

ಕರ್ನಾಟಕ ಸರ್ಕಾರ

Government of Karnataka
SECRETARIAT- IDD.
O/o Director-IDD

SUBJECT

Main Category : Category 8. Projects or Works or Management
Sub Category :
Description : ವಿಜಯಪುರದಲ್ಲಿ ಪಿಪಿಪಿ ಮಾದರಿಯಲ್ಲಿ ವೈದ್ಯಕೀಯ ಕಾಲೇಜು ಸ್ಥಾಪಿಸುವ ಕುರಿತು

OTHER DETAILS

Language : English
Remarks :
Previous References :
Later References :

Note # 1

ಕಡತ ಸೃಜಿಸಿದೆ.

Directorate of Medical Education ರವರಿಂದ ವಿಜಯಪುರದಲ್ಲಿ ಪಿಪಿಪಿ ಮಾದರಿಯಲ್ಲಿ ವೈದ್ಯಕೀಯ ಕಾಲೇಜು ಸಾಪ್ತಮಿಕ ಕುರಿತು ಸೀಕ್ರೆಟವಾದ ಕಡತದ ಸಂಪೂರ್ಣ ದಾಖಲಾತಿಗಳನ್ನು download ಮಾಡಿ ಅಂತರಿಕ ಕಡತದಲ್ಲಿ ದಾಖಲಿಸಿದೆ.

04/09/2025 02:54 PM

Typist
TYPIST

Note # 2

ಆಡಳಿತ ಇಲಾಖೆಯು ಸಲ್ಲಿಸಿರುವ ಈ ಯೋಜನೆಗೆ ಸಂಬಂಧಿಸಿದ ದಾಖಲೆಗಳನ್ನು PPPAC ಸಭೆಯಲ್ಲಿ ಚರ್ಚಿಸುವ ಸಲುವಾಗಿ ಸಂಬಂಧಿಸಿದ ಅಧಿಕಾರಿಗಳಿಗೆ ಹಾಗೂ ಸದಸ್ಯರುಗಳಿಗೆ ತಿಳಿಸಲು ದಿನಾಂಕ :19.09.2025 ರಂದು ಸಮಯ 2:30ಗಂಟೆಗೆ ನಿಗದಿಪಡಿಸಲು ಕಡತವನ್ನು ಅನುಮೋದನೆಗಾಗಿ ಸಲ್ಲಿಸಿದೆ.

16/09/2025 11:33 AM

M PRAKASH
EXECUTIVE ENGINEER

Note # 3

ಅನುಮೋದಿಸಿದೆ

17/09/2025 10:42 AM

PURUSHOTHAM SINGH
DIRECTOR

Note # 4

ಈ ಯೋಜನೆಗೆ ಸಂಬಂಧಿಸಿದಂತೆ ಆರೋಗ್ಯ ಇಲಾಖೆಗೆ ಸೇರಿದ ಜಾಗವನ್ನು ವೈದ್ಯಕೀಯ ಕಾಲೇಜು ಇಲಾಖೆಗೆ ಹಸ್ತಾಂತರಗೊಳ್ಳದೇ ಇರುವುದರಿಂದ ಕಡತವನ್ನು ತಾ.ಮು ಮಂಡಿರಿ

20/09/2025 12:21 PM

M PRAKASH
EXECUTIVE ENGINEER

Note # 5

23/09/2025 12:31 PM

Typist
TYPIST

List of Correspondences

Receipt No. / Issue No.	Subject	Type	Marked As	Attached On	Issued On	Pages	Remarks
10873477/2025/O/o DR-IDD	Complete correspondence of DME	Receipt		04/09/2025 02:47 PM		1-462	.

File No. DME/ADN2/175/2025-CAO-DIRECTORATE OF MEDICAL EDUCATION

ಕರ್ನಾಟಕ ಸರ್ಕಾರ

Government of Karnataka
DIRECTORATE OF MEDICAL EDUCATION
O/O CHIEF ADMINISTRATIVE OFFICER-DME

SUBJECT

Main Category : Category 10. Others

Sub Category :

Description : Regarding submission of Details/Documents to letter dated 14.08.2025 - Setting up of Medical Colleges and upgrading the 11 district hospitals in Karnataka under PPP framework

OTHER DETAILS

Language : English

Remarks :

Previous References :

Later References :

Note # 1

ಕಛೇರಿ ಟಿಪ್ಪಣಿ

ವಿಷಯ: Regarding submission of Details/Documents to letter dated 14.08.2025

Setting up of Medical College Vijayapura (Bijapur)

ಉಲ್ಲೇಖ: ಈ ನಿರ್ದೇಶನಾಲಯದ ಪತ್ರ ಸಂಖ್ಯೆ: DME/JD/42/2025-26,
ದಿನಾಂಕ:14.08.2025.

ಮೇಲ್ಕಂಡ ವಿಷಯಕ್ಕೆ ಸಂಬಂಧಿಸಿದಂತೆ, ಪಿಪಿಪಿ ಚೌಕಟ್ಟಿನಡಿಯಲ್ಲಿ ಕರ್ನಾಟಕದ 08 ಜಿಲ್ಲಾ ಆಸ್ಪತ್ರೆಗಳನ್ನು ವೈದ್ಯಕೀಯ ಕಾಲೇಜುಗಳ ಸ್ಥಾಪನೆ ಮತ್ತು ಮೇಲ್ದರ್ಜೆಗೇರಿಸುವ ಬಗ್ಗೆ IDeck ಸಂಸ್ಥೆಯವರು ವಿಜಯಪುರದಲ್ಲಿ ಪಿಪಿಪಿ ಮಾದರಿಯಲ್ಲಿ ವೈದ್ಯಕೀಯ ಕಾಲೇಜು ಸ್ಥಾಪನೆಗೆ ಸಂಬಂಧಪಟ್ಟಂತೆ ಕೆಳಕಂಡ ದಾಖಲೆಗಳನ್ನು ನೀಡಿರುತ್ತಾರೆ.

1.Feasibility report

- 2.Slswa format
- 3.RFP (Request for Proposal)
- 4.DCA (Draft Concession Agreement)
- 5.Financial Model excel sheet
- 6.Scenario analysis
- 7.Sensitivity analysis
- 8.Power Point Presentation

ದಿನಾಂಕ:22.08.2025 ರಂದು ಆಂತರಿಕ ಸಮಿತಿ ಸಭೆಯಲ್ಲಿ ಮಂಡಿಸಿ, ಅನುಮೋದನೆ ಪಡೆಯಲಾಗಿದ್ದು, ಇದನ್ನು ಪರಿಶೀಲಿಸಿ ಅನುಮೋದನೆ ನೀಡಲು IDD ಗೆ ಕಳುಹಿಸಬಹುದಾಗಿದ್ದು, ಸದರಿ ದಾಖಲೆಗಳನ್ನು ಕಡತದೊಂದಿಗೆ ಲಗತ್ತಿಸಿ, ಅವಗಾಹಿಸಲು ಕೋರುತ್ತಾ, ಮುಂದಿನ ಕ್ರಮಕ್ಕಾಗಿ ಮಂಡಿಸಿದೆ.

ಸದರಿ ಸೇವೆಯಲ್ಲಿ ಏನಾದರೂ ಮಾಹಿತಿ ಬೇಕಾದಲ್ಲಿ IDD ಯಿಂದ ನಿಯೋಜನೆ ಗೊಂಡ ನಿಖಿಲ್ ಕುಮಾರ್ ಇವರನ್ನು ಸಂಪರ್ಕಿಸಬಹುದಾಗಿರುತ್ತದೆ. ದೂರವಾಣಿ ಸಂಖ್ಯೆ: 9915182905

[Letter DME.pdf](#)

[Final RFP VijayapuraMedical V1.pdf](#)

[Final CA VijayapuraMedical V1.pdf](#)

[Feasibility Vijayapura Final v1.pdf](#)

[PPT Medical College 08112025 \(1\).pptx](#)

[SLSWA format Vijayapura Medical College_18.08.2025.pdf](#)

[Vijayapura - Financial Model Submitted.xlsx](#)

25/08/2025 12:45 PM

**DEEPIKA DS
COMPUTER OPERATOR**

Note # 2

ಕಂಡಿಕೆ 01ರಲ್ಲಿನ ಮಾಹಿತಿಯನ್ನು ಅವಗಾಹಿಸಲು ಕೋರುತ್ತಾವಿಜಯಪುರದಲ್ಲಿ ಪಿಪಿಪಿ ಮಾದರಿಯಲ್ಲಿ ವೈದ್ಯಕೀಯ ಕಾಲೇಜು ಸ್ಥಾಪಿಸುವ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಮುಂದಿನ ಕ್ರಮಕ್ಕಾಗಿ ಸರ್ಕಾರಕ್ಕೆ ರವಾನಿಸಲು ಕೋರಿ ಸಲ್ಲಿಸಿದೆ.

25/08/2025 02:02 PM

**DR VENKATARAGHAVA S
JOINT DIRECTOR**

Note # 3

ವಿಜಯಪುರದಲ್ಲಿ ಪಿಪಿಪಿ ಮಾದರಿಯಲ್ಲಿ ವೈದ್ಯಕೀಯ ಕಾಲೇಜು ಸ್ಥಾಪಿಸುವ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಅವಗಾಹಿಸಲು ಕೋರುತ್ತಾ ಸದರಿ ಪ್ರಸ್ತಾವನೆಯನ್ನು ಮುಂದಿನ ಕ್ರಮಕ್ಕಾಗಿ IDD ಸಂಸ್ಥೆಗೆ ಸಲ್ಲಿಸಬಹುದು ಎಂಬ ಅಭಿಪ್ರಾಯದೊಂದಿಗೆ ಕಡತ ಸಲ್ಲಿಸಿದೆ.

25/08/2025 04:25 PM**B L SUJATHA RATHOD
DIRECTOR MEDICAL EDUCATION****Note # 4**

Approved

25/08/2025 06:23 PM**MOHAMMAD MOHSIN
PRINCIPAL SECRETARY****Note # 5****26/08/2025 03:06 PM****DR MANJULA N
SECRETARY****Note # 6**

ಮುಂದಿನಕ್ರಮಕ್ಕಾಗಿ

28/08/2025 10:41 AM**PURUSHOTHAM SINGH
DIRECTOR****Note # 7****04/09/2025 11:46 AM****M PRAKASH
EXECUTIVE ENGINEER**



ಕರ್ನಾಟಕ ಸರ್ಕಾರ
ಕರ್ನಾಟಕ ಸರ್ಕಾರ

DIRECTORATE OF MEDICAL EDUCATION

BMC&RI (Old Building), 1st Floor, Fort, K.R. Road, Bengaluru-560002.

Phone: +91-80-22870060
Fax: +91-80-22875798
dme.karnataka@yahoo.com

No- DME/JD 42/2025-26

Date: 14.08.2025

To,
The Chief Executive Officer,
Infrastructure Development Corporation (Karnataka) Limited,
9/7, K.C.N. Bhavan, Yamunabai Road,
Madhav Nagar Extension, Off Race Course Road,
Bangalore – 560001.

Sub:- Request for Details and Documents for PPP Project.

*

With reference to the above cited subject, we are writing to request the following details and documents for our review and consideration of PPP proposal for 1.. Kolar, 2. Tumkur and 3. Vijayapura. In this Kolar project is in eager.

- Feasibility report
- Sls wa format signature of head
- RFP (Request for Proposal)
- DCA (Draft Concession Agreement)
- Financial model excel sheet.
- Scenario analysis
- Sensitivity analysis
- Power point presentation

We would appreciate it if you could provide these documents at your earliest convenience. Thank you for your time and consideration.


Director
Directorate of Medical Education
Bengaluru

Copy submitted for information:

PA to Principal Secretary, Department of Medical Education, M S Building, Bengaluru



**Department of Medical Education
Government of Karnataka**

Request for Proposal

For

**Establishment of a 150 seat Medical College and
augmentation of attached District Hospital for 300 beds
under PPP framework in Vijayapura, Karnataka**

August 2025

The Directorate of Medical Education (DME),
Government of Karnataka
Bangalore Medical College & Research Institute (Old Building),
Fort, K.R. Road, Bangalore 560002

Contents

Disclaimer	5
Glossary	7
1 INTRODUCTION	9
1.1 Background	9
1.2 Brief description of Bidding Process	10
1.3 Schedule of Bidding Process	13
1.4 Pre-Bid Conference	13
2 INSTRUCTIONS TO BIDDERS	14
2.1 Scope of Bid	14
2.2 Eligibility of Bidders	15
2.3 Change in Ownership	24
2.4 Number of Bids and costs thereof	25
2.5 Site visit and verification of information	25
2.6 Acknowledgement by Bidder	25
2.7 Right to accept or reject any or all Bids	26
B. DOCUMENTS	27
2.8 Contents of the RFP	28
2.9 Clarifications	28
2.10 Amendment of RFP	29
C. PREPARATION AND SUBMISSION OF BID	29
2.12 Format and signing of Bid	29
2.13 Submission of Bids	29
2.14 Bid Due Date	31
2.15 Contents of the Bid	31
2.16 Modifications/ substitution/ withdrawal of Bids	32
D. EVALUATION PROCESS	32
2.18 Confidentiality	33
2.19 Tests of responsiveness	33
2.20 Clarifications	34
E. PRE-QUALIFICATION, TECHNICAL QUALIFICATION AND BIDDING	34
2.22 Shortlisting and notification	34
2.23 Proprietary data	34
2.24 Correspondence with the Bidder	35
F. BID SECURITY	35
3 CRITERIA FOR EVALUATION	37
3.2 Evaluation and Scoring of Technical Bids	37
3.3 Shortlisted Bidders	37
3.4 Selection of Bidder	37
3.5 Contacts during Bid Evaluation	37
3.6 Bid Parameter	38
4 FRAUD AND CORRUPT PRACTICES	39
5 PRE-BID CONFERENCE	41
6 MISCELLANEOUS	42
APPENDICES	43
APPENDIX-I	44
Letter Comprising the Prequalification Bid and Technical Bid	44

3

APPENDIX-VII	72
Guidelines of the Department of Disinvestment	72

Disclaimer

The information contained in this Request for Proposal document (the “RFP”) or subsequently provided to Bidder(s), whether verbally or in documentary or any other form, by or on behalf of the Authority or any of its employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP is not an agreement and is neither an offer nor invitation by the Authority to the prospective Bidders or any other person. The purpose of this RFP is to provide interested parties with information that may be useful to them in making their financial offers (Bids) pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for the Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements and information contained in this RFP may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Bidder(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Authority, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Bidder or Bidder, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way for participation in this RFP.

The Authority also accepts no liability of any nature whether resulting from negligence or otherwise caused arising from reliance of any Bidder upon the statements contained in this RFP.

The Authority may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.

The issue of this RFP does not imply that the Authority is bound to select the Bidder or Concessionaire for the Project and the Authority reserves the right to reject all or any of the Bids without assigning any reasons whatsoever.

Glossary

Associate	As defined in Clause 2.2.9
Authority	As defined in Clause 1.1.1
Bidder	As defined in Clause 1.2.1
Bid	As defined in Clause 1.2.1
Bid Due Date	As defined in Clause 1.1.5
Bid Security	As defined in Clause 1.2.4
Bidders	As defined in Clause 1.2.1
Bidding Documents	As defined in Clause 1.1.5
Bidding Process	As defined in Clause 1.2.1
Concession	As defined in Clause 1.1.3
Concession Agreement	As defined in Clause 1.1.2
Concessionaire	As defined in Clause 1.1.2
Conflict of Interest	As defined in Clause 2.2.1(c)
Consortium	As defined in Clause 2.2.1(a)
Damages	As defined in Clause 2.2.1 (c)
Estimated Project Cost	As defined in Clause 1.1.1
Financial Capacity	As defined in Clause 2.2.2
Financial Bid	As defined in Clause 1.2.1
Government Merit Selection	As defined in Clause 1.2.6 (b)
Highest Bidder	As defined in Clause 1.2.6 (c)
Jt. Bidding Agreement	As defined in Clause 2.2.6 (g)
Lead Member	As defined in Clause 2.2.6 (c)
LOA	Letter of Award
Member	Member of a Consortium
Net Worth	As defined in Clause 2.2.4
Official Website	As defined in Cause 1.2.10
Project	As defined in Clause 1.1.1
Pre-qualification	As defined in Clause 1.2.1
Pre-qualification Bid	As defined in Clause 1.2.1
Re. or Rs. or INR	Indian Rupee
RFP or Request for Proposals	As defined in the Disclaimer
Selected Bidder	As defined in Clause 3.4.2
Seat Share	As defined in Clause 1.2.6 (a)
Shortlisted Bidders	As defined in Clause 1.2.1
SPV	As defined in Clause 2.2.6
Technical Bid	As defined in Clause 1.2.1

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto herein above.

Invitation for Proposals

DIRECTORATE OF MEDICAL EDUCATION,
GOVERNMENT OF KARNATAKA

1 INTRODUCTION

1.1 Background

- 1.1.1 The Directorate of Medical Education (DME), Government of Karnataka, the “Authority”) having its principal office at Bangalore Medical College & Research Institute (Old Building), Fort, K.R. Road, Bangalore 560002 is responsible to provide holistic medical education and excellence in research and develop specialty and super specialty facilities at all Government autonomous institutes. It is also responsible to establish state of the art trauma care centres with adequate facilities at all institutes in the state of Karnataka. As part of this endeavor, the Authority has decided to undertake augmentation and operation of the Hospital (the “District Hospital” or Vijayapura District Hospital”) and allowing the utilization of the facilities of the District Hospital for developing and operating a “Medical College” with a minimum annual intake of 150 Undergraduate students (the “Project”) through Public Private Partnership. The Authority has, therefore, decided to carry out a competitive bidding process for selection of a bidder to whom the Project may be awarded.

Brief Components of the Project are as follows:

Name of the Project	Scope of the Project	Estimated Project Cost
Establishment of a [150] seat Medical College and augmentation of attached Vijayapura District Hospital for 300 beds under PPP framework	a) Design, Build, Finance and Operate the 150 seats Medical College utilizing the facilities of the existing Vijayapura District Hospital; b) Design, Finance, Augment, and Transfer the existing Vijayapura District Hospital	[270 crores]

Note: Concession period is of 66 years commencing from the Appointed Date in accordance with the draft Concession Agreement issued pursuant hereto.

The Government of Karnataka, in the interest of promoting affordable medical education, intends to establish more medical colleges in the state. In this regard, the Directorate of Medical Education has identified 11 district hospitals where private partners will be invited to develop medical colleges attached to these hospitals. The district hospitals will be augmented and converted to serve as the teaching hospital for the attached medical college, by the private partner. The current Project pertains to development of a medical college attached to the Hospital, the district hospital of Vijayapura. The Authority intends to award the Project through an open competitive bidding process in accordance with the procedure set out herein.

- 1.1.2 The Selected Bidder, who is either a company incorporated under the Companies Act, 1956/2013 or undertakes to incorporate as such prior to execution of the concession agreement (the “Concessionaire”) shall be responsible for development, management, and operation and maintenance of the Project under and in accordance with the provisions of the concession agreement (the “Concession Agreement”) to be entered into between the Selected Bidder and the Authority in the form provided by the Authority as part of the Bidding Documents pursuant hereto.
- 1.1.3 The scope of work will broadly include the augmentation of the District Hospital; development of Medical College; and management, operation and maintenance of the Medical College in accordance with the terms of the Concession Agreement. The detailed terms and conditions for granting the concession are set forth in the Concession Agreement, including inter alia the scope of the Concessionaire’s services and obligations (the “**Concession**”).
- 1.1.4 The indicative capital cost of the Project, has been specified in Clause 1.1.1 above (the “**Estimated Project Cost**”). The assessment of actual costs, however, will have to be made by the Bidders.
- 1.1.5 The Authority shall receive Bids pursuant to this RFP in accordance with the terms set forth in this RFP and other documents provided by the Authority pursuant to this RFP, as modified, altered, amended and clarified from time to time by the Authority (collectively the “**Bidding Documents**”), and all Bids shall be prepared and submitted in accordance with such terms on or before the date specified in Clause 1.3 for submission of Bids (the “**Bid Due Date**”).
- 1.1.6 The statements and explanations contained in this RFP are intended to provide a better understanding to the Bidders about the subject matter of this RFP and should not be construed or interpreted as limiting in any way or manner the scope of services and obligations of the Concessionaire set forth in the Concession Agreement or the Authority’s rights to amend, alter, change, supplement or clarify the scope of work, the Concession to be awarded pursuant to this RFP or the terms thereof or herein contained. Consequently, any omissions, conflicts or contradictions in the Bidding Documents including this RFP are to be noted, interpreted and applied appropriately to give effect to this intent, and no claims on that account shall be entertained by the Authority.

1.2 Brief description of Bidding Process

The Authority has adopted a single-stage, three-step bidding process (collectively referred to as the “Bidding Process”) for selection of the Bidder for award of the Project. Prior to participation in the Bidding Process, the Bidder shall pay to the Authority a sum of Rs ***** (Rupees *****), in the form of a demand draft issued by a Nationalised bank or Scheduled Commercial Bank in India, drawn in favour of ***** and payable at *****, as the cost of the Bid process. The Bidders would be required to furnish all the information specified in this RFP. The Bid shall be valid for a period of not less than 120 (one hundred and twenty) days from the Bid Due Date. The first step (the “Prequalification Bid”) of the process involves Pre-qualification (the “Pre-qualification”) of interested parties/ consortia who submit a

Bid in accordance with the provisions of this RFP (the “Bidder”, which expression shall, unless repugnant to the context, include the Members of the Consortium). The second step (the “Technical Bid”) involves evaluation of technical capacity of the pre-qualified Bidders and identification of Bidders crossing a minimum threshold of 75 marks (the “Shortlisted Bidders”). The third step of the process involves evaluation of the financial proposals (the “Financial Bid”) of the Shortlisted Bidders. The Pre-qualification Bid, Technical Bid and Financial Bid shall collectively be referred to as Bid (the “Bid”).

Government of India has issued guidelines (see Appendix-VII) for qualification of bidders seeking to acquire stakes in any public sector enterprise through the process of disinvestment. These guidelines shall apply mutatis mutandis to this Bidding Process. The Authority shall be entitled to disqualify a Bidder in accordance with the aforesaid guidelines at any stage of the Bidding Process. Bidders must satisfy themselves that they are qualified to bid, and should give an undertaking to this effect in the form at Appendix-I.

- 1.2.1 At the Pre-qualification stage, the Pre-Qualification Bids of the Bidders would be evaluated and only those Bidders that are pre-qualified by the Authority shall be eligible for the second step of the Bidding Process comprising the evaluation of their Technical Bids. Only the Shortlisted Bidders identified by the Authority in the Technical Bid stage shall be eligible for the third step of the Bidding Process comprising opening and evaluation of their Financial Bids
- 1.2.2 The Bidding Documents include the draft Concession Agreement for the Project which is enclosed. Subject to the provisions of Clause 2.1.2, the aforesaid documents and any addenda issued after this RFP Document, will be deemed to form part of the Bidding Documents.
- 1.2.3 A Bidder is required to deposit, along with its Bid, a bid security of Rs. (the “Bid Security”), refundable no later than 180 (one hundred and eighty) days from the Bid Due Date, except in the case of the selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the Concession Agreement. The Bidders will have an option to provide Bid Security in the form of a demand draft or a bank guarantee acceptable to the Authority in the format provided at Appendix-IV. In case a bank guarantee is provided, its validity period shall not be less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authority and the Bidder from time to time. Where a demand draft is provided, its validity shall not be less than 80 (eighty) days from the Bid Due Date for the purposes of encashment thereof by the Authority. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.
- 1.2.4 Bidders are invited to examine the Project in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective Bids for award of the Project including implementation thereof.
- 1.2.5 (a) Bids are invited on the basis of number of Under Graduate seats offered by the Bidders to be allotted under Government Merit Selection subject to a minimum of 40% of the overall intake capacity of 150 Under Graduate seats (the “**Seat Share**”). The concession period and other terms are pre-determined, as indicated in the draft

Concession Agreement, and the Seat Share shall constitute the sole criteria for evaluation of Bids. Subject to the provisions of Clause 2.7, the Project will be awarded to the Highest Bidder.

(b) In this RFP, the term “**Government Merit Selection**” shall mean admission of students selected through the merit-based selection system of Government of India or Government of Karnataka, as the case may be. For the avoidance of doubt, the Student Fee to be charged from the Students under Seat Share shall be equal to or lower than the then prevailing fee of other government medical colleges of Karnataka.

(c) In this RFP, the term “Highest Bidder” shall mean the Bidder who is offering the highest Seat Share under government quota and subject to the provisions of Clause 1.2.7, the Project will be awarded to the Highest Bidder.

(d) In the event of expansion of the Medical College, by the Concessionaire, during the Concession Period, by way of increase in the overall Under Graduate intake capacity or introduction of Post Graduate courses in the Medical College, the Concessionaire shall increase the Seat Share, considering both Under Graduate and Post Graduate seats, on a prorated basis. For the avoidance of doubt, by way of illustration, if the Seat Share offered by the Highest Bidder (who may eventually form the Special Purpose Vehicle (Concessionaire) and execute the Concession Agreement with the Authority) is 90 seats for an overall intake capacity of 150 students, the factor to be considered for Seat Share in case of expansion of the Medical College is 0.60 ($90 \div 150$).

1.2.6 Generally, the Highest Bidder shall be the selected Bidder. The remaining Bidders shall be kept in reserve and may, in accordance with the process specified in the RFP, be invited to match the Bid submitted by the Highest Bidder in case such Highest Bidder withdraws or is not selected for any reason. If none of the other Bidders match the Bid of the Highest Bidder, the Authority may, in its discretion, invite fresh Bids from the remaining Bidders or annul the Bidding Process, as the case may be.

1.2.7 The Concessionaire shall, in consideration of its investment and services, be entitled to levy and collect User Charges and Student Fee in accordance with the terms of the Concession Agreement.

1.2.8 All queries by prospective Bidders must be sent only via email to the following email address only: *****

All communications pertaining to the RFP shall clearly bear the following identification/ title:

RFP Notice No. *****
“RFP for *****Project”

1.2.9 The Official Website is:

[http:// www.eproc.karnataka.gov.in](http://www.eproc.karnataka.gov.in)

Bidders are advised to visit this website regularly to keep them updated, for any changes/ modifications related to this RFP.

1.3 Schedule of Bidding Process

The Authority shall endeavor to adhere to the following schedule:

Sl. No.	Event Description	Date
1.	Sale of Bid Documents	T
2.	Last date for receiving queries	T+18 days
3.	Pre-bid conference	T+18 days
4.	Bid Due Date (BDD)	T+45 days
5.	Opening of Prequalification Bids & Technical Bids	To be determined and communicated by the authority as required
6.	Announcement of Shortlisted Bidders	
7.	Opening of Financial Bid	
8.	Letter of Award (LOA)	
9.	Signing of Concession Agreement	
10.	Validity of Bids	120 days of BDD

1.4 Pre-Bid Conference

The date, time and venue of the Pre-Bid Conference shall be:

Date: *****

Time: 3 : 30 PM

Venue: *****

2 INSTRUCTIONS TO BIDDERS

A. GENERAL

2.1 Scope of Bid

- 2.1.1 The Authority desires to receive Bids against this RFP from eligible Bidders. No Bidder shall submit more than one Bid for the Project. A Bidder bidding individually or as a member of a Consortium shall not be entitled to submit another bid either individually or as a member of any Consortium, as the case may be.
- 2.1.2 The Project Background and other Project Specific information provided herein are given only as a preliminary reference by way of assistance to the Bidders who are expected to carry out their due diligence including surveys, investigations and other detailed examination of the Project before submitting their Bids.
- 2.1.3 Notwithstanding anything to the contrary contained in this RFP, the detailed terms specified in the draft Concession Agreement shall have overriding effect; provided, that any conditions imposed on the Bidder hereunder shall continue to have effect in addition to its obligations under the Concession Agreement.
- 2.1.4 The Pre-qualification Bid, Technical Bid and Financial Bid should be furnished in the format of Appendix-I and Appendix-VI respectively along with all enclosures, duly signed by the Bidder's authorised signatory. The Financial Bid shall clearly indicate the Seat Share, in both figures and words
- 2.1.5 The Bidder shall deposit a Bid Security of Rs. ***** (Rupees *****) in accordance with the provisions of this RFP. The Bidder has the option to provide the Bid Security either as a Demand Draft or in the form of a Bank Guarantee acceptable to the Authority, as per format at Appendix-IV.
- 2.1.6 The validity period of the Bank Guarantee shall not be less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authority and the Bidder. Where a demand draft is provided, its validity shall not be less than 80 (eighty) days from the Bid Due Date, for the purposes of encashment by the Authority. The Bid shall be summarily rejected if it is not accompanied by the Bid Security. The Bid Security shall be refundable no later than 120 (one hundred and twenty) days from the Bid Due Date except in the case of the Selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the Concession Agreement.

- 2.1.7 The Bidder should submit a Power of Attorney as per the format at Appendix–II, authorising the signatory of the Bid to commit the Bidder.
- 2.1.8 In case the Bidder is a Consortium, the Members thereof should furnish a Powerof Attorney in favour of the Lead Member in the format at Appendix–III.
- 2.1.9 Any condition or qualification or any other stipulation contained in the Bid shall render the Bid liable to rejection as a non-responsive Bid.
- 2.1.10 The documents including this RFP and all attached documents, provided by the Authority are and shall remain or become the property of the Authority and are transmitted to the Bidders solely for the purpose of preparation and submission of a Bid in accordance herewith. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Bid. The provisions of this Clause 2.1.10 shall also apply mutatis mutandis to Bids and all other documents submitted by the Bidders, and the Authority will not return to the Bidders any Bid, document or any information provided along therewith.

2.2 Eligibility of Bidders

- 2.2.1 For determining the eligibility of Bidders for submission of Bids hereunder, the following shall apply:

(a) The Bidder may be a single entity or a group of entities (the “Consortium”), coming together to implement the Project. However, no Bidder applying individually or as a member of a Consortium can be member of another Bidder. The term Bidder used herein would apply to both a single entity and a Consortium.

(b) A Bidder may be a natural person, private entity, or any combination of them with a formal intent to enter into an agreement or under an existing agreement to form a Consortium. A Consortium shall be eligible for consideration subject to the conditions set out in Clause 2.2.6 below.

(c) A Bidder shall not have a conflict of interest (the “Conflict of Interest”) that affects the Bidding Process. Any Bidder found to have a Conflict of Interest shall be disqualified. In the event of disqualification, the Authority shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Authority and not by way of penalty for, inter alia, the time, cost and effort of the Authority, including consideration of such Bidder’s proposal (the “Damages”), without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Concession

Agreement or otherwise. Without limiting the generality of the above, a Bidder shall be deemed to have a Conflict of Interest affecting the BiddingProcess, if:

- (i) the Bidder, its Member or Associate (or any constituent thereof) and any other Bidder, its Member or any Associate thereof (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding of a Bidder, its Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 20% (twenty per cent) of the paid up and subscribed share capital of such Bidder, Member or Associate, as the case may be) in the other Bidder, its Member or Associate is less than 20% (twenty percent) of the subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by a bank, insurance company, pension fund or a public financial institution referred to in sub- section (72) of section 2 of the Companies Act, 2013. For the purposes of this Clause 2.2.1(c), indirect shareholding held through one or more intermediate persons shall be computed as follows: (aa) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the "Subject Person") shall be taken into account for computing the shareholding of such controlling person in the Subject Person; and (bb) subject always to sub-clause (aa) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this sub-clause (bb) if the shareholding of such person in the intermediary is less than 26% of the subscribed and paid up equity shareholding of such intermediary; or
- (ii) a constituent of such Bidder is also a constituent of another Bidder; or
- (iii) such Bidder, its Member or any Associate thereof receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Bidder, its Member or any Associate thereof or has provided any such subsidy, grant, concessional loan or subordinated debt to any other Bidder, its Member or any Associate thereof; or
- (iv) such Bidder has the same legal representative for purposes of this Bid as any other Bidder; or
- (v) such Bidder, or any Associate thereof has a relationship with another Bidder, or any Associate thereof, directly or

through common third party/ parties, that puts either or both in a position to have access to each other's information about, or to influence the Bid of either or each other;or

- (vi) such Bidder, or any Associate thereof has participated as a consultant to the Authority in the preparation of any documents, design or technical specifications of the Project.

(d) A Bidder shall be liable for disqualification if any legal, financial or technical adviser of the Authority in relation to the Project is engaged by the Bidder, its Member or any Associate thereof in any manner for matters related to or incidental to the Project. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Bidder, its Member or Associate in the past but its assignment expired or was terminated at least 30 (thirty) days prior to the Bid Due Date. Nor will this disqualification apply where such adviser is engaged after a period of 3 (three) years from the Bid Due Date.

Explanation: In case a Bidder is a Consortium, then the term Bidder as used in this Clause 2.2.1, shall include each Member of such Consortium.

2.2.2 To be eligible for Pre-Qualification, a Bidder shall fulfil the following conditions of eligibility:

- (a) Financial Capacity: The Bidder shall have a minimum Net Worth (the "Financial Capacity") of [Rs. 250 crores (Rupees. Two Hundred and Fifty Crores)] at the close of the preceding financial year. The Bidder's Net Cash Accruals for the 5 (five) preceding financial years must be positive.

In case of a Consortium the combined Net Worth of those Members, who shall have an equity share of at least 26% (twenty six per cent) each in the SPV, should satisfy the above condition of eligibility; provided that each such Member shall, for a period of 2 (two) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement.

- (b) O&M Experience: The Bidder shall have requisite "O&M Experience" as follows:
 - (i) Category I: Experience of operating and managing at least 1 (one) recognized medical college, duly recognized under applicable law and regulations, for the past 5 (five) financial years preceding the Bid Due Date; and

2.2.3 The Technical Bid of all the pre-qualified Bidders shall be evaluated and scored in the following manner:

S.No.	Criteria	Evaluation Methodology	Max Score
(a)	<u>Medical College Experience:</u> Experience of developing recognized and operational medical college in India. The respective medical college shall be duly recognized under Applicable Laws and regulations, in the past 15 (fifteen) financial years preceding the Bid Due Date.	<u>Undergraduate seats (Max 30 Marks):</u> Upto 100 UG intake : 10 Marks 101 to 150 seats : 20 Marks 151 & Above seats : 30 Marks (Max) <u>Post graduate seats (Max 10 marks) :</u> Upto 100 seats: 05 Marks 101 & above : 10 Marks (Max)	40 marks
(b)	<u>Hospital Experience:</u> Experience of developing NABH accredited functional hospitals in India, in the past 15 (fifteen) financial years preceding the Bid Due Date	<u>Number of beds in NABH accredited hospital:</u> Number of beds in NABH accredited hospital: Upto 200 beds : 05 201 to 500 beds : 10 501 to 1000 beds : 15 Above 1000 beds : 20 Marks (Max)	20 Marks
(c)	<u>Local Presence:</u> Experience in operating a medical college and hospital within the District, with a head office and corporate office within the District	1. Having experience of running 100 seat medical college and 150 bed NABH accredited hospital for last 5 years: 5 Marks 2. Having administrative head office within the District: 5 Marks	10 marks

(d)	<u>Project Plan and Presentation:</u> Project Plan: The Bidder shall submit a Project Plan in accordance with Annex-IV of Appendix I	<u>The Bidders shall make a presentation on the Proposed Project Plan to be evaluated as follows:</u> 1. Quality of the proposed physical master plan, architectural design and project development plan- 4 marks 2. Quality of the proposed academic plan, administrative and management plan- 3 marks 3. Socio-economic impact and project's alignment with the objectives of the Government of Karnataka- 4 marks 4. Technology to be deployed, Innovative and Novel elements- 4 marks 5. Strategic partnerships with institutes of international repute- 4 marks 6. Quality of the proposed human resources plan- 3 marks 7. Hospital Upgradation Plan-5 Marks 8. Quality other elements of the Project Plan (as specified in Annex-IV of Appendix- I) - 3 marks	30 marks
	Total Marks		100 marks

The Bidders scoring 80 marks or above shall be identified as Shortlisted Bidders. The financial bid of only those bidders who are declared as technically qualified shall be considered.

- 2.2.4 The Bidder shall enclose with its Pre-Qualification Bid and Technical Bid, to be submitted as per the format at Appendix-I, complete with its Annexes, the following:

Certificate(s) from statutory auditors of the Bidder or its Associates specifying the Net Worth of the Bidder, as at the close of the preceding financial year, and also specifying that the methodology adopted for

calculating such Net Worth conformsto the provisions of this Clause 2.2.4. For the purposes of this RFP, net worth (the “Net Worth”) shall mean the sum of subscribed and paid-up equity and reserves from which shall be deducted the sum of revaluation reserves, miscellaneous expenditure not written off and reserves not available for distribution to equity shareholders.

Certificate(s) in line with the format provided in Annex-III of Appendix-I specifying the development experience as per clause 2.2.3(a) and O&M experience as per clauses 2.2.2(b) & 2.2.3(b),

- 2.2.5 The Bidder should submit a Power of Attorney as per the format at Appendix-II, authorising the signatory of the Bid to commit the Bidder. In the case of a Consortium, the Members should submit a Power of Attorney in favour of the Lead Member as per format at Appendix-III.
- 2.2.6 Where the Bidder is a single entity, it may be required to form an appropriate Special Purpose Vehicle, incorporated under the Indian Companies Act, 2013 (the “SPV”), to execute the Concession Agreement and implement the Project. In case the Bidder is a Consortium, it shall, in addition to forming a SPV, comply with the following requirements:
- (a) Number of members in a consortium shall not exceed 6 (six), but information sought in the Bid may be restricted to 4 (four) members in the order of their equity contribution;
 - (b) subject to the provisions of sub-clause (a) above, the Bid should contain the information required for each member of the Consortium;
 - (c) members of the Consortium shall nominate one member as the lead member (the “Lead Member”), who shall have an equity share holding of at least 26% (twenty six per cent) of the paid up and subscribed equity of the SPV. The nomination(s) shall be supported by a Power of Attorney, in the format at Appendix-III, signed by all the other Members of the Consortium;
 - (d) the Bid should include a brief description of the roles and responsibilities of individual members, particularly with reference to their financial other obligations;
 - (e) an individual Bidder cannot at the same time be member of a Consortium. Further, a member of a particular Bidder Consortium cannot be member of any other Bidder Consortium;
 - (f) the members of a Consortium shall form an appropriate SPV to execute the Project, if awarded to the Consortium;
 - (g) members of the Consortium shall have entered into a binding

Joint Bidding Agreement, substantially in the form specified at Appendix-V(the “Jt. Bidding Agreement”), for the purpose of making the Bid and submitting a Bid in the event of being qualified. The Jt. Bidding Agreement, to be submitted along with the Bid, shall, inter alia:

- (i) convey the intent to form an SPV with shareholding/ ownership equity commitment(s) in accordance with this RFP, which would enter into the Concession Agreement and subsequently perform all the obligations of the Concessionaire in terms of the Concession Agreement, in case the concession to undertake the Project is awarded to the Consortium;
- (ii) clearly outline the proposed roles and responsibilities, if any, of each member;
- (iii) commit the minimum equity stake to be held by each member;
- (iv) commit that each of the members, whose Financial Capacity will be evaluated for the purposes of this RFP, shall subscribe to 26% (twenty six per cent) or more of the paid up and subscribed equity of the SPV and shall further commit that each such member shall, for a period of 2 (two) years from the Operations Date, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement;
- (v) members of the Consortium undertake that they shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity of the SPV at all times until the second anniversary of the Operations Date of the Project; and
- (h) and include a statement to the effect that all members of the Consortium shall be liable jointly and severally for all obligations of the Concessionaire in relation to the Project until the Appointed Date is achieved in accordance with the Concession Agreement; and except as provided under this RFP and the Bidding Documents, there shall not be any amendment to the Jt. Bidding Agreement without the prior written consent of the Authority.

2.2.7 Any entity which has been barred by the Central/ State Government, or any entity controlled by it, from participating in any project (PPP or otherwise), and the bar subsists as on the date of Bid, would not be eligible to submit a Bid, either individually or as member of a Consortium.

- 2.2.9 In computing the credentials of any Bidder / Consortium Members under Clauses 2.2.2, 2.2.3 and 2.2.4, the credentials of their respective Associates would also be eligible hereunder.

For purposes of this RFP, Associate means, in relation to the Bidder/ Consortium Members, a person who controls, is controlled by, or is under the common control with such Bidder or Consortium Members, as the case may be (the “Associate”). 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 by operation of law.

- 2.2.10 The following conditions shall be adhered to while submitting a Bid:
- (a) Bidders should attach clearly marked and referenced continuation sheets if the space provided in the prescribed forms in the Annexes is insufficient. Alternatively, Bidders may format the prescribed forms making due provision for incorporation of the requested information;
 - (b) information supplied by a Bidder (or other constituent Member if the Bidder is a Consortium) must apply to the Bidder, Member or Associate named in the Bid and not, unless

specifically requested, to other associated companies or firms;

- (c) in responding to the qualification submissions, Bidders should demonstrate their capabilities in accordance with Section 3 below;
- (d) in case the Bidder is a Consortium, each Member should substantially satisfy the qualification requirements to the extent specified herein; and

2.2.11 While qualification is open to persons from any country, the following provisions shall apply:

- (a) Where, on the date of the Bid, 25% (twenty five per cent) or more of the aggregate issued, subscribed and paid up equity share capital in a Bidder or its Member is held by persons resident outside India or where a Bidder or its Member is controlled by persons resident outside India; or
- (b) if at any subsequent stage after the date of the Bid, there is an acquisition of 25% (twenty five per cent) or more of the aggregate issued, subscribed and paid up equity share capital or control, by persons resident outside India, in or of the Bidder or its Member;

then the qualification of such Bidder or in the event described in sub clause (b) above, the continued qualification of the Bidder shall be subject to approval of the Authority from national security and public interest perspective. The decision of the Authority in this behalf shall be final and conclusive, and binding on the Bidder.

The holding or acquisition of equity or control, as above, shall include direct or indirect holding/ acquisition, including by transfer, of the direct or indirect legal or beneficial ownership or control, by persons acting for themselves or in concert and in determining such holding or acquisition, the Authority shall be guided by the principles, precedents and definitions contained in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, or any substitute thereof, as in force on the date of such acquisition.

The Bidder shall promptly inform the Authority of any change in the shareholding, as above, and failure to do so shall render the Bidder liable for disqualification from the Bidding Process.

2.2.12 Notwithstanding anything to the contrary contained herein, if the Bid Due Date falls within 3 (three) months of the closing of the latest financial year of a Bidder, it shall ignore such financial year for the purposes of its Bid and furnish all its information and certification with reference to the 5 (five) years or 1 (one) year, as the case may be,

preceding its latest financial year. For the avoidance of doubt, the financial year shall, for the purposes of a Bid hereunder, mean the accounting year followed by the Bidder in the course of its normal business.

2.2.13 A Bidder shall be liable for disqualification and forfeiture of Bid Security if any legal, financial or technical adviser of the Authority in relation to the Project is engaged by the Bidder, its Members or any Associate thereof, as the case may be, in any manner for matters related to or incidental to such Project during the Bidding Process or subsequent to the (i) issue of the LOA or (ii) execution of the Concession Agreement. In the event any such adviser is engaged by the Selected Bidder, as the case may be, after issue of the LOA or execution of the Concession Agreement for matters related or incidental to the Project, then notwithstanding anything to the contrary contained herein or in the LOA or the Concession Agreement and without prejudice to any other right or remedy of the Authority, including the forfeiture and appropriation of the Bid Security or Performance Security, as the case may be, which the Authority may have thereunder or otherwise, the LOA or the Concession Agreement, as the case may be, shall be liable to be terminated without the Authority being liable in any manner whatsoever to the Selected Bidder or Concessionaire for the same. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Bidder, its Member or Associate in the past but its assignment expired or was terminated at least 30 (thirty) days prior to the Bid Due Date. Nor will this disqualification apply where such adviser is engaged after a period of 3 (three) years from the Bid Due Date.

2.2.14 This RFP is not transferable.

2.2.15 Any award of Concession pursuant to this RFP shall be subject to the terms of Bidding Documents.

2.3 Change in Ownership

2.3.1 By submitting the Bid, the Bidder acknowledges that it will be qualified on the basis of Financial Capacity of those of its Consortium Members who shall until the 2nd (second) anniversary of the Operations Date of the Project, hold equity share capital representing not less than: (i) 26% (twenty six per cent) of the subscribed and paid-up equity of the Concessionaire; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement. The Bidder further acknowledges and agrees that the aforesaid obligation shall be the minimum, and shall be in addition to such other obligations as may be contained in the Concession Agreement, and a breach hereof shall, notwithstanding anything to the contrary contained in the Concession Agreement, be deemed to be a breach of the Concession Agreement and dealt with as such thereunder. For the avoidance of doubt, the provisions of this Clause 2.3.1 shall apply only when the Bidder is a

Consortium.

2.3.2 By submitting the Bid, the Bidder shall also be deemed to have acknowledged and agreed that in the event of a change in the control of a Consortium Member whose Financial Capacity was taken into consideration for the purposes of qualification under and in accordance with this RFP, the Bidder shall be deemed to have the knowledge of the same, and shall inform the Authority forthwith along with all relevant particulars about the same and the Authority may, in its sole discretion, disqualify the Bidder or withdraw the LOA from the Selected Bidder, as the case may be. In the event such change in control occurs after signing of the Concession Agreement but prior to the Appointed Date under the Concession Agreement, it would, notwithstanding anything to the contrary contained in the Concession Agreement, be deemed to be a breach of the Concession Agreement, and the same shall, at the discretion of the Authority, be liable to be terminated without the Authority being liable in any manner whatsoever to the Concessionaire. In such an event, notwithstanding anything to the contrary contained in the Concession Agreement, the Authority shall, at its sole discretion, be entitled to forfeit and appropriate the Bid Security or Performance Security as Damages, without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Concession Agreement or otherwise.

2.4 Number of Bids and costs thereof

2.4.1 No Bidder shall submit more than one Bid for the Project. A Bidder applying individually or as a member of a Consortium shall not be entitled to submit another Bid either individually or as a member of any Consortium, as the case may be.

2.4.2 The Bidders shall be responsible for all the costs associated with the preparation of their Bids and their participation in the Bidding Process. The Authority will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the Bidding Process.

2.5 Site visit and verification of information

Bidders are encouraged to submit their respective Bids after visiting the Project site and ascertaining for themselves the site conditions, demand, location, surroundings, state of clinical and para-clinical facilities, climate, availability of power, water and other utilities for construction, access to site, handling and storage of materials, weather data, applicable laws and regulations, and any other matter considered relevant by them.

2.6 Acknowledgement by Bidder

2.6.1 It shall be deemed that by submitting the Bid, the Bidder has:

25

- (a) made a complete and careful examination of the Bidding Documents;
- (b) received all relevant information requested from the Authority;
- (c) accepted the risk of inadequacy, error or mistake in the information provided in the Bidding Documents or furnished by or on behalf of the Authority relating to any of the matters referred to in Clause 2.5 above;
- (d) satisfied itself about all matters, things and information including matters referred to in Clause 2.5 hereinabove necessary and required for submitting an informed Bid, execution of the Project in accordance with the Bidding Documents and performance of all of its obligations thereunder;
- (e) acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the Bidding Documents or ignorance of any of the matters referred to in Clause 2.5 hereinabove shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc. from the Authority, or a ground for termination of the Concession Agreement by the Concessionaire;
- (f) acknowledged that it does not have a Conflict of Interest; and
- (g) agreed to be bound by the undertakings provided by it under and in terms hereof.

2.6.2 The Authority shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the RFP or the Bidding Process, including any error or mistake therein or in any information or data given by the Authority.

2.7 Right to accept or reject any or all Bids

2.7.1 Notwithstanding anything contained in this RFP, the Authority reserves the right to accept or reject any Bid and to annul the Bidding Process and reject all Bids, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons therefor. If the Authority rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids hereunder.

2.7.2 The Authority reserves the right to reject any Bid if:

- (a) at any time, a material misrepresentation is made or uncovered, or

- (b) the Bidder does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Bid.

Such misrepresentation/ improper response shall lead to the disqualification of the Bidder. If the Bidder is a Consortium, then the entire Consortium may be disqualified/ rejected.

- 2.7.3 If disqualification/ rejection of a Bidder occurs after the Bids have been opened and the Highest Bidder gets disqualified/ rejected, then the Authority reserves the right to:

- (i) invite the remaining Bidders to match the Highest Bidder/ submit their Bids in accordance with the RFP; or take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process.

- 2.7.4 In case it is found during the evaluation or at any time before signing of the Concession Agreement or after its execution and during the period of subsistence thereof that one or more of the qualification conditions have not been met by the Bidder, or the Bidder has made material misrepresentation or has given any materially incorrect or false information, the Bidder shall be disqualified forthwith if not yet appointed as the Concessionaire either by issue of the LOA or entering into of the Concession Agreement, and if the Bidder/SPV has already been issued the LOA or has entered into the Concession Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by the Authority to the Bidder, without the Authority being liable in any manner whatsoever to the Bidder. The Authority shall be entitled to forfeit and appropriate the Bid Security or Performance Security as Damages, and without prejudice to any other right or remedy which the Authority may have under this RFP, the Bidding Documents, the Concession Agreement or otherwise.

- 2.7.5 The Authority reserves the right to verify all statements, information and documents submitted by the Bidder in response to the RFP or the Bidding Documents and the Bidder shall, when so required by the Authority, make available all such information, evidence and documents as may be necessary for such verification. Any such verification or lack of such verification by the Authority shall not relieve the Bidder of its obligations or liabilities hereunder nor will it affect any rights of the Authority thereunder.

- 2.7.6 The Authority may, in its sole discretion and on grounds of reciprocity, disqualify a Bidder, if any or all its constituents are entities incorporated in a country where an entity incorporated in India does not have similar rights of bidding for contracts contemplated hereunder.

B. DOCUMENTS

2.8 Contents of the RFP

This RFP comprises the disclaimer set forth hereinabove, the contents as listed below, and will additionally include any Addenda issued in accordance with Clause 2.10.

Invitation for Bid

Section 1.	Introduction
Section 2.	Instructions to Bidders
Section 3.	Criteria for Evaluation
Section 4.	Fraud & Corrupt Practices
Section 5.	Pre-Bid Conference
Section 6.	Miscellaneous

Appendices

I.	Letter comprising the Pre-qualification and Technical Bid
II.	Power of Attorney for signing of Bid
III.	Power of Attorney for Lead Member of Consortium
IV.	Bank Guarantee for Bid Security
V.	Joint Bidding Agreement for Consortium
VI.	Letter comprising the Financial Bid
VII.	Guidelines of the Department of Disinvestment

2.9 Clarifications

- 2.9.1 Bidders requiring any clarification on the RFP may notify the Authority only by e-mail in accordance with Clause 1.2.9. They should send in their queries on or before the date specified in the schedule of Bidding Process contained in Clause 1.3. The Authority shall endeavour to respond to the queries within the period specified therein, but no later than 10 (ten) days prior to the Bid Due Date. The Authority will post all the queries and its responses on the official Website without identifying the source of queries.
- 2.9.2 The Authority shall endeavour to respond to the questions raised or clarifications sought by the Bidders. However, the Authority reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this Clause shall be taken or read as compelling or requiring the Authority to respond to any question or to provide any clarification.
- 2.9.3 The Authority may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Bidders. All clarifications and interpretations issued by the Authority shall be deemed to be part of the Bidding Documents. Verbal clarifications and information given by the Authority or its employees or representatives shall not in any way or manner be binding on the Authority.

2.10 Amendment of RFP

- 2.10.1 At any time prior to the Bid Due Date, the Authority may, for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the RFP by the issuance of Addenda.
- 2.10.2 Any Addendum thus issued hereunder shall be hosted on the website of *****.
- 2.10.3 To afford the Bidders a reasonable time for taking an Addendum into account, or for any other reason, the Authority may, in its sole discretion, extend the Bid Due Date.

C. PREPARATION AND SUBMISSION OF BID

2.11 Language

The Bid and all related correspondence and documents in relation to the Bidding Process shall be in English language. Supporting documents and printed literature furnished by the Bidder with the Bid may be in any other language if they are accompanied by translations of all the pertinent passages in the English language, duly authenticated and certified by the Bidder. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Bid, the English language translation shall prevail.

2.12 Format and signing of Bid

- 2.12.1 The Bidder shall provide all the information sought under this RFP. The Authority will evaluate only those Bids that are received in the required formats and complete in all respects. Incomplete and /or conditional Bids shall be liable to rejection.
- 2.12.2 The Bid shall be typed or written in indelible ink. It shall be duly signed in digital form by the authorised signatory of the Applicant. All the alterations, omissions, additions or any other amendments made to the Bid shall be initialed by the person(s) signing the Application. The Bid shall contain page numbers.

2.13 Submission of Bids

- 2.13.1 The Bidder shall submit the Bid no later than the date and time specified as the Bid Due Date, on the e-procurement platform of the Authority at the Official Website, duly signed in digital form by the authorised signatory of the Bidder, by uploading the complete and legible scanned/digital copies of the Technical and Financial Bids in pdf/digital format (i.e. scanned copy of original signed documents and the supporting documents). The documents submitted in the Bid should be scanned in at least 100 dpi with black and white option.

2.13.2 The Bid is to be submitted on the document downloaded from Official Website, the Bidder shall be responsible for its accuracy and correctness as per the version uploaded by the Authority and shall ensure that there are no changes caused in the content of the downloaded document. In case of any discrepancy between the document used for submission by the Bidder and the version uploaded by the Authority, the latter shall prevail.

2.13.3 The documents comprising the Bid referred to in Clause 2.13.1 shall include:

- (i) Pre-qualification Bid and Technical Bid in the prescribed format (Appendix-I) along with Annexes and supporting documents;
- (ii) Power of Attorney for signing the Bid as per the format at Appendix-II;
- (iii) If applicable, the Power of Attorney for Lead Member of Consortium as per the format at Appendix-III;
- (iv) Bid Security in the format at Appendix-IV;
- (v) Jt. Bidding Agreement, in case of a Consortium, substantially in the format at Appendix-V;
- (vi) Memorandum and Articles of Association, if the Bidder is a body corporate, and if a partnership then a copy of its partnership deed;
- (vii) Bidder's duly audited balance sheet and profit and loss account for the preceding five years;
- (viii) Concession Agreement with each page initialed by the person signing the Bid in pursuance of the Power of Attorney referred to in Clause (iii) hereinabove;
- (ix) Financial Bid in the prescribed format (Appendix-VI); and
- (x) any other sector or project-specific requirement that may be specified by the Authority;

2.13.4 The following documents shall be separately submitted in original to the person specified in the Clause 2.13.5 in a sealed envelope on or before the Bid Due Date, failing which the Bid shall be rejected:

- (a) Power of attorney as required under Clause 2.13.3 (iii) and Clause 2.13.3(iv);
- (b) Joint Bidding Agreement as required under Clause 2.13.3 (v);
- (c) Demand draft towards the cost of the RFP process as required under clause 1.2.1; and
- (d) Bank Guarantee / Demand Draft towards the Bid Security as required under Clause 2.25.

The envelope specified in this Clause 2.13.4 shall clearly bear the

following identification:

“Enclosures of the Bid for ***** Project”

If the envelope is not sealed and marked as instructed above, the Authority assumes no responsibility for the misplacement or premature opening of the contents of the Bid and consequent losses, if any, suffered by the Bidder.

2.13.5 The envelope specified in Clause 2.13.4 shall be addressed to:

ATTN. OF: Mr/Ms. *****
 DESIGNATION: *****
 ADDRESS: *****
 TELEPHONE NO: *****E-MAIL
 ADDRESS: *****

2.13.6 Bids submitted by special messenger, fax, telegram, e-mail , or in any way other than on the specified e-platform for bidding, shall not be entertained and shall be rejected.

2.14 Bid Due Date

2.14.1 The Bid specified in Clause 2.13.1 should be submitted before 11.00 hours IST on the Bid Due Date, on the Official Website as per the format and in the manner and form as detailed in this RFP.

2.14.2 The Authority invites eligible bidders (“**Bidders**”) to submit their bids (“Bids”) for the Project electronically in the unified e-procurement platform of the Government of Karnataka, www.eproc.karnataka.gov.in (hereafter referred to as “E-Procurement Website”). The Authority has adopted a single stage process (“the “Bidding Process”) for selection of the successful Bidder for award of the Project which expression shall, unless repugnant to the context include the members of the Consortium for the Project in accordance with the terms of this RFP.

2.14.3 The Authority may, in its sole discretion, extend the Bid Due Date by issuing an Addendum in accordance with Clause 2.10 uniformly for all Bidders.

2.14.4 Bids received by the Authority after the specified time on the Bid Due Date shall not be eligible for consideration and shall be summarily rejected.

2.15 Contents of the Bid

2.17.6 The Authority reserves the right not to proceed with the Bidding Process at any time without notice or liability and to reject any or all Bid(s) without assigning any reasons.

2.18 Confidentiality

Information relating to the examination, clarification, evaluation, and recommendation of the Bidders shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional advisor advising the Authority in relation to, or matters arising out of, or concerning the Bidding Process. The Authority will treat all information, submitted as part of Bid, in confidence and will require all those who have access to such material to treat the same in confidence. The Authority may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/ or the Authority or as may be required by law or in connection with any legal process.

2.19 Tests of responsiveness

2.19.1 Prior to evaluation of the Bids, the Authority shall determine whether each of the submitted Bid is responsive to the requirements of the RFP. A Bid shall be considered responsive if:

- (a) it is received as per the specified format;
- (b) it is received by the Bid Due Date including any extension thereof pursuant to Clause 2.14.3;
- (c) it is signed and marked as stipulated in Clauses 2.12 and 2.13;
- (d) it is accompanied by the Bid Security as specified in Clause 2.1.5
- (e) it is accompanied by the Power of Attorney as specified in Clause 2.2.5, and in the case of a Consortium, the Power of Attorney as specified in Clause 2.2.6 (c);
- (f) it contains all the information and documents (complete in all respects) as requested in this RFP;
- (g) it contains information in formats same as those specified in this RFP;
- (h) it contains certificates from its statutory auditors^{\$} in the formats specified at Appendix-I of the RFP;
- (i) it is accompanied by the Jt. Bidding Agreement (for Consortium), specific to the Project, as stipulated in Clause 2.2.6(g);
- (j) it does not contain any condition or qualification;
- (k) the original documents as stipulated under Clause 2.13.4 have been submitted by the Bidder; and

(l) it is not non-responsive in terms hereof.

2.19.2 A Financial Bid not conforming with the format specified at Appendix-VI shall not be considered as responsive to the requirements of the RFP.

2.19.3 The Authority reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Bid. Provided, however, that the Authority may, in its discretion, allow the Bidder to rectify any infirmities or omissions if the same do not constitute a material modification of the Bid.

2.20 Clarifications

2.20.1 To facilitate evaluation of Bids, the Authority may, at its sole discretion, seek clarifications from any Bidder regarding its Bid. Such clarification(s) shall be provided within the time specified by the Authority for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.

2.20.2 If a Bidder does not provide clarifications sought under Clause 2.20.1 above within the prescribed time, its Bid shall be liable to be rejected. In case the Bid is not rejected, the Authority may proceed to evaluate the Bid by construing the particulars requiring clarification to the best of its understanding, and the Bidder shall be barred from subsequently questioning such interpretation of the Authority.

E. PRE-QUALIFICATION, TECHNICAL QUALIFICATION AND BIDDING

2.21 Submission of Bid

The Bidder shall submit its Bid in the form and manner to be set out in this RFP.

2.22 Shortlisting and notification

After the evaluation of Pre-qualification Bid and Technical Bids, the Authority will announce a list of Shortlisted Bidders who are eligible for opening of their Financial Bids. All communications relating to the evaluation and shortlisting process shall be uploaded on the Official Website. The Authority will not entertain any query or clarification from Bidders who fail to pre-qualify.

2.23 Proprietary data

All documents and other information supplied by the Authority or submitted by a Bidder to the Authority shall remain or become the property of the Authority. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for

preparation and submission of their Bid. The Authority will not return any Bid or any information provided along therewith.

2.24 Correspondence with the Bidder

Save and except as provided in this RFP, the Authority shall not entertain any correspondence with any Bidder in relation to the acceptance or rejection of any Bid.

F. BID SECURITY

2.25 Bid Security

2.25.1 The Bidder shall furnish as part of its Bid, a Bid Security referred to in Clauses

2.1.5 and 2.1.6 hereinabove in the form of a bank guarantee issued by a nationalised bank, or a Scheduled commercial Bank in India having a net worth of at least Rs. 1,000 crore (Rupees one thousand crore), in favour of the Authority in the format at Appendix-IV (the "Bank Guarantee") and having a validity period of not less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authority and the Bidder from time to time. In case the Bank Guarantee is issued by a foreign bank outside India, confirmation of the same by any nationalised bank in India is required. For the avoidance of doubt, Scheduled Bank shall mean a bank as defined under Section 2(e) of the Reserve Bank of India Act, 1934.

2.25.2 Bid Security can also be in the form of a demand draft issued by a Scheduled Bank in India, drawn in favour of the Authority and payable at [*****] (the "Demand Draft"). The Authority shall not be liable to pay any interest on the Bid Security deposit so made and the same shall be interest free.

2.25.3 Any Bid not accompanied by the Bid Security shall be summarily rejected by the Authority as non-responsive.

2.25.4 Save and except as provided in Clause 1.2.4 above, the Bid Security of unsuccessful Bidders will be returned by the Authority, without any interest, as promptly as possible on acceptance of the Bid of the Selected Bidder or when the Bidding process is cancelled by the Authority, and in any case within 180 (one hundred and eighty) days from the Bid Due Date. Where Bid Security has been paid by Demand Draft, the refund thereof shall be in the form of an account payee demand draft in favour of the unsuccessful Bidder(s). Bidders may by specific instructions in writing to the Authority give the name and address of the person in whose favour the said demand draft shall be drawn by the Authority for refund, failing which it shall be drawn in the name of the Bidder and shall be mailed to the address given on the

Bid.

- 2.25.5 The Selected Bidder's Bid Security will be returned, without any interest, upon the Concessionaire furnishing the Performance Security as provided in the draft Concession Agreement.
- 2.25.6 The Authority shall be entitled to forfeit and appropriate the Bid Security as Damages inter alia in any of the events specified in Clause 2.25.7 herein below. The Bidder, by submitting its Bid pursuant to this RFP, shall be deemed to have acknowledged and confirmed that the Authority will suffer loss and damage on account of withdrawal of its Bid or for any other default by the Bidder during the period of Bid validity as specified in this RFP. No relaxation of any kind on Bid Security shall be given to any Bidder.
- 2.25.7 The Bid Security shall be forfeited as Damages without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or under the Concession Agreement, or otherwise, if
- (a) a Bidder submits a non-responsive Bid;
 - (b) a Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in Section 4 of this RFP;
 - (c) a Bidder withdraws its Bid during the period of Bid validity as specified in this RFP and as extended by mutual consent of the respective Bidder(s) and the Authority;
 - (d) the Selected Bidder fails within the specified time limit -
 - (i) to sign and return the duplicate copy of LOA; or
 - (ii) to sign the Concession Agreement; or
 - (iii) to furnish the Performance Security within the period prescribed in the Concession Agreement.
 - (e) the Selected Bidder, having signed the Concession Agreement, commits any breach thereof prior to furnishing the Performance Security.

3 CRITERIA FOR EVALUATION

3.1 Technical Qualification and Shortlisting

3.1.1 Only those Bidders who meet the eligibility criteria specified in Clause 2.2.2 and announced as Prequalified Bidders shall be considered for evaluation under this Section 3. Bids of firms/ consortia who do not meet these criteria shall be rejected.

3.2 Evaluation and Scoring of Technical Bids

3.2.1 The Technical Bids of the all the Prequalified Bidders will be evaluated and scored in accordance with the criteria specified in Clause 2.2.3

3.3 Shortlisted Bidders

3.3.1 In accordance with terms of Clause 2.2.3, all the Prequalified bidders with a Technical Score 75 or above shall declared as Shortlisted Bidders

3.4 Selection of Bidder

3.4.1 Subject to the provisions of Clause 2.7.1, the Shortlisted Bidders shall be informed individually about the time of opening of the Financial Bids. The Authority shall open the Financial Bids of the Shortlisted Bidders qualified in the Technical Bid on the scheduled date and time in the presence of the authorized representatives of the Bidders who may choose to attend.

3.4.2 The Bidder whose Bid is adjudged as responsive in terms of Clause 2.19 and who quotes the highest Seat Share shall ordinarily be declared as the selected Bidder (the “Selected Bidder”). If the Authority rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids hereunder.

3.4.3 If two or more Bidders quote the same Seat Share (the “Tie Bidders”), the Bidder with the highest Technical Score between the Tie Bidders shall be declared as the Selected Bidder..

3.4.4 After selection, a Letter of Award (the “LOA”) shall be issued, in duplicate, by the Authority to the Selected Bidder and the Selected Bidder shall, within 7 (seven) days of the receipt of the LOA, sign and return the duplicate copy of the LOA in acknowledgement thereof. In the event the duplicate copy of the LOA duly signed by the Selected Bidder is not received by the stipulated date, the Authority may, unless it consents to extension of time for submission thereof, appropriate the Bid Security of such Bidder as Damages on account of failure of the Selected Bidder to acknowledge the LOA, and the next eligible Bidder may be considered.

3.4.5 After acknowledgement of the LOA as aforesaid by the Selected Bidder, it shall execute the Concession Agreement within the period prescribed in Clause 1.3. The Selected Bidder shall not be entitled to seek any deviation, modification or amendment in the Concession Agreement.

3.5 Contacts during Bid Evaluation

Bids shall be deemed to be under consideration immediately after they are opened and before such time the Authority makes official intimation of award/ rejection to the Bidders. While the Bids are under consideration, Bidders and/ or their representatives or other interested parties are advised to refrain, save and except as required under the Bidding Documents, from contacting by any means, the Authority and/ or their employees/ representatives on matters related to the Bids under consideration.

3.6 Bid Parameter

The Bid shall comprise a Government quota Seat Share to be quoted by the Bidder in accordance with the provisions of the Concession Agreement. The Bidder who offers the highest Seat Share shall ordinarily be the Selected Bidder. The Seat Share the Bid shall be offered in accordance with the provisions of Clause 1.2.6.

4 FRAUD AND CORRUPT PRACTICES

- 4.1 The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process and subsequent to the issue of the LOA and during the subsistence of the Concession Agreement. Notwithstanding anything to the contrary contained herein, or in the LOA or the Concession Agreement, the Authority may reject a Bid, withdraw the LOA, or terminate the Concession Agreement, as the case may be, without being liable in any manner whatsoever to the Bidder if it determines that the Bidder or the Concessionaire, as the case may be, has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process. . In such an event, the Authority shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as Damages, without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Concession Agreement, or otherwise.
- 4.2 Without prejudice to the rights of the Authority under Clause 4.1 hereinabove and the rights and remedies which the Authority may have under the LOA or Concession Agreement, or otherwise, if a Bidder or Concessionaire, as the case may be, is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, or after the issue of the LOA or the execution of the Concession Agreement, such Bidder shall not be eligible to participate in any tender or RFP issued by the Authority during a period of 2 (two) years from the date such Bidder or Concessionaire, as the case may be, is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as the case may be.
- 4.3 For the purposes of this Section 4, the following terms shall have the meaning hereinafter respectively assigned to them:
 - (a) “corrupt practice” means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to, or employing, or engaging in any manner whatsoever, directly or indirectly, any official of the Authority who is or has been associated in any manner, directly or indirectly, with the Bidding Process or the LOA or has dealt with matters concerning the Concession Agreement or arising therefrom, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Authority, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) save and except as permitted under sub clause (d) of Clause 2.2.1, engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOA or after the execution of the Concession Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the

Concession Agreement, who at any time has been or is a legal, financial or technical adviser of the Authority in relation to any matter concerning the Project;

- (b) “fraudulent practice” means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process;
- (c) “coercive practice” means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;
- (d) “undesirable practice” means (i) establishing contact with any person connected with or employed or engaged by the Authority with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a Conflict of Interest; and
- (e) “restrictive practice” means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

5 PRE-BID CONFERENCE

- 5.1 A Pre-Bid Conference of the potential Bidders shall be convened at the designated date, time and place. A maximum of three representatives of each Bidder shall be allowed to participate on production of authority letter from the Bidder.
- 5.2 During Pre-Bid Conference(s), the Bidders will be free to seek clarifications and make suggestions for consideration of the Authority. The Authority shall endeavour to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process.

6 MISCELLANEOUS

- 6.1 The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the courts in the State in which the Authority has its headquarters shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- 6.2 The Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;
- (a) suspend and/ or cancel the Bidding Process and/ or amend and/ or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto;
 - (b) consult with any Bidder in order to receive clarification or further information;
 - (c) qualify or not to qualify any Bidder and/ or to consult with any Bidder in order to receive clarification or further information;
 - (d) retain any information and/ or evidence submitted to the Authority by, on behalf of, and/ or in relation to any Bidder; and/ or
 - (e) independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Bidder.
- 6.3 It shall be deemed that by submitting the Bid, the Bidder agrees and releases the Authority, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/ or performance of any obligations hereunder, pursuant hereto, and/ or in connection with the Bidding Process, and waives to the fullest extent permitted by applicable laws, any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.
- 6.4 The Concession Agreement and RFP are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this RFP, in the event of any conflict between them the priority shall be in the following order:
- (a) Concession Agreement;
 - (b) the RFP.
- i.e. the Concession Agreement at (a) above shall prevail over the RFP at (b) above.

APPENDIX-I

Letter Comprising the Prequalification Bid and Technical Bid

(Refer Clause 2.13.3)

Dated:

To,

.....

.....

.....

Sub: Bid for the..... Project

Dear Sir,

With reference to your RFP document dated....., I/we, having examined the Bidding Documents and understood their contents, hereby submit my/our Bid for the aforesaid project. The Bid is unconditional and unqualified.

2. I/ We acknowledge that the Authority will be relying on the information provided in the Bid and the documents accompanying the Bid for selection of the Bidder for the aforesaid project, and we certify that all information provided therein is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying the Bid are true copies of their respective originals.
3. This statement is made for the express purpose of qualifying as a Bidder for the development, augmentation, operation and management of the aforesaid Project.
4. I/ We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the Bid.
5. I/ We acknowledge the right of the Authority to reject our Bid without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.
6. I/ We certify that in the last three years, we/ any of the Consortium Members or our/ their Associates have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part.
7. I/ We declare that:
 - (a) I/ We have examined and have no reservations to the Bidding Documents, including any Addendum issued by the Authority;

- (b) I/ We do not have any conflict of interest in accordance with Clauses 2.2.1(c) and 2.2.1(d) of the RFP document;
 - (c) I/We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in Clause 4.3 of the RFP document, in respect of any tender or request for proposal issued by or any agreement entered with the Authority or any other public sector enterprise or any government, Central or State; and
 - (d) I/ We hereby certify that we have taken steps to ensure that in conformity with the provisions of Section 4 of the RFP, no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
8. I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Bid that you may receive nor to invite the Bidders to Bid for the Project, without incurring any liability to the Bidders, in accordance with Clause 2.17.6 of the RFP document.
9. I/ We believe that we/ our Consortium satisfy(s) the Net Worth criteria and meet(s) all the requirements as specified in the RFP document and am/ are qualified to submit a Bid.
10. I/ We declare that we/ any Member of the Consortium, or our/ its Associates are not a Member of a/ any other Consortium submitting a Bid for the Project.
11. I/ We certify that in regard to matters other than security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relate to a grave offence that outrages the moral sense of the community.
12. I/ We further certify that regarding matters relating to security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been charge-sheeted by any agency of the Central Government/ State Government or convicted by a Court of Law.
13. I/ We further certify that no investigation by a regulatory authority is pending either against us/ any Member of the Consortium or against our/ their Associates or against our CEO or any of our directors/ managers/ employees.¹

¹ In case the Bidder is unable to provide certification regarding any pending investigation as specified in paragraph 13, it may precede the paragraph by the words viz. "Except as specified in Schedule hereto". The exceptions to the certification or any disclosures relating thereto may be clearly stated in a Schedule to be attached to the Bid. The Authority will consider the contents of such Schedule and determine whether the exceptions/disclosures are material to the suitability of the Bidder for award hereunder.

14. I/ We further certify that we are qualified to submit a Bid in accordance with the guidelines for qualification of bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment issued by the GOI vide Department of Disinvestment OM No. 6/4/2001-DD-II dated 13th July, 2001 which guidelines apply mutatis mutandis to the Bidding Process. A copy of the aforesaid guidelines forms part of the RFP at Appendix-VII thereof. I/ We further certify that we are not disqualified in terms of the additional criteria specified by the Department of Disinvestment in their OM No. 6/4/2001-DD-II dated July 13, 2001, a copy of which forms part of the RFP at Appendix-V thereof.

15. I/We further certify that we/ any Member of the Consortium or any of our/ their Associates are not barred by the Central Government/ State Government or any entity controlled by it, from participating in any project (PPP or otherwise), and no bar subsists as on the date of Bid.

16. I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the provisions of this RFP, we shall intimate the Authority of the same immediately.

17. I/ We acknowledge and agree that in the event of a change in control of a Member whose Financial Capacity was taken into consideration for the purposes of qualification under and in accordance with the RFP, I/we shall inform the Authority forthwith along with all relevant particulars and the Authority may, in its sole discretion, disqualify our Consortium or withdraw the Letter of Award, as the case may be. I/we further acknowledge and agree that in the event such change in control occurs after signing of the Concession Agreement but prior to commencement of the Appointed Date under the Concession Agreement, it would, notwithstanding anything to the contrary contained in the Agreement, be deemed a breach thereof, and the Concession Agreement shall, at the sole discretion of the Authority, be liable to be terminated under and in accordance with Clause 2.3.2 of the RFP without the Authority being liable to us in any manner whatsoever.

18. I/ We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the selection of the Bidder, or in connection with the Bidding Process itself, in respect of the above-mentioned Project and the terms and implementation thereof.

19. In the event of my/ our being declared as the Selected Bidder, I/we agree to enter into a Concession Agreement in accordance with the draft that has been provided to me/us prior to the Bid Due Date. We agree not to seek any changes in the aforesaid draft and agree to abide by the same.

20. I/ We have studied all the Bidding Documents carefully and surveyed the *****. We understand that except to the extent as expressly set forth in the Concession Agreement, we shall have no claim, right or title arising out of any documents or information provided to us by the Authority or in respect of any matter arising out of or relating to the Bidding Process including the award of Project.

21. The Statement of Legal Capacity as per format provided at Annex-V in Appendix-I of the RFP document, and duly signed, is enclosed. The power of attorney for signing of

Bid and the power of attorney for Lead Member of consortium, as per format provided at Appendix II and III respectively of the RFP, are also enclosed.

22. I/ We understand that the Selected Bidder shall either be an existing Company incorporated under the Indian Companies Act, 1956/ 2013, or shall incorporate as such prior to execution of the Concession Agreement.

23. I/ We agree and undertake to abide by all the terms and conditions of the RFP document.

24. I/ We have the required O&M Experience in accordance with the Clause 2.2.2 of the RFP.

OR

I/We agree and undertake to enter into a suitable agreement with entity(ies) having the required O&M Experience in accordance with Clause 2.2.2 of the RFP.

25. I/ We certify that in terms of the RFP, my/our Net Worth is Rs. (Rupees).

26. I/ We offer a Bid Security of Rs (Rupees only) to the Authority in accordance with the RFP Document.

27. The Bid Security in the form of a {Demand Draft/ Bank Guarantee} has been submitted.

28. The documents accompanying the Bid, required to be submitted in original as specified in Clause 2.13.4 of the RFP, have been submitted in a separate envelope and marked as "Enclosures of the Bid for Project" and the documents specified in Clause 2.13.3 have been uploaded/ are being uploaded on the Official Website.

29. I/ We agree and understand that the Bid is subject to the provisions of the Bidding Documents. In no case, I/we shall have any claim or right of whatsoever nature if the Project is not awarded to me/us or our Bid is not opened or rejected.

30. The _____ has been quoted by me/us after taking into consideration all the terms and conditions stated in the RFP, draft Concession Agreement, our own estimates of costs and after a careful assessment of the site and all the conditions that may affect the project cost and implementation of the Project.

31. I/ We agree and undertake to abide by all the terms and conditions of the RFP document.

32. {We, the Consortium Members agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till the Appointed Date in accordance with the Concession Agreement.}²

33. I/ We shall keep this offer valid for 120 (one hundred and twenty) days from the Bid Due Date specified in the RFP.

² This Paragraph shall be omitted if the Bidder is not a Consortium.

34. I/ We hereby undertake to submit our Prequalification Bid and Technical Bid for undertaking the aforesaid Project in accordance with the Bidding Documents and the Concession Agreement.

In witness thereof, I/we submit this Bid under and in accordance with the terms of the RFP document.

Yours faithfully,

Date: (Signature, name and designation of the Authorised Signatory)

Place: Name and seal of the Bidder/ Lead Member

ANNEX-I

Particulars of the Bidder

1.
 - (a) Name:
 - (b) Country of incorporation:
 - (c) Address of the corporate headquarters and its branch office(s), if any, in India:
 - (d) Date of incorporation and/ or commencement of business:
2. Brief description of the Company including details of its main lines of business and proposed role and responsibilities in this Project:
3. Particulars of individual(s) who will serve as the point of contact/ communication for the Bidder:
 - (a) Name:
 - (b) Designation:
 - (c) Company:
 - (d) Address:
 - (e) Telephone Number:
 - (f) E-Mail Address:
4. Particulars of the Authorised Signatory of the Bidder:
 - (a) Name:
 - (b) Designation:
 - (c) Address:
 - (d) Phone Number:
5. In case of a Consortium:
 - (a) The information above (1-4) should be provided for all the Members of the Consortium.
 - (b) A copy of the Jt. Bidding Agreement, as envisaged in Clause 2.2.6(g) should be attached to the Bid.
 - (c) Information regarding the role of each Member should be provided as per table below:

Sl. No.	Name of Member	Role ^s	Percentage of equity in the Consortium ^{\$\$}

1.			
2.			
3.			
4.			

\$The role of each Member, as may be determined by the Bidder, should be indicated in accordance with Clause 2.2.6 (d) and Annex-II.

\$\$The percentage of equity should be in accordance with Clause 2.2.6 (a), (f) and (g).

6. The following information shall also be provided for the Bidder, including each Member of the Consortium:

Name of Bidder/ member of Consortium:

No.	Criteria	Yes	No
1.	Has the Bidder/ constituent of the Consortium been barred by the Central/ State Government, or any entity controlled by it, from participating in any project (PPP or otherwise)?		
2.	If the answer to 1 is yes, does the bar subsist as on the date of Bid?		
3.	Has the Bidder/ constituent of the Consortium paid liquidated damages of more than 5% of the contract value in a contract due to delay or has been penalised due to any other reason in relation to execution of a contract, in the last three years?		

7. A statement by the Bidder and each of the Members of its Consortium (where applicable) or any of their Associates disclosing material non-performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary):

ANNEX-II

Financial Capacity of the Bidder

(Refer to Clauses 2.2.2, 2.2.3 and 2.2.4 and 3.2 of the RFP)

Name of single entity Bidder/ Consortium:

(In Rs. crore\$)

Bidder type ^{\$\$}	Member Code [£]	Net Cash Accruals					Net Worth ^{££}
(1)	(2)	Year 1 (3)	Year 2 (4)	Year 3 (5)	Year 4 (6)	Year 5 (7)	Year 1 (8)
Single entity Bidder							
Consortium Member 1							
Consortium Member 2							
Consortium Member 3							
Consortium Member 4							
TOTAL							

Name & address of Bidder's Bankers:

\$For conversion of US Dollars to rupees, the rate of conversion shall be Rupees [70 (seventy)] to a US Dollar. In case of any other currency, the same shall first be converted to US Dollars as on the date 60 (sixty) days prior to the Bid Due Date, and the amount so derived in US Dollars shall be converted into Rupees at the aforesaid rate. The conversion rate of such currencies shall be the daily representative exchange rates published by the International Monetary Fund for the relevant date.

\$\$A Bidder consisting of a single entity should fill in details as per the row titled Single entity Bidder and ignore the rows titled Consortium Members. In the case of a Consortium, row titled Single entity Bidder may be ignored.

[£] Member Code shall indicate NA for Not Applicable in case of a single entity Applicant. For other Members, the following abbreviations are suggested viz. LM means Lead Member, TM means Technical Member, FM means Financial Member, OMM means Operation & Maintenance Member; and OM means Other Member. In case the Financial Capacity relates to an Associate of the Applicant or its Member, write “Associate” along with Member Code.

^{££}The Bidder should provide details of its own Financial Capacity or of an Associate specified in Clause 2.2.9.

Instructions:

1. The single entity Bidder or Lead Member of the Consortium, as the case may be, shall attach copies of the balance sheets, financial statements and Annual Reports for 5 (five) years preceding the Bid Due Date. The financial statements shall:
 - (a) reflect the financial situation of the single entity Bidder or Lead Member of the Consortium and its Associates where the Bidder is relying on its Associate's financials;
 - (b) be audited by a statutory auditor;
 - (c) be complete, including all notes to the financial statements; and
 - (d) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
2. Net Cash Accruals shall mean Profit After Tax + Depreciation. In case the Applicant is an AIF or Foreign Investment Fund, Net Cash Accruals shall mean Net Income – (Unrealised Revenue + Unrealised Expenses).
3. Net Worth shall mean (Subscribed and Paid-up Equity + Reserves) less (Revaluation reserves + miscellaneous expenditure not written off + reserves not available for distribution to equity shareholders).
4. Year 1 will be the latest completed financial year, preceding the bidding. Year 2 shall be the year immediately preceding Year 1 and so on. In case the Bid Due Date falls within 3 (three) months of the close of the latest financial year, refer to Clause 2.2.12.
5. In the case of a Consortium, a copy of the Jt. Bidding Agreement shall be submitted in accordance with Clause 2.2.6 (g) of the RFP document.
6. The Bidder shall provide an Auditor's Certificate specifying the Net Worth of the Bidder and also specifying the methodology adopted for calculating such Net Worth in accordance with Clause 2.2.4 of the RFP document.

ANNEX-III

Technical Capacity of the Bidder

(Refer to Clauses 2.2.2, 2.2.3, 2.2.4 and 3.2 of the RFP)

A. For fulfilment of O&M Experience in line with Clause 2.2.2 (b) and Operating Experience in line with Clause 2.2.3 (b)

Project Code	Name of the Project	Recognized Medical College	Location & Full Address	Head of the Organization (with Full Name, Address & Contact Information)	Date of commencement of operations	Project Features (Under Graduate intake capacity as recognized by MCI/ NMC)
A1.						
A2						

B. For fulfilment of Development Experience in line with Clause 2.2.3 (a)

Project Code	Name of the Project	NABH accredited hospital	Location & Full Address	Head of the Organization (with Full Name, Address & Contact Information)	Date of Commencement of Construction	Date of commencement of operations	Project Features (number of Beds as per NABH accreditation)	Total Project Cost
B1.								
B2								

Note: The above information shall be certified by the Statutory Auditor or the company secretary of the Bidder

ANNEX-IV

Project Plan

Bidder shall provide a detailed project plan including, but not limited to, the following:

1. Physical plan including the following Sub-Plans
 - a. Hospital Infrastructure master plan including zoning plan, architectural design & equipment plan
 - b. Scope management plan
 - c. Project development & schedule management plan
 - d. Cost management plan
 - e. Quality management plan
 - f. Resource management plan
 - g. Communications management plan
 - h. Risk management plan
 - i. Procurement management plan
 - j. Stakeholder engagement plan
 - k. Requirements management plan
 - l. Change management plan
 - m. Configuration management plan
 - n. Plan for approvals, permits & clearances
2. Financing Plan
 - a. Proposed financing plan including clear indication of source of finance
3. Development plan
 - a. Project development & schedule management plan including:
 - b. Critical Success Factors
 - c. Deliverables
 - d. Work Breakdown Structure
 - e. Schedule
 - f. Key dependencies
 - g. Support needed from the Authority
4. Institutional goals & strategic objectives
5. Socio-economic Impact
6. Governance and Management Plan
7. Administrative Plan
8. Financial Management Plan along with project financial model
9. Operations & Maintenance Plan
10. Human Resources Plan

- a. During Construction
- b. During Operation- faculty and staff plan
11. Academic programme plan including curriculum and admissions plan
12. Clinical training Plan including Clinical departments & services plan including the proposed number of free beds
13. Research and Development Plan and key focus area
14. Proposed strategic partnerships with institutions of national & international repute
15. Innovative & novel elements proposed part of the Project
16. Quality Management Plan
17. Safety Management Plan
18. Environment Management Plan
19. Disaster recovery & management plan
20. Stakeholder Engagement Plan
21. Affiliation & Accreditation Plan
22. Handover of assets and transition plan, both for the Concessionaire and the Authority

ANNEX-V

(To be forwarded on the letterhead of the Bidder/ Lead Member of Consortium)

Ref. Date:

To,

.....

.....

.....

Dear Sir,

We hereby confirm that we/ our members in the Consortium (constitution of which has been described in the Bid) satisfy the terms and conditions laid out in the RFP document.

We have agreed that (insert member's name) will act as the Lead Member of our consortium.^{\$}

We have agreed that (insert individual's name) will act as our representative/ will act as the representative of the consortium on its behalf^s and has been duly authorized to submit the RFP. Further, the authorised signatory is vested with requisite powers to furnish such letter and authenticate the same.

Thanking you,

Yours faithfully,

(Signature, name and designation of the authorised signatory)

For and on behalf of.....

\$ Please strike out whichever is not applicable.

APPENDIX-II

Power of Attorney for signing of Bid^{\$}

(Refer Clause 2.2.5)

Know all men by these presents, We (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorise Mr/ Ms (name), ... son/daughter/wife of and presently residing at, who is presently employed with us/ the Lead Member of our Consortium and holding the position of, as our true and lawful attorney (hereinafter referred to as the “Attorney”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our Bid for the Project proposed or being developed by the (the “Authority”) including but not limited to signing and submission of all applications, bids and other documents and writings, participate in Pre-Bids and other conferences and providing information/ responses to the Authority, representing us in all matters before the Authority, signing and execution of all contracts including the Concession Agreement and undertakings consequent to acceptance of our bid, and generally dealing with the Authority in all matters in connection with or relating to or arising out of our bid for the said Project and/ or upon award thereof to us and/or till the entering into of the Concession Agreement with the Authority.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE, ..., THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF 2.....

For

(Signature, name, designation and address)

Witnesses:

1.

(Notarised)

2.

^{\$} To be submitted in original.

Accepted

.....

(Signature)

(Name, Title and Address of the Attorney)

Notes:

- The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
- Wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.
- For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Bidders from countries that have signed the Hague Legislation Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Apostille certificate.

APPENDIX-III

Power of Attorney for Lead Member of Consortium^{\$}

(Refer Clause 2.2.5)

Whereas the (“the Authority”) has invited applications from interested parties for the..... Project (the “Project”).

Whereas, ..., ..., ...and (collectively the “Consortium”) being Members of the Consortium are interested in bidding for the Project in accordance with the terms and conditions of the Request for Proposal (RFP) and other connected documents in respect of the Project, and

Whereas, it is necessary for the Members of the Consortium to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium’s bid for the Project and its execution.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS

We, ...having our registered office at, M/s. having our registered office at, M/s. having our registered office at, and having our registered office at, (hereinafter collectively referred to as the “Principals”) do hereby irrevocably designate, nominate, constitute, appoint and authorise M/S having its registered office at, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the “Attorney”). We hereby irrevocably authorise the Attorney (with power to sub-delegate) to conduct all business for and on behalf of the Consortium and any one of us during the bidding process and, in the event the Consortium is awarded the concession/contract, during the execution of the Project and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to the qualification of the Consortium and submission of its bid for the Project, including but not limited to signing and submission of all applications, bids and other documents and writings, accept the Letter of Award, participate in bidders’ and other conferences, respond to queries, submit information/ documents, sign and execute contracts and undertakings consequent to acceptance of the bid of the Consortium and generally to represent the Consortium in all its dealings with the Authority, and/ or any other government Agency or any person, in all matters in connection with or relating to or arising out of the Consortium’s bid for the Project and/ or upon award thereof till the Concession Agreement is entered into with the Authority.

^{\$} To be submitted in original.

AND hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us/ Consortium.

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF 2.....

For
(Signature)

.....
(Name & Title)

For
(Signature)

.....
(Name & Title)

For
(Signature)

.....
(Name & Title)

Witnesses:

1.

2.

.....

(Executants)

(To be executed by all the Members of the Consortium)

Notes:

- The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
- Also, wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.
- For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Bidders from countries that have signed the Hague Legislation Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Apostille certificate.

APPENDIX-IV

Bank Guarantee for Bid Security

(Refer Clauses 2.1.5 and 2.25.1)

B.G. No. Dated:

1. In consideration of you, ..., having its office at, (hereinafter referred to as the “Authority”, which expression shall unless it be repugnant to the subject or context thereof include its, successors and assigns) having agreed to receive the Bid of(a company registered under the Companies Act, 1956/2013) and having its registered office at (and acting on behalf of its Consortium) (hereinafter referred to as the “Bidder” which expression shall unless it be repugnant to the subject or context thereof include its/their executors, administrators, successors and assigns), for the Project on PPP basis (hereinafter referred to as “the Project”) pursuant to the RFP Document dated issued in respect of the Project and other related documents including without limitation the draft Concession Agreement (hereinafter collectively referred to as “Bidding Documents”), we (Name of the Bank) having our registered office at and one of its branches at (hereinafter referred to as the “Bank”), at the request of the Bidder, do hereby in terms of Clause 2.1.5 read with Clause 2.1.6 of the RFP Document, irrevocably, unconditionally and without reservation guarantee the due and faithful fulfilment and compliance of the terms and conditions of the Bidding Documents (including the RFP Document) by the said Bidder and unconditionally and irrevocably undertake to pay forthwith to the Authority an amount of Rs. (Rupees only) (hereinafter referred to as the “Guarantee”) as our primary obligation without any demur, reservation, recourse, contest or protest and without reference to the Bidder if the Biddershall fail to fulfil or comply with all or any of the terms and conditions containedin the said Bidding Documents.
2. Any such written demand made by the Authority stating that the Bidder is in default of the due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents shall be final, conclusive and binding on the Bank.
3. We, the Bank, do hereby unconditionally undertake to pay the amounts due and payable under this Guarantee without any demur, reservation, recourse, contest or protest and without any reference to the Bidder or any other person and irrespective of whether the claim of the Authority is disputed by the Bidder or not, merely on the first demand from the Authority stating that the amount claimed is due to the Authority by reason of failure of the Bidder to fulfil and comply with the terms and conditions contained in the Bidding Documents including failure of

the said Bidder to keep its Bid open during the Bid validity period as set forth in the said Bidding Documents for any reason whatsoever. Any such demand made on the Bank shall be conclusive as regards amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs (Rupees only).

4. This Guarantee shall be irrevocable and remain in full force for a period of 180 (one hundred and eighty) days from the Bid Due Date inclusive of a claim period of 60 (sixty) days or for such extended period as may be mutually agreed between the Authority and the Bidder, and agreed to by the Bank, and shall continue to be enforceable till all amounts under this Guarantee have been paid.
5. We, the Bank, further agree that the Authority shall be the sole judge to decide as to whether the Bidder is in default of due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents including, inter alia, the failure of the Bidder to keep its Bid open during the Bid validity period set forth in the said Bidding Documents, and the decision of the Authority that the Bidder is in default as aforesaid shall be final and binding on us, notwithstanding any differences between the Authority and the Bidder or any dispute pending before any Court, Tribunal, Arbitrator or any other authority.
6. The Guarantee shall not be affected by any change in the constitution or winding up of the Bidder or the Bank or any absorption, merger or amalgamation of the Bidder or the Bank with any other person.
7. In order to give full effect to this Guarantee, the Authority shall be entitled to treat the Bank as the principal debtor. The Authority shall have the fullest liberty without affecting in any way the liability of the Bank under this Guarantee from time to time to vary any of the terms and conditions contained in the said Bidding Documents or to extend time for submission of the Bids or the Bid validity period or the period for conveying acceptance of Letter of Award by the Bidder or the period for fulfilment and compliance with all or any of the terms and conditions contained in the said Bidding Documents by the said Bidder or to postpone for any time and from time to time any of the powers exercisable by it against the said Bidder and either to enforce or forbear from enforcing any of the terms and conditions contained in the said Bidding Documents or the securities available to the Authority, and the Bank shall not be released from its liability 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 said Bidder or any other forbearance, act or omission on the part of the Authority or any indulgence by the Authority to the said Bidder or by any change in the constitution of the Authority or its absorption, merger or amalgamation with any other person or any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of releasing the Bank from its such liability.
8. Any notice by way of request, demand or otherwise hereunder shall be sufficiently given or made if addressed to the Bank and sent by courier or by registered mail

to the Bank at the address set forth herein.

9. We undertake to make the payment on receipt of your notice of claim on us addressed to [name of Bank along with branch address] and delivered at our above branch which shall be deemed to have been duly authorised to receive the said notice of claim.
10. It shall not be necessary for the Authority to proceed against the said Bidder before proceeding against the Bank and the guarantee herein contained shall be enforceable against the Bank, notwithstanding any other security which the Authority may have obtained from the said Bidder or any other person and which shall, at the time when proceedings are taken against the Bank hereunder, be outstanding or unrealized.
11. We, the Bank, further undertake not to revoke this Guarantee during its currency except with the previous express consent of the Authority in writing.
12. The Bank declares that it has power to issue this Guarantee and discharge the obligations contemplated herein, the undersigned is duly authorised and has full power to execute this Guarantee for and on behalf of the Bank.
13. For the avoidance of doubt, the Bank's liability under this Guarantee shall be restricted to Rs. crore (Rupees crore only). The Bank shall be liable to pay the said amount or any part thereof only if the Authority serves a written claim on the Bank in accordance with paragraph 9 hereof, on or before [..... (indicate date falling 180 days after the Bid Due Date)].

Signed and Delivered by..... Bank

By the hand of Mr./Ms, its and authorised official.

(Signature of the Authorised Signatory)

(Official Seal)

Joint Bidding Agreement

(To be executed on Stamp paper of appropriate value)

AMONGST

- AND

3. {..... Limited, a company incorporated under the Companies Act, 1956/2013 and having its registered office at..... (hereinafter referred to as the “Third Part” which expression shall, unless repugnant to the context include its successors and permitted assigns)}

AND

4. {..... Limited, a company incorporated under the Companies Act, 1956/2013 and having its registered office at..... (hereinafter referred to as the “Fourth Part” which expression shall, unless repugnant to the context include its successors and permitted assigns)}^{\$}

The above mentioned parties of the FIRST, SECOND, {THIRD and FOURTH} PART are collectively referred to as the “Parties” and each is individually referred to as a “Party”

WHEREAS,

- (A) [Governor of Karnataka represented by [*****] (hereinafter referred to as the “Authority” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) has invited applications (the Bids”) by its Request for Proposal No.

[¥] A Bidder who is registered abroad may substitute the words, viz “a company registered under the Companies Act, 1956/2013” by the words, viz “a company duly organised and validly existing under the laws of the jurisdiction of its incorporation”. A similar modification may be made in Recital 2, as necessary.

^{\$} The number of Parties will be shown here, as applicable, subject however to a maximum of 6 (six).

The Parties are interested in jointly bidding for the Project as members of a Consortium and in accordance with the terms and conditions of the RFP document and other Bidding Documents in respect of the Project, and

NOW IT IS HEREBY AGREED as follows:

In this Agreement, the capitalised terms shall, unless the context otherwise requires, have the meaning ascribed thereto under the RFP.

2.1 The Parties do hereby irrevocably constitute a consortium (the “Consortium”) for the purposes of jointly participating in the Bidding Process for the Project.

3. Covenants

4. Role of the Parties

(a) Party of the First Part shall be the Lead member of the Consortium and shall have the power of attorney from all Parties for conducting all business for and on behalf of the Consortium during the Bidding Process and until the Appointed Date under the Concession Agreement when all the obligations of the SPV shall become effective;

66

Consortium; and}

{(c) Party of the Third Part shall be the Financial Member of the Consortium;
and}

{(d) Party of the Fourth Part shall be the Financial Member/ Other Member
of the Consortium.}

5. Joint and Several Liability

5.1 The Parties do hereby undertake to be jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFP and the Concession Agreement, till the Appointed Date under and in accordance with the Concession Agreement.

5.2 The Parties do hereby undertake and declare that the Lead Member shall represent all the members of the Consortium and shall at all times be liable and responsible for discharging the functions and obligations of the Consortium; and that each member of the Consortium shall be bound by any decision, communication, notice, action or inaction of the Lead Member on any matter related to this Agreement and the Authority shall be entitled to rely upon any such action, decision or communication of the Lead Member.

6. Shareholding in the SPV

6.1 The Parties agree that the proportion of shareholding among the Parties in the SPV shall be as follows::

First Party:

Second Party:

{Third Party:}

{Fourth Party:}

6.2 The Parties undertake that a minimum of 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV shall, at all times till the second anniversary of the Operations Date, be held by the Parties of the First, {Second and Third} Part whose Net Worth have been reckoned for the purposes of qualification in terms of the RFP.

6.3 The Parties undertake that each of the Parties specified in Clause 6.2 above shall, at all times between the commercial operation date of the Project and the second anniversary thereof, hold subscribed and paid up equity share capital of SPV equivalent to at least 5% (five per cent) of the Total Project Cost.

6.4 The Parties undertake that they shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity share capital of the SPV at all times until the second anniversary of the commercial operation date of the Project.

- 6.5 The Parties undertake that they shall comply with all equity lock-in requirements set forth in the Concession Agreement.

7. Representation of the Parties

Each Party represents to the other Parties as of the date of this Agreement that:

- (a) Such Party is duly organised, validly existing and in good standing under the laws of its incorporation and has all requisite power and authority to enter into this Agreement;
- (b) The execution, delivery and performance by such Party of this Agreement has been authorised by all necessary and appropriate corporate or governmental action and a copy of the extract of the charter documents and board resolution/ power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Memberis annexed to this Agreement, and will not, to the best of its knowledge:
 - (i) require any consent or approval not already obtained;
 - (ii) violate any Applicable Law presently in effect and having applicability to it;
 - (iii) violate the memorandum and articles of association, by-laws or other applicable organisational documents thereof;
 - (iv) violate any clearance, permit, concession, grant, license or other governmental authorisation, approval, judgement, order or decree or any mortgage agreement, indenture or any other instrument to which such Party is a party or by which such Party or any of its properties or assets are bound or that is otherwise applicable to such Party; or
 - (v) create or impose any liens, mortgages, pledges, claims, security interests, charges or encumbrances or obligations to create a lien, charge, pledge, security interest, encumbrances or mortgage in or on the property of such Party, except for encumbrances that would not, individually or in the aggregate, have a material adverse effect on the financial condition or prospects or business of such Party so as to prevent such Party from fulfilling its obligations under this Agreement;
- (c) this Agreement is the legal and binding obligation of such Party, enforceable in accordance with its terms against it; and
- (d) there is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Associates is a party that presently affects, or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfillment of its obligations under this Agreement.

8. Termination

This Agreement shall be effective from the date hereof and shall continue in full force and effect until the Appointed Date under the Concession Agreement, in case the Project is awarded to the Consortium. However, in case the Consortium is either not pre-qualified for the Project or does not get selected for award of the Project, the Agreement will stand terminated in case the Bidder is not pre-qualified or upon return of the Bid Security by the Authority to the Bidder, as the case may be.

9. Miscellaneous

9.1 This Joint Bidding Agreement shall be governed by laws of India.

9.2 The Parties acknowledge and accept that this Agreement shall not be amended by the Parties without the prior written consent of the Authority.

IN WITNESS WHEREOF THE PARTIES ABOVE NAMED HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

SIGNED, SEALED AND DELIVERED SIGNED, SEALED AND DELIVERED

For and on behalf of

LEAD MEMBER by:

SECOND PART

(Signature)

(Signature)

(Name)

(Name)

(Designation)

(Designation)

(Address)

(Address)

SIGNED, SEALED AND DELIVERED

SIGNED, SEALED AND DELIVERED

THIRD PART

FOURTH PART

(Signature)

(Signature)

(Name)

(Name)

(Designation)

(Designation)

(Address)

(Address)

In the presence of:

1.

2.

Notes:

1. The mode of the execution of the Joint Bidding Agreement should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
2. Each Joint Bidding Agreement should attach a copy of the extract of the charter documents and documents such as resolution / power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member.
3. For a Joint Bidding Agreement executed and issued overseas, the document shall be legalised by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney has been executed.

APPENDIX-VI
Letter comprising the Financial Bid
(Refer Clause 2.1.4)
(Format Available in e-Procurement Website)

APPENDIX-VII
Guidelines of the Department of Disinvestment
(Refer Clause 1.2.1)

No. 6/4/2001-DD-II
Government of India
Department of Disinvestment

Block 14, CGO Complex
New Delhi.
Dated 13th July, 2001.

OFFICE MEMORANDUM

Sub: Guidelines for qualification of Bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment

Government has examined the issue of framing comprehensive and transparent guidelines defining the criteria for bidders interested in PSE-disinvestment so that the parties selected through competitive bidding could inspire public confidence. Earlier, criteria like Net Worth, experience etc. used to be prescribed. Based on experience and in consultation with concerned departments, Government has decided to prescribe the following additional criteria for the qualification/ disqualification of the parties seeking to acquire stakes in public sector enterprises through disinvestment:

- (a) In regard to matters other than the security and integrity of the country, any conviction by a Court of Law or indictment/ adverse order by a regulatory authority that casts a doubt on the ability of the bidder to manage the public sector unit when it is disinvested, or which relates to a grave offence would constitute disqualification. Grave offence is defined to be of such a nature that it outrages the moral sense of the community. The decision in regard to the nature of the offence would be taken on case to case basis after considering the facts of the case and relevant legal principles, by the Government of India.
- (b) In regard to matters relating to the security and integrity of the country, any charge-sheet by an agency of the Government/ conviction by a Court of Law for an offence committed by the bidding party or by any sister concern of the bidding party would result in disqualification. The decision in regard to the relationship between the sister concerns would be taken, based on the relevant facts and after examining whether the two concerns are substantially controlled by the same person/ persons.
- (c) In both (a) and (b), disqualification shall continue for a period that Government deems appropriate.

Appendix VII
Page-2

- (d) Any entity, which is disqualified from participating in the disinvestment process, would not be allowed to remain associated with it or get associated merely because it has preferred an appeal against the order based on which it has been disqualified. The mere pendency of appeal will have no effect on the disqualification.
- (e) The disqualification criteria would come into effect immediately and would apply to all bidders for various disinvestment transactions, which have not been completed as yet.
- (f) Before disqualifying a concern, a Show Cause Notice why it should not be disqualified would be issued to it and it would be given an opportunity to explain its position.
- (g) Henceforth, these criteria will be prescribed in the advertisements seeking Expression of Interest (EOI) from the interested parties. The interested parties would be required to provide the information on the above criteria, along with their Expressions of Interest (EOI). The bidders shall be required to provide with their EOI an undertaking to the effect that no investigation by a regulatory authority is pending against them. In case any investigation is pending against the concern or its sister concern or against its CEO or any of its Directors/ Managers/ employees, full details of such investigation including the name of the investigating agency, the charge/ offence for which the investigation has been launched, name and designation of persons against whom the investigation has been launched and other relevant information should be disclosed, to the satisfaction of the Government. For other criteria also, a similar undertaking shall be obtained along with EOI.

sd/-
(A.K. Tewari)
Under Secretary to the Government of India

CONTENTS

Part I: Preliminary	12
Article 1. Definitions and Interpretation.....	15
1.1 <i>Definitions</i>	<i>15</i>
1.2 <i>Interpretation.....</i>	<i>15</i>
1.3 <i>Measurements and arithmetic conventions.....</i>	<i>18</i>
1.4 <i>Priority of agreements, clauses and schedules</i>	<i>18</i>
Part II: The Concession	19
Article 2. Scope of the Project.....	20
2.1 <i>Scope of the Project.....</i>	<i>20</i>
Article 3. Grant of Concession	21
3.1 <i>The Concession.....</i>	<i>21</i>
3.2 <i>Concession Period.....</i>	<i>23</i>
Article 4. Conditions Precedent	24
4.1 <i>Conditions Precedent</i>	<i>24</i>
4.2 <i>Damages for delay by the Authority</i>	<i>26</i>
4.3 <i>Damages for delay by the Concessionaire</i>	<i>26</i>
4.4 <i>Commencement of Concession Period</i>	<i>26</i>
4.5 <i>Deemed Termination upon delay.....</i>	<i>26</i>
Article 5. Obligations of the Concessionaire	28
5.1 <i>General Obligations of the Concessionaire.....</i>	<i>28</i>
5.2 <i>Obligations relating to Project Agreements</i>	<i>31</i>
5.3 <i>Obligations relating to Change in Ownership.....</i>	<i>32</i>
5.4 <i>Obligations relating to management of the Concessionaire.....</i>	<i>33</i>
5.5 <i>Obligations relating to employment of foreign nationals</i>	<i>34</i>
5.6 <i>Obligations relating to employment of trained personnel</i>	<i>34</i>
5.7 <i>Obligations relating to construction, operation and maintenance</i>	<i>35</i>
5.8 <i>Obligations relating to the engagement of qualified personnel.....</i>	<i>35</i>
5.9 <i>Obligations relating to the Standards of Performance of Services</i>	<i>35</i>
5.10 <i>Intellectual Property Permits</i>	<i>35</i>
5.11 <i>Sole purpose of the Concessionaire.....</i>	<i>35</i>
5.12 <i>Obligations relating to Taxes</i>	<i>35</i>
5.13 <i>Obligations relating to information.....</i>	<i>35</i>
5.14 <i>Obligations relating to other charges.....</i>	<i>36</i>
5.15 <i>Obligations relating to deputed staff</i>	<i>36</i>
5.16 <i>Obligations relating to branding and aesthetic quality of the Project</i>	<i>36</i>

5.17 Obligations Relating to Financial Close	36
Article 6. Obligations of the authority	37
6.1 General Obligations of the Authority	37
6.2 Obligations relating to refinancing	38
Article 7. Representations and Warranties	39
7.1 Representations, warranties and undertakings of the Concessionaire	39
7.2 Representations, warranties and covenants of the Authority	41
7.3 Disclosure	42
Article 8. Disclaimer	43
8.1 Disclaimer	43
Part III: Development and Operations	44
Article 9. Performance Security	45
9.1 Performance Security	45
9.2 Appropriation of Performance Security	45
9.3 Release of Performance Security	46
9.4 Deemed Performance Security	46
9.5 Appropriation of Deemed Performance Security	46
9.6 References to Performance Security	47
Article 10. Site for Medical College	48
10.1 The Site for Medical College	48
10.2 Licence, Access and Right of Way	48
10.3 Procurement of the Site for Medical College	49
10.4 Site for Medical College to be free from Encumbrances	50
10.5 Protection from Encumbrances	50
10.6 Special/temporary Right of Way	50
10.7 Access to the Authority and Independent Engineer	50
10.8 Geological and archaeological finds	51
10.9 Development of Site for Medical College	51
10.10 Permitted Use	51
Article 11. Handover of the District Hospital	52
11.1 District Hospital	52
11.2 Access to the Site for District Hospital	52
11.3 Handover of District Hospital	53
11.4 District Hospital to be free from Encumbrances	54
11.5 Protection of District Hospital from encroachments	54
11.6 Special/temporary Right of Way	54
11.7 Access to the Authority and Independent Engineer	55

11.8 Geological and archaeological finds.....	55
11.9 Development of Site for District Hospital.....	55
11.10 Permitted Use.....	55
Article 12. Utilities and Roads.....	56
12.1 Existing utilities	56
12.2 Shifting of obstructing utilities.....	56
12.3 Felling of trees.....	56
12.4 New utilities.....	56
Article 13. Development Works	58
13.1 Obligations relating to Development Works	58
13.2 Drawings	58
13.3 Development of the District Hospital & Medical College.....	59
13.4 Tests	60
Article 14. Monitoring of Construction.....	62
14.1 Monthly progress reports	62
14.2 Inspection	62
14.3 Tests	62
14.4 Delays during construction	63
14.5 Video recording	63
14.6 Suspension of unsafe Development Works.....	63
Article 15. Completion Certificate.....	65
15.1 Provisional Certificate	65
15.2 Completion Certificate	65
15.3 Deemed Completion Certificate	65
15.4 Rescheduling of Tests	66
15.5 Subsequent Development Obligations	66
Article 16. Operation of the Development Works	67
16.1 Operation Date.....	67
Article 17. Change of Scope.....	68
17.1 Change of Scope	68
17.2 Procedure for Change of Scope.....	68
17.3 Payment for Change of Scope.....	69
17.4 Restrictions on certain works	69
17.5 Financing by the Concessionaire	69
Article 18. Operation and Maintenance	70
18.1 Operation and Maintenance (O&M) obligations of the Concessionaire.....	70
18.2 Maintenance Requirements	71

18.3 Authority's right to take remedial measures.....	72
18.4 Overriding powers of the Authority.....	73
18.5 Technology Watch	73
Article 19. Safety Requirements	74
19.1 Safety Requirements	74
19.2 Expenditure on Safety Requirements	74
Article 20. Monitoring of Operation and Maintenance	75
20.1 Monthly status reports	75
20.2 Inspection	75
20.3 Tests	75
20.4 Remedial measures	75
Article 21. Safety and Security	77
21.1 Security Obligations of the Concessionaire.....	77
Article 22. DELETED	78
Article 23. Healthcare Services	79
23.1 Healthcare Services.....	79
23.2 Doctors and Departments.....	79
23.3 In-Patient Healthcare Services.....	79
Article 24. Deleted	80
Article 25. Deleted	81
Article 26. Independent Engineer	82
26.1 Appointment of Independent Engineer	82
26.2 Independent Expert.....	82
26.3 Duties and functions	82
26.4 Remuneration	83
26.5 Dispute resolution	83
Article 27. Deleted	84
Article 28. Obligations Relating to the Medical College	85
28.1 Obligations relating to the Medical College	85
28.2 Affiliation with the District Hospital	86
28.3 Affiliation with Nursing Institution	86
28.4 Commitment towards Government Merit Selection.....	86
28.5 Student Fee for Medical and Paramedical Education.....	87
Part IV Financial Covenants	88
Article 29. Deleted	89

Article 30.	Concession Fee	90
30.1	Concession Fee.....	90
30.2	Payment of Concession Fee.....	90
Article 31.	deleted.....	91
Article 32.	Escrow Account	92
32.1	Escrow Account.....	92
32.2	Deposits into Escrow Account.....	92
32.3	Withdrawals during Concession Period.....	92
32.4	Withdrawals upon Termination	93
Article 33.	Insurance	95
33.1	Insurance during Concession Period	95
33.2	Insurance Cover	95
33.3	Notice to the Authority.....	95
33.4	Evidence of Insurance Cover.....	96
33.5	Remedy for failure to insure	96
33.6	Waiver of subrogation	96
33.7	Concessionaire's waiver.....	96
33.8	Application of insurance proceeds	97
33.9	Compliance with conditions of insurance policies	97
Article 34.	Accounts and Audit	98
34.1	Audited accounts	98
34.2	Appointment of auditors	98
34.3	Certification of claims by Statutory Auditors	99
34.4	Set-off	99
Part V	Force Majeure and Termination.....	100
Article 35.	Force Majeure.....	101
35.1	Force Majeure	101
35.2	Non-Political Event	101
35.3	Indirect Political Event.....	102
35.4	Political Event	103
35.5	Duty to report Force Majeure Event	103
35.6	Effect of Force Majeure Event on the Concession.....	104
35.7	Allocation of costs arising out of Force Majeure	104
35.8	Termination Notice for Force Majeure Event	105
35.9	Termination Payment for Force Majeure Event.....	105
35.10	Dispute resolution	106
35.11	Excuse from performance of obligations	106

35.12 Relief for Unforeseen Events.....	106
Article 36. Compensation for Breach of Agreement	108
36.1 Compensation for default by the Concessionaire	108
36.2 Compensation for default by the Authority.....	108
36.3 Extension of Concession Period	108
36.4 Compensation to be in addition	108
36.5 Mitigation of costs and damage.....	109
Article 37. Suspension of Concessionaire's Rights	110
37.1 Suspension upon Concessionaire Default.....	110
37.2 Authority to act on behalf of Concessionaire	110
37.3 Revocation of Suspension	110
37.4 Substitution of Concessionaire	111
37.5 Termination	111
Article 38. Termination	112
38.1 Termination for Concessionaire Default	112
38.2 Termination for Authority Default.....	115
38.3 Termination Payment	116
38.4 Other rights and obligations of the Authority.....	116
38.5 Survival of rights	117
Article 39. Divestment of Rights and Interest.....	118
39.1 Divestment Requirements	118
39.2 Inspection and cure	119
39.3 Cooperation and assistance on transfer of Project	119
39.4 Vesting Certificate	119
39.5 Divestment costs etc.....	120
Article 40. Defects Liability After Termination.....	121
40.1 Liability for defects after Termination.....	121
40.2 Retention in Escrow Account.....	121
Part VI Other Provisions	123
Article 41. Assignment and Charges	124
41.1 Restrictions on assignment and charges.....	124
41.2 Permitted assignment and charges.....	124
41.3 Substitution Agreement.....	124
41.4 Assignment by the Authority	125
Article 42. Change in Law	126
42.1 Increase in costs	126

42.2 Reduction in costs.....	126
42.3 Protection of NPV.....	127
42.4 Restriction on cash compensation	127
42.5 No claim in the event of recovery from Users	127
Article 43. Liability and Indemnity	128
43.1 General indemnity	128
43.2 Indemnity by the Concessionaire.....	128
43.3 Notice and contest of claims	129
43.4 Defence of claims	129
43.5 No consequential claims.....	131
43.6 Survival on Termination.....	131
Article 44. Rights and title over the PROJECT site.....	132
44.1 Rights to the Project Site	132
44.2 Access rights of the Authority and others.....	132
44.3 Property taxes.....	132
44.4 Restriction on sub-licensing	132
Article 45. Dispute Resolution.....	133
45.1 Dispute resolution	133
45.2 Conciliation	133
45.3 Arbitration.....	133
45.4 Adjudication by a tribunal	134
Article 46. Disclosure	135
46.1 Disclosure of Specified Documents	135
46.2 Disclosure of Documents relating to safety.....	135
46.3 Withholding disclosure of Protected Documents.....	135
Article 47. Redressal of public grievances.....	136
47.1 Complaints Register	136
47.2 Redressal of complaints.....	136
Article 48. Miscellaneous.....	137
48.1 Governing law and jurisdiction	137
48.2 Waiver of immunity.....	137
48.3 State Support	137
48.4 Depreciation.....	137
48.5 Delayed payments.....	138
48.6 Waiver	138
48.7 Liability for review of Documents and Drawings.....	138
48.8 Exclusion of implied warranties etc.	139

48.9 Survival	139
48.10 Entire Agreement	139
48.11 Severability	139
48.12 No partnership	140
48.13 Third parties.....	140
48.14 Successors and assigns	140
48.15 Notices	140
48.16 Language.....	141
48.17 Confidentiality.....	141
48.18 Stamp Duty.....	142
48.19 Counterparts	142
Article 49. Definitions	143
49.1 Definitions	143
Schedules	161
SCHEDULE – A	162
Project Site.....	162
Annex-I: Site for District Hospital	163
Annex-II: Site for Medical College	164
SCHEDULE - B	165
Development of the Project.....	165
SCHEDULE – C	166
Specifications and Standards	166
SCHEDULE – D	169
Drawings.....	169
SCHEDULE – E.....	170
Applicable Permits.....	170
SCHEDULE – F.....	172
Performance Security.....	172
SCHEDULE – G.....	175
Project Completion Schedule.....	175
SCHEDULE – H.....	177
Tests	177
SCHEDULE –I.....	178
Format for Completion Certificate	178
SCHEDULE –J	180

Maintenance Requirements	180
Annex – I- Repair/ Rectification of Defect & Deficiencies.....	182
SCHEDULE –K	183
Safety Requirements.....	183
Annex – I- Safety Guidelines	186
SCHEDULE –L	188
Selection of Independent Engineer and Independent Expert	188
SCHEDULE –M	195
Escrow Agreement	195
1 DEFINITIONS AND INTERPRETATION	196
2 ESCROW ACCOUNT	197
3 DEPOSITS INTO ESCROW ACCOUNT.....	199
4 WITHDRAWALS FROM ESCROW ACCOUNT.....	200
5 OBLIGATIONS OF THE ESCROW BANK	202
6 ESCROW DEFAULT.....	203
7 TERMINATION OF ESCROW AGREEMENT	204
8 SUPPLEMENTARY ESCROW AGREEMENT	204
9 INDEMNITY.....	205
10 DISPUTE RESOLUTION	205
11 MISCELLANEOUS PROVISIONS	206
SCHEDULE –N	211
Vesting Certificate	211
SCHEDULE –O	212
Substitution Agreement	212
1 Definitions and Interpretation	213
2 Assignment.....	214
3 Substitution of the Concessionaire	214
4 Project Agreements	216
5 Termination of concession agreement.....	216
6 Duration of the Agreement	217
7 Indemnity	217
8 Dispute Resolution.....	218
9 Miscellaneous Provisions	218
SCHEDULE –P.....	222
Schedule of Services.....	222
SCHEDULE –Q.....	224
Key Performance Indications (KPIs)	224

Part I: Preliminary

CONCESSION AGREEMENT

This **CONCESSION AGREEMENT** (“**Agreement**”) is entered into on this the ____ day of _____, 20____ at _____.

BETWEEN

1. **THE DIRECTORATE OF MEDICAL EDUCATION, GOVERNMENT OF KARNATAKA** represented by the **Director** with its principal office at Bangalore Medical College & Research Institute (Old Building), Fort, K.R. Road, Bangalore 560002 (hereinafter referred to as the “**Authority**” or “**DME**” 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 Karnataka is considering private sector participation to augment the associated district hospital (“**District Hospital**”) and to construct, operate and maintain a medical college with a minimum annual intake capacity of at least 150 (one hundred and fifty) students (“**Medical College**”) for providing access to high quality Healthcare Services (*as defined hereinafter*), in the Hospital (the “**District Hospital**”), or Vijayapura District Hospital. 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**”)¹} was one of the bidders who had submitted its bid for the Project (the “**Bid**”).

¹ This will be suitably modified in case the bidder being a single entity.

- (C) Following the evaluation of the bids submitted by the bidders, including that of the Selected Bidder, the Authority 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 promoted and incorporated the Concessionaire as a limited liability company under the Companies Act 2013, and} has requested the Authority vide 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 under the LOA,} including the obligation to enter into this Concession Agreement pursuant to the LOA for undertaking the Project.
- (E) {By its letter dated, the Concessionaire has also joined in the said request of the selected bidder/ Consortium to the Authority to accept it as the entity which shall undertake and perform the obligations and exercise the rights of the selected bidder/ Consortium including the obligation to enter into this Concession Agreement pursuant to the LOA. The Concessionaire has further represented to the effect that it has been promoted by the selected bidder/ Consortium for the purposes hereof}.
- (F) The Authority has {agreed to the said request of the selected bidder/ Consortium and the Concessionaire and has} accordingly agreed to enter into this Concession Agreement with the Concessionaire for execution of the Project, 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 48) 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, unless 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 for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this Agreement;
- (e) the words “**include**” and “**including**” are to be construed without limitation and shall be deemed to be followed by “**without limitation**” or “**but not limited to**” whether or not they are followed by such phrases;
- (f) references to “**construction**” or “**building**” include, unless the context otherwise requires, investigation, design, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction, and “**construct**” or “**build**” shall be construed accordingly;
- (g) references to “**development**” include, unless the context otherwise requires, construction, renovation, refurbishing, augmentation, upgradation and other activities incidental thereto, and “**develop**” shall be construed accordingly;

- (h) any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- (i) 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 day shall mean a reference to a calendar day;
- (k) any 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 specified day or date and "**till**" or "**until**" a specified day or date shall include both such days or dates; provided that if the last day of any period computed under this Agreement is not a business day, then the period shall run until the end of 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) references to the "**winding-up**", "**dissolution**" "**insolvency**" "**reorganisation**" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, arrangement, protection or relief of debtors;
- (t) 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 (t) shall not operate so as to increase liabilities or obligations of the Authority hereunder or pursuant hereto in any manner whatsoever;

- (u) any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or by any Party or the Independent Engineer shall be valid and effective only if it is in writing under the hand of a duly authorised representative of such Party or the Independent Engineer, as the case may be, in this behalf and not otherwise;
- (v) the Schedules and Recitals to this Agreement form an integral part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement;
- (w) references to Recitals, Articles, Clauses, Sub-clauses, Provisos or Schedules in this Agreement shall except where the context otherwise requires, mean references to Recitals, Articles, Clauses, Sub-clauses, Provisos and Schedules of or to this Agreement; reference to an Annex shall, subject to anything to the contrary specified therein, be construed as a reference to an Annex 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 Annex, as the case may be, in which such reference appears;
- (x) unless otherwise specified, any interest payable under this Agreement shall accrue on a monthly basis;
- (y) 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-estimated loss and damage to be suffered and incurred by the Party entitled to receive the same and are not by way of penalty (the "**Damages**"); and
- (z) time shall be of the essence in the performance of the Parties' respective obligations. If any period specified herein is extended, such extended time shall also be of the essence.

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

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

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

1.3 Measurements and arithmetic conventions

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) this Agreement; and
- (b) all other agreements and documents forming part hereof or referred to herein,
 i.e. the Agreement at (a) above shall prevail over the 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 Clauses of this Agreement, the provisions of a specific Clause relevant to the issue under consideration shall prevail over those in other Clauses;
- (b) between the Clauses of this Agreement and the Schedules, the Clauses shall prevail and between Schedules and Annexes, the Schedules shall prevail;
- (c) between any two Schedules, the Schedule relevant to the issue shall prevail;
- (d) between the written description on the Drawings and the Specifications and Standards, the latter shall prevail
- (e) between the dimension scaled from the Drawing and its specific mitten 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 Scope of the Project

The scope of the Project (the "**Scope of the Project**") shall mean and include, during the Concession Period:

- (a) augmenting 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;
- (b) constructing the Medical College on the Site in accordance with the provisions of this Agreement, Applicable Laws and Applicable Permits;
- (c) operating and maintaining the Medical College in accordance with the provisions of this Agreement, MCI Norms, NMC Norms, Applicable Laws, Applicable Permits and Good Industry Practice;
- (d) obtaining and maintaining a valid affiliation of the Medical College with the District Hospital in accordance with the Applicable Laws; and
- (e) performing and fulfilling all other obligations of the Concessionaire in accordance with the provisions of this Agreement and any matters incidental thereto or necessary for the performance of any or all 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, 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 the Concessionaire to:
- (a) access and right of way to 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, manage, operate and maintain the District Hospital and Medical College throughout the Concession Period;
 - (e) provide Healthcare Services in accordance with the standards 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 and Post 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 provisions of this Agreement;
 - (h) ensure that the Medical College has the capacity to accommodate Students as per Applicable Laws including the MCI Norms, NMC Norms, Applicable Permits and the provisions of this Agreement;
 - (i) ensure that prior to Operation Date the District Hospital has 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 MCI Norms, NMC Norms, Applicable Permits and provisions of this Agreement;

- (j) on Scheduled Completion Date transfer the District Hospital to the Authority in accordance with the provisions of this Agreement;
- (k) demand, collect and appropriate Student Fee from the Students in accordance with the provisions of 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 for the Medical College 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 provisions;
- (p) upon Termination of the Concession Period transfer the Medical College to the Authority in accordance with the provisions 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 Project Assets, 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, subject only to the provisions of this Agreement and in accordance with Applicable Permits, Applicable Laws and Good Industry Practice;
- (s) Deleted
- (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 or the Medical College, as the case may be; 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 45 (Forty-Five) days from the submission of the designs. The Concessionaire shall address the comments received from the Authority, if any, and submit revised designs to the Authority, for its review, considering the comments provided upon its review. The Authority shall provide its comments within 15 (Fifteen) 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 designs 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 be 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 Patients and their attendants;
- (d) pharmacy; 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 provisions, the term of this Agreement is 66 (sixty-six) years from the Appointed Date (the “**Concession Period**”); Provided that at any time no earlier than 3 (three) years prior to completion of the Concession Period hereinabove, the Parties may, on such mutually agreed terms and conditions, extend the Concession Period for such further period as they may determine, but not exceeding 33 (thirty-three) years in any case.

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 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 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 90 (ninety) 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 90 (ninety) 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 right of way to the District Hospital in accordance with Article 11;
- (b) provided the right of way to the Site for Medical College in accordance with Article 10;
- (c) {provided the Site for Medical College on leasehold basis in accordance with Article 10(A); and}
- (d) procured all Applicable Permits as provided in **Schedule E** including permits in relation to environmental protection and conservation:

Provided that upon a 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 180 (one hundred and eighty) 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 operationalized the Escrow Account in accordance with Article 32;
- (c) procured approval of the Detailed Project Report for the Project
- (d) 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;

- (e) achieved Financial Close, executed the Financing Agreements and delivered to the Authority 3 (three) true copies thereof, duly attested by a Director of the Concessionaire;
- (f) delivered to the Authority 3 (three) true copies of the Financial Package and the Financial Model, duly attested by a Director of the Concessionaire, along with 3 (three) soft copies of the Financial Model in MS Excel version or any substitute thereof, which is acceptable to the Senior Lenders;
- (g) 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;
- (h) 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;
- (i) delivered to the Authority the copies (certified as true copies by an authorised officer of the Concessionaire) of the constitutional documents of the Concessionaire;
- (j) 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
- (k) 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. For the avoidance of doubt, the Authority may, in its sole discretion, grant any waiver hereunder with such conditions as it may deem fit.

- 4.1.4 Each Party shall make all reasonable endeavours 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 any or all of the Conditions 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, the Authority shall pay to the Concessionaire Damages in 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 of 20% (twenty per cent) of the Performance 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 failure to fulfil the obligations under Clause 4.1.2 or other breach of this Agreement by the Authority, or due to Force Majeure, the Concessionaire shall pay to the Authority Damages in an amount calculated at the rate of 0.3% (zero point three 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, and upon reaching such maximum, the Authority may, in its sole discretion, terminate the Agreement. Provided that in the event of delay by the Authority in procuring fulfilment of the Conditions Precedent specified in Clause 4.1.2, no Damages shall be due or 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 Concession Period

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

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, before the 1st (first) anniversary of the date of this Agreement or the extended period provided in accordance with this Agreement, 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 Concession Agreement shall be deemed to have been terminated by mutual agreement of the Parties. Provided, however, that in

the event the delay in occurrence of the Appointed Date is for reasons attributable to the Concessionaire, the Performance Security 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 on the terms and conditions of this Agreement, the Concessionaire shall, at its own cost and expense, procure finance for and undertake the design, engineering, procurement, construction, operation and maintenance of the Project in accordance with the provisions of this Agreement, and observe, fulfil, comply with and perform all its obligations set out in this Agreement or arising hereunder.
- (b) 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.
- (c) 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, the transfer of the Project to the Authority.
- (d) The Concessionaire shall comply with all Applicable Laws and Applicable Permits (including renewals as required) in the performance of 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.
- (e) 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.
- (f) The Concessionaire shall pay the Concession Fee to the Authority in accordance with Article 30.
- (g) 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.
- (h) 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:

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) undertake effective operation and maintenance of the Project 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) all the Project Assets 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 performing its obligations under and in accordance with the provisions of this Agreement;
 - (xvii) transfer the Medical College, the Project Site and all Project Assets 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 Services in accordance with the terms of this Agreement.
 - (xix) augment the District Hospital in accordance with the timelines provided in Schedule G;
 - (xx) undertake programmes for creating Patient awareness, implement the Public Health Programmes and public health obligations in accordance with Article 24; and
- (i) Save and except as otherwise provided in this Agreement or Applicable Laws the Concessionaire shall, in discharge of all its obligations under this Agreement, conform with and always adhere to Good Industry Practice.

5.2 Obligations relating to Project Agreements

- 5.2.1 It is expressly agreed that the Concessionaire shall, always, 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 other agreements shall excuse the Concessionaire from its obligations or liability hereunder.
- 5.2.2 The Concessionaire shall submit to the Authority the drafts of all Project Agreements, 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, if any, to the Concessionaire within 15 (fifteen) days of the receipt of such drafts. Within 7 (seven) days of execution of any Project Agreement or amendment thereto, the Concessionaire shall submit to the Authority a true copy thereof, duly attested by a Director of the Concessionaire, for its record. For the avoidance of doubt, it is agreed that the review and comments hereunder shall be limited to ensuring compliance with the terms of this Agreement. It is further agreed that no review and/or observation of the Authority and/or its failure to review and/or convey its observations on any document shall relieve the Concessionaire of its obligations and liabilities under this Agreement in any manner nor shall the Authority be liable for the same in any manner whatsoever.
- 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 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 addition, replacement or amendment is made without such consent, the Concessionaire shall not enforce such replacement or amendment nor permit enforcement thereof against the Authority. For the avoidance of doubt, the Authority acknowledges and agrees that it shall not unreasonably withhold its consent for restructuring or rescheduling of the debt of the Concessionaire.
- 5.2.4 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 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 approval of the Authority.
- (b) Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire agrees and acknowledges that:
 - 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 of 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 behalf 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 the avoidance of doubt, it is expressly agreed that approval of the Authority hereunder shall be limited to national security and public interest perspective, and the Authority shall endeavour to convey its decision thereon expeditiously. It is also agreed that the Authority shall not be liable in any manner on account of grant or otherwise of such approval and that such approval or denial thereof shall not in any manner absolve the Concessionaire from any liability or obligation under this Agreement.

For the purposes of this Clause 5.3 (b):

- (i) the expression “acquirer”, “control” and “person acting in concert” shall have the meaning ascribed thereto in the Security 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 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 situate 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 25% (twenty five per cent) or more 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 employment of foreign nationals

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 always duly qualified and 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 MCI Norms, NMC Norms, Specifications and Standards, Applicable Laws, Applicable Permits and terms of this Agreement to undertake the implementation 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 MCI Norms or NMC Norms, as may be applicable.

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, always during the subsistence of this Agreement, all Taxes, levies, duties, cesses and all other statutory charges payable in respect of the Medical College.

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 Project Site, including water, sewage, electricity, telecommunication, internet and cable charges etc.

5.15 Obligations relating to deputed staff

5.15.1. The Concessionaire agrees to retain all of the existing employees, retainers, staff, including but not limited to, doctors, nurses, medical support staff and other employees of the District Hospital ("Authority Staff") as part of the Project and such staff shall continue to be in the payroll of the Authority or the Government of Karnataka, as the case may be. For the avoidance of doubt, the Authority shall bear all cost/ expenses related to the Authority Staff including, but not limited to, basic pay, all allowances and entitlements.

5.16 Obligations relating to branding and aesthetic quality of the Project

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

5.16.2 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.

5.16.3 The Concessionaire shall name (the "Name") the Medical College in consultation with the Authority and such Name shall always contain "[***]" as a prefix during the Concession Period

5.17 Obligations Relating to Financial Close

5.17.1 The Concessionaire hereby agrees and undertakes that it shall achieve Financial Close within such period specified in Clause 4.1.3 of this Agreement.

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

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) from the Operations Date 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 MCI Norms, NMC Norms, Applicable Permits and provisions of this Agreement.
- (c) 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 District Hospital, 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 other similar government hospitals operating in the state;
 - (iii) provide access and right of way to the Site for Medical College free from Encumbrance to the Concessionaire and ensure that no barriers are erected or placed on or about the Site for 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 Site on a lease basis free from Encumbrance to the Concessionaire and ensure that no barriers are erected or placed on or about the Site 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
- (vi) not do or omit to do any act, deed or thing which may in any manner violate the provisions of this Agreement;
- (vii) support, cooperate with and facilitate the Concessionaire in the implementation and operation of the District Hospital in accordance with the provisions of this Agreement;
- (viii) upon written request from the Concessionaire, execute the Substitution Agreement; and
- (ix) Notwithstanding anything in this Article, the Authority shall not be required to provide any financial support or financial assistance to the Concessionaire, save and except as expressly provided in this Agreement

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.

ARTICLE 7. REPRESENTATIONS AND WARRANTIES

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) 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;
- (g) 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;
- (h) 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;
- (i) 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;

- (j) 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;
- (k) 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 until 2(second) anniversary of Operations Date; 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;
- (l) 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 Project in accordance with this Agreement;
- (m) 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;
- (n) the cost of the Project shall not exceed the Total Project Cost, without obtaining a prior written consent of the Authority;
- (o) 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;
- (p) 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;

- (q) 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;
- (r) 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;
- (s) 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;
- (t) 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
- (u) 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 Medical College, Site for District Hospital, and Site for to the Concessionaire

for the development of the Project in accordance with the provisions of this Agreement.

7.3 Disclosure

- (a) If 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 of inadequacy of any kind whatsoever in the data disclosed by the Authority to the Concessionaire in relation to the District Hospital and the Project Site; and/or
 - (ii) any failure to make available to the Concessionaire any materials, documents, drawings, plans or other information relating to the District Hospital and the Project Site.

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 8.1(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 8.1(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 8.1(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 8.1(d) shall not prejudice the disclaimer of the Authority contained in 8.1(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 Operations

ARTICLE 9. PERFORMANCE SECURITY

9.1 Performance Security

- 9.1.1 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. [***] (Rupees [***]) 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.
- 9.1.2 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 30 (thirty) 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 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 12 (month) 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 The 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 8% (eight percent) of the prevailing circle rate of the land 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 be valid for a term of 66 (sixty-six) years.

10.2 Licence, Access and Right of Way

- 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 for Medical College**”) specifying in reasonable detail those parts of the Site for Medical College to which vacant access 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 for Medical College, 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 for Medical College 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 for Medical College 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 for 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 for Medical College, 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 Medical College 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 for Medical College referred to in this Clause 10.3 and dealt with accordingly. For avoidance of

doubt, the Parties agree that any land required for the Medical College, 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 from Encumbrances

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/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 and Independent Engineer

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

The 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 of the District Hospital 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 surveys, investigations and soil 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 the 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 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, assess the structural integrity of the structures and buildings, and condition of the equipment thereon, 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 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 for District Hospital thereto, the decision of the Authority in this regard shall prevail and be binding on the Concessionaire.

11.3.3 On and after signing of 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. The Concessionaire 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 undertakes to remove such encroachments or occupation at its own cost and expense.

11.3.4 Upon receiving possession and access to and in respect of any land, buildings etc. included in the Appendix for District Hospital, 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 for District Hospital 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 until the LoP Date and the Concessionaire shall ensure that the augmentation works are undertaken in a manner such that the operations of the District Hospital 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 all the 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/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 and Independent Engineer

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, 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:

- (c) any reasonable expense incurred by the Concessionaire hereunder shall be reimbursed by the Authority; and
- (d) 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 ROADS

12.1 Existing utilities

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

12.3 Felling of trees

The Authority shall assist the Concessionaire in obtaining the Applicable Permits for felling of trees to be identified by the Authority for this purpose if and only if such trees cause a Material Adverse Effect on the construction, operation or maintenance of the Project. In the event of any delay in felling thereof for reasons beyond the control of the Concessionaire, it shall 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 the avoidance of doubt, the costs and expense in respect of felling of trees shall be borne by the Concessionaire and any revenues accrued thereof shall be paid to the Authority.

12.4 New utilities

The Concessionaire shall allow, subject to such conditions as the Authority may specify, access to, and use of the Project Site for laying telephone lines, water pipes, electric cables or other public utilities. Where such access or use causes any financial loss to the Concessionaire, it may require the user of the Project Site to pay compensation or damages as per Applicable Laws. For the avoidance of doubt, it is agreed that use of the Project Site under this Clause 12.4 shall not in any manner relieve

the Concessionaire of its obligation in accordance with this Agreement and any damage caused by such use shall be restored forthwith.

ARTICLE 13. DEVELOPMENT WORKS

13.1 Obligations relating to Development Works

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

- (a) submit to the Authority and the Independent Engineer its detailed design, augmentation methodology, quality assurance procedures, and the procurement, engineering and construction time schedule for completion of the District Hospital and Medical College 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, 3 (three) copies each 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, including the field construction criteria related thereto, are in conformity with the Scope of the Project, 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

If the aforesaid observations of the Independent Engineer indicate that the Drawings are not in conformity with the Scope of the Project or the Specifications and Standards, such Drawings shall be revised by the Concessionaire and resubmitted to the Independent Engineer for review. The Independent Engineer shall give its observations, if any, within 7 (seven) days of receipt of the revised Drawings.

(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 (both the District Hospital and the Medical College), as actually designed, engineered and constructed, including an as-built survey illustrating the layout of the Project (both the District Hospital and the Medical College) 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 District Hospital & Medical College

13.3.1 On or after the Appointed Date, the Concessionaire shall undertake the development of the Project as specified in Schedule B, and in conformity with the Specifications and Standards set forth in Schedule C. 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 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 If the Development Works pertaining to the Development Obligations 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 Engineer 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 Engineer 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 CONSTRUCTION

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 District Hospital and the Medical College, 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 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 If 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 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

During the Construction Period, the Concessionaire shall provide to the Authority for every calendar quarter, a video recording, which will be compiled into a 3 (three)-hour digital video disc or any substitute thereof, covering the status and 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.

14.6 Suspension of unsafe Development Works

14.6.1 Upon recommendation of the Independent Engineer to this effect, the Authority may by notice require the Concessionaire to suspend forthwith the whole or any part of the Development Works if, in the reasonable opinion of the Authority, such work threatens the safety of the Users. Provided, however, that in case of an emergency, the Authority may suo moto issue the notice referred to hereinabove.

14.6.2 The Concessionaire shall, pursuant to the notice under Clause 14.6.1, suspend the Development Works or any part thereof for such time and in such manner as may be specified by the Authority and thereupon carry out remedial measures to secure the safety of suspended works and the Users. The Concessionaire may by notice require the Independent Engineer to inspect such remedial measures forthwith and make a report to the Authority recommending whether the suspension hereunder may be

revoked. Upon receiving the recommendations of the Independent Engineer, the Authority shall either revoke such suspension or instruct the Concessionaire to carry out such other and further remedial measures as may be necessary in the reasonable opinion of the Authority, and the procedure set forth in this Clause 14.6 shall be repeated until the suspension hereunder is revoked.

14.6.3 Subject to the provisions of Clause 35.7, all reasonable costs incurred for maintaining and protecting the Development Works or part thereof during the period of suspension (the “**Preservation Costs**”) shall be borne by the Concessionaire; provided that if the suspension has occurred because of any breach of this Agreement by the Authority, the Preservation Costs shall be borne by the Authority.

14.6.4 If suspension of Development Works is for reasons not attributable to the Concessionaire, the Independent Engineer shall determine any extension of the dates set forth in the Project Completion Schedule to which the Concessionaire is reasonably entitled, and shall notify the Authority accordingly whereupon the Authority shall extend such Project Completion Schedule dates in accordance with the recommendations of the Independent Engineer. If the Scheduled Completion Date is extended pursuant hereto, the Concession Period shall be deemed to be extended by a period equal in length to the period of extension of the Scheduled Completion Date.

ARTICLE 15. COMPLETION CERTIFICATE

15.1 Provisional Certificate

If the development of the Project is complete and the Concessionaire certifies in writing that the Tests are successful and the Development Works 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 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 750 (seven hundred and fifty), 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 Development Obligations shall be deemed to be complete when the Completion Certificate or the Deemed Completion Certificate, as the case may be, is issued under the provisions of Article 15, and the Concessionaire has obtained the Letter of Permission, and procured Recognition to commence operations of the District Hospital and the Medical College, and accordingly the operation date, shall be the date on which the Letter of Permission is issued or Recognition is procured, whichever is earlier (the “**Operations Date**” or “**COD**”). For the avoidance of doubt, the Development Obligations of the Concessionaire are deemed complete only on procuring Recognition in accordance with the terms of this Agreement, Applicable Laws, and Applicable Permits. The Concessionaire may, however, commence earlier operations in the Medical College after procuring the Letter of Permission in accordance with 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 Scope of 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 Services to the Users, 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 therefor 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 Documentation 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; and
 - (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 District Hospital, along with the proposed premium/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.
- 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 of the Independent Engineer, thereupon 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. If 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 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 Development Obligations and issuing the Completion Certificate or Deemed Completion Certificate, as the case may be.
- 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 (O&M) obligations of the Concessionaire

18.1.1 During the Concession Period, the Concessionaire shall operate and maintain the Medical College in accordance with this Agreement either by itself, or through the 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) submitting 30 (thirty) days prior to the Appointed Date, in consultation with the Authority and Independent Engineer, 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 Concession Period;
- (b) undertaking operation and maintenance of the Project and the Project Assets pertaining to medical college in an efficient, coordinated and economical manner, in compliance with the Specification and Standards;
- (c) undertaking, 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: operations, maintenance and management of the Medical College by itself or through an O&M Contractor(s) who may be appointed only after taking prior written approval of the Authority;
- (d) obtaining and maintaining 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) undertaking routine maintenance including prompt repairs of all elements and components of the Project pertaining to Medical College, so as to ensure compliance with the Maintenance Requirements and the Specification and Standards;
- (f) undertaking major maintenance, replacement of components and parts, repairs to structures, and repairs and development of associated facilities including the Ancillary Facilities, pertaining to Medical College
- (g) 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;

- (h) 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;
- (i) ensuring that the food which is served to the Patients is clean, hygienic and of good quality;
- (j) operation and maintenance of all communication, control and administrative systems necessary for the efficient operation of the Project and for providing Services in conformity with the Good Industry Practice;
- (k) maintaining a public relations unit to interface with and attend to suggestions from the Users, Government Instrumentality, media and other agencies;
- (l) complying with the Safety Requirements;
- (m) ensuring that the bio-medical waste is segregated, labelled and disposed of in accordance with the Applicable Laws;
- (n) ensuring that all toilets are clean, hygienic and odour free 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;
- (o) providing efficient lifts, escalators, walkalators, information systems, public address systems and lighting systems;
- (p) 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;
- (q) providing kiosks for cafeteria facilities for the Users;
- (r) ensuring proper signs, markings and display within the Project Site to direct the Users to the appropriate sections of the Project; and
- (s) 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.

18.2 Maintenance Requirements

18.2.1 The Concessionaire shall always procure that during the Operation Period, the Project in accordance with the provisions of this Agreement, Applicable Laws, Applicable Permits and Good Industry Practice as more specifically set out in Schedule J (the “Maintenance Requirements”).

18.2.2 The Concessionaire shall always procure that 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

18.3.1 In the event the Concessionaire does not maintain and/or repair 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 a notice in this behalf from the Authority or the Independent Engineer, as the case may be, the Authority shall, 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 the 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.

18.3.2 The Authority shall have the right, and the Concessionaire hereby expressly grants to the Authority the right, to recover the costs and Damages specified in Clause 18.3.1 directly from the Escrow Account as if such costs and Damages were O&M Expenses, and for that purpose, the Concessionaire hereby agrees to give irrevocable instructions

to the Escrow Bank to make payment from the Escrow Account in accordance with the instructions of the Authority under this Clause 18.3.2 and debit the same to O&M Expenses.

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 Technology Watch

- 18.5.1 The Concessionaire shall implement at its own cost a technology watch throughout the Concession Period so as to allow the Project to benefit from technical advancement and/or technology upgrades in connection with the Equipment and 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.
- 18.5.2 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 Services or the cost of performing the 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.

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 and the Project Assets, 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 Monthly status reports

20.1.1 During the 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. 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 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 and the Project Assets 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 Applicable Laws, 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 and the Project Assets 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 Medical College and shall be responsible for the security arrangements for the Medical College to maintain safe and orderly conduct of its business and the security thereof.
- 21.1.2 The Concessionaire shall install and operate necessary closed circuit television system to monitor the Medical College 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 District Hospital, without unduly disrupting the operations of the District Hospital or interfering with the exercise of rights or fulfilment of obligations by the Concessionaire under this Agreement.
- 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 Site. 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. DELETED

ARTICLE 23. HEALTHCARE SERVICES

23.1 Healthcare Services

23.1.1 The Concessionaire shall ensure prior to Operations Date 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 Doctors and Departments

The Authority shall ensure that 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 MCI Norms and the NMC Norms, as the case may be.

23.3 In-Patient Healthcare Services

23.3.1 The District Hospital shall have at least 750 (seven hundred and fifty) beds or such number of beds in compliance with the standards as prescribed in the NMC Norms, whichever is higher, on or prior to the Recognition Date. 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.

23.3.2 The Authority shall ensure that 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.

ARTICLE 24. DELETED

ARTICLE 25. DELETED

ARTICLE 26. INDEPENDENT ENGINEER

26.1 Appointment of Independent Engineer

The Authority shall appoint, no later than 90 (ninety) days from the Execution Date, a third-party agency (the “**Independent Engineer**”) to monitor and supervise the Concessionaire during 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**”) to monitor and supervise the Concessionaire during the Operations Period. Provided that the Authority shall have the right to appoint any of its agencies or departments to monitor the District Hospital until the Independent Expert is appointed in accordance with this Clause 26.2. 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 26.2 and such provisions shall be repeated after expiry of each appointment.

26.3 Duties and functions

26.3.1 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 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 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.

26.4 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.

26.5 Dispute resolution

If either Party disputes any advice, instruction, decision, direction or award of the Independent Engineer, or the assertion or failure to assert jurisdiction, the Dispute shall be resolved in accordance with the Dispute Resolution Procedure.

ARTICLE 27. DELETED

ARTICLE 28. OBLIGATIONS RELATING TO THE 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) provide competency based medical education for the Under Graduate level, Post 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) 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 Student Fee from the Students in accordance with Applicable Laws and Applicable Permits;
- (f) ensure compliance with all Applicable Laws in relation to the Student Fee charged from the students of the Medical College and all scholarship programmes for meritorious students in accordance with Applicable Laws;
- (g) ensure that the personnel engaged by it in the performance of its obligations under this Agreement are always 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) 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) 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, as

approved by the Authority and provide appropriate affiliations with the Medical College for such courses;

- (j) discharge 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 sufficient infrastructure and equipment in accordance with MCI Norms, NMC Norms, and Applicable Laws, including, but not limited to, number and distribution of District Hospital Beds, bed occupancy, Equipment, manpower, etc., at the time of submission of application to the Medical Education Regulatory Authority for affiliation, and shall fulfil and maintain such requirements throughout the entire duration of the Concession Period;
- (l) maintain the Students to Beds ratio throughout the the Concession Period in accordance with MCI Norms, NMC Norms, and Applicable Laws; and
- (m) engage in 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.

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.

28.4 Commitment towards Government Merit Selection

28.4.1 The Concessionaire agrees and undertakes, to allot [***] ([***)] Under Graduate seats (“**Seat Share**”) out of the approved intake of 150 Under Graduate seats under Government Merit Selection.

28.4.2 In the event of expansion of the Medical College, by the Concessionaire, during the Concession Period, by way of increase in the overall Under Graduate intake capacity or introduction of Post Graduate courses, the Concessionaire shall increase the Seat Share, considering both Under Graduate and Post Graduate seats, on a prorated basis. For the avoidance of doubt, by way of illustration, if the Seat Share offered by the Highest Bidder (who may eventually form the Concessionaire company and execute the Concession Agreement with the Authority) is 90 seats for an overall intake capacity

of 150 students, the factor to be considered for Seat Share in case of expansion of the Medical College is 0.60 ($90 \div 150$).

28.5 Student Fee for Medical and Paramedical Education

28.5.1 The Concessionaire shall, commencing from the LoP Date, have the sole and exclusive right to demand, collect and appropriate Student Fee from the Students in accordance with this Agreement.

28.5.2 The Concessionaire acknowledges and agrees that upon payment of applicable Student Fee, any Student shall be entitled to use the Project Assets and the Concessionaire shall not place, or cause to be placed, any restriction on such use, except to the extent specified in any Applicable Law, Applicable Permit or the provisions of this Agreement.

28.5.3 The Concessionaire acknowledges and agrees that any Student who is not liable for payment of applicable Student Fee shall be entitled to use the Project Assets without any restrictions, except to the extent specified in any Applicable Law, Applicable Permit or the provisions of this Agreement.

28.5.4 The Concessionaire undertakes and agrees that the Student Fee to be charged from the Students under Seat Share of Government Merit Selection shall be equal to or lower than the then prevailing fee at other government medical colleges in Karnataka as notified by the Authority from time to time.

Part IV

Financial Covenants

ARTICLE 29. DELETED

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 the following by way of annual concession fee, (the “**Concession Fee**”):

- (a) for the 1st (first) Accounting Year commencing after the Execution Date, a sum of Rs 1000/- (Rupees one thousand only);
- (b) for each subsequent Accounting Year following the Accounting Year specified in Sub-Clause (a) above, the aforesaid Concession Fee shall be revised hereunder, and the Concession Fee shall be determined by increasing the Concession Fee for the previous Accounting Year by 5% (five per cent) thereof;

30.2 Payment of Concession Fee

30.2.1 The Concession Fee payable under Clause 30.1 shall be due and payable by the Concessionaire within 15 (fifteen) days of the commencement of the Accounting Year.

ARTICLE 31. DELETED

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

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

- (a) all funds constituting the Financial Package;
- (b) all Student Fee and any other revenues from or in respect of the Project, including the proceeds of any rentals, deposits, capital receipts or insurance claims; and
- (c) all payments by the Authority, after deduction of any outstanding Concession Fee:

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

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) all statutory payments, taxes due and payable by the Concessionaire for and in respect of the Project;
- (b) all payments relating to construction of the Project, subject to and in accordance with the conditions, if any, set forth in the Financing Agreements;
- (c) O&M Expenses, subject to the ceiling, if any, set forth in the Financing Agreements;

- (d) O&M Expenses and other costs and expenses incurred by the Authority in accordance with the provisions of this Agreement, and certified by the Authority as due and payable to it;
- (e) Concession Fee due and payable to the Authority;
- (f) monthly proportionate provision of debt service due in an Accounting Year;
- (g) all payments as may be due and payable to the Authority pursuant to this Agreement and/ or the Damages certified by the Authority as due and payable to it by the Concessionaire under this Agreement;
- (h) any reserve requirements set forth in the Financing Agreements; and
- (i) 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 31.3.1, 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) all payroll dues and related statutory payments thereof, and taxes due and payable by the Concessionaire for and in respect of the Project;
- (b) outstanding Concession Fee;
- (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 and Damages certified by the Authority as due and payable to it by the Concessionaire;
- (e) retention and payments relating to the liability for defects and deficiencies set forth in Article 40;
- (f) outstanding debt service obligations to the Senior Lenders, if any;
- (g) incurred or accrued O&M Expenses;
- (h) any other payments required to be made under this Agreement; and
- (i) balance, if any, in accordance with the instructions of the Concessionaire;

32.4.2 The provisions of this Article 32 and the instructions contained in the Escrow Agreement shall remain in full force and effect until the obligations set forth in Clause 32.4.1 have been discharged.

event of any difference or disagreement relating to any such insurance, the Dispute Resolution Procedure shall apply.

33.4 Evidence of Insurance Cover

All insurances obtained by the Concessionaire in accordance with this Article 33 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 for which it is responsible pursuant hereto, the Authority shall have the option to either keep in force any such insurances and pay such premia and recover the costs thereof from the Concessionaire, or in the event of computation of a Termination Payment, treat an amount equal to the Insurance Cover as deemed to have been received by the Concessionaire.

33.6 Waiver of subrogation

All insurance policies in respect of the insurance obtained by the Concessionaire pursuant to this Article 33 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 by credit to the Escrow Account and it shall, notwithstanding anything to the contrary contained in Article 32, shall apply such proceeds towards payment of Damages and balance remaining, if any, shall be applied for any necessary repair, reconstruction, reinstatement, replacement, improvement of the Project Assets, 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 (including the Hospital Charges, Student Fee and all incomes derived or collected by it from or on account of the Project 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 financial and other 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 31st (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 summarized information on Hospital Charges, Student Fee 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 the 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

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:

- (a) an act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage;
- (b) 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;
- (c) 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;
- (d) 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;
- (e) 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;
- (f) 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;
- (g) any Indirect Political Event that causes a Non-Political Event; or
- (h) 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 the effect or probable effect which such Force Majeure Event is having or will have on the Affected Party's performance of its obligations under this Agreement;
- (c) the measures which the Affected Party is taking or proposes to take for alleviating the impact of such Force Majeure Event; and
- (d) any other information relevant to the Affected Party's claim.

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 the 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 by 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 the occurrence of any Force Majeure Event prior to the Appointed Date, the period set forth in Clause 4.1 for fulfilment of 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 Services despite making best efforts or it is directed by the Authority or any Government 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.

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 the 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 Hospital Charges, Student Fee 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 35, 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 34, 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 make a representation, and may after the expiry of such 15 (fifteen) days 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 pay to the Concessionaire an amount equal to 60% (sixty per cent) 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 50% (fifty per cent) of such unpaid claims shall be included in the computation of Termination Payment.

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 per cent) 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

If 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 because of the existence or occurrence of such Force Majeure Event and to cure the same with due diligence; and
- (c) when the Affected Party can 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 this 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;
- (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 Project in accordance with the provisions of this Agreement. In pursuance hereof, the Parties may enter a Memorandum of Understanding (the “**MoU**”) setting forth the agreement reached hereunder, and the terms of such MoU shall have 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 the 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 of revenues, debt repayment obligations or other consequential losses, and for determining such compensation, information contained in the Financial Package and the Financial Model may be relied upon to the extent it is relevant.

36.3 Extension of Concession Period

36.3.1 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, 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.

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 Concessionaire under this Agreement including Termination thereof.

36.5 Mitigation of costs and damage

The Affected Party shall make all reasonable efforts to mitigate or limit the costs and damage arising out of or because of breach of Agreement by the other Party.

**ARTICLE 37. SUSPENSION OF CONCESSIONAIRE’S
RIGHTS**

37.1 Suspension upon Concessionaire Default

Upon occurrence of a Concessionaire Default, the Authority shall be entitled, without prejudice to its other rights and remedies under this Agreement including its rights of Termination hereunder, to (a) suspend all rights of the Concessionaire under this Agreement including the Concessionaire's right to collect Hospital Charges, Student Fee, and other revenues pursuant hereto, and (b) exercise such rights itself and perform the obligations hereunder or authorise any other person to exercise or perform the same on its behalf during such suspension (the **"Suspension"**). Suspension hereunder shall be effective forthwith upon issue of notice 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 Lenders' Representative, the Authority shall extend the aforesaid period of 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 Hospital Charges, Student Fee, and such other 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 taken for and on behalf of the Concessionaire and the Concessionaire undertakes to indemnify the Authority for all costs incurred during such period. The Concessionaire hereby licences and sub-licences respectively, the Authority or any other person authorised by it under Clause 37.1 to use during Suspension, all Intellectual Property belonging to or licenced to the Concessionaire with respect to the Project and its design, engineering, construction, operation and maintenance, and which is used or created by the Concessionaire in performing its obligations under the Agreement.

37.3 Revocation of Suspension

37.3.1 If 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 the avoidance of doubt, the Parties expressly agree that the Authority may, in its discretion, revoke the Suspension at any time, whether 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 any time during the period of Suspension, the Lenders' Representative, on behalf of Senior Lenders, shall be entitled to substitute the Concessionaire under 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 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 require the Authority to revoke the Suspension and issue a Termination Notice. Subject to the rights of the Lenders' Representative to undertake 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 38.
- 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, the Concession 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 a 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 the Cure Period set forth below, or where no Cure Period is specified, then within a Cure Period of 60 (sixty) days, the Concessionaire shall be deemed to be in default of this 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;
- (b) subsequent to the replenishment or furnishing of fresh Performance Security in accordance with Clause 9.2, the Concessionaire fails to meet any Condition Precedent 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;
- (c) 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 120 (one hundred and twenty) days;
- (d) the Concessionaire abandons or manifests intention to abandon the construction or operation of the Project without the prior written consent of the Authority;
- (e) the Operations Date does not occur on or before the Scheduled Completion Date;
- (f) the Punch List items have not been completed within the period set forth in Article 15;
- (g) the Concessionaire is in breach of the Maintenance Requirements or the Safety Requirements, as the case may be;
- (h) the Concessionaire fails to achieve or cause to be achieved key performances indicators in terms of this Agreement
- (i) the Concessionaire has failed to make any payment to the Authority within the period specified in this Agreement;
- (j) an Escrow Default has occurred, and the Concessionaire fails to cure the default within a Cure Period of 15 (fifteen) days;

- (k) upon occurrence of a Financial Default, the Lenders' 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;
- (l) a breach of any of the Project Agreements by the Concessionaire has caused a Material Adverse Effect;
- (m) the Concessionaire creates any Encumbrance in breach of this Agreement;
- (n) the Concessionaire repudiates this Agreement or otherwise takes any action or evidences or conveys an intention not to be bound by the Agreement;
- (o) a Change in Ownership has occurred in breach of the provisions of Clause 5.3;
- (p) 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;
- (q) an execution levied on any of the assets of the Concessionaire has caused a Material Adverse Effect;
- (r) the Concessionaire is adjudged bankrupt or insolvent, or if a trustee or receiver is appointed for the Concessionaire or for the whole or material part of its assets that has a material bearing on the Project;
- (s) the Concessionaire has been, or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would cause, in the reasonable opinion of the Authority, a Material Adverse Effect;
- (t) a resolution for winding up of the Concessionaire is passed, or any petition for winding up of the Concessionaire is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 (ninety) days of the date thereof or the Concessionaire is ordered to be wound up by a court except for the purpose of amalgamation or reconstruction; provided that, as part of such amalgamation or reconstruction, the entire property, assets and undertaking of the Concessionaire are transferred to the amalgamated or reconstructed entity and that the amalgamated or reconstructed entity has unconditionally assumed the obligations of the Concessionaire under this Agreement and the Project Agreements; and provided that:
 - (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 remains in full force and effect;
 - (u) occurrence of any Insolvency Event;
 - (v) 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;
 - (w) 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;
 - (x) the Concessionaire has failed to fulfil any obligation, for which failure Termination has been specified in this Agreement;
 - (y) the Concessionaire issues a Termination Notice in violation of the provisions of this Agreement; or
 - (z) the Concessionaire commits a default in complying with any other provision 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 38.1.3.
- 38.1.3 The Authority shall, if there be 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

for enabling the Lenders' Representative to exercise the Senior Lenders' right of substitution in accordance with the Substitution Agreement:

Provided that the Lenders' Representative may, instead of exercising the Senior Lenders' right of substitution, procure that the default specified in the notice is cured within the aforesaid period of 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 the following:

- (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 to the Concessionaire within the period specified in this Agreement, 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 the 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 an 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 per cent) 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 per cent) 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 the avoidance of doubt, it is expressly agreed that Termination Payment shall constitute full discharge by the Authority of its payment obligations in respect thereof hereunder.
- 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

Upon Termination for any reason whatsoever, the Authority shall:

- (a) take possession and control of the Project (both District Hospital and Medical College) forthwith;
- (b) take possession and control of all materials, stores, implements, construction plants and equipment on or about the Project Site;
- (c) be entitled to restrain the Concessionaire and any person claiming through or under the Concessionaire from entering upon the Project Site or any part of the Project;
- (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 the avoidance of doubt, the Concessionaire acknowledges and agrees that all sums claimed by such Contractors as being due and owing for works and services performed or accruing on account of any act, omission or event prior to such date shall constitute debt between the Concessionaire and such Contractors, and the Authority shall not in any manner be liable for such sums. It is further agreed that in the event the Authority elects to cure any outstanding defaults under such Project Agreements, the amount expended by the Authority for this purpose shall be deducted from the Termination Payment.

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 Project Assets;
- (b) deliver forthwith the actual or constructive possession of the Project, free and clear of all Encumbrances, save and except to the extent set forth in the Substitution Agreement;
- (c) cure all Project Assets of all defects and deficiencies so that the Project is compliant with the Maintenance Requirements; provided that in the event of Termination during the Construction Period, all Project Assets shall be handed over on 'as is where is' basis after bringing them to a safe condition;
- (d) deliver and transfer relevant records and reports, Intellectual Property and other licences pertaining to the Project and its design, engineering, construction, operation and maintenance, including all know how, technology programmes and manuals pertaining thereto, and complete 'as built' Drawings as on the Expiry Date. For the avoidance of doubt, the Concessionaire represents and warrants that the Intellectual Property delivered hereunder shall be adequate and complete for the design, engineering, construction, operation and maintenance of the Project and shall be assigned to the Authority free of any Encumbrance;
- (e) transfer and/or deliver all Applicable Permits to the extent permissible under Applicable Laws;
- (f) execute such deeds of conveyance, documents and other writings as the Authority may reasonably require for conveying, divesting and assigning all the rights, title and interest of the Concessionaire in the Project Assets, including manufacturers' warranties in respect of any plant or equipment and the right to receive outstanding insurance claims to the extent due and payable to the Authority, absolutely unto the Authority or its nominee;
- (g) comply with all other requirements as may be prescribed or required under Applicable Laws for completing the divestment and assignment of all rights, title and interest of the Concessionaire in the Project, free from all Encumbrances, absolutely unto the Authority or to its nominee;

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 issuance of any Termination Notice, until the Termination of this Agreement becomes effective in accordance with its terms.

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 Engineer shall verify, after giving due notice to a representative of the Concessionaire specifying the time, date and place of such verification and/or inspection, compliance by the Concessionaire with the Maintenance Requirements, 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 shall be cured by the Concessionaire at its cost and the provisions of Article 40 shall apply, mutatis mutandis, in relation to curing of defects or deficiencies under this Article 39.

39.3 Cooperation and assistance on transfer of Project

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

39.3.2 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 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 Transfer Date.

39.3.3 The Authority shall have the option to purchase or hire from the Concessionaire at a fair market value and free from any encumbrance all or any part of the plant and machinery used in connection with the 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 shall apply.

39.4 Vesting Certificate

39.4.1 The divestment of all rights, title and interest in the Project shall be deemed to be complete on the date when all of the Divestment Requirements have been fulfilled, and the Authority shall, without unreasonable delay, thereupon issue a certificate substantially in the form set forth in Schedule-N (the “**Vesting Certificate**”), which

will have the effect of constituting evidence of divestment by the Concessionaire of all of its rights, title and interest in the Project, and their vesting in the Authority pursuant hereto. It is expressly agreed that any defect or deficiency in the Divestment Requirements shall not in any manner be construed or interpreted as restricting the exercise of any rights by the Authority or its nominee on, or in respect of, the Project on the footing that all Divestment Requirements have been complied with by the Concessionaire.

39.5 Divestment costs etc.

39.5.1 The Concessionaire shall bear and pay all costs incidental to divestment of all the rights, title and interest of the Concessionaire in the Project Assets 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 39, the Dispute Resolution Procedure 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 Assets 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 at the District Hospital and the Medical College during the aforesaid period. If 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 District Hospital and the Medical College, as the case may be, 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 40 shall not apply if Termination occurs prior to Operations Date.

40.2 Retention in Escrow Account

- 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 6 (six) times 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 Project 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 Project is such that a sum larger than the amount stipulated in Clause 40.2.1 should be retained in the Escrow Account and for a period longer than the aforesaid 120 (one hundred and twenty) days, the amount recommended by the Independent Engineer 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 40, provide to the Authority a guarantee from a Bank for a sum equivalent to the amount determined under Clause 40.2.1 or 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 a Performance Guarantee under this Clause 40.2.3, the retention of funds in the Escrow Account in terms of Clause 40.2.1 or 40.2.2 shall be dispensed with.

Part VI

Other Provisions

ARTICLE 41. ASSIGNMENT AND CHARGES

41.1 Restrictions on assignment and charges

- 41.1.1 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;
- (b) mortgages/pledges/hypothecation of goods/assets other than Project Assets and their related documents of title, arising or created in the ordinary course of business of the Medical College, , as security only for indebtedness to the Senior Lenders under the Financing Agreements and/or for working capital arrangements for the Project. For the avoidance of doubt, the Senior Lenders would be entitled to create a lien on the Escrow Account, subject to and without prejudice to the rights of the Authority under this Agreement;
- (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; and
- (d) liens or encumbrances required by any Applicable Law.

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.

41.3 Substitution Agreement

41.3.1 The Lenders' Representative, on behalf of Senior Lenders, may exercise the right to substitute the Concessionaire pursuant to the agreement for substitution of the

Concessionaire (the “**Substitution Agreement**”) to be entered into amongst the Concessionaire, the Authority and the Lenders’ Representative, on behalf of Senior Lenders, substantially in the form set forth in Schedule 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

If because 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 a sum of 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 increased costs, 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:

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. For the 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

If because 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 a sum of Rs. 1 crore (Rupees one crore) in any Accounting Year, the Authority may so notify the Concessionaire and propose amendments to this Agreement to place the Concessionaire in the same financial position as it would have enjoyed had there been no such Change in Law resulting in 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:

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. 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 Clauses 42.1 and 42.2 and 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 rely on the Financial Model 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 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 and in respect of the services utilised by such Users. For the avoidance of doubt, for the purposes of this Clause 42.5, Users shall be deemed to exclude Students and Patients of the District Hospital.

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 Government owned and/or controlled entities/enterprises, (the “**Authority Indemnified Persons**”) against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense of whatever kind and nature, whether arising out of any breach by the Concessionaire of any of its obligations under this Agreement or any related agreement or on account of any defect or deficiency in the provision of services by the Concessionaire to the Authority or to any User or from any negligence of the Concessionaire under contract or tort or on any other ground whatsoever, except to the extent that any such suits, proceedings, actions, demands and claims have arisen due to any negligent act or omission, or breach or default of this Agreement on the part of the Authority Indemnified Persons.

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 (a) defect in title and/or the rights of the Authority in the land comprised in the Project Site, and/or (b) 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 all loss and/or damages arising out of or with respect to:

- (a) failure of the Concessionaire to comply with Applicable Laws and Applicable Permits;
- (b) payment of taxes required to be made by the Concessionaire in respect of the income or other taxes of the Concessionaire's contractors, suppliers and representatives;
- (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 Concessionaire's Contractors in performing the Concessionaire's obligations or in any way incorporated in or related to the Project. If in any such suit, action, claim or proceedings, a temporary restraint order or preliminary injunction is granted, the Concessionaire shall make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the revocation or suspension of the injunction or restraint order. If, in any such suit, action, claim or proceedings, the Project, or any part thereof or comprised therein, is held to constitute an infringement and its use is permanently enjoined, the Concessionaire shall promptly make every reasonable effort to secure for the Authority a licence, at no cost to the Authority, authorising continued use of the infringing work. If the Concessionaire is unable to secure such licence 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. If 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 Defence 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 43, the Indemnifying Party shall be entitled, at its option, to assume and control the defence 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 defence. 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 43.4.3 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 Survival on Termination

The provisions of this Article 43 shall survive Termination.

ARTICLE 44. RIGHTS AND TITLE OVER THE PROJECT SITE

44.1 Rights to the Project Site

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

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 for the authorised representatives and vehicles of the Authority, Senior Lenders, and the Independent Engineer, and for the persons and vehicles duly authorised by any Government Instrumentality to inspect the Project or 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, always allow free access to the Project Site for the authorised persons and vehicles of the controlling body of such utility or road.

44.3 Property taxes

Property taxes on the Medical College shall be payable by the Concessionaire.

44.4 Restriction on sub-licensing

The Concessionaire shall not in any manner sub-license or otherwise part with possession of 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 operation and maintenance of all or any part of the Project.

ARTICLE 45. DISPUTE RESOLUTION

45.1 Dispute resolution

45.1.1 Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either Party to the other Party (the “**Dispute**”) shall, in the first instance, be attempted to be resolved amicably in accordance with the conciliation procedure set forth in Clause 45.2.

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

45.2 Conciliation

In the event of any Dispute between the Parties, either Party may call upon the Independent Engineer or the Independent Expert to mediate and assist the Parties in arriving at an amicable settlement thereof. Failing mediation by the Independent Engineer or the Independent Expert or without the intervention of the Independent Engineer or the Independent Expert, as the case may be, either Party may require such Dispute to be referred to Principal Secretary to the Authority and the Chairman of the Board of Directors of the Concessionaire for amicable settlement, and upon such reference, the said persons 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

45.3.1 Any Dispute which is not resolved amicably by conciliation, as provided in Clause 45.2, shall be finally decided by reference to arbitration by an arbitral tribunal constituted in accordance with Clause 45.3.2. 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 Act. The venue of such arbitration shall be Bengaluru and the language of arbitration proceedings shall be English.

45.3.2 There shall be an arbitral tribunal comprising three arbitrators, of whom each Party shall select 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.

45.3.3 The arbitral tribunal 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.

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

45.3.5 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 a tribunal

In the event of constitution of a statutory tribunal 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 tribunal in accordance with Applicable Laws and all references to Dispute Resolution Procedure shall be construed accordingly. For 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 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 Concession Agreement, the Maintenance Manual, the Maintenance Programme, the Maintenance Requirements and the Safety Requirements (hereinafter collectively referred to as the “**Specified Documents**”), free of charge, during normal business hours on all working days at the Project Site and Concessionaire’s Registered Office. The Concessionaire shall prominently display at a suitable place in its office and at the Project Site, 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 hereinbelow) to any person in pursuance of the aforesaid Clauses.

Explanation:

The expression Protected Documents shall mean such of the Specified Documents or documents referred to in 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

- 47.1.1 The Concessionaire shall maintain public relations offices at the Project Site Medical College) 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 Project Site, its offices, and its website so as to bring it to the attention of all Users.
- 47.1.2 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.
- 47.1.3 Without prejudice to the provisions of Clauses 47.1.1 and 47.1.2, 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

- 47.2.1 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.
- 47.2.2 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 in the State 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 State Support

The Authority acknowledge and agree to make their best endeavours to procure the support of the Central Government to the extent necessary for enabling the Concessionaire to perform its obligations herein.

48.4 Depreciation

For the purposes of depreciation under Applicable Laws, the property representing the capital investment made by the Concessionaire in the Project 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 Applicable Laws.

48.5 Delayed payments

48.5.1 The Parties hereto agree that payments due from one Party to the other Party under the provisions of this Agreement shall be made within the period set forth therein, and if no such period is specified, within 30 (thirty) days of receiving a demand along with the necessary particulars. Unless otherwise specified in this Agreement, 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.

48.5.2 Unless otherwise specified, any interest payable under this Agreement shall accrue on a daily outstanding basis and shall be compounded based on quarterly rates.

48.6 Waiver

48.6.1 Waiver, including partial or conditional waiver, by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Agreement:

- (a) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions of or obligations under this Agreement;
- (b) shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and
- (c) shall not affect the validity or enforceability of this Agreement in any manner.

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

48.7 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, Applicable Laws and Applicable Permits; and

upon any such provisions shall not be subject to the Dispute Resolution Procedure set forth under this Agreement or otherwise.

48.12 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.

48.13 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.

48.14 Successors and assigns

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

48.15 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;

{ Attention:

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.

48.16 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.

48.17 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.
- (b) 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.
- (c) 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.
- (d) 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.
- (e) 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.

48.18 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.

48.19 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**” 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;

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

“**Adjusted Depreciated Value**” means 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 of 3% (three per cent) based on the written down value method) to reflect the variation occurring in WPI between the date of procurement thereof and the Expiry Date;

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

“**Agreement**” or “**Concession Agreement**” means this Agreement, its Recitals, 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 for Medical College**” shall have the meaning as set forth in Clause 10.3.1;

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

“**Applicable Laws**” means all laws, brought into force and effect by GOI or the State Government or the NMC or the MCI including the MCI 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 and as may be in force and effect during the subsistence of this Agreement;

“**Applicable Permits**” means all clearances, licences, permits, authorisations, no objection certificates, consents, approvals and exemptions required to be obtained or maintained under Applicable Laws in connection with the construction, operation and maintenance of the Project during the subsistence of this Agreement and upon termination, the transfer of the Project Assets to the Authority;

“Appointed Date” means the date on which Financial Close is achieved and every Condition Precedent is either satisfied or waived, as the case may be, in accordance with the provisions of this Agreement, and such date shall 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”** means, 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 as set forth in the Recitals;

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

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

“Authority Representative” means 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 22.2.1;

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

“Bank” means 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 Senior Lenders, but does not include a bank in which any Senior Lender has an interest;

“Bank Rate” means the rate of 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” means the documents in their entirety comprised in the bid submitted by the {selected bidder /Consortium} in response to the Request for Proposals in accordance with the provisions thereof and **“Bids”** shall mean the bids submitted by any and all pre-qualified bidders;

“Bid Date” means the last date on which the Bid may have been submitted in accordance with the provisions of the Request for Proposals;

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

(a) the enactment of any new Indian law;

(c) the commencement of any Indian law which has not entered into effect until the Bid Date;

(e) any change in the rates of any of the Taxes that have a direct effect on the Project;

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 {the selected bidder/ any Consortium Member} to the total Equity, if it occurs prior to 2nd (second) anniversary of Operations Date, shall constitute a Change in Ownership;

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

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

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

“**Company**” means the company acting as the Concessionaire under this Agreement;

“**Completion Certificate**” shall have the meaning set forth in Clause 15.2.2 (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 beginning from the Appointed Date and ending on the Operations Date and subject to the provisions of this Agreement, which shall be a period of 3 (three) years from the Appointed Date,

“**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 requires, 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 mean the obligations of the Concessionaire towards the development of the District Hospital and the Medical College, in accordance with the terms of this Agreement, which obligations shall be deemed to be complete when the Completion Certificate or the Deemed Completion Certificate, as the case may be, is issued under the provisions of Article 15, and the Concessionaire has obtained the Letter of Permission, and ultimately the Recognition to, operate the District Hospital as a teaching hospital providing Healthcare Service and training of Students, and operate the Medical College providing medical education to Students;

“Development Works” shall mean all construction works and activities necessary to complete the Development Obligation in accordance with this Agreement;

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

“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 Project, 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 and Medical College, 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” means the sum expressed in Indian Rupees representing the paid up equity share capital of the Concessionaire for meeting the equity component of the Total Project Cost, and for the purposes of this Agreement shall include convertible instruments or other similar forms of capital, which shall compulsorily convert into equity share capital of the Company, and any interest-free funds advanced by any shareholder of the Company for meeting such equity component, but does not include Equity Support;

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

“Escrow Account” shall mean an escrow account established in terms of and under this Agreement, and shall include the Sub-Accounts;

“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 Close**” means the fulfilment of all conditions precedent to the initial availability of funds under the Financing Agreements;

“Financial Model” means the financial model adopted by Senior Lenders, setting forth the capital and operating costs of the Project and revenues therefrom on the basis of which financial viability of the Project has been determined by the Senior Lenders, and includes a description of the assumptions and parameters used for making calculations and projections therein;

“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 and Equity Support, if any;

“Financial Year” shall mean a year commencing on 1st April of a calendar year and ending on 31st 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, 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;

“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 Applicable Laws 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 MCI/ 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 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 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;

“Government Merit Selection” shall mean admission of Students selected through the merit based selection system of Government of India or Government of Karnataka, as the case may be. For the avoidance, the Student Fee to be charged from the Students under Seat Share of Government Merit Selection shall be equal to or lower than the then prevailing fee at other government medical colleges in Karnataka.

“Gross Revenue” for and in respect of any Accounting Year shall mean the total amount of gross revenues and receipts of every kind (from both cash and credit transactions computed prior to payment of any commission or service charge or fee thereon) derived by the Concessionaire from the operation of the Project and its facilities and provision of Services, and/or any other activity related to the Project including, if any, as certified by the statutory auditors of the Concessionaire, and shall include revenues, and monies collected from operations such as vending machines, parking, lease of commercial or other spaces, or fee of every description and kind, and any other services or facility provided by the Concessionaire, but shall exclude the following:

- (a) All statutory applicable indirect Taxes such as GST and the like by whatever name called now or in future, which the Concessionaire is bound to pay;
- (b) Any revenue earned by the Concessionaire on sale of assets of a capital nature which are owned by the Concessionaire; and
- (c) Interest income from investment made:

For avoidance of doubt, Gross Revenue shall also include any amount received by the Affiliate to whom the Concessionaire has contracted any Services and/or any other activity related to the Project, and any amount received by the Concessionaire from a third party to whom it has contracted any Services and/or any other activity related to the Project;

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

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

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

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

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

“Independent Expert” shall have the meaning set forth in Article 26.2;

“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

“Lenders' Representative” shall mean the person duly authorized 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 C;

“Letter of Permission” shall mean the permission letter issued by the NMC in accordance with the Applicable Laws authorising the Medical College to commence operations and enroll students for the first year of the Under Graduate course;

“LoP Date” shall mean the date on which Letter of Permission is procured by the Concessionaire for the Medical College;

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

“Maintenance Requirements” shall have the meaning set forth in Clause 18.2.1;

“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;

“MCI Norms” shall mean and include the educational standards, requirements and other provisions of the Indian Medical Council Act, all regulations made thereunder, and as amended from time to time;

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

“**Medical Council Act**” shall mean the Indian Medical Council Act, 1956, as amended, substituted, revised and replaced from time to time;

“**Medical Education Regulatory Authority**” shall mean NMC or such other entity constituted by GoI for the purpose of Recognition and regulation of medical education in India;

“**Medical Emergency**” shall mean a condition or situation that is likely to endanger the human lives in and around the Project Site 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;

“**Name**” shall have the meaning as set forth in Clause 5.16.3;

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

“**NMC Act**” shall mean the National Medical Commission Act, 2019, as amended, substituted, revised and replaced from time to time;

“**NMC Norms**” shall mean and include the educational standards, requirements and other provisions of the NMC Act, all regulations made thereunder, and as amended from time to time;

“**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;

“**Novation Agreement**” means the agreement entered into between the Authority, Concessionaire, and third parties whereby the Concessionaire shall replace the Authority and assume the rights and obligations of the Authority with regards to the Project;

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

“**O&M**” shall mean the operation and maintenance of the Project, as the case may be, 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;

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

“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;

“Post Graduate” shall mean any postgraduate level course for the purpose of obtaining a master’s degree in medical education duly recognized under the Applicable Laws;

“Price Index” shall comprise:

(a) 70% (seventy per cent) of WPI; and

(b) 30% (thirty per cent) 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, operation, maintenance and management of the District Hospital, and the development, operation, maintenance and management of the Medical College 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 Assets” shall mean all physical and other assets relating to and forming part of the Project Site including:

- (a) rights over the Project Site in the form of right of way, license, or lease
- (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 the Medical College;
- (e) all equipment forming part of the District Hospital and the Medical College;
- (f) all rights of the Concessionaire under the Project Agreements;
- (g) financial assets, such as receivables, security deposits etc.;
- (h) insurance proceeds;
- (i) Applicable Permits and authorizations relating to or in respect of the Project;

“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” or “Site” shall mean the Site for Medical College, the Site for District Hospital,

“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;

“**Recognition**” shall have the meaning ascribed to it in chapter VI of NMC Act;

“**Recognition**” shall mean the date on which Recognition is procured by the Concessionaire for the Medical College;

“**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 B;

“**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;

“**Seat Share**” shall have the meaning as set forth in Clause 28.4.1;

“**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 Total Project Cost 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);

“**Service Requirements**” shall have the meaning set forth in Clause 18.2.2;

“Site for District Hospital” shall mean the site for District Hospital that is to be handed over to the Concessionaire for the purpose of this Project as described in Schedule A;

“Site for Medical College” shall mean the site earmarked for development of Medical College that is to be handed over to the Concessionaire as described in Schedule A;

“Specifications and Standards” shall mean the specifications and standards relating to the quality, quantity, capacity and other requirements for the Project, as set forth in Schedule C, and any modifications thereof, or additions thereto, as included in the design and engineering for the District Hospital and the Medical College submitted by the Concessionaire to, and expressly approved by, the Authority;

“Specified Assets” shall mean and include the Project Assets which are constructed, acquired or installed by the Concessionaire through its own financial resources, after the Appointed Date, but no later than the 60th (sixtieth) anniversary of the Operations Date, but shall in no case include, the Site for District Hospital, the Site for Medical College 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;

“State” means the state of Karnataka and **“State Government”** or **“Government”** means the government of the State;

“Student” means the students enrolled for the Under Graduate or the Post Graduate programme in the Medical College, as the case may be, and the students enrolled for the paramedical courses in other paramedical institutions affiliated to the District Hospital as approved by the Authority;

“Student Fee” means any and all admission fee, registration fee, tuition fees, course fee, accommodation fee, transport fee, mess fee, and such other fee associated with any course offered in the Medical College that are Payable by or on behalf of a Student to be fixed in accordance with Applicable Laws.

“Substitution Agreement” shall have the meaning set forth in Clause 41.3.1;

“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 Project charged, levied or imposed by any Government Instrumentality, but excluding any

“Termination” means the expiry or termination of this Agreement and the Concession hereunder:

“Termination Payment” means 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 Project in accordance with the provisions of this Agreement;

“Total Project Cost” means the capital cost incurred on the construction of the Project,

- (a) the capital cost of the Project, {less Equity Support} as set forth in the Financial Package;
and
- (b) a sum of Rs. ***** crore (Rupees ***** crore), 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 {less Equity Support};

“Unforeseen Event” 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 recognized under the Applicable Laws;

“User” means a person who uses or intends to use the Project or any part thereof, in accordance with the provisions of this Agreement and Applicable Laws and includes all Patients and Students;

“User Survey” shall have the meaning set forth in Clause 25.8.1;

“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.

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN

**SIGNED, SEALED AND
DELIVERED**

**For and on behalf of
the AUTHORITY by:**

(Signature)
(Name)
(Designation)
(Address)
(Fax No.)
((e-mail address)

In the presence of:

1.

THE COMMON SEAL OF CONCESSIONAIRE has been affixed pursuant to the resolution passed by the Board of Directors of the Concessionaire at its meeting held on the day of 20..... hereunto affixed in the presence of, Director, who has signed these presents in token thereof and, Company Secretary / Authorised Officer who has countersigned the same in token thereof^f:

(Signature)
(Name)
(Designation)
(Address)
(Fax No.)
((e-mail address)

2.

- £ To be affixed in accordance with the articles of association of the Concessionaire and the resolution passed by its Board of Directors.

Schedules

(See Clauses 10.1, 10.1 (a) and 11.1)

- a) The Site for District Hospital including the land, buildings and structures as described in Annex-I of this Schedule A;
- b) The Site for Medical College including the land, buildings and structures as described in Annex-II of this Schedule A; and

(Schedule-A)

Annex-I: Site for District Hospital

1. Site for District Hospital

1.1 The Site for District Hospital shall comprise of_____

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.

(Schedule-A)

Annex-II: Site for Medical College

2. Site for District Hospital

2.1 The Site for Medical College shall comprise of_____

2.2 An inventory of the Site for Medical College including the land, buildings structures, road works, trees and any other immovable property on, or attached to, the Site for Medical College shall be prepared jointly by the Authority Representative and the Concessionaire, and such inventory shall form part of the memorandum referred to in Clause 10.3.1 of the Agreement.

SCHEDULE – C

SPECIFICATIONS AND STANDARDS

The Project shall comply with the following standards/norms/guidelines and their latest revisions/amendments for construction, operation, maintenance and management of the Project.

A. Standard to be followed for construction, operation and management of District 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.

B. Standard to be followed For maintenance Of District Hospital:

S. No.	Description	Guideline	Latest publication
1	General Maintenance of Hospital	National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital	Prevailing standard
		National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital.	Prevailing Standard
2	Biomedical Equipment	- Compliance also required to the respective supplier maintenance manuals and guidelines. - International standard ISO 15189:2007 (Medical laboratories- particular requirement for quality and competence) by National Accredited Board for Testing and Calibration Laboratories (NABL)	As Applicable Prevailing standard
3	Laboratory Equipment	- Compliance also required to the - respective suppliers maintenance manuals and guidelines.	As Applicable
4	Radiology Equipment	- National Accredited Board of Project and Healthcare Providers – Accredited Standards for Medical Imaging Services; and - Compliance also required	Prevailing standard As applicable

		to the respective suppliers maintenance manuals and guidelines. National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital.	Prevailing standard
5	Plant and machinery	Compliance also required to the respective suppliers' maintenancemanuals' and guidelines	As applicable

C. Standard to be followed for safety:

S. No.	Description	Guidelines	Latest publication
1	Patient and Staff Safety	- National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital - National Accredited Board of Project and Healthcare Providers (NABH) standards for Hospital	Latest available standards
2	Building and Fire Safety	National Building Code of India (NBC) guideline issued by Bureau of Indian Standards.	Latest available standard and state Govt. guidelines

D. Standards to be followed for the Medical College:

The Medical College shall be constructed and operated in accordance with the NMC Norms, MCI Norms and Applicable Laws.

SCHEDULE – D

DRAWINGS

1. Drawings

In compliance with the obligations, set forth in Clause 13.2 of this Agreement, the Concessionaire shall furnish free of cost all Drawings as determined by the Independent Engineer.

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:

S. No.	Licenses/Permits
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, and National Medical Commission Act, 2019.
9.	NOC from Chief Fire Inspector.
10.	Registration of Operation of X-Ray machine with AERS.
11.	The Karnataka Shops and Commercial Establishments Act, 1954.
12.	The Karnataka Lifts, Escalators and Passenger Conveyors Act, 2012.
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.	Labour, 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.	The Karnataka Nurses, Midwives and Health Visitors Act 1961.
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)

WHEREAS:

- A. (the “**Concessionaire**”) and the (the “**Authority**”) have entered into a Concession Agreement dated (the “**Agreement**”) whereby the Authority has agreed to the Concessionaire undertaking the development, operation, maintenance and management of the District Hospital and 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.....cr. (Rupees crore) (the “**Guarantee Amount**”) as security for due and faithful performance of its obligations, under and in accordance with the Agreement, during the Construction Period (as defined in the Agreement).
- 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 upto 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 Deputy 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. 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 12 (twelve) 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 three years from the date hereof or until it is released earlier by the Authority pursuant to the provisions of the Agreement.

Signed and sealed this day of, 20..... 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

(See Clause 11.3.4)

A 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.

B PROJECT MILESTONE-I

Project Milestone-I shall occur on the date falling on the **180th (one hundred and eightieth)** day from the Appointed Date (the “**Project Milestone-I**”).

Prior to the occurrence of Project Milestone-I, the Concessionaire shall have commenced construction/ augmentation of the District Hospital, construction of the Medical College, and expended not less than 15% (fifteen per cent) of the total capital cost set forth in the Financial Package.

C PROJECT MILESTONE-II

Project Milestone-II shall occur on the date falling on the 365th (three hundred and sixty fifth) day from the Appointed Date (the “**Project Milestone-II**”).

Prior to the occurrence of Project Milestone-II, the Concessionaire shall have expended not less than 40% (forty per cent) of the total capital cost set forth in the Financial Package and conveyed to the Independent Engineer, the nature and extent of physical progress comprising such expenditure so as to enable the Independent Engineer to determine that the physical progress is reasonably commensurate with the expenditure incurred. Provided, however, that at least one-half of the expenditure referred to hereinabove shall have been incurred on physical works which shall not include advances of any kind to any person or expenditure of any kind on plant and machinery.

D PROJECT MILESTONE-III

Project Milestone-III shall occur on the date falling on the **545th (five hundred and forty-fifth) day** from the Appointed Date (the “**Project Milestone-III**”).

Prior to the occurrence of Project Milestone-III, the Concessionaire shall have commenced [construction of all Project Equipment and expended not less than 75% (seventy-five per cent)] of the total capital cost set forth in the Financial Package.

E SCHEDULED COMPLETION DATE

The **Scheduled Completion Date** shall be the **730th (seven hundred and thirtieth) day** from the Appointed Date.

On or before the Scheduled Completion Date, the Concessionaire shall have completed the construction of the District Hospital and Medical College in accordance with this Agreement.

F EXTENSION OF PERIOD

Upon extension of any or all 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

TESTS²

- A. 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 sewage lines in the water supply and distribution system including supply of hot, cold, potable, ultra-purewater and steam water.
- B. 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 treatmentplant); and
 - (c) Installation and commissioning certificates, warranty certificates of all plant and machinery, transformer, electrical panels, and non-medical equipment.
- C. The Concessionaire shall conduct the following tests during Project construction by theGovernment authorized agency and to provide the respective test certificate to Authority⁵⁵:
 - (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 & Brick test

² This is an indicative list and the Independent Engineer may seek additional tests depending on the specific requirements of the Project

SCHEDULE –I

FORMAT FOR COMPLETION CERTIFICATE

(See Clause 15.2.2 (a))

Completion Certificate

1. I/We, ... (Name of the Independent Engineer), acting as Independent Engineer, under and in accordance with the Concession Agreement dated (the “**Agreement**”), for the the development, operation, maintenance and management of the District Hospital and Medical College at (the “**Project**”), through (Name of Concessionaire), hereby certify that the Tests specified in Article 15 and Schedule-H of the Agreement have been successfully undertaken to determine compliance of the Project & Project Assets with the provisions of the Agreement, and I/We am/are satisfied that the Project can be safely and reliably placed in commercial service of the users thereof.
2. It is certified that, in terms of the aforesaid Agreement, all works forming part of the Project have been completed, and the Project is hereby declared fit for entry into commercial operation on this the day of 20.....

SIGNED, SEALED AND DELIVERED

For and on behalf of

the INDEPENDENT ENGINEER by:

(Signature)

(Name)

(Designation)

(Address)

Provisional Certificate

1. I/We, ... (Name of the Independent Engineer), acting as Independent Engineer, under and in accordance with the Concession Agreement dated (the “**Agreement**”), for the the development, operation, maintenance and management of the District Hospital and Medical College at (the “**Project**”), through (Name of Concessionaire), hereby certify that the Tests specified in Article 15 and Schedule-H of the Agreement have been undertaken for the Project to determine compliance thereof with the provisions of the Agreement.
2. Construction Works & Development Works forming part of the Project that were found to be incomplete and/or deficient have been specified in the Punch List appended hereto, and the Concessionaire has agreed and accepted that it shall complete and/or rectify all such works in the time and manner set forth in the Agreement. (Some of the incomplete works have been delayed because of reasons attributable to the Authority or due to Force Majeure and the Provisional Certificate cannot be withheld on this account. Though the remaining incomplete works have been delayed because of reasons attributable to the Concessionaire,)³ I/We am/are satisfied that having regard to the nature and extent of such incomplete works, it would not be prudent to withhold commercial operation of the Project, pending completion thereof.
3. In view of the foregoing, I/We am/are satisfied that the Project can be safely and reliably placed in commercial service of the users thereof, and in terms of the Agreement, the Project is hereby provisionally declared fit for entry into commercial operation on this the day of 20.....

ACCEPTED, SIGNED, SEALED

SIGNED, SEALED AND

ACCEPTED, SIGNED, SEALED

DELIVERED

For and on behalf of

For and on behalf of

CONCESSIONAIRE by:

INDEPENDENT ENGINEER by:

(Signature)

(Signature)

(Name and Designation)

(Name and Designation)

(Address)

(Address)

³ Strike off appropriately before issue of Provisional Certificate

MAINTENANCE REQUIREMENTS

(See Clause 18.2)

1. Maintenance Requirements

- 1.1 The Concessionaire shall, always, 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 Concession Period, conform to the maintenance requirements set forth in this Schedule-J (the “**Maintenance Requirements**”).
- 1.2 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 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 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 District Hospital poses a hazard to safety or risk of damage to property, the Concessionaire shall promptly take all reasonable measures for eliminating or minimising such danger.

6. **Daily Inspection by the Concessionaire**

The Concessionaire shall, through its engineer, undertake a daily visual inspection of the District Hospital and maintain a record thereof in a register to be kept in such form and manner as the Independent Expert 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 District Hospital 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.

(Schedule-J)

Annex – I- Repair/ Rectification of Defect & 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.

Nature of defect or deficiency time limit for repair/ rectification

I.	HOSPITAL/ MEDICAL COLLEGE:	
(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 when 3/4 th full	15 minutes
(xiv)	Dirt, garbage, litter, stains or spillage	30 minutes

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 Annex - 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 District Hospital and Medical College. 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 District Hospital and the Medical College, as may reasonably be required in accordance with Applicable Laws, Applicable Permits, NABH, NABL, IPHS, NMC Norms and MCI Norms, 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 along with 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 Project and Project Assets 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 in 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 Concession Period**

- 4.1. The Concessionaire shall develop, implement and administer a safety programme for the District Hospital, Medical College, staff, Users, Students 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 NMC Norms and MCI Norms regarding safety during the Concession Period of the District Hospital and the Medical College.
- 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 District Hospital/ Medical College. 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 31st (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 every Accounting Year, a safety audit in respect of the Project Assets 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 Project Assets. 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 Project/ Project Assets. 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.

Annex – I- Safety Guidelines

(Schedule-K)

1. Safe movement

In the design, construction and operation of the Project, particular care shall be taken to ensure the 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 minimize the likely incidence of failure.

3. Restoration of service

The Project/ Project Assets 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/ Project Assets 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 on/ about the Project/ Project Assets:

- (a) Fire extinguishers and fire alarms at the appropriate locations; and
- (b) 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 Project/ Project Assets, 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 Assets 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/ Project Assets, in accordance with Good Industry Practice, and shall comply therewith in respect of the security and safety of the Project/ Project Assets, 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/ Project Assets 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/ Project Assets, 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**

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 based on 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 If 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 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 District Hospital/ Medical College 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
- (iv) 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. 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 [20th (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 District Hospital/ Medical College 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. If 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 District Hospital/ Medical College, at least once every year, preferably after receipt of the yearly status report for the relevant year from the Concessionaire, but before the [30th (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/ Medical College. 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 District Hospital/ Medical College 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 District Hospital/ Medical College 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. If the Concessionaire notifies the Independent Expert of any modifications that it proposes to make to the District Hospital/ Medical College, 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/ Medical College:
 - (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 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 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, request 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.

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 microfilm form or in such other medium as may be acceptable to the Authority.

(See Clause 32.1.2)

AMONGST

1. **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);
2. (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);
3. (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
4. The Governor of, represented by 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).

(A) The Authority has entered into a Concession Agreement dated with the Concessionaire (the “**Concession Agreement**”) for undertaking the development, operation, maintenance and management of the District Hospital and Medical College at under PPP framework (the “**Project**”), and a copy of which is annexed hereto and marked as Annex-A to form part of this Agreement Senior Lenders have agreed to finance the Project in accordance with the terms and conditions set forth in the Financing Agreements.

(B) 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:

1 DEFINITIONS AND INTERPRETATION

Definitions

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

“Agreement” means this Escrow Agreement and any amendment thereto made in accordance with the provisions contained herein;

“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” means the Concession Agreement referred to in Recital (A) above and annexed hereto as Annex-A, and shall include all of its Recitals and Schedules and any amendments made thereto in accordance with the provisions contained in this behalf therein;

“Cure Period” means the period specified in this Agreement for curing any breach or default of any provision of this Agreement by the Concessionaire, and shall commence from the date on which a notice is delivered by the Authority or the Lenders’ Representative, as the case may be, to the Concessionaire asking the latter to cure the breach or default specified in such notice;

“Escrow Account” means an escrow account established in terms of and under this Agreement, and shall include the Sub-Accounts;

“Escrow Default” shall have the meaning ascribed thereto in 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” means 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” means the parties to this Agreement collectively and **“Party”** shall mean any of the Parties to this Agreement individually;

“Payment Date” means, in relation to any payment specified in Clause 4.1, the date(s) specified for such payment; and

“Sub-Accounts” means the respective sub-accounts of the Escrow Account, into which the monies specified in 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).

Interpretation

- 1.1.1 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.
- 1.1.2 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.
- 1.1.3 References to Clauses are, unless stated otherwise, references to Clauses of this Agreement.
- 1.1.4 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

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.

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.

Establishment and operation of Escrow Account

2.1.3 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.

2.1.4 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.

2.1.5 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.

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.

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.

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

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 monies received in relation to the Project from any source, save and except as otherwise provided in the Concession Agreement, including the Senior Lenders, lenders of subordinated debt and the Authority;
- (b) all funds received by the Concessionaire from its shareholders, in any manner or form, save and except as otherwise provided in the Concession Agreement;
- (c) all funds constituting the Financial Package;
- (d) all Student Fee and any other revenues from or in respect of the Project, including the proceeds of any rentals, deposits, capital receipts or insurance claims
- (e) all proceeds received pursuant to any insurance claims; and
- (f) all payments by the Authority, after deduction of any outstanding Concession Fee:

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

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.

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) 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.

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.

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

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) all statutory payments, taxes due and payable by the Concessionaire for and in respect of the Project;
- (b) all payments relating to construction of the Project, subject to and in accordance with the conditions, if any, set forth in the Financing Agreements;
- (c) O&M Expenses, subject to the ceiling, if any, set forth in the Financing Agreements;
- (d) O&M Expenses and other costs and expenses incurred by the Authority in accordance with the provisions of this Agreement, and certified by the Authority as due and payable to it;
- (e) Concession Fee due and payable to the Authority;
- (f) monthly proportionate provision of debt service due in an Accounting Year;
- (g) all payments as may be due and payable to the Authority pursuant to this Agreement and/ or the Damages certified by the Authority as due and payable to it by the Concessionaire under this Agreement;
- (h) any reserve requirements set forth in the Financing Agreements; and

(i) 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.

Withdrawals upon Termination

Upon Termination of the Concession Agreement, all amounts standing to the credit of the Escrow Account shall, notwithstanding anything in this Agreement, be appropriated and dealt with in the following order:

- (a) all payroll dues and related statutory payments thereof, and taxes due and payable by the Concessionaire for and in respect of the Project;
- (b) outstanding Concession Fee;
- (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 and Damages certified by the Authority as due and payable to it by the Concessionaire;
- (e) retention and payments relating to the liability for defects and deficiencies set forth in Article 40;
- (f) outstanding debt service obligations to the Senior Lenders, if any;
- (g) incurred or accrued O&M Expenses;
- (h) any other payments required to be made under this Agreement; and
- (i) balance, if any, in accordance with the instructions of the Concessionaire:

Provided that the disbursements specified in Sub-clause (i) of this Clause 4.2 shall be undertaken only after the Vesting Certificate has been issued by the Authority.

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. 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.

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 Project/ Project Assets, and the balance remaining, if any, shall be applied in accordance with the provisions contained in this behalf in the Financing Agreements.

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 Article 36 of the Concession Agreement. Any instructions given by the Authority to the Escrow Bank during such period shall be complied with as if such instructions were given by the Concessionaire under this Agreement and all actions of the Authority hereunder shall be deemed to have been taken for and on behalf of the Concessionaire.

5 OBLIGATIONS OF THE ESCROW BANK

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.

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.

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.

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.

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

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

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.

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.

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

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

General indemnity

- 9.1.1 The Concessionaire will indemnify, defend and hold the Authority, Escrow Bank and the Senior Lenders, acting through the Lenders' Representative, harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of any breach by the Concessionaire of any of its obligations under this Agreement or on account of failure of the Concessionaire to comply with Applicable Laws and Applicable Permits.
- 9.1.2 The Authority will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Authority to fulfil any of its obligations under this Agreement materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement or this Agreement other than any loss, damage, cost and expense arising out of acts done in discharge of their lawful functions by the Authority, its officers, servants and agents.
- 9.1.3 The Escrow Bank will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Escrow Bank to fulfil its obligations under this Agreement materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Escrow Bank, its officers, servants and agents.

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

Dispute resolution

- 10.1.1 Any dispute, difference or claim arising out of or in connection with this Agreement, which is not resolved amicably, shall be finally decided 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 Act.

10.1.2 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.

11 MISCELLANEOUS PROVISIONS

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.

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).

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.

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.

Waiver

11.1.1 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 shall not be effective unless it is in writing and executed by a duly authorised representative of the Party; and
- (b) shall not affect the validity or enforceability of this Agreement in any manner.

11.1.2 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.

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.

Survival

11.1.3 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.

11.1.4 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.

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.

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.

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 or e-mail are set out under its name on the signing pages hereto. A notice shall be effective upon actual receipt thereof, save that where it is received after 5.30 (five thirty) p.m. on a business day, or on a day that is not a business day, the notice shall be deemed to be received on the first business day following the date of actual receipt. Without prejudice to the foregoing, a Party giving or making a notice or communication by facsimile or e-mail shall promptly deliver a copy thereof personally, or send it by courier or registered post to the addressee of such notice or communication. It is hereby agreed and acknowledged that any Party may by notice change the address to which such notices and communications to it are to be delivered or mailed. Such change shall be effective when all the Parties have notice of it.

Language

All notices, certificates, correspondence and proceedings under or in connection with this Agreement shall be in English.

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.

Original Document

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

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

THE COMMON SEAL OF

CONCESSIONAIRE has been affixed pursuant to the resolution passed by the Board of Directors of the Concessionaire at its meeting held on the day of 20..... hereunto affixed in the presence of, Director, who has signed these presents in token thereof and, Company Secretary / Authorised Officer who has countersigned the same in token thereof⁴:

(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)

SIGNED, SEALED AND

DELIVERED

For and on behalf of

ESCROW BANK by:

(Signature)

(Name)

(Designation)

SIGNED, SEALED AND

DELIVERED

For and on behalf of

AUTHORITY by:

(Signature)

(Name)

(Designation)

⁴ To be affixed in accordance with the articles of association of the Concessionaire and the resolution passed by its Board of Directors

(Address)

(Address)

(Fax No.)

(Fax No.)

(e-mail address)

(e-mail address)

In the presence of:

1.

2.

SCHEDULE –N

VESTING CERTIFICATE

(See Clause 39.4)

1. The Governor of acting through (the “**Authority**”) refers to the Concession Agreement dated (the “**Agreement**”) entered into between the Authority and (the “**Concessionaire**”) for undertaking the development, operation, maintenance and management of the District Hospital and Medical College (“**Project**”) at under PPP framework.
2. 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 Project/ Project Assets shall be deemed to have vested unto the Authority, free from any encumbrances, charges and liens whatsoever.
3. Notwithstanding anything to the contrary contained hereinabove, it shall be a condition of this Vesting Certificate that nothing contained herein shall be construed or interpreted as waiving the obligation of the Concessionaire to rectify and remedy any defect or deficiency in any of the Divestment Requirements and/or relieving the Concessionaire in any manner of the same.

Signed this day of, 20..... at

AGREED, ACCEPTED AND SIGNED For and on behalf of CONCESSIONAIRE by: Signature) Name) Designation) Address)	SIGNED, SEALED AND DELIVERED For and on behalf of AUTHORITY by: (Signature) (Name) (Designation) (Address)
In the presence of:	
1.	2.

SCHEDULE -0

SUBSTITUTION AGREEMENT

(See Clause 41.3.1)

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

AMONGST

1. The Governor of, represented by 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);
2. **LIMITED**, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at, (hereinafter referred to as the “**Concessionaire**” which expression shall unless repugnant to the context or meaning thereof include its successors and permitted assigns and substitutes);
3. (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:

- A. The Authority has entered into a Concession Agreement dated with the Concessionaire (the “**Concession Agreement**”) for undertaking the development, operation, maintenance and management of the District Hospital and Medical College (“**Project**”) at under PPP framework, and a copy of which is annexed hereto and marked as Annex-A to form part of this Agreement.
- B. Senior Lenders have agreed to finance the Project in accordance with the terms and conditions set forth in the Financing Agreements.
- C. Senior Lenders have requested the Authority to enter into this Substitution Agreement for securing their interests through assignment, transfer and substitution of the Concession to a Nominated Company in accordance with the provisions of this Agreement and the Concession Agreement.
- D. In order to enable implementation of the Project including its financing, construction, operation and maintenance, the Authority has agreed and undertaken to transfer and assign the Concession to a Nominated Company in accordance with the terms and conditions set forth in this Agreement and the Concession Agreement.

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

1 Definitions and Interpretation

Definitions

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

“Agreement” means this Substitution Agreement and any amendment thereto made in accordance with the provisions contained in this Agreement;

“Financial Default” means occurrence of a material breach of the terms and conditions of the Financing Agreements or a continuous default in Debt Service by the Concessionaire for a minimum period of 3 (three) months;

“Lenders’ Representative” means the person referred to as the Lenders’ Representative in the foregoing Recitals;

“Nominated Company” means a company, incorporated under the provisions of the Companies Act, 1956/ 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” means the parties to this Agreement collectively and “Party” shall mean any of the Parties to this Agreement individually.

Interpretation

1.1.1 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.

1.1.2 References to Clauses are, unless stated otherwise, references to Clauses of this Agreement.

1.1.3 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.

1.1.4 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.

Substitution upon occurrence of Concessionaire Default

- 3.1.6 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.
- 3.1.7 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.

Procedure for substitution

- 3.1.8 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/ Project Assets 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.
- 3.1.9 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 shortlisting 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.
- 3.1.10 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/ Project Assets 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.
- 3.1.11 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.

3.1.12 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.

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

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

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 37 of the Concession Agreement.

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.

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 Concession Agreement and the Escrow Agreement.

6 Duration of the Agreement

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 and no sum is outstanding to the Senior Lenders, under the Financing Agreements.

7 Indemnity

General indemnity

- 7.1.1 The Concessionaire will indemnify, defend and hold the Authority and the Lenders' Representative harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense of whatever kind and nature arising out of any breach by the Concessionaire of any of its obligations under this Agreement or on account of failure of the Concessionaire to comply with Applicable Laws and Applicable Permits.
- 7.1.2 The Authority will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Authority to fulfil any of its obligations under this Agreement, materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement or this Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Authority, its officers, servants and agents.
- 7.1.3 The Lenders' Representative will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Lenders' Representative to fulfil its obligations under this Agreement, materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Lenders' Representative, its officers, servants and agents.

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. If 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

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 finally 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 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 Act.

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

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.

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).

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.

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

Waiver

9.1.1 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.

9.1.2 Neither the failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or any obligation thereunder nor time or other indulgence granted by a Party to 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.

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.

Survival

9.1.3 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.

9.1.4 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.

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.

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.

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.

Language

All notices, certificates, correspondence and proceedings under or in connection with this Agreement shall be in English.

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.

Original Document

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

IN WITNESS WHEREOF THE PARTIES HAVE EXECUTED AND DELIVERED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

THE COMMON SEAL OF
 CONCESSIONAIRE has been affixed
 pursuant to the resolution passed by the
 Board of Directors of the Concessionaire
 at its meeting held on the day of
 20..... hereunto affixed in the presence
 of, Director, who has signed
 these presents in token thereof and
, Company Secretary / Authorised
 Officer who has countersigned the same
 in token thereof⁵:

SIGNED, SEALED AND DELIVERED
 For and on behalf of AUTHORITY by:

(Signature)
 (Name)
 (Designation)
 (Address)
 (Fax No.)
 (e-mail address)

(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)
 (e-mail address)

In the presence of:

- 1.
- 2.

⁵ To be affixed in accordance with the articles of association of the Concessionaire and the resolution passed by its Board of Directors.

SCHEDULE –P

SCHEDULE OF SERVICES⁶

(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 Semi-special 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 Semi-special rooms (maximum occupancy 4 beds), special rooms Drop back to mothers and infants up to age 1 year
4	Operations	General Ward Semi-special rooms (maximum occupancy 4 beds), special rooms Super-speciality operations
5	Lab diagnostics	Pathology Microbiology Biochemistry
6	Radiology	<u>X-rays:</u> OPD, General Ward/ critical care Indoor: Semi-special rooms (maximum occupancy 4 beds), special rooms <u>USG</u> OPD, General Ward Semi-special rooms (maximum occupancy 4 beds), special rooms <u>CT Scan</u> <u>Mammography</u> / any radiology supported procedure including in OT <u>MRI</u>
7	Dental Treatment:	Artificial dentures Specialized procedures such as RCT

⁶ The list provided is only indicative and should be suitably modified to include the services required at the District Hospital by the Authority.

8	Medicines	OPD, indoor Drugs/ consumables not covered in EDL / basic consumables / implants
9	Public Health Programmes	[.....] ⁷
11	Ambulance services / dead body vans	-
12	Certificates	All
13	Diet	Semi-special, Special rooms
14		Pregnant and post-natal mothers, infants up to 1 year, Thalassemia and Haemophilia patients
		Government Blood Storage Units in home district / adjacent district
15		All Government nodes
		All private sector nodes
16		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 super-speciality	-

⁷ Information in relation to the ongoing Public Health Programs to be inserted.

SCHEDULE –Q

KEY PERFORMANCE INDICATIONS (KPIs)

(see clause 25.1)

Key Performance Indicator	Threshold	Damages
Uptime of life savingservices	24 (twenty four) hours availability of the lifesavingservices. 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 diagnosticunits such as CT/ MRI/ USG/ Auto-analyser/ Cell Counter	98% (ninety five per cent)uptime required	0.5% (zero point five per cent) of the Performance Security for everyinstance of default or part thereof, subject to a maximum of 10% (tenper cent) of the Performance Security.
Re-admission rate (within 30 daysfrom the date of previous discharge)	10%	-
Referral of Patients to other hospital	2%	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.
No fee/ charges to be collected from Patients in violation of Applicable Laws	Zero default	-
Blood Tests, Radiology Tests andPathology Tests for Patients	Tests for patients who register by 1 pm in the out patient department should be performed on the same day	-
Turnaround time for the radiology tests andblood tests reports	The turnaround time for radiology shall be 24 (twenty hour) hours from the given slot.	-

Turnaround time for pathology reports	As may be prescribed depending on each kind of report in accordance with Good industry Practice	-
User Survey	20% (twenty per cent) Users being dissatisfied with the services.	0.05% (zero point five per cent) of the Performance Security for each per cent increase in the dissatisfied Users beyond 20% (twenty per cent) threshold.
Maintenance Requirements	Based on each event of default from the Maintenance Requirements	
Annual maintenance contract is obtained and maintained for all the Equipment	Zero default	-
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 MCI Norms and NMC Norms	Zero default	

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 Public Health Programmes including monitoring of the budget allocated for the Public Health Programmes; and
- (vi) Monitoring the collection of the User 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
- (i) The Casualty Medical Officer's office building/space shall be earmarked for his office.

SCHEDULE –S

LIST OF STAFF TO BE PROVIDED BY THE AUTHORITY

**Setting up of Medical Colleges and
Upgradation of District Hospitals in Karnataka
under
PPP Framework**

**Final Feasibility Report
Vijayapura District Hospital
August 2025**

Submitted to:

**Directorate of Medical Education,
Government of Karnataka**



Submitted by:

**Infrastructure Development
Corporation (Karnataka) Ltd.**



1 Table of Contents

Executive Summary	4
1 Introduction	6
2 Context and Background	7
3 Health Care and Medical Education in India	8
3.1 Healthcare in India.....	8
3.2 Medical Education in India	8
3.3 The Need for Affordable Medical Education	10
4 Need for the Project	12
4.1 Proposed Need of Doctors by the Year 2022.....	12
5 Policy Framework	14
5.1 National Medical Commission Regulations	14
5.2 General Requirements to be considered at Project Development Stage	14
5.2.1 Campus.....	14
5.2.2 Teaching Hospital	14
5.3 NITI Aayog Model Documents.....	16
5.3.1 Model Request for Proposal – Salient Features	16
5.3.2 Model Concession Agreement - Salient Features	18
6 Concept Plan for Medical College as per NMC Norms	24
6.1 Department Mix	24
6.2 Minimum Requirements in the Medical College (Teaching Facility).....	24
6.2.1 General.....	24
6.2.2 Department Specific Requirements	33
6.3 Hostels for Students/Interns	35
6.4 Minimum Requirements for the Teaching Hospital	35
6.4.1 General.....	35
6.4.2 Outpatient Area	36
6.4.3 Indoor Beds	36
6.4.4 Department of Emergency Medicine	38
6.4.5 Department of Radio-diagnosis	39
6.4.6 Department of Physical Medicine and Rehabilitation (PMR)	39
6.4.7 Department of Radiation-Oncology (Optional)	39
6.4.8 Department of Dentistry	39
6.4.9 ART Centre	40
6.4.10 Central Laboratories	40
6.4.11 Blood Bank	40
6.4.12 Pharmacy services	40
6.4.13 Laundry and Dietetic services.....	40
6.4.14 Hospital Waste Management.....	40

6.5	Staff Requirements	41
6.5.1	General.....	41
6.5.2	Specific Requirements	42
6.6	Equipment Requirements.....	43
7	Assessment of Vijayapura District Hospital for Conversion to Teaching Hospital	44
7.1	Vijayapura District Hospital.....	44
7.2	Existing Infrastructure	45
7.2.1	Land and Building	45
7.2.2	Bed Strength	51
7.2.3	Estimated Actual Need for Beds in a District Hospital.....	51
7.2.4	Manpower.....	53
7.2.5	Operation Statistics	54
7.2.6	Equipment.....	55
8	Augmentation Plan for Setting up Medical College at Vijayapura District Hospital	57
8.1	Land.....	57
8.2	Buildings.....	58
8.2.1	Medical College and Supporting Infrastructure	59
8.3	Project Implementation Options	61
9	Financial Analysis	70
9.1	Project Cost Estimates	70
9.1.1	Teaching Hospital Augmentation	70
9.1.2	Medical College.....	70
9.1.3	Total Project Cost.....	71
9.2	Feasibility Assessment.....	71
9.2.1	Revenue Assumptions	71
9.2.2	Expense Assumptions	72
9.2.3	Financial Feasibility.....	74
10	Project Structuring.....	76
11	Risk Analysis.....	77
12	Annexures	79
12.1	Infrastructure Requirement for 150 MBBS Annual Intake	79
12.2	Manpower Requirement for 150 MBBS Annual Intake.....	82
12.3	Estimate of Project Built Up Area.....	92
12.4	Unit Cost of District Hospitals	100
12.5	Applicable Permits.....	100

Executive Summary

The Government of Karnataka, in the interest of promoting affordable medical education, wishes to establish more medical colleges in the state. In this regard, the Directorate of Medical Education has identified 11 district hospital where private partners will be invited to develop medical colleges attached to these hospitals. The district hospitals will be augmented, and converted to serve as the teaching hospital for the attached medical college, by the private partner. This report examines the feasibility of developing a medical college attached to Vijayapura District Hospital.

The existing hospital has been analysed to understand the current status of infrastructure and services which are available. This has been done with a view of ascertaining the augmentation of infrastructure and services which will be required to fulfill the applicable regulations as has been set by the National Medical Commission. The National Medical Commission's regulations, concerning the minimum requirements for the recommended 150 annual MBBS admission medical college, have also been examined to suggest a concept for the medical college.

Subsequent to the analysis of the above mentioned project components, various project structuring options were evaluated. The aim was to design a project structure that will result in the benefits of affordable medical education, improved healthcare services, and commercially viable returns for the private concessionaire to ensure that the current, and similar projects, remain an attractive investment option for the private sector.

Accordingly, a project structure with the following key components has been recommended

1. **750 Beds Teaching District Hospital:** to be developed by augmenting the existing District Hospital. Upon upgradation, the district hospital will be handed over to the authority for operations.
2. **150 Annual MBBS Admissions Medical College:** to be constructed operated and maintained by the private partner, with a minimum seat sharing of 40% for Government, 40% for Private & 20% for NRI and Management quota.

A financial analysis has been carried out for the proposed project under two different scenarios, based on a 66-year concession period.

In the first case, the model is developed in accordance with the framework proposed by NITI Aayog.

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

The project is viable with 40% viability gap funding (as equity support) and a seat-sharing arrangement: 40% government seats at ₹80,000 annually, 40% private seats at ₹25 lakhs, and 20% NRI/management quota seats at ₹35 lakhs.

In the second case, where the concessionaire will construct the hospital and authority takes over operations of the teaching district hospital post-construction, the project remains viable without viability gap funding, with 40% government seats at ₹80,000, 40% private seats above ₹16 lakhs, and 20% NRI/management quota seats above ₹35 lakhs.

1 Introduction

The Government of Karnataka, with the aim of providing universal health coverage, or access to affordable healthcare for all, has been striving to improve the healthcare infrastructure and services in the state. A key focus area has also been affordable and quality medical education to fulfill the need of number of doctors required with appropriate skill and competence.

Karnataka has around 68 medical colleges offering over 11,000 MBBS seats annually, which is amongst the highest in the country. However, considering the WHO recommended doctor to patient ratio of 1:1000, and also considering the aspirational demand of the people for high quality and affordable medical education, it is desirable that more medical colleges be set up. The model proposed by NITI Aayog, of attaching existing district hospitals to new medical colleges, has the added benefits of providing rich and varied clinical material to medical students whilst improving access to healthcare professionals and improved services at District Hospitals for the people.

Being mindful of the above requirements and benefits, the Government of Karnataka, through the Directorate of Medical Education (the “**Authority**”), proposes the current project which envisions setting up of new medical colleges attached to existing district hospitals in 11 districts of the state. In this regards, the Authority proposes to establish a medical college attached to the District Hospital of Vijayapura under PPP framework.

2 Context and Background

India needs more medical colleges to meet the aspirational demand of the people for quality healthcare, affordable medical education, and availability of skilled doctors. Given the fiscal constraints around mobilizing finance through conventional means, the Government of Karnataka (GoK) intends to augment its medical education capacity through Public-Private Partnerships (PPP). The proposed PPP model shall reduce the burden on state exchequer and will provide affordable medical education whilst improving the availability of quality healthcare to the needy in the long run.

NITI Aayog has introduced a PPP model to link new or existing private medical colleges with a functional district hospital to augment medical seats. This model aims to meet the following needs.

- Increase in the quality, bed-capacity and human resources of district hospitals with upgradation of facilities as per NMC/MCI standards
- Integrated healthcare facility with medical college at district headquarters linked to existing district hospitals



Given the above background, Government of Karnataka (GoK) through the Directorate of Medical Education, has identified 11 locations (district hospitals) to study the possibility of developing medical colleges through private sector investment. The 11 locations are Bengaluru Rural, Kolar, Davanagere, Chitradurga, Tumakuru, Dakshina Kannada, Udupi, Ramanagara, Bagalkot, Vijayapura and Hosapet district headquarters. In the first phase, GoK envisages implementation of the proposed initiative in five districts, namely Udupi, Davanagere, Kolar, Bangalore Urban and Vijayapura. This report examines the feasibility of augmenting the existing district hospital at Vijayapura and developing a medical college attached to it under PPP framework.

3 Health Care and Medical Education in India

3.1 Healthcare in India

At the time of Independence, India had 19 medical schools from which 1200 doctors graduated every year. Now, at 662, India has the highest number of medical colleges in the world and subsequently, we also have the second highest number of doctors globally. This tremendous growth in the number of colleges and doctors is also reflected in the growth trajectory of the healthcare sector of India.

Healthcare has become one of India's largest sectors, both in terms of revenue and employment. The industry is growing at a tremendous pace owing to its strengthening coverage, service and increasing expenditure by public as well private players. This is due to rising income, easier access to high-quality healthcare facilities and greater awareness of personal health and hygiene. Greater penetration of health insurance aided the rise in healthcare spending, a trend likely to intensify in the coming decade.

The growth that has been already witnessed in the sector is not just expected to hold steady, but also to accelerate in the future. This projected growth is supported by the following factors; rising income across classes, leading to a steady growth in the ability to access healthcare and related services; changing demographics and increasing share of elderly population along with higher life expectancy, leading to higher spend on healthcare services; improved quality of healthcare services in India leading to growth in medical tourism to the country; policy support which encourages higher FDI, higher private sector participation and improved research facilities etc.

Demand side factors, as mentioned above, have led to growth in healthcare supported by the private sector. Similarly, growth is also being witnessed in the spending on public healthcare by the Government. In the Economic Survey of 2022, India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20. The Government is planning to increase public health spending to 2.5% of the country's GDP by 2025. Due to this boost to the sector, there exists many opportunities in healthcare that must be leveraged, one of which is development of healthcare infrastructure.

3.2 Medical Education in India

Medical Education in modern medicine was initiated back in 1822 in India, and the first medical college was established in 1826 in erstwhile Calcutta, quickly followed by Madras and Bombay. The pillars of medical education, as it stands today, was established by the Indian Medical Council Act (1933), which

put forth the basic tenets of practice of medicine. Through this, the Medical Council of India was founded for taking the charge of medical education in India as the overarching regulatory body of the medical colleges.

The MCI evolved over its nearly nice decades of functioning through recommendations of various committees. For example, the Mudaliar Committee (1966), which emphasized on strengthening the process of medical education and recommended one medical college for a population of 50 lakhs and a doctor: population ratio of 1:3000. Similarly, other developments, such as the tryst with National Board of Examinations for postgraduate training, shaped the functioning of the MCI.

Regulatory reforms brought in the sector of over the last decade have transformed this sector, bringing in transparency, meritocracy and expansion. While India had a limited number of 381 medical colleges in 2014, the system was riddled with far too many problems. The regulations set forth by the MCI, in the interest of maintaining high standards in medical education, resulted in the creation of high entry barriers. This had led to a paucity in the number of medical colleges and number of seats, both at the undergraduate and the post graduate levels, across the country. Further, all functions and authority related to medical colleges was concentrated and centralised in the Medical Council of India, making it unwieldy, slow, and inefficient in decision making.

Moreover, there existed a disconnect between medical education and health service delivery. Many medical colleges, especially in the private sectors, suffered from low-quality education and high fees. District hospitals and large private hospitals remained unutilized for teaching purposes. To address these issues, the National Medical Commission Act was passed which came into force on 25th September 2020. Besides the streamlining of all existing regulations, conduct of a common exit exam, i.e., NEXT, prescription of fee guidelines, establishment of standards for Community Health Providers, and rating of medical colleges, are some of the important tasks, which NMC has already initiated.

To counter the issues faced by MCI, such as over-centralization and unwieldiness, four mutually independent and autonomous boards too have been created. These are Under-Graduate Medical Education Board, Post-Graduate Medical Education Board, Medical Assessment and Rating Board and Ethics and Medical Registration Board, all of which would work under the overall supervision of the National Medical Commission. The governance reforms in medical education has thus opened up multiple alternatives for improving access, quality and equity in provision of trained healthcare human resources.

3.3 The Need for Affordable Medical Education

At 662, India has one of the largest number of medical colleges in the world. These medical colleges churn out 1,01,388 MBBS graduated annually. However, despite these high numbers of medical colleges, pursuing a medical education still remains a distant dream for most due to the high cost of medical education in India. The increasing demand for medical education, which stems from the increased real and perceived value of professional education among all sections of the society, has also ensured that the cost of medical education will continue to be high if supply of medical seats stays the same.

There is huge disparity in the fees for a seat in a government medical college, a government quota seat in a private college, a private merit seat and a management quota seat. The fees in government medical college is lower than that in private colleges. However, 90% of students who attempt the National Eligibility cum Entrance Test (NEET), the entrance exam for admissions to MBBS courses, fail to get medical seats. These unsuccessful candidates then try to get seats in private colleges or seats under management quota. Those who cannot afford the fees in private medical colleges go abroad, to countries like Ukraine, Russia, China and Singapore, to enroll in colleges where the fees are relatively lower.

Even in situations where students do manage to clear the NEET, the students and their family have to take heavy loans to pursue the seat. As per 2021 data, fees range from ~Rs 6 lakhs to Rs 20 lakhs¹ per annum for a seat in a private medical college. For a management quota seat, the fee can go even up to Rs 30 lakhs to Rs 60 lakhs per annum. As compared to this, a government seat costs around Rs 0.5 lakhs to Rs 2 lakhs per annum. Compared to this, the average household income of India is only around Rs. 8,80,000 only². Hence, for the students who do not manage to get a government medical seat, the option is to take out a loan. This in turn burden the students whose attention on graduation turns to repaying the loan, for which they will either have to work for a high end specialty hospital or go abroad. The outcome of such a situation is low availability of doctors for public health care, such as rural health service, as students do not have the financial freedom to pursue this path even if they may have the service orientation.

Those who choose to pursue medical education abroad, where the entire medical package costs around Rs 30 lakhs to Rs 40 lakhs, also face many challenges. On return, they have to qualify for practicing medicine in India by clearing the tough Foreign Medical Graduation Examination (FMGE). Even after

¹ <https://www.newindianexpress.com/states/karnataka/2022/mar/06/doctor-dreamsits-a-living-nightmare-2426934.html>

² <https://timesofindia.indiatimes.com/business/india-business/top-1-hold-22-of-income-india-among-most-unequal-nations-shows-report/articleshow/88149699.cms>

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

clearing FMGE, which has a pass rate of ~20%, these graduates face discrimination as FMGEs are considered less knowledgeable. Other than the issues faced by the students, such dependence on foreign medical education is also a loss to the Indian economy in the form of loss of revenues from fees, and loss in the form of foreign exchange.

Considering the impacts of unaffordable medical education, for both the aspirants and for the larger society, there is need to take steps to ensure affordable medical education. One of the best methods to achieve the goal of affordable medical education will be to increase the number of government medical seats through the increase of government medical colleges or through the increase of government quota seats in private medical colleges.

4 Need for the Project

National Health Policy 2017 has distinctly identified complexity of healthcare needs and delivery in the heterogeneous population of our vast nation. India's healthcare requirements harbour immense challenges in accessibility, affordability, and uniform quality of service. Even before the onslaught of the COVID-19 pandemic, the NHP categorically enunciated the need for partnerships and coordination with multiple stakeholders, to achieve sustainable health outcomes, in the immediate future as well as over a protracted timescale.

Several important health indices have already been showing continuous upswing and thrust on tackling communicable diseases has also been producing perceptible positive impact over time. But other complex and non-communicable diseases which require advanced technology and expertise for their treatment have been bringing up fresh challenges – necessitating scaling up of health reforms to achieve the goal of Universal Health Coverage, or access for everyone to healthcare without financial hardship, as propounded by WHO.

To improve this situation a fresh impetus has been provided by Government of India through Ministry of Health and Family Welfare and NITI Aayog, mandating a comprehensive approach to augment healthcare delivery at all levels. Understandably, provision for more hospitals, beds, technology, equipment, medicines, etc. must be made, but more importantly, human resource in healthcare needs to be given adequate thrust. Considering that, compared to the global minimum mandated standards of at least one doctor per 1000 population, India only has 0.5 doctor per 1000, that too in a significantly skewed ratio in urban vs. rural, the need for improving the supply of doctors become even more apparent.

4.1 Proposed Need of Doctors by the Year 2022

Though India has one of the largest number of medical colleges in the world (662), with a total MBBS seats of 101388, India's average annual output of graduates per medical college is much less as compared to 220 in Eastern Europe and 930 in China.

As per the National Health Mission's High Level Expert Group's report in 2010, the proposed need of doctors (allopathic) and specialists at health facilities by the year 2022 will be as follows:

	Category	PHCs (50591)	CHCs (12648)	SDHs (4561)	DHs (642)	MCHs (502)	TOTAL
1.	Doctors (Allopathic)	1,51,773	75,888	91,220	15,408	82,830	4,17,119
2.	Specialists	-	65,770	1,04,903	17,334	21,084	2,09,091

Considering the requirement for more doctors, the need for more medical colleges becomes evident. However, building medical colleges require high amounts of investment. In such a scenario, this project, which aims for medical colleges to be built in PPP mode, is needed as it brings in the benefits of private participation, such as efficiency, deployable capital, sector expertise and so on. Considering these benefits, a scheme has been formulated by NITI Aayog for attaching an existing district hospital to a medical college through a PPP mode.

As quoted by NITI Aayog, “the unique PPP framework allows for synergy between the private and public healthcare sectors, capitalising on their respective strengths. The public sector has functional hospitals with rich clinical material, but lacks adequate resources, infrastructure and faculty base required for a medical college. The private sector on the other hand has investible capital, resources, required infrastructure and faculty, but lacks functional hospitals with the requisite clinical material (required as per the extant regulations)³.”

The current project not only brings in a public and private partnership and the associated benefits, but also creates synergies between medical education and the public health care system. This will bring in benefits in the form of exposure to clinical material to students and of better facilities and treatment at district hospitals for the general public. Thus, this project is the need of the hour.

³ <https://www.niti.gov.in/verticals/ppp>

5 Policy Framework

5.1 National Medical Commission Regulations

The National Medical Commission has set out the regulations that define the minimum requirements that must be met for admissions to be undertaken in an MBBS program. All applicant colleges have to meet these requirements in order to obtain the Letter of Permission for establishment of new medical colleges, for the annual renewals of this permission, and subsequently for recognition. This section sets out the broad requirement that will be applicable to Karnataka, which needs to be considered while planning the project.

5.2 General Requirements to be considered at Project Development Stage

5.2.1 Campus

In Tier I & Tier II cities and notified tribal areas, the campus for the teaching hospital, the medical college and the hostels for students, can be located on up to 2 plots of land. If the campus is housed in more than one plot of land, the distance between these plots must be less than 10 kms or the travelling time must be less than 30 minutes. If a District Hospital is being considered for use as a teaching hospital, all constituents of the district hospital, even if they are on two plots of land, will be considered as the affiliated teaching hospital.

The medical college and the teaching hospital must have adequate built up area to accommodate the various requirements concerning teaching areas, administrative areas, facilities, minimum beds etc., and must conform to national norms, building codes and local building bye-laws. Further, the parcel of land being used for establishing the medical college is not to be used for any other institution or accommodation.

5.2.2 Teaching Hospital

The hospital must have been fully functional for at least 2 years with at least 300 beds at the time of submission of application to the Medical Assessment and Rating Board of the National Medical Commission. Other than having a minimum of 60% indoor bed occupancy rate, minimum infrastructural requirements like OPD, OTs, ICUs, CSSDs etc. are also defined by the guidelines.

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

The teaching hospital must have space for the offices of the clinical departments and rooms for the teaching faculty. There should also be at least one teaching room for each of the clinical teaching departments with a capacity to accommodate at least 30 students.

Guidelines also provide that at the time of recognition for various annual intakes of MBBS students the bed strength must be at certain levels. For instance, for an annual intake of 100 MBBS students, while at the time of submission of application the bed strength must be at least 300, at the time of recognition the bed strength needs to be at least 430.

The permission to establish a medical college and admit students will be granted initially for a period of one year and maybe renewed on a yearly basis. This yearly renewal is subject to achievement of annual targets in the form of bed strength, infrastructure, human resources and other facilities.

5.3 NITI Aayog Model Documents

NITI Aayog has also prepared model bid documents in the form of Model Request for Proposal and the Model Concession Agreement. This section summarises the salient features of these documents to understand the details of the bidding process and the broad delineation of responsibilities between the public and the private partners.

5.3.1 Model Request for Proposal – Salient Features

5.3.1.1 Overview of the Bidding Process

Bids will be invited for the financial grant required by a Bidder for implementing the Project. A Bidder may, instead of seeking a Grant, offer to pay a premium to the Authority in the form of concession fee or the Premium. The Project will be awarded to the highest bidder which shall mean the Bidder who is offering the highest Premium, and where no Bidder is offering a Premium, it shall mean the Bidder seeking the lowest Grant.

5.3.1.2 Eligibility of Bidders

The Bidder may be a single entity or a group of entities or a consortium, coming together to implement the Project. To be eligible for qualification, a Bidder shall fulfil the following condition of eligibility

A. Financial Capacity

The Bidder shall have the specified minimum net worth, i.e., 50% of the project cost. In case of a consortium the combined net worth of those members, who shall have an equity share of at least 26% each in the SPV, should satisfy the above condition of eligibility

B. Operations & Maintenance Experience

The Bidder must have experience of operating and managing at least one recognized medical college with an associated teaching hospital, in the past 5 financial years. Or, experience of operating and managing at least one NABH accredited super-specialty or tertiary care hospital, for the past 5 financial years or at least one hospital of capacity similar to the district hospital being bid.

O&M experiences of two or more entities cannot be combined for meeting the requirement. If the Bidder does not have the requisite O&M experience, it can enter into a suitable agreement, with entity or entities having such O&M experience

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

5.3.1.3 Miscellaneous

Bidding documents consists of the Request for Proposal, the Concession Agreement and the Feasibility Report, which provides the broad parameters of the project.

The Bidders, however, are to be encouraged to examine the Project in greater detail. They should, at their own cost, carry out such studies as may be required for submitting their bids for award of the Project and for its implementation. The site conditions, demand, state of clinical and para-clinical facilities, availability of power, water and other utilities for construction, and any other relevant matter must be ascertained by the Bidders themselves.

5.3.2 Model Concession Agreement - Salient Features

5.3.2.1 Scope of the Project

The scope of the project for the concessionaire are as follows.

- Augmenting the District Hospital
- Constructing the Medical College
- Operating and maintaining the District Hospital and providing healthcare services
- Operating and maintaining the Medical College
- Obtaining and maintaining a valid affiliation of the Medical College with the District Hospital

5.3.2.2 Grant of Concession

The Concession includes exclusive right to augment, manage, operate and maintain the District Hospital and provide healthcare services, and to design, finance, procure, construct, operate and maintain the Medical College. The Concession Period will be 60 years, subject to early termination in accordance with agreement.

The concession grants the Concessionaire the following entitlements and obligations.

- To demand, collect and appropriate hospital charges from the paid patients
- To demand, collect and appropriate fee from the students of the Medical College
- To pay concession fee to the Authority
- To access and hold leasehold rights of the site for Medical College being provided by the Authority
- Upon termination of the concession period, to transfer the District Hospital to the Authority
- To develop, operate and maintain additional facilities and to exploit these facilities for commercial purposes with the right to sub-license any or all parts

5.3.2.3 Obligations of the Concessionaire

The concession agreement will place the following obligations on the Concessionaire.

- At its own cost and expense, prepare designs for the augmentation of the District Hospital and undertake its augmentation, management, operation and maintenance
- Procure all infrastructure facilities and utilities and all applicable permits
- Ensure the District Hospital have prescribed medical personnel and equipment for each department in accordance with all applicable laws including the MCI norms

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

- Provide for suitable accommodation for teaching and non-technical staff
- Ensure the District Hospital provides all healthcare services, such as, 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
- Augment, refurbish, replace or procure all equipment and diagnostic facilities
- Undertake programs for creating patient awareness, implement the public health programs and public health obligations
- Maintain at all times the minimum bed occupancy level in accordance with the MCI norms

Other than the above obligations pertaining to infrastructure, facilities and equipment, the model concession agreement specifically places the following obligations regarding staff on deputation from the government.

- If required, the Concessionaire may request the Authority through a written notice, to provide such doctors and staff as identified by them, upon mutually agreeable terms and conditions
- The salary, allowances and bonus paid by the Authority to the doctors, employees and staff on deputation shall be reimbursed by the Concessionaire
- The Concessionaire shall give an option to the doctors deputed by it, who fulfill the criteria, to join the Medical College as teaching staff by resigning from their job with the state government

5.3.2.4 Obligations of the Authority

The model concession agreement also places certain obligations on the Authority, the main points of which are as follows.

- Transfer the site for Medical College on a lease basis free from encumbrance
- Provide access to the District Hospital along with all its existing assets, machinery, plant, equipment etc. and transfer or modify, all applicable permits in favor of the Concessionaire
- Transfer the existing employees, retainers, staff, which are not being deputed to the Concessionaire
- Pay the salary and allowances to the deputed manpower as though they are still on the rolls of the District Hospital

5.3.2.5 Development of the Project

The model concession agreement defines the terms which will govern the work concerning the development of the medical college and the augmentation of the district hospital. The important points of this section is as given below.

- Site for Medical College

The Authority must provide all rights and unrestricted access subject to payment of lease rent at a percentage of the circle rate. Any additional land that may be required for the District Hospital shall be procured by the Authority

- Development & Augmentation Works

The Concessionaire shall, along with the drawings, submit to the Authority and the 3rd party independent engineer, its detailed design, augmentation methodology, quality assurance procedures, and the procurement, engineering and augmentation time schedule.

The Concessionaire shall also undertake augmentation of the District Hospital, including increase in the number of Beds

- Change of Scope

Authority may require the provision of additional works and services which are not included in the augmentation works for the District Hospital as defined by the Agreement. The costs of such change of scope shall be expended by the Concessionaire and reimbursed to it by the Authority.

If the Concessionaire determines at any time that a change of scope is necessary for providing safer and improved healthcare services, it shall require the Authority to consider such change of scope. The Authority shall either accept such change of scope with modifications, if any, or inform the Concessionaire the reasons for not accepting such suggested changes.

5.3.2.6 Operations of the District Hospital and the Medical College

The important terms relating to operations of the medical college and the hospital, as defined by the model concession agreement, is as follows.

- Appointment of Medical Officers

Authority shall nominate and appoint a Chief Medical Officer who shall serve at the District Hospital. He will have the power to control the District Hospital in the events of Medical Emergency. Similarly a Casualty Medical Officer shall also be appointed by the Authority

- Monitoring of Operations and Maintenance

The Concessionaire must submit an annual report, on the condition of hospital and its compliance to the terms, to the Authority and the 3rd party independent expert. The independent expert shall also inspect the District Hospital at least once a year and submit an Operations and Maintenance Inspection Report.

The independent expert can require the Concessionaire to carry out any tests and also require the Concessionaire to take remedial measures to address the issues identified by such tests or by the O&M Inspection Report.

5.3.2.7 Healthcare Services

Concerning the provision of healthcare services, the model concession agreement defines the following terms

- Charging for Services

The Concessionaire shall provide healthcare services to two categories of patients, that is, free patients and paid patients. The Authority shall determine who a free patient is.

Concessionaire shall ensure that the out-patient healthcare services are provided free of cost. Drugs which are listed under national list of essential medicines, shall be provided by the Authority free of cost to the free patients. For diagnostic services, the Concessionaire may charge the paid patients at the market rates and the free patients at the rates prescribed by the Central Government Health Scheme.

The Concessionaire shall seek reimbursements 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 their treatment shall be borne by the Concessionaire.

The District Hospital shall have at least 300 free beds which shall be earmarked for free patients. The Concessionaire can levy fee on the paid beds i.e. 80% of the beds after deducting 300 beds from total number of beds. To illustrate, if the total number of beds are 700, then 300 beds plus 20% of the remaining 400 beds i.e. 380 beds shall be treated as free Beds. The remaining 320 beds shall be treated as paid beds. If the Concessionaire further increases the number of beds, then the paid beds and the free beds shall be designated in accordance with the formula provided.

- Public Health Obligations

The Concessionaire shall implement all national and state public health programs notified by the Authority. The Chief Medical Officer shall oversee and report on the workings of such programs, including the non-implementation of a program, if any.

- Management of the District Hospital

District Hospital shall be managed by the Management Board comprising members appointed by the Concessionaire and also a member of the Aarogya Raksha Samiti. The Management Board shall appoint all necessary officers to carry out the day to day functions of the District Hospital

5.3.2.8 Financial Covenants

The model concession agreement sets out the following financial covenants.

- Grants

The Authority may offer grant in the form of equity support. The equity support shall be the sum specified in the bid, as accepted by the Authority. This sum shall not be greater than 150% of the equity contribution made towards the total project cost and shall also not exceed 30% of the total project cost.

- Concession Fee

Concessionaire shall pay to the Authority, an annual concession fee of a sum of Re. 1 per annum, the Revenue Share, and if defined in the agreement, additional concession fee or the premium.

The amount of premium payable shall be determined by open competitive bidding. The premium payable, however, shall be subject to a ceiling of 50% of gross revenues of that respective year. The model concession agreement also provides the option for payment of upfront premium as well.

5.3.2.9 Termination of Agreement

The terms concerning termination of agreement, as defined by the model concession agreement, are as follows.

- Breach of Agreement**

In the event of default by the concessionaire, the concessionaire shall pay to the Authority, all direct costs suffered or incurred by the Authority as a consequence of such default.

The Authority shall be entitled to suspend all rights of the concessionaire including the concessionaire's right to receive any revenues from the District Hospital and to exercise such rights or perform the obligations on its behalf during such suspension.

In the event of default by the Authority, the Authority, shall pay to the Concessionaire all direct costs suffered or incurred by the Concessionaire as a consequence of such material breach or default

- Termination**

Upon the concessionaire defaulting, the Authority can issue a termination notice to the concessionaire, after providing a notice and granting time to the concessionaire to make a representation. Upon the Authority defaulting, the concessionaire can, issue a termination notice to the Authority, after providing a notice and granting time to the Authority to make a representation.

In either case, termination payment shall be paid by the Authority to the concessionaire as full and final settlement of all claims of concessionaire on account of termination of the agreement.

6 Concept Plan for Medical College as per NMC Norms

6.1 Department Mix

The Medical College must have the following departments in addition to other departments which may be as per teaching needs or healthcare needs:

- a. Anatomy
- b. Physiology
- c. Biochemistry
- d. Pathology
- e. Microbiology
- f. Pharmacology
- g. Forensic Medicine & Toxicology
- h. Community Medicine
- i. General Medicine
- j. Pediatrics
- k. Psychiatry
- l. Dermatology
- m. Respiratory Medicine
- n. General Surgery
- o. Orthopedics
- p. Radio-Diagnosis
- q. Oto-Rhino Laryngology
- r. Ophthalmology
- s. Obstetrics & Gynecology
- t. Anesthesiology
- u. Dentistry
- v. Physical Medicine & Rehabilitation
- w. Emergency Medicine
- x. Radiation Oncology (Optional)

6.2 Minimum Requirements in the Medical College (Teaching Facility)

6.2.1 General

6.2.1.1 Campus

- a. Every medical college shall comprise of the Medical College, the attached Teaching hospital/(s), and the hostels for the students& interns, with or without the residential area for faculty and other staff of college/hospital. The medical college, hostels for students/interns and the teaching hospital/institution shall be in a unitary campus.

- b. However, in X and Y category (or Tier 1 & Tier 2) cities (as recommended by 7th CPC), Hilly and North- East states and notified tribal areas the campus could also be on 2 plots of land – one housing the teaching hospital and the other the medical college with hostels for students and interns.
- c. If the campus is housed in more than 1 plot of land, the distance between each one of these plots should be less than 10 kms or less than of 30 minutes travelling time, whichever is lesser.
- d. Provided that where the Government District hospital is being considered for use as the teaching hospital of a medical college, all constituents of the district hospital, even if they are on two plots of land, will be considered as the affiliated teaching hospital, provided that the main District hospital has at least 300 beds or in Hilly and North-East states has 250 beds.
- e. The medical college shall provide adequate built-up space to accommodate various teaching areas (both in the college and the teaching hospital), Library, administrative areas, rooms for teaching and non-teaching staff, student amenities, etc. as specified in various sections of this schedule.
- f. The building and other built up infrastructure must conform to building codes and local building bye-laws. They must also comply with the requirements for providing access and facilities to those who are disabled.
- g. The built up area of the teaching hospital must conform to national norms and local building bye-laws having considered the minimum beds, teaching facilities and other requirements prescribed for the various annual intakes of MBBS students in line with NMC regulations. The hospitals should have fire-safety measures, including patient evacuation plans as per local bye-laws and regulations.
- h. Further, the parcel of land being used for establishing the medical college is not to be used for any other college/institution (such as Nursing College, Dental College, Engineering College or any other College or Hostel or accommodation).

6.2.1.2 Administrative Area

There should be adequate accommodation for the Principal/Dean, College council, Academic and examination sections, Accounts, and other administrative offices (as per need), the Medical education unit and the server room for the computer network.

6.2.1.3 College Council

Every medical college or Medical Institution shall have a College Council comprising of the Head of departments as members and Principal/Dean as Chairperson. The Council shall meet at least four times in a year to draw up the details of curriculum and training program, enforcement of discipline and other academic matters. The Council shall also organize regular interdepartmental meetings like grand rounds, statistical meetings and clinic-pathological meetings including periodical review of research in the Institution.

6.2.1.4 Central Library

- a. There shall be an air-conditioned central library with good lighting and adequate space for stocking the books and journals (1000 sq. m for annual intake up to 150 MBBS students and 1500 sq. m for annual intakes of 200 and 250 MBBS students). There shall be provision for:
 - Rooms for the Librarian and other staff.
 - Reading rooms with adequate seating for twice the number of annual intake of UG students distributed over two areas.
 - Reading room for faculty
 - Room for stocking old books, journals, etc.
 - A computer room with computer nodes with internet facilities for at least 25% of the annual intake of students.
- b. **Books:** There shall be at least 30 (Thirty) books per annual intake of students comprising all subjects with at least 5 copies of each of the text books for the various subjects in MBBS curriculum.

Desirable: Postgraduate level books in the subjects of MBBS curriculum

Aspirational: Reference and post-graduate level books in all specialties of medicine

- c. **Journals:** The minimum number of journals for various annual intake of MBBS students shall be at least 1 percent of the minimum books prescribed.

The journals shall be either in print or electronic form, provided that there shall be at least 1 (one) print journal of each major specialty departments for MBBS training – Anatomy, Physiology,

Biochemistry, Pathology, Pharmacology, Microbiology, Forensic Medicine & Toxicology, Community Medicine, Medicine, Paediatrics, Dermatology, Psychiatry, Respiratory Medicine, Surgery, Orthopaedics, Otorhinolaryngology, Ophthalmology, Obstetrics & Gynaecology, Anaesthesia, Radio-diagnosis, Dentistry, Emergency Medicine, Physical Medicine & Rehabilitation. Provided that only journals that are indexed in the following databases i.e. Medline, PubMed Central, Science Citation index, Science Citation Index Expanded, Embase, Scopus, Directory of Open Access Journals (DoAJ) will be considered. There shall be evidence for a full annual subscription for all these journals.

Annual MBBS Intake	Minimum No. of Journals required	Minimum No. of Books required
100	30	3000
150	45	4500
200	60	6000
250	75	7500

6.2.1.5 Lecture Theater

- There shall be minimum of four lecture theatres preferably air conditioned, of gallery type in the Institution, each of them with seating capacity for 20% more than the annual student intake (shall provide at least 1.40 sq. m /student).
- In case the hospital is not in the same unitary campus there shall be one additional lecture theatre in the teaching hospital with a similar seating capacity as prescribed for the medical college.
- The Lecture Theatres shall have provision for audio-visual and internet facilities and shall be enabled for e-learning. The lecture theatres shall be linked digitally to all teaching areas designated for Small Group Teaching.
- The lecture theatres shall be shared by all the departments in a programmed manner.
- It is desirable to provide smart classrooms.

6.2.1.6 Small Group Teaching Facilities

The size of each batch for small group teaching shall be about 15 students. The common resource pool of teaching rooms, student practical laboratories, museums and lecture theaters and any other available area that can be utilized for teaching purposes shall all be utilized for small group teaching and shared by

the teaching departments. All the above-mentioned teaching areas shall have audio-visual and internet facilities and be linked digitally to one another.

- a. Teaching Rooms:** The minimum number of teaching rooms in the medical college for Pre- and Para-Clinical Departments for various intake of MBBS students annually to be shared by all departments, shall be as indicated in the table below (each teaching room shall provide at least 1.2 sq. m/student):

Annual MBBS student intake	No. of teaching rooms	
	25 seating capacity	50 seating capacity
100	2	1
150	4	4
200	7	7
250	9	9

- b. Student Practical Laboratories:** There shall be at least 8 student practical laboratories, one each for Histology, Clinical Physiology, Biochemistry, Histopathology & cytopathology, Clinical pathology & Hematology, Microbiology, Clinical Pharmacology, and Computer Assisted Learning (CAL) in Pharmacology. The Clinical pathology/Hematology laboratory maybe be shared between Physiology and Pathology, and Forensic Medicine may utilize the Histopathology& cytopathology laboratory for practical work.

Each laboratory shall have capacity to accommodate at least 60 students. The laboratories of Histology, Biochemistry, Histopathology & cytopathology, Clinical pathology & hematology, and Microbiology shall have 60 workstations fitted with water taps, sinks, and electric points. The Biochemistry, Histopathology and Microbiology laboratories shall in addition have gas/electric burners at each student's work station.

Each laboratory shall have additional rooms as required for technical staff, stores, equipment storage, etc. Each lab shall provide for at least 3.5 sq. m/per student, which shall be sufficient for workbenches, a delineated teaching area for 20 students, stores and room for technical staff. All the above mentioned laboratories shall have audio-visual and internet facilities and be linked digitally to all other teaching areas i.e. Lecture theaters, teaching rooms and museums.

- c. Museum:** There shall be at least 3 museums in the college i.e. 1 (one) for Anatomy, 1 (one) to be shared by Pathology and Forensic Medicine, and 1 (one) to be shared by Pharmacology,

Microbiology and Community Medicine. In addition to the display area, each of these museums shall also have sufficient space to seat at least 50 students (at least 1.2 sq. m/student) and shall have audio-visual and internet facilities and be linked digitally to the Lecture theatres, teaching rooms and practical laboratories.

The museums shall have adequate racks and shelves for storing and proper display of wet and dry specimens (where applicable) and models. There shall also be adequate facilities for displaying and viewing radiological and digitalized images.

6.2.1.7 Skills Laboratory

Every medical institution shall have a Skills Laboratory where students can practice and improve skills pre-specified in the curriculum. The purpose of the skills laboratory is to provide a safe and non-threatening environment for students to learn, practice and be observed performing skills in a simulated environment thus mitigating the risks involved in direct patient exposure without adequate preparation and supervision. The skills laboratory attempts to recreate the clinical environment and tasks which future health care workers have to perform with various levels of complexity and fidelity.

The skills laboratory shall have a total area of at least 600 sq. m for intake up to 150 MBBS students annually and 800 sq. m for intakes of 200 and 250 MBBS students annually, and shall have -

- a. a minimum of 04 rooms (preferably 08) for examination of patients or standardized/ simulated patients
- b. a room for demonstration of skills to small groups
- c. area for review or debriefing area
- d. rooms for faculty coordinator and support staff
- e. adequate space for storage of mannequins and/or other equipment vi) facility for video recording and review of the interaction for teaching communication skills vii) stations for practicing skills individually or in groups viii) trainers or mannequins required to achieve skills outlined in the competency based undergraduate curriculum document
- f. a dedicated technical officer and adequate support staff.
- g. the teaching areas of the skills lab shall have provision for audio-visual and internet facilities and shall be enabled for e-learning

6.2.1.8 Department Offices and Rooms for Staff

Every Teaching Department shall have:

- a. room for Head of Department with Space for Department Office, for office staff and storage of records
- b. rooms with adequate space for teaching faculty, and Tutors/Demonstrators/Residents (both Junior & Senior)
- c. rooms for faculty, provided with communication, computer and internet facilities.
- d. rooms for non-teaching staff

6.2.1.9 Examination Hall

It is desirable to have a separate examination hall. However, for the purposes of examination, the Lecture Theaters, Reading rooms in Library, etc. can be utilized with adequate distancing.

6.2.1.10 Medical Education Unit

There shall be a Medical Education Unit for faculty development and providing teaching or learning resource material. The Unit shall have provision for audio-visual and internet facilities. The requirements of this unit shall be as prescribed by the National Medical Commission from time to time (it shall have an area of at least 150-160 sq. m).

6.2.1.11 Research Facility

It is desirable to have a well-equipped central research facility that can be shared by different departments. Where possible the colleges should aspire to have separate department research laboratories.

6.2.1.12 Communication Facilities

Adequate communication network between various sections of the college and hospitals shall be provided for better services, coordination and patient care.

6.2.1.13 Student Amenities

Adequate student amenities shall be provided. These shall include facilities for common rooms for boys and girls (separate), cafeteria, cultural activities, indoor games and student counselling services. There

shall be gymnasium, and playground for outdoor games and track events in the college. It is desirable to have an exclusive swimming pool for students.

6.2.1.14 Rural Health Training Centre

Every medical college shall have one Rural Health Training Center affiliated to it. This Rural Health Training Center shall be owned by the college or it should be affiliated to Government owned Health Center. If it is the latter, the academic control shall be with the Dean/Principal of the college for training of students and interns in community oriented primary health care and rural based health education for the rural community attached to it. This Health Center shall be within a distance of 30 kms except in X category (Tier-1) cities as amended where it should be within 50 kms. Separate residential arrangements for boys and girls interns with mess facilities shall also be provided. Adequate transport (both for staff and students) shall be provided for carrying out field work and teaching and training activities by the department of Community Medicine.

6.2.1.15 Biometric attendance & Close Circuit TV

a) Biometric attendance:

- i) All Medical Colleges/Institutions shall install biometric attendance machine for regularly capturing the attendance of human resources.
- ii) The biometric attendance shall be made available on the Medical College Website in the form of daily attendance dashboard. The Commission may seek from the Medical Colleges/Institutions, such record of attendances during or after assessment.
- iii) The installation and maintenance of the biometric attendance system shall be the responsibility of the Medical Colleges/ Institutions

b) Close circuit TV: Every medical college shall have Close-Circuit Television (CCTV) system in the medical college and shall provide live streaming of classroom teaching, patient care in the teaching hospital and any other area as specified from to time, to enable the Commission to maintain a constant vigil on the standard of medical education/ training being imparted. The live streaming of both classroom teaching and teaching hospital, shall be integrated as a part of the “Digital Mission Mode Project” (DMMP) of the Commission.

6.2.1.16 College Website

- a. Each and every college /institute shall have its own website which shall contain the following details, to be updated in the first week of every month: -
 - Details of Dean, Principal and Medical Superintendent including their name, qualification, complete address with telephone and STD code, fax and E-mail etc.
 - Details of teaching as well as non-teaching staff.
 - Details of the sanctioned intake capacity of various Undergraduate and Postgraduate courses.
 - List of students admitted merit-wise category-wise in MBBS and Postgraduate courses for the current and previous academic sessions.
 - Research work, research grants and research publications during the last one year.
 - Details of any Continuing Medical Education programmes, conferences and/or any academic activities conducted by the institution.
 - Details of any awards and achievement received by the students or faculty.
 - Details of the affiliating University and its Vice-Chancellor and Registrar.
 - Results of all the examinations of last one year.
 - Detailed status of recognition of all the courses.
 - Details of fees for various courses and other costs
 - Any other requirement as notified from time to time
- b. Details of clinical material in the hospital (OPD and IPD) should be updated on a digital dashboard every day.
- c. Each and every college/institute shall maintain Daily Biometric Attendance Dashboard of human resources.

6.2.1.17 Biomedical Waste Management

The Medical Institution must ensure compliance with the Bio-medical Waste (Management & Handling) Rules, 2019 and as notified from time to time. They shall have a robust institutional policy on biomedical

waste management of human origin, with a well-defined arrangement for segregation and discarding of biomedical waste. Facilities for biomedical waste management shall be commensurate with the Central/State legislations.

6.2.1.18 Child Care Centre

A Child Care Center shall be established in the medical college with adequate facilities for taking care of the infants and the children of staff of the medical college and/or teaching hospital.

6.2.2 Department Specific Requirements

The additional specific requirements of each department, if any, shall be provided as described in the following sections:

6.2.2.1 Department of Anatomy

There shall be a dissection hall to accommodate 50% of annual student intake (area of at least 4.20 sq. m/student shall be provided which shall be sufficient for ante-room for students with lockers, wash basins. embalming room, space for storage tanks and cold storage room or cooling cabinets with space sufficient for at least 1 body/10 student annual intake).It shall be well lit, well-ventilated with exhaust fans. There shall be adequate teaching aids in the hall.

6.2.2.2 Department of Pathology

- a. There shall be a separate service laboratory each for histopathology, cytopathology, Haematology and other specialized work of the hospital which shall be suitably equipped
- b. These service labs shall have adequate storage space for stores and equipment.
- c. There shall also be a washing room with continuous water supply.
- d. These service laboratories can be located in either the medical college, teaching hospital or both.

6.2.2.3 Department of Microbiology

- a. There shall be a separate service laboratory each for
 - Bacteriology including anaerobic bacteria;
 - Serology;

- Virology;
 - Parasitology; Mycology;
 - Tuberculosis; and
 - Immunology.
- b. The service laboratories shall have adequate storage space for stores and equipment
 - c. There shall be separate accommodation for media preparation and storage, autoclaving, and washing with regular and continuous water supply.
 - d. These service laboratories can be located in either the medical college, teaching hospital or both.
 - e. The Virology Service Laboratory shall be a BSL-2 level laboratory (as per e-gazette No. MCI-34(41)/2020Med./103234 notified on 3.6.2020)

6.2.2.4 Department of Forensic Medicine & Toxicology

There shall be a mortuary cum postmortem/ Autopsy Block (approx.400 sq. M. area) with facilities for cold storage for cadavers, ante-rooms, washing facilities, with an accommodation capacity of 20-25 students, waiting hall, office etc. The location of mortuary/autopsy block should preferably be adjacent to the hospital building and may be shared with the department of Pathology. In case the college is not permitted to carry out medico-legal autopsies, the college shall have a MoU with a government/district hospital for post-mortems to teach and train students.

6.2.2.5 Department of Community Medicine

- a. **Primary Health Centre/ Rural Health Training Centre:** Every medical college shall have at least one primary health centre/rural health training centre affiliated to it for training of students.
- b. **Urban Health Training Centre:** The urban health centre shall be owned by the college or should be affiliated to Government owned Health Centre. If it is the latter, the academic control shall be with the Dean/Principal of the medical college for training of students and interns in community oriented primary health care. Adequate transport shall be provided for commuting the staff and students.

6.2.2.6 Department of Pharmacology

Animal holding area: For teaching Pharmacology in undergraduate curriculum, the required knowledge and skills should be imparted by using computer assisted module. However, if research and postgraduate training is envisaged, only an animal hold area, as per CPCSEA Guidelines is required.

6.3 Hostels for Students/Interns

- a. The College/Institution shall make provision to provide accommodation for at least 75% of all students enrolled and interns, and all girl students who request for it. Each student shall be provided with independent and separate furniture which shall include chair, table, bed and full size cupboard at the least (provide for at least 9 sq. m area/student). It is desirable that hostel rooms are either single or double accommodation facilities. Adequate recreational, dining and 24x7 security facilities shall be provided at the hostels.
- b. The colleges should however aspire to provide accommodation for 100% of students including interns.

6.4 Minimum Requirements for the Teaching Hospital

6.4.1 General

- a. At the time of submission of application to the Medical Assessment and Rating Board of the National Medical Commission for intakes up-to 150 MBBS students annually, there shall be available a fully functional hospital for at least 2 years with 300 beds or in North-East or Hilly States 250 beds, with all necessary infrastructure like OPD, Indoor wards, OTs, ICUs, Casualty, Labour Room, Laboratories, Blood Bank, CSSD, etc., having a minimum of 60% indoor bed occupancy. It should also have been providing services in the departments of Medicine, Paediatrics, Dermatology, Surgery, Orthopaedics, Obstetrics & Gynaecology, Ophthalmology, Otorhinolaryngology, Anaesthesiology and Radiology.
- b. The hospital building shall conform to the existing national building norms and various local statutory regulations for hospitals taking into consideration the requirements of the hospital as a service provider including administration, registration, records storage, outpatient and inpatient areas, operating theatres, CSSD, ICUs, Radiology and laboratory services, emergency areas, etc.

c. Space for Clinical Teaching Departments, Teaching faculty and Residents:

- When the teaching hospital and medical college are in a unitary campus, rooms for the clinical departments and its teaching faculty can be provided either in the medical college or in the teaching hospital.
- When the teaching hospital and medical college are on separate plots, besides the statutory requirements for the hospital, the teaching hospital shall also have space for the offices of the clinical departments and rooms for the teaching faculty.
- **Teaching rooms:** The teaching hospital shall have at least 1 (one) teaching room for each of the Clinical teaching departments with a capacity to accommodate at least 30 students (as prescribed for the medical college) for clinical cases discussions/demonstrations. Each such room shall have audio-visual facilities. Small group teaching in clinical departments essentially entails out-patient clinic and bed side teaching. However, additional teaching rooms shall be provided as required for any of the Clinical teaching departments.

6.4.2 Outpatient Area

- a. There shall be a minimum daily OPD attendance of 8 patients (old & new) per student intake annually in the specialties/subjects of undergraduate curriculum. However, at the time of Letter of Permission the daily OPD attendance should be at least 4 patients (old & new) per student intake annually.

Note: Relaxation up to an extent of 5% in OPD attendance may be allowed, subject to the condition that OPD attendance on three corresponding dates as per date of assessment of preceding three months is in accordance with the applicable norms.

- b. The Outpatient areas should have adequate reception and patient waiting halls, consultation rooms, examination rooms and other ancillary facilities commensurate with the clinical specialty department.

6.4.3 Indoor Beds

- a. The bed strength of the teaching hospitals at time of recognition for various annual intakes of MBBS students shall be at least 4 beds/MBBS student intake annually. The distribution of beds

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

and number of units across different clinical teaching departments for MBBS training shall be as indicated below:

Subject	Annual MBBS Student Intake			
	100	150	200	250
	Beds/Units	Beds/Units	Beds/Units	Beds/Units
1. General Medicine	100/4	130/5	195/7	240/8
2. General Surgery	100/4	130/5	195/7	240/8
3. Paediatrics	50/2	75/3	100/4	120/4
4. Orthopaedics	50/2	75/3	100/4	120/4
5. Obstetrics & Gynaecology	50/2	100/4	120/4	150/5
6. Otorhinolaryngology	10/1	20/2	20/2	30/2
7. Ophthalmology	10/1	20/2	20/2	30/2
8. Respiratory Medicine	10/1	20/1	20/1	30/1
9. Dermatology	10/1	10/1	10/1	10/1
10. Psychiatry	10/1	20/1	20/1	30/1
Total	400/19	600/27	800/33	1000/36
11. Emergency Medicine	30/1	30/1	30/1	30/1
Grand Total	430/20	630/28	830/34	1030/37

- b. There shall be well equipped and updated intensive Care Unit (ICU), Intensive Coronary Care Unit (ICCU), Intensive Respiratory Care unit, Paediatric intensive care (PICU) and Neonatal Intensive care unit (NICU), Critical care Burns unit, Post-op surgical critical care unit, Obstetric HDU/ICU.
- c. All beds which are available for teaching and training of undergraduate medical students shall be counted towards teaching beds as indicated above.
- d. Wherever possible, the facilities available in larger tuberculosis and chest diseases hospitals, infectious diseases hospitals and mental hospitals may be utilized for training in these specialties. However, if these hospitals are not under the administrative control of the Medical College, the required beds in these specialties shall have to be provided in the attached teaching hospital itself.
- e. The medical college and its affiliating teaching hospital should provide for proportionate additional beds, infrastructure, faculty and other human resource in any specialty depending upon the needs and patient load.

- f. **Indoor bed occupancy:** Average occupancy of indoor beds shall be a minimum of 75% per annum. Provided that it shall be minimum of 60% at the time of inception (50% at the time of inception in North East States and Hill States and notified Tribal Areas).

Note: Relaxation up to an extent of 5% in bed occupancy (Indoor patients) may be allowed, subject to the condition that the bed occupancy on three corresponding dates as per date of assessment of preceding three months is in accordance with the applicable norms.

6.4.4 Department of Emergency Medicine

- a. The Department of Emergency Medicine shall be mandatory for all Medical Colleges with effect from the academic year 2022-2023 onwards:
- All Medical Colleges with recognized MBBS Qualification are required to have a department of Emergency Medicine at the level of recognition as per requirement stipulated above.
 - All Medical Colleges in any stage of renewal including against increase in intake are required to have department of Emergency Medicine as per the requirement stipulated above.
 - Any institution seeking to establish a new Medical College
- b. The Department shall have the following facilities:
- Casualty area to receive patients and facilities to triage and stabilize them. There shall be a minimum of 03 trolleys for triage. (ii) There shall be at least 24 trolley-cum-beds of which at least 05 will be for “green category” (can wait- walk in patients who will need medical care at some point), 15 for “yellow category” (Observation – cannot survive without immediate treatment) and 04 for “red category” (immediate – cannot survive without immediate treatment). There shall also be a minimum 06 bedded intensive care unit in the Emergency department adjacent to the casualty area.
 - There should be minimum 01 Operation theatre and 01 plaster room.
 - Rooms for the staff on duty
 - Decontamination and isolation area should also be available.

6.4.5 Department of Radio-diagnosis

- a. There shall be facilities for conventional, static, and portable X-rays, fluoroscopy, contrast studies, ultra-sonography and computerized tomography. Magnetic resonance imaging shall be available in all teaching hospitals when annual MBBS intake is 200 or more.

Provided that the MRI facility shall be owned and managed by the medical college whenever the medical college/institution starts a postgraduate course in any speciality.

Magnetic Resonance Imaging (MRI) shall be desirable for annual intake of 150 or less.

- b. The rooms housing the various diagnostic imaging systems shall be as per the regulatory provisions of the Atomic Energy Regulatory Board (AERB), Government of India.

The staff of Radio-Diagnosis department shall be covered by Personal Monitoring System as prescribed by AERB.

6.4.6 Department of Physical Medicine and Rehabilitation (PMR).

There shall be a well-equipped department of PMR providing services such as physiotherapy, occupational therapy, speech therapy, etc.

6.4.7 Department of Radiation-Oncology (Optional)

The department of radiation-oncology should be planned in accordance with the regulatory requirements and approval of AERB. It would be desirable that this department be closely connected with the rest of the hospital to facilitate free interaction of the facilities of various disciplines for multidisciplinary management of the patients. Prior BARC approval of the radiation therapy rooms/plan along with complete layout of the entire department is mandatory.

6.4.8 Department of Dentistry.

Where Dental College or Dental wings of medical Colleges exist, the services of teachers of these may be utilized in the instruction of medical students in Dentistry and no separate staff in the Medical College shall be necessary.

6.4.9 ART Centre

Every Teaching Hospital should have Anti-Retroviral Treatment (ART) Centre and facility for management of MDR-TB by the time of 3rd renewal (admission of 4th Batch of MBBS students).

6.4.10 Central Laboratories

There shall be well-equipped and updated central laboratory preferably along with common collection area for all investigations in histopathology, cytopathology, hematology, immune pathology, microbiology, biochemistry and other specialized work if any. The central laboratory should be coordinated by one of the related teaching departments of the medical college.

6.4.11 Blood Bank

There shall be a well-equipped air-conditioned Blood Bank capable of providing component therapy. The Blood bank and Blood transfusion services should conform to the guidelines of the National AIDS Control Organization and as prescribed in Schedule-F Part XII-B to the Drugs and Cosmetics Rules, 1945 amended from time to time.

The Blood Transfusion services should be under the administrative control of the teaching Department of Pathology of the medical college when there is no separate Department of Transfusion Medicine.

6.4.12 Pharmacy services.

There shall be 24-hr pharmacy services to cater to the out-patient, emergency and other patients attending the teaching hospital.

6.4.13 Laundry and Dietetic services.

The teaching hospital shall have provision for Laundry and Dietetic services.

6.4.14 Hospital Waste Management

The Medical Institution must ensure compliance with the Bio-medical Waste (Management & Handling) Rules, 2019 and as notified from time to time. They shall have a robust institutional policy on biomedical waste management of human origin, with a well-defined arrangement for segregation and discarding of

biomedical waste. Facilities for hospital waste management shall be commensurate with the Central/State legislations

6.5 Staff Requirements

6.5.1 General

- a. Emphasis in medical education being on practical instruction and demonstration in small groups, the number of teachers must be as per provisions of this Schedule adequate to enable such instruction to be imparted effectively.
- b. The teaching staff of all departments of medical college, shall be full-time.
- c. NMC regulations cover the minimum requirements of under graduate medical education as per the annual MBBS student intake and the minimum patient load. However, the medical colleges/institutions and teaching hospital(s) need to make provision for additional staff as indicated below:
 - Additional teaching staff shall be provided proportionate to the workload
 - Non-teaching staff shall also be required in OPD, Indoors, Operation theatres and Intensive Care areas, emergency care area, labour room, clinical laboratories, or for outreach work where work load is heavy or is of a specialized nature.
 - Additional teaching staff shall be required when starting postgraduate courses in accordance with the latest Post Graduate Medical Education Regulations issued by NMC
- d. To ensure the exposure of undergraduate students to experienced teachers, it is essential to provide adequate number of higher posts (Professors/Associate Professors) in every teaching department.
- e. In department of Anatomy, Physiology, Biochemistry, non-medical teachers may be appointed to the extent of 15% of the total number of posts in the department subject to non-availability of medical teachers. The above mentioned non-medical teachers and the Statistician in the department of Community Medicine should possess qualification in that particular subject from a recognized university as per requirements in Teacher Eligibility Qualification Regulations.

- f. Teachers appointed as faculty in super-specialty departments shall not be counted against the complement of teachers required for under graduate medical education in broad speciality departments. However, teachers appointed in a broad speciality department who also have super-speciality qualifications shall be counted against the complement of teachers required for under graduate medical education in the concerned broad speciality department.
- g. **Visiting faculty:** With a view to enhance the comprehensiveness and quality of teaching of undergraduate students in pre-clinical, para-clinical and clinical departments, Medical Colleges/Medical Institutions can appoint “Visiting Faculty” on part-time basis as prescribed in “Minimum Qualifications for Teachers in Medical Institutions” regulations over and above the Minimum faculty prescribed in NMC norms. The Visiting Faculty, however, shall not be counted for faculty requirement under NMC regulations.

6.5.2 Specific Requirements

- a. The Requirements of Teaching faculty and Tutors/Demonstrators/Senior Residents in various Non-Clinical and Clinical Departments for annual intakes of 150 MBBS students shall be as provided in the Annexure 2.

Desirable: To provide up to 20% additional teaching faculty than the minimum prescribed

Aspirational: To provide 30% or more additional faculty than the minimum prescribed

- b. Each department shall have a Head of the Department of the rank of full time Professor who shall have overall control of the Department except in the departments of Dermatology, Psychiatry and Dentistry where Associate Professor may be the Head of the Department who shall have overall control of the Department.
- c. In Clinical Departments, the Staffing pattern of the departments shall be organized on the basis of units with each unit having a Professor/Associate Professor, one Assistant Professor and one senior resident.
- d. In addition to the staff indicated for the clinical departments, additional Senior Residents and Junior Residents shall be provided according to the load in various areas of the hospital such as wards, Labour room, intensive care areas, emergency wards and clinical laboratories and

Services Available in the District Hospital:

Clinical Services	Diagnostic Services	Support Services	Additional Services
Casualty & Emergency	Laboratory (Pathology, Biochemistry, Microbiology)	Telemedicine	Janani Shishu Suraksha Karyakrama (JSSK)
General Surgery	X-Ray	Blood Bank	Janani Shishu Yojana (JSY)
Obstetrics & Gynaecology	Ultra Sound Scanning	Medical Records Department	Ayushman Bharath & Arogya Karnataka
Orthopaedics	Colour Doppler	Pharmacy	108 Ambulance Service
Anaesthesiology	ECHO Cardiogram	ART	Nagu Magu Ambulance Service
General Medicine	ECG	Physiotherapy	Sneha Clinic
Paediatrics & Neonatology	CT Scan	Immunization	
Dermatology	MRI	CSSD	
Ear, Nose & Throat		Laundry	
Ophthalmology		Dietary	
Geriatrics		Mortuary	
Psychiatry		Biomedical Engineering	
Urology & Nephrology		Ambulance	
Dentistry		Housekeeping Services	
Radiology		Security Services	
AYUSH (Unani & Homeopathy)			
Physiotherapy			

7.2 Existing Infrastructure

7.2.1 Land and Building

The Vijayapura District Hospital is situated on a contiguous plot of land measuring ~149 acres. Constructed area amounts to ~18 acres. This includes over 40 buildings of varying sizes, which house the various services and facilities offered by the district hospital. The prominent buildings among these include, the Main Hospital Building, the MCH Block, the under construction Super Specialty Hospital block, the under construction Trauma and Orthopedic block, various quarters, drugs warehouse, ANM Training centre, mortuary etc.



Land available for development



Entrance to the District Hospital



Land available for development



District Hospital New Wing



Existing Maternity Ward

In the given diagram, the Main Hospital Building and the MCH Block have been highlighted. As can be seen, the campus houses several other buildings which also includes a few historical monuments on which ASI Regulations and associated restrictions will apply.

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report



Since the district hospital has abundant land, despite the presence of various buildings and monuments, there is still un-constructed land to the tune of ~57 acres which has been demarcated for the construction of the medical college. The proposed area for the medical college is situated on the main road, providing access to the college separate to the hospital's main gate/access point, ensuring convenience and easy access. The same has been highlighted in the diagram above.

The details of the main buildings are as given below.

SN	Building	BUA (sq. m)	Comments
1	Main Hospital Building	17482	
2	MCH Block	7411	
3	New Block of 250 beds	10589	Construction to be completed in next 6 months
4	New MCH Wing (50 beds)	964	Construction to be completed in next 6 months

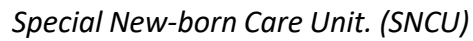
Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

5	Super Specialty Hospital	12488	Construction to be completed in next 6 months
6	Trauma and Orthopedic Centre	4772	Construction Completed. To be operationalized.
7	Oncology Block	1150	Foundation started.
8	Ayush Wing	1884	
9	TB Ward Block	3238	
10	Nurse Training School	815	
11	Drug Warehouse	758	

Site Photos:



CT/MRI Scanning Center



*Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report*



Site Visit to Vacant plots available for New Medical college development



Newly constructed Trauma & Orthopaedic Care Centre

7.2.2 Bed Strength

As per the NMC Regulations, a medical college will require 330 beds at the time of Letter of Permission to start operations. This will have to be scaled to 750 beds by the time of Recognition. The Vijayapura District Hospital currently has a sanctioned bed strength of 626 beds. Additionally, post the completion of the New 250 bed Wing, the super speciality center, the trauma and Orthopedic Centre, the Vijayapura District Hospital will have a bed strength of ~1092 beds. **Thus, the current bed strength will be sufficient for a 150 seat annual intake MBBS medical college.**

Type of Beds	Number of Beds
EXISTING NUMBER OF BEDS	626
UPCOMING TRAUMA CENTER BEDS	16
UPCOMING SUPER SPECIALITY BEDS	200
ADDITIONAL BEDS AFTER UPGRADATION OF DH	250
TOTAL NUMBER OF BEDS	1092
TOTAL NUMBER OF BEDS REQUIRED FOR 150 SEAT MEDICAL COLLEGE	750

Source: Vijayapura District Hospital

7.2.3 Estimated Actual Need for Beds in a District Hospital

District Hospital is a hospital at the secondary referral level responsible for a district of a defined geographical area containing a defined population. Its objective is to provide comprehensive secondary health care services to the people in the district at an acceptable level of quality and to be responsive and sensitive to the needs of the people and the referring centers. Every district is expected to have a district hospital. As the population of a district is variable, the bed strength also varies depending on the size, terrain and population of the district. The Vijayapura District Hospital does not require any further augmentation in the number of beds, in order for the Medical College to be operationalised.

7.2.3.1 Service Delivery in a District Hospital

District Hospital should be in a position to provide all basic specialty services and should aim to develop super-specialty services gradually. District Hospital also needs to be ready for epidemic and disaster management all the times. In addition, it should provide facilities for skill based trainings for different levels of health care workers. As per the Indian Public Health Standards (IPHS) issued by Directorate General of Health Services, Ministry of Health & Family Welfare, Government of India, services that a District Hospital is expected to provide have been grouped as Essential (Minimum Assured Services) and Desirable (which we should aspire to achieve). The services include OPD, Indoor and Emergency Service. Besides the basic specialty services, due importance has been given to Newborn Care, Psychiatric services, Physical Medicine and Rehabilitation services, Accident and Trauma services, Dialysis services and Anti-Retroviral Therapy. It is desirable that Super-Specialties and related diagnostic facilities be made available in hospitals with more than 300 beds. Every district hospital should provide facilities of Special Newborn Care Units (SNCU) with specially trained staff. Provisions for patient safety, infection control and health care workers safety have been added. It is desirable that every District Hospital should have a Post-Partum Unit with dedicated staff to provide Post Natal services, all Family Planning Services, Safe Abortion services and immunization in an integrated manner.

The district hospitals cater to the people living in urban (district headquarters town and adjoining areas) and the rural people in the district. District hospital system is required to work not only as a curative center but at the same time should also be able to build interface with the institutions external to it, including those controlled by non-government and private voluntary health organizations. In the fast changing scenario, the objectives of a district hospital need to unify scientific thought with practical operations which aim to integrate management techniques, interpersonal behaviour and decision making models to serve the system and improve its efficiency and effectiveness. By establishing a telemedicine link with district to referral hospital (Medical College) with video-conferencing facility (desirable), the quality of secondary and limited tertiary care can be improved considerably at district hospitals. The current functioning of most of the district hospitals in the public sector are not up to the expectation, especially in relation to availability, accessibility and quality. The staff strength, bed strength, equipment supply, service availability and population coverage are not uniform among all the district hospitals.

District Hospitals have come under constantly increasing pressure due to increased utilization as a result of rapid growth in population, increase in awareness among common consumers, biomedical

advancement resulting in the use of sophisticated and advanced technology in diagnosis and therapies, and constantly rising expectation level of the use of the services. The need for evaluating the care being rendered through district hospitals has gained strength of late. There is a need to ensure quality assurance in district hospitals services and to enhance efficiency and effectiveness of the services rendered.

7.2.3.2 Population Driven Bed Strength

The size of a district hospital is a function of the hospital bed requirement, which in turn is a function of the size of the population it serves. The estimated population of the catchment that Vijayapura district hospital serves is approximately 2.7 million.

Requirement of beds in a District Hospital would also be determined by following factors:

- Urban and Rural demographics and likely burden of diseases
- Geographic terrain
- Communication network
- Location of FRUs and Sub-district Hospitals in the area
- Nearest Tertiary care hospital and its distance & travel time
- Facilities in Private and Not-for profit sectors
- Health care facilities for specialized population– Defense, Railways, etc.

Taking the above factors in consideration, and an annual rate of one admission for every 50 people and average length of stay in a hospital as 5 days in accordance with IPHS norms, the number of beds required in Vijayapura district would be around 740 beds.

7.2.4 Manpower

The existing details of the human resources employed at Vijayapura District Hospital is as given below.

Sl. No.	NAME OF CATEGORY	SANCTIONED	WORKING	VACANT
1	Group A	45	38	07
2	Group B	07	04	03
3	Group C	207	157	50
4	Group D	201	22	179
	TOTAL	460	229	239

Source: Vijayapura District Hospital

NMC regulations suggest that faculty of the teaching hospital has to be in financial, administrative & operational control of the Medical College management. NITI Aayog's Model Concession Agreement (MCA) provides for withdrawal of existing staff of medical college after handover of the District Hospital to the private concessionaire. The current medical staff may not possess the necessary teaching experience to be retained as the part of the Medical College as teaching staff. Due to this lack of teaching experience and other required qualifications concerning teaching hospital professorship, the private concessionaire will have to bring in qualified teaching professionals to meet the NMC requirements concerning faculty strength. Hence, the existing staff may be withdrawn and transferred to other government hospitals in Karnataka. In case the existing staff has to be retained, there might issues of over-staffing as the Concessionaire will have to appoint staff meeting the qualifications for teaching faculty to fulfill the NMC criteria.

It may also be noted that, as per the MCA of NITI Aayog, the private concessionaire has the discretion to retain the existing staff, subject to reimbursement of salaries and costs of the retained staff to government.

7.2.5 Operation Statistics

As per the NMC Regulations, the hospital must have a minimum daily OPD attendance of 8 patients per student intake annually in the specialties/subjects of undergraduate curriculum. However, at the time of Letter of Permission, the daily OPD attendance can be 4 patients per student intake annually. Hence, for a 150 annual MBBS admissions medical college, the District Hospital must broadly have an annual OPD attendance of ~ 2.2 lakhs. The Vijayapura District Hospital has an average annual OPD attendance of ~2.1 lakhs currently (~2.9 lakhs OPD attendance pre-Covid). This OPD attendance is based on the current capacity of the hospital of 626 beds. Post completion of the hospital upgradation plans, the bed strength will increase to 1092 beds. This along with the continued improvement from the effects of Covid should ensure an uptick in OPD attendance to be sufficient to meet the NMC requirements for a 150 annual MBBS medical college. Details of the IPD/OPD footfalls are as follows:

Year	Total Outpatient	Inpatient Admissions	Bed Occupancy 626 Beds
2019	292072	43635	101%
2020	131981	26356	61%
2021	154571	28872	67%
2022	207492	38720	90%

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

SL N O	MONTHS	Apr-23		May-23		Jun-23		Jul-23		Aug-23		Sep-23		Oct-23		Nov-23		Dec-23	
		OPD	IPD	OPD	IPD	OPD	IPD	OPD	IPD	OPD	IPD	OPD	IPD	OPD	IPD	OPD	IPD	OPD	IPD
1	MEDICINE	3861	381	4082	458	4532	417	4569	467	5347	574	5403	538	5582	555	4593	503	4755	429
2	ORTHOPEDIC	3348	315	3827	174	4801	150	5183	192	5132	165	4762	171	4312	176	3985	181	4313	137
3	OPHTHALMOLOGY	1002	111	1161	172	1245	168	1470	126	1865	122	1198	82	1032	53	972	81	1099	92
4	ENT	394	21	488	32	766	53	825	36	759	44	755	47	729	54	557	35	667	31
5	OBG	2624	1110	2669	1178	2965	1114	3221	1256	4467	1506	3146	1288	3523	1362	2714	1137	2809	1213
6	PAEDIATRIC	2485	958	3008	974	3451	916	4024	961	4479	1163	3992	1118	4276	1132	3577	974	3898	954
7	SURGERY	2294	378	3398	602	3592	557	3530	563	3515	606	3119	559	2890	541	2689	537	2661	563
8	AYUSH	29	0	40	0	58	0	44	0	34	0	21	0	35	0	29	0	59	1
9	PSYCHIATRY	110	0	187	6	218	0	199	7	204	5	199	3	156	4	151	4	160	1
10	DERMATOLOGY	747	0	902	0	1018	0	1413	1	1394	0	1214	0	1102	0	1021	0	1084	1
11	DENTAL	236	1	384	0	473	0	486	0	516	1	334	0	394	0	357	0	373	0
12	MEDIAL CERTIFICATE	356	0	763	0	1160	0	633	0	538	0	665	0	468	0	341	0	564	0
13	ART	17	0	34	0	69	0	21	0	21	0	17	0	8	0	12	0	15	0
14	NEPHROLOGY	271	24	298	2	358	3	383	6	416	2	419	0	315	1	349	5	477	2
15	LAPAROSCOPY	146	140	158	163	157	156	120	119	157	139	140	142	126	131	109	110	119	0
16	CASUALTY	1671	8	1499	20	1563	18	1610	6	1917	31	1800	0	1908	7	1723	18	1613	27
17	CARDIOLOGY	3	0	2	0	5	0	2	0	19	0	2	0	9	0	6	0	5	0
18	COVID 19	2	39	21	27	1	23	3	25	0	44	1	29	6	41	1	24	2	25
	TOTAL:	19596	3486	22921	3808	26432	3575	27736	3765	30780	4402	27187	3977	26871	4057	23186	3609	24673	3476

The NMC Regulations also require that the average occupancy of indoor beds at the teaching hospital shall be at least 75% per annum. At the time of inception and up to 3rd renewal, the average occupancy only needs to be a minimum of 60%, considering a strength of 300 beds. As per the operating statistics obtained from the hospital as shown in the table, currently and at actual bed strength, the hospital enjoys good occupancy which will be sufficient to meet the NMC requirements.

7.2.6 Equipment

The NMC Regulations call for a minimum requirement of equipment that must be available in the college and the hospital. These equipment requirements have been listed out department wise. Detailed schedule of equipment required for various departments in the teaching hospital and medical college is provided in the Annexures.

District Hospital of Vijayapura is adequately equipped in the departments of Radiology, Laboratory, Blood Bank, CSSD and SNCU. Details of the equipment available in the District Hospital and MCH hospital are as follows:

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
 Vijayapura – Final Feasibility Report

Total Number of Equipment’s at MCH Hospital: 148 Nos

Sl. No.	Equipment Name	Quantity
1	Ventilator’s	05
2	Multipara Monitors	25
3	CPAP Machine	06
4	HFNC	10

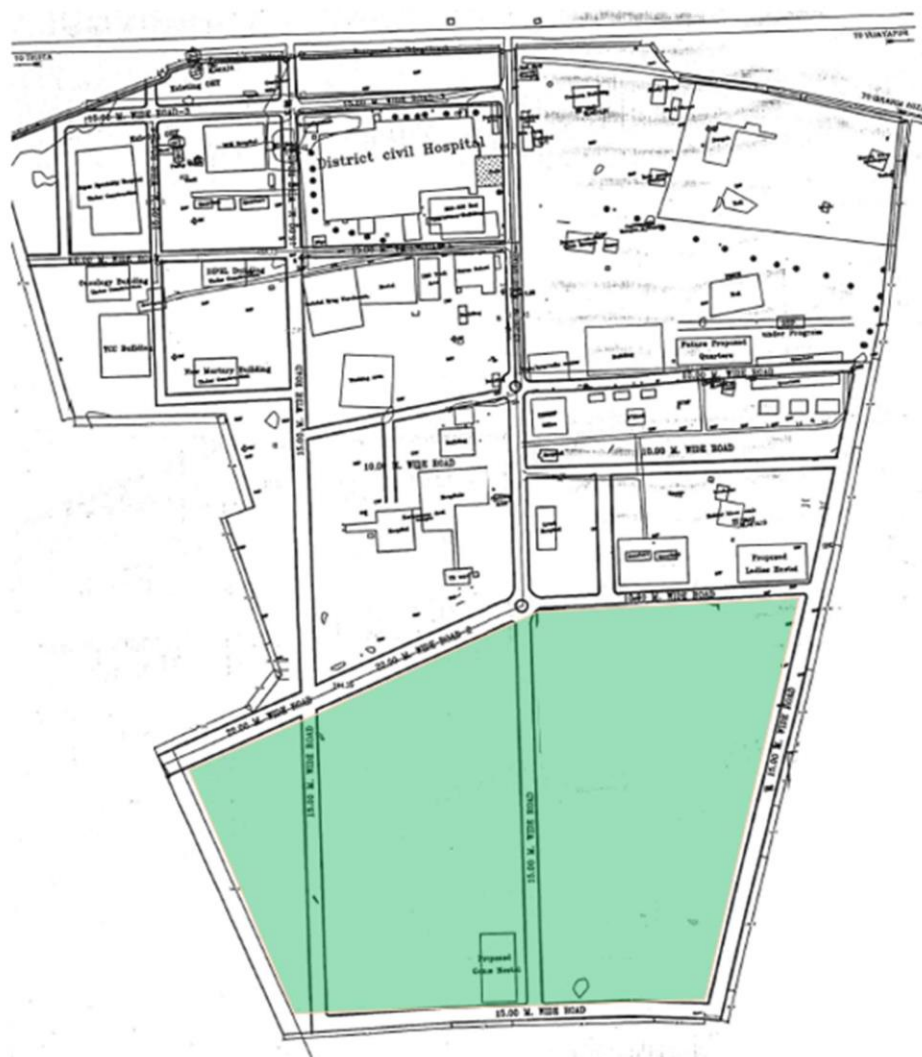
Total Number of Equipment’s At District Hospital: 303 Nos

Sl. No.	Equipment Name	Quantity
1	Ventilator’s	43
2	Multipara Monitors	90
3	X-ray Machines	06
4	Cr Systems	03
5	X-ray Printers	03
6	Tables	07
7	Horizontal Autoclave	02
8	Operation Theater Lights	10
9	Lab Equipment’s	65
10	Blood Bank Equipment’s	60
11	High-Flow Nasal Cannula	15

8 Augmentation Plan for Setting up Medical College at Vijayapura District Hospital

8.1 Land

The Vijayapura District Hospital campus is spread across land measuring ~ 149 acres. The land parcel has good internal and external connectivity through a network of metalled roads. The constructed area is ~18 acres, leaving ~131 acres of available land.



However, due to the presence of historical monuments, and the distributed nature of current buildings, the actual available land free for construction will be much lesser. Nevertheless, a portion of land measuring ~ 52 acres, highlighted in the above diagram in green, has already been identified and demarcated for the purpose of construction of medical college.

8.2 Buildings

Main Hospital Building

The current Vijayapura District Hospital is a two-storied building which has a built-up area of 17,482 sq. m and which houses ~626 beds. On preliminary visual inspection, the building appeared to be in good condition.

Attached to this building a new wing that can accommodate 250 beds is being constructed. This will be a six-storied building with a built up area of 10,589 sq. m. This building is expected to be completed in the next six months.

MCH Building

The MCH Building is a three-storied building over a built area of 7,411 sq. m.

Here too, a new wing that can accommodate is being constructed. This is scheduled to be completed in the next six months.

Trauma and Orthopedic Centre

A newly constructed Trauma and Orthopedic Centre is soon to be operationalized at Vijayapura District Hospital. This is a two-storied building with a built up area of 4,772 sq. m.

Other Buildings

There are several other buildings that are already existing and that are being constructed on the premises. The most prominent of these is the upcoming Super Specialty Hospital with Oncology Block which is planned over 12,448 sq. m.

Other buildings also include several staff quarters, ANM Training Centre, Blood Bank, Ayush Wing, hostels, canteen etc. These are distributed across the land parcel.

Post operationalization of the under construction buildings, Vijayapura District Hospital will have a bed strength of ~ 1092 beds which will be sufficient to meet the NMC regulations. For 150 MBBS annual intake, the NMC regulations require that the attached district hospital have a bed strength of 330 during the time of application for Letter of Permission and a bed strength of ~750 by the time of Recognition. Hence, no further augmentation towards the Teaching Hospital is envisaged other than minor landscaping and a few miscellaneous minor structures.

The NMC Regulations have provided specifications regarding the facilities that must be provided and the infrastructural requirements that must be met. The same has been detailed in the section on Concept Plan for Medical College. Based on the NMC regulations and based on analysis by the Consultant, the medical college building will need a built up area of around 12,827 sq. m. The residential facilities for the students, the faculty and the staff will also need to be constructed on the campus. The residential facilities is expected to require a built up area of 25,490 sq. m. Further built up area of 9,976 sq. m for miscellaneous facilities have also been accounted for.

These buildings and infrastructural facilities will have to be designed and constructed by the Concessionaire, on the basis of available land, according to the applicable local building bye-laws, and according to the requirements specified by the NMC Regulations.

The main buildings in Vijayapura District Hospital and the built-up area of these buildings is provided in the table given below:

SN	Building	BUA (sq. m)	Comments
1	Main Hospital Building	17,482	
2	MCH Block	7,411	
3	New Block of 250 beds	10,589	Under Construction. Completion in next 6 months
4	New MCH Wing (50 beds)	964	Under Construction. Completion in next 6 months
5	Super Specialty Hospital	12,488	Under Construction. Completion in next 6 months
6	Trauma and Orthopedic Centre	4,772	Construction Completed.
7	Oncology Block	1,150	Under Construction. Completion in next 6 months
8	Ayush Wing	1,884	
9	TB Ward Block	3,238	
10	Nurse Training School	815	
11	Drug Warehouse	758	

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Additional built area required for providing necessary infrastructure and facilities as per NMC norms is available in the below table:

Infrastructure	Total Built Area to be fulfilled by the Concessionaire
Medical College	12,827
Misc. Facilities	9,976
Residential Facilities	25,490
Augmentation of Teaching Hospital	-
Total	48,293

Note: Detailed built area requirements based on NMC norms is provided in Annexure 3

8.3 Project Implementation Options

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
Option 1	Existing medical colleges with aspiration to augment the number of seats can utilize the District Hospital for clinical training of additional students	Government	Government	Government- Existing hospital staff to be retained and continues to be in the payroll of Government Medical units to be provided by Private Concessionaire	N/A	Majority of O&M is borne by Government though this varies from case to case	Private	Government will have no control over Medical College operations except through NMC regulation Hospital operations & service levels will remain the same Will lead to overstaffing since the existing staff of the District hospital will not be counted towards NMC requirements. This is especially significant considering that the minimum staffing requirements prescribed in the NMC is sufficient to	No	Clinical Fee or Fee per Bed per month for beds to be utilized for medical college affiliation In West Bengal, where a similar model is operational, fee varies from INR 15,000 per bed per month in Corporation area to about INR 10,000 per bed per month in sub-urban areas Mangalore District Hospital, where Kasturba Medical College works on a partnership mode with the hospital, a Clinical Fee of

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
								operate both the hospital and the medical college Authority will have no control over the fee for Medical College except through NMC regulations		Rs 50000 is paid by KMC
Option 2	Existing medical colleges with aspiration to augment the number of seats can utilize the District Hospital for clinical training of additional students	Private	Private	Private Existing staff to be withdrawn/ transferred to other Govt. hospitals	Private	Private Beds attached to the Medical College + 20% of additional beds are to be designated as free beds All other beds are paid beds	Private	Government will have administrative oversight over the hospital through the members of the Hospital Management Committee and select staff (Chief Medical Officer & Chief Casualty Officer to be on the rolls of the Govt.) At the end of the Concession period the Medical college will continue to	Yes	Option between Grant to be paid by the Government and Premium to be paid by the Concessionaire Mandatory revenue share on District Hospital Revenues

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
								remain with Private Sector Authority will have no control over the fee for Medical College except through NMC regulations At the end of Concession Period the augmented District Hospital comes back to the Authority		
Option 3	Private players with aspiration to set-up medical colleges can construct the medical college buildings and utilize the district hospital as their teaching hospital	Private	Private	Private Existing staff to be withdrawn/ transferred to other Govt. hospitals	Private	Beds attached to the Medical College + 20% of additional beds are to be designated as free beds All other beds are paid beds	Private	Government will have administrative oversight over the hospital through the members of the Hospital Management Committee and select staff (Chief Medical Officer & Chief Casualty Officer to be on the rolls of the Govt.)	Yes	Option between Grant to be paid by the Government and Premium to be paid by the Concessionaire Mandatory revenue share on District Hospital Revenues

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
								At the end of the Concession period the Medical college will continue to remain with Private Sector Authority will have no control over the fee for Medical College except through NMC regulations At the end of Concession Period the augmented District Hospital comes back to the Authority		
Option 4	Government aspires to augment district hospital capacity and service levels and procures additional land for augmentation of district	Private	Private	Private Existing staff to be withdrawn/ transferred to other Govt. hospitals	Private	Private Beds attached to the Medical College + 20% of additional beds are to be designated as free beds All other beds are paid beds	Government On a long lease to the private	Government will have administrative oversight over the hospital through the members of the Hospital Management Committee and select staff (Chief Medical	Yes	Option between Grant to be paid by the Government and Premium to be paid by the Concessionaire Mandatory revenue share

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
	hospital and for setting up of medical college							Officer & Chief Casualty Officer to be on the rolls of the Govt.) Medical college will continue to remain with the Private Sector after the end of the Concession Period with land on lease basis Authority will have no control over operations or the fee for Medical College except through NMC regulations At the end of Concession Period the augmented District Hospital comes back to the Authority		on District Hospital Revenues
Option 5	Government aspires to	Private	Private	Private	Private	Government	Government	30% of Total Seats reserved	Yes. This is a variation on	Nominal Concession

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
	augment district hospital capacity and service levels and procures additional land for augmentation of district hospital and setting up of medical college			Existing staff to be withdrawn/ transferred to other Govt. hospitals or retained as per choice of Authority.			On a long lease to the private	for NRI Students. Remaining Seats distributed between Govt and Private seats, with a minimum seat share of 21% to Govt Government will have administrative oversight over the hospital through the members of the Hospital Management Committee and select staff (Chief Medical Officer & Chief Casualty Officer to be on the rolls of the Govt.) Authority will have oversight over the operations of the medical college and also will have direct control	the NITI Aayog's MCA project term, recommended by the Consultant	Fee for the district hospital facilities Nominal lease rent for the land on lease for the medical college & branded hospital Mandatory seat share to the Authority (bidding parameter) subject to a minimum of 21%. The fee to be charged for seats shared with the Authority should be less than or equivalent to the fee charged by BMCRI

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
								over the fee of the Medical College At the end of the Concession Period the augmented District Hospital along with the Medical College comes back to the Authority. The Authority may decide to bring in another concessionaire to operate the medical college or the Authority may decide to run the Medical College as a Government Medical College		
Option 6	Government aspires to augment district hospital capacity and service levels and procures	Private	Private	Private Existing staff to be withdrawn/ transferred to other Govt. hospitals or retained as per	Private	Private All beds of the district hospital (existing and newly added by the Concessionaire) to be utilized	Government On a long lease to the private	The Concessionaire may fill seats at the medical college as per the existing seat matrix of the state	Yes	Option between Grant to be paid by the Government and Premium to be paid by

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
	additional land for augmentation of district hospital and setting up of medical college			choice of Authority.		for clinical training and to be designated as free beds		government with 20% seats reserved for NRIs and others. Government will have administrative oversight over the hospital through the members of the Hospital Management Committee and select staff (Chief Medical Officer & Chief Casualty Officer to be on the rolls of the Govt.) At the end of the Concession Period the augmented District Hospital along with the Medical College comes back to the Authority. The Authority may decide to bring in another		the Concessionaire

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Implementation Option	Preface	Administrative Control of the Hospital	Financial Control of the Hospital	Human Resource Control of the Hospital	Hospital Augmentation	Hospital O&M	Land for Medical College	Other Implications	Model recognized in NITI Aayog's Model Documents	Consideration
								concessionaire to operate the medical college or the Authority may decide to run the Medical College as a Government Medical College		

Option 5 may be considered for implementation of the Project due to reasons given below:

1. Authority will have supervisory/ oversight rights over the medical college construction & operations
2. Authority will have direct control over the fee charged in the Medical College for government quota i.e. 40% leading to affordable medical education in the state
3. The District Teaching Hospital will continue to operate as a government hospital, so there will be no need to remove current staff or make
4. At the end of Concession Period, Medical College comes back to the Authority. The Authority may decide to bring in another concessionaire to operate the medical college or the Authority may decide to run the Medical College as a Government Medical College thus leading to increase in affordable medical seats in Karnataka
5. To operate the medical college or the Authority may decide to run the Medical College as a Government Medical College thus leading to increase in affordable medical seats in Karnataka. Karnataka, being a front-runner in medical education, already has 64 operational medical colleges (at least 1 medical college in each district); hence, the probability of getting VGF from DEA is very low. In addition, the lead-time in practice to secure VGF from DEA is around 12 months, which will eventually delay the commencement of bidding process.

9 Financial Analysis

9.1 Project Cost Estimates

9.1.1 Teaching Hospital Augmentation

The augmentation of the District Hospital for its conversion to a teaching hospital is estimated to cost around **Rs. 29.21 Crores.**

Description	Area (Sq. m)	Unit Rate	Total Amount (Rs. Cr)
Site Development		1,200.00	-
Retro Fitting of Old Structures	-	12,000.00	-
Additional Buildings	-	23,680.58	-
Landscaping & Beautification	1,96,272.52	250.00	4.91
Other Misc. Structures	4,988.00	23,680.58	11.81
Interiors & Furniture	4,988.00	5,000.00	2.49
Equipment & Machinery	Departmental and for facility management		5.00
Other Misc. Cost			5.00
Sub-Total: Teaching Hospital			29.21

9.1.2 Medical College

The construction of the medical college, including the administration block and residential facilities, is estimated to cost around **Rs. 184.71 Crores.**

Description	Area (Sq. m)	Unit Rate	Total Amount (Rs. Cr)
Site Development – Demolition, Excavation etc.	2,10,436.51	1,200.00	25.25
Medical College incl. Admin block	12,827.00	23,680.58	30.38
Residential Block	25,490.00	23,680.58	60.36
Landscaping, Streetscaping & Parking	2,10,436.51	250.00	5.26
Other Misc. Structures	4,988.00	23,680.58	11.81
Interiors & Furniture	43,305.00	5,000.00	21.65
Equipment & Machinery	Departmental and for facility management		20
Communication and IT			5
Misc. Cost			5
Sub-Total: Teaching Block & Admin			184.71

9.1.3 Total Project Cost

The total project cost, which includes the augmentation for conversion of the District Hospital to a Teaching Hospital and construction of the medical college with residential and administrative blocks, is estimated at **Rs 262.19 Crores**.

Particulars	TPC in Rs. Crore
Conversion of District Hospital in to a Teaching Hospital (750 beds)	29.2
Teaching Block + Admin Block + Boarding Facilities	184.7
Preoperative & Preliminary Expenses	24.60
IDC	23.66
Total Project	262.19

9.2 Feasibility Assessment

The timeline assumptions that were taken are as given in the following table. Construction period has been taken as two years. Project term has been considered at 66 years, that is the concession period of 66 years.

Lead Time for Project Commencement (months)	6
Lead Time for Project Commencement (years)	0.5
Total Construction Period (years)	2
Months per Period	12
Project Term in years	66.00
Project Term in Months	792

9.2.1 Revenue Assumptions

The project shall be financed by the concessionaire through a single revenue stream—tuition fees paid by students of the medical college. The primary source of revenue will be the fees collected across three categories: Government Quota, Private Quota, and NRI/Management Quota. The revenues from Private and NRI/Management Quotas are tentative and estimated based on benchmarking with similar institutions. Government Quota fees are determined as per the guidelines issued by the department. Key assumptions are mentioned in the following table.

Medical College	
Student intake per batch (Nos)	150

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

Govt. Quota (Rs.)	40%	80,000
Private Quota (Rs.)	40%	16,00,000
NRI & Other Quota	20%	35,00,000
Total Fees for 150 students for 5 years		1,02,90,00,000

The actual student's strength and annual ramp up have been considered based on the admission process of the medical college for consecutive years.

9.2.2 Expense Assumptions

Medical College Expense Assumptions

The estimate for expenses on manpower of the medical college is as given.

Manpower	Number of Staff	Average Cost Rs/month	Total Cost per Annum Rs. Crore
Professor	24	225,000	6.48
Associate Professor	40	160,000	7.68
Assistant Professor	59	120,000	8.50
Tutor/Demonstrator/Sr. Res	79	90,000	8.53
Administration Staff	70	18,000	1.51
Other Staff	350	12,000	5.04
Total	622		37.74

The cost assumptions concerning power consumption are as provided in the given table.

Power Consumed			
Teaching Block			
Power consumed per unit area	180	kWh/sq. m/annum	
Total Area of the Teaching Block	12,827	sq. m	
Total Power consumed per annum	2,308,860	kWh/annum	
Unit Rate	8.55	Rs/kWh	
Annual cost of power- teaching block	1.97	Rs. Crore	
Residential Facilities			
Power consumed per unit area	65	kWh/sq. m/annum	
Total Area of the Residential Facilities	25,490	sq. m	
Total Power consumed per annum	1,656,850	kWh/annum	
Unit Rate	8.55	Rs/kWh	
Annual cost of power- teaching block	1.42	Rs. Crore	

The cost assumptions concerning water consumption are as provided in the table.

Water Consumed

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

Total Number of Consumers	1273	
Total Number of residents	925	
Total Number of non-residents	348	
Water consumption per day		
<i>Residents</i>	135	LPCD
<i>Non-residents</i>	50	LPCD
Total Water Consumed per annum	42687.6	KL
Water Tariff	90.00	Rs./KL
Total Cost of Water- Medical College	0.38	Rs. Crore

The assumptions regarding medical consumables are as given below.

Consumables		
Total Number of Students (including interns)	900	
Consumables	25,000	Rs. per student PA
Total of consumables	2.25	Rs. Crore

The administration and general expenses have been estimated as per the given table.

Admin & General		
Total Number of Students (including interns)	900	
Admin & General	30,000	Rs. per student PA
Total Admin & General	2.70	Rs. Crore
Other Misc. Expenses	5%	of all other expenses

The cost on stipends for Under-Graduate Interns have been estimated as given in the table.

Stipend for UG Interns		
Number of Interns	150	
Stipend per intern	20,000	
Total Stipend Paid	3.60	Rs. Cr.

Other Assumptions

The assumptions concerning expenses for repair and maintenance are as given below.

R&M		
<i>Civil</i>	2.00%	of CAPEX pa
<i>Equipment</i>	5.00%	of CAPEX pa
<i>Civil Component in CAPEX</i>	65.00%	
<i>Equipment Components in CAPEX</i>	35.00%	
<i>Fixed</i>	25.00%	
<i>Variable</i>	75.00%	

The assumptions towards soft costs are as given below.

Master Planning	1.00%
Building Architecture & Landscaping	1.00%
Supervision & PMC	1.00%
General, Admin & Establishment Cost	1.00%
Working Capital & Margin	5.00%
Processing & Funding expense for Raising Capital	0.50%
Contingency	2.00%
Total Other Costs	11.5%

The assumption of Hostel blocks: 50% of hostel fees

The cost and price escalation assumptions are as given below.

Cost Escalation	5% p.a.
Price Escalation	5% p.a.

Investment and Financing Assumptions

The investment and financing assumptions have been summarized in the following table.

Corporate Tax	
Corporate Tax	25%
MAT	16%
Financing Assumptions	
Incremental Financing (Cashless funding)	
Debt	70.00%
Equity	30.00%
Remaining Project to be Financed through project accruals	
Interest Rate	11.00%
Repayment Period	10.00
Moratorium	2
Periods per Tranche	2

9.2.3 Financial Feasibility

A financial analysis for the proposed project has been conducted under two scenarios, based on a 66- year concession period. Using the assumptions outlined in the previous sections, a financial feasibility analysis was also carried out. For this analysis first viability is calculated as per Niti ayog model i.e. the

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

concessionaire will have responsibility to refurbish the district hospital and construct the new medical college and run both for 66 years of concession period.

The project is viable with 40% viability gap funding (as equity support) and a seat-sharing arrangement: 40% government seats at ₹80,000 annually, 40% private seats above ₹25 lakhs, and 20% NRI/management quota seats above ₹35 lakhs.

In the second case, where the concessionaire will construct the hospital and authority takes over operations of the teaching district hospital post-construction, the project remains viable without viability gap funding, with 40% government seats at ₹80,000 fees, 40% private seats with fees above ₹16 lakhs, and 20% NRI & management quota seats with fees above ₹35 lakhs.

The outcome of the feasibility analysis has been summarized below.

Project results with Government Seat share of 40%, private share 40% and 20% Management / NRI quota

Results	Fees structure
Govt. Quota fees	80,000
Private Quota fees	16,00,000
Management/ NRI Quota fees	35,00,000
Project NPV (INR Cr.)	222.95
Project IRR	13.89%
Equity NPV (INR Cr.)	8.45
Equity IRR	15.39%

10 Project Structuring

On the basis of analysis of various project structuring options, the Consultant has assessed a project structure, which involves a development mix which involves the private sector developing, operating and maintaining the Medical College, and the support infrastructure such as accommodations for students, faculty, staff etc. The following will be the project components:

1. The District Hospital (Teaching Hospital)
2. Medical College
3. Support infrastructure such as hostels for medical students, accommodations for faculty etc.

Proposed Project Terms

The proposed project terms relating to the various project components are a mix of recommendations as per the NITI Model Documents and recommendations of the Consultant to suit the requirement of this particular project location, i.e., Vijayapura. The major deviations from the NITI recommended project terms have been summarized in the following table.

SN	Project Terms	NITI Model Document	Recommended
1	Concession Period	60 years	66 years which can be extended by another 33 years
2	Bidding Process	No scoring of technical capacity	Bidders to be scored on technical capacity and to cross the minimum threshold of 75 marks
3	Ownership of Medical College on termination or end of concession period	Transfers to private	Transfers to Authority who can invite a fresh concessionaire or convert the medical college to a government medical college
4	Revenue Share	NITI Model Documents provide an option of levying a revenue share on the revenues of the District Hospital	The option for revenue share has not been retained
5	Upfront Premium	NITI Model Documents provide an option of Upfront Premium that will be payable by the Concessionaire to the Authority. This Upfront Premium will be considered part of the Premium.	The option of Upfront Premium has not been retained.

11 Risk Analysis

No.	Risk Category	Risk Description & Consequences	Mitigation Measures
1.	Site Risks	Site risks include availability of right-of-way for development activities, subsurface risks, encumbrances at the site, title deeds, land use changes etc.	Since the project site is already clearly demarcated with boundary wall, Authority may grant the necessary approvals, wherever applicable, to the private partner(s) to develop, operate and manage various activities as per his proposal.
2.	Approvals	These risks are associated with delay in obtaining approvals by the private entity for conducting its development activities at the site and for operating the project as per the approved plan.	Wherever applicable, the private partner will be responsible to obtain the necessary approvals from concerned authorities. The private partner is also to ensure that from the project development stage itself the various applicable regulations are adhered to. DME will provide assistance in obtaining approvals which fall under the ambit of the state government.
3.	Time and Cost Overruns	There is always a possibility that the design, procurement, construction and commissioning of the facilities required for the Project may be delayed for various reasons. Delays in construction costs huge amounts in contract variations and other costs	The private partner shall be responsible for timely completion of the construction works. The Private Partner shall mitigate time and cost risks by appropriately allocating such risks to appropriate subcontractors
4.	Financing risk	This is associated with ability of the Concessionaire in achieving Financial Closure for construction of the proposed development. It also involves risk associated with default/delay by the Sponsor to infuse required/committed amount of funds for construction /	The private partner shall bear the development risk and associated financing risk. Risks associated with financing are largely dependent on the private partner's balance sheet strength, project related experience and market factors.

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

		development activities as per the approved project development plan.	
5.	Market Risks	This covers risks associated with lower than estimated revenue streams, higher operational costs, pilferage of revenues, lower than estimated demand etc.	The private partner will bear the market risks and associated revenue and expenses risks.
6.	Policy Risks	This cover risks associated with changes in policy concerning the various policy components and regulatory stakeholders.	The private partner must be cognizant of the risk of policy change and factor for the same.

12 Annexures

12.1 Infrastructure Requirement for 150 MBBS Annual Intake

S.No.	Infrastructural facilities			LOP (1st Batch)	Ist Renewal (2 nd Batch)	IIInd Renewal (3 rd Batch)	IIIrd Renewal (4 th Batch)	IVth Renewal (5 th Batch)	Recognition
1	Lecture Theatre* [College building]	a) Number		2	2	3	3	4	4
		b) Capacity		180	180	180	180	180	180
2	Practical Laboratories	In College		3	8	8	8	8	8
3	Teaching Rooms	Capacity @ 25 students		2	4	4	4	4	4
		Capacity @ 50 students		1	4	4	4	4	4
4	Central Library	e) Area (sq. m)		1000	1000	1000	1000	1000	1000
		f) Seating Capacity		300	300	300	300	300	300
		g) Books		3000	3000	4500	4500	4500	4500
		h) Journals		30	40	45	45	45	45
5	Hostels	a) students @75%		110	225	330	450	550	675
		b) Interns @75%							110
6	Bed Distribution								
A	Medicine & Allied	a) Gen. Medicine	Beds	78	The beds should be increased proportionately between LOP and III Renewal		130		130
			Units	3			5		5
		b) Pediatrics	Beds	24			75		75
			Units	1			3		3
		c) Respiratory Medicine	Beds	10			20		20
			Units	1			1		1
		d) Dermatology	Beds	10			10		10
			Units	1			1		1
		e) Psychiatry	Beds	10			20		20

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

			Units	1				
		Total	Beds	132		1		1
			Units	7		255		255
7	Surgery & Allied	a) Gen. Surgery	Beds	78		11		11
			Units	3		130		130
		b) Orthopedics	Beds	25		5		5
			Units	1		75		75
		c) Ophthalmology	Beds	10		3		3
			Units	1		20		20
		d) ENT	Beds	10		2		2
			Units	1		20		20
		Total	Beds	123		2		2
			Units	6		245		245
8	Obstetrics & Gynecology	a) OBG & ANC	Beds	25		12		12
			Units	1		50		50
		b) Gynecology	Beds	20		2		2
			Units	1		50		50
		Total	Beds	45		2		2
			Units	2		100		100
9	Emergency Medicine		Beds	30		4		4
			Units	1		30		30
			Beds	330		1		1
			Units	16		630		630
						28		28
10	OPD (patients/day)		600	600	750	900	1200	1200
11	Bed Occupancy (%)		1	60%	60%	75%	75%	75%
12	OTs	a) Major OT	4	5	7	9	9	9
		b) Minor OT	Every surgical specialty shall have at least one well equipped Minor OT attached to it					
13	ICUs	ICCU	10	10	10	10	10	10
		ICU	10	10	10	10	10	10
		Surgical ICU	10	10	10	10	10	10
		PICU	10	10	10	10	10	10

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

		NICU	10	10	10	10	10	10
		Obstetric HDU/ICU	10	10	10	10	10	10
14	Radio-diagnosis	a) Static unit – at least 2 ≥ 500mA (DR/CR system)	2	2	2	4	4	4
		b) Mobile unit ≥60 mA	2	2	2	4	4	4
		c) USG (with Color Doppler)	2	2	2	3	3	3
		d) CT Scan(≥ 16 slice- spiral)	-	-	1	1	1	1
15	Rural Health Training Centre:	Every medical college shall have one Rural Health Training Center affiliated to it from 2 nd batch (1 st Renewal) onwards (as specified in the regulations)						
16	Urban Health Training Centre	Every medical college shall have one Urban Health Training Center affiliated to it from 2 nd batch (1 st Renewal) onwards (as specified in the regulations)						
17	Paramedical Staff		100	100	100	162	182	182
18	Nursing Staff	Nursing Superintendent	1	1	1	1	1	1
		Deputy NS	2	2	2	3	5	5
		Assistant NS	4	4	4	6	12	12
		Sisters	27	27	27	31	45	45
		Staff Nurse	141	141	141	223	372	372
		Total	175	175	175	264	435	435

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

12.2 Manpower Requirement for 150 MBBS Annual Intake

Department	Designation	Recognition	LOP (1st Batch)	Ist Renewal (2 nd Batch)	IInd Renewal (3 rd Batch)	IIIRD Renewal (4 th Batch)	IVth Renewal (5 th Batch)
Anatomy	Professor	1	1	1	1	1	1
	Associate Professor	1	1	1	1	1	1
	Assistant Professor	3	3	3	3	3	3
	Tutor/Demonstrator/Sr. Res	5	5	5	5	5	5
	Technician	1					
	Dissection Hall Attendants	4					
	Store Keeper cum Clerk-cum Computer Operator	1					
	Sweepers	2					
Physiology	Professor	1	1	1	1	1	1
	Associate Professor	1	1	1	1	1	1
	Assistant Professor	3	3	3	3	3	3
	Tutor/Demonstrator/Sr. Res	3	3	3	3	3	3
	Technician	1					
	Store Keeper cum Clerk-cum Computer Operator	1					
	Sweepers	2					
Biochemistry	Professor	1	1	1	1	1	1
	Associate Professor	1	1	1	1	1	1
	Assistant Professor	2	2	2	2	2	2
	Tutor/Demonstrator/Sr. Res	4	4	4	4	4	4
	Technician	2					
	Store Keeper cum Clerk-cum Computer Operator	1					
	Sweepers	2					

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

	Lab Attendant	1					
Pharmacology	Professor	1	0	1	1	1	1
	Associate Professor	2	1	2	2	2	2
	Assistant Professor	3	0	3	3	3	3
	Tutor/Demonstrator/Sr. Res	4	1	4	4	4	4
	Lab. Attendants	2					
	Store Keeper cum Clerk-cum Computer Operator	1					
	Sweepers	2					
Pathology	Professor	1	0	1	1	1	1
	Associate Professor	3	1	3	3	3	3
	Assistant Professor	3	1	3	3	3	3
	Tutor/Demonstrator/Sr. Res	5	1	5	5	5	5
	Technician	4					
	Lab. Attendants	2					
	Steno cum Computer Operator	1					
	Store Keeper cum Record Keeper	1					
	Sweepers	2					
Microbiology	Professor	1	0	1	1	1	1
	Associate Professor	1	1	1	1	1	1
	Assistant Professor	3	0	3	3	3	3
	Tutor/Demonstrator/Sr. Res	4	1	4	4	4	4
	Faculty/Medical Microbiologist trained in Virology	1					
	Technician	4					
	Lab. Attendants	2					
	Steno cum Computer Operator	1					
	Store Keeper cum Record Keeper	1					
	Sweepers	2					

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Forensic Medicine	Professor	1	0	1	1	1	1
	Associate Professor	1	0	1	1	1	1
	Assistant Professor	1	1	1	1	1	1
	Tutor/Demonstrator/Sr. Res	3	1	3	3	3	3
	Technician	2					
	Lab. Attendants	2					
	Steno Typist	1					
	Store Keeper cum Clerk-cum Computer Operator	1					
	Sweepers	4					
Community Medicine	Professor	1	0	1	1	1	1
	Associate Professor	2	0	2	2	2	2
	Assistant Professor	4	1	4	4	4	4
	Statistician (Tutor/Asst. Prof)	1	0	1	1	1	1
	Tutor/Demonstrator/Sr. Res	4	1	4	4	4	4
	Medical Social Worker	1					
	Technician	1					
	Stenographers	1					
	Record clerks	1					
	Store Keeper cum Clerk-cum Computer Operator	1					
	Sweepers	1					
General Medicine	Professor	1	1	1	1	1	1
	Associate Professor	4	2	2	2	4	4
	Assistant Professor	5	3	3	3	5	5
	Tutor/Demonstrator/Sr. Res	5	3	3	3	5	5
	Jr. Res	10					
Pediatrics	Professor	1	0	0	0	1	1
	Associate Professor	2	1	1	1	2	2
	Assistant Professor	3	1	1	1	3	3

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

	Tutor/Demonstrator/Sr. Res	3	1	1	1	3	3
	Jr. Res	6					
	Child Psychologist	1					
	Health Educator	1					
	Technician	1					
	Lab attendant	1					
	Store Keeper	1					
	Steno Typist	1					
	Record clerks	1					
	Social worker	1					
Dermatology	Professor	1	0	0	0	1	1
	Associate Professor	1	0	1	1	1	1
	Assistant Professor	1	1	1	1	1	1
	Tutor/Demonstrator/Sr. Res	1	1	1	1	1	1
	Jr. Res	1					
Psychiatry	Professor	1	0	0	0	1	1
	Associate Professor	1	0	1	1	1	1
	Assistant Professor	1	1	1	1	1	1
	Tutor/Demonstrator/Sr. Res	1	1	1	1	1	1
	Clinical Psychologist	1					
	Jr. Res	1					
	E.C.G. Technician	1					
	Technician	3					
	Lab. Attendants	4					
	Store Keeper	1					
	Steno	1					
	Record clerks	2					
	T.B. and Chest Diseases Health Visitors	2					
	Psychiatric Social Workers	2					
Respiratory Medicine	Professor	1	0	0	0	0	0

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

	Associate Professor	1	0	0	1	1	1
	Assistant Professor	1	1	1	1	1	1
	Tutor/Demonstrator/Sr. Res	1	1	1	1	1	1
	Jr. Res	1					
General Surgery	Professor	1	1	1	1	1	1
	Associate Professor	4	2	2	2	4	4
	Assistant Professor	5	3	3	3	5	5
	Tutor/Demonstrator/Sr. Res	5	3	3	3	5	5
	Jr. Res	1					
Orthopedics	Professor	1	0	0	0	1	1
	Assoc. Prof.	2	1	1	1	2	2
	Associate Professor	3	1	1	1	3	3
	Tutor/Demonstrator/Sr. Res	3	1	1	1	3	3
	Jr. Res	1					
	Technician	1					
	Laboratory Attendants	1					
	Store keeper	1					
	Steno	1					
	Record clerks	1					
Oto-rhino laryngology	Professor	1	0	0	0	1	1
	Associate Professor	1	0	0	0	1	1
	Assistant Professor	2	1	1	1	2	2
	Tutor/Demonstrator/Sr. Res	2	1	1	1	2	2
	Jr. Res	1					
	Technician	1					
	Laboratory Attendants	1					
	Store keeper	1					
	Steno	1					
	Record clerks	1					
	Audiometry Technician	1					

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

	Speech Therapist	1					
Ophthalmology	Professor	1	0	0	0	1	1
	Associate Professor	1	0	0	0	1	1
	Assistant Professor	2	1	1	1	2	2
	Tutor/Demonstrator/Sr. Res	2	1	1	1	2	2
	Jr. Res	1					
	Technician	1					
	Laboratory Attendants	1					
	Store keeper	1					
	Steno	1					
	Record clerks	1					
	Refractionist	1					
Obstetrics & Gynecology	Professor	1	1	1	1	1	1
	Associate Professor	3	1	1	1	3	3
	Assistant Professor	4	2	2	2	4	4
	Tutor/Demonstrator/Sr. Res	4	2	2	2	4	4
	Jr. Res	6					
	Antenatal Medical officer-cum-lecturer/ Assistant Professor	1					
	Maternity and Child Welfare Officer-cum lecturer/ Assistant Professor	1					
	Social Worker	2					
	Technician	2					
	Laboratory Attendants	2					
	Store keeper	1					
	Steno	1					
	Record clerks	1					
Anesthesiology	Professor	1	0	0	1	1	1
	Associate Professor	3	2	2	2	3	3
	Assistant Professor	5	2	2	2	5	5

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

	Tutor/Demonstrator/Sr. Res	3	2	2	2	3	3
	Jr. Res	6					
	Technician	8					
	Steno	1					
	Record clerks	1					
	Store keeper	1					
Radio diagnosis	Professor	1	0	0	1	1	1
	Associate Professor	1	1	1	1	1	1
	Assistant Professor	1	1	1	1	1	1
	Tutor/Demonstrator/Sr. Res	3	2	2	3	3	3
	Radiographic technicians	8					
	Dark room assistant	4					
	Store keeper	1					
	Steno	1					
	Record clerks	1					
Dentistry	Professor	1	0	0	0	1	1
	Associate Professor	1	0	0	1	1	1
	Assistant Professor	1	1	1	1	1	1
	Tutor/Demonstrator/Sr. Res	1	1	1	1	1	1
	Dental Technician	4					
	Store Keeper cum clerk	1					
Emergency Medicine	Professor	1	0	0	1	1	1
	Associate Professor	1	1	1	1	1	1
	Assistant Professor	1	1	1	1	1	1
	Tutor/Demonstrator/Sr. Res	9	6	6	9	9	9
	Jr. Res	1					
	Technician	1					
	Steno	1					
	Record clerks	1					
	Store keeper	1					

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Staff for rural training health center (including field work)	Medical Officers of Health Centre (at least one must be a Lady Medical Officer)	2					
	Medical Social workers	2					
	Public Health nurse	1					
	Health Assistant (Male)	1					
	Health Educator	1					
	Technician	1					
	Store keeper cum record clerk	1					
Staff for urban training health center (including field work)	Medical Officers of Health Centre (at least one must be a Lady Medical Officer)	2					
	Medical Social workers	2					
	Public Health nurse	1					
	Health Inspector	2					
	Health Educator	1					
	Technician	2					
	Store keeper cum record clerk	1					
Department of Physical Medicine and Rehabilitation	Professor	1					
	Associate Professor	1					
	Assistant Professor	1					
	Tutor/Demonstrator/Sr. Res	2					
	Physiotherapists	2					
	Occupational Therapists	2					
	Speech Therapists	1					
	Prosthetic and Orthotic Technicians	2					
	Workshop Workers	6					
	Clinical Psychologist	1					
	Medico-social Worker	1					
	Public Health Nurse/Rehabilitation Nurse	1					
	Vocational Counsellor	1					

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
Vijayapura – Final Feasibility Report

	Multi-rehabilitation Workers/(MRW)/ Technician/Therapist	4					
	Steno	1					
	Record Clerk	1					
	Store keeper	1					
	Class IV workers	4					
RADIO-THERAPY	Professor	1					
	Associate Professor	1					
	Assistant Professor	1					
	Tutor/Demonstrator/Sr. Res	2					
	Physicist	1					
	Radiotherapy technicians	2					
	Dark room assistant	1					
	Steno	1					
	Store Keeper	1					
	Record Clerk	2					

Total Teaching Staff (excl. Jr. Res.)	Professor	24	6	11	14	21	21
	Associate Professor	40	17	25	27	38	38
	Assistant Professor	59	31	42	42	57	57
	Tutor/Demonstrator/Sr. Res	79	43	58	62	75	75
	Other Technical & Non-Technical Staff	291					

Central Records Section	Medical Record Officer	1					
	Statistician	1					
	Coding Clerks	4					
	Record Clerks	6					
	Daftaries	2					
	Peons	2					

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

	Steno typist	1				
Central Animal House	Veterinary Officer	1				
	Animal Attendants	2				
	Technicians for animal operation room	1				
	Sweepers	2				
Central Library	Librarian with a degree in Library Science	1				
	Deputy Librarian	1				
	Documentarian	1				
	Cataloguer	1				
	Library Assistants	4				
	Daftaries	2				
	Peons	2				
Central Photographic cum Audiovisual unit	Photographers	1				
	Artist Modelers	5				
	Dark Room Assistant	1				
	Audiovisual Technician	1				
	Store Keeper cum Clerk	1				
	Attendant	1				
Medical Education Unit	Officer In-charge (Principal/ Dean)	1				
	Coordinator (HoD)	1				
	Faculty	6				
	Steno typist	1				
	Computer Operator	1				
	Technicians	2				

12.3 Estimate of Project Built Up Area

Description	Quantity	Unit Area (Sq. m)	Total Area (Sq. m)	Remarks
Administrative Block				
Principal/Dean’s Office	1	36	36	
Staff Room	1	54	54	
College Council Room	1	80	80	
Officer Superintendent’s Room	1	10	10	
Office	1	150	150	
Record Room	1	100	100	
Common Room – Boys	1	150	150	
Girls	1	150	150	
Cafeteria	1	300	300	
Central Library	1	2400	2,400	
Lecture Theatres	4	495	1,980	180 Seating Capacity
	1	600	600	350 Seating Capacity
Auditorium	1	1200	1,200	500-700-750-1000
Common Laboratories	6	245	1,470	
	2	110	220	
Central Research Laboratory	1	100	100	
Administrative Block			9,000	
Departments				
Anatomy				
Demonstration Room	2	60	120	Accommodate at least 75-100 Students
Dissection Hall	1	325	325	Accommodate at least 150 Students
Museum	1	200	200	Accommodate 35 students to study in the museum

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Accommodation for Staff				
Professor & Head	1	18	18	
Asso. Prof./Reader	2	15	30	
Asst. Prof./Lecturer	3	20	60	
Tutor/Demonstrators	4	15	60	
Department Office/Clerical Room	1	12	12	
Non-teaching staff room	1	12	12	
Anatomy Dept.			837	
Physiology including Bio- physics				
Demonstration Room	2	60	120	Accommodate at least 75-100
				Students
Accommodation for Staff				
Professor & Head	1	18	18	
Asso. Prof./Reader	2	15	30	
Asst. Prof./Lecturer	3	20	60	
Tutor/Demonstrators	4	15	60	
Department Office/Clerical Room	1	12	12	
Non-teaching staff room	1	12	12	
Physiology including Bio- physics			312	
Biochemistry				
Demonstration Room	1	60	60	Accommodate at least 75-100 Students
Accommodation for Staff				
Professor & Head	1	18	18	
Asso. Prof./Reader	1	15	15	
Asst. Prof./Lecturer	2	12	24	
Tutor/Demonstrators	4	15	60	
Department Office/Clerical Room	1	12	12	
Non-teaching staff room	1	12	12	
Biochemistry			201	
Pathology				

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Demonstration Room	2	60	120	Accommodate at least 75-100 Students
Museum	1	60	60	
Accommodation for Staff				
Professor & Head	1	18	18	
Asso. Prof./Reader	3	15	45	
Asst. Prof./Lecturer	4	12	48	
Tutor/Demonstrators	6	15	90	
Department Office/Clerical Room	1	12	12	
Non-teaching staff room	1	12	12	
Pathology			405	
Blood Bank	1	100	100	
Microbiology				
Service Laboratory	7	25	175	Each for Bacteriology, Serology, Virology, Parasitology, Mycology, Tuberculosis and Immunology
Museum	1	80	80	
Accommodation for Staff				
Professor & Head	1	18	18	
Asso. Prof./Reader	2	15	30	
Asst. Prof./Lecturer	2	12	24	
Tutor/Demonstrators	4	15	60	
Department Office/Clerical Room	1	12	12	
Non-teaching staff room	1	12	12	
Microbiology			411	
Pharmacology				
Demonstration Room	2	60	120	Accommodate at least 25-30 Students
Museum	1	125	125	
Accommodation for Staff				
Professor & Head	1	18	18	
Asso. Prof./Reader	2	15	30	

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Asst. Prof./Lecturer	2	12	24	
Tutor/Demonstrators	3	15	45	
Department Office/Clerical Room	1	12	12	
Non-teaching staff room	1	12	12	
Pharmacology			386	
Forensic Med. Including Toxicology				
Demonstration Room	2	60	120	Accommodate at least 75-100 Students
Autopsy Block	1	400	400	
Museum	1	175	175	
Accommodation for Staff				
Professor & Head	1	18	18	
Asso. Prof./Reader	1	15	15	
Asst. Prof./Lecturer	2	12	24	
Tutor/Demonstrators	3	15	45	
Department Office/Clerical Room	1	12	12	
Non-teaching staff room	1	12	12	
Forensic Med. Including Toxicology			821	
Community Medicine				
Museum	1	150	150	
Primary Health Centre/Rural Health Training Centre Urban Health Training Centre				
Accommodation for Staff				
Professor & Head	1	18	18	
Asso. Prof./Reader	2	15	30	
Asst. Prof./Lecturer	3	15	45	
Statistician-cum-Lecturer	1	12	12	
Epidemiologist-cum-Lecturer	1	12	12	
Tutor/Demonstrators	4	15	60	
Department Office/Clerical Room	1	12	12	
Non-teaching staff room	1	15	15	

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework
 Vijayapura – Final Feasibility Report

Community Medicine			354	
Teaching Facility- Total BuA			12,827	
Teaching Hospital				
Dean's Room	1	36	36	
Medical Superintendent's Room	1	36	36	
Hospital offices for the supportive staff	1	150	150	
Waiting space for visitors	1	450	450	
Enquiry office	1	50	50	
Reception	1	400	400	
Store Rooms	1	600	600	
Central Medical Record Section	1	250	250	
Linen Rooms	1	500	500	
Hospital & Staff Committee Room	1	80	80	
Central Lecture Theatre of Gallery Type	1	495	495	Seating capacity of 200 persons
Central Registration and Statistics Department	1	200	200	
Central Laboratories	1	150	150	
Central Casualty Department (Incl. Minor O.T.)	1	150	150	
Central Hospital Pharmacy	1	100	100	
Central Kitchen	1	200	200	
Incinerating Plant	1	40	40	
Common Facilities			3,887	
Clinical Departments- Beds (600+30 beds for 150 seats)				
Total Bed area for all clinical departments	630	7	5,513	
Clinical Departments - Indoor				
Accommodation for Nurses Duty Room	25	20	500	
Laboratory for routine examinations	25	15	375	
Examination and treatment room	25	15	375	
Ward pantry	25	15	375	
Store room for linen and other equipment	25	15	375	
Residents Doctors & Students duty room	25	20	500	

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Office for Heads of each department & Unit Heads	25	20	500	
Room for Other Unit Staff	25	20	500	
Clinical Demonstration Rooms (at least one for each department)	25	20	500	
Total for 25 Wards/12 Departments			4,000	
Operation Theatre Unit				
Waiting room for patients	11	15	165	
Preparation room	11	15	165	
Operation Theatre	11	75	825	
Post-operative recovery room	11	30	330	
Soiled Linen room	11	15	165	
Instrument Room	11	15	165	
Sterilization Room	11	15	165	
Nurses Room	11	20	220	
Surgeon's and Anesthetist's Room	22	20	440	
Assistant's Room	11	20	220	
Observation Gallery for students	11	60	660	
Store rooms	11	15	165	
Washing room	11	10	110	
Dressing up room	11	10	110	
Central Sterilization Unit	11	10	110	
Laundry	11	10	110	
Total for 11 O.T.s			4,125	
Labour Room				
Waiting room for patients	1	15	15	
Preparation room	1	15	15	
Labour Room	1	100	100	
Post-Partum Recovery Room	1	75	75	
Soiled Linen room	1	15	15	
Instrument Room	1	15	15	

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Sterilisation Room	1	15	15	
Nurses Room	1	20	20	
Surgeon's and Anesthetist's Room	1	20	20	
Assistant's Room	1	20	20	
Observation Gallery for students	1	30	30	
Store rooms	1	15	15	
Washing room	1	10	10	
Dressing up room	1	10	10	
Eclampsia Room	1	75	75	
Laundry	1	10	10	
Total for Labour Room			460	
Radio-Diagnosis				
Room for 300mA, 500mA, 800mA IITV System, Fluoroscopy System	1	36	36	
Ultrasound room	1	15	15	
Room for 60mA Mobile X-Ray System	1	15	15	
Accommodation for CT Scan	1	80	80	
System Store Room	1	15	15	
Museum	1	25	25	
Waiting Room	1	40	40	
Radio-Diagnosis			226	
Anesthesiology				
Accommodation for the Anesthesia Department in Operation Theatres				
Office for HOD & Heads of Units	1	20	20	
Accommodation for other unit staff	1	20	20	
Clinical Demonstration Rooms	1	20	20	
Anesthesiology			60	
Optional Departments				
Radiotherapy				
Tele-therapy Unit	1	100	100	
Intra-cavity Treatment room	1	50	50	

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

Endocavitary surface mould therapy room	1	50	50	
Planning Room	1	50	50	
Room for metaling treatment	1	50	50	
Record Room	1	100	100	
Medical Physics Lab.	1	50	50	
Outpatient waiting room	1	200	200	
Indoor beds	1	200	200	
Day care ward for short chemotherapy/radiotherapy	1	70	70	
Radiotherapy			920	
Physical Medicine & rehabilitation	1	1500	1,500	
Clinical Departments - Outdoor	1	7500	7,500	
Teaching Hospital- Total BuA			28,191	
Residential Quarters/Hostels				
Qtrs. @20% teaching	29	200	5,840	
Qtrs. @ 20% Non-teaching	40	100	4,000	
Nurses @ 20%	66	100	6,600	
Residents @ 100 %	115	20	2,300	
Interns @ 75 %	113	10	1,125	
Hostels @75%	563	10	5,625	
Residential Blocks- Total BuA			25,490	
TOTAL			66,508	
Add 15 % for Miscellaneous facilities			9,976	
Total BuA of the Project			76,484	

12.4 Unit Cost of District Hospitals

Unit costs (2016) of District Hospital as per National Health Systems Database accessible at www.healthconomics.pgispb.in/costing_web/										
Cost data are taken from the cost data surveys of 81 public sector facilities across six states in India: Punjab, Haryana, Tamil Nadu, Odisha, Himachal Pradesh and Kerala										
	Cost per admission (Rs.)	No. of doctors	No. of other tech staff	No. of support staff	Doctor's salary-average	Tech staff's salary-average	Support staff's salary-Average	No. of beds	No. of admissions	Capacity utilized
Inpatient Admission	3256	30	93	53	85974	40582	26767	200	24054	198
Outpatients Visits	174	30	93	53	85974	40582	26767	200	229892	198

12.5 Applicable Permits

Indicative list of permits that the Concessionaire will have to obtain is as given below.

S.No.	Licenses/Permits
1.	Building permit and completion certificate from municipality.
2.	Consent to operate from the state pollution control board under the Air (preventionand 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.

Setting up of Medical Colleges and Upgradation of District Hospitals in Karnataka under PPP Framework

Vijayapura – Final Feasibility Report

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.	Labour, 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.

FORMAT OF AGENDA NOTES FOR STATE LEVEL SINGLE WINDOW AGENCY

Sl. No.	Particulars	Information
1.	Project Description (Name of the Project, Location (State / District / Town), Administrative Department, Name of the Implementing Agency, Justification for the Public Need)	Name of the Project: Setting up Medical Colleges and Upgradation of District Hospital in Vijayapura District, Karnataka on Public Private Partnership (PPP) Mode. Administrative Department – Department of Medical Education, Government of Karnataka (Gok) Implementing Agency - Department of Medical Education, Government of Karnataka (Gok) Justification for public need – • Severe Doctor Shortage: Vijayapura, like many districts in North Karnataka, faces a shortage of trained medical professionals. This affects the availability and quality of healthcare services in rural and semi-urban areas. • Lack of Medical Education Infrastructure: Vijayapura district lacks a government-run medical college, making it difficult for aspiring students in the region—especially from low-income families—to access affordable medical education. • Underutilized District Hospital Potential: The existing district hospital has infrastructure and patient load but lacks the required facilities and standards to serve as a teaching hospital. The PPP model allows its upgrade to a 750-bed teaching hospital. • Accessibility and Equity: The project ensures seat-sharing—40% government quota at subsidized fees—offering affordable MBBS education and addressing socio-economic disparities in higher education access. • Healthcare Demand: High demand for tertiary healthcare services in Vijayapura and surrounding regions is unmet due to limited infrastructure. The project bridges this gap, offering better diagnostics, emergency care, and specialized treatments. • Economic Efficiency: Leveraging private investment reduces the financial burden on the government while accelerating infrastructure delivery and maintaining public interest through regulatory oversight.
2.	Project Structuring: Type of PPP (BOT, BOOT, BOLT, OMT etc., Concession Period, If on standard MCA,	To be undertaken on Design, Build, Finance, Operate and Transfer (DBFOT) basis. Concession Period – The concession period begins from the Appointed Date (as defined in the Concession Agreement) and lasts for 66 years, including construction and operational phases.

Sl. No.	Particulars	Information																												
3.	Viability: Estimated capital costs with break-up under major heads of expenditure. Also indicate the basis of cost estimation, phasing of investment. Broadly indicate the NPV of revenue streams with 12% discounting, viability gap funding, if required.	The estimated capital costs with break-up under major heads of expenditure with respect to indicative project facilities are as set out below: <table><tr><th>Component</th><th>Estimated Cost (₹ Crores)</th></tr><tr><td>Teaching Hospital Augmentation (750 beds)</td><td>₹29.21 Crores</td></tr><tr><td>Medical College (150 seats)</td><td>₹184.71 Crores</td></tr><tr><td>Total Project Cost</td><td>₹262.19 Crores.</td></tr></table> <table><tr><th>Category</th><th>Share</th><th>Seats (Out of 150)</th><th>Annual Fee (₹)</th><th>Revenue Type</th></tr><tr><td>Government Quota</td><td>40%</td><td>60</td><td>₹80,000</td><td>Regulated / Subsidized</td></tr><tr><td>Private Quota</td><td>40%</td><td>60</td><td>₹16 lakhs</td><td>Market-based</td></tr><tr><td>NRI / Management Quota</td><td>20%</td><td>30</td><td>₹35 lakhs</td><td>Market-based</td></tr></table>	Component	Estimated Cost (₹ Crores)	Teaching Hospital Augmentation (750 beds)	₹29.21 Crores	Medical College (150 seats)	₹184.71 Crores	Total Project Cost	₹262.19 Crores.	Category	Share	Seats (Out of 150)	Annual Fee (₹)	Revenue Type	Government Quota	40%	60	₹80,000	Regulated / Subsidized	Private Quota	40%	60	₹16 lakhs	Market-based	NRI / Management Quota	20%	30	₹35 lakhs	Market-based
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4.	Project Implementation Schedule (PIS)	<table><tr><th>Phase</th><th>Activity</th><th>Timeline from Appointed Date</th></tr><tr><td>Pre-Construction Phase</td><td>- Signing of Concession Agreement- Financial Closure- Site Handover</td><td>Within 120–180 days</td></tr><tr><td>Construction Phase</td><td>- Design & approval of drawings- Construction of Medical College & augmentation of District Hospital- Procurement of equipment</td><td>0–24 months</td></tr><tr><td>Provisional Completion</td><td>- Inspection by Independent Engineer- Issue of Provisional Completion Certificate (PCC)</td><td>By end of 24th month</td></tr><tr><td>Academic Operations Begin</td><td>- Admission of first batch of 150 MBBS students- Launch of classes and college operations</td><td>Year 3 (25th month onward)</td></tr></table>	Phase	Activity	Timeline from Appointed Date	Pre-Construction Phase	- Signing of Concession Agreement- Financial Closure- Site Handover	Within 120–180 days	Construction Phase	- Design & approval of drawings- Construction of Medical College & augmentation of District Hospital- Procurement of equipment	0–24 months	Provisional Completion	- Inspection by Independent Engineer- Issue of Provisional Completion Certificate (PCC)	By end of 24th month	Academic Operations Begin	- Admission of first batch of 150 MBBS students- Launch of classes and college operations	Year 3 (25th month onward)													
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Operation & Maintenance	- Continuous running of college and hospital under performance obligations	Years 3–66						
Transfer Phase	- Transfer of assets at end of concession period to Government	Year 66						
5.	Legislation and Guarantees sought:	There is no specific legislation mentioned or proposed for implementation of the Vijayapura Medical College PPP project. The project is being undertaken under the existing legal framework, including compliance with: - Regulations issued by the National Medical Commission (NMC) - Existing PPP policies and procedures followed by the Government of Karnataka - General framework aligned with NITI Aayog's model documents						
6.	Clearances, and Support from Govt:	All clearances and approvals shall be obtained by the Developer. However, Dept. shall assist the Developer in obtaining the same.						
7.	GOK guarantees being sought, if any:	Land Handover Guarantee Gok guarantees timely and encumbrance-free handover of land for: - Expansion of Vijayapura District Hospital - Medical College (after the concession period of 66 years Operation and Maintenance of Medical College + 33 years extendable if required then hand over to government.) As per Article 10 & 11 of the Concession Agreement, this is essential to prevent delays in construction and operation.						
8.	Criteria for short-listing:	A Single Stage bidding process is adopted for selection of a suitable bidder. The Evaluation of the Bid submitted would be carried out in the following steps: Step I: The first step (the “Prequalification Bid”) of the process involves Pre-qualification (the “Pre-qualification”) of interested parties/ consortia who submit a Bid in accordance with the provisions of this RFP (the “Bidder”, which expression shall, unless repugnant to the context, include the Members of the Consortium). Step II: The second step (the “Technical Bid”) involves evaluation of technical capacity of the pre-qualified Bidders and identification of Bidders crossing a minimum threshold of 75 marks (the “Shortlisted Bidders”). Step III: The third step of the process involves evaluation of the financial proposals (the “Financial Bid”) of the Shortlisted Bidders and						

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		awarded to the Successful Bidder who quotes Government quota Seat Share (minimum 40% share) A Bidder is required to demonstrate the following eligibility criteria (Eligibility Criteria) in terms of their experience (the ‘Technical Capacity’) and net worth and Average Annual Turnover (the ‘Financial Capacity’) as set out below: A. Financial Capacity - The bidder must have a minimum Net Worth of ₹250 Crores at the close of the preceding financial year. The Bidder’s Net Cash Accruals for the 5 (five) preceding financial years must be positive. - In case of a Consortium the combined Net Worth of those Members, who shall have an equity share of at least 26% (twenty six per cent) each in the SPV, should satisfy the above condition of eligibility; provided that each such Member shall, for a period of 2 (two) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement. B. Operational Experience - Category I: Experience of operating and managing at least 1 (one) recognized medical college, duly recognized under applicable law and regulations, for the past 5 (five) financial years preceding the Bid Due Date; and C. Technical Capacity - Bidders who qualify in the Pre-Qualification stage will be evaluated technically out of 100 marks. A minimum score of 80 is required to be shortlisted for financial bid opening: <table border="1"> <thead> <tr> <th>S.No</th><th>Technical Evaluation Parameters</th><th>Maximum Marks</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Experience in operating medical colleges (UG/PG seats)</td><td>40 marks</td></tr> <tr> <td>2.</td><td>Experience in operating hospitals (NABH-accredited beds)</td><td>20 marks</td></tr> <tr> <td>3.</td><td>Local presence in Vijayapura District</td><td>10 marks</td></tr> <tr> <td>4.</td><td>Project implementation plan & academic approach</td><td>30 marks</td></tr> <tr> <td colspan="2">Total</td><td>100 marks</td></tr> </tbody> </table>	S.No	Technical Evaluation Parameters	Maximum Marks	1.	Experience in operating medical colleges (UG/PG seats)	40 marks	2.	Experience in operating hospitals (NABH-accredited beds)	20 marks	3.	Local presence in Vijayapura District	10 marks	4.	Project implementation plan & academic approach	30 marks	Total		100 marks
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Sl. No.	Particulars	Information
9.	Comments of Secretariat to SWA:	Not Applicable

Format for State Level Single Window Agency

Sl. No.	Item	Information
1.	General	
1.1	Name of the Project	Setting up Medical Colleges and Upgradation of District Hospital in Vijayapura district, Karnataka on Public Private Partnership (PPP) Mode.
1.2	Type of PPP (BOT, BOOT, BOLT, OMT etc.)	To be undertaken on Design, Build, Finance, Operate and Transfer (DBFOT) basis
1.3	Location (State/District/Town)	Vijayapura, Karnataka
1.4	Administrative Department	Department of Medical Education, Government of Karnataka
1.5	Name of the Implementing Agency	Directorate of Medical Education (DME), Government of Karnataka
1.6	Concession Period	2 years for Augmentation of Medical Hospital and then hand it over to the authorities 66 years of Operation and Maintenance of Medical College + 33 years extendable if required then hand over to government
2.	Project Description	
2.1	Brief description of the project (200 words)	The Government of Karnataka, through the Directorate of Medical Education (DME), is undertaking a Public-Private Partnership (PPP) project to establish a 150-seat Medical College and augment the existing 626-bed Vijayapura District Hospital. The project is being implemented to address the significant need for affordable medical education and improved healthcare services in the state, in line with the National Medical Commission (NMC) norms and NITI Aayog's model guidelines. Under this project, the private partner (Concessionaire) will design, build, finance, operate, and maintain the medical college and its supporting infrastructure, including hostels, classrooms, laboratories, and administrative facilities. The attached district hospital will be upgraded to a 750-bed teaching hospital by the Concessionaire and handed back to the government after construction. The project follows a 66-year concession period and includes a seat-sharing arrangement: 40% government quota, 40% private, and 20% NRI/management quota. The initiative aims to improve access to quality medical education and healthcare, particularly in rural Karnataka. The Concessionaire will also be responsible for ensuring adherence to academic, clinical, and operational standards as outlined in the Concession Agreement. This project forms part of a broader state effort to establish medical colleges in 11 districts using the PPP model.

		<table><tr><th>Mode</th><th>Nearest Infrastructure (KM)</th></tr><tr><td>State Highway</td><td>Adjacent to (Hubli-Shimoga) State Highway</td></tr><tr><td>National Highway</td><td>20 Km from NH4</td></tr><tr><td>Rail</td><td>45 Km from Bijapur Railway Station</td></tr><tr><td>Domestic Airport</td><td>150 Km from Belagavi Airport</td></tr><tr><td>International Airport</td><td>400 Km from Bengaluru Airport</td></tr><tr><td>Electricity</td><td>11 KV supply already available till the project site (East boundary) 33 KV substation about 3Km from the project site (Nellikoppa – Bommahalli HESCOM)</td></tr><tr><td>Water supply</td><td>Pipeline for Balembida Irrigation project passes along the South Boundary of the project site.</td></tr><tr><td>Gas Infrastructure</td><td>Dabhol- Bangalore Pipeline CGD works under progress – AG&P City gas private limited</td></tr></table>	Mode	Nearest Infrastructure (KM)	State Highway	Adjacent to (Hubli-Shimoga) State Highway	National Highway	20 Km from NH4	Rail	45 Km from Bijapur Railway Station	Domestic Airport	150 Km from Belagavi Airport	International Airport	400 Km from Bengaluru Airport	Electricity	11 KV supply already available till the project site (East boundary) 33 KV substation about 3Km from the project site (Nellikoppa – Bommahalli HESCOM)	Water supply	Pipeline for Balembida Irrigation project passes along the South Boundary of the project site.	Gas Infrastructure	Dabhol- Bangalore Pipeline CGD works under progress – AG&P City gas private limited
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2.2	Justification for the project (Public Need)	Justification for public need – • Severe Doctor Shortage: Vijayapura, like many districts in North Karnataka, faces a shortage of trained medical professionals. This affects the availability and quality of healthcare services in rural and semi-urban areas. • Lack of Medical Education Infrastructure: Vijayapura district lacks a government-run medical college, making it difficult for aspiring students in the region—especially from low-income families—to access affordable medical education. • Underutilized District Hospital Potential: The existing district hospital has infrastructure and patient load but lacks the required facilities and standards to serve as a teaching hospital. The PPP model allows its upgrade to a 750-bed teaching hospital. • Accessibility and Equity: The project ensures seat-sharing—40% government quota at subsidized fees—offering affordable MBBS education and addressing socio-economic disparities in higher																		

		education access. • Healthcare Demand: High demand for tertiary healthcare services in Vijayapura and surrounding regions is unmet due to limited infrastructure. The project bridges this gap, offering better diagnostics, emergency care, and specialized treatments. • Economic Efficiency: Leveraging private investment reduces the financial burden on the government while accelerating infrastructure delivery and maintaining public interest through regulatory oversight. Supports Government Vision and Policies: Aligns with National Education Policy 2020, Ayushman Bharat, and State Health Policy, all of which aim to improve medical education access and rural health outcomes.																								
2.3	Possible alternatives, if any	Not Applicable																								
2.4	Estimated capital costs with break-up under major heads of expenditure. Also indicate the basis of cost estimation.	The estimated capital costs with break-up under major heads of expenditure with respect to indicative project facilities are as set out below: <table><tr><th>Component</th><th>Estimated Cost (₹ Crores)</th></tr><tr><td>Teaching Hospital Augmentation (750 beds)</td><td>₹29.21 Crores</td></tr><tr><td>Medical College (150 seats)</td><td>₹184.71 Crores</td></tr><tr><td>Total Project Cost</td><td>₹262.19 Crores.</td></tr></table> <table><tr><th>Category</th><th>Share</th><th>Seats (Out of 150)</th><th>Annual Fee (₹)</th></tr><tr><td>Government Quota</td><td>40%</td><td>60</td><td>₹80,000</td></tr><tr><td>Private Quota</td><td>40%</td><td>60</td><td>₹16 lakhs (avg)</td></tr><tr><td>NRI / Management Quota</td><td>20%</td><td>30</td><td>₹ 35 lakhs (avg)</td></tr></table>	Component	Estimated Cost (₹ Crores)	Teaching Hospital Augmentation (750 beds)	₹29.21 Crores	Medical College (150 seats)	₹184.71 Crores	Total Project Cost	₹262.19 Crores.	Category	Share	Seats (Out of 150)	Annual Fee (₹)	Government Quota	40%	60	₹80,000	Private Quota	40%	60	₹16 lakhs (avg)	NRI / Management Quota	20%	30	₹ 35 lakhs (avg)
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2.5	Phasing of investment	The project is proposed to be developed in single phase																								
2.6	Project Implementation Schedule (PIS)	The concession period begins from the Appointed Date (as defined in the Concession Agreement) and lasts for 66 years, including construction and operational phases. And can be extended up to 33 years if needed. 2 years for Augmentation of Medical Hospital and then hand it over to the																								

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3.	Financing Arrangements																								
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3.2	Broadly Indicate the revenue streams of the Project (annual flows over project life). Also indicate the underlying assumptions.	<table><tr><th>Category</th><th>Share</th><th>Seats (Out of 150)</th><th>Annual Fee (₹)</th></tr><tr><td>Government Quota</td><td>40%</td><td>60</td><td>₹80,000</td></tr><tr><td>Private Quota</td><td>40%</td><td>60</td><td>₹16 lakhs</td></tr></table>				Category	Share	Seats (Out of 150)	Annual Fee (₹)	Government Quota	40%	60	₹80,000	Private Quota	40%	60	₹16 lakhs								
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3	NRI / Management Quota	₹35 lakhs												
3.3	Broadly Indicate the NPV of revenue streams	NPV of revenue streams = 222.95 (INR Cr.)												
3.4	Who will fix the tariff/ user charges? Please specify in detail.	District Hospital: Government of Karnataka / Authority Medical College: Managed by the Developer												
3.5	Have any FIs been approached? If yes, their response may be indicated	No. Arranging finances for the Project would be the scope of the Developer.												
4.	IRR	13.89 %												
4.1	Economic IRR (if computed)	Has not been computed												
4.2	Financial IRR, indicating various assumptions (attach separate sheet if necessary)	The Project financial IRR is set out in the table below: The assumptions for financial feasibility are based on the detailed demand and market assessment. The analysis of various possible scenarios and their impact on the project profitability have also been presented in the annexure. <table><tr><td>Equity IRR</td><td>15.39%</td></tr><tr><td>Equity NPV</td><td>8.45 (INR Cr.)</td></tr><tr><td>Project IRR</td><td>13.89%</td></tr><tr><td>Project NPV</td><td>222.95 (INR Cr.)</td></tr></table>	Equity IRR	15.39%	Equity NPV	8.45 (INR Cr.)	Project IRR	13.89%	Project NPV	222.95 (INR Cr.)				
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5.	Clearances	The Concessionaire is responsible for procuring all required statutory approvals unless specifically stated otherwise.												
5.1	Status of environmental clearances	Not Applicable												
5.2	Clearance required From the State Government and other local bodies	Not Applicable												

5.3	Other support required from the State Government	Not Applicable
6.	Gok Support	
6.1	Viability Gap Funding, if required	Viability Gap Funding (VGF) of 40% as equity support is recommended under one financial model to make the project viable. This model assumes the following seat-fee structure: • 40% Government quota seats at ₹80,000 per annum • 40% Private quota seats at ₹16 lakhs per annum • 20% NRI/Management quota seats at ₹35 lakhs per annum.
6.2	GOK guarantees being sought, if any	There are no sovereign or financial guarantees sought from GoK under the Concession Agreement. The state's role is limited to facilitation, regulatory support, and possible provision of VGF if required.
7	Concession Agreement	
7.1	Is the Concession Agreement based on MCA? If yes, indicate the variations, if any, in a detailed note (to be attached)	Yes according to the NITI Aayog
7.2	Details of Concession Agreement (Attached at Appendix-A)	Duly filled in Appendix D is attached
8.	Criteria for short-listing	
8.1	Is short-listing to be in one stage or two stages?	Shortlisting is carried out in one integrated stage within a single-stage bidding process, not in two independent stages. Envelope 1 – Prequalification (PQ) : The shortlisting process for the Vijayapura Medical College PPP Project is conducted through a single-stage, three-envelope bidding process. In this process, the first envelope contains the Prequalification (PQ) documents, where the bidder's legal, financial, and technical eligibility is assessed. Only those bidders who meet the minimum eligibility criteria—including a net worth of ₹250 crores and the required operations experience—are allowed to proceed to the next stage. Envelope 2 – Technical Bid: The second envelope contains the Technical Bid, which is evaluated based on predefined scoring criteria, including the bidder's experience in running medical colleges and hospitals, local presence, and the quality of the proposed project plan. To qualify for shortlisting, a bidder must score at least 75 out of 100 marks in the

		technical evaluation. Envelope 3 – Financial Bid: Only those bidders who are both prequalified and technically shortlisted are considered eligible for the financial bid opening, which is submitted in the third envelope. The final selection is based on the bidder who offers the highest percentage of MBBS seats under the Government quota (minimum 40%). Shortlisting Happens at the End of the Technical Evaluation: • Bidders must first pass Prequalification (Envelope 1). • Then they are evaluated technically (Envelope 2). Only bidders scoring ≥ 80 marks in the technical stage are shortlisted for the financial bid opening.
8.2	Indicate the criteria for short-listing (attach separate sheet if necessary)	Short-listing of bidders is conducted through a single-stage, three-envelope process and involves two key levels of evaluation: Pre-Qualification and Technical Evaluation. The criteria are as follows: Financial Capacity • The bidder must have a minimum Net Worth of ₹250 Crores at the close of the preceding financial year. The Bidder's Net Cash Accruals for the 5 (five) preceding financial years must be positive. • In case of a Consortium the combined Net Worth of those Members, who shall have an equity share of at least 26% (twenty six per cent) each in the SPV, should satisfy the above condition of eligibility; provided that each such Member shall, for a period of 2 (two) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement. Operational Experience • Category I: Experience of operating and managing at least 1 (one) recognized medical college, duly recognized under applicable law and regulations, for the past 5 (five) financial years preceding the Bid Due Date; and Technical Capacity Bidders who qualify in the Pre-Qualification stage will be evaluated technically out of 100 marks. A minimum score of 80 is required to be shortlisted for financial bid opening:

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9	Others																				
9.1	Remarks, if any	The Bidding Criteria is Government quota Seat Share to be quoted by the Bidder which shall be increased by 5% year on year.																			

Annexure I B

Brief particulars of the Concession Agreement

A. Administrative Department: Department of Medical Education, Government of Karnataka	B. Name and location of the Project: Establishment of a 150-seat Medical College and Augmentation of the Existing District Hospital at Vijayapura. Under PPP model Land Area: 48,293 sq m Ownership: Government of Karnataka.
C. Legal Consultant: Infrastructure Development Corporation (Karnataka) Limited	D. Financial Consultant: Infrastructure Development Corporation (Karnataka) Limited

S.No.	Item	Response
1.	General	
1.1	Scope of the Project (in about 200 words)	The project aims to enhance medical education and healthcare access in Karnataka by establishing a 150-seat medical college and augmenting the existing 300-bed district hospital in Vijayapura, under a Public-Private Partnership (PPP) framework. The private partner (Concessionaire) is responsible for designing, financing, constructing, operating, and maintaining the medical college, while also upgrading the district hospital into a 750-bed teaching hospital as per National Medical Commission (NMC) norms. The district hospital, currently owned and operated by the Government of Karnataka, will be augmented with necessary infrastructure, equipment, and services to meet teaching hospital standards. Post-construction, it will be handed back to the Government for operations, ensuring continuity of public health services. The medical college, including teaching departments, labs, library, hostels, and academic blocks, will be fully developed and operated by the private partner. The seat-sharing arrangement includes 40% government quota seats, 40% private, and 20% NRI/management quota. The concession period is 66 years, allowing for long-term private investment while ensuring affordability and service quality. The scope includes adherence to service delivery obligations, teaching standards, and a framework for revenue sharing and performance monitoring.
1.2	Nature of Concession to be granted	Design, Build, Finance, Operate and Transfer (DBFOT) basis

S.No.	Item	Response
1.3	Period of Concession and justification for fixing the period	Concession Period - 66 years (including 2 year of construction period) Justification – Based on the financial feasibility assessment the viability of the project (PIRR) is achieved for a concession period of years.
1.4	Estimated capital cost	₹262.18 Crores (INR Cr.)
1.5	Likely construction period	2 years
1.6	Conditions precedent, if any, for the concession to be effective	Conditions Precedent: Government's Conditions Precedent: To be completed before the Appointed Date: • Provide the concessionaire with peaceful possession of the project land , free from encumbrances • Facilitate approvals and handover of existing hospital infrastructure for augmentation • Appoint the Independent Engineer for project monitoring • Provide access to existing utility connections (water, electricity, drainage) for integration Concessionaire's Conditions Precedent: To be completed within 180 days of signing the agreement: • Achieve Financial Closure and submit proof of funding (equity + debt) • Establish the Special Purpose Vehicle (SPV) • Submit performance security and bank guarantees • Obtain required initial statutory approvals (e.g., NMC application, local body permissions) • Submit detailed project implementation plan and designs for approval Note: If either party fails to meet its obligations within the specified period, the agreement allows for extensions or termination with penalties as per the terms.
1.7	Status of land acquisition	The land parcel required for the Medical College is within the existing District Hospital premises and is already under the ownership of the Government of Karnataka. Hence, no fresh land acquisition is required for either medical college or Hospital for augmentation.
2.	Construction and O&M	
2.1	Monitoring of construction; whether an independent agency/engineer is stipulated	As per Article 14 of the Concession Agreement, an Independent Engineer (IE) shall be appointed jointly by the Concessionaire and the Authority (Government) from a panel approved by the Government.

S.No.	Item	Response
2.2	Minimum standards of Operation and Maintenance	The Developer is obliged to maintain the project facilities according to good industrial practice
2.3	Penalties for violation of prescribed O&M standards	As per the Concession Agreement, the Concessionaire is obligated to operate and maintain the Medical College and the augmented District Hospital in accordance with Good Industry Practice, applicable laws, and the detailed Maintenance Requirements specified in Schedule J of the Agreement and then handover the hospital back to the authorities and operate the Medical college for 66-year concession period. In case of any deviation from these prescribed O&M standards, Clause 18.3 empowers the Authority (Government of Karnataka) to issue a notice to the Concessionaire, granting a specified Cure Period to rectify the deficiency. If the Concessionaire fails to address the issue within this period, the Authority has the right to carry out the required remedial work at the risk and cost of the Concessionaire. The costs incurred by the Authority in carrying out such remedial measures can be recovered by deducting amounts from the Escrow Account, Performance Security, or any other payments due to the Concessionaire. This ensures financial accountability and adherence to quality standards throughout the concession period. Additionally, Clause 20.4 outlines that if any defect or deficiency in O&M is observed during inspections, the Authority may again issue a notice requiring corrective action within a Cure Period. If the deficiency remains unrectified, the Authority may invoke the same enforcement measures as under Clause 18.3. While the Agreement does not define fixed monetary penalties (such as daily fines), it mandates recovery based on actual costs incurred by the Authority in fixing the deficiencies. For more serious or repeated violations, the Agreement provides for Suspension of the Concessionaire's rights under Article 37, or even Termination of the contract under Article 38. The Concession Agreement mandates that the Concessionaire must maintain and operate the Medical College in accordance with the minimum standards specified by the National Medical Commission (NMC) and other applicable regulations. These standards apply for the entire duration of the 66-year concession period. And till the transfer of the Medical college to the authorities for operation after augmentation. O&M Standards: Compliance with NMC Norms Maintain prescribed faculty-to-student ratios, infrastructure, equipment, and laboratories

S.No.	Item	Response
		- Ensure availability of all clinical departments, library, IT systems, and hostels as per NMC's Minimum Standard Requirements (MSR) - Submit to regular inspections and accreditation compliance by NMC and affiliating universities Hospital Services and Quality - Maintain the 750-bed teaching hospital with full clinical functionality - Ensure 24x7 emergency services, ICUs, operation theatres, and diagnostic facilities - Implement protocols for infection control, bio-medical waste disposal, and patient safety Equipment and Infrastructure - Operate and maintain medical equipment in working condition - Replace or upgrade outdated equipment periodically - Maintain buildings, utilities, STPs, electrical systems, and campus cleanliness Human Resources - Appoint and retain qualified faculty and medical professionals - Maintain minimum staffing levels in accordance with NMC and university affiliation norms Monitoring and Reporting - Submit periodic compliance reports to the Government and Independent Engineer Address deficiencies within specified timelines or face penalties.
2.4	Safety related provisions	All safety related provisions are to be adhered by the Developer as per the good industry practice.
2.5	Environment related provisions	Environmental related provisions, if any, shall be obtained by the Developer. However, the implementing Agency will facilitate necessary assistance for the above.
3.	Financial	
3.1	Maximum period for achieving financial close	6 months from the Agreement Date
3.2	Nature and extent of capital grant/ subsidy stipulated	Not Applicable
3.3	Bidding parameter (capital subsidy or another parameter)	The percentage (or number) of MBBS seats offered under the Government Quota, subject to a minimum of 40% of total intake.
3.4	Provisions for change of scope and the financial burden thereof	Not Applicable. The Concession Agreement includes standard provisions for Change of Scope, consistent with model PPP frameworks. These provisions allow either party (primarily the Authority) to propose changes during the concession period, subject to mutual agreement.

S.No.	Item	Response
3.5	Concession fee, if any, payable by the Concessionaire	No Annual Concession Fee or Upfront Premium is specified in the bidding documents.
3.6	User charges/ fee to be collected by the Concessionaire	The Concessionaire will primarily earn revenue through user charges (fees) collected from private and NRI students, while offering government quota seats at a fixed subsidized rate. No annuity or service payments are provided by the government.
3.7	Indicate how the user fee has been determined; the legal provisions in support of user fee (attach the relevant rules/ notification); and the extent and nature of indexation for inflation	The user fee in this context refers to annual tuition fees for MBBS seats. (e.g., ₹80,000 for Government quota, ₹16 lakhs for private, and ₹35 lakhs for NRI/Management quota).
3.8	Provisions, if any, for mitigating the risk of lower revenue collection	Not Applicable
3.9	Provisions relating to escrow account, if any	Not Applicable
3.10	Provisions relating to insurance	The Developer shall at its cost and expense, purchase and maintain by due re-instatement or otherwise, during the construction of the Project Facilities, such insurance as are necessary including but not limited to the following: i. Construction/ builders'/contractors' all risk insurance (during construction period) ii. Erection all risk policy (during construction period); iii. Comprehensive insurance for the Facilities for their full market value or replacement cost (including fire, burglary, standard and special peril); iv. Loss, damage or destruction of Project Assets; v. Comprehensive third party liability insurance, including injury or death of Persons who may enter the Project Site; vi. the Concessionaire's general liability arising pursuant to this Concession Agreement; vii. liability to third parties for goods or property damaged; viii. Workmen's' compensation insurance; ix. any other insurance that may be necessary to protect the Developer, its employees and its assets against loss, damage, destruction, business interruption or loss of profit including insurance against all Force Majeure Events that are insurable.
3.11	Provisions relating to audit and certification of claims	Not Applicable

S.No.	Item	Response
3.12	Provisions relating to assignment/ substitution rights relating to lenders	Not Applicable
3.13	Provisions relating to change in law	Not Applicable
3.14	Provisions, if any for compulsory buy-back of assets upon termination/ expiry	For teaching Hospital: The teaching district hospital shall be augmented by the private partner then handed over to the Authority for operations. This implies no buy-back, as the asset is built and transferred. For the medical college: The Concessionaire is expected to design, build, finance, operate, and maintain it for the full 66-year concession period. At the end of the concession period: Assets are typically transferred to the Authority at zero cost as part of vesting provisions, not bought back.
3.15	Contingent liabilities of the government	Not applicable
	(a) Maximum Termination Payment for Government/ Authority Default	Not applicable
	(b) Maximum Termination Payment for Concessionaire Default	Not applicable
	(c) Specify any other penalty, compensation or payment contemplated under the agreement	Not applicable
4.	Others	
4.1	Provisions relating to competing facilities, if any	Not Applicable - The Concessionaire does not have exclusivity over medical education or healthcare services in the area. - There is no non-compete clause preventing the government from setting up or permitting other medical institutions nearby.
4.2	Specify the proposed Dispute Resolution Mechanism	Not Applicable
4.3	Specify the proposed governing law and jurisdiction	Not Applicable

S.No.	Item	Response
4.4	Other remarks, if any	Not Applicable

Annexure I C

Evaluation of Risks and Mitigation Measures

S.No.	Risk Category	Risk Description	Consequence	Mitigation	Assigned to
1.	Project Development				
1.1		Construction & Operation	Delay in construction timelines leading to cost overruns and late commissioning	Developer is required to develop and maintain the project facilities according to Good Industrial Practices.	Developer
1.2		Performance Security	If the Concessionaire fails to meet financial closure, construction timelines, or operational obligations, the government may encash the performance security to recover losses.	The performance security ensures the Concessionaire remains committed and provides financial protection to the Authority in case of default.	Developer
1.4		Insurance	Without adequate insurance, the project is exposed to financial loss or legal liability due to accidents, equipment damage, or service disruptions.	Comprehensive insurance coverage during construction and operations protects project assets, workers, and users from unforeseen risks.	Developer
2.	Construction				
2.1		Approvals and Clearances	Delay or failure in obtaining statutory approvals (e.g., NMC approval, building permits, environmental and fire clearances) can stall construction and result in cost overruns.	Timely application and proactive follow-up with support from the Authority help ensure all approvals are secured within schedule..	Developer

S.No.	Risk Category	Risk Description	Consequence	Mitigation	Assigned to
2.2		Design Risk	Inadequate or non-compliant design can lead to project delays, cost escalations, and failure to meet NMC norms, affecting regulatory approvals and service delivery.	The Concessionaire must engage qualified design consultants and submit plans for review by the Independent Engineer to ensure compliance.	Developer
2.3		Monitoring Construction activity standards	Poor supervision may lead to substandard construction, delays, and non-compliance with NMC norms, affecting safety, functionality, and project approval.	An Independent Engineer appointed by the Authority will regularly inspect, certify milestones, and ensure adherence to approved specifications.	Dept. & Developer
2.4		Completion of Construction work	Delays in completion may affect project commissioning, MBBS admissions, and could result in penalties or termination under the concession terms.	Clear construction timelines, milestone-based monitoring by the Independent Engineer, and enforcement of liquidated damages ensure timely delivery.	Dept. & Developer
2.5		Increase in scope of work	Unplanned scope changes can lead to cost overruns, construction delays, and disputes over financial responsibility and time extensions.	Any change in scope must be formally approved by the Authority, with cost and time implications mutually agreed and validated by the Independent Engineer.	Mutual Consent
3.	Operations				
3.1		Monitoring Operation and maintenance standards	Poor adherence to maintenance and service quality standards can affect hospital functioning, academic accreditation, and patient/student satisfaction.	Regular audits and inspections by the Independent Engineer and the Authority ensure compliance with NMC norms and contractual service obligations.	Dept./Developer

S.No.	Risk Category	Risk Description	Consequence	Mitigation	Assigned to
3.2		Regulatory Standards for Works	Failure to comply with NMC, building, safety, fire, or environmental standards can lead to denial of approvals, penalties, or even closure of facilities.	All works must strictly follow applicable laws and technical guidelines. Compliance will be verified by the Independent Engineer and statutory authorities.	Developer
4.	Financing				
4.1		Failure to meet the anticipated financial resource	Inability to raise the required funds may delay project execution, breach financial closure timelines, and lead to termination or forfeiture of performance security.	The Concessionaire is required to achieve financial closure within 180 days. Performance security, lender oversight, and staged disbursement conditions help ensure financing is in place.	Developer
4.2		Collection of user charges from the users of project facilities	Inadequate collection of tuition fees or hospital service charges may result in revenue shortfall, affecting debt servicing, O&M, and overall project sustainability.	Fee structures for private and NRI quotas are market-linked, and the concessionaire has full rights to collect user charges as per the Concession Agreement, ensuring revenue autonomy.	Developer
4.3		Increase in Operation expenditure	Unexpected rise in operational costs (e.g., salaries, maintenance, utility bills, consumables) can reduce profitability and affect service delivery quality.	Efficient cost management, periodic fee revision for private/NRI seats, and long concession period help absorb operational fluctuations.	Developer
5.	Other Risks				

S.No.	Risk Category	Risk Description	Consequence	Mitigation	Assigned To
		Change in Law	Any change in applicable laws, regulations, or tax structure may increase costs, delay approvals, or impact the project's financial and operational viability.	While not explicitly detailed in the documents, such risks are typically mitigated through standard PPP provisions allowing relief or compensation in cases of material adverse changes.	Developer
		Developers' employees/ contractors	Mismanagement, shortage, or non-compliance by the Concessionaire's staff or contractors may lead to delays, quality issues, and safety violations.	The Concessionaire is responsible for hiring qualified personnel and competent contractors, and must ensure compliance with labour laws, safety standards, and NMC norms.	Developer
		Force Majeure	Natural disasters, pandemics, war, or other unforeseeable events beyond the control of the parties can cause delays, damage to assets, or project suspension.	Though not explicitly stated in the provided documents, standard DBFOT PPPs include Force Majeure provisions allowing time extensions, suspension of obligations, or termination without penalty.	Developer
		Social Unrest	Local protests, political agitation, or opposition to the project may disrupt construction or operations, cause damage to assets, or delay timelines.	Coordination with local administration, community engagement, and timely communication can help reduce risks and build public support.	Dept. & Developer

		Environmental	Non-compliance with environmental norms (e.g., waste disposal, air/water pollution, noise) can lead to legal penalties, stoppage of work, or reputational damage.	The Concessionaire must obtain necessary environmental clearances, install STPs and biomedical waste systems, and follow KSPCB/NMC guidelines..	Developer

Annexure I D

Project Financial Summary

S.No.	Item	Response
1.	General Information for Financial Analysis	
1.1	Name of the Project	Establishment of a 150-Seat Medical College and Upgradation of the Existing District Hospital at Vijayapura, Karnataka under Public-Private Partnership (PPP) on DBFOT Basis.
1.2	Type of PPP (BOT, BOOT, BOLT, OMT etc)	Design, Build, Finance, Operate and Transfer (DBFOT) basis
1.3	Capacity of the Project (e.g.-for Road: Length in Kms)	The capacity of the project is defined as follows: - Medical College: 150 MBBS student intake per year - Teaching Hospital: 750 beds (upgraded from the existing district hospital) This capacity complies with National Medical Commission (NMC) norms for a 150-seat medical college with a fully functional teaching hospital.
1.4	Key features	
1.5	Carrying Capacity (E.g.-for Road: Passenger Car Units)	Not applicable
1.6	Concession Period	66 years including construction period of 2 year
2.	Project Costs	262.18 Cr.
2.1	Cost of Land	The land is provided by Dept.
2.2	Construction Cost of Facilities	262.18 Cr.
2.3	Cost of Plant and Machinery	NIL
2.4	Interest During Construction	Not Applicable
2.5	Other Costs if any	Not Applicable
2.6	Total Project Cost	The Estimated project cost for the indicative project facilities is set out below:
3.	Financing Arrangements	
3.1	Financing Structure (% of equity and debt)	Debt: Equity ratio 70%:30%
3.2	Interest on Debt (Assumed)	11% per annum
4.	Revenue streams for each Concession Year	Refer Schedule 1 above
4.1	Per unit Tariff (E.g.	The Developer shall fix the rentals/tariff/ from the users of the project

	Toll rates for Car/Bus...)	facilities as per the applicable laws and based on market rates
4.2	Revenue from Tariff.	Refer Schedule 1 above
4.3	Revenue from Advertising	NIL
4.4	Other Revenue Streams	NIL
4.3	Indicate the NPV of revenue streams with 12% discounting	NPV of revenue streams with 12% discounting = 1090.70 (Lakhs INR)
5.	IRR	
5.1	Economic IRR (if computed)	Has not been computed
5.2	Equity IRR	15.39%
5.3	Project IRR	13.89%

Annexure I E

Check List for Submission of Documents for approval from SLSWA/ SHLCC (in Hard-2 Sets and Soft)

Sl No	Documents to be Submitted	Applicable (Y/N)	Submitted - Hard Copy (Y/N)	Submitted - Soft Copy (Y/N)
1.	Covering Letter from Head of the Organization	Yes	Yes	Yes
2.	Filled in Proforma for the PPP projects for the SWA meeting	Yes	Yes	Yes
3.	Preliminary Feasibility Report/ Feasibility Report/ DPR/ Environmental/ Social	Yes	Yes	Yes
4.	Project Information Memorandum	No	No	No
5.	Traffic Projections, (if not covered in the DPR)	No	No	No
6.	Traffic Impact Assessment in consultation with Local authorities with Action Plan	No	No	No
7.	Financial Analysis with Project Cash Flows (if not covered in the DPR)	Yes	Yes	Yes
8.	Risk Assessment and Mitigation Matrix based on project risks	Yes	Yes	Yes
9.	RFP	Yes	Yes	Yes
10.	Draft Concession Agreement	Yes	Yes	Yes
11.	Filled in VGF format (if submitted to GOK)	No	No	No
12.	Documents relating to any issues on various clearances/ Land Acquisition/ R&R	No	No	No
13.	Presentation of 10 slides covering the points on the Proforma for SWA	Yes	Yes	Yes
14.	Details of any Policy Changes Required for implementation (if any)	No	No	No
15.	Action Plan (Schedule – Microsoft Project Type) for Implementation	No	No	No

Please indicate your response wherever applicable and submit in the above table. Soft Copy can be submitted in a CD with files numbered in the above order.

Signature of the
Head of the Administrative Department/ Agency with Stamp

FORMAT OF AGENDA NOTES FOR STATE LEVEL SINGLE WINDOW AGENCY

Sl. No.	Particulars	Information
1.	Project Description (Name of the Project, Location (State / District / Town), Administrative Department, Name of the Implementing Agency, Justification for the Public Need)	Name of the Project: Setting up Medical Colleges and Upgradation of District Hospital in Vijayapura District, Karnataka on Public Private Partnership (PPP) Mode. Administrative Department – Department of Medical Education, Government of Karnataka (Gok) Implementing Agency - Department of Medical Education, Government of Karnataka (Gok) Justification for public need – • Severe Doctor Shortage: Vijayapura, like many districts in North Karnataka, faces a shortage of trained medical professionals. This affects the availability and quality of healthcare services in rural and semi-urban areas. • Lack of Medical Education Infrastructure: Vijayapura district lacks a government-run medical college, making it difficult for aspiring students in the region—especially from low-income families—to access affordable medical education. • Underutilized District Hospital Potential: The existing district hospital has infrastructure and patient load but lacks the required facilities and standards to serve as a teaching hospital. The PPP model allows its upgrade to a 750-bed teaching hospital. • Accessibility and Equity: The project ensures seat-sharing—40% government quota at subsidized fees—offering affordable MBBS education and addressing socio-economic disparities in higher education access. • Healthcare Demand: High demand for tertiary healthcare services in Vijayapura and surrounding regions is unmet due to limited infrastructure. The project bridges this gap, offering better diagnostics, emergency care, and specialized treatments. • Economic Efficiency: Leveraging private investment reduces the financial burden on the government while accelerating infrastructure delivery and maintaining public interest through regulatory oversight.
2.	Project Structuring: Type of PPP (BOT, BOOT, BOLT, OMT etc., Concession Period, If on standard MCA,	To be undertaken on Design, Build, Finance, Operate and Transfer (DBFOT) basis. Concession Period – The concession period begins from the Appointed Date (as defined in the Concession Agreement) and lasts for 66 years, including construction and operational phases.

Sl. No.	Particulars	Information																												
3.	Viability: Estimated capital costs with break-up under major heads of expenditure. Also indicate the basis of cost estimation, phasing of investment. Broadly indicate the NPV of revenue streams with 12% discounting, viability gap funding, if required.	The estimated capital costs with break-up under major heads of expenditure with respect to indicative project facilities are as set out below: <table><tr><th>Component</th><th>Estimated Cost (₹ Crores)</th></tr><tr><td>Teaching Hospital Augmentation (750 beds)</td><td>₹29.21 Crores</td></tr><tr><td>Medical College (150 seats)</td><td>₹184.71 Crores</td></tr><tr><td>Total Project Cost</td><td>₹262.19 Crores.</td></tr></table> <table><tr><th>Category</th><th>Share</th><th>Seats (Out of 150)</th><th>Annual Fee (₹)</th><th>Revenue Type</th></tr><tr><td>Government Quota</td><td>40%</td><td>60</td><td>₹80,000</td><td>Regulated / Subsidized</td></tr><tr><td>Private Quota</td><td>40%</td><td>60</td><td>₹16 lakhs</td><td>Market-based</td></tr><tr><td>NRI / Management Quota</td><td>20%</td><td>30</td><td>₹35 lakhs</td><td>Market-based</td></tr></table>	Component	Estimated Cost (₹ Crores)	Teaching Hospital Augmentation (750 beds)	₹29.21 Crores	Medical College (150 seats)	₹184.71 Crores	Total Project Cost	₹262.19 Crores.	Category	Share	Seats (Out of 150)	Annual Fee (₹)	Revenue Type	Government Quota	40%	60	₹80,000	Regulated / Subsidized	Private Quota	40%	60	₹16 lakhs	Market-based	NRI / Management Quota	20%	30	₹35 lakhs	Market-based
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4.	Project Implementation Schedule (PIS)	<table><tr><th>Phase</th><th>Activity</th><th>Timeline from Appointed Date</th></tr><tr><td>Pre-Construction Phase</td><td>- Signing of Concession Agreement- Financial Closure- Site Handover</td><td>Within 120–180 days</td></tr><tr><td>Construction Phase</td><td>- Design & approval of drawings- Construction of Medical College & augmentation of District Hospital- Procurement of equipment</td><td>0–24 months</td></tr><tr><td>Provisional Completion</td><td>- Inspection by Independent Engineer- Issue of Provisional Completion Certificate (PCC)</td><td>By end of 24th month</td></tr><tr><td>Academic Operations Begin</td><td>- Admission of first batch of 150 MBBS students- Launch of classes and college operations</td><td>Year 3 (25th month onward)</td></tr></table>	Phase	Activity	Timeline from Appointed Date	Pre-Construction Phase	- Signing of Concession Agreement- Financial Closure- Site Handover	Within 120–180 days	Construction Phase	- Design & approval of drawings- Construction of Medical College & augmentation of District Hospital- Procurement of equipment	0–24 months	Provisional Completion	- Inspection by Independent Engineer- Issue of Provisional Completion Certificate (PCC)	By end of 24th month	Academic Operations Begin	- Admission of first batch of 150 MBBS students- Launch of classes and college operations	Year 3 (25th month onward)													
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		• 2 years for Augmentation of Medical Hospital and then hand it over to the authorities. • 66 years of Operation and Maintenance of Medical College + 33 years extendable if required then hand over to government.									
5.	Legislation and Guarantees sought:	There is no specific legislation mentioned or proposed for implementation of the Vijayapura Medical College PPP project. The project is being undertaken under the existing legal framework , including compliance with: • Regulations issued by the National Medical Commission (NMC) • Existing PPP policies and procedures followed by the Government of Karnataka • General framework aligned with NITI Aayog's model documents									
6.	Clearances, and Support from Govt:	All clearances and approvals shall be obtained by the Developer. However, Dept. shall assist the Developer in obtaining the same.									
7.	GOK guarantees being sought, if any:	Land Handover Guarantee • Gok guarantees timely and encumbrance-free handover of land for: ○ Expansion of Vijayapura District Hospital ○ Medical College (after the concession period of 66 years Operation and Maintenance of Medical College + 33 years extendable if required then hand over to government.) As per Article 10 & 11 of the Concession Agreement, this is essential to prevent delays in construction and operation.									
8.	Criteria for short-listing:	A Single Stage bidding process is adopted for selection of a suitable bidder.The Evaluation of the Bid submitted would be carried out in the following steps: Step I: The first step (the “Prequalification Bid”) of the process involves Pre-qualification (the “Pre-qualification”) of interested parties/ consortia who submit a Bid in accordance with the provisions of this RFP (the “Bidder”, which expression shall, unless repugnant to the context, include the Members of the Consortium). Step II: The second step (the “Technical Bid”) involves evaluation of technical capacity of the pre-qualified Bidders and identification of Bidders crossing a minimum threshold of 75 marks (the “Shortlisted Bidders”). Step III: The third step of the process involves evaluation of the financial proposals (the “Financial Bid”) of the Shortlisted Bidders and									

Sl. No.	Particulars	Information																		
		awarded to the Successful Bidder who quotes Government quota Seat Share (minimum 40% share) A Bidder is required to demonstrate the following eligibility criteria (Eligibility Criteria) in terms of their experience (the ‘Technical Capacity’) and net worth and Average Annual Turnover (the ‘Financial Capacity’) as set out below: A. Financial Capacity - The bidder must have a minimum Net Worth of ₹250 Crores at the close of the preceding financial year. The Bidder’s Net Cash Accruals for the 5 (five) preceding financial years must be positive. - In case of a Consortium the combined Net Worth of those Members, who shall have an equity share of at least 26% (twenty six per cent) each in the SPV, should satisfy the above condition of eligibility; provided that each such Member shall, for a period of 2 (two) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement. B. Operational Experience - Category I: Experience of operating and managing at least 1 (one) recognized medical college, duly recognized under applicable law and regulations, for the past 5 (five) financial years preceding the Bid Due Date; and C. Technical Capacity - Bidders who qualify in the Pre-Qualification stage will be evaluated technically out of 100 marks. A minimum score of 80 is required to be shortlisted for financial bid opening: <table border="1"> <thead> <tr> <th>S.No</th><th>Technical Evaluation Parameters</th><th>Maximum Marks</th></tr> </thead> <tbody> <tr> <td>1.</td><td>Experience in operating medical colleges (UG/PG seats)</td><td>40 marks</td></tr> <tr> <td>2.</td><td>Experience in operating hospitals (NABH-accredited beds)</td><td>20 marks</td></tr> <tr> <td>3.</td><td>Local presence in Vijayapura District</td><td>10 marks</td></tr> <tr> <td>4.</td><td>Project implementation plan & academic approach</td><td>30 marks</td></tr> <tr> <td colspan="2">Total</td><td>100 marks</td></tr> </tbody> </table>	S.No	Technical Evaluation Parameters	Maximum Marks	1.	Experience in operating medical colleges (UG/PG seats)	40 marks	2.	Experience in operating hospitals (NABH-accredited beds)	20 marks	3.	Local presence in Vijayapura District	10 marks	4.	Project implementation plan & academic approach	30 marks	Total		100 marks
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Total		100 marks																		

Sl. No.	Particulars	Information
9.	Comments of Secretariat to SWA:	Not Applicable

Format for State Level Single Window Agency

Sl. No.	Item	Information
1.	General	
1.1	Name of the Project	Setting up Medical Colleges and Upgradation of District Hospital in Vijayapura district, Karnataka on Public Private Partnership (PPP) Mode.
1.2	Type of PPP (BOT, BOOT, BOLT, OMT etc.)	To be undertaken on Design, Build, Finance, Operate and Transfer (DBFOT) basis
1.3	Location (State/District/Town)	Vijayapura, Karnataka
1.4	Administrative Department	Department of Medical Education, Government of Karnataka
1.5	Name of the Implementing Agency	Directorate of Medical Education (DME), Government of Karnataka
1.6	Concession Period	2 years for Augmentation of Medical Hospital and then hand it over to the authorities 66 years of Operation and Maintenance of Medical College + 33 years extendable if required then hand over to government
2.	Project Description	
2.1	Brief description of the project (200 words)	The Government of Karnataka, through the Directorate of Medical Education (DME), is undertaking a Public-Private Partnership (PPP) project to establish a 150-seat Medical College and augment the existing 626-bed Vijayapura District Hospital. The project is being implemented to address the significant need for affordable medical education and improved healthcare services in the state, in line with the National Medical Commission (NMC) norms and NITI Aayog's model guidelines. Under this project, the private partner (Concessionaire) will design, build, finance, operate, and maintain the medical college and its supporting infrastructure, including hostels, classrooms, laboratories, and administrative facilities. The attached district hospital will be upgraded to a 750-bed teaching hospital by the Concessionaire and handed back to the government after construction. The project follows a 66-year concession period and includes a seat-sharing arrangement: 40% government quota, 40% private, and 20% NRI/management quota. The initiative aims to improve access to quality medical education and healthcare, particularly in rural Karnataka. The Concessionaire will also be responsible for ensuring adherence to academic, clinical, and operational standards as outlined in the Concession Agreement. This project forms part of a broader state effort to establish medical colleges in 11 districts using the PPP model.

		<table><tr><th>Mode</th><th>Nearest Infrastructure (KM)</th></tr><tr><td>State Highway</td><td>Adjacent to (Hubli-Shimoga) State Highway</td></tr><tr><td>National Highway</td><td>20 Km from NH4</td></tr><tr><td>Rail</td><td>45 Km from Bijapur Railway Station</td></tr><tr><td>Domestic Airport</td><td>150 Km from Belagavi Airport</td></tr><tr><td>International Airport</td><td>400 Km from Bengaluru Airport</td></tr><tr><td>Electricity</td><td>11 KV supply already available till the project site (East boundary) 33 KV substation about 3Km from the project site (Nellikoppa – Bommahalli HESCOM)</td></tr><tr><td>Water supply</td><td>Pipeline for Balembida Irrigation project passes along the South Boundary of the project site.</td></tr><tr><td>Gas Infrastructure</td><td>Dabhol- Bangalore Pipeline CGD works under progress – AG&P City gas private limited</td></tr></table>	Mode	Nearest Infrastructure (KM)	State Highway	Adjacent to (Hubli-Shimoga) State Highway	National Highway	20 Km from NH4	Rail	45 Km from Bijapur Railway Station	Domestic Airport	150 Km from Belagavi Airport	International Airport	400 Km from Bengaluru Airport	Electricity	11 KV supply already available till the project site (East boundary) 33 KV substation about 3Km from the project site (Nellikoppa – Bommahalli HESCOM)	Water supply	Pipeline for Balembida Irrigation project passes along the South Boundary of the project site.	Gas Infrastructure	Dabhol- Bangalore Pipeline CGD works under progress – AG&P City gas private limited
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Gas Infrastructure	Dabhol- Bangalore Pipeline CGD works under progress – AG&P City gas private limited																			
2.2	Justification for the project (Public Need)	Justification for public need – • Severe Doctor Shortage: Vijayapura, like many districts in North Karnataka, faces a shortage of trained medical professionals. This affects the availability and quality of healthcare services in rural and semi-urban areas. • Lack of Medical Education Infrastructure: Vijayapura district lacks a government-run medical college, making it difficult for aspiring students in the region—especially from low-income families—to access affordable medical education. • Underutilized District Hospital Potential: The existing district hospital has infrastructure and patient load but lacks the required facilities and standards to serve as a teaching hospital. The PPP model allows its upgrade to a 750-bed teaching hospital. • Accessibility and Equity: The project ensures seat-sharing—40% government quota at subsidized fees—offering affordable MBBS education and addressing socio-economic disparities in higher																		

		education access. • Healthcare Demand: High demand for tertiary healthcare services in Vijayapura and surrounding regions is unmet due to limited infrastructure. The project bridges this gap, offering better diagnostics, emergency care, and specialized treatments. • Economic Efficiency: Leveraging private investment reduces the financial burden on the government while accelerating infrastructure delivery and maintaining public interest through regulatory oversight. Supports Government Vision and Policies: Aligns with National Education Policy 2020, Ayushman Bharat, and State Health Policy, all of which aim to improve medical education access and rural health outcomes.																								
2.3	Possible alternatives, if any	Not Applicable																								
2.4	Estimated capital costs with break-up under major heads of expenditure. Also indicate the basis of cost estimation.	The estimated capital costs with break-up under major heads of expenditure with respect to indicative project facilities are as set out below: <table><tr><th>Component</th><th>Estimated Cost (₹ Crores)</th></tr><tr><td>Teaching Hospital Augmentation (750 beds)</td><td>₹29.21 Crores</td></tr><tr><td>Medical College (150 seats)</td><td>₹184.71 Crores</td></tr><tr><td>Total Project Cost</td><td>₹262.19 Crores.</td></tr></table> <table><tr><th>Category</th><th>Share</th><th>Seats (Out of 150)</th><th>Annual Fee (₹)</th></tr><tr><td>Government Quota</td><td>40%</td><td>60</td><td>₹80,000</td></tr><tr><td>Private Quota</td><td>40%</td><td>60</td><td>₹16 lakhs (avg)</td></tr><tr><td>NRI / Management Quota</td><td>20%</td><td>30</td><td>₹ 35 lakhs (avg)</td></tr></table>	Component	Estimated Cost (₹ Crores)	Teaching Hospital Augmentation (750 beds)	₹29.21 Crores	Medical College (150 seats)	₹184.71 Crores	Total Project Cost	₹262.19 Crores.	Category	Share	Seats (Out of 150)	Annual Fee (₹)	Government Quota	40%	60	₹80,000	Private Quota	40%	60	₹16 lakhs (avg)	NRI / Management Quota	20%	30	₹ 35 lakhs (avg)
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2.5	Phasing of investment	The project is proposed to be developed in single phase																								
2.6	Project Implementation Schedule (PIS)	The concession period begins from the Appointed Date (as defined in the Concession Agreement) and lasts for 66 years, including construction and operational phases. And can be extended up to 33 years if needed. 2 years for Augmentation of Medical Hospital and then hand it over to the																								

		authorities 66 years of Operation and Maintenance of Medical College + 33 years extendable if required then hand over to government.																							
3.	Financing Arrangements																								
3.1	Sources of financing (equity, debt, mezzanine capital etc.)	<table><tr><th>Source of Funding</th><th>Percent age Share</th><th>Amount (₹ Crores)</th><th>Remarks</th></tr><tr><td>Equity</td><td>~30%</td><td>₹78.65 Cr</td><td>To be infused by Concessionaire; figure not specified in documents</td></tr><tr><td>Debt</td><td>~70%</td><td>₹183.53 Cr</td><td>Assumed from financial institutions; not confirmed in CA/RFP</td></tr><tr><td>Viability Gap Funding (VGF)</td><td>Optional – up to 40%</td><td>Not confirmed</td><td>We have considered the option</td></tr><tr><td>Total Estimated Cost</td><td>100%</td><td>₹262.18 Cr</td><td>Confirmed in Feasibility Report and RFP</td></tr></table> Under the DBFOT (Design-Build-Finance-Operate-Transfer) model, the entire capital investment of ₹262.18 crores is to be raised and deployed by the private concessionaire. The Government does not provide upfront capital support, unless viability gap funding (VGF) is sought later.				Source of Funding	Percent age Share	Amount (₹ Crores)	Remarks	Equity	~30%	₹78.65 Cr	To be infused by Concessionaire; figure not specified in documents	Debt	~70%	₹183.53 Cr	Assumed from financial institutions; not confirmed in CA/RFP	Viability Gap Funding (VGF)	Optional – up to 40%	Not confirmed	We have considered the option	Total Estimated Cost	100%	₹262.18 Cr	Confirmed in Feasibility Report and RFP
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3.2	Broadly Indicate the revenue streams of the Project (annual flows over project life). Also indicate the underlying assumptions.	<table><tr><th>Category</th><th>Share</th><th>Seats (Out of 150)</th><th>Annual Fee (₹)</th></tr><tr><td>Government Quota</td><td>40%</td><td>60</td><td>₹80,000</td></tr><tr><td>Private Quota</td><td>40%</td><td>60</td><td>₹16 lakhs</td></tr></table>				Category	Share	Seats (Out of 150)	Annual Fee (₹)	Government Quota	40%	60	₹80,000	Private Quota	40%	60	₹16 lakhs								
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2	Private Quota	₹16 lakhs												
3	NRI / Management Quota	₹35 lakhs												
3.3	Broadly Indicate the NPV of revenue streams	NPV of revenue streams = 222.95 (INR Cr.)												
3.4	Who will fix the tariff/ user charges? Please specify in detail.	District Hospital: Government of Karnataka / Authority Medical College: Managed by the Developer												
3.5	Have any FIs been approached? If yes, their response may be indicated	No. Arranging finances for the Project would be the scope of the Developer.												
4.	IRR	13.89 %												
4.1	Economic IRR (if computed)	Has not been computed												
4.2	Financial IRR, indicating various assumptions (attach separate sheet if necessary)	The Project financial IRR is set out in the table below: The assumptions for financial feasibility are based on the detailed demand and market assessment. The analysis of various possible scenarios and their impact on the project profitability have also been presented in the annexure. <table><tr><td>Equity IRR</td><td>15.39%</td></tr><tr><td>Equity NPV</td><td>8.45 (INR Cr.)</td></tr><tr><td>Project IRR</td><td>13.89%</td></tr><tr><td>Project NPV</td><td>222.95 (INR Cr.)</td></tr></table>	Equity IRR	15.39%	Equity NPV	8.45 (INR Cr.)	Project IRR	13.89%	Project NPV	222.95 (INR Cr.)				
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Project IRR	13.89%													
Project NPV	222.95 (INR Cr.)													
5.	Clearances	The Concessionaire is responsible for procuring all required statutory approvals unless specifically stated otherwise.												
5.1	Status of environmental clearances	Not Applicable												
5.2	Clearance required From the State Government and other local bodies	Not Applicable												

5.3	Other support required from the State Government	Not Applicable
6.	Gok Support	
6.1	Viability Gap Funding, if required	Viability Gap Funding (VGF) of 40% as equity support is recommended under one financial model to make the project viable. This model assumes the following seat-fee structure: • 40% Government quota seats at ₹80,000 per annum • 40% Private quota seats at ₹16 lakhs per annum • 20% NRI/Management quota seats at ₹35 lakhs per annum.
6.2	GOK guarantees being sought, if any	There are no sovereign or financial guarantees sought from GoK under the Concession Agreement. The state's role is limited to facilitation, regulatory support, and possible provision of VGF if required.
7	Concession Agreement	
7.1	Is the Concession Agreement based on MCA? If yes, indicate the variations, if any, in a detailed note (to be attached)	Yes according to the NITI Aayog
7.2	Details of Concession Agreement (Attached at Appendix-A)	Duly filled in Appendix D is attached
8.	Criteria for short-listing	
8.1	Is short-listing to be in one stage or two stages?	Shortlisting is carried out in one integrated stage within a single-stage bidding process, not in two independent stages. Envelope 1 – Prequalification (PQ) : The shortlisting process for the Vijayapura Medical College PPP Project is conducted through a single-stage, three-envelope bidding process. In this process, the first envelope contains the Prequalification (PQ) documents, where the bidder's legal, financial, and technical eligibility is assessed. Only those bidders who meet the minimum eligibility criteria—including a net worth of ₹250 crores and the required operations experience—are allowed to proceed to the next stage. Envelope 2 – Technical Bid: The second envelope contains the Technical Bid, which is evaluated based on predefined scoring criteria, including the bidder's experience in running medical colleges and hospitals, local presence, and the quality of the proposed project plan. To qualify for shortlisting, a bidder must score at least 75 out of 100 marks in the

	technical evaluation. Envelope 3 – Financial Bid: Only those bidders who are both prequalified and technically shortlisted are considered eligible for the financial bid opening, which is submitted in the third envelope. The final selection is based on the bidder who offers the highest percentage of MBBS seats under the Government quota (minimum 40%). Shortlisting Happens at the End of the Technical Evaluation: • Bidders must first pass Prequalification (Envelope 1). • Then they are evaluated technically (Envelope 2). Only bidders scoring ≥ 80 marks in the technical stage are shortlisted for the financial bid opening.	
8.2 Indicate the criteria for short-listing (attach separate sheet if necessary)	Short-listing of bidders is conducted through a single-stage, three-envelope process and involves two key levels of evaluation: Pre-Qualification and Technical Evaluation. The criteria are as follows: Financial Capacity • The bidder must have a minimum Net Worth of ₹250 Crores at the close of the preceding financial year. The Bidder's Net Cash Accruals for the 5 (five) preceding financial years must be positive. • In case of a Consortium the combined Net Worth of those Members, who shall have an equity share of at least 26% (twenty six per cent) each in the SPV, should satisfy the above condition of eligibility; provided that each such Member shall, for a period of 2 (two) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement. Operational Experience • Category I: Experience of operating and managing at least 1 (one) recognized medical college, duly recognized under applicable law and regulations, for the past 5 (five) financial years preceding the Bid Due Date; and Technical Capacity Bidders who qualify in the Pre-Qualification stage will be evaluated technically out of 100 marks. A minimum score of 80 is required to be shortlisted for financial bid opening:	

			<table><tr><td>S.No</td><td>Technical Evaluation Parameters</td><td>Maximum Marks</td></tr><tr><td>1.</td><td>Experience in operating medical colleges (UG/PG seats)</td><td>40 marks</td></tr><tr><td>2.</td><td>Experience in operating hospitals (NABH-accredited beds)</td><td>20 marks</td></tr><tr><td>3.</td><td>Local presence in Vijayapura District</td><td>10 marks</td></tr><tr><td>4.</td><td>Project implementation plan & academic approach</td><td>30 marks</td></tr><tr><td colspan="2">Total</td><td>100 marks</td></tr></table>	S.No	Technical Evaluation Parameters	Maximum Marks	1.	Experience in operating medical colleges (UG/PG seats)	40 marks	2.	Experience in operating hospitals (NABH-accredited beds)	20 marks	3.	Local presence in Vijayapura District	10 marks	4.	Project implementation plan & academic approach	30 marks	Total		100 marks
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4.	Project implementation plan & academic approach	30 marks																			
Total		100 marks																			
9	Others																				
9.1	Remarks, if any	The Bidding Criteria is Government quota Seat Share to be quoted by the Bidder which shall be increased by 5% year on year.																			

Annexure I B

Brief particulars of the Concession Agreement

A. Administrative Department: Department of Medical Education, Government of Karnataka	B. Name and location of the Project: Establishment of a 150-seat Medical College and Augmentation of the Existing District Hospital at Vijayapura. Under PPP model Land Area: 48,293 sq m Ownership: Government of Karnataka.
C. Legal Consultant: Infrastructure Development Corporation (Karnataka) Limited	D. Financial Consultant: Infrastructure Development Corporation (Karnataka) Limited

S.No.	Item	Response
1.	General	
1.1	Scope of the Project (in about 200 words)	The project aims to enhance medical education and healthcare access in Karnataka by establishing a 150-seat medical college and augmenting the existing 300-bed district hospital in Vijayapura, under a Public-Private Partnership (PPP) framework. The private partner (Concessionaire) is responsible for designing, financing, constructing, operating, and maintaining the medical college, while also upgrading the district hospital into a 750-bed teaching hospital as per National Medical Commission (NMC) norms. The district hospital, currently owned and operated by the Government of Karnataka, will be augmented with necessary infrastructure, equipment, and services to meet teaching hospital standards. Post-construction, it will be handed back to the Government for operations, ensuring continuity of public health services. The medical college, including teaching departments, labs, library, hostels, and academic blocks, will be fully developed and operated by the private partner. The seat-sharing arrangement includes 40% government quota seats, 40% private, and 20% NRI/management quota. The concession period is 66 years, allowing for long-term private investment while ensuring affordability and service quality. The scope includes adherence to service delivery obligations, teaching standards, and a framework for revenue sharing and performance monitoring.
1.2	Nature of Concession to be granted	Design, Build, Finance, Operate and Transfer (DBFOT) basis

S.No.	Item	Response
1.3	Period of Concession and justification for fixing the period	Concession Period - 66 years (including 2 year of construction period) Justification – Based on the financial feasibility assessment the viability of the project (PIRR) is achieved for a concession period of years.
1.4	Estimated capital cost	₹262.18 Crores (INR Cr.)
1.5	Likely construction period	2 years
1.6	Conditions precedent, if any, for the concession to be effective	Conditions Precedent: Government's Conditions Precedent: To be completed before the Appointed Date: • Provide the concessionaire with peaceful possession of the project land , free from encumbrances • Facilitate approvals and handover of existing hospital infrastructure for augmentation • Appoint the Independent Engineer for project monitoring • Provide access to existing utility connections (water, electricity, drainage) for integration Concessionaire's Conditions Precedent: To be completed within 180 days of signing the agreement: • Achieve Financial Closure and submit proof of funding (equity + debt) • Establish the Special Purpose Vehicle (SPV) • Submit performance security and bank guarantees • Obtain required initial statutory approvals (e.g., NMC application, local body permissions) • Submit detailed project implementation plan and designs for approval Note: If either party fails to meet its obligations within the specified period, the agreement allows for extensions or termination with penalties as per the terms.
1.7	Status of land acquisition	The land parcel required for the Medical College is within the existing District Hospital premises and is already under the ownership of the Government of Karnataka. Hence, no fresh land acquisition is required for either medical college or Hospital for augmentation.
2.	Construction and O&M	
2.1	Monitoring of construction; whether an independent agency/engineer is stipulated	As per Article 14 of the Concession Agreement, an Independent Engineer (IE) shall be appointed jointly by the Concessionaire and the Authority (Government) from a panel approved by the Government.

S.No.	Item	Response
2.2	Minimum standards of Operation and Maintenance	The Developer is obliged to maintain the project facilities according to good industrial practice
2.3	Penalties for violation of prescribed O&M standards	As per the Concession Agreement, the Concessionaire is obligated to operate and maintain the Medical College and the augmented District Hospital in accordance with Good Industry Practice, applicable laws, and the detailed Maintenance Requirements specified in Schedule J of the Agreement and then handover the hospital back to the authorities and operate the Medical college for 66-year concession period. In case of any deviation from these prescribed O&M standards, Clause 18.3 empowers the Authority (Government of Karnataka) to issue a notice to the Concessionaire, granting a specified Cure Period to rectify the deficiency. If the Concessionaire fails to address the issue within this period, the Authority has the right to carry out the required remedial work at the risk and cost of the Concessionaire. The costs incurred by the Authority in carrying out such remedial measures can be recovered by deducting amounts from the Escrow Account, Performance Security, or any other payments due to the Concessionaire. This ensures financial accountability and adherence to quality standards throughout the concession period. Additionally, Clause 20.4 outlines that if any defect or deficiency in O&M is observed during inspections, the Authority may again issue a notice requiring corrective action within a Cure Period. If the deficiency remains unrectified, the Authority may invoke the same enforcement measures as under Clause 18.3. While the Agreement does not define fixed monetary penalties (such as daily fines), it mandates recovery based on actual costs incurred by the Authority in fixing the deficiencies. For more serious or repeated violations, the Agreement provides for Suspension of the Concessionaire's rights under Article 37, or even Termination of the contract under Article 38. The Concession Agreement mandates that the Concessionaire must maintain and operate the Medical College in accordance with the minimum standards specified by the National Medical Commission (NMC) and other applicable regulations. These standards apply for the entire duration of the 66-year concession period. And till the transfer of the Medical college to the authorities for operation after augmentation. O&M Standards: Compliance with NMC Norms Maintain prescribed faculty-to-student ratios, infrastructure, equipment, and laboratories

S.No.	Item	Response
		- Ensure availability of all clinical departments, library, IT systems, and hostels as per NMC's Minimum Standard Requirements (MSR) - Submit to regular inspections and accreditation compliance by NMC and affiliating universities Hospital Services and Quality - Maintain the 750-bed teaching hospital with full clinical functionality - Ensure 24x7 emergency services, ICUs, operation theatres, and diagnostic facilities - Implement protocols for infection control, bio-medical waste disposal, and patient safety Equipment and Infrastructure - Operate and maintain medical equipment in working condition - Replace or upgrade outdated equipment periodically - Maintain buildings, utilities, STPs, electrical systems, and campus cleanliness Human Resources - Appoint and retain qualified faculty and medical professionals - Maintain minimum staffing levels in accordance with NMC and university affiliation norms Monitoring and Reporting - Submit periodic compliance reports to the Government and Independent Engineer Address deficiencies within specified timelines or face penalties.
2.4	Safety related provisions	All safety related provisions are to be adhered by the Developer as per the good industry practice.
2.5	Environment related provisions	Environmental related provisions, if any, shall be obtained by the Developer. However, the implementing Agency will facilitate necessary assistance for the above.
3.	Financial	
3.1	Maximum period for achieving financial close	6 months from the Agreement Date
3.2	Nature and extent of capital grant/ subsidy stipulated	Not Applicable
3.3	Bidding parameter (capital subsidy or another parameter)	The percentage (or number) of MBBS seats offered under the Government Quota, subject to a minimum of 40% of total intake.
3.4	Provisions for change of scope and the financial burden thereof	Not Applicable. The Concession Agreement includes standard provisions for Change of Scope, consistent with model PPP frameworks. These provisions allow either party (primarily the Authority) to propose changes during the concession period, subject to mutual agreement.

S.No.	Item	Response
3.5	Concession fee, if any, payable by the Concessionaire	No Annual Concession Fee or Upfront Premium is specified in the bidding documents.
3.6	User charges/ fee to be collected by the Concessionaire	The Concessionaire will primarily earn revenue through user charges (fees) collected from private and NRI students, while offering government quota seats at a fixed subsidized rate. No annuity or service payments are provided by the government.
3.7	Indicate how the user fee has been determined; the legal provisions in support of user fee (attach the relevant rules/ notification); and the extent and nature of indexation for inflation	The user fee in this context refers to annual tuition fees for MBBS seats. (e.g., ₹80,000 for Government quota, ₹16 lakhs for private, and ₹35 lakhs for NRI/Management quota).
3.8	Provisions, if any, for mitigating the risk of lower revenue collection	Not Applicable
3.9	Provisions relating to escrow account, if any	Not Applicable
3.10	Provisions relating to insurance	The Developer shall at its cost and expense, purchase and maintain by due re-instatement or otherwise, during the construction of the Project Facilities, such insurance as are necessary including but not limited to the following: i. Construction/ builders'/contractors' all risk insurance (during construction period) ii. Erection all risk policy (during construction period); iii. Comprehensive insurance for the Facilities for their full market value or replacement cost (including fire, burglary, standard and special peril); iv. Loss, damage or destruction of Project Assets; v. Comprehensive third party liability insurance, including injury or death of Persons who may enter the Project Site; vi. the Concessionaire's general liability arising pursuant to this Concession Agreement; vii. liability to third parties for goods or property damaged; viii. Workmen's' compensation insurance; ix. any other insurance that may be necessary to protect the Developer, its employees and its assets against loss, damage, destruction, business interruption or loss of profit including insurance against all Force Majeure Events that are insurable.
3.11	Provisions relating to audit and certification of claims	Not Applicable

S.No.	Item	Response
3.12	Provisions relating to assignment/ substitution rights relating to lenders	Not Applicable
3.13	Provisions relating to change in law	Not Applicable
3.14	Provisions, if any for compulsory buy-back of assets upon termination/ expiry	For teaching Hospital: The teaching district hospital shall be augmented by the private partner then handed over to the Authority for operations. This implies no buy-back, as the asset is built and transferred. For the medical college: The Concessionaire is expected to design, build, finance, operate, and maintain it for the full 66-year concession period. At the end of the concession period: Assets are typically transferred to the Authority at zero cost as part of vesting provisions, not bought back.
3.15	Contingent liabilities of the government	Not applicable
	(a) Maximum Termination Payment for Government/ Authority Default	Not applicable
	(b) Maximum Termination Payment for Concessionaire Default	Not applicable
	(c) Specify any other penalty, compensation or payment contemplated under the agreement	Not applicable
4.	Others	
4.1	Provisions relating to competing facilities, if any	Not Applicable - The Concessionaire does not have exclusivity over medical education or healthcare services in the area. - There is no non-compete clause preventing the government from setting up or permitting other medical institutions nearby.
4.2	Specify the proposed Dispute Resolution Mechanism	Not Applicable
4.3	Specify the proposed governing law and jurisdiction	Not Applicable

S.No.	Item	Response
4.4	Other remarks, if any	Not Applicable

Annexure I C

Evaluation of Risks and Mitigation Measures

S.No.	Risk Category	Risk Description	Consequence	Mitigation	Assigned to
1.	Project Development				
1.1		Construction & Operation	Delay in construction timelines leading to cost overruns and late commissioning	Developer is required to develop and maintain the project facilities according to Good Industrial Practices.	Developer
1.2		Performance Security	If the Concessionaire fails to meet financial closure, construction timelines, or operational obligations, the government may encash the performance security to recover losses.	The performance security ensures the Concessionaire remains committed and provides financial protection to the Authority in case of default.	Developer
1.4		Insurance	Without adequate insurance, the project is exposed to financial loss or legal liability due to accidents, equipment damage, or service disruptions.	Comprehensive insurance coverage during construction and operations protects project assets, workers, and users from unforeseen risks.	Developer
2.	Construction				
2.1		Approvals and Clearances	Delay or failure in obtaining statutory approvals (e.g., NMC approval, building permits, environmental and fire clearances) can stall construction and result in cost overruns.	Timely application and proactive follow-up with support from the Authority help ensure all approvals are secured within schedule..	Developer

S.No.	Risk Category	Risk Description	Consequence	Mitigation	Assigned to
2.2		Design Risk	Inadequate or non-compliant design can lead to project delays, cost escalations, and failure to meet NMC norms, affecting regulatory approvals and service delivery.	The Concessionaire must engage qualified design consultants and submit plans for review by the Independent Engineer to ensure compliance.	Developer
2.3		Monitoring Construction activity standards	Poor supervision may lead to substandard construction, delays, and non-compliance with NMC norms, affecting safety, functionality, and project approval.	An Independent Engineer appointed by the Authority will regularly inspect, certify milestones, and ensure adherence to approved specifications.	Dept. & Developer
2.4		Completion of Construction work	Delays in completion may affect project commissioning, MBBS admissions, and could result in penalties or termination under the concession terms.	Clear construction timelines, milestone-based monitoring by the Independent Engineer, and enforcement of liquidated damages ensure timely delivery.	Dept. & Developer
2.5		Increase in scope of work	Unplanned scope changes can lead to cost overruns, construction delays, and disputes over financial responsibility and time extensions.	Any change in scope must be formally approved by the Authority, with cost and time implications mutually agreed and validated by the Independent Engineer.	Mutual Consent
3.	Operations				
3.1		Monitoring Operation and maintenance standards	Poor adherence to maintenance and service quality standards can affect hospital functioning, academic accreditation, and patient/student satisfaction.	Regular audits and inspections by the Independent Engineer and the Authority ensure compliance with NMC norms and contractual service obligations.	Dept./Developer

S.No.	Risk Category	Risk Description	Consequence	Mitigation	Assigned to
3.2		Regulatory Standards for Works	Failure to comply with NMC, building, safety, fire, or environmental standards can lead to denial of approvals, penalties, or even closure of facilities.	All works must strictly follow applicable laws and technical guidelines. Compliance will be verified by the Independent Engineer and statutory authorities.	Developer
4.	Financing				
4.1		Failure to meet the anticipated financial resource	Inability to raise the required funds may delay project execution, breach financial closure timelines, and lead to termination or forfeiture of performance security.	The Concessionaire is required to achieve financial closure within 180 days. Performance security, lender oversight, and staged disbursement conditions help ensure financing is in place.	Developer
4.2		Collection of user charges from the users of project facilities	Inadequate collection of tuition fees or hospital service charges may result in revenue shortfall, affecting debt servicing, O&M, and overall project sustainability.	Fee structures for private and NRI quotas are market-linked, and the concessionaire has full rights to collect user charges as per the Concession Agreement, ensuring revenue autonomy.	Developer
4.3		Increase in Operation expenditure	Unexpected rise in operational costs (e.g., salaries, maintenance, utility bills, consumables) can reduce profitability and affect service delivery quality.	Efficient cost management, periodic fee revision for private/NRI seats, and long concession period help absorb operational fluctuations.	Developer
5.	Other Risks				

S.No.	Risk Category	Risk Description	Consequence	Mitigation	Assigned To
		Change in Law	Any change in applicable laws, regulations, or tax structure may increase costs, delay approvals, or impact the project's financial and operational viability.	While not explicitly detailed in the documents, such risks are typically mitigated through standard PPP provisions allowing relief or compensation in cases of material adverse changes.	Developer
		Developers' employees/ contractors	Mismanagement, shortage, or non-compliance by the Concessionaire's staff or contractors may lead to delays, quality issues, and safety violations.	The Concessionaire is responsible for hiring qualified personnel and competent contractors, and must ensure compliance with labour laws, safety standards, and NMC norms.	Developer
		Force Majeure	Natural disasters, pandemics, war, or other unforeseeable events beyond the control of the parties can cause delays, damage to assets, or project suspension.	Though not explicitly stated in the provided documents, standard DBFOT PPPs include Force Majeure provisions allowing time extensions, suspension of obligations, or termination without penalty.	Developer
		Social Unrest	Local protests, political agitation, or opposition to the project may disrupt construction or operations, cause damage to assets, or delay timelines.	Coordination with local administration, community engagement, and timely communication can help reduce risks and build public support.	Dept. & Developer

		Environmental	Non-compliance with environmental norms (e.g., waste disposal, air/water pollution, noise) can lead to legal penalties, stoppage of work, or reputational damage.	The Concessionaire must obtain necessary environmental clearances, install STPs and biomedical waste systems, and follow KSPCB/NMC guidelines..	Developer

Annexure I D

Project Financial Summary

S.No.	Item	Response
1.	General Information for Financial Analysis	
1.1	Name of the Project	Establishment of a 150-Seat Medical College and Upgradation of the Existing District Hospital at Vijayapura, Karnataka under Public-Private Partnership (PPP) on DBFOT Basis.
1.2	Type of PPP (BOT, BOOT, BOLT, OMT etc)	Design, Build, Finance, Operate and Transfer (DBFOT) basis
1.3	Capacity of the Project (e.g.-for Road: Length in Kms)	The capacity of the project is defined as follows: - Medical College: 150 MBBS student intake per year - Teaching Hospital: 750 beds (upgraded from the existing district hospital) This capacity complies with National Medical Commission (NMC) norms for a 150-seat medical college with a fully functional teaching hospital.
1.4	Key features	
1.5	Carrying Capacity (E.g.-for Road: Passenger Car Units)	Not applicable
1.6	Concession Period	66 years including construction period of 2 year
2.	Project Costs	262.18 Cr.
2.1	Cost of Land	The land is provided by Dept.
2.2	Construction Cost of Facilities	262.18 Cr.
2.3	Cost of Plant and Machinery	NIL
2.4	Interest During Construction	Not Applicable
2.5	Other Costs if any	Not Applicable
2.6	Total Project Cost	The Estimated project cost for the indicative project facilities is set out below:
3.	Financing Arrangements	
3.1	Financing Structure (% of equity and debt)	Debt: Equity ratio 70%:30%
3.2	Interest on Debt (Assumed)	11% per annum
4.	Revenue streams for each Concession Year	Refer Schedule 1 above
4.1	Per unit Tariff (E.g.	The Developer shall fix the rentals/tariff/ from the users of the project

	Toll rates for Car/Bus...)	facilities as per the applicable laws and based on market rates
4.2	Revenue from Tariff.	Refer Schedule 1 above
4.3	Revenue from Advertising	NIL
4.4	Other Revenue Streams	NIL
4.3	Indicate the NPV of revenue streams with 12% discounting	NPV of revenue streams with 12% discounting = 1090.70 (Lakhs INR)
5.	IRR	
5.1	Economic IRR (if computed)	Has not been computed
5.2	Equity IRR	15.39%
5.3	Project IRR	13.89%

Annexure I E

Check List for Submission of Documents for approval from SLSWA/ SHLCC (in Hard-2 Sets and Soft)

Sl No	Documents to be Submitted	Applicable (Y/N)	Submitted - Hard Copy (Y/N)	Submitted - Soft Copy (Y/N)
1.	Covering Letter from Head of the Organization	Yes	Yes	Yes
2.	Filled in Proforma for the PPP projects for the SWA meeting	Yes	Yes	Yes
3.	Preliminary Feasibility Report/ Feasibility Report/ DPR/ Environmental/ Social	Yes	Yes	Yes
4.	Project Information Memorandum	No	No	No
5.	Traffic Projections, (if not covered in the DPR)	No	No	No
6.	Traffic Impact Assessment in consultation with Local authorities with Action Plan	No	No	No
7.	Financial Analysis with Project Cash Flows (if not covered in the DPR)	Yes	Yes	Yes
8.	Risk Assessment and Mitigation Matrix based on project risks	Yes	Yes	Yes
9.	RFP	Yes	Yes	Yes
10.	Draft Concession Agreement	Yes	Yes	Yes
11.	Filled in VGF format (if submitted to GOK)	No	No	No
12.	Documents relating to any issues on various clearances/ Land Acquisition/ R&R	No	No	No
13.	Presentation of 10 slides covering the points on the Proforma for SWA	Yes	Yes	Yes
14.	Details of any Policy Changes Required for implementation (if any)	No	No	No
15.	Action Plan (Schedule – Microsoft Project Type) for Implementation	No	No	No

Please indicate your response wherever applicable and submit in the above table. Soft Copy can be submitted in a CD with files numbered in the above order.

Signature of the
Head of the Administrative Department/ Agency with Stamp