CONCESSION AGREEMENT

BETWEEN

BIHAR URBAN INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED ("BUIDCo")

AND

PATNA GREEN ENERGY PRIVATE LIMITED ("Concessionaire")

For

Design, Financing, Development, Construction, Operation, Maintenance, Management and Transfer of a Regional Municipal Solid Waste to Energy (Electricity) and Landfill Facility at Patna in Bihar
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THIS AGREEMENT made this 18th day of December, 2014, at Patna,

BETWEEN

Bihar Urban Infrastructure Development Corporation Limited, a Government of Bihar Undertaking, incorporated under the Companies Act, 1956, represented by its Managing Director and having its registered office at 303, 3rd Floor, Maurya Tower, Maurya Lok Complex, Budh Marg, Patna- 800001 (hereinafter referred to as the “Authority” or “BUIDCO” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) of the FIRST PART;

AND

Patna Green Energy Private Limited, a company incorporated under the Companies Act, 2013, having Corporate Identification Number (CIN) U40108MH2014PTC258256 and its registered office 602, Trade Centre, Bandra Kurla Complex, Bandra (East), Mumbai-400051 Maharashtra (hereinafter referred to as “Concessionaire”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its associate/group companies, successors and assigns) of the OTHER PART.
BUIDCo and the Concessionaire are hereinafter referred to individually as the "Party" and collectively as the "Parties".

WHEREAS

A. The Ministry of Environment and Forests, Government of India has formulated the Municipal Solid Waste (Management and Handling) Rules, 2000 ("MSW Rules") under the Environment (Protection) Act, 1986 that impose an obligation on all municipalities in India to adopt suitable processes for scientific collection, management, processing and disposal of municipal solid waste (the "MSW") generated within its jurisdiction. Pursuant to MSW Rules, the MC1, MC2, MC3, MC4 and MC5 constituted under the Bihar State Municipal Corporation Act, 1951 are responsible for, inter alia, making adequate provisions for the collection/removal and disposal of filth, rubbish and other noxious or polluted matters. However, as present the MC1, MC2, MC3, MC4 and MC2 are disposing the waste collected within their respective jurisdictions in dumping sites and do not process the waste before disposing the same.

B. The Urban Development & Housing Department, Government of Bihar ("State Govt.") recognizes that the existing state of the MSW management systems in the State of Bihar are insufficient and are raising public health and sanitation concerns that need to be addressed. After taking into account the lack of adequate and appropriate facilities of MSW disposal in the State of Bihar, State Govt. has decided to develop a regional MSW management program on a cost sharing basis to provide a framework for facilitating appropriate processing and disposal of waste by urban local bodies ("ULBs") in the State.

C. For the purpose of implementing such regional MSW management program, the State Govt. has appointed Bihar Urban Infrastructure Development Corporation Limited ("BUIDCo") as executing agency for development of regional MSW processing project in Bihar including that at Patna on Public Private Partnership (PPP) basis.

D. For the purpose of implementing such regional MSW processing project at Patna, the Patna Municipal Corporation in consultation with BUIDCo has earmarked land admeasuring 78.89 acres, located at Ramchak Bairiya village, Patna and belonging to the Patna Municipal Corporation for the development, establishment, finance, design, construction, operation and maintenance of the Regional MSW Facility, including landfill ("Project"). The Regional MSW Facility and any part of the Project, vest unconditionally with Patna Municipal Corporation.

E. BUIDCo has executed a project implementation agreement ("PIA") to implementation of the Project. The ULBs of the State desirous to use this Regional MSW Facility have been permitted to execute and sign this PIA. At present, Patna Municipal Corporation ("MC 1"), Danapur Nizamat Nagar Parishad ("MC 2"), Khagaul Nagar Parishad ("MC 3"), Phulwari Nagar Parishad ("MC 4"), and Fatuha Nagar Panchayat ("MC 5") are the only ULBs that have signed and executed the PIA ("Participating ULBs"). However, other ULBs established in the State of Bihar may use the regional MSW management facility after executing a Participation Deed to the PIA.
F. BUIDCo has selected a private developer through a competitive bid process and pursuant to the framework established by the PIA, the Project shall be implemented by a special purpose vehicle incorporated by such selected private developer ("Concessionaire"). BUIDCo is now desirous of entering into an agreement with the Concessionaire vesting it with the rights and obligations required to enable it to duly undertake the Project on a develop, finance, design, construct, operate, maintain and transfer basis.

G. The provisions of this Concession Agreement are subject to the terms and conditions of the PIA.

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

1 DEFINITIONS & INTERPRETATION

1.1 Supplement to Project Implementation Agreement

This Agreement is to be read together with the Project Implementation Agreement ("PIA") dated [16-12-2016] entered into between BUIDCo the Participating ULBs and the Concessionaire and is to be read as a supplementary agreement to the PIA. All aspects of the Project that are not covered by this Agreement shall be governed by the PIA.

1.2 Definitions

In this Agreement, unless repugnant to the context or inconsistent therewith, the following words, phrases and expressions shall bear the meaning hereinafter respectively assigned to them:
“Agreement” or “Concession Agreement” means this agreement between BUIDCo and Concessionaire, including its schedules and annexures and includes any amendments made hereto in accordance with the provisions hereof.

“Accounting Year” means 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. It is clarified that first accounting year shall be the period commencing from the COD and ending on the thirty-first day of March of the next calendar year.

“Applicable Permits” means all the authorizations, licenses, clearances, permits, no-objections, sanctions and consents as required by Applicable Laws, to be procured by either BUIDCo or by Concessionaire in connection with the implementation of the Project.

“Applicable Laws” means all the laws, acts, ordinances, rules, regulations, notifications, guidelines or bye-laws which have the force of law, in force and effect, as of the date hereof and which may be promulgated or brought into force and effect hereinafter in India, including judgments, decrees, injunctions, writs or orders of any court of record, as may be in force and effect during the subsistence of this Agreement and applicable to the Project.

“BUIDCO” means Bihar Urban Infrastructure Development Corporation Limited.

“C&D Debris and Silt Waste” means solid waste resulting from construction, remodeling, repair, renovation or demolition of Structures or from land clearing activities or trenching or de-silting activities. “Structures” for the purposes of this definition means buildings of all types (both residential and non-residential), utilities, infrastructure facilities and any other type of man-made structure. C&D debris include, but are not limited to bricks, concrete rubble and other masonry materials, soil, rock, wood (including painted, treated and coated wood and wood products), land clearing debris, wall coverings, plaster, drywall, plumbing fixtures, roofing, waterproofing material and other roof coverings, asphalt pavement, glass, plastics, paper, gypsum boards, electrical wiring and components containing no hazardous materials, pipes, steel, aluminum and other non-hazardous metals used in construction of structures.

“Commercial Operation Date” or “COD” means the date notified by Concessionaire as the date on which the Regional MSW Facility is ready to commence commercial operations after successfully completing the Construction Period;

“Composting” means a controlled process involving microbial decomposition of organic matter.

“Concession” means collectively all the rights granted by BUIDCo to Concessionaire under this Agreement with respect to developing, implementing, constructing, operating and maintaining the Regional MSW Facility for the management, processing and disposal of the MSW generated from within its jurisdiction, subject to all the terms, conditions, covenants and obligations of this Agreement.

“Concessionaire Event of Default” shall have the meaning given to the phrase in
Clause 16.1(a).

"Concessionaire's Proposal to Rectify" shall have the meaning given to the phrase in Clause 16.2(a)(ii).

"Construction Conditions" or "Construction Requirement" means in relation to the Regional MSW Facility, the minimum conditions that are required in order to ensure that the construction of the Regional MSW Facility is done in accordance with Good Industry Practice, and which are specified in the Standards and Specifications as provided under this Concession Agreement.

"Construction Commencement Certificate" is the certificate issued by the Project Engineer under clause 8.1 of the Concession Agreement.

"Construction Period" means in relation to the Project a maximum period of [●] months from the Effective Date (this Construction Period includes the Testing Period) within which the Concessionaire shall ensure that the construction of the Regional MSW Facility is completed and it can be used for the treatment and disposal of the MSW in accordance with the terms and conditions as provided in the Concession Agreement.

"Daily Weight Sheet" shall have the meaning given to the term in Clause 9.3(a).

"Dead Remains" means the dead bodies, carcasses, bones or skeletal remains of animals, rodents and other living beings (other than plants).

"Development Costs" shall mean the aggregate of the amounts spent by Concessionaire in undertaking activities in relation to the implementation of the Project till the date of commissioning which amounts will include but not be limited to: (a) expenditure incurred by Concessionaire for and in relation to the Project which have been charged/assigned to Concessionaire, (b) expenditure incurred in relation to preparation of all reports, studies and other papers relating to the Project and the Regional MSW Facility, (b) expenditure incurred in respect of filing applications for and obtaining and maintaining Applicable Permits, (c) fees of all consultants, experts, accountants, lawyers, lenders and other independent persons hired in relation to the Project, (d) costs of maintaining offices of Concessionaire that are attributable to the Project, (e) any payments made to the Participating ULBs or on behalf of the participating ULBs in relation to the Project and (f) costs of any contractors appointed by Concessionaire in relation to the implementation of the Project.

"Encumbrances" means any encumbrance such as mortgage, charge, pledge, lien, hypothecation, security interest or other obligations and shall also include physical encumbrances, including utilities both under and above the ground and encroachments on the Site.

"Effective Date" means the date on which the obligations of Concessionaire become binding and effective, and all the conditions precedent specified in Clause 3.1 are either satisfied or waived by the Concessionaire.

"Excluded Waste" means waste material of the nature that the Regional MSW Facility is not designed or authorised to receive, manage, process and dispose which includes (i)
chemical waste, (ii) Hazardous Waste, (iii) industrial waste and (iv) Untreated biomedical waste (v) other waste as specified.

"Force Majeure Event" means any event which prevents or delays the performance of the obligations under this Agreement in whole or in part by either Party by reason of public agitation, civil disturbance, riots, war, hostilities, acts of public enemies, civil commotion, sabotage, fire, flood, earthquake, epidemics, explosion, strikes, lock-outs, acts of God, acts on orders of Government/authorities, rules and regulations or delay/abandonment due to order of the Court and/or any other cause beyond the reasonable control of the Party affected.

"Financing Documents" or "Financing Agreements" means collectively the agreements entered into for providing the debt financing for the implementation of the Project and shall include the security documents creating the relevant security (such as mortgages or charges or liens) on the Regional MSW Facility or any part thereof, for securing the debt provided.

"State Govt" means Government of Bihar.

"BUIDCo Event of Default" shall have the meaning given to the phrase in Clause 16.1(b).

"Good Industry Practice" means the exercise of that degree of skill, diligence, prudence and foresight in compliance with the undertakings and obligations under this Concession Agreement which would reasonably and ordinarily be expected of a skilled and an experienced person engaged in the implementation, operation and maintenance or supervision or monitoring thereof or any facilities similar to the Regional MSW Facility to be constructed, operated and maintained pursuant to the Project.

"Hazardous Waste" shall have the meaning as defined under the Hazardous Wastes (Management and Handling) Rules, 1989.

"Landfill Site" or "Landfill" means the landfill site for disposal of solid waste located within the Site.

"Lease Agreement" means the lease agreement provided by the MC 1 pursuant to which MC 1 shall lease the Site to the Concessionaire, the draft of which is provided as Schedule XXI to the Project Implementation Agreement.

"Lenders" means the Persons that provide the financing for the Projects pursuant to Financing Agreements.

"Manual of Municipal Solid Waste Management" means the Manual prepared and published by CPHEEO, Ministry of Urban Development in 2000, which gives elaborate guidelines on planning, implementation and operation and maintenance of MSW facilities with a view to fulfill the requisite obligations of MSW Rules – 2000

"MC 1" means the Municipal Corporation of Patna.

"MC 2" means the Danapur Nizamat Nagar Parishad.
"MC 3" means the Khagaul Nagar Parishad.

"MC 4" means the Phulwari Nagar Parishad.

"MC 5" means the Fatuha Nagar Panchayat.

"MSW" or "Municipal Solid Waste" includes commercial and residential wastes generated in municipal or notified areas in either solid or semi-solid form excluding industrial hazardous wastes but including treated bio-medical wastes.

"MSW Supply Agreement" means the agreement signed between the Participating ULBs and the Concessionaire whereby each Participating ULB agrees to collect and transport MSW from their respective jurisdiction to the Receipt Point at Site at their own cost for processing and disposal of MSW.

"MSW Rules" means The Municipal Solid Wastes (Management and Handling) Rules, 2000 framed by the Government of India under the Environment (Protection) Act, 1986 (Act 29 of 1986) and includes any statutory amendments / modifications thereto or re-enactments thereof, for the time being in force.

"Material Adverse Effect" means a material adverse effect on (a) the ability of either Party to exercise any of the rights to perform / discharge any of its duties / obligations under and in accordance with the provisions of this Agreement; and/or (b) the legality, validity, binding nature or enforceability of this Agreement.

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

"Project Milestones" means the Project Milestones for construction as provided by BUIDCo in Schedule VI and it shall form a part of the Standards and Specifications that are required to be strictly adhered to by the Concessionaire for the purpose of the implementation of the Project.

"Minimum MSW Quantity" means quantity in metric tons of MSW as specified in Schedule XXI, (with a permitted variation level of plus minus ten percent), which is the minimum quantity of MSW that each Participating ULB is required to deliver to the Concessionaire at the Receipt Point, in accordance with the MSW Supply Agreement.

"O&M Requirements" or "Operation and Maintenance Requirements" or "Operating Conditions" means the requirements as to operation and maintenance of the Regional MSW Facility set forth in the Schedule V.

"Operations Period" means Twenty Five years from the COD till the end of the Term or any other such period as extended by BUIDCo in accordance with the terms and conditions of this Agreement.

"Organic Waste" means such type of waste that can be degraded by micro-organisms,
but shall not include Excluded Wastes.

"Partial Readiness Certificate" is the certificate issued by the Project Engineer under clause 8.4 (b) of the Concession Agreement.

"Participating ULBs" means the MC1, MC2, MC3, MC4 and the MC5 which are party to the PIA, and include any other urban local body which may at a later date become party to the PIA by signing the Participation Deed.

"Participation Deed" means the deed of adherence which shall be executed by those ULBs, apart from MC1, MC2, MC3, MC4 and MC2, which may be permitted to participate in the Project by the BUIDCo in the future.

Performance Security"Person" means any individual, corporation, partnership, joint venture, trust, unincorporated organization, government or governmental authority or agency or any other legal entity.

"Preliminary Notice" means the notice of intended Termination by the Party entitled to terminate this Agreement to the other Party setting out, inter alia, the underlying Event of Default.

"Project Completion Schedule" means the progressive Project Milestones set forth in Schedule VI for completion of the Project on or before the Scheduled Completion Date;

"Products" means any product that is produced or obtained after the processing or disposal of MSW under the Project, including but not limited to electricity and Residual Inert Matter.

"Progress Certificate" means the certificate issued by the Project Engineer under Clause 8.3 (c) of this Concession Agreement.

"Project" means the project for enabling the processing of MSW at Rakchak Bariya village, Patna and for that purpose to develop, establish, finance, design, construct, operate and maintain the Regional MSW Facility at the Site under and in accordance with the terms and provisions of this Agreement.

"Project Engineer" shall mean a reputed Person appointed by the PMC in accordance with Clause 6 in accordance with the PIA and for the purposes specified in the PIA.

"Project Implementation Agreement" or "PIA" means the agreement signed between the BUIDCo, MC1, MC2, MC3, MC4, MC5 and the Concessionaire which provides the governing framework for implementation of a regional solid waste management and landfill project.

"Project Monitoring Committee" or "PMC" means the committee established by the BUIDCo as described in Clause 6.

"Readiness Certificate" is the certificate issued by the Project Engineer under clause 8.4 (e) of the Concession Agreement.
“Receipt Point” means the place within the Site, specified in writing by the Concessionaire and marked on a layout plan by the Concessionaire on or before the COD, at which the Participating ULBs shall bring the MSW received from respective municipal area, and Concessionaire shall construct a Weighbridge for measuring the MSW received in accordance with the terms of this Agreement.

“Regional MSW Facility” means the integrated MSW management, processing and disposal facility including a (i) the Site, (ii) the individual processing facilities [waste to energy (electricity)] at the Site, (iii) Receipt Point, (iv) Weighbridge at the Receipt Point, processing facility and Landfill, and (iii) the Landfill.

“Residual Inert Matter” means the waste matter obtained after processing of the MSW by Regional MSW Facility.

“Rejected Waste” means such components of a consignment of MSW delivered by the Participating ULBs that are refused to be accepted by Concessionaire, either at the time of delivery or at any time thereafter, upon inspection of the MSW delivered or being delivered, as the case may be, on the ground that they are either: (a) Dead Remains, or (b) C&D Debris and Silt Waste, or (c) are of a composition that would be detrimental to the Operating Conditions or cause damage or adversely impact the efficient operation or maintenance of the Regional MSW Facility, or (d) they have excessive moisture, or (e) they are not in accordance with the composition of MSW as defined in this Agreement or (f) they are of a quantity that is below the Minimum MSW Quantity or (g) they are part of a consignment of MSW that is sought to be delivered by a Participating ULB when it has been notified that the Regional MSW Facility is undergoing repair or maintenance. Rejected Waste may include but are not limited to Excluded Wastes that may form part of a consignment of MSW.

“Site” means the land admeasuring 79.89 acres located at Ramchak Bairiya Village, Patna (more particularly described in Schedule II).

“Solid Waste” means wastes generated from commercial, agricultural, industrial and domestic activities within the jurisdiction of respective Participating ULBs that are in either solid or semi-solid form but shall not include the Excluded Wastes.

“Standards and Specifications” means the standards, specifications, terms and conditions which must be strictly adhered to by the Concessionaire in relation to the implementation of the Project and shall include the following: (i) Construction Conditions; (ii) Operating Conditions; (iii) project plan (if any submitted by the Concessionaire); (iv) Project Completion Schedule; and (v) any other condition that may be specified by BUIDCo necessary for the effective implementation of the Project; and such Standards and Specifications shall be provided in detail in Schedule IV, V, VI, VII, VIII, IX and X of this Agreement.

“Testing Period” means a maximum period of three (3) months within which any performance tests, trial runs etc. shall be conducted at the Regional MSW Facility so as to ensure that the Project is fit and ready to be used for the treatment and disposal of MSW in accordance with the terms and conditions as provided in the Concession Agreement.
"Technology" means the relevant technology for the disposal of MSW and non-incineration technology for conversion of MSW to Energy (Electricity) that the Concessionaire has proposed as part of bid document and accepted by BUIDCo including any changes in technology proposed by the Concessionaire and accepted by BUIDCo time to time to be used in the Regional MSW Facilities.

"Term" shall have the meaning as specified in Clause 2.6 of this Agreement.

"Termination" means the early termination of this Agreement pursuant to Termination Notice given by either Party to the other Party or otherwise in accordance with the provisions of this Agreement but shall not, unless otherwise requires, include expiry of this Agreement due to the expiry of its Term.

"Termination Notice" means the termination notice given pursuant to Clause 16.2(c).

"Termination Date" means the date specified in the Termination Notice as the date on which Termination occurs.

"Termination Payment" means the payments payable pursuant to Clause 16.2(f).

"Tipping Fee" means the amount payable by the Participating ULB to the Concessionaire in consideration for the performance of services under the PIA.

"Vacant Possession" means delivery to the Concessionaire, of possession of the land constituting the Site free from all Encumbrances and the grant of all easementary rights and all other rights appurtenant thereto.

"Weighbridge" means the electronic weighbridge constructed by the Concessionaire and capable of performing the operations specified in Clause 9.3.

1.3 Interpretation

(a) The words, phrases and expressions defined hereinabove in Clause 1.2 or defined elsewhere by description in this Concession Agreement, together with their respective grammatical variations and cognate expressions shall carry the respective meanings assigned to them in the said Clause 1.2 or in this Concession Agreement and shall be interpreted accordingly. Expressions which have not been defined in this Agreement shall carry the respective meanings assigned to them in their ordinary applicability read in context with the manner of their usage in this Agreement or in their respective technical sense, as the case may be;

(b) all words in singular shall be deemed to connote their respective plurals and vice-versa, unless the context suggests otherwise;

(c) the words "include" and "including" are to be construed without limitation;

(d) the headings of the Clauses in this Concession Agreement are merely for purposes of convenience and shall have no bearing on the interpretation of this Agreement;

(e) the Schedules and Annexures to this Concession Agreement form an integral part of this
2 THE CONCESSION

2.1 Grant of Concession

Subject to and in accordance with the terms and conditions set out in this Agreement, BUIDCo hereby irrevocably grants to the Concessionaire and the Concessionaire hereby accepts exclusive right and authority, during the Term, to process MSW upto the Maximum Project Capacity and for that purpose develop, establish, finance, design, construct, operate and maintain the Regional MSW Facility at the Site, in addition to the other rights granted under this Agreement:

a) to develop, establish, finance, design, construct, operate and maintain the Regional MSW Facility at the Site, and transfer it back to the BUIDCo at the end of the Term of this Agreement;

b) to receive at the Receipt Point, during each day of the Operations Period, MSW transported and supplied by each Participating ULB from their respective jurisdiction;

c) to accept and inspect the MSW delivered by Participating ULBs at the Receipt Point and identify Rejected Waste, in such manner as it deems fit, and refuse to accept the Rejected Waste;

d) to construct a Weighbridge at the Receipt Point and use it to weigh the quantity of the MSW received from each Participating ULB on a daily basis in accordance with the terms of this Agreement;

e) to use suitable technology for segregating the MSW at the Site and processing the segregated components of the MSW as per the Standards and Specifications of the Project to this Concession Agreement;

f) to transport and dispose the Residual Inert Matter to the Landfill Site, without any additional approval, cost or charge;

g) to receive all the fiscal incentives and benefits accruing in respect of or on account of the Project;

h) to transfer the Regional MSW Facility to the BUIDCo at the end of the Term.

2.2 Rights Associated with the Grant of Concession

Subject to the provisions of the PIA and without prejudice to the generality of the foregoing, the Concession hereby granted to the Concessionaire by the BUIDCo shall include without being limited to, and shall entitle the Concessionaire to enjoy the following rights, privileges and benefits in accordance with the provisions of this Concession Agreement and Applicable Laws:
a) to develop, establish, finance, design, construct, operate and maintain the Regional MSW Facility at the Site either itself or through such Person as may be selected by it;

b) upon commissioning of the Regional MSW Facility, to manage, operate and maintain the same either itself or through such Person as may be selected by it;

c) to transfer the Regional MSW Facility to BUIDCo at the end of the Term or on Termination, in accordance with the provisions of this Concession Agreement;

d) to borrow or raise money or funding required for the due implementation of the Project and create a mortgage, charge or lien or encumbrance on the whole or part of the Regional MSW Facility;

e) to use, appropriate, process MSW delivered by Participating ULBs to the Concessionaire and dispose the Residual Inert Matter;

f) to store, use, appropriate, market and sell or dispose all the Products obtained after the processing and treatment of the MSW.

g) to obtain the utilities required for enabling the construction of the Regional MSW Facility, without any additional cost or charges, other than the applicable user charges for the utilities

h) exclusively hold, possess, control the Site, in accordance with the terms of the Lease Agreement, for the purposes of the due implementation of this Project, in accordance with the terms of this Concession Agreement;

2.3 Use of Suitable Technology

(a) The Concessionaire shall use the technology approved by BUIDCo as a part of the project plan for the Regional MSW Facility.

(b) Without prejudice to the generality of the foregoing, the Concessionaire shall have the right to develop the Regional MSW Facility using such technology that it considers suitable and commercially viable for the purposes of implementing the Project, in accordance with terms of this Concession Agreement. It is acknowledged that it is the intention of the Concessionaire to use the Technology associated with the concept of an integrated waste processing plant (so as to minimise the quantity of waste needing to be land-filled) and that the Concessionaire shall have the right to modify, adapt, upgrade or change the Technology, from time to time, based on actual operations of the Regional MSW Facility and the requirements of the Project.

2.4 Performance Security

The Concessionaire shall provide Performance Security as per provisions of PIA.
2.5 **Sale and Marketing of Products from Processing MSW**

BUIDCo hereby confirms that the Concessionaire shall be free to sell or otherwise dispose of any Products derived or produced from the Regional MSW Facility as a consequence of undertaking the processing of the MSW at the Regional MSW Facility, without any interference or requirement of any additional reporting, clearance or approval in this regard from BUIDCo. The Concessionaire shall have the right to sell or otherwise dispose such Products, at such price and to such persons and using such marketing and selling arrangements as it may deem appropriate.

2.6 **Term of Concession**

This Concession Agreement shall be co-terminus with the Term of the PIA, and shall cease to be valid upon termination of the PIA.

2.7 **Financial Close**

(a) The Concessionaire shall ensure that its obligations in relation to obtaining required finances (whether in the form of debt or equity) for the purpose of implementation of the Project are fulfilled within a maximum period of [three (3)] months from the signing and execution of the PIA ("Financial Close").

(b) Save subclause (a) above, the Concessionaire shall obtain Financial Close as per provisions of PIA and rights and obligations of the Parties with respect to Financial Close shall be governed by the provisions thereto.

2.8 **Renewal of Concession**

BUIDCo may agree to renew or extend the Concession after the expiry of the Term, for another period of Twenty (20) years or such other period as may be mutually agreed to and on such terms and conditions as mutually agreed upon.

3 **CONDITIONS PRECEDENT**

3.1 **BUIDCo's Conditions Precedent**

This Concession Agreement and the Concession granted herein by BUIDCo to the Concessionaire is valid and binding from the date of execution of this Agreement provided however, the obligations of the Concessionaire under this Agreement would become effective and binding, only upon the satisfaction of the following conditions precedent:

a) BUIDCo shall ensure that each Participating ULB should sign the MSW Supply Agreement within one (1) month of the date of execution of the Concession Agreement;

b) BUIDCo shall ensure that the Participating ULBs have procured all Applicable Permits required to be procured by them for enabling the
3.2 Concessionaire’s Conditions Precedent

The obligations of BUIDCo under this Agreement would become effective and binding, only upon the satisfaction of the following conditions precedent by the Concessionaire:

a) The Concessionaire shall obtain approval for the project plan and detailed project report as per the Standards and Specifications within three (3) months of signing of this Concession Agreement from the Project Management Committee (“PMC”).

b) Shall execute and procure execution of the Substitution Agreement;

c) Shall execute and procure execution of Escrow Agreement;

d) shall submit a Performance Security to BUIDCo;

e) The Concessionaire shall also obtain all Applicable Permits required to enable the commencement of the Project and the commencement of the construction of the Regional MSW Facility.

3.3 Non-Compliance with Conditions Precedent

(a) If BUIDCo does not fulfil the preconditions specified in Clause 3.1, then the Term of this Concession Agreement shall be extended by the same number of days as are taken by BUIDCo to fulfil the preconditions specified in Clause 3.1, and the Concessionaire shall not be liable for the delay in implementation of the Project, and the consequent delay in achievement of the COD,

(b) If the Concessionaire does not fulfil the preconditions specified in Clause 3.2 then BUIDCo shall have the option of either (i) extending the time period for satisfaction of the conditions precedent by the Concessionaire by another three (3) months; or (ii) terminating this Concession Agreement. If the BUIDCo in its sole discretion decides to extend the time period for satisfaction of the condition precedent, the Concessionaire shall have no right to any payments of Tipping Fee for the days for which the extension has been granted.

Provided, however, that in the event that the Concessionaire is unable to fulfil the condition precedents within the extended time period, BUIDCo may invoke the Performance Security and Terminate the Agreement.

(c) The Parties may decide to waive the penalties imposed under Clause 3.3(b) above and extend the period of compliance for fulfilment of the condition precedent by mutual consent.
4    THE SITE

4.1 Vesting of Site with Concessionaire

(a) BUIDCo shall ensure that MC 1 shall vest the Site with the Concessionaire under the Lease Agreement, for the purposes of the development of the Regional MSW Facility for enabling the Participating ULBs to discharge their functions of management, treatment, processing and disposal of MSW no later than six (6) months from the date of execution of this Concession Agreement.

4.2 Use of Site

The Site shall only be used for the purposes of development and implementation of a Regional MSW Facility throughout the Term. The Concessionaire shall not, without the prior written approval of BUIDCo, use the Site for any purpose other than for the purpose of designing, developing, financing, constructing, operating and maintaining the Regional MSW Facility and undertaking other activities as may be required to implement the Project pursuant to this Agreement.

4.3 Deleted

5    PARTICIPATING ULB

The Concessionaire agrees and acknowledges that MC1, MC2, MC3, MC4 and MC5 currently constitute the Participating ULBs that have signed the PIA with BUIDCo and have undertaken to supply MSW for processing and disposal to the Project; however, additional ULBs in the State of Bihar may, with prior approval of the BUIDCo sign the Participation Deed and the MSW Supply Agreement and subsequently supply their MSW for processing and disposal to the Project. Disposal of MSW supplied by these additional ULBs shall be in accordance with the terms of this Concession Agreement and such additional ULBs shall be bound to the terms of this Concession Agreement.

6    PROJECT MONITORING COMMITTEE

The BUIDCo shall constitute a Project Monitoring Committee ("PMC") in accordance with the provisions of the PIA. Such PMC when constituted shall appoint a Project Engineer in accordance with the provisions of the PIA, and the costs and expenses in relation to the functioning of the Project Engineer shall be borne by the Participating ULBs in equal proportions.

7    COLLECTION OF MSW

(a) In accordance with the obligations of the Participating ULBs under the PIA and the MSW Supply Agreement, each Participating ULB shall collect and transport MSW at their own cost and expense till Receipt Point.
Provided, however, a Participating ULB shall be under no obligation to segregate waste (other than if and as agreed to between the parties) and shall collect the MSW generated within their jurisdiction in a manner as it deem fit.

(b) The Participating ULBs have the obligation to ensure that the quantity of Excluded Waste in the MSW supplied by them does not exceed 10% of the quantity of MSW supplied. In the event of failure by any Participating ULB to meet this obligation, the Concessionaire shall have the rights specified in the MSW Supply Agreement.

8 CONSTRUCTION OF THE REGIONAL MSW FACILITY

8.1 Commencement of Construction

(a) Unless otherwise permitted by BUIDCo, no Construction Works shall begin until the Project Engineer is in place and has assumed charge and has approved the concepts, proposals, drawings, construction drawings, environment management plan etc. submitted by the Concessionaire.

(b) The Concessionaire shall, before commencement of construction of Regional MSW Facility;
   (i) Have requisite organization and designate and appoint suitable officers/representatives as it may deem appropriate to supervise the Construction Works of Project, to interact with the Project Engineer / BUIDCo and to be responsible for all necessary exchange of information required pursuant to this Agreement;

   (ii) Construct, provide, incur day to day office running expenditure and maintain a reasonably furnished site office accommodation for the Project Engineer / BUIDCo personnel, at the Site.

8.2 Scope of Construction Work

(a) The Concessionaire shall construct the Regional MSW Facility in accordance with the Standards and Specifications as provided under the Concession Agreement and the project plan which is approved by BUIDCo and shall include the construction of:

   (i) the Regional MSW processing facility (Waste to Energy) including the Scientific Landfill; and

   (ii) Installation of a weighing/metering device such as the Weighbridge at the Transfer Station and the Receipt Point at the Site; and

   (iii) any other allied work (including civil work) as required as per the detailed scope of work or as may be necessary in relation to the implementation of the
Project.

(b) The Concessionaire shall ensure that the following activities are conducted within the scope of construction of the Regional MSW Facility at all times during the Term:

(i) the construction of the Regional MSW Facility done in accordance with the Standards and Specifications as provided in the Concession Agreement;

(ii) the Regional MSW Facility is tested during the Testing Period so as to ensure that it is constructed in accordance with the Standards and Specifications and is ready to be used and operated;

(iii) there are regular inspections and maintenance checks conducted in relation to the Regional MSW Facility;

(iv) There are periodic reports submitted to the Project Engineer in relation to the construction of the Regional MSW Facility in accordance with this Concession Agreement;

(v) there is an annual report (including both technical and financial reports) submitted to BUIDCo in relation to the construction of the Regional MSW Facility;

(vi) there are accurate and updated records maintained in relation to construction activities done under this Concession Agreement;

(vii) all Applicable Permits and insurance covers are maintained by the Concessionaire and renewed as required.

8.3 Progress Report during the Construction Period

(a) During the Construction Period, the Concessionaire shall, on or before the 15th day of every month, prepare and submit to the Project Engineer a monthly progress report, for the previous month, in a form as provided by BUIDCo. Such report shall describe (i) the progress of the design, construction and development of the Regional MSW Facility; (ii) the status of the construction as per the Project Milestones; and (iii) projected COD as per the status of construction achieved till date of the progress report. The Concessionaire shall also submit to the Project Engineer the relevant designs and drawings and other technical information as may be reasonably necessary to carry out a technical appraisal of the Project.

(b) During the Construction Period, the Project Engineer shall, at all reasonable times and upon reasonable notice, have access to the Regional MSW Facility for the purpose of inspecting the progress of work during the Construction Period.

(c) Based on the review of the progress report submitted by the Concessionaire, the Project Engineer shall issue a Progress Certificate.

8.4 Testing Period

(a) When the construction of the Regional MSW Facility has been completed, the Concessionaire shall so notify the Project Engineer in writing. Thereafter, the Project Engineer shall, within seven (7) days of the receipt of such notice, cause the Regional
MSW Facility to be inspected.

(b) Once the Project Engineer has inspected the Regional MSW Facility, the Project Engineer shall issue a Partial Readiness Certificate and the Testing Period of the Regional MSW Facility shall commence from the date of issuance of Partial Readiness Certificate.

(c) During the Testing Period, which is a period of maximum of three (3) months, the Project Engineer shall inspect Regional MSW Facility in presence of the representatives of the Concessionaire so as to ascertain any material defects, imperfections, shortcomings or any other faults in the operation of the Regional MSW Facility and shall direct the Concessionaire to remedy such defects. During this Testing Period, the Project Engineer may also supervise any trial runs and/or performance tests to be conducted under his supervision.

(d) The Concessionaire shall rectify the defects and on the completion of all the works in relation to the correction of defects stipulated by the Project Engineer in sub-clause (b) above, the Concessionaire shall notify the Project Engineer. The Project Engineer shall, within seven (7) days of receipt of such notice, inspect the Regional MSW Facility.

(e) The Project Engineer on being satisfied that (i) all the works stipulated in sub-clause (c) above have been completed; (ii) there are no defects which need remedied; and (iii) the Regional MSW Facility can be used and operated for the treatment and disposal of MSW as per the Standards and Specifications; then the Project Engineer shall issue a Readiness Certificate.

(f) If any latent defect or other defect not in the nature of a defect specified in subsection (c) above appears in the Project during the Term, the Concessionaire shall undertake to make any repairs or take any remedial measures that are reasonably required to remedy any such defect. Such repairs or remedial measures shall be taken up as part of the Operations and Maintenance of the Project under this Agreement.

8.5 Completion Assurance

The Concessionaire shall construct the Regional MSW Facility in accordance with the Project Completion Schedule set out in the Schedule VI and achieve COD within 24 months from the Effective Date. In the event that the Concessionaire fails to complete any of the activities / milestones (the “Project Milestones”) within a period of 60 (sixty) days from the date set forth for such Project Milestone (the “Project Completion Schedule”) in the Schedule VI, unless such failure has occurred due to Force Majeure or for reasons solely attributable to BUIDCo or Participating ULBs, it shall pay damages (the “Damages”) to BUIDCo in a sum calculated at the rate of 0.1% (zero point one per cent) of the amount of Performance Security for delay of each day until such Project Milestone is achieved; provided further that in the event COD is achieved on or before the scheduled date for COD, the Damages paid under this Clause shall be refunded by BUIDCo to the Concessionaire, but without any interest thereon. For the avoidance of doubt, it is agreed that recovery of Damages under this Clause shall be without prejudice to the rights of BUIDCo under this Agreement, including the right of Termination thereof.

8.6 Obligation of Concessionaire from COD
The Concessionaire agrees and acknowledges that it shall have the obligation to process MSW in accordance with the terms of this Concession Agreement from the COD.

9 OPERATIONS AND MAINTENANCE OF THE REGIONAL MSW FACILITY

9.1 Scope of Operations and Maintenance

(a) The Concessionaire shall ensure that and the Regional MSW Facility is in continuous use and operation from the COD till the end of the Term in accordance with the Standards and Specifications as provided in this Concession Agreement.

(b) The Concessionaire shall ensure that the following activities are conducted within the scope of operations and maintenance of the Regional MSW Facility at all times during the Term:

(i) the Concessionaire shall collect the MSW from the Receipt Point and transport it to the any part of the Site at its own cost, and acknowledges that Participating ULBs are under no obligation to segregate or weigh the MSW at the Receipt Point;

(ii) the Concessionaire shall ensure that the MSW obtained at Receipt Point is weighed at the Receipt Point at the Site;

(iii) the Regional MSW Facility is in continuous use and operation;

(iv) the segregation and processing of MSW is undertaken by the Concessionaire at the Regional MSW Facility in accordance with the provisions of the Applicable Laws;

(v) there are regular inspections and maintenance checks conducted in relation to the Regional MSW Facility;

(vi) there are periodical reports submitted to the Project Engineer in relation to the operations and maintenance of the Regional MSW Facility;

(vii) there is an annual report submitted to the Project Engineer and the BUIDCo in relation to the operations and maintenance of the Regional MSW Facility;

(viii) there are accurate and updated records maintained in relation to the waste received and the Products of the Regional MSW Facility;

(ix) all Applicable Permits and insurance covers are maintained and renewed as required;

(x) any other activity that may be specified by BUIDCo in relation to the implementation of the Project.

9.2 Delays in Occurrence of COD
(a) In the event that there is delay in the occurrence of the COD due to any act or omission on the part of BUIDCo and/or Force Majeure, the Concessionaire shall have the right to extend the COD by the same number of days by which the delay was caused.

(b) In the event that there is a delay in the occurrence of the CCD due to any act or omission on the part of the Concessionaire, BUIDCo (i) terminate the Concession Agreement in accordance with the PIA; or (ii) extend the COD for a period as it deems fit.

9.3 Construction of Weighbridge and Measurement of MSW delivered

(a) The Concessionaire shall cause a Weighbridge to be constructed at the Receipt Point which should have video surveillance, a server room, an electronic display unit and suitable technology, with duly calibrated weighbridge having the maximum possible accuracy, to carry out the following operations:

(i) weigh the MSW delivery trucks, take the dimensions of the delivery trucks, determine the weight of the consignment and determine the density of the consignment; and

(ii) generate and maintain an electronic data base for each delivery and provide a print out of the specifications and details for each consignment, as stated in sub-clause (i) above (such print out is hereinafter referred to as “Daily Weight Sheet”).

(b) The Weighbridge shall be operated and maintained by the Concessionaire, at no additional cost to the BUIDCo or the Participating ULBs.

(c) Each consignment of MSW shall be first screened and weighed at the Weighbridge.

(d) The Weighbridge shall be monitored and inspected regularly to ensure its due calibration and accuracy and any errors shall be rectified immediately.

(e) The Daily Weight Sheet shall be final and binding on the Parties.

(f) In the event the Weighbridge is not operational, the weight of the MSW delivered at the Receipt Point during such time shall be measured by an appropriate alternate arrangement established by the Concessionaire and agreed to by the Participating ULBs under the MSW Supply Agreement.

The concessionaire agrees to construct processing facility including Waste to Energy so as to have suitable treatment option for treatment of municipal solid wastes and generation of electricity from municipal solid wastes.

9.4 The Landfill Site

(a) The Concessionaire agrees that it shall dispose the Residual Inert Matter and the Rejected Waste at the Landfill Site.

(b) The Concessionaire shall be responsible for the due operation and maintenance of the Landfill Site and for ensuring its availability and suitability for accepting the
Residual Inert Matter and Rejected Wastes. The Concessionaire shall cause the Landfill Site to be operated and maintained at its own cost and expense (including payment of all levies, charges and taxes whatever) and as per the requirements and conditions prescribed under Applicable Law.

(c) The Concessionaire shall bear the cost of transportation and off-loading of the Residual Inert Matter (but not of the Rejected Waste) from the Site to the agreed point at the Landfill Site, provided however, that the transportation and offloading by the Concessionaire of the Rejected Waste shall be at the cost and expense of the Participating ULBs.

(d) The Concessionaire shall ensure that the Landfill Site is utilized in such a manner that it is capable of being used for the Term of this Agreement.

(e) The Concessionaire shall be responsible for the operational and post-closure care of the Landfill Site, including laying down a final cover on the Landfill Site in accordance with the MSW Rules (“Post Closure Requirement”) and in accordance with provisions of Schedule V. Post-closure care will include, among others, “maintaining the integrity and effectiveness of final cover, making repairs and preventing run-on and run off from eroding or otherwise damaging the final cover”. The Parties hereto agree that the Concessionaire’s Post Closure Requirements shall survive the Termination of this Agreement and in case of any default by the Concessionaire with respect to its obligation as regards Post Closure Requirement, BUIDCo shall be entitled to forfeit and appropriate the Performance Security.

(f) After the expiry of the Term of this Concession Agreement, the Concessionaire shall hand back peaceful possession of the Landfill Site to BUIDCo or to MC 1 as directed by BUIDCo free of cost and in good condition.

(g) BUIDCo hereby agrees that the Regional MSW Facility is undertaking the management, processing and disposal of MSW and is being specifically authorized to be constructed, developed, operated and maintained by MC 1 for the purposes of enabling it to handle and process more MSW generated within jurisdiction of the Participating ULBs. BUIDCo acknowledges that the availability of the Landfill Site for the purposes of disposal of Rejected Waste and Residual Inert Matter are critical for the continued operations of the Regional MSW Facility in a viable manner. BUIDCo hereby agrees to indemnify and hold the Concessionaire harmless against any claims, liability, costs, expenses, damages and losses that the Concessionaire may incur as a result of (i) non-availability of adequate Landfill Site for the disposal of Rejected Wastes and Residual Inert Matter or (ii) any claim, litigation, action instituted by any third party in relation to the Landfill Site.

10 REJECTED WASTE

The Concessionaire shall, at the time from the measurement of a consignment of MSW till before the MSW is utilized in the Regional MSW Facility, be entitled to inspect the delivered MSW to ensure that no MSW that falls under the category of Rejected Waste is processed by the Regional MSW Facility. If waste determined to be Rejected Waste is identified, then the rights of the Concessionaire specified with regard to Rejected
Waste in the MSW Supply Agreement shall become effective.

11 PAYMENTS

(a) Each Participating ULB shall make the payment of Royalty or Tipping Fee and any other amounts payable by it in accordance with the terms of the PIA.

12 TEMPORARY SHUTDOWN AND CLOSURE

It is hereby agreed that temporary shutdown of the Regional MSW Facility shall be dealt with in accordance with the provisions of the PIA.

13 OBLIGATIONS OF CONCESSIONAIRE

In addition to and without prejudice to the other obligations of Concessionaire specified in other provisions of this Concession Agreement, Concessionaire shall also discharge the following additional obligations:

(a) The Concessionaire shall design, construct, finance, operate, maintain, manage and transfer the Project as per the terms of this Concession Agreement;

(b) The Concessionaire shall ensure that the COD for the Project is achieved within a period of twenty four (24) months after Effective Date;

(c) The Concessionaire shall use suitable technology and Good Industry Practice to segregate and process the MSW received by it from the Participating ULBs in accordance with the terms of this Concession Agreement;

13.1 Concessionaire’s Undertakings

(a) the Regional MSW Facility shall be designed, constructed and developed in accordance with the Standards and Specifications as provided in the Concession Agreement;

(b) the construction of the Regional MSW Facility shall be completed within the stipulated Construction Period;

(c) the Regional MSW Facility shall be tested and evaluated during the Testing Period so as to ensure that the Regional MSW Facility is in proper condition to be used and operated for the purposes of the implementation of the Project;

(d) the Regional MSW Facility shall be used, operated and maintained such that the Concessionaire shall always ensure it has the due authorization and proper legal right to use all the technology it uses for the operation of the Regional MSW Facility; and

(e) that the Regional MSW Facility shall be operated and maintained in accordance with this Concession Agreement. BUIDCo hereby agrees that Concessionaire may carry out the operation and maintenance of the Regional MSW Facility (or any part thereof) by itself or through any suitable Person it may appoint provided however,
Concessionaire shall remain completely responsible to ensure that the Regional MSW Facility complies with this Agreement.

13.2 Adequate Organization

Concessionaire shall, through the Term have requisite organization and designate and appoint suitable officers/representatives as it may deem appropriate for implementing the Project properly and for carrying out the purposes of this Concession Agreement in accordance with the terms hereof.

13.3 Marketing/Sale/Disposal of Products

Concessionaire shall collect the Products from the Site and sell the Products in accordance with the terms and conditions of this Agreement, Applicable Laws and State Govt. Policy for promotion of New and Renewable Energy Sources – 2009 as provided in Schedule XXV.

13.4 Applicable Permits

Concessionaire shall apply and procure all Applicable Permits in respect of the construction, commissioning and operation of the Regional MSW Facility provided however, any Applicable Approvals that is to be provided by BUICo shall be granted by BUICo upon the application for the same being made in accordance with applicable law by Concessionaire provided further that in the event BUICo fails to perform its obligation of providing support to Concessionaire for obtaining the Applicable Approvals, then the failure to obtain the relevant Applicable Approvals by Concessionaire shall not be an Concessionaire's Event of Default under this Concession Agreement.

13.5 Compliance with Applicable Laws and Environment Laws

Concessionaire shall construct, operate and maintain the Regional MSW Facility in accordance with Applicable Laws, including but not limited to all the applicable laws relating to protection and safeguard of the environment and the laws for preventing and monitoring pollution of environment; and obtain and maintain the Applicable Permits required for the same.

13.6 Repair and Maintenance Work of the Regional MSW Facility

Subject to the provisions of the MSW Supply Agreement, the Concessionaire shall have the right to suspend receiving and processing of MSW, if required, for undertaking maintenance or repair of any part of the Regional MSW Facility.

13.7 Deleted

14 OBLIGATIONS OF BUICo

Without prejudice and in addition to the other obligations of BUICo specified in this
Agreement, BUIDCo shall have the following additional obligations to enable the due implementation of the Project by Concessionaire:

14.1 Applicable Permits

(g) BUIDCo shall, at the request of Concessionaire, facilitate Concessionaire in procuring the necessary Applicable Permits and facilitate the co-ordination with various state and other concerned authorities and agencies, and all other assistance and facilities.

(h) Without prejudice to the generality of Clause 14.1(a) above, BUIDCo shall:

(i) recommend and forward to the relevant authority/ministry/department, any application of Concessionaire to obtain any Applicable Approval; and

(ii) co-ordinate the grant of the Applicable Approval with the relevant authority/ministry/department and assist Concessionaire in getting necessary clearances from the relevant authorities/ministry/departments.

14.2 Benefits to Project to Accruo Directly to Concessionaire

BUIDCo hereby agrees that if there is any financial or tax benefits or otherwise in respect or on account of the Project (including but not limited to viability gap funding, grants, tax benefits, etc.), they shall accrue directly and exclusively to Concessionaire alone and not to BUIDCo and BUIDCo hereby undertakes that it shall not claim or file any application claiming such benefits to the prejudice of Concessionaire.

The responsibility for arrangement of revenues from carbon credits lies with the concessionaire. However, the revenue sharing between MC1 and the concessionaire will be in the ratio of 40% and 60% respectively.

All expenses, monitoring and verification related to project registration with the UNFCCC will be the sole responsibility of the concessionaire.

14.3 Payment in case of default by Participating ULBs

[INSERT MECHANISM RELATED TO LC]

15 FORCE MAJEUERE

Notwithstanding anything contained in this Agreement, if there is an occurrence of a Force Majeure Event, the same shall be addressed in accordance with the provisions of the PIA.

16 TERMINATION

This Agreement can be terminated only in accordance with the provisions of the PIA.

17 DIVESTMENT OF RIGHTS AND INTEREST
Upon Termination, the Concessionaire shall comply with the Divestment Requirements as per provision of the PIA:

18 LENDERS' STEP IN RIGHTS

The Lenders shall have and shall exercise their step in rights in accordance with the provisions of the PIA.

19 INSURANCE

The Concessionaire shall at its cost and expense, obtain and maintain, during the Term, all such insurances (in addition to those mandated by Applicable Laws or required by the Lenders) as may be required in accordance with the provisions of the PIA.

20 TRANSFER AND HANDBACK OF REGIONAL MSW FACILITY

Upon the completion and expiry of the Term of this Agreement or early Termination of this Agreement, the Concessionaire shall transfer the Regional MSW Facility in accordance with the provisions of the PIA.

21 DELETED

22 DISPUTE RESOLUTION

Any dispute, difference or controversy of whatever nature between the Parties, howsoever arising under, out of or in relation to this Agreement (the "Dispute") shall be resolved in accordance with the provisions of the PIA.

23 NO WAIVER OF RIGHTS AND CLAIMS

Any forbearance, toleration or delay in invoking any of the rights or claims accruing in favour of any Party under the terms of this Concession Agreement shown or made by such a Party in whose favour such rights or claims might have vested by virtue of this Concession Agreement shall neither constitute nor be construed to be a waiver of such rights or claims accruing in respect of such a Party.

24 SCHEDULES AND ANNEXURES

All schedules and annexure and other explanatory details attached to this Concession Agreement shall be deemed to be a part of this Concession Agreement.

25 REPRESENTATIONS AND WARRANTIES
The Parties hereby confirm that the representations and warranties made by each Party to the other under the PIA continue to be valid and true, and shall continue to be valid till the terminations of this Agreement.

26 MISCELLANEOUS

In addition to clause 1.1, the provisions of the following clauses from the PIA shall be applicable to this Agreement:

(a) No Waiver of Rights and Claims;
(b) Schedules and Annexures;
(c) Supersession of Earlier Agreements;
(d) Notices;
(e) Legal Charges;
(f) Counterparts;
(g) Assignment;
(h) No Partnership;
(i) Severability;
(j) Commercial Agreement.

IN WITNESS WHEREOF the Parties hereto have placed their respective hands and seals hereto on the day and year first herein above mentioned.

SIGNED, SEALED AND DELIVERED BY:

FOR BIHAR URBAN INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

Duly authorized by the [ ]

(Signature)

IN PRESENCE OF ..............................................................

(Signature) NAME: ADDRESS:

Vijay Kumar
Deputy Project Director
BUIDCO, PATNA
FOR PATNA GREEN ENERGY PRIVATE LIMITED [CONCESSIONAIRE]

ASHOK N. MAHINDRAKAR
Director
(Duly authorized by the resolution of the Board of Directors passed at its meeting held on 22.11.2014)

IN PRESENCE OF

NAME: Rohit Sharma
ADDRESS: 602, Trade Center
Bandra Kurla Complex
Bandra - Mumbai - 41
APPENDIX-XI
LETTER COMPRISING THE FINANCIAL BID

Date: 11th April, 2014

General Manager (Technical)
Bihar Urban Infrastructure Development Corporation Limited
303, 3rd Floor, Maurya Tower,
Maurya Complex,
Budh Marg, Patna- 800 011

Sub:- Financial Bid for Development of Integrated Municipal Solid Waste to Energy Processing Facility and Sanitary Landfill in Patna on PPP

Dear Sir,

With reference to your NIT No BUIDCO/ 261/13-04 dated 9th Jan, 2014 and BID Document uploaded on BUIDCO website. We, having examined the Bidding Documents and understood their contents, We hereby submit our Bid and quote the Tipping Fee Rate of Rs. 333.00 (Three hundred thirty three only) per tonne of MSW for undertaking the aforesaid Project in accordance with the Bidding Documents.

The Tipping Fee Rate quoted by us is applicable as on Bid Due Date of 12th April, 2014 and subject to revision annually as per provision of Bid Document.

Quoted rates for Tipping Fee Rates are inclusive of all taxes but service tax and cess applicable on service tax which shall be payable by the Participating ULBs as per Applicable Laws.

Key assumptions in arriving at the quoted rates for Tipping Fee are given in Table FIN-1 in this Financial Bid

Yours faithfully

For Sunil Hittech Engineers Limited and IKOS Environnement (Consortium)

Ashok Narasingrao Bhindraker
(Vice President- BUIDCO Development)
Date: 11th April 2014

Place: Mumbai
FIN FORM 1 of the Financial Bid

Key assumptions

Bidders would be required to submit information on key assumptions for the Project (Key Assumptions) based on their estimates of various parameters pertaining to the Project. Key Assumptions must include (but not limited to) information on the following:

Proposed quantum in SLF Disposal = 15.00% to 20.00% of MSW received.

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Required for setting up Waste to Energy Facility</td>
<td>10</td>
</tr>
<tr>
<td>Land Required for setting up Scientific Landfill Facility for disposal of MSW after COD</td>
<td>18</td>
</tr>
<tr>
<td>Land Required for scientific closure of existing dump of MSW and the MSW received till COD</td>
<td>15</td>
</tr>
</tbody>
</table>

Project Cost Estimates
Base Construction Cost as on Proposal Due Date: Rs. 199.09 Cr.
Contingencies: Rs. 09.95 Cr.
Details of Preliminary Expenses: Rs. 10.95 Cr.
Details of Pre-C operative Expenses: Rs. 29.14 Cr.

Estimated Total Project Cost as on COD: Rs. 249.13 Cr.

Capital Structure
Grant component: N.A.
Debt – Equity Ratio: 70:30
Equity Capital: Rs. 74.74 Cr.
Debt Funding: Rs. 174.39 Cr.
Quasi-equity, if any: N.A.

Terms of Debt and Quasi-equity
Interest Rate: 13.50% p.a.
Maturity: 14 Years

Economics Assumptions
Inflation Rate: N.A.
Exchange Rate, if any: N.A.

O&M Cost Estimates
Routine Maintenance Costs as on Proposal Due Date: 3.21% of the Total Project Cost with an escalation of 5%.
Periodic Maintenance Costs as on Proposal Due Date: N.A.
Taxation Assumptions
Tax Rates  : MAT - 20.10%  
            : Normal Tax - 33.50%
Tax Benefits  : N.A.

Other Costs and Charges
Establishment Cost : Same as Total Project Cost mentioned above.
Depreciation Rates : Depreciation over project life.

Revenue Generation from sale of products/by-products: Electricity @ Rs. 5.50 per unit, Compost @ Rs. 2500 per ton.
LETTER OF ACCEPTANCE

To,
Ashok Narsingrao Mahindrakar
Vice President – Business Development
M/s Sunil Hitech Engineers Ltd.
602, Trade Centre, BandraKurla Complex, Bandra East
Mumbai – 400041, Maharashtra

Subject :- Development of Regional Municipal Solid Waste to Energy (Electricity) and Scientific Landfill Facility in Patna on PPP.

Reference:- Your Bid dated 12-04-2014 (NIT No – BUIDCo/261/13-14, dt. 09-04-2014) for Development of Regional Municipal Solid Waste to Energy (Electricity) and Scientific Landfill Facility in Patna on PPP

Dear Sir,

Based on the evaluation of bids received for Development of Regional Municipal Solid Waste to Energy (Electricity) and Scientific Landfill Facility in Patna on PPP(NIT No – BUIDCo/261/13-14, dt. 09-04-2014), the consortium of M/s Sunil Hitech Engineers Ltd. and IKOS Environment has been declared as Successful Bidder for implementation of the subject project in Patna, Bihar for the Tipping Fee consideration of Rs. 333/- per Tone of solid waste.

You are requested to give your acceptance within seven (7) days after the receipt of this Notification of Award by returning the signed and sealed copy of this letter failing which it will be considered that you are not interested in the project.

The following needs to be done before signing the agreement:

1. The aforesaid consortium would be required form a special purpose vehicle company(SPV) within 30 days after acceptance of this award for execution of the subject project and the incorporating documents of the SPV should be submitted to BUIDCo.
2. The Project Implementation Agreement (PIA) will be signed among the SPV, BUIDCo and other Participating ULBs within 45 days after the acceptance this award. The Performance Security of due amount should be furnished at the time of signing the PIA.

The draft agreements will be sent you after the receipt of your acceptance. This LOA or its acceptance does not amount to any contractual arrangement between the parties nor does it amount to any obligation on the part of BUIDCo.

Looking forward for your acceptance of the award.

Yours faithfully,

(D.S.Mishra)
General Manager (Tech)