

LICENCE AGREEMENT

Between

**EAST DELHI MUNICIPAL CORPORATION
Acting through
Its authorized officer on this behalf**

AND

(LICENSEE)

for

**OPERATION & MAINTENANCE OF MODERN SLAUGHTER HOUSE, CARCASS
UTILIZATION – CUM - RENDERING PLANT AT GHAZIPUR, DELHI**

2019

Licence Agreement for Operation and Maintenance of Modern Slaughter House and Carcass utilization – cum- Rendering Plant at Ghazipur, Delhi

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(To be printed on a Stamp Paper)

This Licence Agreement mutually agreed and entered into on this _____ day of _____, Two Thousand and _____ at Delhi,

BETWEEN

East Delhi Municipal Corporation , a municipal corporation established under the DMC Act 1957 and having its office at 419, Udyog Sadan Patparganj Indl. Area Patparganj Delhi -110091, acting through , the Commissioner (hereinafter referred to as “EDMC” or “Licensor”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and assigns) of ONE PART

AND

_____, a company incorporated under the Companies Act, 1956 and having its registered office at _____(hereinafter referred to as “licensee”, which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors and permitted assigns) of the **OTHER PART**

EDMC and licensee are hereinafter referred to individually as the “**Party** ” and collectively as the “**Parties**”.

Whereas:

- A. East Delhi Municipal Corporation (EDMC) is responsible for providing various civic services within limits of the Corporation of Delhi including creation of required infrastructure for a modern slaughter house facility and its operation. For environmental, health and regulatory reasons, it was decided to relocate the then "Idgah Slaughter House" to Ghazipur, in Delhi, by constructing a modern, slaughter house at Ghazipur, in Delhi (hereinafter referred to as "Site"). The site was chosen because of its isolation from urban areas and proximity to road networks for the transport of animals and delivery & distribution of fresh meat.
- B. The objective of the new slaughterhouse is to provide the wholesome meat to the population of Delhi as well as ensuring the highest standards for hygiene and safety, operational efficiency, and environmental management.
- C. EDMC had engaged suitable agencies for running the project facility of modern slaughter house at Ghazipur along with other utilities. EDMC desired to find an Operator for the slaughter house at Ghazipur for a designated period, in accordance with the terms of this agreement.
- D. EDMC after evaluating the aforesaid Proposals, accepted the Proposal submitted by the licensee and issued Letter of Intent No. _____ dated _____ to the licensee for operation & maintenance of the slaughter house at Ghazipur and in response thereto received proposals from number of companies/firms/agencies including that of the licensee.
- E. EDMC, after evaluating the aforesaid Proposals, accepted the Proposal submitted by the licensee and issued Letter of Intent No. _____ dated _____ to the licensee for operation & maintenance of the said slaughter house at Ghazipur.
- F. The objective of rendering plant established in the slaughter house complex is to provide the eco- friendly environment to the population of Delhi as well as ensuring the scientific disposal of dead animals collected from entire city of Delhi.
- G. The Parties hereto are required to enter into the Licence Agreement being these presents to record the terms, conditions and covenants of the Licence.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:-

ARTICLE 1

DEFINITIONS AND INTERPRETATION

1.1 Definitions

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

“Access Road” means the motorable approach road (approx. 50 ft. wide) for access to the Site from the main road and the intended route of which is indicated in green on the Site plan annexed as Schedule I hereto.

“Additional Cost” shall mean the additional capital expenditure and/or the additional operating costs or both as the case may be which the licensee would be required to incur as a result of Change in Law.

“Affected Party” shall mean the Party claiming to be affected by a Force Majeure Event in accordance with Article 8.1.

“Agreement” shall mean this agreement, including its schedules & annexure and includes any amendments made hereto in accordance with the provisions hereof.

“Applicable Law” shall mean all applicable laws, acts, ordinances, rules, regulations, notification & guidelines in force and effect, as of the date hereof and which may be promulgated or brought into force and effect hereinafter in India including judgements, decrees, injunctions, writs or orders of any court of record, as may be in force and effect during the period of subsistence of this Agreement and applicable to the Project/the licensee.

“Applicable-Approvals” shall mean all clearances, licenses, permits, authorisations, no objections, consents and approvals to be obtained or procured by the licensee under Applicable Law, in connection with the operation and maintenance of the Project during the period of subsistence of this Agreement.

“Appointed Date” shall mean the date of signing this Agreement.

“Arbitration Act” shall mean the Arbitration and Conciliation Act, 1996 of India and shall include any amendment to or any re-enactment thereof as in force from time to time.

“Change in Law” shall have the meaning ascribed thereto in Article 8.4.

“COD’ or ‘Date of Commissioning” shall mean the Commercial Operations Date of the Project, which shall be the date on which the EDMC’s Plant Manager has issued the Readiness Certificate in accordance with the provisions of Article 4 and Schedule 6 and which shall be next date from the expiry of the lease period of existing lessee as the slaughter and rendering plant all already functional.

“Contractor” shall mean any Person with whom the licensee has entered into/may enter into any material contract in relation with the Operation & Maintenance of the facility.

“CPHEEO” shall mean Central Public Health & environmental engineering organisation under Ministry of Urban Development, Government of India.

“DPCC” shall mean the Delhi Pollution control Committee.

“Effective Date” is the date from which the licence agreement comes in force subsequent to satisfying all the requirements of conditions precedent as per **Clause 2.6**.

“Emergency” shall mean conditions or situation that is likely to endanger the safety of the individuals on or about the Project Facilities or which poses an immediate threat of material damage to any of the Project Facilities.

“Encumbrance” shall mean a legal right or interest in land that affects a good or clear title and diminishes the land value. It can be of numerous forms such as zoning ordinances, easement rights, claims, mortgage, charge, pledge, lien, hypothecation, security interest or other obligations and shall also include physical encumbrances, including utilities both under and above the ground and encroachments on the site.

“Fee structure approved by EDMC” shall mean the fees/rates approved by EDMC for various services rendered at the slaughter house complex, including the slaughtering of animals, as enclosed at Schedule V of its amendments issued by EDMC from time to time.

“Financing Documents” shall mean collectively the documents/loan agreements evidencing Lenders’ commitment to finance the Project and shall include the security documents creating the relevant security (such as mortgages or charges or liens) on the Plant or any part thereof, for securing the debt provided.

“Financial Year” shall mean the period commencing from April 1 of any given year to March 31 of the succeeding year.

“Force Majeure” or **“Force Majeure Event”** shall mean an act, event, condition or occurrence as specified in Article 8.

“GoI” shall mean the Government of India.

“GNCT” shall mean the state Government of National Capital Territory of Delhi.

“Good Industry Practice” shall mean the exercise of that degree of skill, diligence, prudence and foresight in compliance with the undertakings and obligations under this Agreement which would reasonably and ordinarily be expected of a skilled and an experienced person engaged in the operation and maintenance or supervision or monitoring thereof of any of them of a project similar to that of the project.

“Government Agency” shall mean GoI, GNCT, EDMC/SDMC/NDMC or any state government or governmental department, commission, board, body, bureau, agency, authority, instrumentality, court or other judicial or administrative body, central, state, or local, having jurisdiction over the licensee, the Site/Project Facilities or any portion thereof, or the performance of all or any of the services or obligations of the licensee under or pursuant to this Agreement.

“Hand back of Project Facilities” shall have the meaning ascribed thereto in **Article 10**.

“Lenders” shall mean any person, financial institutions, banks, funds and trustee for bond holders or debenture holders, who have provided Loans to the licensee for financing any part of the Project as evidenced in financing documents.

“Licence” shall have the meaning ascribed thereto in **Article 2.1**.

“Licence Period” shall have the meaning ascribed thereto in **Article 2.3**.

“Licensee” or **“Operator”** shall mean party entering into this agreement to implement the Project and includes its successors and permitted assigns expressly approved by EDMC.

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

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

“EDMC” shall mean East Delhi Municipal Corporation, established under the provisions of the Delhi Municipal Corporation Act, 1957.

“Plant Manager” or **“EDMC’s Plant Manager”** shall be the Veterinary doctor nominated by EDMC either by Director Veterinary services or by the Commissioner, EDMC. The EDMC’s Plant Manager shall be the nodal person for supervision and monitoring of functioning of the slaughter house at Ghazipur and also the live stock market and the compliance by the licensee with the O&M requirements, more particularly to undertake, perform, carry out the duties, responsibilities, services and activities set forth in the bid documents consisting of this agreement, RFP and O & M Requirements and Guidelines.

“O&M Requirements” shall mean the requirements for operation and maintenance of the Project Facilities set forth through the bid documents and other applicable regulations.

“Operation Period” shall mean the period from the Effective Date and the Transfer Date and the duration of this period shall be a minimum of ten years from such effective Date.

“O&M Requirements & Guidelines” means the part of RFP documents enclosed in this agreement.

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

“Performance Security” shall mean the guarantee for performance of its obligations to be procured by the licensee in accordance with **Article 5.1**.

“Person” shall mean (unless otherwise specified or required by the context), any individual, company, corporation, partnership, joint venture, trust, unincorporated organisation, government or government body or any other legal entity.

“Post Licence Activities” shall mean the activities to be undertaken by the licensee after the Term of this agreement, as may be requirement to be carried out subsequent to inspection by competent third party and notice by EDMC.

“Post Licence rectification Period” shall mean the period commencing from the day following the date next to the end of licence period till such duration as may be required to rectify the defects, if any, identified by EDMC, subsequent to competent third party inspection.

“Preliminary Notice” shall mean the notice of intended termination by the Party entitled to terminate this Agreement to the other Party setting out, inter alia, the underlying Event of Default.

“Processing” shall mean the entire operation and process of animals to produce carcass and other products in line with the provisions of this agreement.

Project” shall mean operation and maintenance of the Slaughter House Complex at Ghazipur which shall include the Project Facilities comprising of live stock market, lairage, slaughter house assemble lines, mezzanine floors, despatch section, tripery and by-product processing, utilities such as boiler house, refrigeration, fire fighting, water supply & distribution, ETP etc., during the licence period as well as Post licence rectification period.

“Project Facilities” shall mean the Slaughter House Complex and carcass utilization -cum- rendering plant at Ghazipur with buildings, structures, equipment, open space, etc. Detailed in schedule-1 of this agreement.

“Readiness Certificate” shall mean the certificate issued by EDMC’s Plant Manager certifying, inter alia, that:

- (i) the licensee has obtained all approvals necessary to operate the facility.
- (ii) the licensee has mobilised all the resources for smooth operation of the Slaughter House Complex at Ghazipur.

“Rupees” or **“Rs.”** Refers to the lawful currency of the Republic of India.

“Rejected Animals” means such animals, identified by veterinary doctors deputed by EDMC / lessee during ante-mortem inspection at Lairage, as not fit for slaughtering and which are to be removed from the lairage by the licensee for returning back to the respective owners’ of those animals.

“Site” or **“Project Site”** shall mean the modern slaughter house and carcass utilization -cum- rendering plant constructed by EDMC, along with the live stock market and other associated facilities which is located at Ghazipur, Delhi.

“Solid Waste” means wastes generated from the operation of Project and that are in either solid or semi-solid form.

“Tax” shall mean and includes all taxes, fees, cess, duties & levies that may be payable by the licensee under Applicable Law.

“Term “ or “Licence Period” means the period of 10 years commencing from Effective Date and will also include such successive time period/s by which the Licence granted in this Agreement may be renewed/extended as provided herein.

“Termination” shall mean early termination of this Agreement pursuant to Termination Notice or otherwise in accordance with the provisions of this Agreement but shall not, unless the context otherwise requires, include expiry of this agreement due to efflux of time in the normal course.

“Termination Date” shall mean the date specified in the Termination Notice as the date on which Termination occurs/comes into effect.

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

“Termination Payment” means the payments payable pursuant to **Clause 9.2 (f)** of this Agreement.

“Tests” shall mean the tests to be carried out in accordance with the O&M Requirements and generally confirms to the nature of operation as per standard practice.

“Transfer Date” means the date immediately following the date of expiry of this Agreement including extension there to or earlier termination thereof in accordance with the provisions of this Agreement;

1.2 Interpretation

- (a) The words, phrases and expressions defined hereinabove in Clause 1.1 or defined elsewhere by description in this Agreement, together with their respective grammatical variations and cognate expressions shall carry the respective meanings assigned to them in the said Clause 1.1 or in this Agreement and shall be interpreted accordingly. Expressions which have not been defined in this Agreement shall carry the respective meanings assigned to them in their ordinary applicability read in context with the manner of their usage in this Agreement or in their respective technical sense, as the case may be;
- (b) all words in singular shall be deemed to connote their respective plurals and vice-versa, unless the context suggests otherwise;
- (c) the words “include” and “including” are to be construed without limitation;
- (d) the headings of the Clauses in this Agreement are merely for purposes of convenience and shall have no bearing on the interpretation of this Agreement;

- (e) the Schedules and Annexures to this Agreement form an integral part of this Agreement and shall be interpreted accordingly.
- (f) any reference to any period commencing “from” a specified day or date and “till” or “until” a specified day or date shall include both such days or dates;

1.3 Priority of Documents:

The documents forming part of the bidding process leading this agreement shall be relied upon and interpreted in the following descending order of priority:

- (a) This Agreement
- (b) The Appendices to the Agreement
- (c) The LOA issued to the Preferred Bidder
- (d) The written clarifications issued to the bidders
- (e) Written addenda to the RFP
- (f) The RFP
- (g) The Preferred Bidder’s Bid.

ARTICLE 2

THE LICENCE

2.1 Grant of Licence

Subject to and in accordance with the terms and conditions set out in this Agreement, EDMC hereby grants to the licensee and the licensee hereby accepts during the Term the exclusive right and authority, to operate and maintain the Project Facilities and to exercise and/or enjoy the rights, powers, benefits, privileges, authorization and entitlements granted under this Agreement:

- (a) to maintain and control the operations of the live-stock market and receive animals for slaughtering from the owners of the animals and transport them to lairage with appropriate identification.
- (b) to carryout slaughtering of the animals declared as fit by the veterinary doctor of EDMC/ lessee to be slaughtered and deliver the carcass to the respective owners either at the delivery section of the complex or transport the carcass through refrigerated vehicles to the respective destinations as the case may be.

(c) to operate and maintain and carcass utilization -cum- rendering plant for rendering of fallen/ dead animals from all over Delhi. The lessee himself or through its contractor/ contractors will collect / lift the dead animals from entire Delhi.

2.2 Rights Associated with the Grant of Licence

Without prejudice to the generality of foregoing, the Licence hereby granted to the licensee shall include without being limited to, and shall entitle licensee, without requiring any further authorization or authority from EDMC, to enjoy, the following rights, privileges and benefits in accordance with the provisions of this Agreement and Applicable Laws:

- (a) upon commissioning of a Project Facility, to manage, operate and maintain the same either itself or through such Person as may be selected by it with approval from EDMC and in such case the overall responsibility shall lie with the operator.
- (b) to borrow or raise money or funding required for the due operation & maintenance of the Project from any financial institution without any Encumbrance/charge upon the property and assets of the corporation.
- (c) to use, appropriate, process animals acceptable and treat/dispose the liquid as well as solid Matter as per provisions of this Agreement.
- (d) to levy appropriate fees for the category of service rendered within the complex, as approved by EDMC and as per provisions of this Agreement.
- (e) to store, use, appropriate, market and sell or dispose all the by-products obtained after the processing of animals with due consent of the owners of the animals and to further retain and appropriate any revenues generated from the sale of such products.
- (f) exclusively hold, control the project facilities and site (but not to own), in accordance with the terms of the Licence Agreement, only for the purposes of the operation and maintenance of this project, in accordance with the terms of this Agreement.

2.3 License Period

The Licence is granted to the licensee for a period of 10 years from the Effective Date (hereinafter referred to as the "Term") and shall terminate upon the expiry of the Term or upon earlier Termination of this Agreement or for any such period for which the extension of the term is granted to the licensee.

2.4 Renewal of Licence

EDMC may agree to renew or extend the Licence after the expiry of the initial Term, for a maximum of another 10 year period. However, the final decision in this regard shall be taken by the EDMC after assessing the performance of work of the licensee during the preceding five years and also keeping in view the interests of EDMC and subject to fulfilment of the following circumstances:

- (i) The Project Facilities were and are being used only for the purpose of the Project (and only slaughtering and related activities are being undertaken as part thereof);

- (ii) All the norms stipulated by the Ministry of Environmental and forest and Pollution Control Board on the day of the renewal of the licence have been fulfilled by the licensee.
- (iii) The licensee is not in default in compliance with any of the terms and conditions of this Licence Agreement during the Term.
- (iv) The licensee had been defaulted in making any payment required to be made by it to the Licensor or any other specified person, as specified in the provisions of this Agreement.

2.5 Acceptance of Licence

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

2.6 Conditions Precedent

This Agreement would become effective and binding, only upon the satisfaction of the following Conditions Precedent:

- (a) EDMC shall handover to the licensee the peaceful physical possession of the project facilities free from Encumbrance, for the purpose of operation & maintenance of the Project including and carcass utilization -cum- rendering plant. The Ghazipur slaughter Housing and carcass utilization -cum-rendering plant is handed over to the lessee on "as is where is basis".
- (b) All the Applicable approvals required to enable the operation and maintenance of the Project and Project Facilities have been obtained by the Licensee as per the details are enclosed at schedule-II. However there further renewals will be obtained by lessee/ operator.
- (c) The "Readiness Certificate" shall have been issued by EDMC's Plant Manager in favour of the licensee.

2.7 Obligation to satisfy Conditions Precedent

Each Party shall make all reasonable endeavours at its respective cost and expense to comply in full with the Conditions Precedent relating to it within a period of 60 (sixty) days from the date of execution of this Agreement or any extension agreed to between the Parties.

- (a) The later of the date within such 60 days when EDMC or the Licensee fulfils its Conditions Precedent (unless Licensee waives the same for the EDMC) shall be the date from which the obligations of the Parties hereunder shall commence and this agreement shall become effective (the “**Effective Date**”).

2.8 Non-Compliance with Conditions Precedent

It is agreed that, if the above preconditions on part of either of the parties not met within two (02) months from the date of execution of this Agreement, then other party shall have the option of either: (i) extending the time period for satisfaction of the conditions precedent by another two (2) months or (ii) terminate this Agreement, in which event the Party which has not met the pre-condition shall pay the other party an amount equivalent to the first year royalty quoted by the selected bidder in his financial bid accepted by EDMC.

ARTICLE 3

PROJECT FACILITIES

3.1 Handover of Project facilities

- (a) EDMC shall handover to the licensee the peaceful physical possession of the project facilities free from Encumbrance, for the purpose of operation & maintenance of the Project. EDMC shall charge a nominal lease rent of Rs. 1 per square metre per year for the entire area handed over to the licensee including the livestock market, hutments for animal stay, slaughter house complex, effluent Treatment Plant, utilities area and carcass utilization - cum- rendering plant etc. The details of the facilities handed over along with the list of key equipments are enclosed at Schedule IV of this Agreement.
- (b) Upon the Project Facilities being handed over pursuant to the preceding sub-article (a), the licensee shall, subject to the provisions of Article 5, have the right to enter upon, occupy and use the same and to make at its costs, charges and expenses for smooth operation of the project facilities as may be necessary or appropriate to operate the Project Facilities in accordance with the provisions of this Agreement.

3.2 Rights, Title and Use of the Project Facilities

- (a) The licensee shall have the right to the use of the Project Facilities in accordance with the provisions of this Agreement and for this purpose, it may regulate the entry into and use of the same by third parties.
- (b) The licensee shall not part with or create any Encumbrance on the whole or any part of the Project Facilities, including the Site save and except with the written consent of EDMC.
- (c) The licensee shall not, without the prior written approval of EDMC, use the Project Facilities for any purpose other than for the purpose of the Project and purposes incidental or ancillary thereto.
- (d)
 - (i) The license shall allow access to and use of the Site for laying/installing/maintaining telegraph lines, electric lines or for such other public purposes as EDMC may specify. Provided that such access or use shall not result in a Material Adverse effect and that EDMC shall, in the event of any physical damage/shifting of the Project Facilities on account thereof, ensure that the Project facilities are promptly restored.
 - (ii) The Licensee shall also at all times allow access to and use of the Site by EDMC or any of its designated official for the purposes of periodical inspection of the Project Facility by EDMC with/without the help of competent third party to verify the conditions of equipment and other facilities, preferable without affecting the normal operations of the plant.

The appointment of competent third party for inspection shall be with the mutual consent of both EDMC and the licensee. The cost towards third party inspection shall be borne by licensee only. The licensee shall extend required support for the inspection and also carry out the repairs, cleaning and or maintenance of equipment as advised by EDMC during/after the inspection.

- (e) EDMC may permit the licensee or Operator to use the space available at the Project Facilities for display of advertisements as per applicable provisions and the operator shall pay the necessary advertisement tax as per prevailing rates of EDMC.
- (f) The Licensee shall pay the lease rental in advance for each year (one full year) within 30 days from the start of the calendar year.

3.3 Peaceful Possession

EDMC hereby warrants that:

That EDMC has full powers to hold and deal with the PROJECT Facilities consistent, interalia, with the provisions of this agreement and that the licensee shall, in respect of the Project, have no liability regarding any compensation payment on account of incompleteness of the project Facilities thereby.

- (a) The licensee shall, subject to complying with the terms and conditions of this Agreement, remain in peaceful possession and enjoyment of the whole Project Facilities during the Term of license, and in the event the licensee is obstructed by any Person claiming any right, title or interest in or over the Project Facilities or any part thereof or in the event of any enforcement action including any attachment, distraint, appointment of receiver or liquidator being initiated by any Person claiming to have any interest in/charge on the Project Site or Project Facilities or any part thereof, EDMC shall, as called upon by the licensee, defend such claims and proceedings at its costs and also keep the licensee indemnified against any consequential loss or damages which the licensee may suffer, on account of any such right, title, interest or charge.

3.4 Applicable Permits

The licensee shall obtain and maintain the Applicable Permits at his own costs in such sequence as it consistent with the requirements of the Project. EDMC shall provide all necessary co-operation/assistance for obtaining the permission. The licensee shall be responsible and shall be in compliance with the terms and conditions; subject to which Applicable Permits have been issued.

ARTICLE 4

EDMC'S PLANT MANAGER

4.1 Procedure for Appointment

- (a) EDMC shall nominate a Veterinary Doctor as EDMC's representative in-charge for overseeing the operations of the complex within 7 days from Appointed Date hereof. The EDMC's representative may be designated as either the "Plant Manager" or any other suitable designation. The scope of nature of work of the EDMC's Representative/Plant Manager is set out in Schedule III.

ARTICLE 5

LICENSEE'S OBLIGATIONS

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

5.1 Performance Bank Guarantee (PBG)

- (a) The licensee shall, for due and punctual performance of its obligations hereunder relating to the Project, deliver to EDMC, simultaneously with the execution of this Agreement, a bank guarantee from a scheduled bank, ("Performance Security") for a sum of **Rs. 5,00,00,000/- (Rupees Five Crores Only)**.
- (b) The PBG shall be kept valid throughout the term of the agreement and also during the Post Licence Rectification Period. The renewal/extension of the PBG as and when required is to be done by the licensee at least one month before the date of expiry; of the existing PBG, failing which, EDMC would be entitled to revoke the PBG.

In the event of encashment of the PBG by the EDMC, in full or part, the Licensee shall within 30 (thirty) days of receipt of the encashment notice from the EDMC provide a fresh PBG or replenish the existing PBG, as the case may be. The provisions of this clause 5.1 shall apply *mutatis mutandis* to such fresh PBG. The Licensee's failure to comply with this provision shall constitute a Licensee Event of Default which shall entitle the EDMC to terminate this Agreement in accordance with the provisions of Clause 9.1 hereof.

Provided that if the Agreement is terminated due to any event other than a licensee Event of Default, the PBG if subsisting as on the termination Date shall, subject to EDMC's right to receive amounts at prevailing time if any, due from the licensee under this Agreement, be duly discharged and released to the licensee within 60 days from the termination date.

5.2 Financing Arrangement

The licensee shall at its cost, expenses and risk make financing arrangements for the expenses towards operation and maintenance of the Slaughter House and carcass utilization -cum- rendering plant at Ghazipur and to meet all of its obligations under this Agreement, in a timely manner.

The Parties in this regard further agree and confirm that licensee shall have no right to create encumbrance on any or all assets handed over by EDMC to licensee forming a part of the Project Facilities including the site, civil structures, buildings, equipments, spare parts etc. (hereinafter referred to as "EDMC assets") and the ownership of EDMC assets shall always vest with EDMC.

However, the licensee in accordance with the financing documents shall be free to create any encumbrance in favour of Lenders of assets specifically comprising of and limited to equipments & machinery created/developed by the licensee itself (hereinafter referred to as "licensee assets").

5.3 Operation & Maintenance of Project Facilities

- (a) The licensee shall adhere to the operation & maintenance requirements and guidelines as per the RFP and shall adhere to the good industry practice.
- (b) The licensee shall, before commencement of operation of Project Facilities:
 - (i) have requisite organization and designate and appoint suitable officers/representatives as it may deem appropriate to supervise the Project, to interact with the EDMC's Plant Manager/EDMC and to be responsible for all necessary exchange of information required pursuant to this Agreement;

- (ii) provide such facilities as may be required for the EDMC's Plant Manager, at the Plant during his visits.
- (c) For the purposes of determining that operation & maintenance are being undertaken in accordance with the operation & maintenance requirements and guidelines, EDMC's Plan Manager with advance intimation to the Licensee may choose to make a visit to the plant land monitor the Licensee's activities.
- (d) The licensee shall arrange trained manpower to operate & maintain the slaughter house complex and rendering plant. However, preference shall be given to the "butchers & other manpower" trained by the contractor during the training on operation of the slaughter house plant.
- (e) The lessee shall be required to provide all the technical staff – labour, butchers, operators, supervisor, mechanic electrician, clerical, administrative, managerial staff as also the security personnel for operations, maintenance and management of the slaughter house and carcass utilization – cum - rendering plant required for operation and maintenance at his own cost.
- (f) In case of rendering plant the lessee will shall the final product to an authorised source so that the final product, specially tallow are not being misused by the purchaser for adulteration purposes. If at any stage it is found and proved that adulteration is being conducted by the purchaser in connivance with and or in the knowledge of lessee, Commissioner EDMC will be free to take any stern action against the lessee which may include the cancellation of lease agreement, forfeiture of the security deposit. Lease will maintain an official record, details about the material produced in the plant and to whom sold and keep the record up to date for inspection of director veterinary services or his authorised representative.
- (f) The licensee shall be deemed to be in material breach of O&M Requirements if the EDMC's Plant Manger acting reasonably and in accordance with the provisions of this Agreement, has determined that due to breach of its obligations by the licensee after providing just & fair opportunity to the licensee to explain itself;
 - (i) There has been failure/undue delay in carrying out scheduled/planned operation & maintenance or the scheduled/planned operation & maintenance has not been carried out in accordance with the O&M Requirements and guidelines as evidenced by events of significance that resulted in prolonged interruptions of meeting the plant capacity.

- (ii) The maintenance of the Project Facilities or any part thereof has deteriorated to a level which is below the acceptance level prescribed by the O&M Requirements and Guidelines, required in line with the nature of activity.
- (iii) There has been a serious or persistent let up in adhering to the O&M Requirements and Guidelines thereby the Project Facilities or any part thereof is not safe for operations.

5.4 Royalty

The Licensee shall pay royalty payment to EDMC on a quarterly basis starting from the Effective Date as following:

- (a) The amount of royalty will be as per the financial bid submitted by the bidder and accepted by EDMC (copy enclosed at annexure....).
- (b) The Licensee shall pay the royalty payment in the form of cheque or demand draft in favour of Commissioner EDMC, payable at Delhi in the first week at the beginning of every quarter.
- (c) In case of delay in the payment, interest as per SBI PLR shall be applicable on the delayed payment till the receipt of payment of that corresponding month.
- (d) The above royalty is in addition to the nominal lease rental of Rs.1 per square metre per year to be paid by the licensee.

5.5 Insurance

The licensee shall at its cost and expense, purchase and maintain by due reinstatement or otherwise, during the Licence Period all insurances in respect of the Project Facilities in accordance with the Good Industry Practice. The licensee shall maintain a register of entry in order of premiums paid towards the project Facilities and proof of payments made shall be submitted to EDMC whenever requested for. The entire complex (slaughter house and carcass utilization – cum - rendering plant) shall be insured in favour of the Commissioner EDMC.

5.6 Application of Insurance Proceeds

Subject to the provisions of the Financing Documents and unless otherwise provided herein, the proceeds of all insurance policies received shall be promptly applied by the licensee towards repair, renovation, restoration or re-instatement of the Project Facilities or any part thereof which may have been damaged or destroyed. The licensee shall designate EDMC as the beneficiary for the assets under ownership of EDMC (EDMC assets) as per clause 10.1 and may designate the Lenders as the beneficiaries for the assets under the licensee's ownership (Licensee assets) as per clause 10.1 or assign the insurance policies in their favour as security for the financial assistance provided by them to the Project. The licensee shall carry out such repair, renovation, restoration or re-instatement to the extent possible in such manner that the Project Facilities after such repair, renovation, restoration or re-instatement be as far as possible in the same condition as it were prior to such damage or destruction, normal wear and tear excepted.

5.7 Environmental Compliance

The licensee shall, at all times, ensure that all aspects of the Project Facilities and processes employed in the operation and maintenance thereof shall conform with the laws pertaining to environment, health and safety aspects and policies and guidelines related thereto. The licensee shall obtain and maintain from time to time all necessary clearances from the Delhi Pollution Control Committee (DPCC) or any other similarly empowered Government Agency at his own costs.

The licensee shall be responsible for the operation & maintenance of the Project Facilities as per the applicable laws, regulations; guidelines etc. And ensure that there is no damage to the environment due the operation of the facilities. The licensee shall be liable to meet any expenses/compensation to be paid due to pollution/environmental damage or remediation caused by the operation and maintenance of the project Facilities.

5.8 Land Use

The licensee shall ensure optimum utilization of the Project Site and shall not use the same for any purpose unconnected or which is not incidental to the project or related activities, unless otherwise permitted under this agreement. However, it may be noted that the licensee shall not be allowed to construct any residential units/dwellings within the Site. For making any small construction/civil structure within the complex, the licensee has to obtain the prior permission of EDMC.

5.9 Acceptance and Rejection of Animals

- (a) After the purchase of animals by shopkeepers, the Operator shall receive the animals for slaughtering from them.
- (b) The operator shall implement a suitable marking and identification system so that the animals received for slaughtering are provided with proper identification marks and the carcass as well as all parts of the animals are traceable so that the owner of the animal receives the carcass/parts of the same animal after processing.
- (c) The operator shall give preference to those meat shopkeepers who have got meat shop licence from all three municipal corporation for accepting the animals for slaughtering.
- (d) The ante-mortem inspection would be carried out by the veterinary doctors of EDMC /lessee at the lairage and only those animals fit for slaughtering shall be allowed further. It shall be the operator's responsibility to handover the unfit animals to their respective owners and refund them 50% of the slaughtering fee collected for those animals. In case, the animal/carcass is rejected after post-mortem inspection no fees and animals/carcass would be returned to the owner of those animals.

5.10 Sale/management of by-product

- (a) The operator or licensee shall have the right on the blood collected during the operation of the slaughter house and make suitable use for the blood.
- (b) The by-products can contribute – to the profitability of the slaughterhouse operation since they generally have a commercial value. The first right on the by-product shall remain with the owner of the animal. In case the owner of the animal doesn't require the by-product the operator shall have the right to process/sale the same.
- (c) If the operator doesn't have the facility for processing of by-products then the by-products, shall be disposed off at EDMC's rendering plant, without any charges. EDMC shall process the same free of cost to the operator.

5.11 General Obligations

The licensee shall at its own cost and expense:

- (a) investigate, study, operate and maintain the Project Facilities in accordance with the provisions hereof;

- (b) obtain all Applicable Permits as required by or under the Applicable Law and be in compliance thereof at all times during the Licence Period;
- (c) Comply with Applicable Law governing the operations of Slaughter House at all times during the Licence Period;
- (d) ensure and procure that any contract relating to the project, entered into by the licensee for operation and maintenance of the Project in accordance with this Agreement contains provisions that would entitle the nominee of EDMC to step into such contract/s at EDMC's discretion, in place and substitution of the licensee.
- (e) endeavour to sell or otherwise dispose off, all recyclables in a manner which is not detrimental to the environment;
- (f) procure and maintain in full force and effect, as necessary, appropriate proprietary rights, licenses, agreements and permissions for materials, methods, processes and systems used in or incorporated into the Project;
- (g) make efforts to maintain harmony and good industrial relations among the personnel employed in connection with the performance of its obligations under this Agreement and shall be solely responsible for compliance with all labour laws and solely liable for all possible claims and employment related liabilities of its staff employed in relation with the Project and hereby indemnifies EDMC against any claims, damages, expenses or losses in this regard and this in no case and shall for no purpose shall EDMC be treated as employer in this regard;
- (h) make its own arrangements for operation & maintenance materials and observe and fulfil the environmental and other requirements under the Applicable Law and Applicable Permits;
- (i) be responsible for all the health, security, environment and safety aspects of the Project at all times during the Licence Period.
- (j) ensure that the Project Facilities remain free from all encroachments and take all steps necessary to remove encroachments, if any with the support/assistance from EDMC.
- (k) upon receipt of a request thereof, afford access to the Project Facilities to the authorised representatives of EDMC for the purpose of ascertaining compliance with the terms, covenants and conditions of this Agreement.

- (l) pay all Taxes, duties and outgoings, including utility charges relating to the Project Facilities.

5.12 No Breach of Obligations

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

- (a) Force Majeure Event, subject to Article 8.3;
- (b) EDMC Event of Default;
- (c) Compliance with the written instructions of from EDMC or the directions of any Government Agency other than instructions issued as a consequence of a breach by the licensee of any of its obligations hereunder;
- (d) Any repair or maintenance work being undertaken on one or more of the Project Facilities that requires suspension of the operations of the Plant.
- (e) Closure of the Project Facilities or part thereof with the approval of EDMC
- (f) Orders of any court having competent jurisdiction.

5.13 Maintenance of Records

The Operator shall maintain separate logbooks/documentation for following which shall be inspected and verified by concerned EDMC officials:

- (a) Details of animals received, rejected, sent for slaughtering assembly lines etc. For each type-sheep/goat - Halal, Sheep/goat-Jhatka and buffalo.
- (b) Details of cleaning activity - with name of worker for each shift, periodicity of cleaning, type of cleaning – with water jet/dry sweeping, application of cleaning chemicals, disinfectant etc.
- (c) Quantum of materials used for operation and maintenance of the Slaughter House.
- (d) Quantum of by-product generated and processed or disposed at rendering plant etc.

- (e) The details of dead animals received in rendering plant category wise.

The licensee shall maintain all the records duly counter checked by the EDMC's Plant Manager or his representative and provide monthly, quarterly and annual reports of the same to the EDMC's Plant Manager and EDMC along with any other details sought by EDMC's Plant Manager/EDMC.

ARTICLE 6

EDMC's OBLIGATIONS

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

6.1 Specific Obligations

The Licensor hereby shall

- (a) save and except as otherwise provided herein, not interfere in or impede in any manner or otherwise limit, restrict or impose conditions in relation to: (i) the operation and maintenance of the Project Facilities (ii) the peaceful possession, control and use by the Licensee or the persons claiming through or under it of the Project Facilities in accordance with the terms hereof.
- (b) facilitate the Licensee in procuring Applicable Permits from other government authorities.
- (c) In the event of any action, suit or public interest litigation being instituted within Licence period from the date of execution of this deed, by any person or entity to prevent, prohibit or otherwise challenge the Licensor's title in, possession or proposed land use of the Project for purposes of the Slaughter House which, or any order, direction or judgement thereon by any competent authority, has a material adverse effect on the Operation & Maintenance of the Project by the Licensee, the Licensee may bring to the notice in writing to Licensor require the Licensee to defend and contest such action/suit or public interest litigation under the intimation of Licensor at his own cost expense and to take such action as is reasonably available to the Licensor in order to mitigate such material adverse effect; provided always, that (i) the Licensee is in compliance with its obligations hereof and not in material breach of this Deed; and (ii) such action, suit or public interest litigation has not been occasioned by/resulted from any act, omission, default, breach, negligence, violation, delay or connivance etc. Or otherwise attributable to the Licensee and/or the persons claiming through or under it/them; and (iii) the Licensor shall render all possible assistance to the licensee in contesting and defending such action, suit or public interest litigation but will not pay any litigation charges or legal fees. And take all such actions as expeditiously as possible.
- (d) The licensor EDMC/its employee/its officers/agent/sub-contractor or any other person so authorized would not be responsible for any accident/casualty and mishappening at this site during the lease period.

ARTICLE 7

PAYMENTS

7.1 Payments during Term of License

- (a) Subject to the provisions of this Agreement and in consideration of the licensee accepting the Licence and undertaking to perform and discharge its obligations in accordance with the terms, conditions and covenants set forth in this Agreement, licensee agrees and undertakes to pay to EDMC, a royalty payment as per **Article 5.4**.
- (b) The licensee shall, on or before the 7th day of beginning of each quarter or in case the 7th day of the quarter is a holiday then on the following working day of such quarter, make the payment to EDMC.
- (c) The licensee shall also pay the nominal lease rental for the site and other facilities handed over to him by EDMC at the rate of Rs. 1 per square meter per year as advance payment within 30 days of beginning of each calendar year.

7.1.1 Payments during Post Licence Rectification Period

- i. Licensee shall not be liable to make any payments to the EDMC during **Post Licence Rectification Period, if applicable**.
- ii. The PBG subsisting with EDMC as per clause 7.2.1 at the end of the term shall serve as protective measure to ensure that licensee binds by all his obligations during this period. Hence the PBG need to be kept valid during this period.

7.2 Terms of Payment

- a. Any delay in making payment in accordance with clause 7.2 above, shall without prejudice to any other consequences under this Agreement, entail payment of interest on the amount in default at prevailing annual prime lending rate of State Bank of India calculated for the duration of delay.
- b. All payments to EDMC by Licensee shall be made by way of cheque payable at par or demand draft in favour of Commissioner, EDMC payable at Delhi.

ARTICLE 8

FORCE MAJEURE

8.1 Force Majeure

As used in this Agreement, the expression “Force Majeure” or “Force Majeure: Event” shall mean occurrence in India of any or all of Non-Political Event, Indirect Political Event and Political Event, as defined in Clauses 8.2, 8.3 and 8.4 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 (i) is beyond the reasonable control of the Affected Party, and (ii) the Affected Party could not have prevented or overcome by exercise of due diligence and following Good Industry Practice, and (iii) has Material Adverse Effect on the Affected Party.

8.2 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 ionising radiation fire or explosion (to the extent of contamination or radiation or fire or explosion originating from a source external to the Site);
- (b) strikes or boycotts (other than those involving the licensee, Contractors, or their respective employees/representatives, or attributable to any act or omissions 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 8.3;
- (c) any judgment or order of any court competent jurisdiction or statutory authority made against the licensee in any proceedings for reasons other than (i) failure of the licensee to comply with any Applicable Law or Applicable Permit, or (ii) on account of breach of any Applicable Law or Applicable Permit of any contract, or (iii) enforcement of this Agreement, or (iv) exercise of any of its rights under this Agreement by the Government;

- (d) the discovery of geological conditions, toxic contamination or archaeological remains on the Site that could not reasonably have been expected to be discovered through a site inspection; or
- (e) any event or circumstances of a nature analogous to any of the foregoing.

8.3 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 foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage;
- (b) industry-wide or State-wide strikes or industrial action for a continuous period of 24 (twenty four) hours and exceeding an aggregate period of 7 (seven) days in an Accounting year;
- (c) any civil commotion, boycott or political agitation which prevents collection of Fee by the licensee for an aggregate period exceeding 7 (seven) days in an Accounting Year;
- (d) any Indirect Political Event that causes a Non-Political Event; or
- (e) any event or circumstances of a nature analogous to any of the foregoing.

8.4 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 dealt with under and in accordance with the provisions of the clause 8.12;
- (b) compulsory acquisition in national interest or expropriation of any Project Assets or rights of the licensee;
- (c) unlawful or unauthorized or without jurisdiction revocation of or refusal to renew or grant without valid cause, any clearance, licence, permit, authorization, no objection certificate, consent, approval or exemption required by the licensee 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 licensee's or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, licence, authorization, no objection certificate, exemption, consent, approval or permit;

- (d) any event or circumstance of a nature analogous to any of foregoing.

8.5 Duty to report Force Majeure Event

8.5.1 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 8 with evidence in support thereof;
- (c) 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;
- (d) any other information relevant to the Affected Party's claim.

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

8.5.3 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 8.5.1, and, such other information as the other Party may reasonable request the Affected Party to provide.

8.6 Termination Notice for Force Majeure Event

If a Force Majeure Event subsists for a period of 45 (forty five) days or more within a continuous period of 90 (Ninety) 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 8, 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 7 (seven) days to make a representation, and may after the expiry of such 7 (seven) days period, whether or not it is in receipt of ;such representation, in its sole discretion issue the Termination Notice.

8.7 Allocation of costs arising out of Force Majeure

8.7.1 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.

8.7.2 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 licensee and EDMC would pass on the benefits from insurance policies taken on their behalf to the licensee to meet such costs. In case, the Force Majeure Costs exceed such Insurance Cover, one half of such excess amount shall be reimbursed by the EDMC to the licensee; and

Up on occurrence of a **Political Event**, the following amount shall be reimbursed by EDMC to the licensee: An amount equivalent to the slaughtering fee that would have been collected for 2 shifts/day of operation based on the designed plant capacity during the Force Majeure period.

For the purposes of clarity, the abovementioned clauses for Allocation of costs shall also be applicable in case of Termination of this agreement by either Parties due to a Force Majeure event.

8.7.3 Save and except as expressly provided in this Article 8, 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.

8.8 Dispute resolution

In the event that the Parties are unable to agree in good faith about the occurrence or existence of a Force Majeure Event, such Dispute shall be finally settled in accordance with the Dispute Resolution Procedure; 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.

8.9 Excuse from performance of obligations

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

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

8.10 Change in Law

- (a) Change in Law shall mean the occurrence or coming into force of any of the following, after the Appointed Date:
 - (i) The enactment of any new Indian law;
 - (ii) The repeal, modification or re-enactment of any existing Indian law
 - (iii) A change in the interpretation or application of any Indian law by a court of record
 - (iv) Any order, decision or direction of a court of record.

Provided that Change in Law shall not include:

- (i) Coming into effect, after the Appointed Date, of any provision or statute which is already in place as of the Appointed Date,
 - (ii) Any new law or any change in the existing law under the active consideration of or in the contemplation of any government as of the Appointed Date which is a matter of public knowledge,
 - (iii) Any change in the rates of the Taxes.
- (b) Subject to Change in Law resulting in Material Adverse Effect and subject to the licensee taking necessary measures to mitigate the impact or likely impact of Change in Law on the Project, if as a direct

consequence of a Change in Law, the licensee is obliged to incur Additional Costs, provided such additional cost in any manner as may be mutually agreed upon by parties.

- (c) Upon occurrence of a Change in Law, the licensee may, notify EDMC/the EDMC's Plant Manager of the following:
 - (i) The nature and the impact of Change in Law on the Project
 - (ii) In sufficient detail, the estimate of the Additional Cost likely to be incurred by the licensee on account of Change in Law
 - (iii) The measures, which the licensee has taken or proposes to take to mitigate the impact of Change in Law, including in particular, minimising the Additional Cost
 - (iv) The relief sought by the licensee
- (d) Upon receipt of the notice of Change in Law issued by the licensee pursuant to preceding sub-clause, EDMC and the licensee shall along with the EDMC's Plant Manager hold discussions and take all such steps as may be necessary including determination by the EDMC's Plant Manager/EDMC of the quantum of the Additional Cost to be borne and paid by EDMC.
- (e) EDMC shall within 30 days from the date of determination of quantum of Additional Cost, provide relief to the licensee in the manner s mutually agreed upon by the Parties.

ARTICLE 9

EVENTS OF DEFAULT AND TERMINATION

9.1 Events of Default

Event of Default shall mean either licensee Event of Default or EDMC Event of Default or both as the context may admit or require.

(a) Licensee Event of Default

Any of the following events shall constitute an Event of default by the licensee (“licensee Event of Default”) unless such event has occurred as a result of one or more reasons set out in **Article 5.12**:

- (i) The licensee has failed to make any payments due to EDMC and more than 30 days have elapsed since such payment default;
- (ii) The licensee is in Material Breach of any of its obligations under this Agreement and the same has not been remedied for more than 30 days:
- (iii) A resolution for voluntary winding up has been passed by the shareholders of the licensee’s company.

(b) EDMC Event of Default

Any of the following events shall constitute an event of default by EDMC (“EDMC Event of Default”), when not caused by a licensee event of Default or Force Majeure Event:

9.2 Termination due to Event of Default

(a) Termination for licensee Event of Default

- (i) Without prejudice to any other right or remedy which EDMC may have in respect thereof under this Agreement, upon the occurrence of a licensee Event of Default, EDMC shall, be entitled to terminate this Agreement in the manner as set out under Clause 9.2 (a) (iii). Provided however that upon the occurrence of a licensee Event of Default as specified under Clause 9.2 (a) (iii), EDMC may terminate this Agreement by issue of termination Notice in the manner set out under Clause 9.2 (c).
- (ii) If EDMC decides to terminate this Agreement pursuant to preceding clause (i), it shall in the first instance issue Preliminary Notice to the licensee. Within thirty (30) days of receipt of the Preliminary Notice, the licensee shall submit

to EDMC in sufficient detail and if applicable the manner in which *interalia* it proposes to cure the underlying Event of Default (the “licensee’s Proposal to Rectify”). The same shall be reasonably considered by EDMC. In case of non-submission of the licensee’s Proposal to Rectify within the said period of 30 days, EDMC shall be entitled to terminate this Agreement by issuing Termination Notice, and to appropriate and Performance Security, if subsisting.

- (iii) In case the licensee has made a Proposal to rectify is submitted within the period stipulated therefore, the licensee shall have further period of 30 days to remedy/cure the underlying Event of Default. If, however the licensee fails to remedy/cure the underlying Event of Default. If, however the licensee fails to remedy/cure the underlying Event of Default within such further period allowed, EDMC shall be entitled to terminate this Agreement, by issue of Termination Notice and to appropriate the Performance Security, if subsisting.

(b) Termination for EDMC Event of Default

- (i) Without prejudice to any other right or remedy which the licensee may have in respect thereof under this Agreement, upon the occurrence of EDMC event of Default the licensee shall be entitled to terminate this Agreement by issuing termination Notice.
- (ii) If the licensee decides to terminate this Agreement pursuant to preceding clause (i) it shall in the first instance issue Preliminary Notice to EDMC. Within 30 days of receipt of Preliminary Notice, if applicable, EDMC shall forward to the licensee its proposal to remedy/cure the underlying Event of Default (the “EDMC Proposal to Rectify”). In case of non submission of EDMC Proposal to Rectify within the period stipulated therefore, licensee shall be entitled to terminate this Agreement by issuing Termination Notice.
- (iii) In case EDMC Proposal to Rectify is forwarded to the licensee within the period stipulated therefore, EDMC shall have further period of 30 days to remedy/cure the underlying Event of Default. If, however EDMC fails to remedy/cure the underlying Event of Default within such further period allowed, the licensee shall be entitled to terminate this Agreement by issuing Termination Notice.

(c) Termination Notice

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

- (i) In sufficient detail the underlying Event of Default;
- (ii) the Termination Date which shall be a date occurring not earlier than 90 days from the date of Termination Notice;
- (iii) the estimated termination payment including the details of computation thereof; and,
- (iv) any other relevant information.

(d) Obligation of Parties

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

- (i) until Termination the Parties shall, to the fullest extent possible, discharge their respective obligations so as to maintain the continued operation of the Project Facilities;
- (ii) the Project Facilities are handed back to EDMC as per provisions of Article 10 by the licensee in accordance with the following sub – article (f) on the termination Date free from any Encumbrance along with any payment that may be due by the licensee to EDMC.

(e) Withdrawal of Termination Notice

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

Provided that the Party in breach shall compensate the other Party for any direct costs/consequences occasioned by the Event of Default which caused the issue of Termination notice or as mutually agreed upon by both parties.

(f) Termination Payments

- (a) Upon Termination of this Agreement on account of EDMC Event of Default, the EDMC shall return the Licensee performance bank Guarantee after deducting the amount owed by Licensee to EDMC. If any, and pay a compensation amount equivalent to the following:
 - i. If the termination is before effective Date, then EDMC shall pay a compensation equivalent to one fourth of the first year royalty amount quoted by the licensee in his financial bid.

- ii. If the termination is after Effective Date, then EDMC shall pay a compensation equivalent to one half of the annual average royalty fee quoted by the licensee in his financial bid.
- (b) Upon Termination of this Agreement on account of licensee Event of Default, EDMC shall be entitled to the following termination payments in addition to encashment of performance bank guarantee:
 - (i) If the termination occurs prior to the Effective Date, then licensee shall pay compensation equivalent to one fourth of the first year royalty amount quoted by the licensee in his financial bid.
 - (ii) If the termination occurs after the Effective Date, then licensee shall pay compensation equivalent to one half of the annual average royalty fee quoted by the licensee in his financial bid.

9.3 Rights of EDMC on Termination

- (a) Upon Termination of this Agreement for any reason whatsoever, EDMC shall upon making the Termination Payment, if any, to the licensee and in accordance with the provisions of the financing documents have the power and authority to:
 - (i) enter upon and take possession and control of the Project facilities and Site forthwith free from any encumbrances;
 - (ii) prohibit the licensee and any person claiming through or under the licensee from entering upon/dealing with the Project Facilities or permit as required for pending resolution of any issues to a limited number of representatives of licensee.
 - (iii) Operate plant either by itself or through a suitable operator through appropriate mechanism which EDMC may decide upon.
- (b) Notwithstanding anything contained in this Agreement, EDMC shall not, as a consequence of Termination or otherwise, have any obligation whatsoever including but not limited to obligations as to compensation for loss of employment, continuance or regularisation of employment, absorption or re-employment on any ground, in relation to any person in the employment of or engaged by the licensee in connection with the Project, and the handover of the Project Facilities by the licensee to EDMC shall be free from any such obligation.

9.4 Accrued Rights of Parties

Notwithstanding anything to the contrary contained in this Agreement, Termination pursuant to any of the provisions of this Agreement shall be without prejudice to accrued rights of either

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

ARTICLE 10

OWNERSHIP AND HAND OVER OF PROJECT FACILITIES AND PROJECT SITE

10.1 Ownership during the term of licence

(A) Ownership of Project Facilities:

Without prejudice and subject to the Licence, the ownership of the Project Facilities, including all improvements made therein by the licensee during the term of the licence shall at all times remain as mentioned below:

- a. the ownership of any or all assets handed over by EDMC to licence forming a part of the Project Facilities including the site, civil structures, buildings, equipments, spare parts etc. (hereinafter referred to as "EDMC assets") shall always vest with EDMC.
- b. the ownership of all infrastructure assets, buildings, structures, equipments and other immovable and movable assets constructed, installed, located, created or provided by the Licensee in, on, over or under the Project Site pursuant to this Agreement shall, until transfer to the EDMC in accordance with this Agreement, be with the Licensee.

(B) The ownership of the Project site shall at all times remain vested with the EDMC.

10.2 Handover of Project, project Site and Project Facilities:

(i) The license shall on the date of expiry of the term of agreement or on account of early termination thereof, transfer, assign and deliver to the EDMC or its nominated agency, free and clear of any Encumbrances, the vacant and peaceful possession of the Project, project Facilities and the Site along with the buildings, machinery, equipments, facilities and structures constructed on, over, at or under it in normal operating conditions.

(ii) transfer all its rights, titles and interest in or over the tangible assets comprised in the Project (including movable assets which the EDMC agrees to take over) to the EDMC or its nominated agency and execute such deeds and documents as may be necessary for the purpose and complete all legal or other formalities required in this regard.

(iii) to the extent possible assign to the EDMC or its nominated agency at the time of transfer all insurance policies.

(iv) as its cost remove from the Site all such moveable assets which are not taken over by or transferred/assigned to the EDMC or its nominated agency. In the event the Licensee fails to remove such objects within the stipulated time, the EDMC or its nominated agency may remove and transport or cause removal and transportation of such objects, after giving the Licensee notice of its intention to do so to a suitable location for safe storage. The Licensee shall be liable to bear the reasonable cost and the risk of such removal, transportation and storage.

(v) All proceeds of insurance claims shall be handed over to the EDMC or its nominated agency and the Licensee or Persons claiming through or under it shall have no claim thereon or rights thereto.

(vi) The EDMC and the licensee shall at least three months prior to the expiry of the License Period or upon issuance of preliminary Notice, as the case may be, promptly agree upon the modalities and take all necessary steps to complete the aforesaid process of transfer of assets on the Transfer Date. During this period, the designated key personnel of the EDMC shall be associated with the operations of the project in order to facilitate smooth takeover of the same by the EDMC on the Transfer Date.

(vii) It is clarified that only the assets of the Licensee shall be taken over and not the liabilities, including without limitation liabilities relating to labour and personnel related obligations of the Licensee and the Persons claiming through or under the Licensee shall be taken over by the EDMC or its nominated agency. All such labour and employees shall be its responsibility of the Licensee/such Persons ever after the expiry of the License Period and they shall have no claim to any type of employment or compensation from EDMC or its nominated agency.

(viii) On the Transfer Date the Project and the Project Assets shall be in fair condition, subject to normal wear and tear, having regard for the nature of the asset, the construction and life of the facilities, constructions, structures etc.

(ix) All contracts, agreements, arrangement's etc. Entered into by the Licensee with its suppliers, service providers, shall also be liable to be terminated forthwith along with the termination of this agreement at the sole option and discretion of the EDMC.

(x) The Licensee shall, at its cost, transfer to the EDMC all such Applicable Permits which the EDMC may require and which can be legally transferred. Provided if the termination is on account of EDMC Event of Default the cost of such transfer shall be borne/reimbursed by the EDMC.

(xi) The Project and the Project Facilities shall be transferred to EDMC or its nominated agency, as the case may be, for a sum of rupee 1.00.

(xii) (a) Until the Transfer Date, all risks shall lie with the Licensee for loss of or damage to the whole or any part of the Project and the Project Facilities unless the loss or damage is due to an act or omission of the EDMC

in contravention of its obligations under this Agreement. On and from the Transfer Date all risks in relation to the Project and the Project Assets shall be deemed to have been transferred to and lie with the Grantor or its nominated agency.

(xiii) (a) On the Transfer Date the EDMC/Expert shall verify, in the presence of the Licensee or of a representative of the Licensee, compliance by the Licensee with the requirements of clause (i) to (xii) above. In the event the EDMC/Expert notifies the Licensee of shortcomings, if any, in the Licensee's compliance with such requirements, the Licensee shall forthwith cure the same. Furthermore, EDMC shall have the right to en-cash the PBG as submitted by the Licensee and retain the amount spend by MCD for carrying out works/jobs/maintenance which have not been carried out by the licensee and return the balance amount, if any.

(b) The Divestment of all rights, title and interest in the Project and Project Facilities shall be deemed to be complete on the Transfer Date but no later than 30 (thirty) days thereafter, by when all the requirements of clause (i) to (xii) above shall be fulfilled. The Plant Manager shall on such date issue a compliance certificate, with a copy thereof endorsed to the EDMC, which shall have the effect of constituting evidence of divestment by the Licensee of all of its rights, title and interest in the Project and the vesting thereof in the EDMC or its nominee, as the case may be, pursuant hereto.

ARTICLE 11

DISPUTE RESOLUTION

11.1 Amicable Resolution

- (a) Save where expressly stated to the contrary in this Agreement, any dispute, difference or controversy of whatever nature between the Parties, howsoever arising under, out of or in relation to this Agreement (the "Dispute") shall in the first instance be attempted to be resolved amicably in accordance with the procedure set forth in **clause (b)** below.
- (b) Either Party may require such Dispute to be referred to the Commissioner, EDMC (for the Person holding charge) and the Chief Executive Officer of the licensee for the time being, for amicable settlement. Upon such reference, the two shall meet at the earliest mutual convenience and in any event within 15 days of such reference to discuss and attempt to amicably resolve the Dispute. If the Dispute is not amicably settled within 15 (fifteen) days of such meeting between the two, either Party may refer the Dispute to arbitration in accordance with the provisions of Article 11.2 below.

11.2 Arbitration

(a) Procedure

Subject to the provisions of **Article 11.1**, any Dispute which is not resolved amicably shall be finally settled by arbitrator under the Arbitration and Conciliation Act. The Arbitrator would be appointed with free consent of licensee and licensor to resolve the dispute. The fee of the Arbitrator would be equally shared by both the parties. In case there is no mutual consensus between both parties then either party may approach to the Hon'ble Court of Law for appointing the Arbitrator under the provision of Arbitration and conciliation Act.

(b) Place of Arbitration

The place of arbitration shall be at Delhi only. The Hon'ble Courts of Delhi would have territorial and legal jurisdiction and settle the Litigation/suit/Appeal/Writ etc.

(c) Language

The request for arbitration, the answer to the request, the terms of reference, any written submissions, any orders and awards shall be in English and, if oral hearings take place, English shall be the language to be used in the hearings. Any party using Hindi as language shall supply the other party an authorized transcript of true translation of it submissions into English at its costs and expenses. Both parties however may agree upon use of Hindi as the sole language.

(d) Enforcement of Award

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

11.3 Performance during Dispute

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

ARTICLE 12

REPRESENTATIONS AND WARRANTIES

12.1 Representations and Warranties of the licensee

The licensee represents and warrants to EDMC that:

- (a) it is duly organized, validly existing and in good standing under the laws of India;

- (b) it has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- (c) it has taken all necessary corporate and other action under Applicable Laws and its constitutional documents to authorise the execution, delivery and performance of this Agreement;
- (d) it has the financial standing and capacity to undertake the project;
- (e) this Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- (f) the execution, delivery and performance of this Agreement will not conflict with, required by any of the terms of the licensee's Memorandum and Articles of association or any Applicable Laws or any covenant, agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets are bound or affected;
- (g) there are no actions, suits, proceedings or investigations pending or to the licensee's knowledge threatened against it at law or in equity before any court or before any other judicial, quasi judicial or other authority, the outcome of which may constitute licensee Event of Default or which individually or in the aggregate may result in Material Adverse Effect;
- (h) it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Agency which may result in Material Adverse Effect;
- (i) it has complied with all Applicable Laws and has not been subject to any fines, aggregate have or may have Material Adverse Effect;
- (j) without prejudice to any express provision contained in this Agreement, the licensee acknowledges that prior to the execution of this Agreement, the licensee has after a complete and careful examination made an independent evaluation of the project Facilities, and the information provided by EDMC and has determined to its satisfaction the nature and extent of risks and hazards as are likely to arise or may be faced by the licensee in the course of performance of its obligations hereunder.
- (k) The licensee also acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth above and hereby confirms that EDMC shall not be liable for the same in any manner whatsoever to the licensee.

12.2 Representations and Warranties of EDMC

EDMC represents and warrants to the licensee that:

- (a) That it is duly incorporated under the laws of India and has the power to conduct its business as presently conducted and to enter into this Agreement;
- (b) That it has full power, capacity and authority to execute, deliver and perform this Agreement and has taken all necessary sanctions and approvals and followed all the procedure required to authorise the execution, delivery and performance of this Agreement.
- (c) Nothing in this Agreement conflicts with its constitutional authority, mandate, or any law or any other agreement, understanding or arrangement or any judgement, decree or order or any statute, rule or regulation applicable to it
- (d) All approvals and permissions that are necessary for the execution of this Agreement have been obtained and all the required procedure for the due execution of this Agreement has been adhered to and further that this Agreement will be valid, legal and binding against it under the India Law;

12.3 Obligation to Notify Change

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

ARTICLE 13

MISCELLANEOUS

13.1 Assignment and Charges.

- (a) *The licensee shall not assign* in favour of any person this Agreement or the rights, benefits and obligations hereunder save and except with prior consent of EDMC.
- (b) the licensee shall not create nor permit to subsist any Encumbrance over the Project Facilities except with prior consent in writing of EDMC.
- (c) Restraint set forth in clauses (a) and (b) above shall not apply to:
 - (i) liens/encumbrances arising by operation of law (or by an agreement evidencing the same) in the ordinary course of business of the licensee:

- (ii) Pledges/hypothecation of goods/stocks/moveable assets, revenue and receivables a security for indebtedness, in favour of the Lenders and working capital providers for the Project;
- (iii) assignment of licensee's rights and benefits under this Agreement to or in favour of the lenders as security for financial assistance provided by them.

13.2 Interest and Right of Set Off

Any sum which becomes payable under any of the provisions of this Agreement by one Party to the other Party shall, if the same be not paid within the time allowed for payment thereof, shall be deemed to be a debt owed by the Party responsible for payment thereof to the Party entitled to receive the same. Such sum shall until payment thereof carry interest at prevailing prime lending rate of State Bank of India per annum from the due date for payment thereof until the same is paid to or otherwise realised by the Party entitled to the same. Without prejudice to any other right or remedy that may be available under this Agreement or otherwise under law, the Party entitled to receive such amount shall also have the right of set off. Provided the stipulating regarding interest for delayed payments contained in this Article 13.2 shall neither be deemed or construed to authorise any delay in payment of any amount due by a Party nor be deemed or construed to be a waiver of the underlying breach of payment obligations.

13.3 Governing Law and Jurisdiction

This Agreement shall be governed by the laws of India. The courts at Delhi shall have jurisdiction over all matters arising out of or relating to this Agreement.

13.4 Waiver

- (a) Waiver by either Party of any default by the other Party in the observance and performance of any provision of or obligations under this Agreement:
 - (i) shall not operate or be construed as a waiver of any other or subsequent default hereof or of other provisions or obligations under this Agreement;
 - (ii) shall not be effective unless it is in writing and executed by a duly authorised representative of such Party; and
 - (iii) shall not affect the validity or enforceability of this Agreement in any manner.

- (b) Neither the failure by either party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or any obligation hereunder nor time or other indulgence granted by a Party to the other Party shall be treated or deemed as waiver/breach of any terms, conditions or provisions of this Agreement.

13.5 Survival

Termination of this Agreement

- (a) shall not relieve the licensee or EDMC of any obligation already incurred hereunder which expressly or by implication survives 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.

13.6 Amendments

This Agreement and the Schedules together constitute a complete and exclusive understanding of the terms of the Agreement between the Parties on the subject hereof and no amendment or modification hereto shall be valid and effective unless agreed to by all Parties hereto and evidenced in writing.

13.7 Notices

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

If to EDMC :

East Delhi Municipal Corporation (EDMC)

If to the licensee :

The Managing director,

-----,

-----,

Ph. No. -----

Fax No. -----

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

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

13.8 Severability

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

13.9 No Partnership

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

13.10 Language

All notices required to be given under this Agreement and all communications, documentation and proceedings which are in any way relevant to this Agreement shall be in writing and in English language and true translation into English language if Hindi is used at user's costs and expenses.

13.11 Exclusion of Implied Warranties etc.

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

13.12 Counterparts

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

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

SIGNED SEALED AND DELIVERED

For and on behalf of EDMC by: For & behalf of Licensee by:

(signature)

(signature)

(Name)

(Name)

(Designation)

(Designation)

In the presence of :

1)

2)

Details of Project Site & Facilities

APPLICABLE APPROVALS**List of approvals/Clearances**

S.No.	Approval/Clearance	Responsibility to obtain clearance
1.	Prior environmental clearance from Ministry of environment & Forests	EDMC
2.	Consent to Establish under Air and Water Act from DPCC	EDMC
3.	Consent to Operate under Air and Water Act from DPCC and its subsequent renewals	Licensee
4.	Permission to operate refrigerated vehicles for delivery of carcass	Licensee
5.	Any other permission, licence, permit required for operation of the facility in the intended manner.	Licensee

SCOPE OF EDMC'S PLANT MANAGER

1. Role of the EDMC's Plant Manager

The EDMC's Plant Manager is expected to play a positive, proactive & unbiased role in discharging his functions, thereby facilitating the smooth operation of the Project Facilities. Broadly, the role of the EDMC's Plant Manager or his authorized representative is to:

- (a) review, monitor and where required by the agreement, to supervise & approve activities associated with the Operation and Maintenance of the Project Facilities to ensure compliance by the licensee with the O&M Requirements;
- (b) report to Competent Authority of EDMC on the various physical, technical and financial aspects of the Project based on inspections, its visits and Tests;
- (c) assist in arriving at an amicable settlement of disputes, should the need arise at primary level without recourse to the intervention of C.E.O. of the licensee and Commissioner of EDMC.
- (d) review matters related to safety and environment management measures adopted by the licensee for the Project.
- (e) the Plant Manager may take the services of a third party engineer/firm for providing the services as envisaged hereunder and the mechanism therefore, may be mutually agreed upon by Parties.

2. Scope of Services

The services to be provided by the EDMC's Plant Manager are listed below. In addition, the scope of services would also include such other functions as are required to be undertaken pursuant to specific provisions of the Agreement.

2.1 Before COD

- (a) Ensure that the proposed implementation/operational plan fully complies with all applicable Laws, regulations and guidelines associated with the operation of the slaughter house complex at Ghazipur.
- (b) Review and approve the proposed identification system for the animals and its parts to ensure the traceability of the carcass and all of its parts at the end of the slaughter house operation.

- (c) Review and approve all the operational plan submitted by the licensee and ensure conformity of the same with the O & M Requirements before the operation of the complex.

2.2 Operating Period – From effective Date to Transfer Date

2.2.1 The EDMC's Plant Manager would monitor, in accordance with Good Industry Practice, the operation of live stock market, its cleanliness, ante-mortem inspection for animals, slaughter house operations, final inspection of carcass, despatch and delivery of carcass and also addressing the complaints received from owners of the animals with respect to any deficiency/problems in the working of the slaughter house. Plant manager of EDMC will also monitor the operation and maintenance of and carcass utilization -cum- rendering plant by the lessee.

2.2.2 For this purpose the EDMC's Plant Manager shall undertake, interalia, the following activities and where appropriate make suitable suggestions:

- (a) Provide administration of the contract in full and in complete accordance with applicable laws;
- (b) Act on the EDMC's behalf as the EDMC's representative regarding all contact with the licensee unless expressly indicated otherwise;
- (c) Verify the amount of royalty to be paid to EDMC for each quarter and certify the receipt of the same.
- (d) Review and approve test results and materials and/or equipment used in the operation of the facility;
- (e) Interpret the requirements of the contract and make decisions regarding performance of the licensee. The Plant manager shall inform and advise the EDMC, in a timely manner all matters relating to the execution, progress, and completeness of the operational works;
- (f) Reject work which fails to comply with the specifications and requirements of the Agreement. Whenever considered necessary or advisable to ensure correction of defective work, the Plant Manager may require inspection or testing of such work, whether or not such work to be the fabricated, installed, or completed;
- (g) Review plans, reports, samples, and other submissions of the licensee to determine compliance and conformance with the requirements of the Agreement;
- (h) Engage competent third party wherever required, to check the quality of operation of the plant as well as materials and the skill of workers during the operation of the complex with the help of lessee.

2.3 Management of Spare Parts

2.3.1 Certain spare parts related to the rendering plant are lying with the EDMC. These spare parts would be examined with the Engineering Department of EDMC and if they are found fit/worthy of use these would be handed over to the successful bidder for their eventual use in the rendering plant.

2.3.2 In case the spare part is not available with EDMC, the licensee shall arrange for the genuine spare parts at his own cost and the same would be replaced by the licensee under the supervision of EDMC.

2.4 Handover of Waste Processing Facilities to EDMC

2.4.1 At the time of handing back the Waste Processing Facilities to EDMC at the end of term of the agreement, the PM shall:

- (a) monitor and certify compliance with the Hand back Requirements,
- (b) review and approve the Post Licence rectification Plan, if required.

2.5 Post Licence rectification Period

2.5.1 During the Post **Licence rectification** Period, the PM shall monitor and certify compliance with the Post **Licence Rectification** Plan.

2.6 Meetings, Records and Reporting

2.6.1 The EDMC's Plant Manager shall, in the ordinary course, maintain record of the activities undertaken by him in discharge of its functions and responsibilities. This would include records in respect of the following:

- (a) Manpower deployed and other organisational arrangements of the Project Engineer;
- (b) Reviews of documents submitted to it by the licensee to meet the O&M Requirements, such as manuals, drawings, schedules, plans and reports;
- (c) Inspections undertaken and notices/instructions issued to the licensee;
- (d) Review of compliance with O&M Requirements;
- (e) Tests carried out to check the condition of equipment, quality of meat etc;
- (f) Verifying and certifying the amount of royalty to be paid every quarter;
- (g) Change in Law;
- (h) Force Majeure Events;
- (i) Address issues relating to specific site conditions, modifications/amendments, or licensee disputes.

2.2.3 The Plant Manager or his authorized representative shall brief periodically EDMC on the quality of work performed by the licensee and to discuss problems or other pertinent matters relating to the work and the improvements, if any.

2.2.4 The Plant Manager or his authorized representative shall prepare and submit to competent Authority of EDMC, Monthly Inspection Report including the following:

- (a) Regarding the numbers of animals slaughtered in the different shifts of different sections.

- (b) That the work is being done as per the O&M requirements and the expected standards are maintained in the facility.
- 2.2.5 Periodically review the O&M Requirements and Guidelines prepared for the facility and update the same accordingly;
 - 2.2.6 Monitor the Operation and Maintenance activities (including maintenance of Project Facilities and equipment, standards of service, safety and environmental issues) and the overall quality of O&M activities so as to ensure compliance by the licensee with the O&M Requirements, O&M Plan and O&M Requirements and Guidelines;
 - 2.2.7 Review and ascertain the cost variation arising as a result of Change in Law and determine the Additional Cost;
 - 2.2.8 Undertake a quarterly review of the various records and registers maintained by the licensee and suggest suitable modifications/improvements/procedures, where necessary.
 - 2.2.9 The Plant Manager or his authorized representative would monitor day to day monitoring and during this inspection if he finds anything that requires rectification/attention it would be pointed out immediately to the lessee with the direction to get it resolved. However, if it is not resolved in the prescribed time limit. The plant manager if desires can call a meeting with the lessee.
 - 2.2.10 The PM shall provide all other services as normally provided by a Project Coordinator on behalf of EDMC.
 - (i) Breaches and defaults by the Parties; and
 - (j) Hand back Requirements
- 2.6.2 The EDMC's Plant Manager would be required to submit the following reports to EDMC during the Licence Period:
 - (i) Monthly Progress Report (in accordance with Article 2.2.3 above).
 - (ii) Readiness Certificate for operation of the plant.
 - (iii) Periodical review of the O&M Requirements and guideline document and its amended version.
 - (iv) Issue Certificate of Compliance with Hand Back Requirements at the end of the term, after completion of rectifications by the licensee, if any.
 - (v) Any supplemental or special report that may be considered necessary by the EDMC's Plant manager (including force Majeure, and breach of obligations).

- (vi) Any other report as may be reasonably required by EDMC or as may be necessary to give effect to the provisions of the Agreement.

FEES STRUCTURE APPROVED BY EDMC FOR MODERN SLAUGHTER HOUSE COMPLEX

S.No.	Particulars	Fee in Rs.	Unit
1	Vehicle/truck entry fee at Live Stock Market	150	Per vehicle/truck
2	Facility charges in LS Market (for water, electricity, sanitation) – to be realised from LS Commission agents/brokers	10,000	Per month for each agent
3	Rent for hutments near livestock market for unsold animals towards water, food, electricity, sanitation	10	Per animal/day
4	Slaughtering fee for Sheep/goat – including ante-mortem & post – mortem inspection	75	Per sheep/goat
5	Slaughtering fee for Buffalo-including ante-mortem & post-mortem inspection	450	Per Buffalo
6	Tripery operations/Sheep-goat	20	Per sheep/goat
7	Tripery operations/Buffalo	50	Per Buffalo