operate so as to increase liabilities or obligations of the Authority hereunder

or pursuant hereto in any manner whatsoever;

- (t) any agreement, consent, approval, authorisation, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effective only if it is in writing under the hand of a duly authorised representative of such Party in this behalf and not otherwise;
- (u) the Schedules and Recitals to this Agreement form an integral part of this Agreement and shall be in full force and effect as though they were expressly set out in the body of this Agreement;
- (v) references to Recitals, Articles, Clauses, provisos or Schedules in this Agreement shall, except where the context otherwise requires, mean references to Recitals, Articles, Clauses, provisos and Schedules of or to this Agreement; reference to an Annexure shall, subject to anything to the contrary specified therein, be construed as a reference to an Annexure to the Schedule in which such reference occurs; and reference to a paragraph shall, subject to anything to the contrary specified therein, be construed as a reference to a paragraph of the Schedule or Annexure, as the case may be, in which such reference appears;
- (w) the damages payable by either Party to the other of them, as set forth in this Agreement, whether on *per-diem* basis or otherwise, are mutually agreed genuine pre-estimate of loss and damages likely to be suffered and incurred by the Party entitled to receive the same and are not by way of penalty (the “**Damages**”); and
- (x) time shall be of the essence in the performance of the Parties’ respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence.

1.2.2 Unless expressly provided otherwise in this Agreement, any documentation required to be provided or furnished by the Concessionaire to the Authority shall be provided free of cost and in 3 (three) copies, and if the Authority is required to return any such documentation with their comments and/or approval, they shall be entitled to retain 2 (two) copies thereof.

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

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

### **1.3. Measurements and arithmetic conventions**

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

### **1.4. Priority of agreements, clauses and schedules:**

1.4.1. This Agreement, and all other agreements and documents forming part of or referred to in this Agreement are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this Agreement, the priority of this Agreement and other documents and agreements forming part hereof or referred to herein shall, in the event of any conflict between them, be in the following order:

- (a) the Agreement;
- (b) all other agreements and documents forming part hereof or referred to herein;

i.e. the Agreement at (a) above shall prevail over the agreements and documents at (b) above.

1.4.2. Subject to the provisions of Clause 1.4.1, in case of ambiguities or discrepancies within this Agreement, the following shall apply:

- (a) between two or more Articles or Clauses of this Agreement, the provisions of a specific Article or Clause relevant to the issue under consideration shall prevail over those in other Articles or Clauses;
- (b) between the Articles of this Agreement and the Schedules, the Articles shall prevail;
- (c) between any two Schedules, the Schedule more relevant to the issue under consideration shall prevail;
- (d) between the written description on the Drawings and the Specifications and Standards, the latter shall prevail;
- (e) between the dimension scaled from the Drawing and its specific written dimension, the latter shall prevail; and
- (f) between any value written in numerals and that in words, the latter shall prevail.

**Part II**  
**THE CONCESSION**

**Article 2**  
**SCOPE OF THE PROJECT**

- 2.1 The scope of the Project (the “**Scope of the Project**”) shall mean and include during the Concession Period:
- (a) Augmenting, designing, constructing, operating, maintaining and transferring the District Hospital in accordance with the Specifications and Standards set forth in **Schedule C**, provisions of this Agreement, Applicable Laws, Applicable Permits and Good Industry Practice, to act as a teaching hospital for the Medical College;
  - (b) designing, constructing, operating, maintaining and transferring the Medical College with residential facilities for doctors, faculty, and students (hostel facility) etc on the Site for Medical College set forth in accordance with the terms of this Agreement, Applicable Laws and terms and conditions of Applicable Permits;
  - (c) operating and maintaining the District Hospital and providing Healthcare Services in accordance with the Specifications and Standards set forth in Schedule C, terms of this Agreement, NMC Norms, Applicable Laws and Applicable Permits;
  - (d) operating and maintaining the Medical College in accordance with the terms of this Agreement, Applicable Laws, Applicable Permits and Good Industry Practice, to act as a teaching hospital for the Medical College;
  - (e) to obtain and maintain a valid affiliation of the Medical College with the District Hospital in accordance with the Applicable Laws; and
  - (f) to perform and fulfil of all other obligations of the Concessionaire in accordance with the provisions of this Agreement and matters incidental thereto or necessary for the performance of any or all of the obligations of the Concessionaire under this Agreement.

**Article 3**  
**GRANT OF CONCESSION**

**3.1. The Concession**

- 3.1.1. Subject to and in accordance with the provisions of this Agreement, Applicable Laws and Applicable Permits, the Authority, awards to the Concessionaire the concession set forth herein including exclusive right, license and authority to augment, operate and maintain the District Hospital and provide Healthcare Services and design, finance, procure, construct, operate and maintain the Medical College (the “**Concession**”) during the Concession Period, and the Concessionaire hereby accepts the Concession and agrees to implement the Project subject to and in accordance with the terms and conditions set forth in this Agreement.
- 3.1.2. Subject to and in accordance with the provisions of this Agreement, the Concession hereby granted shall oblige or entitle (as the case may be) the Concessionaire to:
- (a) access and leasehold rights of the Site for Medical College in accordance with Article 10;
  - (b) access and right of way to the District Hospital in accordance with Article 11;
  - (c) augment the District Hospital and design, finance, construct the Medical College;
  - (d) achieve Operations Date in accordance with the provisions of Clause 16.1 and subsequently, manage, operate and maintain the District Hospital throughout the Concession Period;
  - (e) provide the Healthcare Services in accordance with the standards and terms set out in this Agreement, Applicable Laws, Applicable Permits, Good Industry Practice, Good Clinical Practices and Good Healthcare Practices;
  - (f) provide competency based Under Graduate medical education in accordance with Applicable Laws;
  - (g) ensure affiliation of the Medical College with the District Hospital, and a right to use the District Hospital for the purposes of training the Students at the Medical College in accordance with Applicable Laws and terms of this Agreement;
  - (h) ensure that the Medical College has the capacity to accommodate students as per Applicable Laws including the NMC Norms, Applicable Permits and the terms of this Agreement;
  - (i) ensure that the District Hospital has the Patient Intake Capacity and capability to handle all infrastructure requirements in terms of number of Beds, number and type of wards, operation theatres, outpatient departments and clinics, blood banks and all other requirements in accordance with Applicable Laws, including

the NMC Norms, Applicable Permits and provisions of this Agreement;

- (j) demand, collect and appropriate fee from the Students of the Medical College in accordance with this Agreement;
- (k) demand, collect and appropriate Hospital Charges from the Paid Patients in accordance with this Agreement;
- (l) pay Concession Fee to the Authority in accordance with the provisions of Article 30;
- (m) perform and fulfil all the obligations of the Concessionaire under and in accordance with this Agreement;
- (n) bear and pay all costs, expenses and charges in connection with or incidental to the performance of the obligations of the Concessionaire under this Agreement;
- (o) appoint Contractors, sub-contractors, agents, advisors and consultants to carry out its obligations under this Agreement in accordance with its terms;
- (p) upon Termination of the Concession Period transfer the Project to the Authority in accordance with the terms of this Agreement;
- (q) neither assign, transfer or sub-let or create any lien or Encumbrance on this Agreement, or the Concession hereby granted or on the whole or any part of the District Hospital and Medical College, nor sell, transfer, exchange, lease or part possession thereof;
- (r) set all standards and frame and apply all internal policies, guidelines and procedures as may be appropriate for safety, security, development, management, operation or maintenance of the Project and the Site for District Hospital and Medical College, subject only to the terms of this Agreement and in accordance with Applicable Permits, Applicable Laws and Good Industry Practice;
- (s) utilize the Grant provided by the Authority for the sole purpose of complying with its obligations under this Agreement;
- (t) exercise such other rights as the Authority may determine as being necessary for the purposes incidental and necessary to implement, manage, operate and maintain the District Hospital; and
- (u) do all things incidental or related thereto or which the Concessionaire considers desirable and appropriate to be carried out in connection therewith during the Concession Period.

3.1.3. Subject to and in accordance with the provisions of this Agreement, Applicable Laws and Applicable Permits, this Agreement shall, from the Appointed Date, entitle the Concessionaire to undertake designing, construction, finance, procurement, development, operation and maintenance of the additional facilities as provided in Schedule B (the “**Ancillary Facilities**”). Prior to undertaking the development of the Ancillary Facilities, the Concessionaire shall submit the designs for the Ancillary

Facilities to the Authority and the Authority shall be entitled to review and comment on such designs within [15 (fifteen)] days from the submission of the designs. The Concessionaire shall address the comments received from the Authority, if any, and submit a revised design to the Authority, for its review, taking into account the comments provided upon its review. The Authority shall provide its comments within 7 (seven) days from the submission of the revised designs, if any from a safety, security and operational perspective. If the Authority does not provide its comments on the design or the revised designs within such specified time, then the Concessionaire shall be entitled to commence the development of the Ancillary Facilities and the Authority shall have been deemed to have reviewed the designs. Provided, however, that the Concessionaire shall not, in any event, commence the operation and/or use of the Ancillary Facilities prior to the Operations Date. The Ancillary Facilities may include the following:

- (a) vehicle parking;
- (b) cafeteria;
- (c) boarding and lodging facilities for the Free Patients, Paid Patients and their attendants;
- (d) [pharmacy];
- (e) [any other commercial facilities]; and
- (e) other facilities that may be approved and/or notified, in writing, by the Authority from time to time during the Concession Period

Subject to the provisions of this Agreement, Applicable Laws and Applicable Permits, the Concessionaire shall have the right to exploit these Ancillary Facilities for commercial purposes with the right to sub-license any or all parts thereof.

### **3.2. Concession Period**

3.2.1 Subject to early termination of this Agreement in accordance with its terms, the term of this Agreement is [33 (thirty-three)] years from the Execution Date (the “Concession Period”), which shall include 5 (five) years (the “**Construction Period**”) from the Appointed Date.

The extension of the Concession Period for another 33 years shall be automatic, provided the Medical College and Hospital has all approvals under the Applicable Laws to undertake the continued operations of the Medical College, and a Concessionaire Default is not subsisting.

Provided that the Concessionaire may request the Authority for the extension by submitting an application not later than the 30th year anniversary of the lease of Site for Medical College to the Authority and the Authority shall confirm the extension of lease within 90 days.

**Article 4**  
**CONDITIONS PRECEDENT**

**4.1 Conditions Precedent**

4.1.1. Save and except as expressly provided in Articles [4, 7, 8, 9, 10, 11, 17, 26, 29, 32, 35, 41, 42, 43, 45, 46, 47, 48, 49] and any related Schedules or unless the context otherwise requires, the respective rights and obligations of the Parties under this Agreement shall be subject to the satisfaction in full of the conditions precedent specified in this Clause 4.1 (the “**Conditions Precedent**”). Provided, however, that a Party may grant waiver from satisfaction of any Condition Precedent by the other Party in accordance with the provisions of Clauses 4.1.2 or 4.1.3, as the case may be, and to the extent of such waiver, that Condition Precedent shall be deemed to be fulfilled for the purposes of this Clause 4.1.1.

4.1.2. The Concessionaire may, upon providing the Performance Security to the Authority in accordance with Article 9 and at any time after [15 (fifteen)] days from the Execution Date or on an earlier day acceptable to the Authority, by notice require the Authority to satisfy any or all of the Conditions Precedent set forth in this Clause 4.1.2 within a period of [90 (ninety)] days of receipt of the notice, or such longer period not exceeding [120 (one hundred and twenty)] days as may be specified therein, and the Conditions Precedent required to be satisfied by the Authority shall be deemed to have been fulfilled when the Authority shall have:

- (a) provided the Concessionaire the Site for Medical College on leasehold basis in accordance with Article 10;
- (b) procured all Applicable Permits as provided in **Schedule E** including permits in relation to environmental protection and conservation; and
- (c) provide the right of way to the District Hospital in accordance with Article 11.

Provided, that upon request in writing by the Authority, the Concessionaire may, in its discretion, waive the Conditions Precedent set forth in this Clause 4.1.2.

4.1.3. The Conditions Precedent required to be satisfied by the Concessionaire within a period of [90 (ninety)] days from the Execution Date shall be deemed to have been fulfilled when the Concessionaire shall have:

- (a) provided the Performance Security to the Authority pursuant to Article 9;
- (b) executed and procured execution of the Escrow Agreement and opened and operationalised the Escrow Account in accordance with Article 32;

- (c) procured all Applicable Permits specified in Schedule E unconditionally or if subject to conditions, then all such conditions required to be fulfilled under such Applicable Permits, have been fulfilled as on date the Concessionaire claims satisfaction of all the Conditions Precedent under this Agreement;
- (d) delivered to the Authority {from the Consortium Members, their respective} confirmation, in original, of the correctness of their representations and warranties set forth in sub-Clause (l), {(m)} and (n) of Clause 7.1;
- (e) delivered to the Authority a legal opinion from the legal counsel of the Concessionaire with respect to the authority of the Concessionaire to enter into this Agreement and the enforceability of the provisions thereof;
- (f) delivered to the Authority the copies (certified as true copies by an authorised officer of the Concessionaire) of the constitutional documents of the Concessionaire;
- (g) delivered to the Authority copies (certified as true copies by a director of the Concessionaire) of all resolutions adopted by the board of directors of the Concessionaire authorising the execution, delivery and performance by the Concessionaire of the Agreement; and
- (h) provided proof of its shareholding pattern, evidenced by certificates from the authorised signatory of the Concessionaire.

Provided that upon request in writing by the Concessionaire, the Authority may, in its discretion, waive any of the Conditions Precedent set forth in this Clause 4.1.3.

- 4.1.4. Each Party shall make all reasonable endeavors to satisfy the Conditions Precedent within the time stipulated and shall provide the other Party with such reasonable cooperation as may be required to assist that Party in satisfying the Conditions Precedent for which that Party is responsible.
- 4.1.5. The Parties shall notify each other in writing at least [once a month] on the progress made in satisfying the Conditions Precedent. Each Party shall promptly inform the other Party when any Condition Precedent for which it is responsible has been satisfied.
- 4.1.6. The Concessionaire shall, upon satisfaction or waiver, as the case may be, of all the Conditions Precedent, notify the Authority of the occurrence of the Appointed Date.

## **4.2 Damages for delay by the Authority**

In the event that: (i) the Authority does not procure fulfilment or waiver of the Condition Precedent set forth in Clause 4.1.2 within the period specified in respect

thereof; and (ii) the delay has not occurred as a result of breach of this Agreement by the Concessionaire or due to Force Majeure Event, the Authority shall pay Damages to the Concessionaire of 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 fulfilment of such Conditions Precedent, subject to a maximum amount equal to the Bid Security.

#### **4.3 Damages for delay by the Concessionaire**

In the event that: (i) the Concessionaire does not procure fulfilment or waiver of any or all of the Conditions Precedent set forth in Clause 4.1.3 within the period specified in that Clause; and (ii) the delay has not occurred as a result of breach of this Agreement by the Authority or due to Force Majeure Event, the Concessionaire shall pay Damages to the Authority of an amount calculated at the rate of [0.3% (zero point three per cent)] of the Performance Security for each day's delay until the fulfilment or waiver of such Conditions Precedent, up to the maximum amount equal to the Bid Security and upon reaching such maximum amount, the Authority may, in its sole discretion and subject to the provisions of Clause 9.2, terminate the Agreement. Provided that in the event of delay by the Authority in procuring fulfillment of the Conditions Precedent specified in Clause 4.1.2, no Damages shall be due and payable by the Concessionaire under this Clause 4.3 until the date on which the Authority shall have procured fulfilment of the Conditions Precedent specified in Clause 4.1.2.

#### **4.4 Commencement of the Concession Period**

The date on which all the Conditions Precedent specified in Clause 4.1, are satisfied or waived, as the case may be, shall be the Appointed Date which shall be the date of the commencement of the Concession Period. For avoidance of doubt, the Parties agree that the Concessionaire may, upon occurrence of the Appointed Date hereunder, by notice convey the particulars thereof to the Authority, and shall thereupon be entitled to commence development of the Project in accordance with the terms of this Agreement.

#### **4.5 Deemed Termination upon delay**

Without prejudice to the provisions of Clauses 4.2 and 4.3, and subject to the provisions of Clause 9.2, the Parties expressly agree that in the event the Appointed Date does not occur, for any reason whatsoever, within a period of [180 (one hundred and eighty)] days from the Execution Date or the extended period provided in accordance with this Agreement, then all rights, privileges, claims and entitlements of the Concessionaire under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Concessionaire and the Agreement may be terminated by the non-defaulting Party. Provided, however, that in the event the delay in occurrence of the Appointed Date is for reasons attributable to the Concessionaire, the Performance Security or the Bid Security, as the case may be, of the Concessionaire shall be encashed and appropriated by the Authority as Damages thereof.

**Article 5**  
**OBLIGATIONS OF THE CONCESSIONAIRE**

**5.1 General Obligations of the Concessionaire**

- (a) Subject to and in accordance with the terms and conditions of this Agreement, the Concessionaire shall, at its own cost and expense, undertake the augmentation, operation and maintenance of the District Hospital and observe, fulfil, comply with and perform all its obligations set out in this Agreement or arising hereunder in relation to the District Hospital.
- (b) Subject to and in accordance with the terms and conditions of this Agreement, the Concessionaire shall, at its own cost and expense, undertake the construction, development, operation and maintenance of the Medical College and observe, fulfil, comply with and perform all its obligations set out in this Agreement or arising hereunder in relation to the Medical College.
- (c) The Concessionaire shall arrange for and procure, at its own cost and risk, all infrastructure facilities and utilities for undertaking the Development Obligations, including procuring connection for and supply of electricity, water, gas and other utilities as may be necessary or required for the operation and maintenance of the Project. The Concessionaire shall obtain all Applicable Permits and comply with the conditions thereunder for the procurement and use of such infrastructure facilities and utilities.
- (d) During the Concession Period, the Concessionaire shall obtain from the relevant Government Instrumentalities, the Applicable Permits (other than the Applicable Permits required to be obtained by the Authority under Clause 4.1.2) and keep in force and comply with the conditions of all Applicable Permits for the development, operation and maintenance of the Project and upon Termination, transfer of the Project to the Authority.
- (e) The Concessionaire shall comply with all Applicable Laws and conditions of all Applicable Permits (including keeping them valid and in force as required) while performing its obligations under this Agreement. Further, the Concessionaire shall ensure and procure that its Contractors, if any, comply with all Applicable Permits and Applicable Laws during their performance of any of the Concessionaire's obligations under this Agreement.
- (f) Subject to the provisions of Clauses 5.1(a) and (b), the Concessionaire shall procure that its Contractors, if any, shall discharge its obligations in accordance with Good Industry Practice and as a reasonable and prudent person.
- (g) The Concessionaire shall pay the Concession Fee to the Authority in accordance with Article 30.

- (h) The Concessionaire shall use the District Hospital only for the purpose of providing Healthcare Services and for training of the students at the Medical College through teachings and research labs.
- (i) The Concessionaire shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set out in this Agreement:
  - (i) procure, as required, the appropriate proprietary rights, licences, agreements and permissions for materials, methods, processes and systems used or incorporated into the District Hospital;
  - (ii) perform and fulfil its obligations under the Financing Agreements;
  - (iii) make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its Contractors in connection with the performance of its obligations under this Agreement;
  - (iv) not do or omit to do any act, deed or thing which may in any manner violate any provision of this Agreement;
  - (v) shall prepare designs for the District Hospital in accordance with the Applicable Laws, Applicable Permits and the terms of this Agreement;
  - (vi) shall construct, develop, operate and maintain the Medical College in accordance with the Applicable Laws, Applicable Permits and the terms of this Agreement;
  - (vii) shall ensure the District Hospital shall have prescribed medical personnel, Equipment for each department in accordance with all Applicable Laws including the NMC Norms and also accommodation for teaching and non-technical staff;
  - (viii) shall procure adequate insurance cover for the District Hospital for the Concession Period in accordance with Article 33;
  - (ix) shall undertake the management of the District Hospital in accordance with the terms of Article 27;
  - (x) shall provide competency based Under Graduate medical education in accordance with this Agreement and Applicable Laws;
  - (xi) to ensure availability of Patient Intake Capacity in accordance with the Specifications and Standards, Applicable Laws, the Applicable Permits

and the provisions of this Agreement;

- (xii) ensure the District Hospital shall provide all Healthcare Services, including but not limited to, emergency services, general medical services, out-patient department services, specialized medical services, maternal and child services, diagnostic pathological services, imaging, IT and telecommunication services, health information and management services, blood bank services, and any other incidental services available in hospital of similar nature in order to provide efficient and adequate Healthcare Services to the Users;
- (xiii) shall undertake effective operation and maintenance of the District Hospital in accordance with **Schedule J**, terms of this Agreement, Applicable Laws, Applicable Permits and Good Industry Practice;
- (xiv) always act in a manner consistent with the provisions of this Agreement and not cause or fail to do any act, deed or thing, whether intentionally or otherwise, which may in any manner violate any of the provisions of this Agreement, Applicable Laws and/or Applicable Permits;
- (xv) augment, refurbish, replace or procure all Equipment and diagnostic facilities comprising the District Hospital are developed, operated and maintained in accordance with the Specifications and Standards, Maintenance Requirements, Safety Requirements, Applicable Laws and Good Industry Practices;
- (xvi) support, cooperate with and facilitate the Authority in the implementation and operation of the Project in accordance with the provisions of this Agreement;
- (xvii) transfer the Project I to the Authority upon Termination in accordance with the provisions of this Agreement;
- (xviii) on and from the Appointed Date, effectively perform and discharge all the Healthcare Services provided in **Schedule P**.
- (xix) develop the Project in accordance with the timelines provided in **Schedule G**;
- (xx) undertake programmes for creating Patient awareness, implement the Healthcare Programmes and public health obligations in accordance with Article 24; and
- (xxi) maintain at all times during the Concession Period the minimum Bed occupancy level of the District Hospital in accordance with the NMC

norms under all Applicable Laws.

## **5.2 Obligations relating to Project Agreements**

- 5.2.1. It is expressly agreed that the Concessionaire shall, at all times, be responsible and liable for all its obligations under this Agreement. Notwithstanding anything contained in the Project Agreements or any other agreement, and no default under any Project Agreement or any other agreement shall excuse the Concessionaire from its obligations or liability hereunder.
- 5.2.2. Before finalisation, the Concessionaire shall submit to the Authority the drafts of all Project Agreements and the operation and maintenance contract (if any) or any amendments or replacements thereto for its review and comments, and the Authority shall have the right but not the obligation to undertake such review and provide its comments and observations, if any, to the Concessionaire. Concessionaire shall appropriately consider all such comments/ observations. Within [7 (seven)] days of execution of any Project Agreement or amendment thereto, the Concessionaire shall submit to the Authority a true copy thereof, duly attested by a Director of the Concessionaire, for its record. For avoidance of doubt, it is agreed that the review and comments/ observations by the Authority on any Project Agreement or failure or omission of the Authority to review and/ or comment hereunder shall not be construed or deemed as acceptance of any such agreement or document by the Authority. No review and/or observation of the Authority and/or its failure to review and/or convey its observations on any document shall relieve the Concessionaire of its obligations and/or liabilities under this Agreement in any manner whatsoever nor shall the Authority be liable for the same in any manner whatsoever.
- 5.2.3. The Concessionaire shall not make any addition, replacement or amendments to any of the Financing Agreements without the prior written consent of the Authority if such addition, replacement or amendment has, or may have, the effect of imposing or increasing any financial liability or obligation on the Authority, and in the event that any replacement or amendment is made without such consent, the Concessionaire shall not enforce such replacement or amendment nor permit enforcement thereof against the Authority. For avoidance of doubt, the Authority acknowledges and agrees that it shall not unreasonably withhold its consent for restructuring or rescheduling of the debt of the Concessionaire.
- 5.2.4. Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire shall not sub-lease, sub-license, assign or in any manner create an Encumbrance on any of the Project Assets as the case may be, without prior written approval of the Authority, which approval the Authority may, in its discretion, deny if such sub-lease, sub-license, assignment or Encumbrance has or may have a Material Adverse Effect on the rights and obligations of the Authority under this Agreement or Applicable Laws.

- 5.2.5. The Concessionaire shall procure that each of the Project Agreements contains provisions that entitle the Authority to step into such agreement, in its sole discretion, in substitution of the Concessionaire in the event of Termination or Suspension (the “**Covenant**”). For the avoidance of doubt, it is expressly agreed that in the event the Authority does not exercise such rights of substitution within a period not exceeding [90 (ninety)] days from the Expiry Date, the Project Agreements shall be deemed to cease to be in force and effect on the Expiry Date without any liability whatsoever on the Authority and the Covenant shall expressly provide for such eventuality. The Concessionaire expressly agrees to include the Covenant in all its Project Agreements and undertakes that it shall, in respect of each of the Project Agreements, procure and deliver to the Authority an acknowledgment and undertaking, in a form acceptable to the Authority, from the counter party(ies) of each of the Project Agreements, where such counter party(ies) shall acknowledge and accept the Covenant and undertake to be bound by the same and not to seek any relief or remedy whatsoever from the Authority in the event of Termination or Suspension.
- 5.2.6. Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire agrees and acknowledges that selection or replacement of the Contractor and execution of the Project Agreement shall be subject to the prior approval of the Authority from national security and public interest perspective, the decision of the Authority in this behalf being final, conclusive and binding on the Concessionaire and undertake that it shall not give effect to any such selection or contract without prior approval of the Authority. For avoidance of doubt, it is expressly agreed that approval of the Authority hereunder shall be limited to national security and public interest perspective, and the Authority shall endeavour to convey its decision thereon expeditiously. It is also agreed that the Authority shall not be liable in any manner on account of grant or otherwise of such approval and that such approval or denial thereof shall not in any manner absolve the Concessionaire or its Contractors from any liability or obligation under this Agreement.

### **5.3 Obligations relating to Change in Ownership**

- (a) The Concessionaire shall not undertake or permit any Change in Ownership except with the prior written approval of the Authority.
- (b) Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire agrees and acknowledges that during the Concession Period:
- (i) all acquisitions of equity by an acquirer, either by himself or with any person acting in concert, directly or indirectly, including by transfer of the direct or indirect legal or beneficial ownership or control of any equity, in aggregate [25% (twenty-five per cent)] or more of the total equity of the Concessionaire; or
  - (ii) acquisition of any control directly or indirectly of the Board of Directors

of the Concessionaire by any person either by himself or together with any person or persons acting in concert with him,

shall constitute a “**Change in Ownership**” requiring prior approval of the Authority from national security and public interest perspective, the decision of the Authority in this regard being final, conclusive and binding on the Concessionaire, and undertakes that it shall not give effect to any such acquisition of equity or control of the Board of Directors of the Concessionaire without such prior approval of the Authority. For avoidance of doubt, it is expressly agreed that approval of the Authority hereunder shall be limited to national security and public interest perspective, and the Authority shall endeavour to convey its decision thereon expeditiously. It is also agreed that the Authority shall not be liable in any manner on account of grant or otherwise of such approval and that such approval or denial thereof shall not in any manner absolve the Concessionaire from any liability or obligation under this Agreement.

For the purposes of this Clause 5.3(b):

- (i) the expression acquirer, control and person acting in concert shall have the meaning ascribed thereto in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 or any statutory re-enactment thereof as in force as on the date of acquisition of equity, or the control of the board of directors, as the case may be, of the Concessionaire;
- (ii) the indirect transfer or control of legal or beneficial ownership of equity shall mean transfer of the direct or indirect beneficial ownership or control of any company or companies whether in India or abroad which results in the acquirer acquiring control over the shares or voting rights of the shares of the Concessionaire; and
- (iii) power to appoint, whether by contract or by virtue of control or acquisition of shares of any company holding directly or through one or more companies, whether situated in India or abroad, the equity of the Concessionaire, not less than half of the directors on the Board of Directors of the Concessionaire or of any company, directly or indirectly whether situate in India or abroad, having ultimate control of not less than [25% (twenty five one per cent)] of the equity of the Concessionaire, shall constitute acquisition of control, directly or indirectly, of the board of directors of the Concessionaire.

#### **5.4 Obligations relating to management of the Concessionaire**

The Concessionaire shall not, without the prior written approval of the Authority, undertake or cause to be undertaken, any action for all or any of the following or any matter incidental or consequential thereto:

- (a) to alter or add to the provisions of the memorandum of association;
- (b) to alter or add to the articles of association;
- (c) to change the name of the Concessionaire;
- (d) to reduce the share capital;
- (e) to commence any new lines of business;
- (f) to consent to a director or his or her relative or partner or firm or private company holding an office or place of profit, except that of managing director, manager, banker, or trustee for debenture-holders of the Concessionaire;
- (g) to make inter-corporate-loans and investments or guarantee or security (except where such security or payment is to be made to the Authority) to be given, if the aggregate amount thereof, exceeds the limit of [30% (thirty per cent)] of the Concessionaire's paid-up share capital;
- (h) to apply for corporate insolvency proceedings under the Insolvency and Bankruptcy Code, 2016;
- (i) for various other matters pertaining to the winding up of the Concessionaire; and
- (j) any other matter which is required by the Companies Act to be passed by a special resolution of the shareholders of the Concessionaire.

## **5.5 Obligations relating to the employment of foreign personnel**

The Concessionaire acknowledges, agrees and undertakes that employment of foreign personnel by the Concessionaire and/or its Contractors and their sub-contractors shall be in accordance with Applicable Laws and subject to grant of Applicable Permits, including employment or residential visas and work permits. The Concessionaire shall obtain such Applicable Permits at its own cost and expense. Notwithstanding anything to the contrary contained in this Agreement, refusal of or inability to obtain any such permit or approval by the Concessionaire or any of its Contractors or sub-contractors shall not constitute a Force Majeure Event, or allow any extension of time to the Concessionaire for performance of its obligations under this Agreement and shall not in any manner excuse the Concessionaire from the performance and discharge of its

obligations and liabilities under this Agreement.

#### **5.6 Obligations relating to employment of trained personnel**

The Concessionaire shall ensure that the personnel engaged by it or by its Contractors in the performance of its obligations under this Agreement are duly qualified and at all times properly trained with adequate and state-of-the-art training for their respective functions.

#### **5.7 Obligations relating to construction, operation and maintenance**

The Concessionaire hereby agrees, acknowledges and undertakes to comply with the NMC Norms, Specifications and Standards, Applicable Laws, Applicable Permits and terms of this Agreement to carry out the upgradation, augmentation, construction, development, operation and maintenance of the Project.

#### **5.8 Obligations relating to the engagement of qualified personnel**

The Concessionaire shall appoint, in accordance with the Applicable Laws, suitably qualified personnel to impart medical education to the Students. The personnel appointed for imparting Services at the District Hospital shall be qualified and trained in accordance with the NMC Norms.

#### **5.9 Obligations relating to the Standards of Performance of Services**

The Concessionaire shall discharge its obligations in compliance with Applicable Laws and Applicable Permits (including renewals as required) in the performance of its obligations relating to the Services under this Agreement.

#### **5.10 Intellectual Property Permits**

The Concessionaire shall ensure that if any designated devices, materials or any process are covered by Intellectual Property, the right for such use shall be secured by the Concessionaire by suitable legal arrangements and agreements with the Intellectual Property owner or person empowered to assign the Intellectual Property. A copy of the agreement shall be filed with the Authority.

#### **5.11 Sole purpose of the Concessionaire**

The Concessionaire shall not, except with the prior written consent of the Authority, be or become directly or indirectly engaged, concerned or interested in any business other than the business incidental or consequential to the provisions of this Agreement or any similar business related to medical education and the Healthcare Services.

#### **5.12 Obligations relating to Taxes**

The Concessionaire shall pay, at all times during the subsistence of this Agreement, all Taxes, levies, duties, cesses and all other statutory charges payable in respect of the District Hospital and the Medical College. Provided, however, that all payments made by the Concessionaire with respect to GST levied on or in respect of any services provided by the Concessionaire to the Authority for and in respect of the District Hospital shall be paid by the Authority upon receipt of particulars thereof.

### **5.13 Obligations relating to information**

5.13.1 Without prejudice to the provisions of Applicable Laws, Applicable Permits and this Agreement, upon receiving a notice from the Authority for any information that it may reasonably require or that it considers may be necessary to enable it to perform any of its functions, the Concessionaire shall provide such information to the Authority forthwith and in the manner and form required by the Authority.

5.13.2 After receiving a notice from the Authority for reasoned comments on the accuracy and text of any information relating to the Concessionaire's activities under or pursuant to this Agreement which the Authority proposes to publish, the Concessionaire shall provide such comments to the Authority in the manner and form required by the Authority.

### **5.14 Obligations relating to other charges**

The Concessionaire shall make timely payments for all utility services in respect of the Site for District Hospital and Medical College, including water, sewage, electricity, telecommunication, internet and cable charges etc.

### **5.15 Obligations relating to deputed staff**

5.15.1. If the Concessionaire requires the doctors currently posted at the District Hospital on deputation from the Authority, it shall, within [90 (ninety)] days of the Execution Date by way of written notice, request the Authority to provide such doctors as identified by the Concessionaire for providing the Healthcare Services upon mutually agreeable terms and conditions. The notice shall set out the number of medical staff required by the Concessionaire, for providing Healthcare Services at the District Hospital.

5.15.2 If the Authority agrees to the request of the Concessionaire, it shall within [30 (thirty)] days of receipt of notice under Clause 5.15.1, provide such doctors to the Concessionaire. The terms of deputation of the doctors shall be governed by the provisions of Clauses 5.15.3 and 5.15.4 below.

5.15.3. The Concessionaire shall reimburse to the Authority the salary, allowances and bonus paid by the Authority to the doctors, employees and staff on deputation; provided that the medical expenses, if any, shall be borne solely by the Authority.

5.15.4. The Concessionaire shall pay to each doctor, employee and staff on deputation, in accordance with the applicable rules of the Authority. Travel allowance of such staff shall be paid by the Concessionaire in accordance with its norms. No other incentive or payment shall be made by the Concessionaire to such deputed staff.

5.15.5. The Concessionaire shall also give an option to the doctors deputed by it who fill the criteria and requirements to join the Medical College as teaching staff by resigning from their job with the state government.

**5.16. Obligations relating to branding and aesthetic quality of the Project**

The Concessionaire shall maintain a high standard in the appearance and aesthetic quality of the District Hospital and Medical College through both appropriate design, landscaping in accordance with the Applicable Laws and Good Industry Practices.

The Concessionaire shall not change the name of the District Hospital or any part thereof it shall however be permitted to brand to advertise, display or reflect the name or identity of the Concessionaire in accordance with Applicable Laws.

**Article 6**  
**OBLIGATIONS OF THE AUTHORITY**

**6.1 General Obligations of the Authority**

6.1.1 The Authority shall:

- (a) at its own cost and expense, undertake, comply with and perform all its obligations set out in this Agreement.
- (b) subject to and in accordance with the provisions of this Agreement and Applicable Laws, the Authority agrees to provide support to the Concessionaire and undertakes to observe, comply with and perform the following:
  - (i) upon written request from the Concessionaire, and subject to the Concessionaire complying with Applicable Laws, provide reasonable support and assistance to the Concessionaire in procuring Applicable Permits required from any Government Instrumentality for augmentation and operation of the Project, subject to the Concessionaire submitting its applications complete in all respect in a timely manner. The Authority agrees and undertakes that it shall not unreasonably delay or withhold provision of any such reasonable support or assistance to the Concessionaire;
  - (ii) upon written request from the Concessionaire, provide reasonable assistance to the Concessionaire in obtaining access to all necessary infrastructure facilities and utilities, including water and electricity at rates and on terms no less favourable to the Concessionaire than those generally available to government hospitals;
  - (iii) transfer the Site for Medical College on a lease basis free from Encumbrance to the Concessionaire and ensure that no barriers are erected or placed on or about the Medical College by any Government Instrumentality or persons claiming through or under any Government Instrumentality, except for reasons of Safety Requirements, Emergency, national security, or law and order;
  - (iv) provide access to the District Hospital to the Concessionaire along with all its existing assets, machinery, plant, equipment etc. in accordance with Article 11 and transfer or modify, whichever necessary, all Applicable Permits in favour of the Concessionaire, in accordance with the Applicable Laws and ensure that no barriers are erected or placed on or about the District Hospital by any Government Instrumentality or persons claiming through or under any Government Instrumentality, except for reasons of Safety Requirements, Emergency, national

security, or law and order;

- (v) transfer the existing employees, retainers, staff, which are not being deputed to the Concessionaire, including but not limited to, doctors, nurses, medical support staff and other employees of the District Hospital in accordance with the Project Completion Schedule at Schedule G and all Applicable Laws;
- (vi) shall pay the salary, post retirement benefits and allowances to the employees, retainers and staff seconded or deputed to the Concessionaire as though such employees, retainers and staff was still on the rolls of the District Hospital, including the Chief Medical Officer and the Casualty Medical Officer;
- (vii) not do or omit to do any act, deed or thing which may in any manner violate the provisions of this Agreement;
- (viii) support, cooperate with and facilitate the Concessionaire in the implementation and operation of the Project in accordance with the provisions of this Agreement; and
- (ix) upon written request from the Concessionaire, execute the Substitution Agreement.

Notwithstanding anything in this Article, the Authority shall not be required to provide any financial support or financial assistance to the Concessionaire.

## **6.2 Obligations relating to refinancing**

Without prejudice to any rights or remedies of the Authority under this Agreement or otherwise, upon request made by the Concessionaire to this effect, the Authority shall, in conformity with any regulations or guidelines that may be notified by the Government Instrumentality, permit and enable the Concessionaire to secure refinancing, in whole or in part, of the debt on such terms as may be agreed upon between the Concessionaire and the entity providing such refinancing. Provided, however, that the refinancing hereunder shall always be subject to the prior consent of the Authority, which consent shall not be unreasonably withheld. For avoidance of doubt, the tenure of debt refinanced hereunder may be determined mutually between the Senior Lenders and the Concessionaire, but the repayment thereof shall be completed by no later than [1 (one)] year prior to the expiry of the Concession Period.

## **6.3 Obligation relating to existing personnel**

- 6.3.1. The Authority shall also withdraw all existing personnel who are in employment of State Government or Government Instrumentality (including National Health Mission)

from the District Hospital in a phased manner over 2 (two) years from the Execution Date, in a manner prescribed in this clause below:

- a. At the end of first year, 50% of the aforesaid personnel shall be withdrawn while at the end of second year all the personnel shall be withdrawn by the Government/Government Instrumentality. Private sector shall bring in their own personnel to operate the Medical College & District Hospital.
- b. Contractual personnel shall be given the option to novate their contracts in favour of Concessionaire. In the event that the contractual personnel decide to continue their contract with the Authority/Government Instrumentality only, such personnel shall be allocated back to their employer (Government/Government Instrumentality, as the case maybe).
- c. Personnel, who are regular employees of the Government, shall be transferred to other district hospitals as per the human resource requirements of those hospitals.

**Article 7**  
**REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

**7.1 Representations, warranties and undertakings of the Concessionaire**

7.1.1 The Concessionaire represents, warrants and undertakes to the Authority that:

- (a) it is duly organised and validly existing under the laws of India, and hereby expressly and irrevocably waives any immunity in any jurisdiction in respect of this Agreement or matters arising thereunder including any obligation, liability or responsibility hereunder;
- (b) it has full power and authority to execute and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- (c) it has taken all necessary corporate and other actions under Applicable Laws to authorise the execution and delivery of this Agreement and to validly exercise its rights and perform its obligations under this Agreement;
- (d) it has the financial standing and capacity to undertake the Project in accordance with the terms of this Agreement;
- (e) this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms hereof, and its obligations under this Agreement shall be legally valid, binding and enforceable obligations against it in accordance with the terms hereof;
- (f) it is subject to the laws of India, and hereby expressly and irrevocably waives any immunity in any jurisdiction in respect of this Agreement or matters arising thereunder including any obligation, liability or responsibility hereunder;
- (g) the information furnished in the Bid and as updated on or before the Execution Date is true and accurate in all respects as on the Execution Date;
- (h) the execution, delivery and performance of this Agreement shall not conflict with, result in the breach of, constitute a default under, or accelerate performance required by any of the terms of its memorandum and articles of association or any Applicable Laws or any covenant, contract, agreement, arrangement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;
- (i) there are no actions, suits, proceedings, or investigations pending or, to its knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial, Government Instrumentality or other authority, the outcome of which may result in the breach of this Agreement or

which individually or in the aggregate may result in any material impairment of its ability to perform any of its obligations under this Agreement;

- (j) it has no knowledge of any violation or default with respect to any order, writ, injunction or decree of any court or any legally binding order of any Government Instrumentality which may result in any Material Adverse Effect on its ability to perform its obligations under this Agreement and no fact or circumstance exists which may give rise to such proceedings that would adversely affect the performance of its obligations under this Agreement;
- (k) it has complied with Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have a Material Adverse Effect on its ability to perform its obligations under this Agreement;
- (l) it shall at no time undertake or permit any Change in Ownership except in accordance with the provisions of Clause 5.3; and that the [Selected Bidder or Consortium Members], together with {its or their} Associates, hold not less than [51% (fifty one per cent)] of its issued and paid up equity as on the date of this Agreement; and that no Member of the Consortium whose technical and financial capacity was evaluated for the purpose of pre-qualification and short-listing in response to the Request for Proposal shall, during [2 (two)] years commencing from the Operation Date, hold less than [26% (twenty six per cent)] of such equity;
- (m) the {Selected Bidder/Consortium Members} and {its/their} Associates have the financial standing and resources to fund the required equity and to raise the debt necessary for undertaking and implementing the augmentation/construction works for the Project in accordance with this Agreement;
- (n) the {Selected Bidder/Consortium Members} is duly organised and validly existing under the laws of the jurisdiction of its incorporation, and has requested the Authority to enter into this Agreement with the Concessionaire pursuant to the Letter of Award, and has agreed to and unconditionally accepted the terms and conditions set forth in this Agreement;
- (o) the cost of augmenting the District Hospital and the construction/development of the Medical College shall not exceed the Total Project Cost, without obtaining a prior written consent of the Authority;
- (p) all its rights and interests in the Project shall pass to and vest in the Authority on the Expiry Date free and clear of all liens, claims and Encumbrances, without any further act or deed on its part or that of the Authority, and that none of the Project Assets shall be acquired by it, subject to any agreement under which a security interest or other lien or Encumbrance is retained by any Person, save

and except as expressly provided in this Agreement;

- (q) no representation or warranty given by it contained herein or in any other document furnished by it to the Authority, including the Bid or to any Government Instrumentality in relation to Applicable Permits contains or shall contain any untrue or misleading statement of material fact or omits or shall omit to state a material fact necessary to make such representation or warranty not misleading;
- (r) no sums, in cash or kind, have been paid or shall be paid, by it or on its behalf, to any person by way of fees, commission or otherwise for securing the Concession or entering into this Agreement or for influencing or attempting to influence any officer or employee of the Authority in connection therewith;
- (s) all information provided by the Selected Bidder in response to the Request for Proposal or otherwise, is to the best of its knowledge and belief, true and accurate in all material respects;
- (t) agree that the execution, delivery and performance by it of this Agreement and all other agreements, contracts, documents and writings relating to this Agreement constitute private and commercial acts and not public or government acts;
- (u) consents generally in respect of the enforcement of any judgment against it in any proceedings in any jurisdiction to the giving of any relief or the issue of any process in connection with such proceedings; and
- (v) further representations as may be added depending on the specific circumstances of the Concessionaire.

## **7.2 Representations, warranties and covenants of the Authority**

7.2.1 The Authority represents, warrants and covenants to the Concessionaire that:

- (a) it has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated herein and that it has taken all actions necessary to execute this Agreement, exercise its rights and perform its obligations, under this Agreement;
- (b) it has taken all necessary actions under Applicable Laws to authorise the execution, delivery and performance of this Agreement;
- (c) it has the financial standing and capacity to perform its obligations under this Agreement;

- (d) this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- (e) 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 Instrumentality which may result in any Material Adverse Effect on the Authority's ability to perform its obligations under this Agreement; and
- (f) it has good, legal and valid right and title to the Site for Medical College and Site for District Hospital and has the power and authority to handover the Site for the Medical College and Site for the District Hospital to the Concessionaire for the development of the Project in accordance with the provisions of this Agreement.

### **7.3 Disclosure**

- (a) In the event that any occurrence or circumstance comes to the attention of either Party that renders any of its aforesaid representations or warranties untrue or incorrect, such Party shall immediately notify the other Party of it. Such notification shall not have the effect of remedying any breach of the representation or warranty that has been found to be untrue or incorrect nor shall it adversely affect or waive any right, remedy or obligation of a Party under this Agreement.
- (b) Neither the Authority nor any of its agents or employees shall be liable to the Concessionaire in contract, tort, including negligence or breach of statutory duty, statute or otherwise as a result of:
  - (i) any inaccuracy, omission, unfitness for any purpose or inadequacy of any kind whatsoever in the data disclosed by the Authority to the Concessionaire in relation to the District Hospital; and/or
  - (ii) any failure to make available to the Concessionaire any materials, documents, drawings, plans or other information relating to the District Hospital.

## **Article 8 DISCLAIMER**

### **8.1 Disclaimer**

- (a) The Concessionaire acknowledges that prior to the execution of this Agreement, the Concessionaire has, after a complete and careful examination, made an independent evaluation of the Request for Proposals, Scope of the Project, Specifications and Standards, Project Site, existing structures, local conditions, physical qualities of ground, subsoil and geology, availability of Users and all information provided by the Authority or obtained procured or gathered otherwise, and has determined to its satisfaction the accuracy or otherwise thereof and the nature and extent of difficulties, risks and hazards as are likely to arise or may be faced by it in the course of performance of its obligations hereunder. The Authority makes no representation whatsoever, express, implicit or otherwise, regarding the accuracy, adequacy, correctness, reliability or completeness of any assessment, assumption, statement or information provided by it and the Concessionaire confirms that it shall have no claim whatsoever against the Authority in this regard.
- (b) The Concessionaire acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth in 0(a) above and hereby acknowledges and agrees that the Authority shall not be liable for the same in any manner whatsoever to the Concessionaire, Associates or any person claiming through or under any of them.
- (c) The Parties agree that any mistake or error in or relating to any of the matters set forth in 0(a) above shall not vitiate this Agreement or render it voidable.
- (d) In the event that either Party becomes aware of any mistake or error relating to any of the matters set forth in 0(a) above, that Party shall immediately notify the other Party, specifying the mistake or error; provided, however, that a failure on part of the Authority to give any notice pursuant to this 0(d) shall not prejudice the disclaimer of the Authority contained in 0(a) and shall not in any manner shift to the Authority any risks assumed by the Concessionaire pursuant to this Agreement.
- (e) Except as otherwise provided in this Agreement, all risks relating to the Project shall be borne by the Concessionaire and the Authority shall not be liable in any manner for such risks or the consequences thereof.

**Part III**  
**DEVELOPMENT AND OPERATION**

## **Article 9**

### **PERFORMANCE SECURITY**

#### **9.1 Performance Security**

- (a) The Concessionaire shall, for the performance of its obligations hereunder during the Construction Period, provide to the Authority within [30 (thirty)] days from the Execution Date, an irrevocable and unconditional guarantee from a Bank for a sum equivalent to [Rs. [9.0 Crore] (Rupees Nine Crore Only)] substantially in the format set forth in **Schedule F** (the “**Performance Security**”). The Concessionaire shall maintain and keep in force the Performance Security for the entire duration of the Performance Security Period in accordance with this Article 9. Until such time the Performance Security is provided by the Concessionaire pursuant hereto and the same comes into effect, the Bid Security shall remain in force and effect, and upon such provision of the Performance Security pursuant hereto, the Authority shall release the Bid Security to the Concessionaire.
- (b) Notwithstanding anything to the contrary contained in this Agreement, in the event that the Performance Security is not provided by the Concessionaire within the above specified period, the Authority shall have the right to encash the Bid Security and appropriate the proceeds thereof as Damages, and thereupon all rights, privileges, claims and entitlements of the Concessionaire under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Concessionaire, and this Agreement shall be deemed to have been terminated by mutual agreement of the Parties.

#### **9.2 Appropriation of Performance Security**

Upon occurrence of a Concessionaire Default or failure to meet any Condition Precedent or failure to make any payment which becomes due and payable to the Authority under and in accordance with this Agreement, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to encash and appropriate the amounts due and payable as liquidated damages from the Performance Security as Damages for such Concessionaire Default or failure to meet any Condition Precedent or failure to pay such amounts which are due and payable by the Concessionaire to the Authority under and in accordance with the provisions of this Agreement. Upon such encashment and appropriation of the Performance Security, the Concessionaire shall, within [15 (fifteen)] days thereof, replenish, in case of partial appropriation, the Performance Security to its original level, and in case of appropriation of the entire Performance Security provide a fresh Performance Security, as the case may be, failing which the Authority shall be entitled to terminate this Agreement in accordance with Article 38. Upon such replenishment or furnishing of a fresh Performance Security, as the case may be, the Concessionaire shall be entitled to

an additional Cure Period of [120 (one hundred and twenty)] days for remedying the Concessionaire Default or for satisfying any Condition Precedent, and in the event of the Concessionaire not curing its default or meeting such Condition Precedent within such Cure Period, the Authority shall be entitled to encash and appropriate such Performance Security as Damages, and to terminate this Agreement in accordance with Article 38.

### **9.3 Release of Performance Security**

The Performance Security shall remain in force and effect for a period of [6 (six)] months from the Operation Date (the “**Performance Security Period**”); provided, however, that the Performance Security shall not be released if the Concessionaire is in breach of this Agreement. Upon request made by the Concessionaire for release of the Performance Security along with the particulars which establish satisfaction of the requirements specified in this Clause 9.3 and subject to the creation of Deemed Performance Security in accordance with Clause 9.4, the Authority shall release the Performance Security forthwith.

### **9.4 Deemed Performance Security**

The Parties expressly agree that at least [15 (fifteen)] days prior to release of the Performance Security in accordance with the provisions of Clause 9.3, a substitute Performance Security for the same amount shall be deemed to be created under this Clause 9.4, as if it is a Performance Security under Clause 9.1 for and in respect of the entire remaining Concession Period (the “**Deemed Performance Security**”). The Deemed Performance Security shall be unconditional and irrevocable, and shall, notwithstanding anything to the contrary contained in Article 32, constitute the first and exclusive charge on an equivalent balance in the Escrow Account and the payments accrued or payments due and payable subsequently, as the case may be, to the Concessionaire under this Agreement and over which the Authority shall have the first and exclusive charge, including to the exclusion of the Senior Lenders, and shall be entitled to appropriate any amount therefrom as if it is an appropriation from the Deemed Performance Security under Clause 9.5. For avoidance of doubt, the Parties agree that no amounts shall be earmarked, frozen or withheld in the Escrow Account for securing payment of any potential Damages that may fall due at a subsequent date, and only the amounts which shall have become due and payable by the Concessionaire to the Authority under and in accordance with the provisions of this Agreement shall be liable to appropriation hereunder.

### **9.5 Appropriation of Deemed Performance Security**

Upon any amounts becoming due and payable by the Concessionaire to the Authority under and in accordance with the terms of this Agreement, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to appropriate the amounts due and payable. For avoidance of doubt, the Parties expressly agree that upon the Deemed Performance Security being appropriated, in whole or in part, it shall

be deemed to be replenished to the extent of such appropriation.

## **9.6 References to Performance Security**

References to the Performance Security occurring in this Agreement for and in respect of any period prior to the delivery of the Performance Security by the Concessionaire to the Authority, or in respect of any period subsequent to the expiry or release thereof, as the case may be, shall be construed solely for the purposes of calculating the amount of Damages payable by the Concessionaire and/or any amounts due and payable by the Concessionaire to the Authority under and in accordance with the provisions of this Agreement, and the amount so determined shall be appropriated from the Bid Security or Deemed Performance Security, as the case may be.

**Article 10**  
**SITE FOR MEDICAL COLLEGE**

**10.1 Site for Medical College**

The Site of the Medical College shall comprise the land as described in Schedule A, and in respect of which the Authority shall provide leasehold rights along with the constructive possession of the site for Medical College and all way leaves, easements, unrestricted access and other rights of way howsoever described, necessary for construction, operation and maintenance of the Medical College to the Concessionaire upon payment of the lease rent of Re 1/- (Rupee One) only under and in accordance with this Agreement and under the terms of the Lease Agreement to be executed in the form and manner as provided in Schedule A (the “**Site for Medical College**”). The Lease Agreement shall, subject to Applicable Laws, be valid for a term of 33(thirty-three) years and shall be co-terminus with concession agreement.

**10.2 Access to the Site for Medical College**

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

10.2.2 The Site for Medical College shall be handed-over to the Concessionaire and provided on an 'as is where is' basis, free of any Encumbrances, to develop, operate and maintain the Medical College, together with all and singular rights, liberties, privileges, easements and appurtenances whatsoever to the Site for Medical College, hereditaments or premises or any part thereof belonging to or in any way appurtenant thereto or enjoyed therewith, for the duration of the Concession Period and, for the purposes permitted under this Agreement, and for no other purpose whatsoever.

10.2.3 The lease, access, right of way and all other rights to the Site for Medical College granted under this Agreement by the Authority to the Concessionaire shall always be subject to existing rights of way.

10.2.4 The Concessionaire hereby irrevocably appoints the Authority (or its nominee) to be its true and lawful attorney, to execute and sign in the name of the Concessionaire a transfer or surrender of the rights granted hereunder at any time after the Concession Period has expired or has been Terminated in terms hereof, whichever is earlier, a sufficient proof of which shall be the declaration of any duly authorised officer of the Authority, and the Concessionaire consents to it being registered for this purpose.

10.2.5. It is expressly agreed that trees on the Site for Medical College are the property of the Authority except that the Concessionaire shall be entitled to exercise usufructuary rights thereon during the Concession Period.

### **10.3 Procurement of the Site for Medical College**

10.3.1 Pursuant to the notice specified in Clause 4.1.2, the Authority Representative and the Concessionaire shall, on a mutually agreed date and time but in any event no later than [10 (ten)] days prior to the Appointed Date, inspect the Site for Medical College and prepare a memorandum containing an inventory of the Site for Medical College including the vacant land, buildings, structures, road works, trees and any other immovable property on or attached to the Site for Medical College, free from any Encumbrance. Such memorandum shall have appended thereto an appendix (the “**Appendix**”) specifying in reasonable detail those parts of the Site for Medical College to which vacant access and leasehold rights has not been granted to the Concessionaire.

10.3.2 In case of any dispute between the Concessionaire and the Authority in relation to the survey of the Site for Medical College and the Appendix, the decision of the Authority shall prevail and shall be binding on the Concessionaire.

10.3.3 Without prejudice to the provisions of Clause 10.3.1, the Parties hereto agree that on or prior to the Appointed Date, the Authority shall have granted [vacant constructive possession such that the Appendix shall not include more than [10% (ten per cent)] of the total area of the Site for Medical College required and necessary for the Medical College. For avoidance of doubt, the Authority acknowledges and agrees that the Appendix shall not include any land which may prevent the development of the Medical College.

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

10.3.5 Upon receiving right of way to and in respect of any land included in the Appendix, the Concessionaire shall complete the Development Works in accordance with the Project Completion Schedule set forth in Schedule G.

10.3.6 The Authority shall procure any additional land that may be required for the District Hospital or for work specified in Change of Scope Order issued under Article 17, in accordance with the provisions of this Agreement, and upon procurement thereof, such land shall form part of the Site for Medical College; provided that no land to be acquired by the Authority hereunder shall be deemed to be included in the Appendix referred to in this Clause 10.3 and dealt with accordingly. For avoidance of doubt, the Parties agree

that any land required for the District Hospital, in addition to the land included in Schedule A, shall be acquired at the sole discretion of the Authority and the Concessionaire shall have no right to claim in the event the Authority declines any such acquisition in whole or in part.

#### **10.4 Site for Medical College to be free from Encumbrances**

The Site for Medical College shall be made available by the Authority to the Concessionaire pursuant hereto free from all Encumbrances and occupations and without the Concessionaire being required to make any payment to the Authority on account of any costs, compensation, expenses and charges for the acquisition of such Site for Medical College, for the duration of the Concession Period, except insofar as otherwise expressly provided in this Agreement. For avoidance of doubt, it is agreed that existing rights of way, easements, privileges, liberties and appurtenances to the Site for Medical College shall not be deemed to be Encumbrances. It is further agreed that the Concessionaire accepts and undertakes to bear any and all risks arising out of the inadequacy or physical condition of the Site for Medical College.

#### **10.5 Protection of Site for Medical College from Encroachments**

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

#### **10.6 Special or temporary right of way**

The Concessionaire shall bear all costs and charges for any special or temporary right of way required by it in connection with access to the Site for Medical College which is being provided and granted by the Authority. The Concessionaire shall obtain at its own cost such facilities on or outside the Site for Medical College as may be required by it for the purposes of the development of the Medical College and the performance of its obligations under this Agreement.

#### **10.7 Access to the Authority, Independent Engineer and Independent Expert**

The right to the Site for Medical College granted to the Concessionaire hereunder shall always be subject to the right of access of the Authority, its representatives or authorised personnel, the Independent Engineer, Independent Expert and their employees and agents for inspection, viewing and exercise of their rights and performance of their obligations under this Agreement.

#### **10.8 Geological and archaeological finds**

It is expressly agreed that geological or archaeological rights do not form part of the rights granted to the Concessionaire under this Agreement and the Concessionaire hereby acknowledges that it shall not have any right or interest in the underlying fossils, antiquities, structures or other remnants or things either of particular geological or archaeological interest and that such right, interest and property on or under the Site for Medical College shall vest in and belong to the Authority or the concerned Government Instrumentality. The Concessionaire shall take all reasonable precautions to prevent its workmen or any other person from removing or damaging such interest or property and shall inform the Authority forthwith of the discovery thereof and comply with such instructions as the concerned Government Instrumentality may reasonably give for the removal of such property. For avoidance of doubt, it is agreed that:

- (a) any reasonable expense incurred by the Concessionaire hereunder shall be reimbursed by the Authority; and
- (b) if required, the Authority shall, at its sole discretion, grant reasonable extension of the Project Completion Schedule for any delay caused as a direct consequence of any discovery.

#### **10.9 Development of Site for Medical College**

The Concessionaire may landscape and develop the Site for Medical College and regulate the use thereof in accordance with the Good Industry Practice and in conformity with the provisions of this Agreement.

#### **10.10 Permitted Use**

The Concessionaire shall use or cause to be used any or all part of the Site for Medical College for operating, managing and maintaining the Medical College in accordance with Applicable Laws and Applicable Permits. Any use of the Site for Medical College in violation thereof shall constitute a Concessionaire Default under this Agreement.

**Article 11**  
**HANDOVER OF THE DISTRICT HOSPITAL**

**11.1. District Hospital**

District Hospital shall comprise of the area which is described, delineated and shown in Schedule A and in respect of which a right of way and possession shall be provided and granted by the Authority on “as is where is basis” in accordance with the terms of this Agreement.

**11.2. Access to the Site for District Hospital**

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

11.2.2 In consideration of the Concession Fee, this Agreement and the covenants and warranties on the part of the Concessionaire herein contained, the Authority, in accordance with the terms and conditions set forth herein, hereby grants to the Concessionaire, commencing from the Appointed Date, right of way in respect of all the land comprising the District Hospital and the assets comprising the District Hospital. The Site for District Hospital shall be handed-over to the Concessionaire and provided on an 'as is where is' basis, free of any Encumbrances, to augment, operate and maintain the District Hospital, together with all and singular rights, liberties, privileges, easements and appurtenances whatsoever to the Site for District Hospital, hereditaments or premises or any part thereof belonging to or in any way appurtenant thereto or enjoyed therewith, for the duration of the Concession Period and, for the purposes permitted under this Agreement, and for no other purpose whatsoever.

11.2.3 The access, right of way and all other rights to the District Hospital granted under this Agreement by the Authority to the Concessionaire shall always be subject to existing rights of way.

11.2.4 It is expressly agreed that the Concessionaire's rights to the District Hospital shall terminate automatically and forthwith, without the need for any action to be taken by the Authority, upon the Termination of this Agreement for any reason whatsoever. For avoidance of doubt, the Parties expressly agree that notwithstanding any temporary or permanent structures erected on the District Hospital by the Concessionaire or its Contractors, the rights of the Concessionaire in respect of the District Hospital shall automatically terminate, without any further act of the Parties, upon Termination of this Agreement.

- 11.2.5. The Concessionaire hereby irrevocably appoints the Authority (or its nominee) to be its true and lawful attorney, to execute and sign in the name of the Concessionaire a transfer or surrender of the rights granted hereunder at any time after the Concession Period has expired or has been Terminated in terms hereof, whichever is earlier, a sufficient proof of which shall be the declaration of any duly authorised officer of the Authority, and the Concessionaire consents to it being registered for this purpose.
- 11.2.6. It is expressly agreed that trees on the Site for District Hospital are the property of the Authority except that the Concessionaire shall be entitled to exercise usufructuary rights thereon during the Concession Period.

### **11.3. Handover of the District Hospital**

- 11.3.1 In accordance with the Project Completion Schedule, the Authority Representative and the Concessionaire shall, inspect the Site for District Hospital and prepare a memorandum containing an inventory of the Site for District Hospital including the vacant land, buildings, structures, assets, machinery and equipment, road works, trees and any other immovable property on or attached to the Site for District Hospital, free from any Encumbrance. Such memorandum shall have appended thereto an appendix (the “**Appendix for District Hospital**”) specifying in reasonable detail those parts of the District Hospital to which access and right of way has not been granted to the Concessionaire. If the Authority fails to provide the access to the Site for District Hospital in accordance with the timelines provided in the Project Completion Schedule the Authority shall be liable to pay Damages calculated at the rate of [0.2% (zero point two per cent)] of the amount of Performance Security for delay of each day until such access is provided by the Authority up to a maximum of [20% (twenty per cent)] of the amount of Performance Security.
- 11.3.2 In case of any dispute between the Concessionaire and the Authority in relation to the survey of the Site for District Hospital and the District Hospital and the Appendix, the decision of the Authority shall prevail and shall be binding on the Concessionaire.
- 11.3.3 On and after signing the memorandum referred to in Clause 11.3.1, and until the Expiry Date, the Concessionaire shall maintain a round-the-clock vigil over the Site for District Hospital and shall ensure and procure that no encroachment thereon takes place, and in the event of any encroachment or occupation on any part thereof, the Concessionaire shall report such encroachment or occupation forthwith to the Authority and the Concessionaire shall be reimbursed by the Authority for all costs and expenses relating to such removal.
- 11.3.4 Upon receiving possession and access to and in respect of any land, buildings etc. included in the Appendix, the Concessionaire shall complete the Development Works in accordance with the Project Completion Schedule set forth in Schedule G.
- 11.3.5 The Authority shall procure any additional land that may be required for the District

Hospital or for work specified in Change of Scope Order issued under Article 17, in accordance with the provisions of this Agreement, and upon procurement thereof, such land shall form part of the Site for District Hospital; provided that no land to be acquired by the Authority hereunder shall be deemed to be included in the Appendix referred to in this Clause 11.3.1 and dealt with accordingly. For avoidance of doubt, the Parties agree that any land required for the District Hospital, in addition to the land included in Schedule A, shall be acquired at the sole discretion of the Authority and the Concessionaire shall have no right to claim in the event the Authority declines any such acquisition in whole or in part.

- 11.3.6 The Authority shall continue to operate the District Hospital till the Operations Date and the Concessionaire shall ensure that the augmentation works are undertaken in a manner that such operations are not affected.

#### **11.4 District Hospital to be free from Encumbrances**

The District Hospital shall be made available by the Authority to the Concessionaire pursuant hereto free from all Encumbrances and occupations and without the Concessionaire being required to make any payment to the Authority on account of any costs, compensation, expenses and charges for the acquisition and use of the District Hospital for the duration of the Concession Period, except insofar as otherwise expressly provided in this Agreement. For avoidance of doubt, it is agreed that existing rights of way, easements, privileges, liberties and appurtenances to the District Hospital shall not be deemed to be Encumbrances. It is further agreed that the Concessionaire accepts and undertakes to bear any and all risks arising out of the inadequacy or physical condition of the District Hospital.

#### **11.5 Protection of District Hospital from encroachments**

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

#### **11.6 Special or temporary Right of Way**

The Concessionaire shall bear all costs and charges for any special or temporary right of way required by it in connection with access to the District Hospital which is being provided and granted by the Authority. The Concessionaire shall obtain at its own cost such facilities on or outside the Site for District Hospital as may be required by it for the purposes of the Development Works, operation and maintenance of the District Hospital and the performance of its obligations under this Agreement.

### **11.7 Access to the Authority, Independent Engineer and Independent Expert**

The right to the Site for District Hospital granted to the Concessionaire hereunder shall always be subject to the right of access of the Authority, its representatives or authorised personnel, the Independent Engineer, the Independent Expert and their employees and agents for inspection, viewing and exercise of their rights and performance of their obligations under this Agreement.

### **11.8 Geological and archaeological finds**

It is expressly agreed that geological or archaeological rights do not form part of the rights granted to the Concessionaire under this Agreement and the Concessionaire hereby acknowledges that it shall not have any right or interest in the underlying fossils, antiquities, structures or other remnants or things either of particular geological or archaeological interest and that such right, interest and property on or under the Site for District Hospital shall vest in and belong to the Authority or the concerned Government Instrumentality. The Concessionaire shall take all reasonable precautions to prevent its workmen or any other person from removing or damaging such interest or property and shall inform the Authority forthwith of the discovery thereof and comply with such instructions as the concerned Government Instrumentality may reasonably give for the removal of such property. For avoidance of doubt, it is agreed that:

- (a) any reasonable expense incurred by the Concessionaire hereunder shall be reimbursed by the Authority; and
- (b) if required, the Authority shall, at its sole discretion, grant reasonable extension of the Project Completion Schedule for any delay caused as a direct consequence of any discovery.

### **11.9 Development of Site for District Hospital**

The Concessionaire may landscape and develop the Site for District Hospital and regulate the use thereof in accordance with the Good Industry Practice and in conformity with the provisions of this Agreement.

### **11.10 Permitted Use**

The Concessionaire shall use or cause to be used any or all part of the Site for District Hospital for operating, managing and maintaining the District Hospital in accordance with Applicable Laws and Applicable Permits. Any use of the Site for District Hospital in violation thereof shall constitute a Concessionaire Default under this Agreement.

**Article 12**  
**UTILITIES AND ASSOCIATED ROADS**

**12.1 Existing utilities and roads**

Notwithstanding anything to the contrary contained herein, the Concessionaire shall ensure that the Government Instrumentalities owning the existing roads, right of way or utilities, on, under or above the Project Site are enabled by it to keep such utilities in continuous satisfactory use, if necessary, by providing suitable temporary or permanent diversions with the authority of the relevant Government Instrumentality. Further, the Authority shall, upon written request from the Concessionaire, initiate and undertake at the Concessionaire's cost, legal proceedings for acquisition of any right of way necessary for such diversion.

**12.2 Shifting of obstructing utilities**

The Concessionaire shall, subject to Applicable Laws, provisions of Applicable Permits and with the assistance of the Authority, undertake shifting of any utility, including electric lines, water pipes and telephone cables, to an appropriate location or alignment within or outside the Project Site, if and only if such utility causes or shall cause a Material Adverse Effect on the development, operation or maintenance of the District Hospital. The cost of such shifting shall be borne by the Concessionaire, and in the event of any delay in shifting thereof, the Concessionaire shall be excused for failure to perform any of its obligations hereunder if such failure is a direct consequence of delay on the part of the entity owning such electric lines, water pipes or telephone cables, as the case may be.

**12.3 Felling of Trees**

The Authority shall assist the Concessionaire in procuring the Applicable Permits for felling of trees to be identified by the Concessionaire for this purpose if and only if such trees cause a Material Adverse Effect on the construction, operation or maintenance of the District Hospital. In the event of any delay in felling thereof for reasons beyond the control of the Concessionaire, it shall in the sole discretion of the Authority, be excused for failure to perform any of its obligations hereunder if such failure is a direct consequence of delay in the felling of trees. For avoidance of doubt, the costs and expense in respect of felling of trees shall be borne by the Concessionaire and any revenues thereof shall be paid to the Authority.

**Article 13**  
**DEVELOPMENT WORKS**

**13.1 Obligations relating to Development Works**

13.1.1 Prior to the commencement of Development Works, the Concessionaire shall, along with the Drawings:

- (a) submit to the Authority and the Independent Engineer its detailed design, augmentation methodology, quality assurance procedures, and the procurement, engineering, construction, development and augmentation time schedule for completion of the Project in accordance with the Project Completion Schedule as set forth in Schedule G;
- (b) appoint its representative duly authorised to deal with the Authority in respect of all matters under or arising out of or relating to this Agreement; and
- (c) undertake, do and perform all such acts, deeds and things as may be necessary or required before commencement of construction under and in accordance with this Agreement, Applicable Laws and Applicable Permits.

13.1.2 The Concessionaire shall not cause any structural damage to the District Hospital nor break or demolish any part of the District Hospital, unless specifically, permitted by the Authority. Provided, however, that any modification of a room or hall, without any damage to structural column or roof, shall not be construed as a structural change hereunder and may be undertaken by the Concessionaire without approval of the Authority. Provided further that the Concessionaire shall by notice inform the Authority of any such modification before commencing the construction thereof.

**13.2 Drawings**

In respect of the Concessionaire's obligations relating to the Drawings of the Project , the following shall apply:

- (a) the Concessionaire shall prepare and submit, with reasonable promptness and in such sequence as is consistent with the Project Completion Schedule, the copies of all Drawings to the Independent Engineer for review. Such Drawings shall be prepared in accordance with the Specifications and Standards and in accordance with the Project Completion Schedule and the Development Obligations.
- (b) by submitting the Drawings for review to the Independent Engineer, the Concessionaire shall be deemed to have represented that it has determined and verified that the design and engineering are in conformity with the Specifications and Standards, Applicable Laws and Good Industry Practice;

- (c) within [15 (fifteen)] days of the receipt of the Drawings, the Independent Engineer shall review the same and convey its observations to the Concessionaire with particular reference to their conformity or otherwise with the Specifications and Standards. The Concessionaire shall not be obliged to await the observations of the Independent Engineer on the Drawings submitted pursuant hereto beyond the specified period and may begin or continue Development Works at its own discretion and risk;
- (d) if the aforesaid observations of the Independent Engineer indicate that the Drawings are not in conformity with the Scope of Project and the Specifications and Standards, such Drawings shall be revised by the Concessionaire and resubmitted to the Independent Engineer for review within [7 (seven)] days. The Independent Engineer shall give its observations, if any, within [7 (seven)] days of receipt of the revised Drawings;
- (e) no review or observation of the Independent Engineer and/or its failure to review or convey its observations on any Drawings shall relieve the Concessionaire of its obligations and liabilities under this Agreement in any manner nor shall the Independent Engineer or the Authority be liable for the same in any manner;
- (f) without prejudice to the foregoing provisions of this Clause 13.2, the Concessionaire shall submit to the Authority for review and comments, its Drawings relating to the location and layout of the Project and general arrangement drawings thereof and the Authority shall have the right but not the obligation to undertake such review and provide its comments, if any, within [30 (thirty)] days of the receipt of such Drawings. The provisions of this Clause 13.2 shall apply *mutatis mutandis* to the review and comments thereunder;
- (g) within [90 (ninety)] days of the Operations Date, the Concessionaire shall furnish to the Authority a complete set of as-built Drawings, in [2 (two)] hard copies and its editable digital format or in such other medium as may be acceptable to the Authority, reflecting the Project, as actually designed, engineered and constructed, including an as-built survey illustrating the layout of the Project and setback lines, if any, of the buildings and structures forming part of the Project. It is clarified that the Concessionaire shall submit the Drawings in accordance with **Schedule D**.

### **13.3 Development of the Project**

- 13.3.1 On or after the Appointed Date, the Concessionaire shall undertake augmentation of the District Hospital as specified in Schedule B, and in conformity with the Specifications and Standards set forth in Schedule C, including *inter alia* increase in the number of Beds and construction/development of Medical College (the “**Development**

**Obligations**”). The Concessionaire shall undertake the Development Obligations, where the Development Works shall commence from the Appointed Date and shall be completed in accordance with the Project Completion Schedule as set forth in Schedule G.

13.3.2 The Concessionaire shall augment the District Hospital and construct/develop the Medical College in accordance with the Project Completion Schedule set forth in Schedule G. In the event that the Concessionaire fails to achieve any Project Milestone within [30 (thirty)] days from the date set forth for such Project Milestone in Schedule G, unless such failure has occurred due to Force Majeure or for reasons solely and directly attributable to the Authority, it shall pay Damages to the Authority in a sum calculated at the rate of [0.2% (zero point two per cent)] of the amount of Performance Security for delay of each day until such Project Milestone is achieved up to a maximum of [20% (twenty per cent)] of the amount of Performance Security; provided that if any or all Project Milestones or the Scheduled Completion Date are extended in accordance with the provisions of this Agreement, the dates set forth in Schedule G shall be deemed to be modified accordingly and the provisions of this Agreement shall apply as if Schedule G has been amended as above; provided further that in the event Operation Date is achieved on or before the Scheduled Completion Date, the Damages paid under this Clause 13.3.2 shall be refunded by the Authority to the Concessionaire, but without any interest thereon. For avoidance of doubt, it is agreed that recovery of Damages under this Clause 13.3.2 shall be without prejudice to the rights of the Authority under this Agreement, or otherwise including the right of Termination thereof.

13.3.3 In the event that the Development Works pertaining to the Development Obligation is not completed within [180 (one hundred and eighty)] days from the Scheduled Completion Date, unless the delay is on account of reasons solely attributable to the Authority or due to Force Majeure, the Authority shall be entitled to Terminate this Agreement. Without prejudice to the Authority’s rights under this Agreement and/or any other right that it may have under Applicable Law or equity, the Authority may in its sole discretion choose not to Terminate this Agreement after the said period of [180 (one hundred and eighty)] days and allow for a weekly extension beyond such period of [180 (one hundred and eighty)] days; provided that the Concessionaire agrees and pays in advance, the Damages calculated in accordance with Clause 13.3.2 above, for each day of such extension. To the extent that the Authority has agreed to allow for an extension and the Concessionaire has paid the Damages in advance as stated above, the Authority shall not terminate this Agreement in accordance with the provisions of this Clause 13.3.3. Notwithstanding the foregoing, the Parties agree that this Article shall not prejudice, in any manner whatsoever, the Authority's right of Termination under any other provision of this Agreement.

#### **13.4 Tests**

13.4.1 No later than [30 (thirty)] days prior to the likely completion of the Development Works, the Concessionaire shall notify the Independent Engineer of its intent to subject

the Development Works to Tests. The date and time of each of the Tests shall be determined by the Independent Engineer in consultation with the Concessionaire and notified to the Authority who may designate its representative to witness the Tests. The Concessionaire shall provide such assistance as the Independent Engineer may reasonably require for conducting the Tests. In the event of the Concessionaire and the Independent Expert failing to mutually agree on the dates for conducting the Tests, the Concessionaire shall fix the dates, but not less than [10 (ten)] days' notice to the Independent Engineer.

- 13.4.2 All Tests shall be conducted in accordance with **Schedule H** at the cost and expense of the Concessionaire. The Independent Expert shall observe, monitor and review the results of the Tests to determine compliance of the Development Works with the Specifications and Standards and if it is reasonably anticipated or determined by the Independent Engineer during the course of any Test that the performance of the Development Works or any part thereof does not meet the Specifications and Standards, it shall have the right to suspend or delay such Test and require the Concessionaire to remedy and rectify the defects or deficiencies. Upon completion of each Test, the Independent Engineer shall provide to the Concessionaire and the Authority, copies of all Test data including detailed Test results. For avoidance of doubt, it is expressly agreed that the Independent Engineer may require the Concessionaire to carry out or cause to be carried out additional Tests, in accordance with Good Industry Practice, for determining the compliance of the Development Works with the Specifications and Standards.

**Article 14**  
**MONITORING OF DEVELOPMENT WORKS**

**14.1 Monthly progress reports**

During the Construction Period, the Concessionaire shall, within [7 (seven)] days after the close of each month, furnish to the Authority and the Independent Engineer a monthly report on progress of the Development Works and shall promptly give such other relevant information as may be required by the Authority and/or Independent Engineer. The provisions of this Article 14 shall apply *mutatis mutandis* to the Development Works undertaken for the Development Obligation.

**14.2 Inspection**

During the construction of Development Works, the Independent Engineer shall inspect the Project, at least [once a month] and make a report of such inspection (the “**Inspection Report**”) stating in reasonable detail the defects or deficiencies, if any, with particular reference to the Specifications and Standards. It shall send a copy of the Inspection Report to the Authority and the Concessionaire within [7 (seven)] days of such inspection and upon receipt thereof, the Concessionaire shall rectify and remedy the defects or deficiencies, if any, stated in the Inspection Report. Notwithstanding the foregoing, such inspection or submission of Inspection Report by the Independent Engineer shall not relieve or absolve the Concessionaire of its obligations and liabilities hereunder in any manner whatsoever.

**14.3. Tests**

14.3.1 For determining that the Development Works conform to the Agreement and Specifications and Standards, the Independent Engineer shall require the Concessionaire to carry out or cause to be carried out Tests, at such time and frequency and in such manner as may be specified by the Independent Engineer from time to time in accordance with Good Industry Practice for quality assurance. The Independent Engineer shall participate in at least [10% (ten per cent)] of the number of such Tests that the owner or builder of such works would normally undertake in accordance with Good Industry Practice. The Concessionaire shall, with due diligence, carry out or cause to be carried out all the Tests in accordance with the instructions of the Independent Engineer and furnish the results thereof to the Independent Engineer. One half of the costs incurred on such Tests, and to the extent certified by the Independent Engineer as reasonable, shall be reimbursed by the Authority to the Concessionaire. Provided however, that the Independent Engineer may, instead of carrying out the Tests specified hereunder, at its option decide to witness, or participate in, any of the Tests to be undertaken by the Concessionaire for its own quality assurance in accordance with Good Industry Practice, and in such an event, the Concessionaire shall cooperate with, and provide the necessary assistance to, the Independent Engineer for discharging its functions hereunder. For avoidance of doubt, the costs to be incurred on any Test which

is undertaken for determining the rectification of any defect or deficiency in construction shall be borne solely by the Concessionaire.

14.3.2 In the event that results of any Tests conducted under this Clause 14.3 establish any defects or deficiencies in the Development Works, the Concessionaire shall carry out remedial measures and furnish a report to the Independent Engineer in this regard. The Independent Engineer shall require the Concessionaire to carry out or cause to be carried out Tests to determine that such remedial measures have brought the Development Works into compliance with Specifications and Standards, and the procedure under Clause 14.3 shall be repeated until such Development Works conform to the Specifications and Standards. For avoidance of doubt, it is agreed that the Tests pursuant to this Clause 14.3 shall be undertaken in addition to and independent of the Tests carried out by the Concessionaire for its own quality assurance in accordance with Applicable Laws, Applicable Permits and Good Industry Practice. It is also agreed that a copy of the results of such Test shall be sent by the Concessionaire to the Independent Engineer forthwith.

#### **14.4 Delays during construction**

Without prejudice to the provisions of Clause 14.1, if the rate of progress of Development Works is such that the Development Obligation is not likely to be completed within the time period stipulated, the Concessionaire shall inform the Independent Engineer and the Authority at fortnight intervals, in reasonable detail about the steps it proposes to take to expedite progress and the period within which it shall achieve the Operation Date.

#### **14.5 Video Recording**

The Concessionaire shall provide to the Authority for every calendar quarter, a video recording, which will be compiled into a [1 (one)] hour digital video covering the status of the progress of Development Works in that quarter. The first such video recording shall be provided to the Authority within [15 (fifteen)] days of the Appointed Date and thereafter, no later than [15 (fifteen)] days after the close of each quarter.

## **Article 15**

### **COMPLETION CERTIFICATE**

#### **15.1 Provisional Certificate**

If the Project or any part thereof as specified in Article 16, as the case maybe, is complete and the Concessionaire certifies in writing that the Tests are successful and the Development Works or part thereof as specified in Article 16, as the case maybe, can be safely and reliably placed in operation, even though certain works or things forming part thereof which do not affect the use and safety of the Development Works, or any part of the Development Works, for their intended purpose, are outstanding and are to be completed (the “**Punch List**”), the Independent Engineer may, at the request of the Concessionaire, issue a provisional completion certificate, specifying the details of the Punch List which the Concessionaire shall be required to complete before issuance of a Completion Certificate (the “**Provisional Certificate**”).

#### **15.2 Completion Certificate**

- 15.2.1 List of all Punch List items appended to the Provisional Certificate, if any, shall be completed by the Concessionaire within [180 (one hundred and eighty)] days of the date of issue of such Provisional Certificate. When Concessionaire considers it has achieved completion of Punch List, it must request the Independent Engineer for issuance of the Completion Certificate.
- 15.2.2 Within [10 (ten)] days after receiving the request and upon being satisfied by the documents provided by the Concessionaire, the Independent Engineer shall inspect the Project for Punch List items and either:
- (a) issue to the Concessionaire and the Authority a certificate substantially in the form set forth in Schedule I (the “**Completion Certificate**”), if the Punch List items as provided under the Provisional Certificate have been completed; or
  - (b) issue a written notice to Concessionaire listing the Punch List items remaining to be completed along with the timelines to complete them.
- 15.2.3 In the event the Concessionaire fails to complete the Punch List items within the timeline mentioned in this Article, then the Authority without prejudice to any of its rights under this Agreement including Termination thereof, may waive of completion of such Punch List items. Authority’s decision in this regard shall be at its discretion and shall be final and binding.

#### **15.3 Deemed Completion Certificate**

In the event that upon successful determination by the Independent Engineer of the successful completion of all Tests in accordance with Article 14 above, the Independent Engineer

fails to issue the Completion Certificate to the Authority and the Concessionaire within the time specified in Article 14 at the end of such period, such Completion Certificate shall be deemed to have been issued to the Authority and the Concessionaire in accordance with the provisions of this Clause 15.3 (the “**Deemed Completion Certificate**”).

#### **15.4 Rescheduling of Tests**

If the Independent Engineer certifies to the Authority and the Concessionaire that it is unable to certify the completion of the facilities required for rendering Healthcare Services or issue the Completion Certificate, as the case may be, because of events or circumstances on account of which the Tests could not be held or had to be suspended, the Concessionaire at its own cost and expense, shall be entitled to re-schedule the Tests and hold the same as soon as reasonably practicable. The provisions of this Article 15 shall apply *mutatis mutandis* to such re-scheduled Tests.

#### **15.5. Subsequent Development Obligations**

If the Concessionaire undertakes additional development of the District Hospital to increase the number of Beds from [330 (three hundred and thirty)], the provisions of Article 14 and 15 shall apply to such additional development and the Concessionaire shall be permitted to undertake operations of the additional development pursuant to the issuance of the Provisional Certificate or the Completion Certificate as the case may be.

**Article 16**  
**OPERATION OF THE DEVELOPMENT WORKS**

**16.1 Operation Date**

The operation date (the “**Operations Date**” or “**COD**”) shall be the date on which the Concessionaire shall have completed augmentation of existing District Hospital to 330 bedded facility and achieved development of Medical College. Subject to and in accordance with the terms of this Agreement, and as evidence by issuance of Completion Certificate or the Deemed Completion Certificate, as the case may be, is issued under the provisions of Article 15 and the Letter of Permission is obtained to commence operations. The Development Obligations corresponding to the 330 bedded augmented District Hospital and developed Medical College shall enter into service on Operations Date whereupon the Concessionaire shall be entitled to provide Healthcare Services in accordance with the terms of this Agreement, Applicable Laws, Applicable Permits, Good Industry Practice. It is hereby expressly recorded, understood, and agreed by the Parties that the COD would be said to be achieved only upon the completion of augmentation of District Hospital to 330-bedded facility and development of Medical College in accordance with the terms of this Agreement and Applicable Laws.

**Article 17**  
**CHANGE OF SCOPE**

**17.1 Change of Scope**

17.1.1. The Authority may, notwithstanding anything to the contrary contained in this Agreement, require the provision of additional works and services which are not included in the Project as contemplated by this Agreement (the “**Change of Scope**”). Any such Change of Scope shall be made in accordance with the provisions of this Article 17 and the costs thereof shall be expended by the Concessionaire and reimbursed to it by the Authority in accordance with Clause 17.3.

17.1.2. If the Concessionaire determines at any time that a Change of Scope is necessary for providing safer and improved Healthcare Services, it shall by notice in writing require the Authority to consider such Change of Scope. The Authority shall, within [15 (fifteen)] days of receipt of such notice, either accept such Change of Scope with modifications, if any, and initiate proceedings therefore in accordance with this Article 17 or inform the Concessionaire in writing of its reasons for not accepting such Change of Scope.

17.1.3 Any works or services which are provided under and in accordance with this Article 17 shall form part of the Project and the provisions of this Agreement shall apply *mutatis mutandis* to such works or services.

**17.2 Procedure for Change of Scope**

17.2.1 In the event of the Authority determining that a Change of Scope is necessary, it shall issue to the Concessionaire a notice specifying in reasonable detail the works and services contemplated thereunder (the “**Change of Scope Notice**”).

17.2.2 Upon receipt of a Change of Scope Notice, the Concessionaire shall, with due diligence, provide to the Authority such information as is necessary, together with preliminary Documents in support of:

- (a) the impact, if any, which the Change of Scope is likely to have on the Project Completion Schedule if the works or services are required to be carried out during the Construction Period;
- (b) the options for implementing the proposed Change of Scope and the effect, if any, each such option would have on the costs and time thereof, including a detailed breakdown by work classifications specifying the material and labour costs calculated in accordance with the schedule of rates applicable to the works assigned by the Authority to its contractors, any impact on the operations or the cost of operation of the Project, along with the proposed premium or discount on such rates; provided that the cost incurred by the Concessionaire in providing such information shall be reimbursed by the Authority to the extent such cost is

certified by the Independent Engineer as reasonable; and

(c) its likely impact on the Gross Revenue and profitability of the Project.

17.2.3 Upon receipt of information set forth in Clause 17.2.2, if the Authority decides to proceed with the Change of Scope, it shall convey its preferred option to the Concessionaire, and the Parties shall, with assistance, thereupon of the Independent Engineer, make good faith efforts to agree upon the time and costs for implementation thereof. Upon reaching an agreement, the Authority shall issue an order (the “**Change of Scope Order**”) requiring the Concessionaire to proceed with the performance thereof. In the event that the Parties are unable to agree, the Authority may, by issuing a Change of Scope Order, require the Concessionaire to proceed with the performance thereof pending resolution of the Dispute.

17.2.4 The provisions of this Agreement, insofar as they relate to Development Works and Tests, shall apply *mutatis mutandis* to the works undertaken by the Concessionaire under this Article 17.

### **17.3 Payment for Change of Scope**

Within [7 (seven)] days of issuing a Change of Scope Order, the Authority shall make an advance payment to the Concessionaire of a sum equal to [20% (twenty per cent)] of the cost of Change of Scope as agreed hereunder, and in the event of a Dispute, [20% (twenty per cent)] of the cost assessed by the Independent Engineer. The Concessionaire shall, after commencement of work, present to the Authority bills for payment in respect of the works in progress or completed works, as the case may be, supported by such Documents as is reasonably sufficient for the Authority to determine the accuracy thereof. Within [30 (thirty)] days of receipt of such bills, the Authority shall disburse to the Concessionaire such amounts as are certified by the Independent Engineer, as reasonable and after making a proportionate deduction for the advance payment made hereunder, and in the event of any Dispute, final adjustments thereto shall be made under and in accordance with the Dispute Resolution Procedure in Article 45.

### **17.4 Restrictions on certain works**

17.4.1 Notwithstanding anything to the contrary contained in this Article 17, the Authority shall not require the Concessionaire to undertake any works or services if such works or services are likely to delay the Operation Date; provided that in the event that the Authority considers such works or services to be essential, it may issue a Change of Scope Order, subject to the condition that the works forming part of or affected by such order shall not be reckoned for the purposes of determining completion of the Project and issuing the Completion Certificate or Deemed Completion Certificate.

17.4.2. Notwithstanding anything to the contrary contained in this Article 17, the Concessionaire shall be entitled to nullify any Change of Scope Order if it causes the

cumulative costs relating to all the Change of Scope Orders to exceed [10% (ten per cent)] of the Total Project Cost.

#### **17.5 Financing by the Concessionaire**

Notwithstanding anything to the contrary contained in this Article 17, the Parties may, subject to this Clause 17.5 agree on determining the Change of Scope which may be financed partly or entirely by the Concessionaire, if such arrangement enables the Concessionaire to provide the financing and undertake its recovery in accordance with the provisions of this Agreement.

**Article 18**  
**OPERATION AND MAINTENANCE**

**18.1 Operation and Maintenance obligations of the Concessionaire**

18.1.1 During the Operation Period, the Concessionaire shall operate and maintain the Project and provide Healthcare Services to the Users in accordance with this Agreement either by itself, and/or through an O&M Contractor and if required, modify, repair or otherwise make improvements to the Project, to comply with the provisions of this Agreement, Applicable Laws and Applicable Permits, and conform to Specifications and Standards and Good Industry Practice. The obligations of the Concessionaire hereunder shall include:

- (a) submit 30 (thirty) days prior to the Operation Date, in consultation with the Authority and Independent Expert[s], a service quality manual (the “**Service Quality Manual**”) outlining strategy to achieve services specification including the Specifications and Standards outlined and shall ensure and procure that at all times during the Operation Period;
- (b) undertaking operation and maintenance of the Project in an efficient, coordinated and economical manner, in compliance with the Specification and Standards;
- (c) undertake, in compliance with the terms and conditions of this Agreement, including the Specifications and Standards, Applicable Laws, Applicable Permits, the Maintenance Manual, the Service Quality Manual and Good Industry Practice, Good Clinical Practice and Good Healthcare Practice: (i) the operation of the Project by itself and provide Healthcare Services to the Users, and (ii) the maintenance of the Project by itself [or through an O&M Contractor(s)] who may be appointed only after taking prior written approval of the Authority;
- (d) to obtain and maintain throughout the Concession Period, recognition of all relevant statutory bodies or Government Instrumentality for the operation of the Medical College, rendering the educational services and other allied facilities;
- (e) maintain throughout the Concession Period, recognition of relevant statutory bodies or Government Instrumentality for the operation of the District Hospital, rendering the Healthcare Services and other allied facilities as provided in **Schedule P** for use by the Users;
- (f) maintaining adequate number of ambulances and dead body vans at the District Hospital in accordance with the Applicable Laws;
- (g) undertaking routine maintenance including prompt repairs of all elements and

components of the Project, so as to ensure compliance with the Maintenance Requirements and the Specification and Standards;

- (h) undertaking major maintenance, replacement of components and parts, repairs to structures, and repairs and development of associated facilities including the Ancillary Facilities;
- (i) providing round the clock security at the Project Site and preventing with the assistance of the concerned law enforcement agencies, any encroachments on or authorised entry on the Project Site;
- (j) protection of environment and provision of Equipment and materials thereof in accordance with the Applicable Laws, Applicable Permits, terms of this Agreement and Good Industry Practice;
- (k) ensure provision of food which is served to the Patients is clean, hygienic and of good quality;
- (l) operation and maintenance of all communication, control and administrative systems necessary for the efficient operation of the Project and for providing Healthcare Services in conformity with the Good Industry Practice;
- (m) maintaining a public relations unit to interface with and attend to suggestions from the Users, Government Instrumentality, media and other agencies;
- (n) complying with the Safety Requirements;
- (o) obtain NABH accreditation and ensure compliance with NABH requirements at all times;
- (p) shall ensure that the bio-medical waste is segregated, labelled and disposed of in accordance with the Applicable Laws;
- (q) ensuring that all toilets are clean, hygienic and odour free, the temperature in the Project is maintained in accordance with the Good Industry Practice, all entry and exit points, passages, circulation areas and vehicular traffic are so managed that they do not have a queue with a waiting time exceeding 5 (five) minutes;
- (r) providing free drinking water for Users at minimum [2 (two)] locations at the District Hospital and Medical College;
- (s) providing efficient lifts, escalators, walkalators, information systems, public address systems and lighting systems;

- (t) providing waiting areas with adequate seating capacity for the Users at the District Hospital and Medical College with provision for display units for entertainment/news while waiting;
- (u) providing efficient management of the Users visiting the District Hospital to avail out patient services by introducing token system to ensure smooth functioning of the services;
- (v) ensuring that the District Hospital and Medical College building is accessible to the Users round the clock, with provision for monitoring the visiting hours to the Patients admitted in the District Hospital;
- (w) ensuring provision of ramp ways, modified toilets, wheel chairs and earmarked parking slots in conformity with Specifications and Standards and Good Industry Practice, and at no extra cost to Users requiring special assistance;
- (x) making available vending machines with bottled water, popular snacks and beverages at not less than [4 (four)] locations accessible to the Users, at prices not exceeding the maximum retail price;
- (y) providing kiosks for cafeteria facilities for the Users;
- (z) ensuring proper signs, markings and display within the District Hospital and Medical College to direct the Users to the appropriate sections of the District Hospital and Medical College; and
- (aa) operation and maintenance of all Project Assets diligently and efficiently and in accordance with Applicable Laws, Applicable Permits, Good Industry Practice and provisions of this Agreement.

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

18.1.3 The Concessionaire shall maintain, in conformity with Good Industry Practice and Applicable Laws and Applicable Permits, all stretches of approach roads, or other structures situated on the Site for District Hospital and the Site for Medical College.

18.1.4 If the Concessionaire fails to comply with any directions issued by the Authority or any Government Instrumentality acting under any Applicable Laws, as the case may be, and is liable to pay a penalty under the provisions of Applicable Laws, such penalty shall be borne solely by the Concessionaire, and shall not be claimed from the

Authority. For avoidance of doubt, payment of any penalty under the provisions of Applicable Laws shall be in addition to and independent of the Damages payable under this Agreement. In the event the Authority is required to pay any penalty to the Government Instrumentality under any Applicable Laws then the Authority shall be entitled to be indemnified by the Concessionaire under Article 43.

## **18.2 Maintenance Requirements**

- 18.2.1 The Concessionaire shall procure that at all times during the Concession Period, the Project is maintained in accordance with the provisions of this Agreement, Applicable Laws, Applicable Permits and Good Industry Practice (the “**Maintenance Requirements**”), as more specifically set out in Schedule J.
- 18.2.2 The Concessionaire shall procure that at all times during the Concession Period, the Project conforms to the Service requirements as set forth in Schedule-J (the “**Service Requirements**”).
- 18.2.3 Not later than 45 (forty five) days prior to the beginning of each Accounting Year during the Concession Period, the Concessionaire shall provide to the Authority and the Independent Expert, its proposed annual programme of preventive, urgent and other scheduled maintenance (the “**Maintenance Programme**”) to comply with the Maintenance Requirements, Service Requirements, Service Quality Manual, Maintenance Manual and Safety Requirements. Such Maintenance Programme shall include:
- (a) preventive maintenance schedule;
  - (b) arrangements and procedures for carrying out urgent repairs;
  - (c) criteria to be adopted for deciding maintenance needs;
  - (d) intervals and procedures for carrying out inspection of all elements of the Project ;
  - (e) intervals at which the Concessionaire shall carry out periodic maintenance;
  - (f) arrangements and procedures for carrying out safety related measures; and
  - (g) intervals for major maintenance works and the scope thereof.

## **18.3 Authority’s right to take remedial measures**

In the event the Concessionaire does not maintain, repair and/or rectify any defects and deficiencies in the Project or any part thereof in conformity with the Maintenance Requirements and fails to commence remedial works within [15 (fifteen)] days of

receipt of the O&M Inspection Report or notice in this behalf from the Authority or the Independent Expert, as the case may be, the Authority, without prejudice to its rights under this Agreement including Termination thereof, be entitled to undertake such remedial measures at the risk and cost of the Concessionaire, and to recover its cost from Concessionaire. In addition to recovery of the aforesaid cost, a sum equal to [20% (twenty per cent)] of such cost shall be paid by the Concessionaire to the Authority as Damages. For avoidance of doubt, the rights of the Authority under this Clause 18.3 shall be without prejudice to its rights and remedies under Clause 18.4.

#### **18.4 Overriding powers of the Authority**

18.4.1 If in the opinion of the Authority, the Concessionaire is in material breach of its obligations under this Agreement and in particular, the Maintenance Requirements, and such breach is causing or is likely to cause material hardship or danger to any person or property, the Authority may, without prejudice to any of its rights under this Agreement including Termination thereof, by notice require the Concessionaire to take reasonable measures immediately for removing such hardship or danger as the case may be.

18.4.2 In the event the Concessionaire, upon notice under Clause 18.4.1, fails to rectify or remove any hardship or danger within a reasonable period, the Authority may take over the performance of any or all the obligations of the Concessionaire to the extent deemed necessary by it for removing such hardship or danger; provided that the exercise of such overriding powers by the Authority shall be of no greater scope and of no longer duration than is reasonably required in the circumstances which caused the exercise of such overriding power by the Authority; provided further that any costs and expenses incurred by the Authority in discharge of its obligations hereunder shall be deemed to be O&M Expenses, and the Authority shall be entitled to recover them from the Concessionaire in accordance with the provisions of this Article 18 along with the Damages specified therein.

#### **18.5 Restoration of loss or damage to the District Hospital**

Save and except as otherwise expressly provided in this Agreement, in the event that the District Hospital, or any part thereof suffers any loss or damage during the Concession Period from any cause whatsoever, the Concessionaire shall, at its cost and expense, rectify and remedy such loss or damage forthwith so that the District Hospital, conforms to the provisions of this Agreement.

#### **18.6 Modifications to the District Hospital**

The Concessionaire shall not carry out any material modifications to the District Hospital, save and except where such modifications are necessary for the District Hospital to operate in conformity with the Specifications and Standards, Maintenance Requirements, Good Industry Practice and Applicable Laws; provided that the Concessionaire shall notify the Independent Expert of the proposed modifications along with particulars thereof at

least [15 (fifteen)] days before commencing work on such modifications and shall reasonably consider any suggestions which the Independent Expert may make within [15 (fifteen)] days of receiving Concessionaire's proposal.

## **18.7 Technology watch**

- 18.7.1 The Concessionaire shall implement at its own cost, a technology watch throughout the Concession Period so as to allow the District Hospital to benefit from technical advancement and/or technology upgrades in connection with the Equipment and Healthcare Services. The technology watch shall include information about any offers to buy back and replace or upgrade the Equipment that the Concessionaire may receive from any third party and that would apply during the Concession Period or within [15 (fifteen)] days of the expiry of the Concession Period or early termination of this Agreement. The Concessionaire shall present the findings of the technological watch to the Authority in the form of a written report for review at least once every [3 (three)] months.
- 18.7.2 In the event that any Party believes that the replacement and/or upgrade of any Equipment is likely to have a positive impact on the quality of the Healthcare Services or the cost of performing the Healthcare Services (a "**Replacement**"), the Concessionaire shall submit either on its own initiative or within [15 (fifteen)] days of the Authority's request for the same, a written memorandum equivalent to that the Maintenance Programme referred to in Clause 18.2.3 and the resulting process shall comply with the provisions of Article 18.

## **18.8 Appointment of Medical Officers**

- 18.8.1. The Concessionaire agrees that the Authority shall nominate and appoint a chief medical officer or a district surgeon, or officer of such other equivalent designation, who shall have the power to control the District Hospital in the events of Medical Emergency ("**Chief Medical Officer**"). The Chief Medical Officer shall continue to be rolls of the Authority and shall have such powers as described in the **Schedule R**. The Concessionaire shall provide such facilities to the Chief Medical Officer as provided in the Schedule R and the Authority shall be liable to reimburse such amount spent by the Concessionaire towards providing the facility to the Chief Medical Officer. The Concessionaire shall also provide the Chief Medical Officer a space for his office within the District Hospital.
- 18.8.2. The Chief Medical Officer shall be responsible to issue all media statements on behalf of the District Hospital in the event of any Medical Emergency and as may be prescribed by the Authority from time to time.
- 18.8.3 The Authority shall also appoint and depute a casualty medical officer at the District Hospital ("**Casualty Medical Officer**"). The Casualty Medical Officer shall continue to be rolls of the Authority and shall have such powers and functions as described in the Schedule R. The Concessionaire shall provide such facilities to the Casualty

Medical Officer as provided in the Schedule R and the Authority shall be liable to reimburse such amount spent by the Concessionaire towards providing the facility to the Casualty Medical Officer.

**Article 19**  
**SAFETY REQUIREMENTS**

**19.1 Safety Requirements**

The Concessionaire shall comply with the provisions of this Agreement, Applicable Laws, Applicable Permits and Good Industry Practice for securing the safety of the Project, safety of the Users and other persons present in the premises. In particular, the Concessionaire shall develop, implement and administer a surveillance and safety programme for providing a safe environment on or about the Project and shall comply with the safety requirement set forth in Schedule K (the “**Safety Requirements**”).

**19.2 Expenditure on Safety Requirements**

Unless otherwise expressly provided in this Agreement, all costs and expenses arising out of or relating to Safety Requirements shall be borne by the Concessionaire.

**Article 20**  
**MONITORING OF OPERATION AND MAINTENANCE**

**20.1 Annual Status Reports**

During Concession Period, the Concessionaire shall, no later than [30 (thirty)] days after the close of every Accounting Year, furnish to the Authority and the Independent Expert an annual report, in a mutually agreed format, stating in reasonable detail the condition of the Project , including its compliance or otherwise with the Maintenance Requirements and the Safety Requirements, and shall promptly give such other relevant information as may be required by the Independent Expert. In particular, such report shall separately identify and state in reasonable detail the defects and deficiencies that require rectification.

**20.2 Inspection**

The Independent Expert shall inspect the Project at least once a year. It shall make a report of such inspection (the “**O&M Inspection Report**”) stating in reasonable detail the defects or deficiencies, if any, with particular reference to the Maintenance Requirements and Safety Requirements and send a copy thereof to the Authority and the Concessionaire within [7 (seven)] days of such inspection.

**20.3 Tests**

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

**20.4 Remedial measures**

20.4.1 The Concessionaire shall repair or rectify the defects or deficiencies, if any, set forth in the O&M Inspection Report or in the test results referred to in Clause 20.3 and furnish a report in respect thereof to the Independent Expert and the Authority within [15 (fifteen)] days of receiving the O&M Inspection Report; provided that where the remedying of such defects or deficiencies is likely to take more than [15 (fifteen)] days, the Concessionaire shall submit progress reports of the repair works once every week until such works are completed in conformity with this Agreement.

20.4.2. The Independent Expert shall require the Concessionaire to carry out or cause to be carried out tests, at its own cost, to determine that such remedial measures have brought

the Project into compliance with the Maintenance Requirements and the procedure set forth in this Clause 20.4.2 shall be repeated until the Project conforms to the Maintenance Requirements.

**Article 21**  
**SAFETY AND SECURITY**

**21.1 Security obligations of the Concessionaire**

- 21.1.1 The Concessionaire shall provide and maintain perimeter fencing or other suitable protection around the Project and shall be responsible for the security arrangements for the Project in order to maintain safe and orderly conduct of its business and the security thereof.
- 21.1.2 The Concessionaire shall install and operate a closed circuit television system to monitor the Project and such other parts of the Project as may be necessary and expedient for safe operations of the Project in accordance with Good Industry Practice.
- 21.1.3 The Concessionaire shall engage and depute trained personnel for maintaining the security and safety of Users inside the Project Site in accordance with Good Industry Practice.
- 21.1.4 The Concessionaire shall not be entitled to any compensation for disruption of its operations or loss or damage resulting from the Authority's actions or the actions of any organization authorised by the Authority other than those resulting from wilful or grossly negligent acts and omissions of the Authority. The Authority agrees that it shall cause the relevant organization to take such actions as reasonably deemed necessary by them for the security of the Project, without unduly disrupting the operations of the Project or interfering with the exercise of rights or fulfilment of obligations by the Concessionaire under this Agreement. The Concessionaire agrees that it shall extend its full support and cooperation to the Authority and to the other organization authorised by the Government in discharge of their obligations for and in respect to the security of the Project.
- 21.1.5. The Concessionaire shall abide by and implement any instructions of the Authority and the Independent Expert for enhancing the security within and around the Project. The Concessionaire shall not be entitled to any compensation for disruption of its operations or loss or damage resulting from the implementation of any instruction of the Authority or the Independent Expert.

**Article 22**  
**SELECTION OF PATIENTS**

**22.1 Patient Mix**

22.1.1 On and from the Operation Date, the Hospital shall have at least [330] beds in the District Hospital (“**Patient Intake Capacity**”) for the Patients.

22.1.2 The Concessionaire shall provide Healthcare Services in accordance with Schedule P to the following category of Patients:

- (a) Free Patients; and
- (b) Paid Patients.

**22.2 Identification Process for Free Patients**

- (a) If the Authority’s representative determines that a Patient is eligible as a Free Patient, the Authority’s representative shall issue a certificate to the effect that such Patient is a Free Patient (the “**Authorisation Certificate**”). Any Patient issued an Authorisation Certificate will be deemed to be a Free Patient entitled to avail Healthcare Services in accordance with the terms of this Agreement. Any Patient approaching the District Hospital for availing Healthcare Services and seeking to be treated as a Free Patient must procure from the Authority's designated officer an Authorisation Certificate in accordance with this Clause 22.2.
- (b) The Authority shall at all times ensure that at least one Authority designated representative is stationed and on duty at the District Hospital.

**Article 23**  
**HEALTHCARE SERVICES**

**23.1 Healthcare Services**

- 23.1.1 The Concessionaire agrees and undertakes that the District Hospital shall provide the Healthcare Services, in accordance with the provisions of this Agreement, Applicable Laws, Applicable Permits, Good Healthcare Practice and Good Clinical Practice and Good Industry Practice.
- 23.1.2 The Concessionaire shall ensure that the infrastructure and facilities incorporated in the District Hospital under the Development Works are adequate to operate and maintain the District Hospital of Patient Intake Capacity.

**23.2 Quality Healthcare Services**

- 23.2.1 The Concessionaire shall procure that all Patients in the District Hospital receive quality care in accordance with the provisions of this Agreement, Good Industry Practices, Good Clinical Practice and Good Healthcare Practice.
- 23.2.2 The Concessionaire shall ensure that no Patient or category of Patients is discriminated against or unduly favoured, as the case may be, in the use of the District Hospital, save and except as provided in this Article 23. The Concessionaire agrees that it shall not refer any Free Patient to any other healthcare facility without a valid reason, which shall be recorded in writing and signed by the Designated Person.
- 23.2.3 The Concessionaire shall procure that access, assessment and continuity of care, care of Patients, management of medication, Patient rights and education, infection control and continuous quality improvement are in accordance with Applicable Laws, Applicable Permits, Good Healthcare Practice, Good Clinical Practice and Good Industry Practice.
- 23.2.4 The Concessionaire shall abide by the Agreement in providing Healthcare Services and the responsibilities of management outlined in NABH and other Applicable Laws.
- 23.2.5 The Concessionaire shall ensure that the Free Patients requiring Healthcare Services shall be dealt with on *first come first served* basis, to the extent possible

**23.3 Doctors and Departments**

- 23.3.1 The District Hospital shall have well qualified doctors and nurses as per the requirements set out in Applicable Laws in each of the departments in accordance with the NMC Norms.

## **23.4 Out-Patient Healthcare Services**

23.4.1 The Concessionaire shall ensure that the out-patient Healthcare Services are provided free of cost to the Patients.

23.4.2 The Concessionaire shall ensure that there are adequate number of doctors available in all departments to attend to the out-patients, for at least 5 (five) hours on at least 6 (six) days a week.

## **23.5 Drugs**

The Authority shall provide drugs which are listed under national list of essential medicines (issued by Government of India), free of cost only to the Free Patients as part of OPD services as per the Applicable Laws. The Paid Patients will be required to bear the cost of the drugs that are prescribed and/or administered to them.

## **23.6 Diagnostic Services**

23.6.1 The Concessionaire shall ensure that the diagnostic Healthcare Services conducted in the District Hospital are in accordance with the provisions of this Agreement, Applicable Laws, Applicable Permits, Good Industry Practice, Good Clinical Practice and Good Healthcare Practice and would run the diagnostic tests listed under the National Essential Diagnostic list issued by the relevant Government Instrumentality from time to time, to ensure free diagnostic services as per the guidelines provided by the WHO from time to time. Notwithstanding anything contrary to the provisions of this Agreement, the Concessionaire shall provide OPD diagnostic services mentioned in Annex-I of Schedule P (expected to be available in District Hospital as per IPHS standards), free of cost to both Free Patients and Paid Patients. In this regard, it is clearly recorded and understood by the Parties that other OPD related diagnostic services (except those provided in Annex I of Schedule P) and any diagnostic services not covered in IPD packages shall be chargeable at rates not exceeding rates prescribed (from time to time) by King George Medical University, Lucknow, for the respective services.

In this connection, it is further clarified that Concessionaire shall be entitled to charge in respect of any diagnostic services whose rates are not prescribed/published by King George Medical University, Lucknow as per such rates as decided in accordance with following sequence:

1. Average rate as prevailing in any other government medical college in Uttar Pradesh; or
2. Rates available in CGHS Lucknow; or
3. Rates available in CGHS Patna; or
4. Rates available in CGHS Delhi; or
5. If not available in any of the above, User Charges along with escalation mechanism shall be determined mutually by the Parties for the remaining Concession Period factoring in the Grant granted under this Project and be recorded in a supplementary agreement (to the Concession Agreement).

The rates of the diagnostic services shall form part of the Hospital Charges and shall be displayed at the District Hospital. For the Free Patients who are covered under the Ayushman Bharat Yojana or any other state insurance scheme, the Concessionaire shall be able to claim reimbursement under the insurance schemes such amount towards diagnostic services as are pre specified by the Government Instrumentality under the relevant insurance schemes.

- 23.6.2 The Concessionaire, in addition to and not in derogation of its obligations elsewhere set out in this Agreement, agrees that it shall not refer any Free Patient requiring diagnostic services to any other healthcare facility without a valid reason, which shall be recorded in writing and signed by the relevant person(s) designated by the Concessionaire (“**Designated Person**”). The Designated Person shall maintain a record of such referrals and provide the records for inspection by the Independent Expert on a monthly basis.

### **23.7 In-Patient Healthcare Services**

- 23.7.1 The Concessionaire shall provide Inpatient services free of cost (“**Free Beds**”) at the District Hospital; which shall be subject to the number of existing bed capacity handed over by the Authority (i.e. 100 existing beds) to the Concessionaire on or before the Appointed Date plus 20% (twenty percentage) of all the additional beds augmented by the Concessionaire above the said existing bed capacity. The Concessionaire shall be allowed to levy fee on the remaining beds not forming part of the Free Beds as per the Hospital Charges (“**Paid Beds**”) in accordance with Clause 31.3. To illustrate, if the number of existing beds are 200 (two hundred), then 200 (two hundred) Beds plus 20% (twenty percent) of the remaining 230 (two hundred thirty hundred) Beds i.e. 46 (forty six) beds shall be treated as Free Beds. The remaining 184 (one hundred and eighty-four) Beds shall be treated as per Hospital Charges. In the event the Concessionaire further increases the total number of Beds, then the Paid Beds and the Free Beds shall be designated in accordance with the formula provided in this Clause 23.7.1. The Concessionaire shall be required to increase the Beds in accordance with the NMC Norms if the Students intake capacity of the Medical College is increased during the Concession Period.

- 23.7.2 The Beds shall be earmarked as ward Beds and intensive care unit Beds in accordance with the Applicable Laws.

- 23.7.3. The Beds shall be allocated for the training of the students of the Medical College in accordance with the medical curricular of the Medical College

- 23.7.4 Other than in case of non-availability of Beds and subject to the provisions of Applicable Laws, Applicable Permits and this Agreement, the Concessionaire shall, provide all necessary services to Patients, specifically to the Free Patients, who approach the District Hospital to avail of the Healthcare Services. It is clarified that the Concessionaire shall not discriminate, distinguish or differentiate between the Free Patients and other Patients in the admission of Patients for the provision of Healthcare

Services. It is further clarified that the regular Patients shall not be given preferential treatment or access to Healthcare Services.

23.7.5 The Concessionaire's personnel responsible for the admission of a Patient into the District Hospital shall, at the time of admission of the Paid Patient in the District Hospital, inform such Patient of the availability of the Free Beds and the Paid Beds.

23.7.6 The Concessionaire shall treat a Free Patient on a first-come first-served basis and shall give priority to Free Patients for admission in Free Beds. The modalities for admission of Free Patients into Free Beds shall be mutually agreed between the Parties.

In this regard, it is clearly understood and recorded by the Concessionaire that, without any prejudice to the terms of Clause 23.7.1 and 31.2 of this Agreement, the utilisation of Free Beds shall also be governed as per the provisions outlined below:

- a) The Free Beds entitlement as mentioned in Clause 23.7.1 of this Agreement, mandatorily corresponds to free bed days ("**Free Bed Days**") entitlement for each day of a Financial Year during the Concession Period.
- b) If on any day of a relevant month the beds required by the Free Patients exceeds the Free Bed Days, the Concessionaire shall be required to provide Inpatient Services to all the Free Patients approaching the District Hospital on the given day. In such case, the beds utilised over and above the Free Bed Days shall be adjusted against the Free Bed Days entitlement for the subsequent unexpired day(s), to the extent required accommodate all the Free Patients.
- c) In case, at any time during the relevant Financial Year the annual Free Bed Days entitlement stands exhausted, the Concessionaire shall regardless of the same, undertake and render Inpatient Services to the Free Patients approaching the District Hospital, provided, however, for such Inpatient Service the Concessionaire shall be entitled to receive the lower of: (a) 1.25 times of the relevant package rate under the applicable insurance scheme; or (b) the market rate of such package at which the District Hospital renders services to the Paid Patient on the relevant day; Provided however that, if such Free Patient is covered under any applicable insurance scheme than the Concessionaires shall only be entitled to receive the differential amount that is over and above the amount received under the applicable insurance scheme shall be payable by the Authority.
- d) In respect to this provision, it is further clarified that, the Concessionaire shall until the exhaustion of Free Bed Days in any Financial Year, render at its own cost Inpatient Services, to such Free Patients who are not covered under Ayushman Bharat Scheme or an equivalent state or central government scheme as applicable from time to time.

## **23.8 Disclosure on Website**

The Concessionaire shall update on its website, on a daily basis, the number of Free

Beds which are used by and available, for the Free Patients and provide a grievance reporting facility on the website.

### **23.9 Operation of software**

Concessionaire shall ensure that it operates on at least 1 (one) of the computer system at the District Hospital software pertaining to state wide management information system; [HMIS, e-Mamta, SNCU software, e-Aushidhi, UDID etc.] as may be notified by the Authority from time to time. The Concessionaire shall bear all costs in connection with purchase, royalty, if any, renewal etc. of the software mentioned in this Clause 23.9.

**Article 24**  
**PUBLIC HEALTH OBLIGATIONS**

**24.1. Implementation of Public Health Programmes**

- 24.1.1. The Concessionaire shall implement the national and/or state level healthcare programmes throughout the Concession Period as identified in Schedule P and as may be notified by the Authority from time to time (“**Public Health Programmes**”). If a Government Instrumentality provides or allocates funds to implement such programme, the Concessionaire shall utilize such funds in a non-discriminatory manner and as per the guidelines issued by such Government Instrumentality. The Concessionaire shall be responsible for creating and maintaining a database and records of all the details about the implementation of such programmes and provide the same to the Authority, as and when required.
- 24.1.2. The Chief Medical Officer shall be responsible to oversee and report to the Authority the implementation of Public Health Programmes in the District Hospital. The Chief Medical Officer shall prepare and submit to the Authority within 7 (seven) days of the close of each month, a monthly report, identifying the Public Health Programmes issued by the central government and the state government, the Public Health Programmes implemented by the District Hospital, the status of the implementation of the Public Health Programmes, the reasons for non-implementation of the Public Health Programmes, if any and the number of patients who benefitted from such Public Health Programmes.

**24.2. Dealing with Medico-Legal Cases**

- 24.2.1. The Authority shall provide all medico-legal services through Casualty Medical Officer posted in casualty for medico-legal cases purpose along with staff appointed by Concessionaire for general casualty work. In the event where admission of the person is mandatory under Applicable Laws, such person will be admitted and treated by the specialists and other staff of the Concessionaire. All necessary documentation will be prepared in consultation with specialists and retained by the Chief Medical Officer for further procedure, as may be required and a copy of the case papers shall be provided to the casualty medical officer.
- 24.2.2. The post-mortem examination in medico-legal cases shall be done by the Casualty Medical Officer. The forensic expertise, wherever required, will be provided by Concessionaire in accordance with the Applicable Laws. The Concessionaire shall provide at its own cost and expense all infrastructure support and services required by the casualty medical officer to perform medico-legal services.
- 24.2.3. The Concessionaire’s staff shall be required to appear before the court if summoned by the court in any case. The Concessionaire shall prepare and sign a final report for any such medico legal case and any judicial obligation to participate in legal proceedings as a witness or expert relating to a medico-legal cases shall be the responsibility of

Concessionaire.

### **24.3. Wards for Jail Inmates**

The Concessionaire shall also maintain a separate ward out of the Free Beds at least 10 (ten) Beds for the use of the jail inmates as may be required during the Concession Period.

### **24.4. Dignitary Visits**

The Concessionaire shall be responsible to undertake all arrangements including provision of ambulance and provide immediate specialist services, in the event any dignitary visits the district and as directed by the District Magistrate or any other Government Instrumentality. The Chief Medical Officer shall be responsible to oversee the obligations of the Concessionaire as provided in this Clause 24.4. The decision of the Chief Medical Officer in regard to the requirements and procedures to be followed shall be final and binding on the Concessionaire.

### **24.5. Medical Emergency Response**

The Concessionaire shall at all times maintain a Medical Emergency response team at the District Hospital. In the event of any Medical Emergency the Authority may require the Concessionaire to provide at the District Hospital such services as may be mandated by the Authority at the given time. These services could include provision of additional Beds as Free Beds, deployment of adequate staff, access to the blood banks and diagnostic facility etc. maintained at the District Hospital.

### **24.6. Maintenance of Blood Bank**

24.6.1. The Concessionaire shall maintain the existing status of the blood bank including the existing support of the blood bank to the connected blood storage centres and any required change in the licenses for the blood bank shall be undertaken as per the Applicable Laws.

24.6.2. In addition to the existing affiliation/support of the blood storage centers, in case other centers seek new or renewal of affiliation/support in accordance with Applicable Laws, it shall be provided at the discretion of the Concessionaire in consultation with the Chief Medical Officer. For any such affiliations the Concessionaire shall be entitled to charge suitable fees as per the Applicable Laws.

**Article 25**  
**KEY PERFORMANCE INDICATORS**

**25.1. Key Performance Indicators**

Without prejudice to the obligations specified in this Agreement, the Concessionaire shall operate the District Hospital such that it achieves or exceeds the performance indicators specified in this Article 25 and Schedule Q (the “**Key Performance Indicators**”).

**25.2. Operation of the Hospital**

25.2.1. The Concessionaire shall at all times procure that:

- (a) the hours of availability of all services provided by the District Hospital conforms to Good Industry Practice and are posted on the District Hospital website and displayed prominently in the District Hospital;
- (b) all the Healthcare Services, excluding the out patient Healthcare Services, as may be required in accordance with Good Industry Practice and Applicable Laws, are available 24 (twenty four) hours a day and on all days in a year;
- (c) the out patient Healthcare Services are available at the District Hospital at least from Monday to Saturday of each week between 9.00 am and 5.00 pm and on Public Holidays between 9.00am to 2.00 pm;
- (d) Emergency services are available at the District Hospital, 24 (twenty four) hours a day and on all days in a year with adequately trained staff to provide these emergency services;
- (e) all lifts and public address systems function in accordance with Applicable Laws and Good Industry Practices;
- (f) electricity backup with optimal capacity of genset in accordance with Good Industry Practice;
- (g) all toilets are clean, hygienic and odour free;
- (h) adequate lighting and ventilation with minimum air change per hour in the District Hospital at all times in accordance with Good Industry Practice;
- (i) adequate temperature control and humidity is maintained in the District Hospital;  
and
- (j) all phone calls relating to the District Hospital within 30 seconds.

25.2.2 The Concessionaire shall ensure and procure compliance of each of the Key Performance Indicators specified in this Clause 25.2 and for repeated shortfall in performance during a quarter, as may be determined by the Authority for reasons to be recorded in writing based on Patient feedback and inspections by the Authority, it shall pay Damages equal to [0.05% (zero point zero five per cent) of the Performance Security] for every such default or part thereof, subject to a maximum of 10% (ten per cent) of the Performance Security.

### **25.3. Periodic status report**

25.3.1. The Concessionaire shall during the Operation Period, furnish to the Authority and the Independent Expert a quarterly report, setting forth the details provided in Clause 25.3.2, by no later than 7 (seven) days after the close of each quarter.

25.3.2. The report specified in Clause 25.3.1. shall state in reasonable detail the compliance of the District Hospital with all the Key Performance Indicators specified in this Article 25 and Schedule Q along with an analysis of the reasons for failures, if any, and the strategies for addressing the same and for otherwise improving the operational performance of the District Hospital.

### **25.4. NABH Accreditation**

- (a) The Concessionaire shall, within 72 (seventy two) months from the Appointed Date achieve and thereafter maintain throughout the Concession Period, NABH Accreditation for the District Hospital, and shall provide a certified copy thereof including its renewals to the Authority and the Independent Expert forthwith.
- (b) In the event of default in obtaining or maintaining the NABH Accreditation specified in Clause (a), the Concessionaire shall, within 15 (fifteen) days thereof, submit to the Authority and the Independent Expert an action plan that sets out the actions proposed to be taken by the Concessionaire for rectifying its deficiencies and obtaining or maintaining such accreditation.
- (c) If the period of default in obtaining or maintaining the NABH Accreditation in accordance with this Clause shall exceed a continuous period of 6 (six) months, the Concessionaire shall thereafter pay damages to the Authority in an amount calculated at the rate of 0.5% (zero point five per cent) of the Performance Security for every 1 (one) month of default or part thereof, subject to a maximum of 10% (ten per cent) of the Performance Security.

### **25.5. Patient Charter**

The Concessionaire shall publish and implement a charter articulating the rights and expectations of Patients (the “**Patient Charter**”) in conformity with Applicable Laws, Applicable Permits and Good Industry Practice. The Patient Charter shall be displayed at the reception of the District Hospital. The Concessionaire shall at all times be accountable and liable to Patients in accordance with the provisions of the Patient

Charter and Applicable Laws.

## **25.6. Human Resources**

- (a) The Concessionaire shall procure and ensure that all staff engaged in the provision of Healthcare Services are suitably qualified and receive sufficient training and instructions in accordance with Good Industry Practice and standards of their relevant professional body, if any, for execution of their duties, which shall at a minimum be compliant with the performance standards set out at Article 23.
- (b) The Concessionaire shall comply with the standards set forth in the Applicable Laws.
- (c) The Concessionaire shall regularly supervise and monitor the performance of the staff to ensure that they comply with this Agreement, Applicable Laws and Good Industry Practice.
- (d) The Concessionaire shall promptly take appropriate remedial measures in the event of any non-compliance with the requirements set forth in this Clause 25.6.

## **25.7. Equipment**

- (a) The Concessionaire shall procure, install and commission all Equipment, medical devices, apparatus, facilities and all other support and ancillary infrastructure as necessary for development, operations and maintenance of the Project and providing Healthcare Services as per the Scope of the Project and as required under the Applicable Laws.
- (b) The Concessionaire shall procure, install, operate and maintain the Equipment, including equipment meeting the specifications or equivalent to the specifications set out at Schedule Q.
- (c) The Concessionaire shall ensure that all Equipment, medical devices, apparatus and facilities are in running and working condition and are calibrated, upgraded or replaced from time to time according to their life span or its impending obsolescence and in compliance with the certification requirements of the concerned competent authorities.
- (d) In the event any Equipment is not available the Concessionaire shall be required to rectify the defects and restore the Equipment to a working condition within the timelines specified in Schedule Q. If the Equipment is not made available within the timelines specified in Schedule Q then the Concessionaire shall be liable to pay damages to the Authority in an amount calculated at the rate of 0.5% (zero point five per cent) of the Performance Security for every instance of default or part thereof, subject to a maximum of 10% (ten per cent) of the

## Performance Security.

### **25.8. Free Patient Survey**

25.8.1 The Authority may engage an independent expert agency to conduct a sample survey of Free Patient satisfaction (the “Free Patient Survey”) once every quarter to determine the compliance of the provisions of this Article 25 by the Concessionaire. The nature and content of the Free Patient Survey shall be determined by the Authority in consultation with the Concessionaire to procure that the outcome is objective and represents a cross- section of Free Patients. For avoidance of doubt, it is agreed that in designing the Free Patient Survey, the Authority shall rely on Good Industry Practice and conform to similar surveys undertaken from time to time such as the surveys conducted at similar hospitals in other States.

25.8.2 In the event that the Free Patient Survey reveals that more than [20% (twenty per cent)] of the Free Patients surveyed are not satisfied with the performance of the Concessionaire, the Authority may levy and collect from the Concessionaire a penalty calculated at the rate of [0.05% (zero point zero five per cent) of the Performance Security for every 1% (one per cent) Free Patients who are not satisfied beyond the aforesaid [20% (twenty per cent)]. For the avoidance of doubt, in the event that 22% (twenty two per cent) Free Patient are not satisfied, the penalty shall be a sum equal to 0.1% (zero point one per cent) of the Performance Security and further penalties, if any, shall be determined by the next Free Patient Survey.

### **25.9. Implementation of Public Health Programmes**

If the Concessionaire fails to implement any Public Health Programmes in the District Hospital within such timelines as provided in the Schedule P, then the Concessionaire shall be liable to pay damages to the Authority in an amount calculated at the rate of 0.5% (zero point five per cent) of the Performance Security for every instance of default or part thereof, subject to a maximum of 10% (ten per cent) of the Performance Security.

**Article 26**  
**INDEPENDENT ENGINEER AND INDEPENDENT EXPERT**

**26.1 Independent Engineer**

The Authority shall appoint, no later than [90 (ninety)] days from the Execution Date, a third-party agency (the “**Independent Engineer**”) for the Construction Period. Provided that the Authority shall have the right to appoint any of its agencies or departments to monitor the Project until the Independent Engineer is appointed in accordance with this Clause 26.1. The provisions of this Agreement with respect to the Independent Engineer shall apply *mutatis mutandis* to such agency or department until the Independent Engineer is appointed in accordance with the provisions of **Schedule L** and this Clause 26.1 and such provisions shall be repeated after expiry of each appointment.

**26.2 Independent Expert**

The Authority shall appoint, no later than [90 (ninety)] days from the Operation Date, a third-party agency (the “**Independent Expert**”) for the Operations Period. Provided that the Authority shall have the right to appoint any of its agencies or departments to monitor the Project until the Independent Expert is appointed in accordance with this Clause 26.1. The provisions of this Agreement with respect to the Independent Expert shall apply *mutatis mutandis* to such agency or department until the Independent Expert is appointed in accordance with the provisions of **Schedule L** and this Clause 26.1 and such provisions shall be repeated after expiry of each appointment.

**26.3. Duties and functions**

26.2.1 The Independent Engineer and the Independent Expert shall carry out the following duties and functions in accordance with the Agreement:

- (a) discharge its duties and functions substantially in accordance with the terms of reference set forth in Schedule L.
- (b) submit regular periodic reports at least [once every month] to the Authority in respect of its duties and functions set forth in Schedule L.
- (c) A true copy of all communications sent by the Authority to the Independent Engineer or the Independent Expert, as the case may be, and by the Independent Engineer or the Independent Expert, as the case may be, to the Authority shall be sent forthwith by the Independent Engineer or the Independent Expert, as the case may be, to the Concessionaire.
- (d) A true copy of all communications sent by the Independent Engineer or the Independent Expert, as the case may be, to Concessionaire and by the Concessionaire to the Independent Engineer or the Independent Expert, as the

case may be, shall be sent forthwith by the Independent Engineer or the Independent Expert, as the case may be, to the Authority.

### **26.3 Authorised signatories**

The Authority shall require the Independent Engineer or the Independent Expert, as the case may be, to designate and notify to the Authority and the Concessionaire up to 2 (two) persons employed in its firm to sign for and on behalf of the Independent Engineer or the Independent Expert, as the case may be, and any communication or document required to be signed by the Independent Engineer or the Independent Expert shall be valid and effective only if signed by any of the designated persons; provided that the Independent Engineer or the Independent Expert, as the case may be, may, by notice in writing, substitute any of the designated persons by any of its employees.

### **26.4 Remuneration**

The remuneration, cost and expenses of the Independent Engineer and the Independent Expert shall be paid by the Authority, one-half of such remuneration, cost and expense shall be reimbursed by the Concessionaire to the Authority within [15 (fifteen)] days of receiving a statement of expenditure from the Authority.

**Article 27**  
**MANAGEMENT OF THE DISTRICT HOSPITAL**

**27.1 Management Board of the District Hospital**

27.1.1 The District Hospital shall be managed by a board (the “**Management Board**”) comprising of such members as the Concessionaire may appoint from time to time. The Management Board shall also have a member of the Aarogya Raksha Samiti.

27.1.2 The Management Board shall meet at least thrice during a Financial Year, and once every Quarter during each of the first [3 (three) Quarters] of that Financial Year.

27.1.3 The Management Board shall appoint all necessary officers to carry out the day to day functions of the District Hospital.

27.1.4 The Management Board and the officers appointed by the Management Board shall carry out the following functions:

- (a) the appointment of all clinical and non-clinical staff of the District Hospital, including but not limited to, all heads of each department of the of the District Hospital, nursing superintendents, accounts officers, housekeeping personnel, ward boys and other maintenance and support staff in accordance with Schedule Q;
- (b) Ensure the effective maintenance of the District Hospital in accordance with Good Industry Practices, Good Health Practices and Good Clinical Practices;
- (c) Ensure that the Patients are given proper care and treatment in accordance with Good Healthcare Practices and Good Clinical Practices;
- (d) Effectively run the day to day operations of the District Hospital and ensure the Healthcare Services are discharged in accordance with all Applicable Laws, Good Healthcare Practices and Good Clinical Practices;
- (e) Ensure the books of accounts are maintained for the District Hospital;
- (f) Ensure the District Hospital is kept in a clean and orderly manner and in accordance with Good Healthcare Practices and Good Clinical Practices;
- (g) Ensure the staffing of the clinical and non-clinical staff of the District Hospital is carried in accordance with the needs and requirements of rendering the Healthcare Services in a timely and efficient manner; and
- (h) Evaluating and issuing the policy for hiring the clinical staff across all levels and setting the minimum qualification criteria for the clinical staff in

consultation with the department heads of the Medical College, to provide competency based medical education.

- 27.2 The Concessionaire shall be obligated at all times during the Concession Period to ensure that the District Hospital is being managed and run in accordance with this Agreement, Applicable Laws Good Healthcare Practices and Good Clinical Practices and the Healthcare Services are being discharged in a timely and effective manner to maximize the Revenue being generated from the District Hospital.

**Article 28**  
**OBLIGATIONS RELATING TO MEDICAL COLLEGE**

**28.1. Obligations relating to the Medical College**

28.1.1 The Concessionaire agrees and undertakes to carry out the following obligations relating to the Medical College in accordance with the Project Completion Schedule:

- (a) shall provide competency based medical education for the Under Graduate level course as per the Applicable Laws and seek affiliation of the Medical College with a state university;
- (b) construct and operate the Medical College in accordance with all Applicable Laws, Applicable Permits and Good Industry Practices and shall not seek a deemed university status for the Medical College;
- (c) to commence the operations of the Medical College only upon obtaining valid Letter of Permission;
- (d) follow all enrolment procedures for the admission of the Students in the Medical College in accordance with the Applicable Laws including conducting merit-based admission tests and counselling;
- (e) follow the principles of admission for all category of students, including but not limited to, EWS, SC/ST/OBC, NRI students and charge admission fees from the students in accordance with Applicable Laws and Applicable Permits;
- (f) ensure compliance with all Applicable Laws in relation to the admission fees charged from the students of the Medical College and all scholarship programmes for meritorious students in accordance with Applicable Laws;
- (g) shall ensure that the personnel engaged by it in the performance of its obligations under this Agreement are at all times properly trained for their respective functions. The Concessionaire shall appoint, in accordance with the Applicable Laws, suitably qualified personnel to impart medical education to the Students;
- (h) shall protect the Site for Medical College from any and all occupations, encroachments or Encumbrances, and shall not place or create nor permit any Contractor or other person claiming through or under the Concessionaire to place or create any Encumbrance or security interest over all or any part of the Site for Medical College, or on any rights of the Concessionaire therein or under this Agreement, save and except as otherwise expressly set forth in this Agreement;
- (i) shall have the option to develop courses such as BSc Nursing and other allied

health courses, as per Applicable Laws at the Medical College or any other site and provide appropriate affiliations with the Medical College for such courses;

- (j) discharging such other duties and functions as may be specified under all Applicable Laws in relation to the Medical College;
- (k) ensure that the District Hospital has at least 330 (three hundred and thirty) Beds with a minimum of 60% (sixty percent) of indoor Bed occupancy at the time of submission of application to the Medical Education Regulatory Authority for affiliation, and shall fulfil such requirement up to the 2<sup>nd</sup> (second) renewal of the affiliation of the Medical College. Further, the Concessionaire shall ensure a minimum of 75% (seventy five) Bed occupancy at the time of inspection for the 3<sup>rd</sup> (third) renewal of the affiliation and thereafter for subsequent renewals and recognition by Medical Education Regulatory Authority, subject to amendment as per change in NMC Norms;
- (l) shall maintain the number of Students to Beds ratio in accordance with the NMC Norms; and
- (m) engaging such other matters as may be necessary for achieving excellence in the functioning of the Medical College.

## **28.2. Affiliation with the District Hospital**

The Concessionaire shall obtain and maintain the affiliation of the Medical College with the District Hospital in accordance with all Applicable Laws and shall timely renew such affiliation throughout the Concession Period. The Concessionaire shall hold a discussion with the Authority at least 5 (five) years prior to the expiry of the Concession Period to mutually agree on an extension of the affiliation of the Medical College with the District Hospital.

## **28.3. Affiliation with Nursing Institution**

The Authority may provide affiliation to any nursing institution to the District Hospital in addition to the state government nursing institution. If the Authority decides to provide affiliation to any private nursing institution then the Concessionaire shall be entitled to collect the revenue on account of such affiliation and the revenue so earned from such affiliation shall not be included in the Revenue which is required to be deposited in the Escrow Account.

**Part IV**  
**FINANCIAL COVENANTS**

## **Article 29**

### **GRANT**

#### **29.1. Grant**

29.1.1 The Authority agrees to provide to the Concessionaire cash support by way of an outright grant equal to the sum set forth in the Bid, namely, [Rs. [●] (Rupees [●])] which is summation of the following capital grant and NPV of O&M Cost of five years post Project COD as operation grant, in accordance with the provisions of this Article 29 (the “**Grant**”).

29.1.2 The Grant shall be disbursed to the Concessionaire by way of Capital Grant and Operational Grant in accordance with the provisions of Clause 29.2 and Clause 29.3.

#### **29.2. Capital Grant**

29.2.1 Subject to the conditions specified in this Clause 29.2, the Capital Grant shall be equivalent to the lowest bid for Capital Grant (subject to maximum of 40% (forty percent) of the Estimated Project Cost) which shall be disbursed only after the Concessionaire has subscribed and expended the equity contribution required for the Project and will be released in proportion to debt disbursements by Senior Lenders (the “**Capital Grant**”).

29.2.2 The Capital Grant shall be equal to the sum specified in the Bid and as accepted by the Authority.

29.2.3 In case, the Project is funded completely by Equity, Capital Grant shall be disbursed after the equity contribution is expended by the Concessionaire in accordance with the Project Milestone achieved (lower of physical or financial progress).

29.2.4 In the event of occurrence of a Concessionaire Default, disbursement of Capital Grant shall be suspended till such Concessionaire Default has been cured by the Concessionaire.

29.2.5 The Capital Grant shall be released to the Escrow Account only after the recommendation/approval of the Authority.

#### **29.3. Operational Grant**

29.3.1 The Operational Grant up to 25% of NPV of O&M Expenses shall be disbursed annually for the first five years post achieving Operation Date based on audited annual accounts and shall be subject to the lower of the annual O&M Expenses quoted by the Concessionaire at the time of the bid and actual O&M Expenses incurred (“**Operational Grant**”).]

29.3.2 The Operational Grant shall be released to the Escrow Account only after the

recommendation/approval of the Authority.

29.3.3 The Operational Grant shall be equal to the sum specified in the Bid and as accepted by the Authority.

**Article 30**  
**CONCESSION FEE**

**30.1. Concession Fee**

30.1.1 In consideration of the grant of concession, the Concessionaire shall pay to the Authority, by way of annual concession fee, a sum of Re. 1 (Rupee one) per annum, the “Concession Fee”.

**30.2. Intentionally Left Blank**

**30.3. Intentionally Left Blank**

**30.4. Payment of Concession Fee**

30.4.1 The Concession Fee shall be due and payable by the Concessionaire within [15 (fifteen)] days of the commencement of the Accounting Year.

**30.5. Intentionally Left Blank**

**Article 31**  
**USER CHARGES AND REIMBURSEMENT MECHANISM**

**31.1. Hospital Charges**

31.1.1. In consideration of making available the Healthcare Services, to the category of Paid Patients, in accordance with Clause 23.7, the Concessionaire shall have the right to collect, appropriate and demand Hospital Charges, in accordance with this Article 31, applicable at the market competitive rates. The Concessionaire shall display the rates for the Hospital Charges including the daily rate for the Bed occupancy, diagnostic services in the District Hospital at a place where it is visible to all Users. For avoidance of doubt, it is clarified that, in case, any regulatory/statutory mechanism subsequently comes into existence for determination of these User Charges from time to time, then such regulatory/statutory mechanism shall determine the User Charges for remaining Concession Period factoring in the Grant granted under this Project.

31.1.2. The Concessionaire shall be allowed to charge a maximum of [Rs 10 (Rupees ten)] as registration charges from the Free Patients. The registration charges shall be liable for revision once a year to account for indexation in accordance with WPI. The Concessionaire shall provide all Healthcare Services to the Free Patient, free of cost.

31.1.3 Fees for Medical College: The Concessionaire shall, subject to Applicable Laws, be entitled to charge such fees from the students of Medical College, as would be determined & notified by the Admission & Fee Regulatory Committee (constituted under the Principal Secretary of the Department as per the Uttar Pradesh Private Professional Educational Institutions (Regulation of Admission and Fixation of Fee).

**31.2. Reimbursement**

31.2.1 The Concessionaire shall, except as otherwise provided in Clause 23.6, seek reimbursements under and in accordance with the applicable insurance schemes as may be availed of by the Free Patients. If no such insurance scheme is availed of by the Free Patients, then the costs incurred in the treatment of such Free Patients shall be borne by the Concessionaire.

**31.3. Revenues from Paid Patients**

31.3.1 The Concessionaire shall subject to Clause 23.6 be entitled to:

- (a) demand, charge collect, retain, Hospital Charges for the IPD services (rates not exceeding 1.5 times of the applicable CGHS rates prevailing in Lucknow ; provided however, the Concessionaire shall be entitled to demand, charge collect charges for such IPD services which are not covered under CGHS scheme, as per such rates as decided in accordance with following sequence:
  1. Rates available in CGHS Bhopal; or
  2. Rates available in CGHS Patna; or
  3. Rates available in CGHS Delhi; or

4. If not available in any of the above, User Charges along with escalation mechanism shall be determined mutually by the Parties for the remaining Concession Period factoring in the Grant granted under this Project and be recorded in a supplementary agreement (to the Concession Agreement).
- (b) OPD services shall subject to Clause 23 be provided free of cost to the Paid Patients; and
  - (c) If CGHS ceases to exist in the future without any successor scheme, then, the User Charges for Paid Patients along with escalation mechanism shall be revised mutually by the Parties and shall be recorded in a supplementary agreement (to the Concession Agreement) after factoring in the Grant granted under this Project.

#### **31.4. Other Activities**

The Concessionaire shall be entitled to determine and recover charges from the use of any Ancillary Facilities by the Users, which the Concessionaire can provide to third parties on commercial, sub-license basis in accordance with Clause [3.1.3].

#### **31.5. Deposit in Escrow Account**

The Concessionaire shall collect and appropriate the Hospital Charges and other charges from any additional allowed activities from the District Hospital in accordance with the terms of the Agreement and deposit the same into the Escrow Account and for compliance with the provisions of this Agreement.

**Article 32**  
**ESCROW ACCOUNT**

**32.1. Escrow Account**

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

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

**32.2. Deposits into Escrow Account**

32.2.1 The Concessionaire shall deposit or cause to be deposited the following inflows and receipts into the Escrow Account:

- (a) all Revenues from the Project; and
- (b) all payments by the Authority, if any.

**32.3. Withdrawals during Concession Period**

32.3.1 The Concessionaire shall, at the time of opening the Escrow Account, give irrevocable instructions, by way of an Escrow Agreement, to the Escrow Bank instructing, inter alia, that deposits in the Escrow Account shall be appropriated in the following order every month, or at shorter intervals as necessary, and if not due in a month then appropriated proportionately in such month and retained in the Escrow Account and paid out therefrom in the month when due:

- (a) statutory payments, all Taxes due and payable by the Concessionaire for and in respect of the Project;
- (b) Concession Fee, and reimbursement of the salary, allowances and bonus paid to the doctors, employees and staff on deputation due and payable to the Authority;
- (c) all payments as may be due and payable to the Government pursuant to this Agreement and/ or the Damages certified by the Government as due and payable to it by the Concessionaire under this Agreement;
- (d) balance, if any, in accordance with the instructions of the Concessionaire.

32.3.2 The Concessionaire shall not in any manner modify the order of payment specified in Clause 32.3.1, except with the prior written approval of the Authority.

### **32.4. Withdrawals upon Termination**

32.4.1 Notwithstanding anything to the contrary contained in this Agreement, all amounts standing to the credit of the Escrow Account shall, upon Termination, be appropriated in the following order:

- (a) payroll dues and related statutory payments thereof, all Taxes due and payable by the Concessionaire for and in respect of the Project;
- (b) outstanding Concession Fee, and reimbursement of the salary, allowances and bonus paid to the doctors, employees and staff on deputation;
- (c) all other amounts which are outstanding to be paid by the Concessionaire to the Authority , as on the date of the Termination;
- (d) all payments as may be due and payable to the Government pursuant to this Agreement and/ or the Damages certified by the Government as due and payable to it by the Concessionaire; and
- (e) balance, if any, in accordance with the instructions of the Concessionaire.

32.4.2. The provisions of this Article and the instructions contained in the Escrow Agreement shall remain in full force and effect until the obligations set forth in Article 32 have been discharged.

## **Article 33 INSURANCE**

### **33.1. Insurance during Concession Period**

The Concessionaire shall effect and maintain at its own cost, during the Concession Period, such insurances for such maximum sums as may be required under the Financing Agreements and the Applicable Laws, and such insurances as may be necessary or prudent in accordance with Good Industry Practice. The Concessionaire shall also effect and maintain such insurances as may be necessary for mitigating the risks that may devolve on the Authority as a consequence of any act or omission of the Concessionaire during the Concession Period. The Concessionaire shall procure that in each insurance policy, the Authority shall be a co-insured. For avoidance of doubt, the level of insurance to be maintained by the Concessionaire after repayment of Senior Lenders' dues in full shall be determined on the same principles as applicable for determining the level of insurance prior to such repayment of Senior Lenders' dues.

### **33.2. Insurance Cover**

33.2.1 Without prejudice to the provisions contained in Clause 33.1, the Concessionaire shall, during the Concession Period, procure and maintain Insurance Cover including but not limited to the following:

- (a) Loss, damage or destruction of the Project Assets, including assets handed over by the Authority to the Concessionaire, at replacement value;
- (b) comprehensive third party liability insurance including injury to or death of personnel of the Authority or others who may enter the District Hospital;
- (c) the Concessionaire's general liability arising out of the Concession;
- (d) liability to third parties for goods or property damage;
- (e) workmen's compensation insurance; and
- (f) any other insurance that may be necessary to protect the Concessionaire and its employees, including all Force Majeure Events that are insurable at commercially reasonable premiums and not otherwise covered in items (a) to (d) above.

### **33.3. Notice to the Authority**

No later than [45 (forty five)] days prior to commencement of the Construction Period or the Operation Period, as the case may be, the Concessionaire shall by notice furnish to the Authority, in reasonable detail, information in respect of the insurances that it proposes to effect and maintain in accordance with this Article 31. Within [30 (thirty)]

days of receipt of such notice, the Authority may require the Concessionaire to effect and maintain such other insurances as may be necessary pursuant hereto, and in the event of any difference or disagreement relating to any such insurance, the Dispute Resolution Procedure in Article 45 shall apply.

#### **33.4. Evidence of Insurance Cover**

All insurances obtained by the Concessionaire in accordance with this Article 31 shall be maintained with insurers on terms consistent with Good Industry Practice. Within [15 (fifteen)] days of obtaining any insurance cover, the Concessionaire shall furnish to the Authority, notarised true copies of the certificate(s) of insurance, copies of insurance policies and premia payment receipts in respect of such insurance, and no such insurance shall be cancelled, modified, or allowed to expire or lapse until the expiration of at least [45 (forty five)] days after notice of such proposed cancellation, modification or non-renewal has been delivered by the Concessionaire to the Authority.

#### **33.5. Remedy for failure to insure**

If the Concessionaire fails to effect and keep in force all insurances which it is required to obtain pursuant hereto, the Authority shall have the option to either keep in force any such insurances, and pay such premia and recover the costs thereof from the Concessionaire, or in the event of computation of a Termination Payment, treat an amount equal to the Insurance Cover as deemed to have been received by the Concessionaire.

#### **33.6. Waiver of subrogation**

All insurance policies in respect of the insurance obtained by the Concessionaire pursuant to this Article 31 shall include a waiver of any and all rights of subrogation or recovery of the insurers thereunder against, *inter alia*, the Authority, and its assigns, successors, undertakings and their subsidiaries, Affiliates, employees, insurers and underwriters, and of any right of the insurers to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under any such policy or in any way connected with any loss, liability or obligation covered by such policies of insurance.

#### **33.7. Concessionaire's waiver**

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

**33.8. Application of insurance proceeds**

The proceeds from all insurance claims, except life and injury, shall be paid to the Concessionaire and it shall notwithstanding anything to the contrary contained in this Agreement, apply such proceeds towards payment of Damages and balance remaining, if any, shall be applied for any necessary repair, reconstruction, reinstatement, replacement, improvement in the District Hospital, in accordance with the provisions contained in this behalf in the Financing Agreements.

**33.9. Compliance with conditions of insurance policies**

The Concessionaire expressly acknowledges and undertakes to fully indemnify the Authority from and against all losses and claims arising from the Concessionaire's failure to comply with conditions imposed by the insurance policies effected in accordance with this Agreement.

**Article 34**  
**ACCOUNTS AND AUDIT**

**34.1. Audited accounts**

- 34.1.1 The Concessionaire shall maintain books of accounts recording all its receipts pertaining to the Project (including the Revenues from provision of Healthcare Services, and all incomes derived or collected by it from or on account of the District Hospital and/or its use), income, expenditure, payments, assets and liabilities, in accordance with this Agreement, Applicable Laws, Applicable Permits and Good Industry Practice. The Concessionaire shall provide [2 (two)] copies of its balance sheet, cash flow statement and profit and loss account, along with a report thereon by its Statutory Auditors, within [90 (ninety)] days of the close of the Accounting Year to which they pertain and such audited accounts, save and except where expressly provided to the contrary, shall form the basis of payments by either Party under this Agreement. The Authority shall have the right to inspect the Revenue records of the Concessionaire during office hours and require copies of relevant extracts of books of accounts, duly certified by the Statutory Auditors, to be provided to the Authority only for verification of basis of payments, and in the event of any discrepancy or error being found, the same shall be rectified and such rectified account shall form the basis of payments by either Party under this Agreement.
- 34.1.2 The Concessionaire shall, within [30 (thirty)] days of the close of each quarter of an Accounting Year, furnish to the Authority its unaudited financial results in respect of the preceding quarter, in the manner and form prescribed by the Securities and Exchange Board of India for publication of quarterly results by the companies listed on a stock exchange
- 34.1.3 On or before the [31<sup>st</sup> (thirty-first)] day of May each year, the Concessionaire shall provide to the Authority, for the preceding Accounting Year, a statement duly audited by its Statutory Auditors giving summarised information on Revenues and such other information as the Authority may reasonably require.

**34.2. Appointment of Auditors**

- 34.2.1 The Concessionaire shall appoint and have during the subsistence of this Agreement as its Statutory Auditors, a firm having at least five practicing Chartered Accountants on its rolls. All fees and expenses of the Statutory Auditors shall be borne by the Concessionaire.
- 34.2.2 The Concessionaire may terminate the appointment of its Statutory Auditors after a notice of [45 (forty five)] days to the Authority, subject to the replacement Statutory Auditors being appointed in accordance with the Article 34.
- 34.2.3 Notwithstanding anything to the contrary contained in this Agreement, the Authority shall have the right but not the obligation, to appoint at its cost from time to time and

at any time, another firm of Chartered Accountants (the “**Additional Auditors**”) to audit and verify all those matters, expenses, costs, realisations and things which the Statutory Auditors are required to do, undertake or certify pursuant to this Agreement.

### **34.3. Certification of claims by Statutory Auditors**

Any claim or document provided by the Concessionaire to the Authority in connection with or relating to receipts, income, payments, costs, expenses, accounts or audit, and any matter incidental thereto shall be valid and effective only if certified by its Statutory Auditors. For avoidance of doubt, such certification shall not be required for exchange of information in the normal course of business.

### **34.4. Set-off**

In the event any amount is due and payable by the Authority to the Concessionaire, it may set-off any sums payable to it by the Concessionaire and pay the balance remaining. Any exercise by the Authority of its rights under this Clause 34.4 shall be without prejudice to any other rights or remedies available to it under this Agreement or otherwise.

**Part V**  
**FORCE MAJEURE AND TERMINATION**

## **Article 35**

### **FORCE MAJEURE**

#### **35.1. Force Majeure**

As used in this Agreement, the expression “**Force Majeure**” or “**Force Majeure Event**” shall, save and except as expressly provided otherwise, mean occurrence in India of any or all of Non-Political Event, Indirect Political Event and Political Event, as defined in Clauses 35.2, 35.3 and 35.4 respectively, if it affects the performance by the Party claiming the benefit of Force Majeure (the “**Affected Party**”) of its obligations under this Agreement and which act or event: (a) is beyond the reasonable control of the Affected Party; and (b) the Affected Party could not have prevented or overcome by exercise of due diligence and following Good Industry Practice; and (c) has Material Adverse Effect on the Affected Party.

#### **35.2. Non-Political Event**

35.2.1 A Non-Political Event shall mean one or more of the following acts or events:

- (a) act of God, epidemic, extremely adverse weather conditions, lightning, earthquake, landslide, cyclone, flood, volcanic eruption, chemical or radioactive contamination or ionisation radiation, fire or explosion (to the extent of contamination or radiation or fire or explosion originating from a source external to the Project);
- (b) strikes or boycotts (other than those involving the Concessionaire, Contractors or their respective employees/representatives, or attributable to any act or omission of any of them) interrupting supplies and services to the Project for a continuous period of [24 (twenty four)] hours and an aggregate period exceeding [7 (seven)] days in an Accounting Year, and not being an Indirect Political Event set forth in Clause 35.3;
- (c) any failure or delay of a Contractor but only to the extent caused by another Non-Political Event and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor;
- (d) any delay or failure of an overseas Contractor to deliver any critical equipment required for the Project and not available in India if such delay or failure is caused outside India by any event specified in Sub-Clause (a) above and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor;
- (e) any judgement or order of any court of competent jurisdiction or statutory authority made against the Concessionaire in any proceedings for reasons other than (i) failure of the Concessionaire to comply with any Applicable Law or Applicable Permit; or (ii) on account of breach of any Applicable Law or

- Applicable Permit or of any contract; or (iii) enforcement of this Agreement; or (iv) exercise of any of its rights under this Agreement by the Authority;
- (f) the discovery of geological conditions, toxic contamination or archaeological remains on the Project Site that could not reasonably have been expected to be discovered through an inspection of the Project Site; or
  - (g) any event or circumstances of a nature analogous to any of the foregoing.

### **35.3. Indirect Political Event**

An Indirect Political Event shall mean one or more of the following acts or events:

- (i) an act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage;
- (ii) any political or economic upheaval, disturbance, movement, struggle or similar occurrence which could not have been anticipated or foreseen by a prudent person and which causes the construction or operation of the Project to be financially unviable or otherwise not feasible;
- (iii) industry-wide or State-wide strikes or industrial action for a continuous period of [24 (twenty four)] hours and exceeding an aggregate period of [7 (seven)] days in an Accounting Year;
- (iv) any civil commotion, boycott or political agitation which prevents operation of the Project by the Concessionaire for an aggregate period exceeding [7 (seven)] days in an Accounting Year;
- (v) failure of the Authority to permit the Concessionaire to continue the Development Works, with or without modifications, in the event of stoppage of such works after discovery of any geological or archaeological finds or for any other reason;
- (vi) any failure or delay of a Contractor to the extent caused by an Indirect Political Event and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor;
- (vii) any Indirect Political Event that causes a Non-Political Event; or
- (viii) any event or circumstances of any nature analogous to any of the foregoing.

### **35.4. Political Event**

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

- (a) Change in Law, only if consequences thereof cannot be dealt with under and in accordance with the provisions of Article 42 and its effect, in financial terms, exceeds the sum specified in Clause 42.1;
- (b) compulsory acquisition in national interest or expropriation of any Project Assets or rights of the Concessionaire or of the Contractors;
- (c) unlawful or unauthorised or without jurisdiction revocation of, or refusal to renew or grant without valid cause, any clearance, license, permit, authorisation, no-objection certificate, consent, approval or exemption required by the Concessionaire or any of the Contractors to perform their respective obligations under this Agreement and the Project Agreements; provided that such delay, modification, denial, refusal or revocation did not result from the Concessionaire's or any Contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, license, authorisation, no-objection certificate, exemption, consent, approval or permit;
- (d) any failure or delay of a Contractor but only to the extent caused by another Political Event and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor; or
- (e) any event or circumstance of a nature analogous to any of the foregoing.

### **35.5. Duty to report Force Majeure Event**

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

- (a) the nature and extent of each Force Majeure Event which is the subject of any claim for relief under this Article 35 with evidence in support thereof;
- (b) the estimated duration and effect or probable effect which such Force Majeure Event is having or will have on the Affected Party's performance of its obligations under this Agreement;
- (c) the measures which the Affected Party is taking or proposes to take for alleviating the impact of such Force Majeure Event; and

(d) any other information relevant to the Affected Party's claim.

35.5.2 The Affected Party shall not be entitled to any relief for or in respect of a Force Majeure Event unless it shall have notified the other Party of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event no later than [7 (seven)] days after the Affected Party knew, or ought reasonably to have known, of its occurrence, and shall have given particulars of the probable material effect that the Force Majeure Event is likely to have on performance of its obligations under this Agreement.

35.5.3 For so long as the Affected Party continues to claim to be materially affected by such Force Majeure Event, it shall provide the other Party with regular (and not less than weekly) reports containing information as required under Clause 35.5.1, and such other information as the other Party may reasonably request the Affected Party to provide.

### **35.6. Effect of Force Majeure Event on the Concession**

35.6.1 Upon occurrence of any Force Majeure Event prior to the Appointed Date, the period set forth in Clause 4.1 for fulfilment of the Conditions Precedent, shall be extended by a period equal in length to the duration of the Force Majeure Event.

35.6.2 At any time after the Appointed Date, if any Force Majeure Event occurs:

- (a) before the Operations Date the dates set forth in the Project Completion Schedule shall be extended by a period equal in length to the duration for which such Force Majeure Event subsists; or
- (b) after Operations Date, whereupon the Concessionaire is unable to provide the Healthcare Services despite making best efforts or it is directed by the Authority or any Governmental Instrumentality to suspend the aforesaid services during the subsistence of such Force Majeure Event, the Concession Period shall be extended by a period equal in length to the period during which the Concessionaire was prevented from providing the aforesaid services on account thereof; provided that in the event of reduction in the District Hospital services on account of partial suspension of services which cause the Gross Revenue to decline below [75% (seventy five per cent)] of the Average Daily Gross Revenue for the corresponding period over the preceding [2 (two) years], the Authority shall extend the Concession Period in proportion to the loss of such Gross Revenue due to Force Majeure. For the avoidance of doubt, loss of [25% (twenty five per cent)] in Gross Revenue for [4 (four)] days as compared to the Average Daily Gross Revenue for the corresponding period during the preceding [2 (two) years] shall entitle the Concessionaire to the extension of [1 (one)] day in the Concession Period.

### **35.7. Allocation of costs arising out of Force Majeure**

35.7.1 Upon occurrence of any Force Majeure Event prior to the Appointed Date, the Parties shall bear their respective costs and no Party shall be required to pay to the other Party any costs thereof.

35.7.2 Upon occurrence of a Force Majeure Event after the Appointed Date, the costs incurred and attributable to such event and directly relating to the Project (the “**Force Majeure Costs**”) shall be allocated and paid as follows:

- (a) upon occurrence of a Non-Political Event, the Parties shall bear their respective Force Majeure Costs and neither Party shall be required to pay to the other Party any costs thereof;
- (b) upon occurrence of an Indirect Political Event, all Force Majeure Costs attributable to such Indirect Political Event, and not exceeding the Insurance Cover for such Indirect Political Event, shall be borne by the Concessionaire, and to the extent Force Majeure Costs exceed such Insurance Cover, one half of such excess amount shall be reimbursed by the Authority to the Concessionaire; and
- (c) upon occurrence of a Political Event, all Force Majeure Costs attributable to such Political Event shall be reimbursed by the Authority to the Concessionaire.

35.7.3 For avoidance of doubt, Force Majeure Costs may include interest payments on debt, O&M Expenses, any increase in the cost of Development Works on account of inflation and all other costs directly attributable to the Force Majeure Event, but shall not include loss of Revenues from and all incomes derived or collected by it from or on account of the District Hospital and the Healthcare Services, or debt repayment obligations, and for determining such costs, information contained in the Financial Package may be relied upon to the extent that such information is relevant.

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

### **35.8. Termination Notice for Force Majeure Event**

If a Force Majeure Event subsists for a period of [180 (one hundred and eighty)] days or more within a continuous period of [365 (three hundred and sixty five)] days, either Party may in its discretion terminate this Agreement by issuing a Termination Notice to the other Party without being liable in any manner whatsoever, save as provided in this Article and upon issue of such Termination Notice, this Agreement shall, notwithstanding anything to the contrary contained herein, stand terminated forthwith; provided that before issuing such Termination Notice, the Party intending to issue the

Termination Notice shall inform the other Party of such intention and grant [15 (fifteen)] days' time to the other Party to make a representation and may after the expiry of such [15 (fifteen)] day period, whether or not it is in receipt of such representation, in its sole discretion issue the Termination Notice.

### **35.9. Termination Payment for Force Majeure Event**

35.9.1 If Termination is on account of a Non-Political Event, the Authority shall not make any Termination Payment to the Concessionaire.

35.9.2 If Termination is on account of an Indirect Political Event, the Authority shall pay to the Concessionaire an amount equal to [100% (one hundred percent)] of the Adjusted Depreciated Value of the Specified Assets, less Insurance Cover; provided that if any insurance claims forming part of the Insurance Cover are not admitted and paid, then [80% (eighty per cent)] of such unpaid claims shall be included in the computation of Termination Payment.

35.9.3 If Termination is on account of a Political Event, the Authority shall make a Termination Payment to the Concessionaire in an amount that would be payable under Clause 38.3.2 as if it were an Authority Default.

### **35.10. Dispute resolution**

In the event that the Parties are unable to agree in good faith about the occurrence or existence of a Force Majeure Event, such Dispute shall be finally settled in accordance with the Dispute Resolution Procedure in accordance with Article 45; provided that the burden of proof as to the occurrence or existence of such Force Majeure Event shall be upon the Party claiming relief and/or excuse on account of such Force Majeure Event.

### **35.11. Excuse from performance of obligations**

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

- (a) the suspension of performance shall be of no greater scope and of no longer duration than is reasonably required by the Force Majeure Event;
- (b) the Affected Party shall make all reasonable efforts to mitigate or limit damage to the other Party arising out of or as a result of the existence or occurrence of such Force Majeure Event and to cure the same with due diligence; and
- (c) when the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Party notice to that effect and shall

promptly resume performance of its obligations hereunder.

### **35.12. Relief for Unforeseen Events**

35.12.1 Upon occurrence of an unforeseen event, situation or similar circumstances not contemplated or referred to in this Agreement, and which could not have been foreseen by a prudent and diligent person (the “**Unforeseen Event**”), any Party may by notice inform the other Party of the occurrence of such Unforeseen Event with the particulars thereof and its effects on the costs, expense and Revenues of the Project. Within [15 (fifteen)] days of such notice, the Parties shall meet and make efforts in good faith to determine if such Unforeseen Event has occurred, and upon reaching agreement on occurrence thereof, deal with it in accordance with the provisions of this Clause 35.12.

35.12.2 Upon determination of the occurrence of an Unforeseen Event, the Parties shall make a reference to a conciliation tribunal which shall comprise one member each to be nominated by both Parties from among persons who have been judges of a High Court and the conciliators so nominated shall choose a chairperson who has been a Judge of the Supreme Court or Chief Justice of a High Court.

35.12.3 The conciliation tribunal referred to in Clause 35.12.2 shall conduct its proceedings in accordance with the provisions of Article 45 as if it is an arbitration proceeding under that Article, save and except as provided in Clause 35.12.

35.12.4 The conciliation tribunal referred to in this Clause 35.12 shall conduct preliminary proceedings to satisfy itself that:

- (a) an Unforeseen Event has occurred;
- (b) the effects of such Unforeseen Event cannot be mitigated without a remedy or relief which is not contemplated in the Agreement; and
- (c) the Unforeseen Event or its effects have not been caused by any Party by any act or omission or its part,

and if the conciliation tribunal is satisfied that each of the conditions specified hereinabove is fulfilled, it shall issue an order to this effect and conduct further proceedings under this Clause 35.12.

35.12.5. Upon completion of the conciliation proceedings referred to in this Clause 35.12, the conciliation tribunal may by a reasoned order make recommendations which shall be:

- (a) based on a fair and transparent justification;
- (b) no greater in scope than is necessary for mitigating the effects of the Unforeseen Event; and

- (c) of no greater duration than is necessary for mitigating the effects of the Unforeseen Event; and
- (d) quantified and restricted in terms of relief or remedy.

35.12.6 Within [15 (fifteen)] days of receiving the order referred to in Clause 35.12.5, the Parties shall meet and make efforts in good faith to accept, in whole or in part, the relief or remedy recommended by the conciliation tribunal for mitigating the effects of the Unforeseen Event and to procure implementation of the obligations relating to the District Hospital in accordance with the provisions of this Agreement. In pursuance hereof, the Parties may enter into a Memorandum of Understanding (the “**MoU**”) setting forth the agreement reached hereunder, and the terms of such MoU shall have the force and effect as if they form part of the Agreement.

**Article 36**  
**COMPENSATION FOR BREACH OF AGREEMENT**

**36.1. Compensation for default by the Concessionaire**

Subject to the provisions of Clause 36.4, in the event of the Concessionaire being in material breach or default of this Agreement, it shall pay to the Authority by way of compensation, all direct costs suffered or incurred by the Authority as a consequence of such material breach or default, within [30 (thirty)] days of receipt of the demand supported by necessary particulars thereof; provided that no compensation shall be payable under this Clause 36.1 for any material breach or default in respect of which Damages are expressly specified and payable under this Agreement or for any consequential losses incurred by the Authority.

**36.2. Compensation for default by the Authority**

Subject to the provisions of Clause 36.4, in the event of the Authority being in material breach or default of this Agreement at any time after the Appointed Date, it shall pay to the Concessionaire by way of compensation, all direct costs suffered or incurred by the Concessionaire as a consequence of such material breach or default within [30 (thirty)] days of receipt of the demand supported by necessary particulars thereof; provided that no such compensation shall be payable for any material breach or default in respect of which Damages have been expressly specified in this Agreement. For avoidance of doubt, compensation payable may include interest payments on debt, O&M Expenses, any increase in capital costs on account of inflation and all other costs directly attributable to such material breach or default but shall not include loss on account of Revenues from the District Hospital and all incomes derived or collected by it from or on account of the District Hospital, debt repayment obligations, or other consequential losses, and for determining such compensation, information contained in the Financial Package may be relied upon to the extent it is relevant.

**36.3. Extension of Concession Period**

Subject to the provisions of Clause 36.4, in the event that a material breach or default of this Agreement set forth in Clause 36.2 causes delay in achieving Operations Date or leads to reduction in the realisation of Gross Revenues, as the case may be, the Authority shall, in addition to payment of compensation under Clause 36.2, extend the Concession Period, such extension being equal in duration to the period by which Operations Date was delayed or Gross Revenue was reduced on account thereof, as the case may be; and in the event of reduction in Gross Revenue to decline below [75% (seventy five per cent)] of the Average Daily Gross Revenue for the corresponding period during the preceding [2 (two)] years, the Authority shall, in addition to payment of compensation hereunder, extend the Concession Period in proportion to the loss of Gross Revenue. For the avoidance of doubt, loss of [25% (twenty five per cent)] in realisation of Gross Revenue for [4 (four)] days, as compared to the Average Daily Gross Revenue for the corresponding period during the preceding [2 (two)] years shall entitle the

Concessionaire to extension of [1 (one)] day in the Concession Period.

**36.4. Compensation to be in addition**

Compensation payable under this Article 36 shall be in addition to, and without prejudice to, the other rights and remedies of the Parties under this Agreement including Termination thereof.

**36.5. Mitigation of costs and damage**

The non-defaulting Party shall make all reasonable efforts to mitigate or limit the costs and damage arising out of or as a result of breach of the Agreement by the other Party.

**Article 37**  
**SUSPENSION OF CONCESSIONAIRE'S RIGHTS**

**37.1. Suspension upon Concessionaire Default**

Upon occurrence of Concessionaire Default, the Authority shall be entitled, subject to Applicable Laws and without prejudice to its other rights and remedies under this Agreement including its right of Termination hereunder, to (a) suspend all rights of the Concessionaire under this Agreement including the Concessionaire's right to receive any Revenues from the District Hospital and all other incomes received by it from or on account of the District Hospital pursuant hereto, and (b) exercise such rights itself and perform the obligations hereunder or authorised any other person to exercise or perform the same on its behalf during such suspension (the "**Suspension**"). Suspension hereunder shall be effective forthwith upon issue of notice by the Authority to the Concessionaire and may extend up to a period not exceeding [180 (one hundred and eighty)] days from the date of issue of such notice; provided that upon written request from the Concessionaire and the Lender's Representative, the Authority shall extend the aforesaid [180 (one hundred and eighty)] days by a further period not exceeding [90 (ninety)] days.

**37.2. Authority to act on behalf of Concessionaire**

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

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

**37.3. Revocation of Suspension**

37.3.1 In the event that the Authority shall have rectified or removed the cause of Suspension within a period not exceeding [90 (ninety)] days from the date of Suspension, it shall revoke the suspension forthwith and restore all rights of the Concessionaire under this

Agreement. For avoidance of doubt, the Parties expressly agree that the Authority may, in its discretion, revoke the Suspension at any time, whether or not the cause of Suspension has been rectified or removed hereunder.

37.3.2 Upon the Concessionaire having cured the Concessionaire Default within a period not exceeding [90 (ninety)] days from the date of Suspension, the Authority shall revoke the Suspension forthwith and restore all rights of the Concessionaire under this Agreement.

#### **37.4. Substitution of Concessionaire**

At anytime during the period of Suspension, the Lenders' Representative, on behalf of the Senior Lenders, shall be entitled to substitute the Concessionaire under an and in accordance with the Substitution Agreement, and upon receipt of notice thereunder from the Lenders' Representative, the Authority shall withhold Termination for a period not exceeding [180 (one hundred and eighty)] days from the date of Suspension, and any extension thereof under Clause 37.1, for enabling the Lenders' Representative to exercise its rights of substitution on behalf of the Senior Lenders.

#### **37.5. Termination**

37.5.1 At any time during the period of Suspension under this Article 37, the Concessionaire may by notice request the Authority to revoke the Suspension and issue a Termination Notice. Subject to the rights of the Lenders' Representative to undertake the substitution in accordance with the provisions of this Agreement and within the period specified in Clause 37.4, the Authority shall, within [15 (fifteen)] days of receipt of such notice, terminate this Agreement under and in accordance with Article 37 as if it is a Concessionaire Default under Clause 37.1.

37.5.2. Notwithstanding anything to the contrary contained in this Agreement, in the event that Suspension is not revoked within [180 (one hundred and eighty)] days from the date of Suspension hereunder or within the extended period, if any, set forth in Clause 37.1, this Agreement shall, upon expiry of the aforesaid period, be deemed to have been terminated by mutual agreement of the Parties and all the provisions of this Agreement shall apply, *mutatis mutandis*, to such Termination as if a termination Notice had been issued by the Authority upon occurrence of Concessionaire Default.

**Article 38**  
**TERMINATION**

**38.1. Termination for Concessionaire Default**

38.1.1 Subject to Applicable Laws and save as otherwise provided in this Agreement, in the event that any of the defaults specified below shall have occurred, and the Concessionaire fails to cure the default within a Cure Period of [60 (sixty)] days, the Concessionaire shall be deemed to be in default of the Agreement (the “**Concessionaire Default**”), unless the default has occurred as a result of any breach of this Agreement by the Authority or due to Force Majeure. The defaults referred to herein shall include the following:

- (a) The Performance Security has been encashed and appropriated in accordance with Clause 9.2 and the Concessionaire fails to replenish or provide fresh Performance Security within a Cure Period of [15 (fifteen)] days;
- (d) subsequent to the replenishment or furnishing of fresh Performance Security in accordance with Clause 9.2, or cure the Concessionaire Default, as the case may be, for which whole or part of the Performance Security was appropriated, within a Cure Period of [120 (one hundred and twenty)] days;
- (d) the Concessionaire does not achieve the latest outstanding Project Milestone due in accordance with the provisions of Schedule G and continues to be in default for [90 (ninety)] days;
- (e) the Concessionaire abandons or manifests intension to abandon the development or operation of the Medical College and the District Hospital without the prior written consent of the Authority;
- (f) Operations Date does not occur on or before the Scheduled Completion Date;
- (g) the Concessionaire is in breach of the Maintenance Requirements or the Safety Requirements, as the case may be;
- (h) the Concessionaire has failed to make any payment to the Authority including the Concession Fee within the period specified in this Agreement;
- (i) upon occurrence of a Financial Default, the Lender’s Representative has by notice required the Authority to undertake Suspension or Termination, as the case may be, in accordance with the Substitution Agreement and the Concessionaire fails to cure the default within the Cure Period specified hereinabove;

- (j) a breach of any of the Project Agreements by the Concessionaire has caused a Material Adverse Effect;
- (k) the Concessionaire creates any Encumbrance in breach of this Agreement;
- (l) the Concessionaire repudiates this Agreement or otherwise takes an action or evidences or conveys an intention not to be bound by the Agreement;
- (l) a Change in Ownership has occurred in breach of the provisions of Clause 5.3;
- (m) there is a transfer, pursuant to law either of (i) the rights and/or obligations of the Concessionaire under any of the Project Agreements, or of (ii) all or part of the assets or undertaking of the Concessionaire, and such transfer causes a Material Adverse Effect;
- (n) an execution levied on any of the assets of the Concessionaire has caused a Material Adverse Effect;
- (o) the Concessionaire is adjudged bankrupt or insolvent, or if a trustee or receiver is appointed for the Concessionaire or for the whole or material part of its assets that has a material bearing on the Project;
- (p) the Concessionaire has been, or is in the process of being amalgamated or reconstituted in a manner that would cause, in the reasonable opinion of the Authority, a Material Adverse Effect: provided that, as part of such amalgamation or reconstruction, the entire property, assets and undertaking of the Concessionaire are transferred to the amalgamated or reconstructed entity and that the amalgamated or reconstructed entity has unconditionally assumed the obligations of the Concessionaire under this Agreement and the Project Agreements; and provided that:
  - (i) the amalgamated or reconstructed entity has the capability and operating experience necessary for the performance of its obligations under this Agreement and the Project Agreements;
  - (ii) the amalgamated or reconstructed entity has the financial standing to perform its obligations under this Agreement and the Project Agreements and has a credit worthiness at least as good as that of the Concessionaire as at the Appointed Date; and
  - (iii) each of the Project Agreements remain in full force and effect.
- (q) occurrence of any Insolvency Event;

- (r) any representation or warranty of the Concessionaire herein contained which is, as of the date hereof, found to be materially false, incorrect or misleading or the Concessionaire is at any time hereafter found to be in breach thereof;
- (s) the Concessionaire submits to the Authority any statement, notice or other document, in written or electronic form, which has a material effect on the Authority's rights, obligations or interests and which is false in material particulars;
- (t) the Concessionaire has failed to fulfil any obligation, for which failure Termination has been specified in this Agreement;
- (u) the Concessionaire issues Termination Notice in violation of the provisions of this Agreement; or
- (v) the Concessionaire commits a default in complying with any other provisions of this Agreement if such default causes or may cause a Material Adverse Effect on the Authority.

38.1.2 Without prejudice to any other rights or remedies which the Authority may have under this Agreement, upon occurrence of a Concessionaire Default, the Authority shall be entitled to terminate this Agreement by issuing a Termination Notice to the Concessionaire; provided that before issuing the Termination Notice, the Authority shall by a notice inform the Concessionaire of its intention to issue such Termination Notice and grant [15 (fifteen)] days to the Concessionaire to make a representation, and may after the expiry of such [15 (fifteen)] days, whether or not it is in receipt of such representation, issue the Termination Notice, subject to the provisions of Clause 38.3.3.

38.1.3 The Authority shall, if there are Senior Lenders, send a copy of its notice of intention to issue a Termination Notice referred to in Clause 38.1.2 to inform the Lenders' Representative and grant [15 (fifteen)] days to the Lenders' Representative, for making a representation on behalf of the Senior Lenders stating the intention to substitute the Concessionaire in accordance with the Substitution Agreement. In the event the Authority receives such representation on behalf of Senior Lenders, it shall, in its discretion, either withhold Termination for a period not exceeding [180 (one hundred and eighty)] days from the date of such representation or exercise its right of Suspension, as the case may be, for enabling the Lenders' Representative to exercise the Senior Lenders' right of substitution in accordance with the Substitution Agreement.

38.1.4. Provided that the Lenders' Representative may, instead of exercising the Senior Lenders' right of substitution, procure that the default specified in the notice is cured within the aforesaid period of [180 (one hundred and eighty)] days, and upon such curing thereof, the Authority shall withdraw its notice referred to above and restore all the rights of the Concessionaire: Provided further that upon written request from the

Lenders' Representative and the Concessionaire, the Authority shall extend the aforesaid period of [180 (one hundred and eighty)] days by such further period not exceeding [90 (ninety)] days, as the Authority may deem appropriate.

## **38.2. Termination for Authority Default**

38.2.1 In the event that any of the defaults specified below shall have occurred, and the Authority fails to cure such default within a Cure Period of [90 (ninety)] days or such longer period as has been expressly provided in this Agreement, the Authority shall be deemed to be in default of this Agreement (the "**Authority Default**") unless the default has occurred as a result of any breach of this Agreement by the Concessionaire or due to Force Majeure. The defaults referred to herein shall include:

- (a) the Authority commits a material default in complying with any of the provisions of this Agreement and such default has a Material Adverse Effect on the Concessionaire;
- (b) the Authority has failed to make any payment due to the Concessionaire, and the Concessionaire is unable to recover any unpaid amounts through the adjustment in the Concession Fee payable by it to the Authority;
- (c) the Authority fails to provide land for Site for Medical College;
- (d) The Authority fails to handover the District Hospital in accordance with Article 11; or
- (e) the Authority repudiates this Agreement or otherwise takes any action that amounts to or manifests an irrevocable intention not to be bound by this Agreement.

38.2.2 Without prejudice to any other right or remedy which the Concessionaire may have under this Agreement, upon occurrence of a Authority Default, the Concessionaire shall, subject to the provisions of the Substitution Agreement, be entitled to terminate this Agreement by issuing a Termination Notice to the Authority; provided that before issuing the Termination Notice, the Concessionaire shall by a notice inform the Authority of its intention to issue the Termination Notice and grant [15 (fifteen)] days to the Authority to make a representation, and may after the expiry of such [15 (fifteen)] days, whether or not it is in receipt of such representation, issue the Termination Notice.

## **38.3. Termination Payment**

38.3.1 Upon Termination on account of a Concessionaire Default the Authority shall pay to the Concessionaire, by way of Termination Payment, an amount equal to [70% (seventy percent)] of the Adjusted Depreciated Value of the Specified Assets less Insurance Cover.

- 38.3.2 Upon Termination on account of an Authority Default, the Authority shall pay to the Concessionaire, by way of Termination Payment, an amount equal to [130% (one hundred and thirty percent)] of the Adjusted Depreciated Value of the Specified Assets.
- 38.3.3 Termination Payment shall become due and payable to the Concessionaire within [15 (fifteen)] days of a demand being made by the Concessionaire to the Authority with the necessary particulars, and in the event of any delay, the Authority shall pay interest at a rate equal to [3% (three per cent) above the Bank Rate] on the amount of Termination Payment remaining unpaid; provided that such delay shall not exceed [90 (ninety)] days. For avoidance of doubt, it is expressly agreed that Termination Payment shall constitute full discharge by the Authority of its payment obligations in respect thereof hereunder.
- 38.3.4 The Concessionaire expressly agrees that Termination Payment under this Article 38 shall constitute a full and final settlement of all claims of the Concessionaire on account of Termination of this Agreement for any reason whatsoever and that the Concessionaire or any shareholder thereof shall not have any further right or claim under any law, treaty, convention, contract or otherwise.

#### **38.4. Other rights and obligations of the Authority**

- 38.4.1 Upon Termination for any reason whatsoever, the Authority shall:
- (a) take possession and control of the District Hospital and Medical College forthwith;
  - (b) take possession and control of all materials, stores, implements, construction plants and Equipment on or about the District Hospital and Medical College;
  - (c) be entitled to restrain the Concessionaire and any person claiming through or under the Concessionaire from entering the Project Site;
  - (d) require the Concessionaire to comply with the Divestment Requirements set forth in Clause 40.1; and
  - (e) succeed upon election by the Authority, without the necessity of any further action by the Concessionaire, to the interests of the Concessionaire under such of the Project Agreements as the Authority may in its discretion deem appropriate, and shall upon such election be liable to the Contractors only for compensation accruing and becoming due and payable to them under the terms of their respective Project Agreements from and after the date the Authority elects to succeed to the interests of the Concessionaire. For avoidance of doubt, the Concessionaire acknowledges and agrees that all sums claimed by such Contractors as being due and owing for works and services performed or accruing on account of any act, omission or event prior to such date shall constitute debt between the Concessionaire and such Contractors, and the Authority shall not in any manner be liable for such sums. It is further agreed that in the event the Authority elects to cure any outstanding defaults under such Project Agreements, the amount expended by the Authority for this purpose

shall be deducted from the Termination Payment.

### **38.5. Survival of rights**

Notwithstanding anything to the contrary contained in this Agreement, but subject to the provisions of Article 38, any Termination pursuant to the provisions of this Agreement shall be without prejudice to the accrued rights of either Party including its right to claim and recover money damages, insurance proceeds, security deposits, and other rights and remedies, which it may have in law or contract. All rights and obligations of either Party under this Agreement, including Termination Payments and Divestment Requirements, shall survive the Termination to the extent such survival is necessary for giving effect to such rights and obligations.

**Article 39**  
**DIVESTMENT OF RIGHTS AND INTEREST**

**39.1. Divestment Requirements**

39.1.1 Upon Termination, the Concessionaire shall comply with and conform to the following Divestment Requirements:

- (a) notify to the Authority forthwith the location and particulars of all assets forming part of the District Hospital and Medical College;
- (b) deliver forthwith the actual or constructive possession of the District Hospital and Medical College free and clear of all Encumbrances, save and except to the extent set forth in the Substitution Agreement;
- (c) cure the Project from all defects and deficiencies so that the District Hospital and Medical College is compliant with the Maintenance Requirements; provided that in the event of Termination during the Construction Period, the Project shall be handed over on an as is where is basis after bringing them to a safe condition;
- (d) deliver and transfer relevant records, reports, Intellectual Property and other licenses pertaining to the Project and its design, engineering, construction, operation and maintenance, including all programmes and manuals pertaining thereto, and complete as built Drawings as on the Expiry Date.
- (e) transfer and/or deliver all Applicable Permits to the extent permissible under Applicable Laws pertaining to the Project ; and
- (f) comply with all other requirements as may be prescribed or required under Applicable Laws for completing the divestment and assignment of all rights of the Concessionaire in the Project.

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

39.1.3 Upon Termination, the Authority may continue the affiliation of the Medical College to the District Hospital, subject to mutual agreement between the Parties and in accordance with Applicable Laws.

**39.2. Inspection and cure**

Not earlier than [90 (ninety)] days prior to Termination but not later than [15 (fifteen)] days prior to the effective date of such Termination, the Independent Expert shall verify, after giving due notice to the Concessionaire specifying the time, date and venue of such verification and/or inspection of the Project, compliance by the Concessionaire with the Maintenance Requirements of the Project, and if required, cause appropriate tests to be carried out at the Concessionaire's cost for this purpose. Defaults, if any, in the Maintenance Requirements of the Project shall be cured by the Concessionaire at its cost in relation to curing of defects or deficiencies under this Article 39.

### **39.3. Cooperation and assistance on transfer of Project**

- (a) The Parties shall cooperate on a best effort basis and take all necessary measures, in good faith, to achieve a smooth transfer of the Project in accordance with the provisions of this Agreement so as to protect the safety of and avoid undue delay or inconvenience to the Users, other members of the public or the lawful occupiers of any part of the Site for District Hospital and Medical College.
- (b) The Parties shall provide to each other, [9 (nine) months] prior to the Expiry Date in the event of Termination by efflux of time and immediately in the event of either Party conveying to the other Party its intent to issue a Termination Notice, as the case may be, as much information and advice as is reasonably practicable regarding the proposed arrangements for operation of the Project following the Expiry Date. The Concessionaire shall further provide such reasonable advice and assistance as the Authority, its concessionaire or agent may reasonably require for operation of the Project until the expiry of [6 (six) months] after the Expiry Date.
- (c) The Authority shall have the option to purchase or hire from the Concessionaire at a fair market value, determined by a reputed firm mutually agreed upon and appointed by the Parties, and free from any encumbrance all or any part of Project but which does not form part of the assets specified in Clause 39.1.1 and is reasonably required in connection with operation of the Project. For the avoidance of doubt, in the event of dispute or difference relating to fair market value, the Dispute Resolution Procedure in Article 45 shall apply.

### **39.4. Vesting Certificate**

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

**39.5. Divestment costs**

- 39.5.1 The Concessionaire shall bear and pay all costs incidental to divestment of all of the rights in the Project in favour of the Authority upon Termination, save and except that all stamp duties payable on any deeds or Documents executed by the Concessionaire in connection with such divestment shall be borne by the Authority.
- 39.5.2 In the event of any dispute relating to matters covered by and under this Article, the Dispute Resolution Procedure in Article 45 shall apply.

**Article 40**  
**DEFECTS LIABILITY AFTER TERMINATION**

**40.1. Liability for Defects after Termination**

The Concessionaire shall be responsible for all defects and deficiencies in the Project for a period of [120 (one hundred and twenty)] days after Termination, and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by the Independent Expert in the Project during the aforesaid period. In the event that the Concessionaire fails to repair or rectify such defect or deficiency within a period of [15 (fifteen)] days from the date of notice issued by the Authority in this behalf, the Authority shall be entitled to get the same repaired or rectified at the Concessionaire's risk and cost so as to make the Project conform to the Maintenance Requirements. All costs incurred by the Authority hereunder shall be reimbursed by the Concessionaire to the Authority within [15 (fifteen)] days of receipt of demand thereof, and in the event of default in reimbursing such costs, the Authority shall be entitled to recover the same from the funds retained in the Escrow Account under the provisions of Clause 40.2 or from the Performance Guarantee provided thereunder. For the avoidance of doubt, the provisions of this Article 38 shall not apply if Termination occurs prior to Operations Date.

**40.2. Inspection by Independent Expert**

40.2.1 Notwithstanding anything to the contrary contained in this Agreement, but subject to the provisions of Clause 40.2.3, a sum equal to the average of [monthly Gross Revenue] during the year immediately preceding the Expiry Date shall be retained in the Escrow Account for a period of [180 (one hundred and eighty)] days after Termination for meeting the liabilities, if any, arising out of or in connection with the provisions of Clause 40.1.

40.2.2 Without prejudice to the provisions of Clause 40.2.1, the Independent Expert shall carry out an inspection of the District Hospital at any time between [210 (two hundred and ten)] and [180 (one hundred and eighty)] days prior to the Termination and if it recommends that the status of the District Hospital is such that the sum larger than the amount stipulated in Clause 40.2.1 should be retained in Escrow Account and for a period longer than the aforesaid [180 (one hundred and eighty)] days, the amount recommended by the Independent Expert shall be retained in the Escrow Account for the period specified by it.

40.2.3 The Concessionaire may, for the performance of its obligations under this Article 38, provide to the Authority a guarantee from a Bank for a sum equivalent to the amount determined under Clause 40.2.1 or Clause 40.2.2. as the case may be, and for the period specified therein, substantially in the form set forth in Schedule F (the "**Performance Guarantee**"), to be modified, *mutatis-mutandis*, for this purpose, and the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to encash and appropriate the required amounts from the Performance Guarantee for

undertaking the repairs or rectification at the Concessionaire's risk and cost in accordance with the provisions of this Article 40. Upon furnishing of the Performance Guarantee under this Clause 40.2.3, the retention of funds in Escrow Agreement in terms of Clause 40.2.1 or 40.2.2, as the case may be, shall be dispensed with.

**Part VI**  
**OTHER PROVISIONS**

**Article 41**  
**ASSIGNMENT AND CHARGES**

**41.1. Restrictions on assignment and charges**

42.1.1 Subject to Clauses 41.2 and 41.3, this Agreement shall not be assigned by the Concessionaire to any person, save and except with the prior consent in writing of the Authority, which consent the Authority shall be entitled to decline without assigning any reason.

41.1.2 Subject to the provisions of Clause 41.2, the Concessionaire shall not create nor permit to subsist any Encumbrance, or otherwise transfer or dispose of all or any of its rights and benefits under this Agreement or any Project Agreement to which the Concessionaire is a party except with prior consent in writing of the Authority, which consent the Authority shall be entitled to decline without assigning any reason.

**41.2. Permitted assignment and charges**

41.2.1 The restraints set forth in Clause 41.1 shall not apply to:

- (a) liens arising by operation of law (or by an agreement evidencing the same) in the ordinary course of business of the Project or liens or encumbrances required by any Applicable Law;
- (b) mortgages, pledges or hypothecation of goods or assets other than Project Assets and their related documents of title, arising or created in the ordinary course of business of the Project, and as security only for indebtedness to the Senior Lenders under the Financing Agreements and/or for working capital arrangements for the Project; and
- (c) assignment of rights, interest and obligations of the Concessionaire to or in favour of the Lenders' Representative as nominee and for the benefit of the Senior Lenders, to the extent covered by and in accordance with the Substitution Agreement as security for financing provided by Senior Lenders under the Financing Agreements.

41.2.2. The Concessionaire shall not, directly or indirectly, transfer, mortgage, pledge, assign, hypothecate, encumber, let or sub-let or part with the occupation of the Project or any part thereof and/or the benefits arising out of this Agreement or any part thereof in any manner whatsoever to any person, without the prior written consent of the Authority. The Concessionaire may permit or sub-let any third party to operate permissible activities in the Project such as offices, restaurant, coffee shops, or any other facilities within the Project Site for a period that shall be coterminous with or, less than the Concession Period and upon expiry of the Concession Period or Termination of the Agreement, all such permissions granted to third parties to operate or maintain any facilities or amenities as aforesaid shall automatically cease and terminate forthwith.

### **41.3. Substitution Agreement**

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

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

### **41.4. Assignment by the Authority**

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

41.4.2. Any assignment under this Article 41 shall be subject to the approvals and consents required therefore under Applicable Laws. Provided, however, that the grant of any consent or approval under Applicable Laws shall not oblige the Authority to grant its approval to such assignment, save and except as provided herein.

**Article 42**  
**CHANGE IN LAW**

**42.1. Increase in costs**

42.1.1 If as a result of Change in Law, the Concessionaire suffers an increase in costs or reduction in net after-tax return or other financial burden, the aggregate financial effect of which exceeds [Rs. 1 crore (Rupees one crore)] in any Accounting Year, the Concessionaire may so notify the Authority and propose amendments to this Agreement so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no such Change in Law resulting in the cost increase, reduction in return or other financial burden as aforesaid. Upon notice by the Concessionaire, the Parties shall meet, as soon as reasonably practicable, but no later than [30 (thirty)] days from the date of notice, and either agree on amendments to this Agreement or on any other mutually agreed arrangement:

42.1.2 Provided that if no agreement is reached within [90 (ninety)] days of the aforesaid notice, the Concessionaire may by notice require the Authority to pay an amount that would place the Concessionaire in the same financial position that it would have enjoyed had there been no such Change in Law, and within [15 (fifteen)] days of receipt of such notice, along with particulars thereof, the Authority shall pay the amount specified therein; provided that if the Authority shall dispute such claim of the Concessionaire, the same shall be settled in accordance with the Dispute Resolution Procedure in accordance with Article 45. For avoidance of doubt, it is agreed that this Clause 42.1 shall be restricted to changes in law directly affecting the Concessionaire's costs of performing its obligations under this Agreement.

**42.2. Reduction in costs**

42.2.1 If as a result of Change in Law, the Concessionaire benefits from a reduction in costs or increase in net after-tax return or other financial gains, the aggregate financial effect of which exceeds [Rs. 25 lakh (Rupees twenty-five lakh)] in any Accounting Year, the Authority may so notify the Concessionaire and propose amendments to this Agreement so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no such Change in Law resulting in the decreased costs, increase in return or other financial gains as aforesaid. Upon notice by the Authority, the Parties shall meet, as soon as reasonably practicable, but no later than [30 (thirty)] days from the date of notice, and either agree on such amendments to this Agreement or on any other mutually agreed arrangement:

42.2.2 Provided that if no agreement is reached within [90 (ninety)] days of the aforesaid notice, the Authority may by notice require the Concessionaire to pay an amount that would place the Concessionaire in the same financial position that it would have enjoyed had there been no such Change in Law, and within [15 (fifteen)] days of receipt of such notice, along with particulars thereof, the Concessionaire shall pay the amount specified therein to the Authority; provided that if the Concessionaire shall dispute such

claim of the Authority, the same shall be settled in accordance with the Dispute Resolution Procedure in accordance with Article 45. For the avoidance of doubt, it is agreed that this Clause 42.2 shall be restricted to changes in law directly affecting the Concessionaire's costs of performing its obligations under this Agreement.

#### **42.3. Protection of NPV**

Pursuant to the provisions of Clause 42.1 and 42.2 for the purposes of placing the Concessionaire in the same financial position as it would have enjoyed had there been no Change in Law affecting the costs, returns or other financial burden or gains, the Parties shall endeavour to establish a net present value (the "NPV") of the net cash flow and make necessary adjustments in costs, Revenues, compensation or other relevant parameters, as the case may be, to procure that the NPV of the net cash flow is the same as it would have been if no Change in Law had occurred. For the avoidance of doubt, the Parties expressly agree that for determination of NPV, the discount rate to be used shall be equal to the weighted average rate of interest at which the Concessionaire has raised the debt under its Financing Agreements.

#### **42.4. Restriction on cash compensation**

The Parties acknowledge and agree that the demand for cash compensation under this Article 42 shall be restricted to the effect of Change in Law during the respective Accounting Year and shall be made at any time after commencement of such year, but no later than one year from the close of such Accounting Year. Any demand for cash compensation payable for and in respect of any subsequent Accounting Year shall be made after the commencement of the Accounting Year to which the demand pertains, but no later than [2 (two)] years from the close of such Accounting Year.

#### **42.5. No claim in the event of recovery from Users**

Notwithstanding anything to the contrary contained in this Agreement, the Authority shall not in any manner be liable to reimburse to the Concessionaire any sums on account of a Change in Law if the same are recoverable from the Users for and in respect of the services utilised by such Users.

**Article 43**  
**LIABILITY AND INDEMNITY**

**43.1. General indemnity**

43.1.1 The Concessionaire shall indemnify, defend, save and hold harmless the Authority and its officers, servants, agents, Government Instrumentalities and Authority owned and/or controlled entities or enterprises, (the “**Authority Indemnified Persons**”) against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense of whatever kind and nature, whether arising out of any breach by the Concessionaire of any of its obligations under this Agreement or any related agreement or on account of any defect or deficiency in the provision of services by the Concessionaire to the Authority or to any User or from any act and/or omission by the Concessionaire arising out of gross negligence, fraud or wilful misconduct resulting in any harm, loss, damage, bodily injury or sickness to a person or harm, loss or damage to any property, except to the extent that any such suits, proceedings, actions, demands and claims have arisen due to any negligent act or omission, or breach or default of this Agreement on the part of the Authority Indemnified Persons.

43.1.2. The Authority shall indemnify, defend, save and hold harmless the Concessionaire against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense of whatever kind and nature arising out of: (i) defect in title and/or the rights of the Authority in the land comprised in the Project Site and/or (ii) breach by the Authority of any of its obligations under this Agreement or any related agreement, which materially and adversely affect the performance by the Concessionaire of its obligations under this Agreement, save and except that where any such claim, suit, proceeding, action, and/or demand has arisen due to a negligent act or omission, or breach of any of its obligations under any provision of this Agreement or any related agreement and/or breach of its statutory duty on the part of the Concessionaire, its subsidiaries, Affiliates, contractors, servants or agents, the same shall be the liability of the Concessionaire.

**43.2. Indemnity by the Concessionaire**

43.2.1 Without limiting the generality of Clause 43.1 the Concessionaire shall fully indemnify, hold harmless and defend the Authority and the Authority Indemnified Persons from and against any and all loss and/or damages arising out of or with respect to:

- (a) failure of the Concessionaire to comply with Applicable Laws and Applicable Permits;
- (b) payment of Taxes required to be made by the Concessionaire in respect of the income or other Taxes of the Contractors, suppliers and representatives; or
- (c) non-payment of amounts due as a result of materials or services furnished to the Concessionaire or any of its Contractors which are payable by the

Concessionaire or any of its Contractors;

- (d) its omissions or acts of fraud, gross negligence and wilful misconduct;
- (e) any personal bodily injury or death of any person caused by, arising out of or in connection with its performance of this Agreement; or
- (f) loss of or physical damage to property of the Authority or any third party caused by, arising out of or in connection with the performance of this Agreement.

43.2.2 Without limiting the generality of the provisions of this Article 43, the Concessionaire shall fully indemnify, hold harmless and defend the Authority Indemnified Persons from and against any and all suits, proceedings, actions, claims, demands, liabilities and damages which the Authority Indemnified Persons may hereafter suffer, or pay by reason of any demands, claims, suits or proceedings arising out of claims of infringement of any domestic or foreign patent rights, copyrights or other Intellectual Property, proprietary or confidentiality rights with respect to any materials, information, design or process used by the Concessionaire or by the Contractors in performing the Concessionaire's obligations or in any way incorporated in or related to the Project. If in any such suit, action, claim or proceedings, a temporary restraint order or preliminary injunction is granted, the Concessionaire shall make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the revocation or suspension of the injunction or restraint order. If, in any such suit, action, claim or proceedings, the Project, or any part thereof or comprised therein, is held to constitute an infringement and its use is permanently enjoined, the Concessionaire shall promptly make every reasonable effort to secure for the Authority a license, at no cost to the Authority, authorising continued use of the infringing work. If the Concessionaire is unable to secure such license within a reasonable time, the Concessionaire shall, at its own expense, and without impairing the Specifications and Standards, either replace the affected work, or part, or process thereof with non-infringing work or part or process or modify the same so that it becomes non-infringing.

### **43.3. Notice and contest of claims**

In the event that either Party receives a claim or demand from a third party in respect of which it is entitled to the benefit of an indemnity under this Article 43 (the "**Indemnified Party**") it shall notify the other Party (the "**Indemnifying Party**") within [15 (fifteen)] days of receipt of the claim or demand and shall not settle or pay the claim without the prior approval of the Indemnifying Party, which approval shall not be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim or demand, it may conduct the proceedings in the name of the Indemnified Party, subject to the Indemnified Party being secured against any costs involved, to its reasonable satisfaction.

#### **43.4. Defense of claims**

- 43.4.1 The Indemnified Party shall have the right, but not the obligation, to contest, defend and litigate any claim, action, suit or proceeding by any third party alleged or asserted against such Party in respect of, resulting from, related to or arising out of any matter for which it is entitled to be indemnified hereunder, and reasonable costs and expenses thereof shall be indemnified by the Indemnifying Party. If the Indemnifying Party acknowledges in writing its obligation to indemnify the Indemnified Party in respect of loss to the full extent provided by this Article, the Indemnifying Party shall be entitled, at its option, to assume and control the defense of such claim, action, suit or proceeding, liabilities, payments and obligations at its expense and through the counsel of its choice; provided it gives prompt notice of its intention to do so to the Indemnified Party and reimburses the Indemnified Party for the reasonable cost and expenses incurred by the Indemnified Party prior to the assumption by the Indemnifying Party of such defense. The Indemnifying Party shall not be entitled to settle or compromise any claim, demand, action, suit or proceeding without the prior written consent of the Indemnified Party, unless the Indemnifying Party provides such security to the Indemnified Party as shall be reasonably required by the Indemnified Party to secure the loss to be indemnified hereunder to the extent so compromised or settled.
- 43.4.2 If the Indemnifying Party has exercised its rights under Clause 43.3, the Indemnified Party shall not be entitled to settle or compromise any claim, action, suit or proceeding without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).
- 43.4.3 If the Indemnifying Party exercises its rights under Clause 43.3, the Indemnified Party shall nevertheless have the right to employ its own counsel, and such counsel may participate in such action, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party, when and as incurred, unless:
- (a) the employment of counsel by such party has been authorised in writing by the Indemnifying Party;
  - (b) the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in the conduct of the defence of such action;
  - (c) the Indemnifying Party shall not, in fact, have employed independent counsel reasonably satisfactory to the Indemnified Party, to assume the defence of such action and shall have been so notified by the Indemnified Party; or
  - (d) the Indemnified Party shall have reasonably concluded and specifically notified the Indemnifying Party either:
    - (i) that there may be specific defences available to it which are different

from or additional to those available to the Indemnifying Party; or

- (ii) that such claim, action, suit or proceeding involves or could have a Material Adverse Effect upon it beyond the scope of this Agreement:

Provided that if Sub-Clauses (b) (c) or (d) of this Clause 43.4 shall be applicable, the counsel for the Indemnified Party shall have the right to direct the defence of such claim, demand, action, suit or proceeding on behalf of the Indemnified Party, and the reasonable fees and disbursements of such counsel shall constitute legal or other expenses hereunder.

#### **43.5. No consequential claims**

Notwithstanding anything to the contrary contained in this Article 43, the indemnities herein provided shall not include any claim or recovery in respect of any cost, expense, loss or damage of an indirect, incidental or consequential nature, including loss of profit, except as expressly provided in this Agreement.

#### **43.6. Limitation of Liability**

43.6.1 Notwithstanding anything to the contrary in this Agreement, the liability of one Party towards the other Party for any damages or compensation of any nature whatsoever under this Agreement, shall not exceed Total Project Cost. . For the avoidance of doubt, the limitation hereunder shall not apply to any or all liabilities in respect of third parties. The Parties agree that the Concessionaire's liability will be uncapped in case of any liabilities arising due to:

- (a) any amount payable as indemnity to the Authority due to its acts or omissions or fraud, gross negligence and wilful misconduct;
- (b) breach of any Applicable Laws or any Applicable Permits;
- (c) any claims or loss on account of Intellectual Property rights violation by the Concessionaire;
- (d) any personal bodily injury or death of any person caused by, arising out of or in connection with its performance of this Agreement; or
- (e) any loss of or physical damage to property of the Authority or any third party caused by, arising out of or in connection with the performance of this Agreement.

#### **43.7. Survival on Termination**

The provisions of this Article 43 shall survive Termination.

**Article 44**  
**RIGHTS TO THE PROJECT SITE**

**44.1. Rights to the Project Site**

For the purpose of this Agreement, the Concessionaire shall have rights to use the Project Site in accordance with this Agreement and to this end, it may regulate the entry and use of the District Hospital by third parties in accordance with and subject to the provisions of this Agreement.

**44.2. Access rights of the Authority and others**

44.2.1 The Concessionaire shall allow free access to the Project Site at all times to the Authority Representatives, Senior Lenders, the Independent Engineer/Independent Expert, and to the persons duly authorised by any Government Instrumentality to inspect the Project and to investigate any matter within their authority, and upon reasonable notice, the Concessionaire shall provide to such persons reasonable assistance necessary to carry out their respective duties and functions.

44.2.2 The Concessionaire shall, for the purpose of operation and maintenance of any utility or road specified in Article 12 allow free access to the Project Site at all times for the authorised persons and vehicles of the relevant Government Instrumentality.

**44.3. Property taxes**

All property taxes with respect to the Project Site shall be payable by the Authority as owner of the Project Site; provided, however, that any such taxes payable by the Concessionaire under Applicable Laws for use of the Project Site including taxes relating to the buildings constructed on the Project Site shall not be reimbursed or payable by the Authority. The Parties agree that stamp duties, if any, due and payable on the grant of [lease rent] comprising the Agreement shall be paid by the Concessionaire which shall be reimbursed by the Authority within [15 (fifteen)] days of receiving the demand thereof.

**44.4. Restriction on sub-letting**

The Concessionaire shall not sub-lease, sub-license or sub-let the whole or any part of the Project Site, save and except as may be expressly set forth in this Agreement; provided that nothing contained herein shall be construed or interpreted as restricting the right of the Concessionaire to appoint Contractors for the performance of its obligations hereunder including for development, operation and maintenance of all or any part of the Project.

**Article 45**  
**DISPUTE RESOLUTION**

**45.1. Dispute resolution**

- (a) Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either Party to the other Party (the “**Dispute**”) shall, in the first instance, be attempted to be resolved amicably in accordance with the conciliation procedure set forth in Clause 45.2.
- (b) The Parties agree to use their best efforts for resolving all Disputes arising under or in respect of this Agreement promptly, equitably and in good faith, and further agree to provide each other with reasonable access during normal business hours to all non-privileged records, information and data pertaining to any Dispute.

**45.2. Conciliation**

In the event of any Dispute between the Parties, either Party may call upon the Independent Engineer or the Independent Expert, as the case may be, to mediate and assist the Parties in arriving at an amicable settlement thereof. Failing mediation by the Independent Engineer or the Independent Expert, as the case may be, such Dispute to be referred to Board constituted by the Authority; comprising of 3 (three) members having relevant domain expertise and unrelated to either Parties, and upon such reference, the said Board shall meet no later than [7 (seven)] days from the date of reference to discuss and attempt to amicably resolve the Dispute. If such meeting does not take place within the [7 (seven)] day period or the Dispute is not amicably settled within [15 (fifteen)] days of the meeting or the Dispute is not resolved as evidenced by the signing of written terms of settlement within [30 (thirty)] days of the notice in writing referred to in Clause 45.1 (a) or such longer period as may be mutually agreed by the Parties, either Party may refer the Dispute to arbitration in accordance with the provisions of Clause 45.3.

**45.3. Arbitration**

- (a) Any Dispute which is not resolved amicably by conciliation, as provided in Clause 45.2, shall be finally decided by reference to arbitration by a board of arbitrators appointed in accordance with Clause 45.3 (b). Such arbitration shall be held in accordance with the Rules of Arbitration of the International Centre for Alternative Dispute Resolution, New Delhi, or such other rules as may be mutually agreed by the Parties and shall be subject to the provisions of the Arbitration Act. The venue of such arbitration shall be [●], and the language of arbitration proceedings shall be English.
- (b) There shall be a board of three arbitrators, of whom each Party shall appoint one, and the third arbitrator shall be appointed by the two arbitrators so selected, and in the event of disagreement between the two arbitrators, the appointment shall be made in

accordance with the Rules of Arbitration of the International Centre for Alternative Dispute Resolution, New Delhi.

- (c) The arbitrators shall make a reasoned award (the “**Award**”). Any Award made in any arbitration held pursuant to this Article 45 shall be final and binding on the Parties as from the date it is made, and the Concessionaire and the Authority agree and undertake to carry out such Award without delay.
- (d) The Concessionaire and the Authority agree that an Award may be enforced against the Concessionaire and/or the Authority, as the case may be, and their respective assets wherever situated.
- (e) This Agreement and the rights and obligations of the Parties shall remain in full force and effect, pending the Award in any arbitration proceedings hereunder.

#### **45.4. Adjudication by Regulatory Authority or Commission**

In the event of constitution of a statutory regulatory authority or commission with powers to adjudicate upon disputes between the Concessionaire and the Authority, all Disputes arising after such constitution shall, instead of reference to arbitration under Clause 45.3, be adjudicated upon by such regulatory authority or commission in accordance with the Applicable Law and all references to Dispute Resolution Procedure shall be construed accordingly. For the avoidance of doubt, the Parties hereto agree that the adjudication hereunder shall not be final and binding until an appeal against such adjudication has been decided by an appellate tribunal or High Court, as the case may be, or no such appeal has been preferred within the time specified in the Applicable Law.

## **Article 46 DISCLOSURE**

### **46.1. Disclosure of Specified Documents**

The Concessionaire shall make available for inspection by any person, copies of this Agreement (hereinafter collectively referred to as the “**Specified Documents**”), free of charge, during normal business hours on all working days at the Concessionaire’s registered office, the District Hospital. The Concessionaire shall prominently display at the District Hospital, public notices stating the availability of the Specified Documents for such inspection and shall provide copies of the same to any person upon payment of copying charges on a no profit no loss basis.

### **46.2. Disclosure of Documents relating to safety**

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

### **46.3. Withholding disclosure of Protected Documents**

Notwithstanding the provisions of Clauses 46.1 and 46.2, the Authority shall be entitled to direct the Concessionaire, from time to time, to withhold the disclosure of Protected Documents (as defined herein below) to any person in pursuance of the aforesaid Articles.

*Explanation:*

The expression Protected Documents shall mean such of the Specified Documents or documents referred to in Clauses 46.1 and 46.2, or portions thereof, the disclosure of which the Authority is entitled to withhold under the provisions of the Right to Information Act, 2005.

**Article 47**  
**REDRESSAL OF PUBLIC GRIEVANCES**

**47.1. Complaints Register**

- (a) The Concessionaire shall maintain a public relations office at the District Hospital where it shall keep a register (the “**Complaint Register**”) open to public access at all times for recording of complaints by any person (the “**Complainant**”) information relating to the availability of and access to the Complaint Register shall be prominently displayed by the Concessionaire at the District Hospital and its website so as to bring it to the attention of all Users.
- (b) The Complaint Register shall have appropriate columns including the complaint number, date, name and address of the Complainant, substance of the complaint and the action taken by the Concessionaire. Immediately after a complaint is registered, the Concessionaire shall give a receipt to the Complainant stating the date and complaint number.
- (c) Without prejudice to the provisions of Clause 47.1 (a) and (b), the Authority may, in consultation with the Concessionaire, specify the procedure for making complaints in electronic form and for responses thereto.

**47.2. Redressal of complaints**

- (a) The Concessionaire shall inspect the Complaint Register every day and take prompt and reasonable action for redressal of each complaint. The action taken shall be briefly noted in the Complaint Register and a reply stating the particulars thereof shall be sent by the Concessionaire to the Complainant under a certificate of posting.
- (b) Within [7 (seven)] days of the close of each month, the Concessionaire shall send to the Authority and to the Independent Expert a true photocopy each of all the pages of the Complaint Register on which any entry has been recorded during the course of such month, and upon perusal thereof, the Authority may, in its discretion, advise the Concessionaire to take such further action as the Authority may deem appropriate for a fair and just redressal of any grievance. The Concessionaire shall consider such advice and inform the Authority of its decision thereon, and if the Authority is of the opinion that the Complainant is entitled to further relief, it may refer the matter to the competent forum for its disposal under the Consumer Protection Act, 1986, and advise the Complainant to pursue the complaint at his own risk and cost.

**Article 48**  
**MISCELLANEOUS**

**48.1. Governing law and jurisdiction**

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

**48.2. Waiver of immunity**

Each Party unconditionally and irrevocably:

- (a) agrees that the execution, delivery and performance by it of this Agreement constitute commercial acts done and performed for commercial purpose;
- (b) agrees that, should any proceedings be brought against it or its assets, property or revenues in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity (whether by reason of sovereignty or otherwise) from such proceedings shall be claimed by or on behalf of the Party with respect to its assets;
- (c) waives any right of immunity which it or its assets, property or revenues now has, may acquire in the future or which may be attributed to it in any jurisdiction; and
- (d) consents generally in respect of the enforcement of any judgement or Award against it in any such proceedings to the giving of any relief or the issue of any process in any jurisdiction in connection with such proceedings (including the making, enforcement or execution against it or in respect of any assets, property or revenues whatsoever irrespective of their use or intended use of any order or judgement that may be made or given in connection therewith).

**48.3. Depreciation and interest**

- (a) For the purposes of depreciation under the Applicable Laws, the property representing the capital investment made by the Concessionaire in the Project Assets shall be deemed to be acquired and owned by the Concessionaire. For the avoidance of doubt, the Authority shall not in any manner be liable in respect of any claims for depreciation to be made by the Concessionaire under the Applicable Laws.
- (b) Unless otherwise specified, any interest payable under this Agreement shall accrue on a daily outstanding basis and shall be compounded on the basis of quarterly rates.

#### **48.4. Delayed payments**

The Parties hereto agree that payments due from one Party to the other Party under the provisions of this Agreement shall be made within the period set forth therein, and if no such period is specified, within [30 (thirty)] days of receiving a demand along with the necessary particulars. In the event of delay beyond such period, the defaulting Party shall pay interest for the period of delay calculated at a rate equal to [5% (five per cent)] above the Bank Rate, and recovery thereof shall be without prejudice to the rights of the Parties under this Agreement including Termination thereof.

#### **48.5. Waiver**

- (a) Waiver, including partial or conditional waiver, by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Agreement:
  - (i) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Agreement;
  - (ii) shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and
  - (iii) shall not affect the validity or enforceability of this Agreement in any manner.
- (b) Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or any obligation thereunder nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver of such breach or acceptance of any variation or the relinquishment of any such right hereunder.

#### **48.6. Liability for review of Documents and Drawings**

Except to the extent expressly provided in this Agreement:

- (a) no review, comment or approval by the Authority or the Independent Engineer or the Independent Expert, as the case may be, of any Project Agreement, Document or Drawing submitted by the Concessionaire nor any observation or inspection of the construction, operation or maintenance of the Project nor the failure to review, approve, comment, observe or inspect hereunder shall relieve or absolve the Concessionaire from its obligations, duties and liabilities under this Agreement, the Applicable Laws and Applicable Permits; and
- (b) the Authority shall not be liable to the Concessionaire by reason of any review, comment, approval, observation or inspection referred to in Sub- Clause (a) above.

#### **48.7. Exclusion of implied warranties**

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

#### **48.8. Survival**

Termination shall:

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

All obligations surviving Termination shall only survive for a period of [3 (three) years] following the date of such Termination.

#### **48.9. Entire Agreement**

This Agreement and the Schedules together constitute a complete and exclusive statement of the terms of the agreement between the Parties on the subject hereof, and no amendment or modification hereto shall be valid and effective unless such modification or amendment is agreed to in writing by the Parties and duly executed by persons especially empowered in this behalf by the respective Parties. All prior written or oral understandings, offers or other communications of every kind pertaining to this Agreement are abrogated and withdrawn. For the avoidance of doubt, the Parties hereto agree that any obligations of the Concessionaire arising from the RFP, shall be deemed to form part of this Agreement and treated as such.

#### **48.10. Severability**

If for any reason whatever, any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties shall negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to the Dispute Resolution Procedure set forth in Article 45 or otherwise.

#### **48.11. No partnership**

This Agreement shall not be interpreted or construed to create an association, joint venture or partnership between the Parties, or to impose any partnership obligation or liability upon either Party, and neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

#### **48.12. Third parties**

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

#### **48.13. Successors and assigns**

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

#### **48.14. Notices**

Any notice or other communication to be given by any Party to the other Party under or in connection with the matters contemplated by this Agreement shall be in writing and shall:

- (a) in the case of the Concessionaire, be given by facsimile or e-mail and by letter delivered by hand to the address given and marked for attention of the person set out below or to such other person as the Concessionaire may from time to time designate by notice to the Authority; provided that notices or other communications to be given to an address outside the city specified in Sub-Clause (b) below may, if they are subsequently confirmed by sending a copy thereof by registered acknowledgement due, air mail or by courier, be sent by facsimile or e-mail to the number as the Concessionaire may from time to time designate by notice to the Authority.

{Name:  
Designation:  
Address:  
Fax No:  
Email: }

- (b) in the case of the Authority, be given by facsimile or e-mail and by letter delivered by hand at the address given below and be addressed to the person named below with a copy delivered to the Authority Representative or such other person as the Authority may from time to time designate by notice to the

Concessionaire; provided that if the Concessionaire does not have an office in the same city as the Authority, it may send such notice by facsimile or e-mail and by registered acknowledgement due, air mail or by courier.

{Name:  
Designation:  
Address:  
Fax No:  
Email: }; and

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

#### **48.15. Language**

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

#### **48.16. Confidentiality**

- (a) Each Party shall keep the Confidential Information confidential and shall not disclose the same to any other person without the prior written consent of the other Party.
- (b) Sub- Clause (a) shall not apply in the following circumstances:
  - (i) any disclosure required by Applicable Laws or in respect of information already in the public domain;
  - (ii) any disclosure required by any applicable stock exchange listing rule; and
  - (iii) disclosure to under a Financing Agreement, to the extent required for the purposes of raising funds or maintaining compliance with credit arrangements.
- (c) Either Party shall have the right to disclose Confidential Information pursuant to this Agreement or otherwise to the extent required to its personnel and consultants, including technical and legal consultants. Such personnel and/or consultants shall agree and undertake to keep such information disclosed as confidential.

- (d) In the event a disclosure is required by Applicable Law, upon reasonable request by the non-disclosing Party, the disclosing Party shall use all reasonable efforts and co-operate with other Party's efforts to obtain confidential treatment of material so disclosed.
- (e) Each Party shall utilise the same degree of care to preserve and protect the other Party's Confidential Information from disclosure that they use to protect their own Confidential Information, which shall not be less than reasonable care.
- (f) Confidential Information disclosed shall be and remain the property of the disclosing Party. The obligations of the Parties to protect Confidential Information shall survive [3 (three) years] from Termination.

#### **48.17. Stamp Duty**

Any stamp duty, registration charges or other fees, Taxes or charges of any kind whatsoever pertaining to the execution of this Agreement shall be borne by the Authority.

#### **48.18. Counterparts**

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

**Article 49**  
**DEFINITIONS**

**49.1. Definitions**

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

“**Accounting Year**” shall mean the Financial Year commencing from the first day of April of any calendar year and ending on the thirty-first day of March of the next calendar year;

“**Additional Auditors**” shall have the meaning set forth in Clause 34.2.3;

“**Adjusted Depreciated Value**” shall mean the amount arrived at after adjusting the depreciated book value of an asset (as stated in the books of account of the Concessionaire, save and except, in the case of buildings and permanent structures where the depreciated book value shall be determined by applying an annual depreciation rate as per Applicable Laws based on the written down value method) to reflect the variation occurring in the WPI between the date of purchase thereof and the Expiry Date;

“**Affected Party**” shall have the meaning set forth in Clause 35.1;

“**Agreement**” shall mean this Agreement, its Recitals and the Schedules hereto and any amendments thereto made in accordance with the provisions contained in this Agreement;

“**Ancillary Facilities**” shall have the meaning set forth in Clause 3.1.3;

“**Appendix**” shall have the meaning set forth in Clause 10.3.1;

“**Appendix for District Hospital**” shall have the meaning set forth in Clause 11.3.1;

“**Applicable Laws**” shall mean all laws and regulations brought into force and effect by GOI or the [UT Administration/State Government] or the NMC including the NMC Norms, rules, regulations, notifications, directives, policies and office memorandums, made thereunder and judgements, decrees, injunctions, writs and orders of any court of record, applicable to this Agreement and the exercise, performance and discharge of the respective rights and obligations of the Parties hereunder, as may be in force and effect on or before the Bid Date;

“**Applicable Permits**” shall mean all clearances, licences, permits, authorisations, no objection certificates, consents, approvals and exemptions required to be obtained or maintained under Applicable Laws in connection with the development, construction, operation and maintenance of the Project during the subsistence of this Agreement and

upon termination, the transfer of the Project to the Authority;

“**Appointed Date**” shall mean the date on which the Conditions Precedent are either satisfied and/or waived in accordance with the terms of this Agreement, and shall be deemed to be the date of commencement of the Concession Period;

“**Arbitration Act**” shall mean the Arbitration and Conciliation Act, 1996 and shall include amendments, modifications to or any re-enactment thereof, as in force from time to time;

“**Associate**” or “**Affiliate**” shall mean, in relation to either Party {and/or Consortium Members}, a person who controls, is controlled by, or is under the common control with such Party {or Consortium Member} (as used in this definition, the expression “**control**” means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than [50% (fifty per cent)] of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person, whether by operation of law or by contract or otherwise);

“**Authority**” shall have the meaning attributed thereto in the array of Parties hereinabove as set forth in the Recitals;

“**Authority Default**” shall have the meaning set forth in Clause 38.2.1;

“**Authority Indemnified Persons**” shall have the meaning set forth in Clause 43.1.1;

“**Authority Representative**” shall mean such person or persons as may be authorised in writing by the Authority to act on its behalf under this Agreement and shall include any person or persons having authority to exercise any rights or perform and fulfil any obligations of the Authority under this Agreement;

“**Authorisation Certificate**” shall have the meaning set forth in Clause 22.2 (a);

“**Average Daily Gross Revenue**” shall mean the average daily Gross Revenue determined upon division of the annual Gross Revenue of the preceding Accounting Year by 365 (three hundred and sixty five), and increasing the quotient thereof by [5% (five per cent)]; provided that the Average Daily Gross Revenue for any period prior to completion of the first Accounting Year following the Operations Date shall be simple average of the Gross Revenue realised with respect to every day during the period between the Operations Date and the last day of the month preceding the date on which the event requiring calculation hereof occurred;

“**Award**” shall have the meaning set forth in Clause 45.3(c);

“**Bank**” shall mean a bank incorporated in India and having a minimum net worth of

[Rs 1,000 crore (Rupees one thousand crore)] or any other bank acceptable to the senior Lenders, but does not include a bank in which the Senior Lender has an interest;

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

“**Bid**” shall have the meaning set forth in Recital D and means the documents in their entirety comprised in the bid submitted by the Selected Bidder in response to the Request for Proposal in accordance with the provisions thereof;

“**Bid Date**” shall mean the last date on which the Bid may have been submitted in accordance with the provisions of the Request for Proposal;

“**Bid Security**” shall mean the security provided by the Selected Bidder to the Authority along with the Bid in accordance with the Request for Proposals, and which is to remain in force until substituted by the Performance Security;

“**Board of Directors**” shall mean the board of directors of the Concessionaire;

“**Change in Law**” shall mean the occurrence of any of the following after the date of Bid:

- (a) the enactment of any new Indian law as applicable to the Project; ;
- (b) the repeal, modification or re-enactment of any existing Applicable Law;
- (c) the commencement of any Indian law which has not entered into effect until the Bid Date;
- (d) a change in the interpretation or application of any Indian law by a judgement of a court of record which has become final, conclusive and binding, as compared to such interpretation or application by a court of record prior to the date of Bid; or
- (e) any change in the rates of any of the Taxes that have a direct effect on the Project;

“**Change in Ownership**” shall mean a transfer of the direct and/or indirect legal or beneficial ownership of any shares, or securities convertible into shares, that causes the aggregate holding of the {existing promoters/selected bidder/Consortium Members}, together with {its/their} Associates in the total equity to decline below (i) [51% (fifty one per cent)] at any time prior during the Construction Period and until the expiry of the [2<sup>nd</sup> (second)] anniversary of the Operations Date; (ii) the shareholding of each of

the technical member and the financial member of the Consortium declines below [26% (twenty six per cent)] until the expiry of the 2<sup>nd</sup> (second) anniversary of the Operations Date; and (iii) [26% (twenty six per cent)] thereof, or such lower proportion as may be permitted by the Authority during the remaining Concession Period; provided that any material variation (as compared to the representations made by the Concessionaire during the bidding process for the purposes of meeting the minimum conditions of eligibility or for evaluation of its application or Bid, as the case may be) in the proportion of the equity holding of {existing promoters/Selected Bidder/ any Consortium Member} to the total equity, if it occurs prior to the 2<sup>nd</sup> (second) anniversary of the Operations Date, shall constitute Change in Ownership;

“**Change of Scope**” shall have the meaning set forth in Clause 17.1;

“**Change of Scope Notice**” shall have the meaning set forth in Clause 17.2;

“**Change of Scope Order**” shall have the meaning set forth in Clause 17.2.3;

“**Chief Medical Officer**” shall have the meaning set forth in Clause 18.8.1;

“**Companies Act**” shall mean, as applicable, the Companies Act, 1956 and the Companies Act, 2013 as amended from time to time;

“**Casualty Medical Officer**” shall have the meaning set forth in Clause 18.8.3;

“**Completion Certificate**” shall have the meaning set forth in Clause 15.2.1(a);

“**Complainant**” shall have the meaning set forth in Clause 47.1(a);

“**Complaint Register**” shall have the meaning set forth in Clause 47.1(a);

“**Concession**” shall have the meaning set forth in Clause 3.1;

“**Concessionaire**” shall have the meaning attributed thereto in the array of Parties hereinabove as set forth in the Recitals;

“**Concessionaire Default**” shall have the meaning set forth in Clause 38.1.1;

“**Concession Fee**” shall have the meaning set forth in Clause 30.1;

“**Concession Period**” shall have the meaning set forth in Clause 3.2;

“**Conditions Precedent**” shall have the meaning set forth in Clause 4.1.1;

“**Consortium**” shall have the meaning as set forth in Recital B;

{“**Consortium Member or Member**” shall mean a company specified in Recital B as

a member of the Consortium;}

“**Construction Period**” shall mean the period of [5 (five) years] beginning from the Appointed Date, subject to the provisions of this Agreement;

“**Contractor**” shall mean the person or persons, as the case may be, with whom the Concessionaire has entered into any of the EPC Contracts, the O&M Contracts, or any other material agreement for the construction, operation and/or maintenance of the Project or matters incidental thereto, but does not include a person who has entered into an agreement for providing financial assistance to the Concessionaire;

“**Covenant**” shall have the meaning set forth in Clause 5.2.5;

“**CPI (IW)**” shall mean the consumer price index for industrial workers as published by the Labour Bureau, Government of India and shall include any index which substitutes the CPI (IW) and any reference to CPI (IW) shall unless the context otherwise require, be construed as a reference to CPI (IW) published for the period ending with the preceding quarter;

“**Cure Period**” shall mean the period specified in this Agreement for curing any breach or default of any provision of this Agreement by the Party responsible for such breach or default and shall:

- (a) commence from the date on which a notice is delivered by one Party to the other Party asking the latter to cure the breach or default specified in such notice;
- (b) not relieve any Party from liability to pay damages or compensation under the provisions of this Agreement; and
- (c) not in any way be extended by any period of Suspension under this Agreement;

provided that if the cure of any breach by the Concessionaire requires any reasonable action by the Concessionaire that must be approved by the Authority or the Independent Engineer or the Independent Expert, as the case may be, hereunder, the applicable Cure Period shall be extended by the period taken by the Authority or the Independent Engineer or the Independent Expert, as the case may be, after the receipt of the relevant information to accord their approval;

“**Damages**” shall have the meaning set forth in Clause 1.2.1 (w);

“**Deemed Completion Certificate**” shall have the meaning set forth in Clause 15.3;

“**Deemed Performance Security**” shall have the meaning as set forth in Clause 9.4;

“**Designated Person**” shall have the meaning as set forth in Clause 23.6.2;

“**Development Obligations**” shall have the meaning set forth in Clause 13.3.1 and shall mean the investment of [100% (one hundred per cent)] of the Total Project Cost of the Project;

“**Development Works**” shall mean all construction works and things necessary to complete the Development Obligation, if applicable in accordance with this Agreement;

“**Dispute**” shall have the meaning set forth in Clause 45.1(a);

“**Disputed Amounts**” shall have the meaning set forth in Clause 30.9;

“**Dispute Resolution Procedure**” shall mean the procedure for resolution of Disputes set forth in Article 45;

“**District Hospital**” shall have the meaning set forth in Recital A;

“**Divestment Requirements**” shall mean the obligations of the Concessionaire for and in respect of Termination as set forth in Article 39;

“**Document**” or “**Documentation**” shall mean documentation in printed or written form, or in tapes, discs, drawings, computer programmes, writings, reports, photographs, films, cassettes, or expressed in any other written, electronic, audio or visual form;

“**Drawings**” shall mean all of the drawings, calculations and documents pertaining to the Project as set forth in Schedule D, and shall include as built drawings of the Project;

“**EPC Contract**” shall mean the engineering, procurement and construction contract or contracts entered into by the Concessionaire with one or more EPC Contractors for, *inter alia*, engineering and construction of the Project in accordance with the provisions of this Agreement;

“**EPC Contractor**” shall mean the person with whom the Concessionaire has entered into an EPC Contract;

“**Emergency**” shall mean a condition or situation that is likely to endanger the security of the individuals on or about the Project, including Users thereof, or which poses an immediate threat of material damage to any Project Assets;

“**Encumbrances**” shall mean, in relation to the District Hospital, any encumbrances such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment,

privilege or priority of any kind having the effect of security or other such obligations, and shall include any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the District Hospital, where applicable herein but excluding utilities referred to in Clause 12.1;

“**Equipment**” shall mean all equipment required to carry out the obligations under this Agreement for the Project;

“**Equity Support**” shall have the meaning set forth in Clause 29.2.1;

“**Escrow Account**” shall have the meaning set forth in Clause 32.1.2;

“**Escrow Agreement**” shall have the meaning set forth in Clause 32.1.2;

“**Escrow Bank**” shall have the meaning set forth in Clause 32.1.1;

“**Execution Date**” shall mean the date on which this Agreement is executed by the Parties;

“**Expiry Date**” shall mean the date on which this Agreement and the Concession hereunder expires pursuant to the provisions of this Agreement or is terminated by a Termination Notice;

“**Financial Default**” shall have the meaning set forth in Schedule O;

“**Financial Package**” shall mean the financing package indicating the total capital cost of the Project and the means of financing thereof, as approved by the Senior Lenders, and includes equity and all financial assistance specified in the Financing Agreements;

“**Financial Year**” shall mean a year commencing on 1<sup>st</sup> April of a calendar year and ending on 31<sup>st</sup> March of the immediately succeeding calendar year;

“**Financing Agreements**” shall mean the agreements executed by the Concessionaire in respect of financial assistance to be provided by the Senior Lenders by way of loans, guarantees, subscription to non-convertible debentures and other debt instruments including notes, debentures, bonds and other debt instruments, security agreements, and other documents relating to the financing (including refinancing) of the Total Project Cost of the Project , and includes amendments or modifications made in accordance with Clause 5.2.3;

“**Force Majeure**” or “**Force Majeure Event**” shall have the meaning ascribed to it in Clause 35.1;

“**Force Majeure Costs**” shall have the meaning set forth in Clause 35.7.2;

“**Free Beds**” shall have the meaning set forth in Clause 23.7.1;

“**Free Patients**” shall mean a patient who is enrolled in the scheme of Ayushman Bharat Scheme or an equivalent state or central government scheme as applicable from time to time and shall also include all patients which are identified as below poverty line on the basis of their annual family income under any state government or central government initiatives. However, in case the Ayushman Bharat Scheme or an equivalent state or central government scheme cease to exist in future without any successor scheme, then, the definition of Free Patients shall be revised mutually by the Parties for the remaining Concession Period and the User Charges along with escalation mechanism for them shall be recorded in a supplementary agreement (to the Concession Agreement) after factoring in the Grant granted under this Project;;

“**GOI**” shall mean the Government of India;

“**Good Clinical Practice**” means degree of skill and care, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled, efficient and experienced clinical services provider and a person providing services;

“**Good Healthcare Practice**” means using standards, practices, methods and procedures conforming to the Law and exercising that degree of skill and care, diligence, prudence and foresight which would be expected from a skilled, efficient and experienced provider and a person engaged in the provision of services;

“**Good Industry Practice**” shall mean the practices, methods, techniques, designs, standards, skills, diligence, efficiency, reliability and prudence which are generally and reasonably expected from a reasonably skilled and experienced operator engaged in the same type of undertaking as envisaged under this Agreement and which would be expected to result in the performance of its obligations by the Concessionaire in accordance with this Agreement, Applicable Laws and Applicable Permits and includes prudent medical practices in accordance with the NMC/ NMC regulations and practices generally accepted by the medical and educational industry for ensuring reliable, safe, economical and efficient management, construction operation and maintenance of the Project;

“**Government Instrumentality**” shall mean any department, division or sub-division of the Government of India or the [UT Administration/State Government] and includes any commission, board, authority, agency or municipal and other local authority or statutory body including Panchayat under the control of the Government of India or the [UT Administration/State Government], as the case may be, and having jurisdiction over the Project or the performance of all or any of the services or obligations of the Concessionaire under or pursuant to this Agreement;

“**Grant**” shall have the meaning as set forth in Clause 29.1.1;

**“Healthcare Services”** shall mean the healthcare services set forth in Schedule P and shall include all Healthcare Programmes;

**“Hospital/Users Charges”** means the charges in respect of the Healthcare Services rendered to the Users in relation to the use of the District Hospital;

**“Indemnified Party”** shall mean the Party entitled to the benefit of an indemnity pursuant to Clause 43.3;

**“Indemnifying Party”** shall mean the Party obligated to indemnify the other Party pursuant to Clause 43.3;

**“Independent Engineer”** shall have the meaning set forth in Clause 26.1;

**“Independent Expert”** shall have the meaning set forth in Clause 26.1;

**“Indirect Political Event”** shall have the meaning set forth in Clause 35.3;

**“Insolvency Event”** in respect of a Party shall mean:

- (a) such Party has (A) applied for or consented to the appointment of, or the taking of possession by, a receiver, custodian, trustee, administrator, liquidator or the like of itself or of all or a substantial part of its assets or business; (B) been unable to pay its debts as such debts become due; (C) enters into a compromise arrangement with its creditors ; (D) an attachment or restraint has been levied on the assets of such entity Party which materially affects such Party’s ability to perform its obligations under this Agreement; (E) commenced proceedings under the (Indian) Insolvency and Bankruptcy Code, 2016 (the **“Code”**); (F) filed a petition seeking to take advantage of any other law relating to bankruptcy, insolvency, reorganization, winding up, or composition or readjustment of debts; or (G) taken any corporate or other action for the purpose of effecting any of the foregoing; or
- (b) a proceeding or case has been commenced without the application or consent of such Party in any court of competent jurisdiction seeking: (A) its liquidation, reorganization, dissolution or winding-up or the composition or readjustment of debts; (B) the appointment of an insolvency resolution professional, a trustee, receiver, custodian, administrator, liquidator or the like of such Party under the Code and an order admitting the insolvency petition has been passed in such proceeding and such order has not been stayed or dismissed within a period of [90 (ninety)] days; or (C) directions with the same or similar effect happen under the provisions of the Companies Act or the Code in relation to the winding up of the company;

**“Inspection Report”** shall have the meaning set forth in Clause 14.2;

**“Insurance Cover”** shall mean the aggregate of the maximum sums insured under the insurances taken out by the Concessionaire pursuant to Article 33, and includes all insurances required to be taken out by the Concessionaire under Clause 33.1 but not actually taken, and when used in the context of any act or event, it shall mean the aggregate of the maximum sums insured and payable or deemed to be insured and payable in relation to such act or event;

**“Intellectual Property”** shall mean all patents, trademarks, service marks, logos, get-up, trade names, internet domain names, rights in designs, blue prints, programmes and manuals, drawings, copyright (including rights in computer software), database rights, topography rights, utility models, rights in know-how and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world;

**“Key Performance Indicators”** shall have the meaning as set forth in Clause 25.1;

**“Lead Member”** shall have the meaning as set forth in Recital B;

**“Lease Agreement”** shall mean the lease agreement executed between the Authority and the Concessionaire in accordance with Schedule A for providing the Site for Medical College for a lease for a term of 33 (thirty-three) years;

**“Lenders’ Representative”** shall mean the person duly authorised by the Senior Lenders to act for and on behalf of the Senior Lenders with regard to matters arising out of or in relation to this Agreement, and includes his successors, assigns and substitutes;

**“LOA or Letter of Award”** shall mean the letter of award referred to in Recital E;

**“Letter of Permission”** shall mean the letter issued by the NMC in accordance with the Applicable Laws authorising the Medical College to commence operations;

**“Letter of Recognition”** shall mean the letter issued by the [NMC] in accordance with the Applicable Laws authorising the Medical College to commence operations;

**“Maintenance Programme”** shall have the meaning set forth in Clause 18.2.3;

**“Maintenance Requirements”** shall have the meaning set forth in Clause 18.2;

**“Management Board”** shall have the meaning set forth in Clause 27.1.1;

**“Material Adverse Effect”** shall mean a material adverse effect of any act or event on

the ability of either Party to perform any of its obligations under and in accordance with the provisions of this Agreement and which act or event causes a material financial burden or loss to either Party;

“**MCI**” shall mean the Medical Council of India-

“**NMC Norms**” shall mean and include the educational standards, requirements and other provisions of the [Indian Medical Council Act, 1999, National Medical Commission Act, 2019, all regulations made thereunder, and as amended from time to time;

“**Medical College**” shall have the meaning set forth in Recital A;

“**Medical Emergency**” shall mean a condition or situation that is likely to endanger the human lives in and around the Site for District Hospital such that the persons require immediate medical aid including but not limited to situations such as fire, earthquake, natural calamity, riots, war, terrorist attacks etc. or any other events which are likely to endanger the human lives;

“**MoU**” shall have the meaning as set forth in Clause 35.12.6;

“**NMC**” shall mean the National Medical Commission;

“**Nominated Company**” shall mean a company selected by the Lenders’ Representative and proposed to the Authority for substituting the Concessionaire in accordance with the provisions of the Substitution Agreement;

“**Non-Political Event**” shall have the meaning set forth in Clause 35.2;

“**NPV**” shall have the meaning set forth in Clause 42.3;

“**O&M**” shall mean the operation and maintenance of the Project and includes all matters connected with or incidental to such operation and maintenance, provision of services and facilities, and collection of Revenue in accordance with the provisions of this Agreement;

“**O&M Contract**” shall mean the operation and maintenance contract that may be entered into between the Concessionaire and an O&M Contractor for performance of the O&M obligations in accordance with this Agreement;

“**O&M Contractor**” shall mean a contractor with whom the Concessionaire has entered into an O&M Contract, if any;

“**O&M Expenses**” shall mean expenses incurred by or on behalf of the Concessionaire or by the Authority, as the case may be, for all O&M including (a) cost of salaries and

other compensation to employees; (b) cost of materials, supplies, utilities and other services; (c) premia for insurance; (d) all Taxes, duties, cess and fees due and payable for O&M; (e) all repair, replacement, reconstruction, reinstatement, improvement and maintenance costs; (f) payments required to be made under the O&M Contract or any other contract in connection with or incidental to O&M; and (g) all other expenditure required to be incurred under Applicable Laws, Applicable Permits or this Agreement;

“**O&M Inspection Report**” shall have the meaning set forth in Clause 20.2;

“**O&M Support**” shall have the meaning as set forth in Clause 29.3.1;

“**Operations Date**” shall have the meaning set forth in Clause 16.1;

“**Operation Period**” shall mean the period commencing from the Operations Date and ending on the Expiry Date;

“**Parties**” shall mean the parties to this Agreement collectively and “**Party**” shall mean any of the parties to this Agreement individually;

“**Paid Beds**” shall have the meaning set forth in Clause 23.7;

“**Paid Patient**” shall mean the Patients other than the Free Patients;

“**Patient**” shall mean a patient availing the services of the District Hospital;

“**Patient Intake Capacity**” shall have the meaning set forth in Clause 22.2.1

“**Performance Guarantee**” shall have the meaning set forth in Clause 40.2.3;

“**Performance Security**” shall have the meaning set forth in Clause 9.1;

“**Performance Security Period**” shall have the meaning set forth in Clause 9.3;

“**Political Event**” shall have the meaning set forth in Clause 35.4;

“**Price Index**” shall comprise:

- (a) [70% (seventy percent)] of WPI; and
- (b) [30% (thirty percent)] of CPI (IW),

which constituents may be substituted by such alternative index or indices as the Parties may by mutual consent determine;

“**Project**” shall mean the augmentation, construction, development, operation, maintenance and transfer of the District Hospital and Medical College, subject to and in accordance with the provisions of this Agreement, and includes all works, services

and Equipment relating to or in respect of the Scope of the Project;

**“Project Agreements”** shall mean this Agreement, the Financing Agreements, EPC Contract, O&M Contract, and any other material agreements or contracts 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 , but does not include the Substitution Agreement, or any agreement for procurement of goods and services involving a consideration of up to [Rs. 1,00,00,000 (Rupees one crore)] for each such agreement;

**“Project Assets”** shall mean all physical and other assets relating to and forming part of the District Hospital and the Site for District Hospital and Medical College including:

- (a) rights over the Site for District Hospital in the form of right of way;
- (b) tangible assets such as civil works including foundations, drainage works, pavements, electrical systems, communication systems, fare collection systems, rest areas and administrative offices;
- (c) Ancillary Facilities situated on the Site for District Hospital;
- (d) buildings and immovable fixtures or structures forming part of the District Hospital and Medical College;
- (e) all rights of the Concessionaire under the Project Agreements;
- (f) financial assets, such as receivables, security deposits etc.;
- (g) insurance proceeds; and
- (h) Applicable Permits and authorisations relating to or in respect of the District Hospital;

**“Project Completion Schedule”** shall mean the progressive Project Milestones set forth in Schedule G for completion of the Project on or before the Scheduled Completion Date;

**“Project Milestones”** shall mean the project milestones set forth in Schedule G;

**“Project Site”** shall have the meaning the Site for Medical College and the Site for District Hospital specifically provided in Schedule A;

**“Protected Documents”** shall mean the documents mentioned in Clause 46.3;

**“Provisional Certificate”** shall have the meaning set forth in Clause 15.1;

**“Public Health Programmes”** shall have the meaning set forth in Clause 24.1.1;

**“Public Holiday”** shall mean the days declared as public holidays in accordance with the shops and establishment laws applicable in the State;

**“Punch List”** shall have the meaning set forth in Clause 15.1;

**“Replacement”** shall have the meaning set forth in Clause 18.7.2;

**“Request for Proposals”** or **“RFP”** shall have the meaning set forth in Recital C;

**“Revenue”** shall mean all amounts charged and recovered by the Concessionaire from the Users on mutually agreed terms and shall include Hospital Charges and shall also include but not be limited to all charges, rent, license fees, tariff, fee, compensation, benefits, deposits (whether long term or short term and whether refundable or not), capital receipts, insurance claims, or any other similar payment by whatever name called, received by or paid to the Concessionaire or receivable by the Concessionaire or payable to the Concessionaire or due and realisable by the Concessionaire, for or with respect to use of the Project;

**“Rs.”** Or **“Rupees”** or **“Indian Rupees”** shall mean the lawful currency of the Republic of India;

**“Safety Requirements”** shall have the meaning set forth in Clause 19.1;

**“Schedule”** shall mean a schedule under this Agreement;

**“Scheduled Completion Date”** shall mean the scheduled date(s) for achieving the Operations Date as set forth in Schedule G;

**“Scheme[s] for Financial Assistance”** shall have the meaning set forth in Article 29.2.5;

**“Scope of the Project”** shall have the meaning set forth in Article 2.1;

**“Selected Bidder”** shall mean the Bidder selected by the Authority to award the Project following the completion of the Bidding Process (as defined under the RFP);

**“Senior Lenders”** shall mean the financial institutions, banks, multilateral lending agencies, trusts, funds and agents or trustees of debenture holders, including their successors and assignees, who have agreed to guarantee or provide finance to the Concessionaire under any of the Financing Agreements for meeting all or any part of the project cost for the Project and who hold *pari passu* charge on the assets, rights, title and interests of the Concessionaire;

**“Services”** shall mean the Healthcare Services and educational services in the Medical College collectively or individually as the case may be, to be performed by the Concessionaire under this Agreement;

**“Service Quality Manual”** shall have the meaning set forth in Clause 18.1.1(a);

**“Site for District Hospital”** shall mean the site for the District Hospital that is to be handed over to the Concessionaire through the Lease Agreement for the purpose of this

Project;

“**Site for Medical College**” shall have the meaning set forth in Clause 10.1;

“**Specifications and Standards**” shall mean the specifications and standards relating to the quality, quantity, capacity and other requirements for the District Hospital, as set forth in Schedule C, and any modifications thereof, or additions thereto, as included in the design and engineering for the District Hospital submitted by the Concessionaire to, and expressly approved by, the Authority;

“**Specified Assets**” shall mean and include such of the Project Assets which are constructed, acquired or installed on or after the Appointed Date, but no later than the 55<sup>th</sup> (fifty fifth) anniversary of the Operations Date, but shall in no case include the Project Site or any Project Assets existing prior to the Appointed Date;

“**Specified Documents**” shall have the meaning set forth in Clause 46.1;

“**Statutory Auditors**” shall mean a reputable firm of chartered accountants acting as the statutory auditors of the Concessionaire under the provisions of the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force, and appointed in accordance with Clause 34.2;

“**Student**” means the students enrolled for the [Under Graduate] programme in the Medical College;

“**Substitution Agreement**” shall have the meaning set forth in Clause 41.3;

“**Suspension**” shall have the meaning set forth in Clause 37.1;

“**Taxes**” shall mean any Indian taxes including excise duties, customs duties, value added tax, sales tax, local taxes, cess and any impost or surcharge of like nature (whether Central, State or local) on the goods, materials, equipment and services incorporated in and forming part of the District Hospital charged, levied or imposed by any Government Instrumentality, but excluding any interest, penalties and other sums in relation thereto imposed on any account whatsoever. For the avoidance of doubt, Taxes shall not include taxes on corporate income;

“**Termination**” shall mean the expiry or termination of this Agreement and the Concession hereunder;

“**Termination Notice**” shall mean the communication issued in accordance with this Agreement by one Party to the other Party terminating this Agreement;

“**Termination Payment**” shall mean the amount payable by the Authority to the Concessionaire, under and in accordance with this Agreement, upon termination;

“**Tests**” shall mean the tests set forth in Schedule H to determine the completion of District Hospital in accordance with the provisions of this Agreement;

“**Total Project Cost**” means the capital cost incurred on the construction of the Project, including the Medical College but excluding Project Site, and shall be limited to the lowest of:

- (a) the capital cost of the Project, including Medical College, set forth in the Financial Package less Equity Support; or
- (b) a sum of Rs. 301.1 Crore [Rupees Three Hundred and One Crores and Ten Lakhs Only] less Equity Support.

Provided that in the event WPI increases, on an average, by more than [3% (three per cent)] per annum for the period between the Bid Date and Operations Date, the amount mentioned in (a) and (b) above shall be increased such that the effect of increase in WPI, in excess of such [3% (three per cent)], is reflected in the Total Project Cost;

provided also that the Total Project Cost shall not exceed the actual capital cost of the Project upon completion of the Project, including the Medical College;

“**Unforeseen Events**” shall have the meaning as set forth in Clause 35.12.1;

“**Under Graduate**” shall mean any under graduate level course for the purpose of obtaining a medical degree duly recognised under the Applicable Laws;

“**Users**” shall mean the third parties which use the District Hospital or any part thereof, in accordance with the provisions of this Agreement and Applicable Laws and includes all Patients and Students;

“**Vesting Certificate**” shall have the meaning set forth in Clause 39.4; and

“**WPI**” shall mean the Wholesale Price Index for all commodities as published by the Ministry of Industry, GOI and shall include any index which substitutes the WPI, and any reference to WPI shall, unless the context otherwise requires, be construed as a reference to the latest monthly WPI published no later than [30 (thirty)] days prior to the date of consideration hereunder.

**SIGNATORIES**

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

THE COMMON SEAL OF **CONCESSIONAIRE** has been affixed pursuant to the resolution passed by the Board of Directors of the Concessionaire at its meeting held on the \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

I, \_\_\_\_\_, hereunto affixed the common seal in the presence of:

[\_\_\_\_\_, director, who has signed these presents in token thereof; and

\_\_\_\_\_, Company Secretary / Authorised Officer who has countersigned the same in token thereof:]

SIGNED, SEALED AND DELIVERED For and on behalf of **THE CONCESSIONAIRE** by:

\_\_\_\_\_

(Signature)

(Name)

\_\_\_\_\_

(Designation)

\_\_\_\_\_

(Address)

\_\_\_\_\_

(Fax No.)

\_\_\_\_\_

(e-mail address)

In the presence of:

1. \_\_\_\_\_, Director
2. \_\_\_\_\_, Company Secretary

SIGNED, SEALED AND DELIVERED For and on behalf of **THE AUTHORITY** by:

---

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

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Designation)

\_\_\_\_\_  
(Address)

For and on behalf of \_\_\_\_\_ by:

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

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\_\_\_\_\_  
(Name)

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\_\_\_\_\_  
(Designation)

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\_\_\_\_\_  
(Address)

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(Fax No.)

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\_\_\_\_\_  
(e-mail address)

For and on behalf of \_\_\_\_\_ by:

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

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(Name)

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(e-mail address)

## **SCHEDULES**

**SCHEDULE A**  
**SITE OF THE PROJECT**

**1. The Project Site**

- 1.1 Site of the District Hospital and Medical College shall include the land, buildings and structures as described in Annexure I of Schedule A (Site for Medical College) and Annex-I of Schedule B (Site for District Hospital).
- 1.2 An inventory of the Site for District Hospital including the land, buildings structures, road works, trees and any other immovable property on, or attached to, the Site for District Hospital shall be prepared jointly by the Authority Representative and the Concessionaire, and such inventory shall form part of the memorandum referred to in Clause 11.3.1 of the Agreement.

**Annexure I**  
**LEASE AGREEMENT**

**LEASE AGREEMENT**

This Lease Agreement (“**Lease Agreement**”) together with its Annexes is made and executed on this .....day of .....[●] by and between:

**Governor of State of Uttar Pradesh** represented by the Director General of Medical Education, and having its head office at [(hereinafter referred to as the “**Government**” or “**Lessor**”, which expression shall, unless excluded by and/or repugnant to the context, mean and include its successors, legal representatives and permitted assigns)] of the one part;

**AND**

{\*\*\*\*\* Limited}, having its registered office at [●] represented through its Managing Director (hereinafter referred to as the “**Lessee**”, which expression shall, unless it be repugnant or contrary to the subject or context thereof, be deemed to mean and include its legal representatives, successors and permitted assigns) of the other part.

The Lessor and the Lessee are hereinafter collectively referred to as the “**Parties**” and individually as a “**Party**”.

**WHEREAS**

- (A) The Lessor and the Lessee have entered into a Concession Agreement dated ----- (the “**Concession Agreement**”) wherein the Lessee has agreed to design, build, finance, construct, operate and maintain the Medical College.
- (B) The Lessor has acquired the land as described in the Annex-I hereunder (the “**Site**”) and is thus owner of the land and now desires to lease the Site to the Lessee and the Lessee desires to take on lease from the Lessor, the Site for the purposes of developing, constructing and maintaining the [Medical College for the implementation of the Project and all other objects listed in the Memorandum of Association and Articles of Association of the Lessee along with all ancillary works required for the operation of the Project.

NOW THEREFORE, in consideration of the promises and covenants herein set forth and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the Parties mutually agree as hereunder.

**1. Definitions and Interpretation**

**1.1.1 Definitions**

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

to them:

“**Applicable Permits**” means all clearances, permits, authorizations, consents and approvals required to be obtained or maintained under applicable laws in connection with the Site and the Project during the subsistence of the Lease Agreement;

“**Dispute**” shall have the meaning set forth in Clause 17.1;

“**Encumbrance**” means any encumbrance such as an easement, right of way, licence, mortgage, charge, pledge, lien, hypothecation, pre-emptive right or security interest, assignment, privilege or priority of any kind having the effect of security or other such obligations, whether or not registered and howsoever arising, including by statute or common law;

“**Force Majeure**” shall have the meaning set forth in Clause 16.1;

“**Lease Rent**” shall have the meaning set forth in Clause 5.1;

“**Site**” shall have the meaning set forth in Recital (B); and

“**Term**” shall have the meaning set forth in Clause 3.

## 1.2. Interpretations

In this Lease Agreement, except to the extent that the context requires otherwise:

- (a) the Annexes to this Lease Agreement forms part of this Lease Agreement and will be of full force and effect as though it is expressly set out in the body of this Lease Agreement ;
- (b) the terms of this Lease Agreement should be read in consonance with and not in derogation with the terms of Concession Agreement;
- (c) the rules of interpretation in the Concession Agreement shall apply, *mutatis mutandis*, to this Lease Agreement; and
- (d) the words and expressions beginning with capital letters and defined in this Lease Agreement shall have the meaning ascribed thereto herein, and the words and expressions used in this Lease Agreement and not defined herein but defined in the Concession Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Concession Agreement.

## 2. Grant of lease and possession

2.1.1 The provisions of this Lease Agreement shall take effect and become binding on the Parties on the date first above written (“**Effective Date**”).

2.1.2 In consideration of the Lease Rent, the Lessor grants on lease to the Lessee and the Lessee agrees to accept the lease from the Lessor, free from Encumbrances and/or

encroachments, of all that piece and parcel [\_\_\_\_\_]in the Annex-I hereto together with all and singular rights, liberties, privileges, easements, benefits, rights of way, paths, passages whatsoever in or appurtenant to the Site or any part thereof, and to hold, possess, use and enjoy the Site and/or any part thereof, in accordance with the provisions of this Lease Agreement.

- 2.1.3 The Lessor hereby grants and transfers physical possession of the land specified in Annex-I, save and except the land described in the memorandum prepared by the Parties pursuant to Article 10 of the Concession Agreement and annexed hereto at Annex-II. The Lessor agrees and undertakes to grant vacant possession of the land described in Annex-II, under and in accordance with the provisions of Article 10 of the Concession Agreement.

### **3. Term**

The lease granted in pursuance of this Lease Agreement shall be for a period of [33 (thirty-three)] years from the Effective Date (the “**Term**”) unless the Lease Agreement is determined prematurely in accordance with Clause 7 or renewed in accordance with Clause 4. For avoidance of doubt, this Agreement and shall be co-terminus with the executed Concession Agreement as set forth in Recital A.

### **4. Renewal**

- 4.1 The extension of the Term for another 33 years shall be automatic, provided the Medical College and Hospital has all approvals under the Applicable Laws to undertake the continued operations of the Medical College, and a Lessee Default is not subsisting.

Provided that the Lessee may request the Lessor for the extension by submitting an application not later than the 30th year anniversary from the Effective Date to the Lessor and the Authority shall confirm the extension of lease within 90 days.

- 4.2 Upon receipt of application of renewal of the Lease Agreement, the Lessor may, no later than 9 (nine) months prior to the expiration of the Lease Period, execute an addendum to the Lease Agreement which shall reflect the mutually agreed terms and conditions for the extension of the Term of Lease Agreement.

### **5. Lease Rent**

- 5.1 Upon execution of the Lease Agreement and in consideration of the Lessor leasing the Site to the Lessee and granting the rights, privileges and benefits set forth in this Lease Agreement , the Lessee shall pay to the Lessor, subject to Clause 5.4, an annual lease rent (“**Lease Rent**”) of [Re 1. (Rupee One Only)] for the Concession Period

- 5.2 The Lease Rent shall be due and payable within [60 (sixty) days] from the commencement of the year for which the Lease Rent is to be paid. The Lessor shall not be obliged to demand payment of Lease Rent by notice or otherwise, and it shall be incumbent upon the Lessee to pay the Lease Rent as and when it falls due.

- 5.3 The Lessee shall pay the Lease Rent into such account as may be designated by the Lessor from time to time.
- 5.4 If the Lessee fails to pay the Lease Rent as aforesaid, the Lessee shall be liable to pay interest for the period of delay calculated at a rate equal to 5% (five per cent) above the bank rate.

## **6. Use of Site**

6.1 During the Term of this Lease Agreement, the Lessee agrees to use the Site for the carrying out the following:

- (a) implementing the Project;
- (b) developing, constructing, building, operating, and maintaining the Medical College;
- (c) designing, building, owning, operating and maintaining the utilities, services and facilities required for operating and maintaining the Medical College;;
- (d) extraction of ground water and harvesting of rain water for the Lessee's requirements;
- (e) developing and landscaping the Site; and
- (f) any other purpose incidental or consequential to the development, operation and maintenance of the Project, including production of locomotives and associated products for supply to third parties.

6.2 The Parties agree that the Lessee may, with the approval of the Lessor, and in addition to the above stated purposes, utilise the Site for any other purpose(s), limited to the development of the Medical College and which in the Lessee's opinion is:

- (a) conducive or incidental to operation and management of the Project;
- (b) enhances the efficiency of the Project;
- (c) improves the commercial viability of the Project; or
- (d) facilitates further investment in or around the Project.

## **7. Determination of Lease Agreement**

7.1 This Lease Agreement may be determined earlier by mutual agreement between the Parties in writing.

7.2 The Lessor shall have the right to determine this Lease Agreement on occurrence of any one or more default(s) by the Lessee as enlisted hereunder:

- (a) passing of a resolution for winding up of the Lessee or filing of a voluntary bankruptcy petition by the Lessee;
- (b) institution of winding up proceedings against Lessee and such proceedings not being stayed or discharged by a competent court within [180 (one hundred and eighty)] days;
- (c) appointment of a receiver of Lessee's assets or any general assignment for the benefit of Lessee's creditors and such appointment or assignment is not stayed by a competent court within [180 (one hundred and eighty)] days;
- (d) failure of the Lessee to make payments to the Lessor in accordance with the provisions hereof, where such failure continues for a period of [30 (thirty) days] after a written notice from the Lessor;
- (e) material failure by Lessee to perform any of the covenants, conditions, or obligations imposed on it by this Lease Agreement where the failure continues for a period of [60 (sixty) days] after notice from the Lessor;
- (f) transfer or assignment of this Lease Agreement or creation of any Encumbrance on the Site, without securing prior written approval of the Lessor;
- (g) use of the Site for any purpose other than the purposes stated under Clause 6 of this Lease Agreement and such breach is not remedied within a period of [60 (sixty) days] after a notice from the Lessor in this behalf; and
- (h) voluntary abandonment by the Lessee of its operations at the Site for a continuous period of [90 (ninety) days] or more.

7.3 Upon determination under Clause 7.1, Clause 7.2 and Clause 7.3, the Lessor shall have the following additional rights:

- (a) the recovery of any unpaid Lease Rent due and payable at the time of termination;
- (b) the recovery of any damages, costs, fees and expenses incurred by the Lessor as a result of the breach of the Lease Agreement by the Lessee; and
- (c) any other right or remedy, legal or equitable, that the Lessor is entitled to under the Applicable Laws.

7.4 The Lessee shall have the right to determine this Lease Agreement on account of the occurrence of any of the following events:

- (a) any material breach of the terms and conditions of the Lease Agreement by the Lessor, which material breach is not remedied by the Lessor within [90 (ninety)] days of receipt of notice regarding such breach; or

- (b) any interference with the peaceful possession of the Site by the Lessor due to which the Lessee is not able to carry on its business for a continuous period of [60 (sixty)] days or more, which interference is not rectified by the Lessor within a period of [60 (sixty)] days from the date on which the Lessee notifies the same to the Lessor.

## **8. Lessor's obligations and covenants**

The Lessor hereby agrees and warrants that:

- (a) subject to the terms of the Lease Agreement, the Lessee shall be entitled to possess, hold, use and enjoy the Site and every part thereof during the Term of the Lease Agreement, without any interruption by the Lessor;
- (b) the Lessee shall, during the Term of the Lease Agreement, enjoy free ingress and egress to and from the Site without any hindrance;
- (c) subject to timely payment of the Lease Rent and performance of the covenants and conditions of the Lease Agreement, the Lessee shall peacefully hold and enjoy the Site during the Term of the Lease Agreement;
- (d) upon execution of the Lease Agreement and subject to the terms thereof, the Lessor shall deliver, or cause to be delivered, to the Lessee vacant possession of the Site. The Lessor shall, at its cost and expense clear any Encumbrances, including possession or occupation, if any, by third parties prior to delivery of vacant possession of the Site to the Lessee;
- (e) the Lessor shall pay and discharge all property taxes, land revenues, levies, cesses and other payments/dues in respect of the Site relating to the period up to the commencement of the Lease Agreement. For the avoidance of doubt, all property taxes, land revenues, service tax, levies, cesses and other payments/dues in respect of the Site shall be borne by the Lessee during the Term of the Lease Agreement;
- (f) upon execution of the Lease Agreement, the Lessor shall provide the Lessee with any consent(s) or no objection(s) of the Lessor in obtaining power, water, telephone and such other facilities that the Lessee may require, to use and enjoy the Site effectively for the purposes stated in Clause 6 of this Lease Agreement. Such consents or no objection(s) shall be provided by the Lessor within a reasonable time; and
- (g) the Lessor shall not create any Encumbrances on the Site otherwise part with or alienate any of its rights, title or interest in or to the Site except as provided in Clause 9 of this Lease Agreement.

## **9. Sale, transfer or disposal of the Site**

- 9.1 The Lessor may sell, transfer or otherwise dispose of the Site to any Government

Authority or any other entity owned or controlled by the Government of India.

- 9.2 The Parties agree that any sale, transfer or other disposal of the Site or any part thereof as provided in this Clause 9 shall always be subject to the leasehold rights of the Lessee set out in this Lease Agreement and the Lessor shall ensure that simultaneously with the sale, transfer or other disposal of the Site or any part thereof, the transferee thereof shall acknowledge the leasehold rights of the Lessee therein and shall execute an agreement on terms and conditions that are identical or not less favourable than the terms and conditions of this Lease Agreement.

## **10. Lessee's obligations and covenants**

Lessee hereby covenants, agrees and represents that:

- (a) upon execution of this Lease Agreement and subject to the terms thereof, the Lessee shall accept the Site in the condition it is handed over and undertakes to use the same only for the purposes as enlisted in Clause 6 of this Lease Agreement;
- (b) this Lease Agreement has been duly authorized, executed, and delivered by the Lessee after fulfilling all legal formalities and constitutes its legal, valid and binding obligation;
- (c) during the Term of the Lease Agreement, the Lessee shall pay the Lease Rent in accordance with terms and conditions set out in this Lease Agreement and shall observe and fulfill each of its obligations and covenants set forth herein;
- (d) during the Term of the Lease Agreement, the Lessee shall undertake the development of the Site, and other works which in the reasonable opinion of the Lessee would be required for and in relation to the Project, and obtain necessary approvals/clearances from the appropriate authorities for the same;
- (e) at its own cost and expense, the Lessee shall obtain all utilities such as water, electricity from the appropriate authorities;
- (f) it shall obtain and keep current all Applicable Permits that may be required under the Applicable Laws;
- (g) it shall pay all taxes, service tax, cesses, assessments and levies in respect of the Site, which are leviable at any time during the Term of the Lease Agreement;
- (h) it shall not create any lien, charge or Encumbrance on the Site, except as permitted in this Lease Agreement, without prior approval of the Lessor;
- (i) it shall, indemnify the Lessor in respect of any charges, deposits and other monies levied by third parties for and in relation to the provision by such third parties to the Lessee of water, electricity, telephone, communication and other facilities and in relation to any and all third party claims made with respect to

the Site;

- (j) it shall (i) keep and maintain the Site and the buildings and structures thereon in good and habitable condition at all times, and (ii) shall ensure that the Site shall be free from encroachments at all times and to the extent that there occur any encroachments on the Site, it shall make diligent efforts to remove such encroachments from the Site, as soon as practicable;
- (k) it shall take all necessary care to keep the premises neat and clean and in sanitary conditions consistent with the environment and cleanliness of a modern Factory; and
- (l) it shall, after expiry or termination of the Lease Agreement, forthwith hand over possession of the Site to the Government.

#### **11. Regulatory approvals for construction**

The Lessee agrees and covenants that the Lessee shall undertake construction of buildings and/or structures at the Site only after obtaining all Applicable Permits as are necessary for such constructions. The Lessee further agrees that the Lessee shall at all times comply with the conditions of such Applicable Permits.

#### **12. Inspection by the Lessor**

- 12.1 The Lessee agrees and covenants that during the Term of the Lease Agreement, the Lessee shall not restrict or obstruct the Lessor and its authorised agents to enter upon and inspect the Site at all reasonable hours on any working day.
- 12.2 The Lessee undertakes that the Lessee shall notify the Lessor of any material breach by the Lessee of any Applicable Permits acquired in relation to the Site.

#### **13. Stamp duty and registration charges**

Subject to the exemption or waiver, if any, granted by Government or any other authority, the Parties agree that all stamp duties and registration charges payable in respect of the lease contemplated herein shall be to the account of and borne by the Lessee.

#### **14. Indemnities and limitation of liability**

The Lessee shall fully indemnify, defend and hold harmless the Lessor, its officers, servants, agents, against any and all suits, proceedings, actions, demands, claims and liabilities, which may be incurred or suffered by the Lessor and which may arise out of or as a result of any of the following causes:

- (a) any breach by the Lessee of any of its obligations, covenants, agreements,

representations or warranties set forth in this Lease Agreement;

- (b) any loss of property, damage to property, personal injury or death occasioned to or suffered by any person, to the extent that the damage to or loss of property or the personal injury or death is caused wilfully or negligently by the Lessee; and
- (c) any breach, violation or non-compliance by the Lessee of any Applicable Laws and/or Applicable Permits.

## **15. Assignment**

The Lessee shall not, without the Lessor's prior written consent, transfer, assign, or grant any form of security over any of its rights or obligations under this Lease Agreement.

## **16. Force Majeure**

- 16.1 Neither Party shall be liable to the other for non-performance of its obligations under this Lease Agreement (other than the obligation to make payments when due) on account of any event of Force Majeure including but not limited to fire, flood, act of God or irresistible force, civil disobedience, riots, terrorism, strikes, lock-out, act of government, or any other event beyond the reasonable control of such Party.
- 16.2 Where the event of Force Majeure exists for a continuous period of 6 (six) months, the Parties shall mutually decide on the course of action to be adopted, which may include the determination of this Lease Agreement.
- 16.3 Notwithstanding anything to the contrary in this Lease Agreement, if the Lease Agreement is determined in accordance with Clause 16.2 above, neither Party shall be liable to pay any compensation to the other for such termination.

## **17. Dispute Resolution**

- 17.1 The Parties shall use their respective reasonable endeavours to settle any dispute, difference, claim, question or controversy between the Parties arising out of, in connection with or in relation to this Lease Agreement ("**Dispute**") amicably between themselves through negotiation.
- 17.2 Any Dispute which the Parties are unable to resolve pursuant to Clause 17.1, within 60 (sixty) days (or such longer period as the Parties may agree) of notice by one Party to the other of the existence of a Dispute, shall be resolved in accordance with the provisions of Article 45 of the Concession Agreement.

## **18. Governing Law**

This Lease Agreement is governed by and shall be construed in accordance with the laws of India.

## **19. General Provisions**

### **19.1 Entire Agreement**

This Lease Agreement together with the Annexes constitutes the entire agreement between the Parties with respect to the subject matter and the transaction envisaged in this Lease Agreement, but shall be subject to the provisions of the Concession Agreement at all times.

### **19.2 Waiver**

19.2.1 Waiver, including partial or conditional waiver, by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Lease Agreement:

- (a) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Lease Agreement;
- (b) shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and
- (c) shall not affect the validity or enforceability of this Lease Agreement in any manner.

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

### **19.3 Severability**

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

### **19.4 Specific Performance**

In the event of default or breach in performance of obligations by any Party, the Party not in default or breach shall be entitled, without prejudice to its other rights and remedies, to seek and enforce specific performance of this Lease Agreement.

## **19.5 Expenses**

Each Party shall pay its own costs and expenses (including, without limitation, the fees and expenses of its agents, authorised representatives, advisors, counsel and accountants) necessary for the negotiation, preparation, execution, delivery, performance of and compliance with this Lease Agreement.

## **20 Notices**

Any notice or other communication to be given by any Party to the other Party under or in connection with the matters contemplated by this Lease Agreement shall be in writing and shall:

(a) in the case of the Lessee, be given by facsimile or e-mail and by letter delivered by hand to the address given and marked for attention of the person set out below or to such other person as the Lessee may from time to time designate by notice to the Lessor; provided that notices or other communications to be given to an address outside Delhi may, if they are subsequently confirmed by sending a copy thereof by registered acknowledgement due, air mail or by courier be sent by facsimile or e mail to the number as the Lessee may from time to time designate by notice to the Lessor;

**Attention:**

**Designation:**

**Address:**

**Fax No:**

**Email:**

(b) in the case of the Lessor, be given by facsimile or e-mail and by letter delivered by hand to the address given below with a copy delivered to the Lessor's Representative or such other person as the Lessor may from time to time designate by notice to the Lessee; provided that if the Lessee does not have an office in Delhi, it may send such notice by facsimile or e-mail and by registered acknowledgement due, air mail or by courier;

**Attention:**

**Designation: Address:**

**Fax No:**

**Email:**

(c) any notice or communication by a Party to the other Party, given in accordance

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

**IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS LEASE AGREEMENT AS OF THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN.**

SIGNED, SEALED AND  
DELIVERED  
For and on behalf of THE PRESIDENT  
OF INDIA by:

(Signature)  
(Name)  
(Designation)

SIGNED, SEALED AND  
DELIVERED  
For and on behalf of  
by LESSEE:

(Signature)  
(Name)  
(Designation)

In the presence of:

1.

2.

**Annex-II of Annexure I of Schedule A  
Description of Site**

As per the Government Order, the total area identified for the proposed medical college is 20.60 acres (out of which, the existing Combined District Hospital is situated on 4.86 acres, one proposed parcel adjoining the Combined District Hospital in village Banadi is 6.54 acres and the second proposed parcel in village Tauraha adjoining the Superintendent of Police residence boundary is 9.19 acres).

The land parcel in Village Banadi (6.54 acres) is adjoining the boundary of the existing Combined District Hospital, Chitrakoot. However, the land parcel that connects these 2 parcels (Gaata no. 710, 707) had been allocated to the Combined District Hospital previously, but a stay order is currently placed on it. Once the court order is issued in the favour of the Govt. of Uttar Pradesh, the two land parcels may be conjoined into a homogenous rectangular piece of land. An approach road will be required to connect these 2 land parcels (which has also been illustrated in the map provided).

The second parcel in village Tauraha adjoining the Superintendent of Police residence boundary (9.19 acres) is 1.0 km away from the Combined District Hospital. As per the site visit, a motorable road connects the second parcel to the existing combined district hospital and the land parcel in village Banadi.

It has been clarified in the letter that the proposed land is free from all encumbrances and an approach to the Combined District Hospital, Chitrakoot from the land parcel in village Tauraha (situated 1.0 km away) can be established by taking required land from Gaata no. 685, 705, 708.



*Proposed Site for Medical College*

The Private Player will be handed over the District Hospital, along with the above land parcel for development of Medical College.

<b>District Hospital: No. of Beds to be handed over</b>	<b>Existing land parcel of District Hospital</b>	<b>Additional Land available for the 100 seat Medical College</b>	<b>Total Land Area</b>
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100 Beds	4.86 Acre	15.74 Acre	20.6 Acre
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**SCHEDULE B**  
**DEVELOPMENT OF THE DISTRICT HOSPITAL**  
(See Clause 2.1(c))

Development of the District Hospital shall include development of the District Hospital and the Ancillary Facilities.

Development of the District Hospital shall include construction of the District Hospital as described in this Schedule B including inter alia increase in the number of Beds as follows:

- (a) number of Beds at the time of Appointed Date – [ 100 ];
- (b) number of Beds at the time of Operations Date – [330 (three hundred and thirty)]; and
- (c) development of Medical College on or before Operations Date
- (d) number of Beds at the time of subsequent development – [ 430 ].

Development of the District Hospital shall conform with the provisions of Annex-I (Description of District Hospital) and Annex -II (Description of Ancillary Facilities) of this Schedule B.

The District Hospital shall be completed by the Concessionaire in conformity with the Specifications and Standards set forth in Schedule C.

**Annex-I of Schedule B**  
**Description of District Hospital**

District Combined Hospital is proposed for the purpose of development of Medical College in the District. **District Combined Hospital** was established in **2008** and it stands on **4.86 acres** land parcel. At present there are a total of **100 beds** in the facility. There are other buildings on the plot such as residential units. (Figure below).



*Site demarcation for District Hospital*

**Annex-II of Schedule B**  
**Description of Ancillary Facilities**

**[The details of the existing Ancillary Facilities on or before Appointed Date shall be provided to the Concessionaire on or before the Execution Date. ]**

**SCHEDULE C**  
**SPECIFICATIONS AND STANDARDS**  
**(See Clause 2.1(a))**

The Project shall comply with the following standards/norms/guidelines and their latest revisions/amendments for construction, operation, maintenance and management of the District Hospital.

**I. Standard to be followed for construction, operation and management of hospital:**

- National Accredited Board of Project and Healthcare Providers (NABH) standards for Project (as per prevailing standard);
- National Accredited Board of Project and Healthcare Providers – Accreditation Standards for Medical Imaging Services (as per prevailing standard);
- International Standard ISO 15189:2007 (Medical) laboratories – particular requirement for quality and competence by National Accredited Board for Testing and calibration Laboratories (NABL) (as per prevailing standard);
- National Building Code of India (NBC) guidelines issued by Bureau of Indian Standards in 2005 and latest published version;
- Hospital’s Medical Gas Pipeline System (MGPS) shall conform to Health Technical Memorandum (HTM)-0201: Medical gas pipeline systems Part A for Design, installation, validation and verification revised from time to time (prevailing standard)
- Environmental Sustainability Plan including:
  - i. Ministry of Environment and Forest (MoEF) Guidelines as applicable; and
  - ii. The equator principles (<http://www.equator-principles.com>)
- Shall comply with solar energy, rainwater harvesting, zero garbage and waste water recycling requirements of municipal corporation of [●] as applicable.
- To the extent possible shall construct energy saving building in the District Hospital.

**II. Standard to be followed for maintenance of District Hospital :**

<b>S. No.</b>	<b>Description</b>	<b>Guideline</b>	<b>Latest publication</b>
1	General Maintenance of Hospital	<ul style="list-style-type: none"> <li>• National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital</li> <li>• National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital.</li> </ul>	Prevailing standard  Prevailing Standard
2	Biomedical Equipment	<ul style="list-style-type: none"> <li>• Compliance also required to the respective suppliers maintenance manuals and guidelines.</li> <li>• International standard ISO 15189:2007 (Medical laboratories-</li> </ul>	As Applicable

		particular requirement for quality and competence) by National Accredited Board for Testing and Calibration Laboratories (NABL)	Prevailing standard
3	Laboratory Equipment	<ul style="list-style-type: none"> <li>• Compliance also required to the respective suppliers maintenance manuals and guidelines.</li> </ul>	As Applicable
4	Radiology Equipment	<ul style="list-style-type: none"> <li>• National Accredited Board of Project and Healthcare Providers – Accredited Standards for Medical Imaging Services; and</li> <li>• Compliance also required to the respective suppliers maintenance manuals and guidelines.</li> <li>• National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital.</li> </ul>	Prevailing Standard  As Applicable  Prevailing Standard
5	Plant and Machinery	<ul style="list-style-type: none"> <li>• Compliance also required to the respective suppliers’ maintenance manuals’ and guidelines</li> </ul>	As applicable

**III. Standard to be followed for safety standards:**

<b>S. No.</b>	<b>Description</b>	<b>Guidelines</b>	<b>Latest publication</b>
1	Patient and Staff Safety	<ul style="list-style-type: none"> <li>• National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital;</li> <li>• National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital</li> </ul>	[•]
2	Building and Fire Safety	<ul style="list-style-type: none"> <li>• National Building Code of India (NBC) guideline issued by Bureau of Indian Standards.</li> </ul>	Latest available standard and state Govt. guidelines

**SCHEDULE D**  
**DRAWINGS**  
**(See Clause 13.2(g))**

1. **Drawings**

In compliance with the obligations set forth in Clause 13.2 of this Agreement, the Concessionaire shall furnish to the Independent Engineer, free of cost, all Drawings listed below:

[Note: The Authority shall list and describe in this Schedule all the Drawings that the Concessionaire is required to furnish under Clause 13.2.]

1. **Additional Drawings**

If the Independent Engineer determines that for discharging its duties and functions under this Agreement, it requires any drawings other than those listed hereinabove, it may by notice require the Concessionaire to furnish such drawings forthwith. Upon receiving a requisition to this effect, the Concessionaire shall promptly prepare and furnish such drawings to the Independent Engineer as if such drawings formed part of this Schedule D.

**SCHEDULE E**  
**APPLICABLE PERMITS**  
(See Clauses 4.1.2(b) and 4.1.3(c))

Indicative list of approval is mentioned below, Concessionaire shall have to make assessment of applicable permits, approvals, clearances:

<b>Sr. No.</b>	<b>Licenses/Permits</b>
1.	Building permit and completion certificate from municipality.
2.	Consent to operate from the state pollution control board under the Air (prevention and control of pollution) Act, 1981, Water (Prevention and Control of pollution) Act, 1974 and Environment Protection Act.
3.	Clinical Establishment Act, 2010.
4.	Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1999.
5.	Atomic Energy Act, 1954.
6.	Goods and Services Tax Act.
7.	Registration of Births and Death Act, 1969.
8.	Indian Medical Council Act, 1956 and Code of Medical Ethics Regulations, 2002.
9.	NoC from Chief Fire Inspector.
10.	Registration of Operation of X-Ray machine with AERS.
11.	Shops and Establishments Act, 1954.
12.	Bombay Lifts Act, 1939.
13.	Sale of Goods Act, 1930.
14.	License of Blood Bank.
15.	Cable Television Networks Act, 1995.
16.	Transplantation of Human Organs Act, 1994.
17.	Radiation Protection Rules, 1971 and Radiation Surveillance Procedures for Medical Application of Radiation, 1989.
18.	Labor, Tax Laws, Electricity, Petroleum (for storage), water and consumer protection laws.
19.	NOC from local municipal office for any Bye Laws.
20.	Food and Safety Standards Act, 2006.
21.	Narcotics and Psychotropic Substances Act, 1985.
22.	Pharmacy Act, 1948.
23.	Societies Regulation Act, 1860.
24.	Excise Permit to store Spirit (Central Excise Act, 1944).
25.	Hazardous Waste Management Rules, 1989.
26.	Bio-Medical Management and Handling Rules, 1998.
27.	Boilers Act, 1923.
28.	Maharashtra Nurses Act, 1966.
29.	Registration under PNDT Act, 1994 and MTP Act, 1971.
30.	Any other applicable permit, as required time to time.

**SCHEDULE F**  
**PERFORMANCE SECURITY**  
(See Clause 9.1(a))

**WHEREAS:**

- (A) ....., (the “**Concessionaire**”) and the Governor of State of Uttar Pradesh represented by the Director General of Medical Education , (“**Authority**”) and having its principal offices at .....have entered into a Concession Agreement dated ..... (the “**Agreement**”) whereby the Authority has agreed to the Concessionaire undertaking the augmentation,, operation, maintenance and management of the District Hospital and construction, development, operation and maintenance of the Medical College at ..... in ..... subject to and in accordance with the provisions of the Agreement.
- (B) The Agreement requires the Concessionaire to furnish a Performance Security to the Authority in a sum of [Rs. [9.0 Crore] (Rupees Nine Crore Only)] (the “**Guarantee Amount**”) as security for due and faithful performance of its obligations, under and in accordance with the Agreement, during the period of 5 (five) years from the Appointed Date.
- (C) We, ..... through our Branch at ..... (the “**Bank**”) have agreed to furnish this Bank Guarantee by way of Performance Security.

NOW, THEREFORE, the Bank hereby, unconditionally and irrevocably, guarantees and affirms as follows:

1. The Bank hereby unconditionally and irrevocably guarantees and undertakes to pay to the Authority upon occurrence of any failure or default in due and faithful performance of all or any of the Concessionaire’s obligations, under and in accordance with the provisions of the Agreement, on its mere first written demand, and without any demur, reservation, recourse, contest or protest, and without any reference to the Concessionaire, such sum or sums up to an aggregate sum of the Guarantee Amount as the Authority shall claim, without the Authority being required to prove or to show grounds or reasons for its demand and/or for the sum specified therein.
2. A letter from the Authority, under the hand of an Officer not below the rank of a Secretary or equivalent, that the Concessionaire has committed default in the due and faithful performance of all or any of its obligations under and in accordance with the Agreement shall be conclusive, final and binding on the Bank. The Bank further agrees that the Authority shall be the sole judge as to whether the Concessionaire is in default in due and faithful performance of its obligations during the Construction Period under the Agreement and its decision that the Concessionaire is in default shall be final, and binding on the Bank, notwithstanding any differences between the Authority and the Concessionaire, or any dispute between them pending before any court, tribunal,

arbitrators or any other authority or body, or by the discharge of the Concessionaire for any reason whatsoever.

3. In order to give effect to this Guarantee, the Authority shall be entitled to act as if the Bank were the principal debtor and any change in the constitution of the Concessionaire and/or the Bank, whether by their absorption with any other body or corporation or otherwise, shall not in any way or manner affect the liability or obligation of the Bank under this Guarantee.
4. It shall not be necessary, and the Bank hereby waives any necessity, for the Authority to proceed against the Concessionaire before presenting to the Bank its demand under this Guarantee.
5. The Authority shall have the liberty, without affecting in any manner the liability of the Bank under this Guarantee, to vary at any time, the terms and conditions of the Agreement or to extend the time or period for the compliance with, fulfilment and/or performance of all or any of the obligations of the Concessionaire contained in the Agreement or to postpone for any time, and from time to time, any of the rights and powers exercisable by the Authority against the Concessionaire, and either to enforce or forbear from enforcing any of the terms and conditions contained in the Agreement and/or the securities available to the Authority, and the Bank shall not be released from its liability and obligation under these presents by any exercise by the Authority of the liberty with reference to the matters aforesaid or by reason of time being given to the Concessionaire or any other forbearance, indulgence, act or omission on the part of the Authority or of any other matter or thing whatsoever which under any law relating to sureties and guarantors would but for this provision have the effect of releasing the Bank from its liability and obligation under this Guarantee and the Bank hereby waives all of its rights under any such law.
6. This Guarantee is in addition to and not in substitution of any other guarantee or security now or which may hereafter be held by the Authority in respect of or relating to the Agreement or for the fulfilment, compliance and/or performance of all or any of the obligations of the Concessionaire under the Agreement.
7. Notwithstanding anything contained hereinbefore, the liability of the Bank under this Guarantee is restricted to the Guarantee Amount and this Guarantee will remain in force for the period specified in paragraph 8 below and unless a demand or claim in writing is made by the Authority on the Bank under this Guarantee, no later than [6 (six) months] from the date of expiry of this Guarantee, all rights of the Authority under this Guarantee shall be forfeited and the Bank shall be relieved from its liabilities hereunder.
8. The Performance Security shall cease to be in force and effect after expiry of a period of [6 (six)] months from the [Operations Date], and provided the Concessionaire is not in breach of this Agreement. Upon request made by the Concessionaire for release of the Performance Security along with the particulars required hereunder, duly certified

by a statutory auditor of the Concessionaire, the Authority shall release the Performance Security forthwith.

9. The Bank undertakes not to revoke this Guarantee during its currency, except with the previous express consent of the Authority in writing, and declares and warrants that it has the power to issue this Guarantee and the undersigned has full powers to do so on behalf of the Bank.
10. Any notice by way of request, demand or otherwise hereunder may be sent by post addressed to the Bank at its above referred Branch, which shall be deemed to have been duly authorised to receive such notice and to effect payment thereof forthwith, and if sent by post it shall be deemed to have been given at the time when it ought to have been delivered in due course of post and in proving such notice, when given by post, it shall be sufficient to prove that the envelope containing the notice was posted and a certificate signed by an officer of the Authority that the envelope was so posted shall be conclusive.
11. This Guarantee shall come into force with immediate effect and shall remain in force and effect for a period of [5 (five) years] from Appointed date hereof or until it is released earlier by the Authority pursuant to the provisions of the Agreement.

Signed and sealed this .....day of ..... 201.... at .....

SIGNED, SEALED AND DELIVERED

For and on behalf of

the BANK by:

(Signature)

(Name)

(Designation)

(Code Number)

(Address)

NOTES:

(i) The bank guarantee should contain the name, designation and code number of the officer(s) signing the guarantee.

(ii) The address, telephone number and other details of the Head Office of the Bank as well as of issuing Branch should be mentioned on the covering letter of issuing Branch.

**SCHEDULE G**  
**PROJECT COMPLETION SCHEDULE**

**1. Project Completion Schedule**

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

**2 Project Milestone-I**

2.1 Project Milestone-I shall occur on the date falling on the day of first anniversary 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 District Hospital. The Concessionaire shall have upgraded the District Hospital to 330-bedded facility as per the NMC norms.

**3 Project Milestone-II**

3.1 Project Milestone-II shall occur on the date falling on the day of 3<sup>rd</sup> anniversary from the Appointed Date (the “**Project Milestone-II**”). The Concessionaire shall have developed at least 100 seat Medical College.

**4 Project Milestone-III**

4.1 Project Milestone-III shall occur on the date falling on the day of 5<sup>th</sup> anniversary from the Appointed Date (the “**Project Milestone-III**”). The Concessionaire shall subsequently upgrade the District Hospital as per the NMC norms.

**7 Scheduled Completion Date**

7.1 The Scheduled Completion Date shall occur on the day of 5<sup>th</sup> anniversary from the Appointed Date.

7.2 On or before the Scheduled Completion Date, the Concessionaire shall have completed the Project in accordance with this Agreement.

**8 Extension of period**

Upon extension of any or all of the aforesaid Project Milestones or the Scheduled 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 H**  
**TESTS**  
(See Clauses 13.4.2 and 14.3 )

- I. Authority shall arrange the Independent Engineer to verify and conduct the following Tests:**
- a) Loose stones and/or plaster and/or bricks in the Project;
  - b) Hanging electrical wire and/or temporary connects for electric supply and distribution system including the diesel generator (DG) sets, UPS systems and stabilizers; and
  - c) Dripping taps and/or leaking pipes and/or blocked swage lines in the water supply and distribution system including supply of hot, cold, potable, ultra-pure water and steam water.
- II. Authority shall arrange the Independent Engineer to inspect the following work/activities for award of Completion Certificate:**
- a) Traction/ Transportation system;
  - b) Public health engineering system (waste storage/ disposal, effluent treatment plant); and
  - c) Installation and commissioning certificates, warranty certificates of all plant and machineries, transformer, electrical panels, and non-medical equipment.
- III. The Concessionaire shall conduct the following tests during Project construction by the Government authorized agency and to provide the respective test certificate to Authority<sup>11</sup>:**
- a) Soil test of the Project land
  - b) Water test of the Project land
  - c) Concrete/RMC test
  - d) Steel (TMT Bar) test
  - e) Cement test
  - f) Brick test

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<sup>11</sup> This is an indicative list and the Authorities may increase the number of tests required as may be advised by their technical advisors.

**SCHEDULE I**  
**FORMAT FOR COMPLETION CERTIFICATE**  
**(See Clause 15.2.2 (a))**

**To whom it may concern**

In consideration of the requirements of conditions of Article 15 of the Agreement and the Concessionaire's application for a Provisional Certificate/Completion Certificate, the Authority hereby grants the Provisional Certificate/Completion Certificate

[This Provisional Certificate has been issued pending completion of the Punch List as described in Annex I to the Provisional Certificate]

This Provisional Certificate/Completion Certificate is issued on the understanding that the conditions of the Agreement have been met except for minor outstanding work that does not affect the use and safety of the [District Hospital/ Medical College] and their intended use as certified by Authority through its letter dated [●].

Provisional Certificate/Completion Certificate does not relieve the Concessionaire of any requirements or obligations within the Agreement.

Signed this ..... day of ....., 20 ..... at .....

AGREED, ACCEPTED AND SIGNED

SIGNED, SEALED AND DELIVERED

For and on behalf of  
of

For and on behalf

Concessionaire by:

Authority by:

(Signature)

(Signature)

(Name)

(Name)

(Designation)

(Designation)

(Address)

(Address)

**SCHEDULE J**  
**MAINTENANCE REQUIREMENTS**  
**(See Clause 18.2.1)**

1. Maintenance Requirements

- 1.1 The Concessionaire shall, at all times, operate and maintain the Project in accordance with the provisions of the Agreement, Applicable Laws and Applicable Permits. In particular, the Concessionaire shall, at all times during the Operation Period, conform to the maintenance requirements set forth in this Schedule-J (the “**Maintenance Requirements**”).

The Concessionaire shall repair or rectify any defect or deficiency set forth in Paragraph 2 of this Schedule-J within the time limit specified therein and any failure in this behalf shall constitute a breach of the Agreement. Upon occurrence of any breach hereunder, the Authority shall be entitled to recover Damages as set forth in Article 18 of the Agreement, without prejudice to the rights of the Authority under the Agreement, including Termination thereof.

2 Repair/rectification of defects and deficiencies

The obligations of the Concessionaire in respect of Maintenance Requirements shall include repair and rectification of the defects and deficiencies specified in Annex - I of this Schedule - J within the time limit set forth therein.

3 Other defects and deficiencies

- 3.1 In respect of any defect or deficiency not specified in Annex - I of this Schedule-J, the Concessionaire shall undertake repair or rectification in accordance with Good Industry Practice.

- 3.2 In respect of any defect or deficiency not specified in Annex - I of this Schedule-J, the Independent Expert, as the case may be, may, in conformity with Good Industry Practice, specify the permissible limit of deviation or deterioration with reference to the Specifications and Standards, and any deviation or deterioration beyond the permissible limit shall be repaired or rectified by the Concessionaire within the time limit specified by the Independent Expert.

4 Extension of time limit

Notwithstanding anything to the contrary specified in this Schedule-J, if the nature and extent of any defect or deficiency justifies more time for its repair or rectification than the time specified herein, the Concessionaire shall be entitled to additional time in conformity with Good Industry Practice. Such additional time shall be determined by the Independent

Expert, as the case may be, and conveyed to the Concessionaire and the Authority with reasons thereof.

5 Emergency repairs/restoration

Notwithstanding anything to the contrary contained in this Schedule-J, if any defect, deficiency or deterioration in the Project poses a hazard to safety or risk of damage to property, the Concessionaire shall promptly take all reasonable measures for eliminating or minimizing such danger.

6 Daily Inspection by the Concessionaire

The Concessionaire shall, through its engineer, undertake a daily visual inspection of the Project and maintain a record thereof in a register to be kept in such form and manner as the Independent Expert, as the case may be, may specify. Such record shall be kept in safe custody of the Concessionaire and shall be open to inspection by the Authority and the Independent Expert, as the case may be, at any time during office hours.

7 Divestment Requirements

All defects and deficiencies specified in this Schedule-J shall be repaired and rectified by the Concessionaire so that the Project conforms to the Maintenance Requirements on the Transfer Date.

8 Display of Schedule - J

The Concessionaire shall keep a copy of this Schedule-J in the office of the District Hospital administrator and Medical College dean along with the Complaint Register stipulated in Article 47.

**Ann-x - I**  
**(Schedule-J)**

Repair/Rectification of Defects and Deficiencies

The Concessionaire shall repair and rectify the defects and deficiencies specified in this Annex-I of Schedule-K within the time limit set forth herein.<sup>12</sup>

	<b>Nature of defect or deficiency repair/ rectification. Project:</b>	<b>Time limit for</b>
(i)	Failure of electric supply (substitution by UPS / generator)	- [5 seconds]
(ii)	Damage to floor, walls or paint	- [48 hours]
(iii)	Breakage of glass	- [24 hours]
(iv)	Breakage of furniture	- [24 hours]
(v)	Removal of debris and unclaimed materials	- [1 hour]
(vi)	Dirt, garbage, stains or dust on floors, walls, fixtures, signage, counters and furniture	- [1 hour]
(vii)	Dirt or odour in toilets	- [30 minutes]
(viii)	Damage or malfunction of electricity, water and sanitary fittings	- [4 hours]
(ix)	Discontinuation of drinking water supply	- [2 hours]
(x)	Choking and/or blockage of sewer lines, drains or rain water pipes	- [2 hours]
(xi)	Malfunctioning of doors, windows or fixtures	- [4 hours]
(xii)	Malfunctioning of lifts	- [15 minutes]
(xiii)	Waste bins wh <sup>3</sup> /4 <sup>3</sup> /4 <sup>th</sup> full	[15 minutes]

<sup>12</sup> The values and periods specified herein may be modified to suit project-specific requirements. Items not relevant to the Hospital Facility may be deleted or substituted as necessary.

(xiv) Dirt, garbage, litter, stains or spillage

[30 minutes]

## **II. EQUIPMENT**

The Concessionaire shall operate and maintain the Equipment in accordance with manufacturer's guidelines, Applicable Laws and Good Industry Practice.

**SCHEDULE K**  
**SAFETY REQUIREMENTS**  
**(See Clause 19.1)**

**1. Guiding principles**

- 1.1. Safety Requirements aim at reduction in injuries, loss of life and damage to property resulting from accidents on or about the Project , irrespective of the person(s) at fault.
- 1.2. Safety Requirements apply to all phases of construction, development, operation and maintenance with emphasis on identification of factors associated with accidents, consideration of the same, and implementation of appropriate remedial measures.
- 1.3. Safety Requirements include measures associated with safe movement, safety management, safety equipment, fire safety, enforcement and emergency response, with particular reference to the Safety Guidelines specified in Ann-x - I of this Schedule K.

**2. Obligations of the Concessionaire**

The Concessionaire shall abide by the following:

- (a) Applicable Laws and Applicable Permits;
- (b) provisions of this Agreement;
- (c) relevant Standards/Guidelines contained in nationally accepted codes; and
- (d) Good Industry Practice.

**3. Safety measures during Construction Period**

- 3.1 The Concessionaire shall provide to the Independent Engineer, in four copies, the relevant drawings containing the design details that have a bearing on safety of Patients, Students, staff, visitors and any other users (the “**Safety Drawings**”). The Independent Engineer shall review the design details and forward three copies of the Safety Drawings with its recommendations, if any, to the Authority who shall record its comments, if any, and forward one copy to the Concessionaire.
- 3.2 The design details shall be compiled, analysed and used by the Independent Engineer for evolving a package of recommendations consisting of safety related measures for the Project . The safety audit shall be conducted by the Independent Engineer and completed in a period of three months and a report thereof (the “**Safety Report**”) shall be submitted to the Authority, in five copies. One copy each of the Safety Report shall be forwarded by the Authority to the Concessionaire forthwith.
- 3.3 The Concessionaire shall endeavour to incorporate the recommendations of the Safety Report in the design of the Project , as may reasonably be required in accordance with Applicable Laws, Applicable Permits, NABH, NABL, IPHS and NMC guidelines, Specifications and Standards, and Good Industry Practice. If the Concessionaire does not agree with any or all of such recommendations, it shall state the reasons thereof and convey them to the Authority forthwith.

- 3.4 Without prejudice to the provisions of Paragraph 3, the Concessionaire shall, within 15 (fifteen) days of receiving the Safety Report, send its comments thereon to the Authority, and no later than 15 (fifteen) days of receiving such comments, the Authority shall review the same alongwith the Safety Report and by notice direct the Concessionaire to carry out any or all of the recommendations contained therein with such modifications as the Authority may specify.
- 3.5 The Independent Engineer shall study the Safety Report and inspect the District Hospital to assess the adequacy of safety measures. The Independent Engineer shall complete the safety audit within a period of 4 (four) months and submit a Safety Report recommending a package of additional safety measures, if any, that are considered essential for reducing accident hazards on the Project. Such recommendations shall be processed, *mutatis mutandis*, and acted upon in the manner set forth in Paragraphs 3.2, 3.3 and 3.4 of this Schedule-L.
- 3.6 The Concessionaire shall make adequate arrangements during the Construction Period for the safety of workers in accordance with Applicable Laws and Good Industry Practice for safety in construction zones, and notify the Authority and the Independent Engineer about such arrangements.

#### **4. Safety measures during Operation Period**

- 4.1. The Concessionaire shall develop, implement and administer a safety programme for the Project, staff, Users and other persons, which shall include correction of safety violations and deficiencies, and all other actions necessary to provide a safe environment in accordance with this Agreement.
- 4.2. The Concessionaire shall conform with the standards specified in IPHS, NABL, NABH guidelines and NMC Norms regarding safety during the Operation Period of the Project.
- 4.3 The Concessionaire shall keep a copy of every FIR recorded by the Police with respect to any accident occurring on or about the Project. In addition, the Concessionaire shall also collect data for all cases of accidents not recorded by the Police. The information so collected shall be summarised and submitted to the Authority at the conclusion of every quarter.
- 4.4. The Concessionaire shall submit to the Authority and/or the Independent Expert before the <sup>13</sup>1st (thirty first) May] of each year, an annual report [(in 3 (three) copies)] containing, without limitation, a detailed listing and analysis of all accidents of the preceding Accounting Year and the measures taken by the Concessionaire pursuant to the provisions of clause 4.1 of this Schedule K for averting or minimising such accidents in future.
- 4.5. Once in every Accounting Year, a safety audit in respect of the Project shall be carried out by the Independent Expert. It shall review and analyse the annual report and unusual occurrences data of the preceding year, and undertake an inspection of the District Hospital. The Independent Expert shall complete the safety audit within a period of 1 (one)

month and submit a Safety Report recommending specific improvements, if any, required to be made in the District Hospital. Such recommendations shall be processed, *mutatis mutandis*, and acted upon in the manner set forth in Paragraphs 3.2, 3.3 and 3.4 of this Schedule-K.

4.6 The safety audit and the inspection of the Medical College shall be carried out by the NMC in accordance with Applicable Laws. The Concessionaire shall repair or rectify the defects or deficiencies, if any, discovered during the safety audit and the inspection by the said authorities and furnish a report in respect thereof to within 15 (fifteen) days of receiving the relevant instruction by the said authorities. Such instructions and the recommendations, if any, shall be processed, *mutatis mutandis*, and acted upon in the manner set forth in Paragraphs 3.2, 3.3 and 3.4 of this Schedule-K.

5. **Costs and expenses**

Costs and expenses incurred in connection with the Safety Requirements set forth herein, including the provisions of clause 2 of this Schedule K, shall be borne by the Concessionaire in accordance with the provisions of the Agreement.

**Ann-x - I**  
(Schedule-K)  
Safety Guidelines

1. **Safe movement**

In the design, construction and operation of Project, particular care shall be taken to ensure safety of the Patients, Students, staff and visitors. This shall include facilities for safe and efficient evacuation in case of emergency.

2. **System integrity**

In the design of power supply, lifts and equipment, particular care shall be taken to minimise the likely incidence of failure.

3 **Restoration of service**

The Project shall be designed such that in the event a fault occurs, a limited service can be provided within a few minutes by isolation of the affected area or equipment, to the extent possible.

4. **Safety management**

A safety statement shall be prepared by the Concessionaire once every year to bring out clearly the system of management of checks and maintenance tolerances for various elements comprising the Project and compliance thereof. The statement shall also bring out the nature and extent of staff training and awareness in dealing with such checks and tolerances. [2 (two)] copies of the statement shall be sent to the Independent Expert within [15 (fifteen)] days of the close of every year.

The following equipment shall be provided at the Project:

- (a) Fire extinguishers and fire alarms at the appropriate locations; and
- (b) such other equipment as may be required in conformity with Good Industry Practice.

5. **Emergency**

A set of emergency procedures shall be formulated to deal with different emergency situations and the operations staff shall be trained to respond appropriately during emergency through periodic simulated exercises as laid down in a manual for management of disasters (the **Disaster Management Manual**) to be prepared and published by the Concessionaire prior to [Operations Date]. The Concessionaire shall provide 5 (five) copies each of the Disaster Management Manual to the Authority and the Independent Expert no later than [30 (thirty)] days prior to Operations Date.

6. **Fire safety**

- 6.1. The Concessionaire shall adopt and comply with fire safety requirements prescribed under Applicable Laws.
- 6.2. To prevent fire in the District Hospital and the Medical College, the Concessionaire shall use fire resistant materials in the construction thereof and shall avoid use of materials which are to some extent flammable, or which emit smoke and harmful gases when burning.
- 6.3. To deal with incidents of fire, the Concessionaire shall provide a hydrant based fire-fighting system in conformity with the provisions of Schedule C.
- 6.4. Emergency exit should be accessible without any obstructions and the exit doors should be kept locked in the ordinary course. The exit doors shall be easy to open from inside the Project Facility in case of emergency.
- 6.5. Escape routes shall be clearly marked by arrows in the correct direction and no cryptic symbols shall be used. All notices and signages shall be uniform and standardised.

## **7. Surveillance and Safety Manual**

The Concessionaire shall, no later than [60 (sixty)] days prior to [Operations Date], evolve and adopt a manual for surveillance and safety of the Project, in accordance with Good Industry Practice, and shall comply therewith in respect of the security and safety of the Project, including its gate control, sanitation, fire prevention, environment protection.

## **8. Watch and Ward**

The Concessionaire shall, at its own expense and in accordance with Good Industry Practice, provide and maintain all lighting, fencing, watch and ward arrangements for the safety of the Project and all persons affected by it.

## **9. Containment of Infections**

- 9.1 The Concessionaire shall take adequate measures to prevent and contain infections in the Project, including ensuring usage of appropriate materials and consumables such as masks, hand gloves, disinfectant etc by the staff, Students and Patients, as the case may be. In this regard, the Concessionaire shall conform to the provisions of NABH, NABL, IPHS and Good Industry Practice.
- 9.2 The Concessionaire shall formulate appropriate policy for evaluation and care of staff, Students, and Patients who suffer from accidental needle stick exposures.

## **10 Waste Disposal**

- 10.1 The Concessionaire shall dispose of waste in accordance with Applicable Laws, the provisions of NABH, NABL, IPHS and Good Industry Practice.

**SCHEDULE L**  
**SELECTION OF INDEPENDENT ENGINEER AND INDEPENDENT  
EXPERT**

(See Clauses 26.3.1 (a) and (b))

**1 Selection of Independent Engineer**

- 1.1 The provisions of Part II of the Standard Bidding Documents for Consultancy Assignments: Time Based (Volume V) issued by the Ministry of Finance, GOI in July, 1997 or any substitute thereof shall apply, *mutatis mutandis*, for invitation of bids and evaluation thereof save as otherwise provided herein.
- 1.2 The Authority shall invite expressions of interest from consulting engineering firms or bodies corporate to undertake and perform the duties and functions set forth in Schedule-L and thereupon shortlist 6 (six) qualified firms in accordance with pre-determined criteria. The Authority shall convey the aforesaid list of firms to the Concessionaire for scrutiny and comments, if any. The Concessionaire shall be entitled to scrutinise the relevant records of the Authority to ascertain whether the selection of firms has been undertaken in accordance with the prescribed procedure and it shall send its comments, if any, to the Authority within 15 (fifteen) days of receiving the aforesaid list of firms. Upon receipt of such comments, if any, the Authority shall, after considering all relevant factors, finalise and constitute a panel of 6 (six) firms (the “**Panel of Firms**”) and convey its decision to the Concessionaire.
- 1.3 The Authority shall invite the aforesaid firms in the Panel of Firms to submit their respective technical and financial offers, each in a separate sealed cover. All the technical bids so received shall be opened and pursuant to the evaluation thereof, the Authority shall shortlist 3 (three) eligible firms on the basis of their technical scores. The financial bids in respect of such 3 (three) firms shall be opened and the order of priority as among these firms shall be determined on the basis of a weighted evaluation where technical and financial scores shall be assigned respective weights of 80:20.
- 1.4 In the event that the Authority shall follow the selection process specified in the Model RFP for selection of Technical Consultants, as published by the Ministry of Finance/ Planning Commission, the selection process specified in this Schedule-P shall be deemed to be substituted by the provisions of the said Model RFP and the Concessionaire shall be entitled to scrutinise the relevant records forming part of such selection process.

**2. Selection of Independent Expert**

- 2.1 The provisions of Part II of the Standard Bidding Documents for Consultancy Assignments: Time Based (Volume V) issued by the Ministry of Finance, GOI in July, 1997 or any substitute thereof shall apply, *mutatis mutandis*, for invitation of bids and evaluation thereof save as otherwise provided herein.
- 2.2 The Authority shall invite expressions of interest from auditing firms or bodies corporate to undertake and perform the duties and functions set forth in Schedule-L and thereupon

shortlist 6 (six) qualified firms in accordance with pre-determined criteria. The Authority shall convey the aforesaid list of firms to the Concessionaire for scrutiny and comments, if any. The Concessionaire shall be entitled to scrutinise the relevant records of the Authority to ascertain whether the selection of firms has been undertaken in accordance with the prescribed procedure and it shall send its comments, if any, to the Authority within 15 (fifteen) days of receiving the aforesaid list of firms. Upon receipt of such comments, if any, the Authority shall, after considering all relevant factors, finalise and constitute a panel of 6 (six) firms (the “**Panel of Auditing Firms**”) and convey its decision to the Concessionaire.

- 2.3 The Authority shall invite the aforesaid firms in the Panel of Auditing Firms to submit their respective technical and financial offers, each in a separate sealed cover. All the technical bids so received shall be opened and pursuant to the evaluation thereof, the Authority shall shortlist 3 (three) eligible firms on the basis of their technical scores. The financial bids in respect of such 3 (three) firms shall be opened and the order of priority as among these firms shall be determined on the basis of a weighted evaluation where technical and financial scores shall be assigned respective weights of 80:20.
- 2.4 In the event that the Authority shall follow the selection process specified in the Model RFP for selection of Technical Consultants, as published by the Ministry of Finance/ Planning Commission, the selection process specified in this Schedule-L shall be deemed to be substituted by the provisions of the said Model RFP and the Concessionaire shall be entitled to scrutinise the relevant records forming part of such selection process.

### **3 Fee and expenses**

- 3.1 In determining the nature and quantum of duties and services to be performed by the Independent Engineer during the Construction Period, and by the Independent Expert during the Operations Period the Authority shall endeavour that payments to the Independent Engineer and the Independent Expert on account of fee and expenses do not exceed [1% (one per cent)] of the Total Project Cost. Payments. Payments not exceeding such [1% (one per cent)] shall be borne equally by the Authority and the Concessionaire in accordance with the provisions of this Agreement and any payments in excess thereof shall be borne entirely by the Authority.
- 3.2 All payments made to the Independent Engineer and the Independent Expert on account of fee and expenses, shall be borne equally by the Authority and the Concessionaire.

### **4 Appointment of government entity as Independent Engineer/ Independent Expert**

Notwithstanding anything to the contrary contained in this Schedule, the Authority may in its discretion appoint a government-owned entity as the Independent Engineer and/or the Independent Expert; provided that such entity shall be a body corporate having as one of its primary function the provision of consulting, advisory and supervisory services for engineering projects; provided further that a government-owned entity which is owned or controlled by the Authority shall not be eligible for appointment as Independent Engineer.

### **5. Terms of Reference for the Independent Engineer /Independent Expert**

## **5.1. Role and functions of the Independent Engineer**

The role and functions of the Independent Engineer shall include the following:

- (i) review of the Drawings and Documents as set forth in Paragraph 6;
- (ii) review inspection and monitoring of Development Works as set forth in Paragraph 6;
- (iii) review inspection and testing of the Project as set forth in Paragraph 6;
- (iv) assisting the Parties in resolution of Disputes as set forth in Paragraph 8; and
- (v) undertaking all other duties and functions in accordance with the Agreement.

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

## **5.2. Role and functions of the Independent Expert**

The role and functions of the Independent Expert shall include the following:

- (i) review inspection and monitoring of O&M as set forth in Paragraph 7;
- (ii) review inspection and monitoring of Divestment Requirements in accordance with the Agreement;
- (iii) assisting the Parties in resolution of Disputes as set forth in Paragraph 8; and
- (vii) undertaking all other duties and functions in accordance with the Agreement.

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

## **6. Construction Period**

- 6.1. The Independent Engineer shall undertake a review of the Drawings to be furnished by the Concessionaire along with supporting data. The Independent Engineer shall complete such review and send its comments/observations to the Authority 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.
- 6.2. The Independent Engineer shall review any Drawings or 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.
- 6.3. The Independent Engineer shall review the monthly progress report furnished by the Concessionaire and send its comments thereon to the Authority and the Concessionaire within [7 (seven)] days of receipt of such report.
- 6.4. The Independent Engineer shall inspect the Development Works and equipment (if any) once every quarter, preferably after receipt of the quarterly progress report from the

Concessionaire, but before the [20<sup>th</sup> (twentieth)] day of succeeding month in any case, and make out a report of such inspection (the **Inspection Report**) setting forth an overview of the status, progress, quality, safety and conformity of Development Works and equipment with the Scope of the Project and the Specifications and Standards. In a separate section of the Inspection Report, the Independent Engineer shall describe in reasonable detail the lapses, defects or deficiencies observed by it. The Independent Engineer shall send a copy of its Inspection Report to the Authority and the Concessionaire within [7 (seven)] days of the inspection.

- 6.5. The Independent Engineer may inspect the Project more than once in a Quarter.
- 6.6. For determining that the Development Works conform to Specifications and Standards, the Independent Engineer shall require the Concessionaire to carry out, or cause to be carried out, tests on a sample basis, to be specified by the Independent Engineer in accordance with Good Industry Practice for quality assurance.
- 6.7. The sample size of the tests, to be specified by the Independent Engineer under Paragraph 6.6, shall comprise [10% (ten per cent)] of the quantity or number of tests prescribed for each category or type of tests in accordance with Good Industry Practice; provided that the Independent Engineer may, for reasons to be recorded in writing, increase the aforesaid sample size by up to [10% (ten per cent)] for certain categories or types of tests.
- 6.8. The timing of tests referred to in Paragraph 6.7, and the criteria for acceptance rejection of their results shall be determined by the Independent Engineer in accordance with Good Industry Practice. The tests shall be undertaken on a random sample basis and shall be in addition to, and independent of, the tests that may be carried out by the Concessionaire for its own quality assurance in accordance with Good Industry Practice.
- 6.9. In the event that the Concessionaire carries out any remedial works for removal or rectification of any defects or deficiencies, the Independent Engineer shall require the Concessionaire to carry out, or cause to be carried out, tests to determine that such remedial works have brought the Development Works into conformity with the Specifications and Standards, and the provisions of this Paragraph 6 shall apply to such tests.
- 6.10. In the event that the Concessionaire fails to achieve any of the Project Milestones, the Independent Engineer shall undertake a review of the progress of development and identify potential delays, if any. If the Independent Engineer shall determine that completion of the Project is not feasible within the time specified in the Agreement, it shall require the Concessionaire to indicate within [15 (fifteen)] days the steps proposed to be taken to expedite progress, and the period within which [Operations Date] shall be achieved. Upon receipt of a report from the Concessionaire, the Independent Expert shall review the same and send its comments to the Authority and the Concessionaire forthwith.
- 6.11. If suspension of Development Works is for reasons not attributable to the Concessionaire, the Independent Engineer shall determine the extension of dates set forth in the Project

Completion Schedule, to which the Concessionaire is reasonably entitled, and shall notify the Authority and the Concessionaire of the same.

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

## **7. Operation Period**

- 7.1. In respect of the Drawings and Documents received by the Independent Expert for its review and comments during the Operation Period, the provisions of Paragraph 6 shall apply, mutatis mutandis.
- 7.2. The Independent Expert shall review the annual status report furnished by the Concessionaire and send its comments thereon to the Authority and the Concessionaire within [7 (seven)] days of receipt of such report.
- 7.3. The Independent Expert shall inspect the Project at least once every year, preferably after receipt of the yearly status report for the relevant year from the Concessionaire, but before the [30<sup>th</sup> (thirtieth) day] after the close of each year in any case, and make out an Inspection Report setting forth an overview of the safety of operations and their conformity with the Maintenance Requirements and Safety Requirements. In a separate section of the O&M inspection Report, the Independent Expert shall describe in reasonable detail the lapses, defects or deficiencies observed by it in O&M of the District Hospital. The Independent Expert shall send a copy of its O&M Inspection Report to the Authority and the Concessionaire within [7 (seven)] days of the inspection.
- 7.4. The Independent Expert may inspect the Project more than once a year.
- 7.5. The Independent Expert shall in its Inspection Report specify the tests, if any, that the Concessionaire shall carry out, or cause to be carried out, for the purpose of determining that the Project is in conformity with the Maintenance Requirements. It shall monitor and review the results of such tests and the remedial measures, if any, taken by the Concessionaire in this behalf.
- 7.6. In respect of any defect or deficiency referred to in Paragraph 3 of Schedule-J, the Independent Expert shall, in conformity with Good Industry Practice, specify the permissible limit of deviation or deterioration with reference to the Specifications and Standards and shall also specify the time limit for repair or rectification of any deviation or deterioration beyond the permissible limit.
- 7.7. The Independent Expert shall determine if any delay has occurred in completion of repair or remedial works in accordance with the Agreement, and shall also determine the Damages, if any, payable by the Concessionaire to the Authority for such delay. The

Independent Expert shall monitor and review the curing of defects and deficiencies by the Concessionaire as set forth in the Agreement.

7.8. In the event that the Concessionaire notifies the Independent Expert of any modifications that it proposes to make to the Project, the Independent Expert shall review the same and send its comments to the Authority and the Concessionaire within [15 (fifteen)] days.

7.9 The Independent Expert shall also carry out the following obligations in relation to the District Hospital:

(a) shall monitor the Healthcare Services and Services Requirements in accordance with the Specifications and Standards;

(b) shall monitor the testing of Equipment and performance of the Healthcare Services; and

(c) shall prepare and submit periodic reports to the Authority in respect of its duties and functions.

## **8. Assistance in Dispute resolution**

8.1. When called upon by either Party in the event of any Dispute, the Independent Engineer and/or the Independent Expert, as the case may be, shall mediate and assist the Parties in arriving at an amicable settlement.

8.2. In the event of any disagreement between the Parties regarding the meaning, scope and nature of Good Industry Practice, as set forth in any provision of the Agreement, the Independent Engineer and/or the Independent Expert, as the case may be, shall specify such meaning, scope and nature by issuing a reasoned written statement relying on good industry practice and authentic literature.

## **9. Other duties and functions**

The Independent Engineer and the Independent Expert shall perform all other duties and functions specified in the Agreement.

## **10. Miscellaneous**

10.1. The Independent Expert shall notify its programme of inspection to the Authority and to the Concessionaire, who may, in their discretion, depute their respective representatives to be present during the inspection.

10.2. A copy of all communications, comments, instructions, Documents sent by the Independent Expert to the Concessionaire pursuant to this Schedule, and a copy of all the test results with comments of the Independent Expert thereon shall be furnished by the

Independent Expert to the Authority forthwith.

- 10.3. The Independent Expert shall obtain, and the Concessionaire shall furnish in two copies thereof, all communications and reports required to be submitted, under this Agreement, by the Concessionaire to the Independent Expert, whereupon the Independent Expert shall send one of the copies to the Authority along with its comments thereon.
- 10.4. Upon completion of its assignment hereunder, the Independent Expert shall duly classify and list all communications, comments, instructions, Documents, results of tests and other relevant records, and hand them over to the Authority or such other person as the Authority may specify, and obtain written receipt thereof. Two copies of the said document shall also be furnished in micro film form or in such other medium as may be acceptable to the Authority.

**SCHEDULE M**  
**ESCROW AGREEMENT**  
**(See Clause 32.1.2)**

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

AMONGST

....., ..... Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at ..... ..(hereinafter referred to as the “**Concessionaire**” which expression shall, unless repugnant to the context or meaning thereof, include its successors, permitted assigns and substitutes);

....., (insert name and particulars of Lenders’ Representative) and having its registered office at ..... .. acting for and on behalf of the Senior Lenders as their duly authorised agent with regard to matters arising out of or in relation to this Agreement (hereinafter referred to as the “**Lenders’ Representative**” which expression shall, unless repugnant to the context or meaning thereof, include its successors and substitutes);

..... (insert name and particulars of the Escrow Bank) and having its registered office at ..... .. (hereinafter referred to as the “**Escrow Bank**” which expression shall, unless repugnant to the context or meaning thereof, include its successors and substitutes); and

The [.....]<sup>13</sup>represented by the .....and having its principal offices at ..... (hereinafter referred to as the “**Authority**” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns);

WHEREAS:

- A. The Authority has entered into an agreement dated ..... with the Concessionaire (the “**Concession Agreement**”) for developing, upgrading, constructing, operating and maintaining the District Hospital and the Medical College (“Project”), in....., and a copy of which is annexed hereto and marked as Annex-A to form part of this Agreement.
- B. Senior Lenders have agreed to finance the Project in accordance with the terms and conditions set forth in the Financing Agreements.
- C. The Concession Agreement requires the Concessionaire to establish an Escrow Account, *inter alia*, on the terms and conditions stated therein.

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

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<sup>13</sup> Name of the authority issuing the Concession agreement to be inserted

## DEFINITIONS AND INTERPRETATION

### 1.1. Definitions

Unless contrary to the provisions of this Agreement, the capitalised terms used in the Agreement but not defined in this Agreement, shall have meaning assigned to it under the Concession Agreement. In this Agreement, the following words and expressions shall, unless repugnant to the context or meaning thereof, have the meaning hereinafter respectively assigned to them:

“**Agreement**” shall mean this Escrow Agreement and any amendment thereto made in accordance with the provisions contained herein;

“**Board of Arbitrators**” shall mean an arbitral tribunal comprising of one nominee of each Party to the dispute, and where the number of such nominees is an even number, the nominees shall elect another person to such Board;

“**Concession Agreement**” shall mean the Concession Agreement referred to in Recital (A) above and annexed hereto as Annex-A, and shall include all of its Recitals and Schedules and any amendments made thereto in accordance with the provisions contained in this behalf therein;

“**Cure Period**” shall mean the period specified in this Agreement for curing any breach or default of any provision of this Agreement by the Concessionaire, and shall commence from the date on which a notice is delivered by the Authority or the Lenders’ Representative, as the case may be, to the Concessionaire asking the latter to cure the breach or default specified in such notice;

“**Escrow Account**” shall mean an escrow account established in terms of and under this Agreement, and shall include the Sub-Accounts;

“**Escrow Default**” shall have the meaning ascribed thereto in Clause 6.1;

“**Indemnified Party**” shall have the meaning ascribed thereto in Clause 9.2;

“**Indemnifying Party**” shall have the meaning ascribed thereto in Clause 9.2;

“**Lenders’ Representative**” shall mean the person referred to as the Lenders’ Representative in the foregoing Recitals;

“**Nominated Company**” shall mean a company, incorporated under the provisions of the Companies Act, 1956/2013, including any re-enactment or amendment thereof, selected by the Lenders’ Representative, on behalf of Senior Lenders, and proposed to the Authority for assignment/ transfer of the Concession as provided in this Agreement;

“**Parties**” shall mean the parties to this Agreement collectively and “**Party**” shall mean any of the Parties to this Agreement individually;

“**Payment Date**” shall mean, in relation to any payment specified in clause 4.1, the date(s) specified for such payment;

“**Rules**” shall have the meaning ascribed thereto in Clause 9.1; and

“**Sub-Accounts**” shall mean the respective sub-accounts of the Escrow Account, into which the monies specified in clause 4.1 would be credited every month and paid out if due, and if not due in a month then appropriated proportionately in such month and retained in the respective sub-accounts and paid out therefrom on the Payment Date(s);

## 1.2. **Interpretation**

- 1.2.1. References to Lenders’ Representative shall, unless repugnant to the context or meaning thereof, mean references to the Lenders’ Representative, acting for and on behalf of Senior Lenders.
- 1.2.2. The words and expressions beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein, and the words and expressions used in this Agreement and not defined herein but defined in the Concession Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Concession Agreement.
- 1.2.3. References to clauses are, unless stated otherwise, references to clauses of this Agreement.
- 1.2.4. The rules of interpretation stated in Clauses 1.2, 1.3 and 1.4 of the Concession Agreement shall apply, *mutatis mutandis*, to this Agreement.

## 2. **ESCROW ACCOUNT**

### 2.1. **Escrow Bank to act as trustee**

- 2.1.1. The Concessionaire hereby appoints the Escrow Bank to act as trustee for the Authority, the Lenders’ Representative and the Concessionaire in connection herewith and authorises the Escrow Bank to exercise such rights, powers, authorities and discretion as are specifically delegated to the Escrow Bank by the terms hereof together with all such rights, powers, authorities and discretion as are reasonably incidental hereto, and the Escrow Bank accepts such appointment pursuant to the terms hereof.
- 2.1.2. The Concessionaire hereby declares that all rights, title and interest in and to the Escrow Account shall be vested in the Escrow Bank and held in trust for the Authority, the Lenders’ Representative and the Concessionaire, and applied in accordance with the terms of this Agreement. No person other than the Authority, the Lenders’ Representative and the Concessionaire shall have any rights hereunder as the beneficiaries of, or as third party

beneficiaries under this Agreement.

## **2.2. Acceptance of Escrow Bank**

The Escrow Bank hereby agrees to act as such and to accept all payments and other amounts to be delivered to and held by the Escrow Bank pursuant to the provisions of this Agreement. The Escrow Bank shall hold and safeguard the Escrow Account during the term of this Agreement and shall treat the amount in the Escrow Account as monies deposited by the Concessionaire, Senior Lenders or the Authority with the Escrow Bank. In performing its functions and duties under this Agreement, the Escrow Bank shall act in trust for the benefit of, and as agent for, the Authority, the Lenders' Representative and the Concessionaire or their nominees, successors or assigns, in accordance with the provisions of this Agreement.

## **2.3. Establishment and operation of Escrow Account**

2.3.1. Within [30 (thirty)] days from the date of this Agreement, and in any case prior to the Appointed Date, the Concessionaire shall open and establish the Escrow Account with the ..... (name of Branch) branch of the Escrow Bank. The Escrow Account shall be denominated in Rupees.

2.3.2. The Escrow Bank shall maintain the Escrow Account in accordance with the terms of this Agreement and its usual practices and applicable regulations, and pay the maximum rate of interest payable to similar customers on the balance in the said account from time to time.

2.3.3. The Escrow Bank and the Concessionaire shall, after consultation with the Lenders' Representative, agree on the detailed mandates, terms and conditions, and operating procedures for the Escrow Account, but in the event of any conflict or inconsistency between this Agreement and such mandates, terms and conditions, or procedures, this Agreement shall prevail.

## **2.4. Escrow Bank's fee**

The Escrow Bank shall be entitled to receive its fee and expenses in an amount, and at such times, as may be agreed between the Escrow Bank and the Concessionaire. For the avoidance of doubt, such fee and expenses shall form part of the O&M Expenses and shall be appropriated from the Escrow Account in accordance with clause 4.1.

## **2.5. Rights of the Parties**

Save and except as otherwise provided in the Concession Agreement, the rights of the Authority, the Lenders' Representative and the Concessionaire in the monies held in the Escrow Account are set forth in their entirety in this Agreement and the Authority, the Lenders' Representative and the Concessionaire shall have no other rights against or to the

monies in the Escrow Account.

## **2.6. Substitution of the Concessionaire**

The Parties hereto acknowledge and agree that upon substitution of the Concessionaire with the Nominated Company, pursuant to the Substitution Agreement, it shall be deemed for the purposes of this Agreement that the Nominated Company is a Party hereto and the Nominated Company shall accordingly be deemed to have succeeded to the rights and obligations of the Concessionaire under this Agreement on and with effect from the date of substitution of the Concessionaire with the Nominated Company.

## **3. DEPOSITS INTO ESCROW ACCOUNT**

### **3.1. Deposits by the Concessionaire**

3.1.1. The Concessionaire agrees and undertakes that it shall deposit into and/or credit the Escrow Account with:

- (a) all Revenues from the Project; and
- (b) all payments by the Authority, if any.

3.1.2. The Concessionaire may at any time make deposits of its other funds into the Escrow Account, provided that the provisions of this Agreement shall apply to such deposits.

### **3.2. Deposits by the Authority**

The Authority agrees and undertakes that, as and when due and payable, it shall deposit into and/or credit the Escrow Account with:

- (a) Any monies disbursed by the Authority to the Concessionaire;
- (b) all Revenues collected by the Authority, if any, in exercise of its rights under the Concession Agreement; and
- (c) Termination Payments.

Provided that, notwithstanding the provisions of clause 4.1.1, the Authority shall be entitled to appropriate from the aforesaid amounts, any Concession Fee due and payable to it by the Concessionaire and the balance remaining shall be deposited into the Escrow Account.

### **3.3. Deposits by Senior Lenders**

The Lenders' Representative agrees, confirms and undertakes that the Senior Lenders shall deposit into and/or credit the Escrow Account with all disbursements made by them in relation to or in respect of the Project ; provided that notwithstanding anything to the contrary contained in this Agreement, the Senior Lenders shall be entitled to make direct

payments to the EPC Contractor under and in accordance with the express provisions contained in this behalf in the Financing Agreements.

#### 3.4. **Interest on deposits**

The Escrow Bank agrees and undertakes that all interest accruing on the balances of the Escrow Account shall be credited to the Escrow Account; provided that the Escrow Bank shall be entitled to appropriate therefrom the fee and expenses due to it from the Concessionaire in relation to the Escrow Account and credit the balance remaining to the Escrow Account.

### 4. **WITHDRAWALS FROM ESCROW ACCOUNT**

#### 4.1. **Withdrawals during Concession Period**

4.1.1. At the beginning of every month, or at such shorter intervals as the Lenders' Representative and the Concessionaire may by written instructions determine, the Escrow Bank shall withdraw amounts from the Escrow Account and appropriate them in the following order by depositing such amounts in the relevant Sub-Accounts for making due payments, and if such payments are not due in any month, then retain such monies in such Sub-Accounts and pay out therefrom on the Payment Date(s):

- (a) statutory payments, all Taxes due and payable by the Concessionaire for and in respect of the Project;
- (b) Concession Fee, and reimbursement of the salary, allowances and bonus paid to the doctors, employees and staff on deputation due and payable to the Government;
- (c) all payments as may be due and payable to the Government pursuant to this Agreement and/ or the Damages certified by the Government as due and payable to it by the Concessionaire under this Agreement;
- (d) balance, if any, in accordance with the instructions of the Concessionaire.

4.1.2. No later than [60 (sixty)] days prior to the commencement of each Accounting Year, the Concessionaire shall provide to the Escrow Bank, with prior written approval of the Lenders' Representative, details of the amounts likely to be required for each of the payment obligations set forth in this clause 4.1; provided that such amounts may be subsequently modified, with prior written approval of the Lenders' Representative, if fresh information received during the course of the year makes such modification necessary.

#### 4.2. **Withdrawals upon Termination**

Upon Termination of the Concession Agreement, all amounts standing to the credit of the Escrow Account shall, notwithstanding anything in this Agreement, be appropriated and dealt with in the following order:

- (a) payroll dues and related statutory payments thereof, all Taxes due and payable by

- the Concessionaire for and in respect of the Project;
- (b) outstanding Concession Fee, and reimbursement of the salary, allowances and bonus paid to the doctors, employees and staff on deputation;
  - (c) all other amounts which are outstanding to be paid by the Concessionaire to the Government, as on the date of the Termination;
  - (d) all payments as may be due and payable to the Government pursuant to this Agreement and/ or the Damages certified by the Government as due and payable to it by the Concessionaire; and
  - (e) balance, if any, in accordance with the instructions of the Concessionaire.

Provided that the disbursements specified in Sub-clause (j) of this clause 4.2 shall be undertaken only after the Vesting Certificate has been issued by the Authority.

#### **4.3. Application of insufficient funds**

Funds in the Escrow Account shall be applied in the serial order of priority set forth in clauses 4.1 and 4.2, as the case may be. If the funds available are not sufficient to meet all the requirements, the Escrow Bank shall apply such funds in the serial order of priority until exhaustion thereof.

#### **4.4. Application of insurance proceeds**

Notwithstanding anything in this Agreement, the proceeds from all insurance claims, except life and injury, shall be deposited into and/or credited to the Escrow Account and utilised for any necessary repair, reconstruction, reinstatement, replacement, improvement, delivery or installation of the District Hospital, and the balance remaining, if any, shall be applied in accordance with the provisions contained in this behalf in the Financing Agreements.

#### **4.5. Withdrawals during Suspension**

Notwithstanding anything to the contrary contained in this Agreement, the Authority may exercise all or any of the rights of the Concessionaire during the period of Suspension under the Concession Agreement. Any instructions given by the Authority to the Escrow Bank during such period shall be complied with as if such instructions were given by the Concessionaire under this Agreement and all actions of the Authority hereunder shall be deemed to have been taken for and on behalf of the Concessionaire.

### **5. OBLIGATIONS OF THE ESCROW BANK**

#### **5.1. Segregation of funds**

Monies and other property received by the Escrow Bank under this Agreement shall, until used or applied in accordance with this Agreement, be held by the Escrow Bank in trust for the purposes for which they were received, and shall be segregated from other funds

and property of the Escrow Bank,

## 5.2. **Notification of balances**

[7 (seven)] business days prior to each Payment Date (and for this purpose the Escrow Bank shall be entitled to rely on an affirmation by the Concessionaire and/or the Lenders' Representative as to the relevant Payment Dates), the Escrow Bank shall notify the Lenders' Representative of the balances in the Escrow Account and Sub-Accounts as at the close of business on the immediately preceding business day.

## 5.3. **Communications and notices**

In discharge of its duties and obligations hereunder, the Escrow Bank:

- (a) may, in the absence of bad faith or gross negligence on its part, rely as to any matters of fact which might reasonably be expected to be within the knowledge of the Concessionaire upon a certificate signed by or on behalf of the Concessionaire;
- (b) may, in the absence of bad faith or gross negligence on its part, rely upon the authenticity of any communication or document believed by it to be authentic;
- (c) shall, within [5 (five)] business days after receipt, deliver a copy to the Lenders' Representative of any notice or document received by it in its capacity as the Escrow Bank from the Concessionaire or any other person hereunder or in connection herewith; and
- (d) shall, within [5 (five)] business days after receipt, deliver a copy to the Concessionaire of any notice or document received by it from the Lenders' Representative in connection herewith.

## 5.4. **No set off**

The Escrow Bank agrees not to claim or exercise any right of set off, banker's lien or other right or remedy with respect to amounts standing to the credit of the Escrow Account. For the avoidance of doubt, it is hereby acknowledged and agreed by the Escrow Bank that the monies and properties held by the Escrow Bank in the Escrow Account shall not be considered as part of the assets of the Escrow Bank and being trust property, shall in the case of bankruptcy or liquidation of the Escrow Bank, be wholly excluded from the assets of the Escrow Bank in such bankruptcy or liquidation.

## 5.5. **Regulatory approvals**

The Escrow Bank shall use its best efforts to procure, and thereafter maintain and comply with, all regulatory approvals required for it to establish and operate the Escrow Account. The Escrow Bank represents and warrants that it is not aware of any reason why such regulatory approvals will not ordinarily be granted to the Escrow Bank.

## 6. **ESCROW DEFAULT**

### 6.1. **Escrow Default**

6.1.1. Following events shall constitute an event of default by the Concessionaire (an “**Escrow Default**”) unless such event of default has occurred as a result of Force Majeure or any act or omission of the Authority or the Lenders’ Representative:

- (a) the Concessionaire commits breach of this Agreement by failing to deposit any receipts into the Escrow Account as provided herein and fails to cure such breach by depositing the same into the Escrow Account within a Cure Period of [5 (five)] business days;
- (b) the Concessionaire causes the Escrow Bank to transfer funds to any account of the Concessionaire in breach of the terms of this Agreement and fails to cure such breach by depositing the relevant funds into the Escrow Account or any Sub-Account in which such transfer should have been made, within a Cure Period of [5 (five)] business days; or
- (c) the Concessionaire commits or causes any other breach of the provisions of this Agreement and fails to cure the same within a Cure Period of [5 (five)] business days.

6.1.2. Upon occurrence of an Escrow Default, the consequences thereof shall be dealt with under and in accordance with the provisions of the Concession Agreement.

## 7. **TERMINATION OF ESCROW AGREEMENT**

### 7.1. **Duration of the Escrow Agreement**

This Agreement shall remain in full force and effect so long as any sum remains to be advanced or is outstanding from the Concessionaire in respect of the debt, guarantee or financial assistance received by it from the Senior Lenders, or any of its obligations to the Authority remain to be discharged, unless terminated earlier by consent of all the Parties or otherwise in accordance with the provisions of this Agreement.

### 7.2. **Substitution of Escrow Bank**

The Concessionaire may, by not less than [45 (forty five)] days prior notice to the Escrow Bank, the Authority and the Lenders’ Representative, terminate this Agreement and appoint a new Escrow Bank, provided that the new Escrow Bank is acceptable to the Lenders’ Representative and arrangements are made satisfactory to the Lenders’ Representative for transfer of amounts deposited in the Escrow Account to a new Escrow Account established with the successor Escrow Bank.

The termination of this Agreement shall take effect only upon coming into force of an

Escrow Agreement with the substitute Escrow Bank.

### 7.3. **Closure of Escrow Account**

The Escrow Bank shall, at the request of the Concessionaire and the Lenders' Representative made on or after the payment by the Concessionaire of all outstanding amounts under the Concession Agreement and the Financing Agreements including the payments specified in clause 4.2, and upon confirmation of receipt of such payments, close the Escrow Account and Sub-Accounts and pay any amount standing to the credit thereof to the Concessionaire. Upon closure of the Escrow Account hereunder, the Escrow Agreement shall be deemed to be terminated.

## 8. **SUPPLEMENTARY ESCROW AGREEMENT**

### 8.1. **Supplementary escrow agreement**

The Lenders' Representative and the Concessionaire shall be entitled to enter into a supplementary escrow agreement with the Escrow Bank providing, inter alia, for detailed procedures and documentation for withdrawals from Sub-Accounts pursuant to clause 4.1.1 and for matters not covered under this Agreement such as the rights and obligations of Senior Lenders and lenders of Subordinated Debt, investment of surplus funds, restrictions on withdrawals by the Concessionaire in the event of breach of this Agreement or upon occurrence of an Escrow Default, procedures relating to operation of the Escrow Account and withdrawal therefrom, reporting requirements and any matters incidental thereto; provided that such supplementary escrow agreement shall not contain any provision which is inconsistent with this Agreement and in the event of any conflict or inconsistency between provisions of this Agreement and such supplementary escrow agreement, the provisions of this Agreement shall prevail.

## 9. **INDEMNITY**

### 9.1. **General indemnity**

9.1.1. The Concessionaire shall indemnify, defend and hold the Authority, Escrow Bank and the Senior Lenders, acting through the Lenders' Representative, harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of any breach by the Concessionaire of any of its obligations under this Agreement or on account of failure of the Concessionaire to comply with Applicable Laws and Applicable Permits.

9.1.2. The Authority shall indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Authority to fulfil any of its obligations under this Agreement materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement or this Agreement other than any loss, damage, cost and

expense arising out of acts done in discharge of their lawful functions by the Authority, its officers, servants and agents.

- 9.1.3. The Escrow Bank shall indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Escrow Bank to fulfil its obligations under this Agreement materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Escrow Bank, its officers, servants and agents.

## 9.2. **Notice and contest of claims**

In the event that any Party hereto receives a claim from a third party in respect of which it is entitled to the benefit of an indemnity under clause 9.1 or in respect of which it is entitled to reimbursement (the "Indemnified Party"), it shall notify the other Party responsible for indemnifying such claim hereunder (the "Indemnifying Party") within [15 (fifteen)] days of receipt of the claim and shall not settle or pay the claim without the prior approval of the Indemnifying Party, which approval shall not be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim, it may conduct the proceedings in the name of the Indemnified Party and shall bear all costs involved in contesting the same. The indemnified Party shall provide all cooperation and assistance in contesting any claim and shall sign all such writings and documents as the Indemnifying Party may reasonably require.

## 10. **DISPUTE RESOLUTION**

### 10.1. **Dispute resolution**

Any dispute, difference or claim arising out of or in connection with this Agreement, which is not resolved amicably, shall be decided finally by reference to arbitration to a Board of Arbitrators comprising one nominee of each Party to the dispute, and where the number of such nominees is an even number, the nominees shall elect another person to such Board. Such arbitration shall be held in accordance with the Rules of Arbitration of the International Centre for Alternative Dispute Resolution, New Delhi (the "**Rules**") or such other rules as may be mutually agreed by the Parties, and shall be subject to the provisions of the Arbitration and Conciliation Act, 1996.

- 10.2. The Arbitrators shall issue a reasoned award and such award shall be final and binding on the Parties. The place of arbitration shall be the capital of the State and the language of arbitration shall be English.

## 11. **MISCELLANEOUS PROVISIONS**

### 11.1. **Governing law and jurisdiction**

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

#### 11.2. **Waiver of sovereign immunity**

The Authority unconditionally and irrevocably:

- (a) agrees that the execution, delivery and performance by it of this Agreement constitute commercial acts done and performed for commercial purpose;
- (b) agrees that, should any proceedings be brought against it or its assets, property or revenues in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity (whether by reason of sovereignty or otherwise) from such proceedings shall be claimed by or on behalf of the Authority with respect to its assets;
- (c) waives any right of immunity which it or its assets, property or revenues now has, may acquire in the future or which may be attributed to it in any jurisdiction; and
- (d) consents generally in respect of the enforcement of any judgement or award against it in any such proceedings to the giving of any relief or the issue of any process in any jurisdiction in connection with such proceedings (including the making, enforcement or execution against it or in respect of any assets, property or revenues whatsoever irrespective of their use or intended use of any order or judgement that may be made or given in connection therewith).

#### 11.3. **Priority of agreements**

In the event of a conflict between the Concession Agreement and this Agreement, the provisions contained in the Concession Agreement shall prevail over this Agreement.

#### 11.4. **Alteration of terms**

All additions, amendments, modifications and variations to this Agreement shall be effectual and binding only if in writing and signed by the duly authorised representatives of the Parties.

#### 11.5. **Waiver**

Waiver by any Party of a default by another Party in the observance and performance of any provision of or obligations under this Agreement:

- (a) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Agreement;
- (b) shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and

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

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

#### **11.6. No third party beneficiaries**

This Agreement is solely for the benefit of the Parties and no other person or entity shall have any rights hereunder.

#### **11.7. Survival**

##### **11.7.1. Termination of this Agreement:**

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

11.7.2. All obligations surviving the cancellation, expiration or termination of this Agreement shall only survive for a period of [3 (three)] years following the date of such termination or expiry of this Agreement.

#### **11.8. Severability**

If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under clause 10.1 of this Agreement or otherwise.

#### **11.9. Successors and assigns**

This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

**11.10. Notices**

All notices or other communications to be given or made under this Agreement shall be in writing and shall either be delivered personally or sent by courier or registered post with an additional copy to be sent by facsimile or e-mail. The address for service of each Party, its facsimile number and e-mail are set out under its name on the signing page hereto. A notice shall be effective upon actual receipt thereof, save that where it is received after 5.30 (five thirty) p.m. on a business day, or on a day that is not a business day, the notice shall be deemed to be received on the first business day following the date of actual receipt. Without prejudice to the foregoing, a Party giving or making a notice or communication by facsimile or e-mail shall promptly deliver a copy thereof personally, or send it by courier or registered post to the addressee of such notice or communication. It is hereby agreed and acknowledged that any Party may by notice change the address to which such notices and communications to it are to be delivered or mailed. Such change shall be effective when all the Parties have notice of it.

**11.11. Language**

All notices, certificates, correspondence and proceedings under or in connection with this Agreement shall be in English.

**11.12. Authorised representatives**

Each of the Parties shall, by notice in writing, designate their respective authorised representatives through whom only all communications shall be made. A Party hereto shall be entitled to remove and/or substitute or make fresh appointment of such authorised representative by similar notice.

**11.13. Original Document**

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

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

THE COMMON SEAL OF	SIGNED, SEALED
CONCESSIONAIRE has been affixed	AND DELIVERED
pursuant to the resolution passed by the	For and on behalf of
Board of Directors of the Concessionaire at	SENIOR LENDERS by the
its meeting held on the ..... .. day of .... ..	Lenders' Representative:
20 .... .. hereunto affixed in the presence of	(Signature)
..... ,, Director, who has signed these	(Name)
presents in token thereof and ..... .. ,,	(Designation)

Company Secretary / Authorised Officer who has countersigned the same in token thereof:

(Address)  
(Fax No.)  
(e-mail address)

(Signature)  
(Name)  
(Designation)  
(Address)  
(Fax NO.)  
(e-mail address)

**SIGNED, SEALED AND  
DELIVERED**

For and on behalf of ESCROW BANK by:

(Signature)  
(Name)  
(Designation)  
(Address)  
(Fax No.)  
(e-mail address)

**SIGNED, SEALED AND  
DELIVERED**

For and on behalf of

**THE AUTHORITY** by:

(Signature)  
(Name)  
(Designation)  
(Address)  
(Fax No.)  
(e-mail address)

**SCHEDULE N**  
**VESTING CERTIFICATE**  
*(See Clause 39.4)*

[The Governor of State of Uttar Pradesh represented by the Director General of Medical Education (the “**Authority**”) refers to the Concession Agreement dated ..... .. (the “**Agreement**”) entered into between the Authority and ..... .. (the “**Concessionaire**”) for a District Hospital and Medical College, at ..... in ..... ..on (.....)basis.

The Authority hereby acknowledges compliance and fulfilment by the Concessionaire of the Divestment Requirements set forth in Clause 37.1 of the Agreement on the basis that upon issue of this Vesting Certificate, the Authority shall be deemed to have acquired, and all title and interest of the Concessionaire in or about the District Hospital and Medical College shall be deemed to have vested unto the Authority, free from any encumbrances, charges and liens whatsoever.

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

Signed this .....day of....., 20.... at.....

<p>AGREED, ACCEPTED AND SIGNED          For and on behalf of Concessionaire by:          (Signature)          (Name)          (Designation)          (Address)</p>	<p>SIGNED, SEALED AND DELIVERED          For and on behalf of Authority by:          (Signature)          (Name)          (Designation)          (Address)</p>
--	--

In the presence of:

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

**SCHEDULE O**  
**SUBSTITUTION AGREEMENT**  
**(See Clause 41.3.1)**

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

AMONGST

The Governor of State of Uttar Pradesh represented by the Director General of Medical Education and having its principal offices ..... (hereinafter referred to as the “**Authority**” which expression shall unless repugnant to the context or meaning thereof include its administrators, successors and assigns);

..... .. Limited, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at ..... .., (hereinafter referred to as the “**Concessionaire**” which expression shall unless repugnant to the context or meaning thereof include its successors and permitted assigns and substitutes);

..... .. (insert name and particulars of Lenders’ Representative) and having its registered office at ..... .., acting for and on behalf of the Senior Lenders as their duly authorised agent with regard to matters arising out of or in relation to this Agreement (hereinafter referred to as the “**Lenders’ Representative**”, which expression shall unless repugnant to the context or meaning thereof include its successors and substitutes);

WHEREAS:

- i. The Authority has entered into a Concession Agreement dated with the Concessionaire (the “**Concession Agreement**”) for the District Hospital and Medical College at ..... in ....., and a copy of which is annexed hereto and marked as Annex-A to form pan of this Agreement.
- ii. Senior Lenders have agreed to finance the Project in accordance with the terms and conditions set forth in the Financing Agreements.
- iii. Senior Lenders have requested the Authority to enter into this Substitution Agreement for securing their interests through assignment, transfer and substitution of the Concession to a Nominated Company in accordance with the provisions of this Agreement and the Concession Agreement.
- iv. In order to enable implementation of the Project including its financing, construction, development, operation and maintenance, the Authority has agreed and undertaken to transfer and assign the Concession to a Nominated Company in accordance with the terms and conditions set forth in this Agreement and the Concession Agreement.

NOW IT IS HEREBY AGREED as follows:

## 1. DEFINITIONS AND INTERPRETATION

### 1.1. Definitions

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

“**Agreement**” shall mean this Substitution Agreement and any amendment thereto made in accordance with the provisions contained in this Agreement;

“**Board of Arbitrators**” shall have mean an arbitral tribunal comprising of one nominee arbitrator from the Authority, Concessionaire and Lenders' Representative;

“**Financial Default**” shall mean occurrence of a material breach of the terms and conditions of the Financing Agreements or a continuous default in debt service by the Concessionaire for a minimum period of [3 (three) months];

“**Indemnified Party**” shall have the meaning ascribed thereto in Clause 7.2;

“**Indemnifying Party**” shall have the meaning ascribed thereto in Clause 7.2;

“**Lenders' Representative**” shall mean the person referred to as the Lenders' Representative in the foregoing Recitals;

“**Nominated Company**” shall mean a company, incorporated under the provisions of the Companies Act, 1956/2013, including any re-enactment or amendment thereof, selected by the Lenders' Representative, on behalf of Senior Lenders, and proposed to the Authority for assignment/ transfer of the Concession as provided in this Agreement;

“**Notice of Financial Default**” shall have the meaning ascribed thereto in clause 3.2.1; and

“**Parties**” shall mean the parties to this Agreement collectively and “**Party**” shall mean any of the Parties to this Agreement individually.

“**Rules**” shall have the meaning ascribed thereto in Clause 8.1.1.

### 1.2. Interpretation

1.2.1. References to Lenders' Representative shall, unless repugnant to the context or meaning thereof, mean references to the Lenders' Representative, acting for and on behalf of Senior Lenders.

- 1.2.2. References to clauses are, unless stated otherwise, references to clauses of this Agreement.
- 1.2.3. The words and expressions beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein, and the words and expressions used in this Agreement and not defined herein but defined in the Concession Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Concession Agreement.
- 1.2.4. The rules of interpretation stated in Clauses 1.2, 1.3 and 1.4 of the Concession Agreement shall apply, *mutatis mutandis*, to this Agreement.

## 2. **ASSIGNMENT**

### 2.1. **Assignment of rights and title**

The Concessionaire hereby agrees to assign the rights, title and interest in the Concession to, and in favour of, the Lenders' Representative pursuant to and in accordance with the provisions of this Agreement and the Concession Agreement by way of security in respect of financing by the Senior Lenders under the Financing Agreements.

## 3. **SUBSTITUTION OF THE CONCESSIONAIRE**

### 3.1. **Rights of substitution**

Pursuant to the rights, title and interest assigned under clause 2.1, the Lenders' Representative shall be entitled to substitute the Concessionaire by a Nominated Company under and in accordance with the provisions of this Agreement and the Concession Agreement.

The Authority hereby agrees to substitute the Concessionaire by endorsement on the Concession Agreement in favour of the Nominated Company selected by the Lenders' Representative in accordance with this Agreement. For the avoidance of doubt, the Senior Lenders or the Lenders' Representative shall not be entitled to operate and maintain the District Hospital as Concessionaire either individually or collectively.

### 3.2. **Substitution upon occurrence of Financial Default**

- 3.2.1. Upon occurrence of a Financial Default, the Lenders' Representative may issue a notice to the Concessionaire (the "**Notice of Financial Default**") along with particulars thereof, and send a copy to the Authority for its information and record, A Notice of Financial Default under this clause 3 shall be conclusive evidence of such Financial Default and it shall be final and binding upon the Concessionaire for the purposes of this Agreement.
- 3.2.2. Upon issue of a Notice of Financial Default hereunder, the Lenders' Representative may, without prejudice to any of its rights or remedies under this Agreement or the Financing

Agreements, substitute the Concessionaire by a Nominated Company in accordance with the provisions of this Agreement.

3.2.3. At any time after the Lenders' Representative has issued a Notice of Financial Default, it may by notice require the Authority to suspend all the rights of the Concessionaire and undertake the operation and maintenance of the Project in accordance with the provisions of Article 18 of the Concession Agreement, and upon receipt of such notice, the Authority shall undertake Suspension under and in accordance with the provisions of the Concession Agreement. The aforesaid Suspension shall be revoked upon substitution of the Concessionaire by a Nominated Company, and in the event such substitution is not completed within [180 (one hundred and eighty)] days from the date of such Suspension, the Authority may terminate the Concession Agreement forthwith by issuing a Termination Notice in accordance with the provisions of the Concession Agreement; provided that upon written request from the Lenders' Representative and the Concessionaire, the Authority may extend the aforesaid period of [180 (one hundred and eighty)] days by a period not exceeding [90 (ninety)] days.

### 3.3. **Substitution upon occurrence of Concessionaire Default**

3.3.1. Upon occurrence of a Concessionaire Default, the Authority shall by a notice inform the Lenders' Representative of its intention to issue a Termination Notice and grant [15 (fifteen)] days' time to the Lenders' Representative to make a representation, stating the intention to substitute the Concessionaire by a Nominated Company.

3.3.2. In the event that the Lenders' Representative makes a representation to the Authority within the period of [15 (fifteen)] days specified in clause 3.3.1, stating that it intends to substitute the Concessionaire by a Nominated Company, the Lenders' Representative shall be entitled to undertake and complete the substitution of the Concessionaire by a Nominated Company in accordance with the provisions of this Agreement within a period of [180 (one hundred and eighty)] days from the date of such representation, and the Authority shall either withhold Termination or undertake Suspension for the aforesaid period of [180 (one hundred and eighty)] days; provided that upon written request from the Lenders' Representative and the Concessionaire, the Authority shall extend the aforesaid period of [180 (one hundred and eighty)] days by a period not exceeding [90 (ninety)] days; provided further that the Lenders' Representative may at any time withdraw its representation hereunder and upon such withdrawal, the Authority may terminate this Agreement in accordance with the provisions hereof.

### 3.4. **Procedure for substitution**

3.4.1. The Authority and the Concessionaire hereby agree that on or after the date of Notice of Financial Default or the date of representation to the Authority under clause 3.3.2, as the case may be, the Lenders' Representative may, without prejudice to any of the other rights or remedies of the Senior Lenders, invite, negotiate and procure offers, either by private negotiations or public auction or tenders for the take over and transfer of the Project

including the Concession to the Nominated Company upon such Nominated Company's assumption of the liabilities and obligations of the Concessionaire towards the Authority under the Concession Agreement and towards the Senior Lenders under the Financing Agreements.

- 3.4.2. To be eligible for substitution in place of the Concessionaire, the Nominated Company shall be required to fulfil the eligibility criteria that were laid down by the Authority for pre-qualification of the bidders for award of the Concession; provided that the Lenders' Representative may represent to the Authority that all or any of such criteria may be waived in the interest of the Project, and if the Authority determines that such waiver shall not have any material adverse effect on the Project, it may waive all or any of such eligibility criteria.
- 3.4.3. Upon selection of a Nominated Company, the Lenders' Representative shall, request the Authority to:
  - (a) accede to transfer to the Nominated Company the right to construct, operate and maintain the Project in accordance with the provisions of the Concession Agreement;
  - (b) endorse and transfer the Concession to the Nominated Company, on the same terms and conditions, for the residual Concession Period; and
  - (c) enter into a Substitution Agreement with the Lenders' Representative and the Nominated Company on the same terms as are contained in this Agreement.
- 3.4.4. If the Authority has any objection to the transfer of Concession in favour of the Nominated Company in accordance with this Agreement, it shall within [15 (fifteen)] days from the date of proposal made by the Lenders' Representative, give a reasoned order after hearing the Lenders' Representative. If no such objection is raised by the Authority, the Nominated Company shall be deemed to have been accepted. The Authority shall thereupon transfer and endorse the Concession within [15 (fifteen)] days of its acceptance/deemed acceptance of the Nominated Company; provided that in the event of such objection by the Authority, the Lenders' Representative may propose another Nominated Company whereupon the procedure set forth in this clause 3.4 shall be followed for substitution of such Nominated Company in place of the Concessionaire.
- 3.4.5. The transfer of Concession hereunder to a Nominated Company may, notwithstanding anything to the contrary in this Agreement and the Concession Agreement, be undertaken by transfer of no less than [75% (seventy five per cent)] of the equity of the Concessionaire to the Nominated Company, and upon such transfer hereunder, the Concessionaire shall be deemed to be the Nominated Company under and in accordance with the provisions of this Agreement and the Concession Agreement.

### 3.5. **Selection to be binding**

The decision of the Lenders' Representative and the Authority in selection of the

Nominated Company shall be final and binding on the Concessionaire. The Concessionaire irrevocably agrees and waives any right to challenge the actions of the Lenders' Representative or the Senior Lenders or the Authority taken pursuant to this Agreement including the transfer/assignment of the Concession in favour of the Nominated Company. The Concessionaire agrees and confirms that it shall not have any right to seek revaluation of assets of the Project or the Concessionaire's shares. It is hereby acknowledged by the Parties that the rights of the Lenders' Representative are irrevocable and shall not be contested in any proceedings before any court or Authority and the Concessionaire shall have no right or remedy to prevent, obstruct or restrain the Authority or the Lenders' Representative from effecting or causing the transfer by substitution and endorsement of the Concession as requested by the Lenders' Representative.

#### 4. **PROJECT AGREEMENTS**

##### 4.1. **Substitution of Nominated Company in Project Agreements**

The Concessionaire shall ensure and procure that each Project Agreement contains provisions that entitle the Nominated Company to step into such Project Agreement, in its discretion, in place and substitution of the Concessionaire in the event of such Nominated Company's assumption of the liabilities and obligations of the Concessionaire under the Concession Agreement.

#### 5. **TERMINATION OF CONCESSION AGREEMENT**

##### 5.1. **Termination upon occurrence of Financial Default**

At any time after issue of a Notice of Financial Default, the Lenders' Representative may by a notice in writing require the Authority to terminate the Concession Agreement forthwith, and upon receipt of such notice, the Authority shall undertake Termination under and in accordance with the provisions of Article 38 of the Concession Agreement.

##### 5.2. **Termination when no Nominated Company is selected**

In the event that no Nominated Company acceptable to the Authority is selected and recommended by the Lenders' Representative within the period of [180 (one hundred and eighty)] days or any extension thereof as set forth in clause 3.3.2, the Authority may terminate the Concession Agreement forthwith in accordance with the provisions thereof.

##### 5.3. **Realisation of Debt Due**

The Authority and the Concessionaire hereby acknowledge and agree that, without prejudice to their any other right or remedy, the Lenders' Representative is entitled to receive from the Concessionaire, without any further reference to or consent of the Concessionaire, the Debt Due upon Termination of the Concession Agreement. For realisation of the Debt Due, the Lenders' Representative shall be entitled to make its claim

from the Escrow Account in accordance with the provisions of the Escrow Agreement.

## 6. DURATION OF THE AGREEMENT

### 6.1. Duration of the Agreement

This Agreement shall come into force from the date hereof and shall expire at the earliest to occur of the following events:

- (a) Termination of the Agreement; or
- (b) no sum remains to be advanced, or is outstanding to the Senior Lenders, under the Financing Agreements.

## 7. INDEMNITY

### 7.1. General indemnity

7.1.1. The Concessionaire shall indemnify, defend and hold the Authority and the Lenders' Representative harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense of whatever kind and nature arising out of any breach by the Concessionaire of any of its obligations under this Agreement or on account of failure of the Concessionaire to comply with Applicable Laws and Applicable Permits.

7.1.2. The Authority shall indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Authority to fulfil any of its obligations under this Agreement, materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement or this Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Authority, its officers, servants and agents.

7.1.3. The Lenders' Representative shall indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Lenders' Representative to fulfil its obligations under this Agreement, materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Lenders' Representative, its officers, servants and agents.

### 7.2. Notice and contest of claims

In the event that any Party hereto receives a claim from a third party in respect of which it is entitled to the benefit of an indemnity under clause 7.1 or in respect of which it is entitled to reimbursement (the "**Indemnified Party**"), it shall notify the other Party responsible for indemnifying such claim hereunder (the "**Indemnifying Party**") within [15 (fifteen)] days of receipt of the claim and shall not settle or pay the claim without the prior approval

of the Indemnifying Party, such approval not to be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim, it may conduct the proceedings in the name of the Indemnified Party and shall bear all costs involved in contesting the same. The Indemnified Party shall provide all cooperation and assistance in contesting any claim and shall sign all such writings and documents as the Indemnifying Party may reasonably require.

## 8. **DISPUTE RESOLUTION**

### 8.1. **Dispute resolution**

8.1.1. Any dispute, difference or claim arising out of or in connection with this Agreement which is not resolved amicably shall be decided by reference to arbitration to a Board of Arbitrators comprising one nominee each of the Authority, Concessionaire and the Lenders' Representative. Such arbitration shall be held in accordance with the Rules of Arbitration of the international Centre for Alternate Dispute Resolution, New Delhi (the "**Rules**") or such other rules as may be mutually agreed by the Parties, and shall be subject to provisions of the Arbitration and Conciliation Act, 1996.

8.1.2. The Arbitrators shall issue a reasoned award and such award shall be final and binding on the Parties. The place of arbitration shall be the capital of the State and the language of arbitration shall be English.

## 9. **MISCELLANEOUS PROVISIONS**

### 9.1. **Governing law and jurisdiction**

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

### 9.2. **Waiver of sovereign immunity**

The Authority unconditionally and irrevocably:

- (a) agrees that the execution, delivery and performance by it of this Agreement constitute commercial acts done and performed for commercial purpose;
- (b) agrees that, should any proceedings be brought against it or its assets, property or revenues in any jurisdiction in relation to this Agreement or any transaction contemplated by this Agreement, no immunity (whether by reason of sovereignty or otherwise) from such proceedings shall be claimed by or on behalf of the Authority with respect to its assets;
- (c) waives any right of immunity which it or its assets, property or revenues now has may acquire in the future or which may be attributed to it in any jurisdiction; and
- (d) consents generally in respect of the enforcement of any judgement or award against

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

### 9.3. **Priority of agreements**

In the event of any conflict between the Concession Agreement and this Agreement, the provisions contained in the Concession Agreement shall prevail over this Agreement.

### 9.4. **Alteration of terms**

All additions, amendments, modifications and variations to this Agreement shall be effectual and binding only if in writing and signed by the duly authorised representatives of the Parties.

### 9.5. **Waiver**

Waiver by any Party of a default by another Party in the observance and performance of any provision of or obligations under this Agreement:

- (a) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Agreement;
- (b) shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and
- (c) shall not affect the validity or enforceability of this Agreement in any manner.

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

### 9.6. **No third party beneficiaries**

This Agreement is solely for the benefit of the Parties and no other person or entity shall have any rights hereunder.

### 9.7. **Survival**

Termination of this Agreement:

- (a) shall not relieve the Parties of any obligations hereunder which expressly or by implication survive termination hereof; and

- (b) except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, shall not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party prior to the effectiveness of such termination or arising out of such termination.

All obligations surviving the cancellation, expiration or termination of this Agreement shall only survive for a period of [3 (three)] years following the date of such termination or expiry of this Agreement.

#### **9.8. Severability**

If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under clause 8 of this Agreement or otherwise.

#### **9.9. Successors and assigns**

This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

#### **9.10. Notices**

All notices or other communications to be given or made under this Agreement shall be in writing, shall either be delivered personally or sent by courier or registered post with an additional copy to be sent by facsimile or e-mail. The address for service of each Party, its facsimile number and e-mail address are set out under its name on the signing pages hereto. A notice shall be effective upon actual receipt thereof, save that where it is received after 5.30 (five thirty) p.m. on any day, or on a day that is a Public Holiday, the notice shall be deemed to be received on the first working day following the date of actual receipt. Without prejudice to the foregoing, a Party giving or making a notice or communication by facsimile or e-mail shall promptly deliver a copy thereof personally, or send it by courier or registered post to the addressee of such notice or communication. It is hereby agreed and acknowledged that any Party may by notice change the address to which such notices and communications to it are to be delivered or mailed. Such change shall be effective when all the Parties have notice of it.

9.11. **Language**

All notices, certificates, correspondence and proceedings under or in connection with this Agreement shall be in English.

9.12. **Authorised representatives**

Each of the Parties shall by notice in writing designate their respective authorised representatives through whom only all communications shall be made. A Party hereto shall be entitled to remove and/or substitute or make fresh appointment of such authorised representative by similar notice.

9.13. **Original Document**

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

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

THE COMMON SEAL OF	SIGNED, SEALED AND DELIVERED
CONCESSIONAIRE has been affixed	For and on behalf of THE AUTHORITY by
pursuant to the resolution passed by the Board	
of Directors of the Concessionaire at	(Signature)
its meeting held on the .. day of 20 .... ..	(Name)
hereunto affixed in the presence of ..... ..,	(Designation)
Director, who has signed these presents in	(Address)
token thereof and . . . . ., Company	(Fax NO.)
Secretary / Authorised Officer who has	(e-mail address)
countersigned the same in token thereof:	
(Signature)	
(Name)	
(Designation)	
(Address)	
(Fax No.)	
(e-mail address)	

SIGNED, SEALED AND DELIVERED  
For and on behalf of  
SENIOR LENDERS by the Lenders'  
Representative  
(Signature)  
(Name)

(Designation)  
(Address)  
(Fax No.)  
(e-mail address)

In the presence of:

- 1.
- 2.

**SCHEDULE P**  
**SCHEDULE OF SERVICES**  
(See Article 22, Article 23, Article 24 and Article 25 )

S. No.	Services	To whom /Type
1	OPD	All
2	Indoor treatment	General Ward Emergency room
ICCU, ICU, NICU, PICU, Surgical ICU High Dependency Unit by whatever name called		
Semispecial rooms (maximum occupancy 4 beds), special rooms (herein after referred as Paid category) except Emergency Room admissions		
Isolation / burns		
3	Delivery	All general wards / obs ICU / HDU / NICU
Semispecial rooms (maximum occupancy 4 beds), special rooms		
Drop back to mothers and infants up to age 1 year		
4	Operations	General Ward
Semispecial rooms (maximum occupancy 4 beds), special rooms		
Superspeciality operations		
5	Lab diagnostics	Pathology Microbiology Biochemistry
6	Radiology	<b><u>X-rays:</u></b> OPD, General Ward/ critical care
Indoor: Semispecial rooms (maximum occupancy 4 beds), special rooms		
<b><u>USG</u></b> OPD, General Ward		
Semispecial rooms (maximum occupancy 4 beds), special rooms		
<b><u>CT Scan</u></b>		
<b><u>Mammography</u></b> / any radiology supported procedure including in OT		
<b><u>MRI</u></b>		
7	Dental Treatment:	Artificial dentures
Specialized procedures such as RCT		

S. No.	Services	To whom /Type
8	Medicines	OPD, indoor Drugs/ consumables not covered in EDL / basic consumables / implants
9	Public Health Programmes	1. Janani Suraksha Yojana (JSY) 2. Janani Shishu Suraksha Karyakram (JSSK) 3. National AIDS Control Programme (NACP) 4. Integrated Disease Surveillance Project (IDSP) 5. Revised National Tuberculosis Control Programme (RNTCP) 6. National Vector Borne Disease Control Programme (NVBDCP) 7. Universal Immunisation Programme 8. All other NHM programmes
11	Ambulance services / dead body vans	-
12	Certificates	All
13	Diet	Semispecial, Special rooms
14	Blood and blood components	Pregnant and post natal mothers, infants up to 1 year, Thalassaemia and Haemophilia patients
		Government Blood Storage Units in home district / adjacent district
15	Telemedicine consultation / teleradiology – Advising centre	All Government nodes
		All private sector nodes
16	Health Insurance / Assurance	Aayushman Bharat and all state insurance schemes
		Private health insurance, corporate bodies, Central Government Health Scheme etc
17	Fixed day consultant services in CHCs of District	-
18	Any new superspeciality	-

**Annex – I of Schedule P**  
**List of Diagnostic Services (for OPD patients) to be provided free of cost by**  
**Concessionaire**

Diagnostic services mentioned under this appendix shall be provided by Concessionaire to the OPD patients free of cost during the concession period

<b>SN</b>	<b>Specialty</b>	<b>Diagnostic Service/Test</b>
<b>I</b>	<b>Clinical Pathology</b>	
	a. Hematology	Haemoglobin estimation
		Total Leukocytes count
		Differential Leucocytes count
		Absolute Eosinophil count
		Reticulocyte count
		Total RBC count
		E. S. R.
	- Immunoglobulin Profile (IGM, IGG, IGE, IGA)	Bleeding time
	- Fibrinogen Degradation Product	Clotting time
		Prothrombin time
		Peripheral Blood Smear
		Malaria/Filaria Parasite
		Platelet count
		Packed Cell volume
		Blood grouping
		Rh typing
		Blood Cross matching
		ELISA for HIV, HCV, HBs Ag
		ELISA for TB
		APTT
		ANA/ANF, Rheumatoid Factor
	b.Urine Analysis	Urine for Albumin, Sugar, Deposits, bile salts, bile pigments, acetone, specific gravity, Reaction (pH)
	c.Stool Analysis	Stool for Ovacyst (Ph),
		Hanging drop for V. Cholera
		Occult blood
		Bacterial culture and sensitivity
	d. Semen Analysis	Morphology, count
	e. CSF Analysis	Analysis, Cell count etc.
	f. Aspirated fluids	Cell count cytology
<b>II</b>	<b>Pathology</b>	
	a. PAP smear	Cytology

<b>SN</b>	<b>Specialty</b>	<b>Diagnostic Service/Test</b>
	b. Sputum	Sputum cytology
	c. Haematology	Bone Marrow Aspiration
		Immuno haematology
		Coagulation disorders
		Sickle cell anaemia
		Thalassemia
	d. Histopathology	All types of specimens, Biopsies
<b>III</b>	<b>Microbiology</b>	
		KOH study for fungus
		Smear for AFB, KLB (Diphtheria)
		Culture and sensitivity for blood, sputum, pus, urine etc.
		Bactriological analysis of water by H <sub>2</sub> S based test
		Stool culture for Vibrio Cholera and other bacterial enteropathogene
		Supply of different media* for peripheral Laboratories
		Grams Stain for Throat swab, sputum etc.
<b>IV</b>	<b>Serology</b>	RPR Card test for syphillis
		Pregnancy test (Urine gravindex) ELISA for Beta HCG
		Leptospirosis, Brucellosis
		WIDAL test
		Elisa test for HI, HBsAg, HCV
		DCT/ICT with Titre
		RA factor
<b>V</b>	<b>Blood Bank</b>	Services as per norms for the blood bank including services for self component separation
<b>VI</b>	<b>Biochemistry</b>	Blood Sugar
		Glucose tolerance test
		Glycosylated Hemoglobin
		Blood urea, blood cholesterol
		Serum bilirubin
		Icteric index
		Liver function tests
		Kidney function tests
		Lipid Profile
		Blood uric acid
		Serum calcium
		Serum Phosphorous
		Serum Magnesium

<b>SN</b>	<b>Specialty</b>	<b>Diagnostic Service/Test</b>
		CSF for protein, sugar
		Blood gas analysis
		Estimation of residual chlorine in water
		Thyroid T3 T4 TSH
		CPK
		Chloride (Desirable)
		Salt and Urine for Iodine (Desirable)
		Iodometry Titration
<b>VII</b>	<b>Cardiac Investigations</b>	a) ECG
		b) Stress tests
		c) ECHO
<b>VIII</b>	<b>Ophthalmology</b>	a) Refraction by using Snellen's chart
		Retinoscopy
		Ophthalmoscopy
<b>IX</b>	<b>ENT</b>	Audiometry
		Endoscopy for ENT
<b>X</b>	<b>Radiology</b>	a) x-ray for Chest, Skull, Spine, Abdomen, bones
		b) Barium swallow, Barium meal, Barium enema, IVP
		c) MMR (chest)
		d) HSG
		e) Dental X-ray
		f) Ultrasonography
		g) CT scan
<b>XI</b>	<b>Endoscopy</b>	Oesophagus
		Stomach
		Colonoscopy
		Bronchoscopy
		Arthroscopy
		Laparoscopy (Diagnostic)
		Colposcopy
		Hysteroscopy
<b>XII</b>	<b>Respiratory</b>	Pulmonary function tests

**SCHEDULE Q**  
**KEY PERFORMANCE INDICATORS**  
(See Clause 25.1)

<b>Key Performance Indicator</b>	<b>Threshold</b>	<b>Damages</b>
Uptime of life saving services	24 (twenty four) hours availability of the life saving services. This is to be achieved using requisite back up facilities/ equipment.	0.5% (zero point five per cent) of the Performance Security for every instance of default or part thereof, subject to a maximum of 10% (ten per cent) of the Performance Security.
Uptime for diagnostic units such as CT/ MRI/USG/ AutoAnalyser/ Cell Counter	98% (ninety five percent) uptime required	0.5% (zero point five per cent) of the Performance Security for every instance of default or part thereof, subject to a maximum of 10% (ten per cent) of the Performance Security.
Re-admission rate (within 30 days from the date of previous discharge)	10%	Rs. 25,000/- per patient re-admitted in the hospital beyond 10% of threshold subject to a maximum of 10% (ten per cent) of the Performance Security.
Referral of Free Patients to other hospital	If Free Patients Referred : Paid Patients referred is greater than 1	Rs. 20,000/- as damages per patient referred outside the hospital. In case the referral is due to specialties/services not available in the hospital, and are not mentioned in the NMC Minimum Standard Regulations. Such penalty will not be applicable. subject to a maximum of 10% (ten per cent) of the Performance Security.
No Fee to Free Patient	Zero default	Rs. 50,000/- as damages for each instance, 5 such instances in a year may lead to termination of the

Key Performance Indicator	Threshold	Damages
		contract. subject to a maximum of 10% (ten per cent) of the Performance Security.
Charges Free Patients directly for in patient services	Zero default	Rs. 50,000/- as damages for each instance, 5 such instances in a year may lead to termination of the contract. subject to a maximum of 10% (ten per cent) of the Performance Security.
Blood Tests, Radiology Tests and Pathology Tests for Patients	Tests for patients who register by 1 pm in the out patient department should be performed on the same day	Rs. 500/- as damages for each case (this as damages is applicable only for Free Patients) subject to a maximum of 10% (ten per cent) of the Performance Security.
Turnaround time for the radiology tests and blood tests reports	The turnaround time for radiology shall be 24 (twenty hour) hours from the given slot.	Rs. 1000/- as damages for each case (this as damages is applicable only for Free Patients) subject to a maximum of 10% (ten per cent) of the Performance Security.
Turnaround time for pathology reports	As may be prescribed depending on each kind of report in accordance with Good industry Practice	--
Free Patient Survey	20% (twenty per cent) Free Patients being dissatisfied with the services.	[0.05% (zero point five per cent)] of the Performance Security for each per cent increase in the dissatisfied Free Patients beyond 20% (twenty per cent) threshold. subject to a maximum of 10% (ten per cent) of the Performance Security.
Maintenance Requirements (the Concessionaire shall upkeep the building as per the industry norms, the routine maintenance -	Every 3 years	0.01* number of days of default * estimated cost of painting <sup>\$</sup>  [Calculation of as damages

<b>Key Performance Indicator</b>	<b>Threshold</b>	<b>Damages</b>
Periodic painting - interior & exterior) must be undertaken every 3 years		starts if no painting within 30 days of due date] subject to a maximum of 20% (twenty per cent) of the Performance Security.
Annual maintenance contract is obtained and maintained for all the Equipment	Zero default (100% of the equipment)  Default - Non-renewal of AMC/CMC prior to the expiry for any equipment	(0.01 * number of days of default) * cost of AMC/CMC for the equipment  [Calculation of as damages done from 1st day of every quarter for which assessment is being made] subject to a maximum of 20% (twenty per cent) of the Performance Security.
Obtaining and maintaining NABH accreditation	Zero default	0.5% (zero point five per cent) of the Performance Security for every 1 (one) month of default or part thereof, subject to a maximum of 10% (ten per cent) of the Performance Security
Compliance with the provisions of NMC Norms	Zero default	This may be treated as Concessionaire's event of default

**In the event, the Concessionaire is liable to pay damages beyond the specified threshold limit for any KPI (as mentioned above) during any financial year, it shall be considered as Concessionaire's Event of Default in accordance with Clause no. 38.1 of this Agreement**

**SCHEDULE R**  
**MEDICAL OFFICERS**  
**(See Clauses 18.8.1 and 18.8.3)**

**1. Chief Medical Officer**

**(a) Powers of Chief Medical Officer**

- (i) Coordination of the functioning of the District Hospital between Government Instrumentality and the Concessionaire
- (ii) Overseeing the work of the Casualty Medical Officer and matters pertaining to the medico legal cases
- (iii) Preparation for the VIP visits
- (iv) Coordination on provision of jail ward beds on the court orders
- (v) Implementation of the Healthcare Programmes including monitoring of the budget allocated for the Healthcare Programmes
- (vi) Monitoring the collection of the patient satisfaction survey forms

**(b) Facilities to be provided to the Chief Medical Officer**

- (i) The Chief Medical Officer's office building / space shall be earmarked for Chief Medical Officer's office.
- (ii) The Chief Medical Officer shall be provided bungalow/ or equivalent housing for his residence within the campus of the Medical College.
- (iii)The water supply, drainage, electricity supply and other support services arrangements to the Chief Medical Officer's office shall continue to be provided as is provided prior to the commencement of the Agreement.

**2. Casualty Medical Officer**

**(a) Powers and Functions of the Casualty Medical Officer**

- (i) The post-mortem examination in medico-legal cases
- (ii) Providing witness and expert statements in the medico legal cases; and
- (iii)Provide services to MLC cases and coordinate with specialists if there is a need for services from specialists/ admit them to inpatient care.

**(b) Facilities to be provided to the Casualty Medical Officer**

- (a) The Casualty Medical Officer's office building / space shall be earmarked for his office.