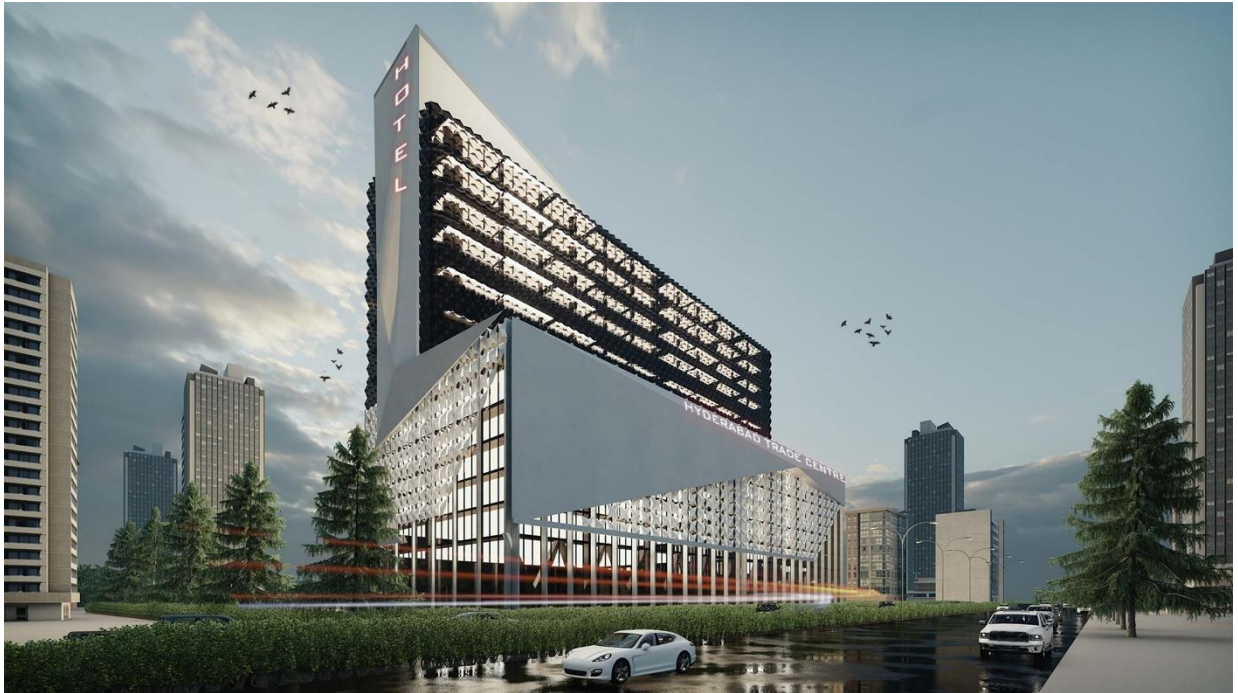


**Request For Proposal (RFP)
for Development of 5 Star luxury Hotel with Trade Centre on
Joint Development basis at Hyderabad Knowledge City,
Raidurgam (V), Serilingampally (M), Ranga Reddy District,
Telangana State, India**

***Volume -01- Instructions to Bidders
October 2023***



RFP No. 48/CE/TSIIC/5-Star Hotel cum Trade Centre/2022-23



Telangana State Industrial Infrastructure Corporation Limited

Parisrama Bhavan, 5th & 6th Floor, 5-9-58/B,

Fateh Maidan Road, Basheer Bagh, Hyderabad - 500004.

Ph: +91-40-23237625, 23237626, Fax: +91-40-23240205, 23241385

Website: <https://tsiic.telangana.gov.in>

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LIST OF ABBREVIATIONS

| | |
|---------|---|
| MDO | Minimum Development Obligation |
| BUA | Built-up Area |
| Sft | Square Feet |
| Ac | Acres |
| Gol | Government of India |
| IST | Indian Standard Time |
| INR/Rs. | Indian Rupees |
| LOA | Letter of Award |
| O&M | Operation and Maintenance |
| PIM | Project Information Memorandum |
| RFP | Request for Proposal |
| JDA | Joint Development Agreement |
| SPC | Special Purpose Company |
| TSIIC | Telangana State Industrial Infrastructure Corporation |

GLOSSARY

| | |
|----------------|--|
| Authority | Telangana State Industrial Infrastructure Corporation |
| Government | Government of Telangana |
| Highest Bidder | Bidder offering the highest Development Share to the Authority as defined in the RFP |
| Project | Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis |

CONVERSION OF UNITS

| | |
|-----------|--------------------|
| 1 hectare | 2.4711 acres |
| 1 acre | 43559.66 sq. ft. |
| 1 acre | 4046.9 sq. m |
| 1 acre | 4839.963 sq. yards |
| 1 sq. km | 247.11 acres |
| 1 sq. m | 10.764 sq. ft. |
| 1 meter | 3.28 ft. |
| 1 meter | 1.09361 yards |

LETTER OF INVITATION

To: All the Prospective Developers

Subject: Invitation for Submission of Bid for ‘Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis’

Dear Madam / Sir,

The Government of Telangana as part of its vision for transforming Hyderabad into a truly Global City, envisages the need for reputed global luxury Hotel/Hospitality players to establish their presence in the City. For this reason, TSIIC as the nodal agency to provide integrated industrial infrastructure including allied infrastructure in the State of Telangana, intends to undertake the Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis.

We have earmarked about 3 acres at Sy. No 83/1 nearby Raidurg Metro Station, Hyderabad Knowledge City, Telangana, which is envisaged to be developed as a 5 Star luxury Hotel with Trade Centre. This Request for Proposal including Volume 1, Volume 2 and Volume 3 documents (together referred as the “RFP” or the “Bidding Documents”) is for the development of the Project as per the terms of the RFP, with an estimated cost of approximately Rs. 500 Crores.

We are pleased to invite you to participate in the bidding process and partner with the Government of Telangana in developing the proposed Project and contribute to the growth of the State of Telangana.

This RFP document comprises of three volumes:

1. Volume 1: Instruction to the Bidders
2. Volume 2: Draft Joint Development Agreement
3. Volume 3: Project Information Memorandum

Please feel free to contact us and/or the Project Advisors if you need any clarifications and/or additional information.

Yours faithfully,
for Telangana State Industrial Infrastructure Corporation Limited

Vice Chairman & Managing Director



1 INTRODUCTION

1.1. BACKGROUND

1.1.1 Telangana is one of the fastest growing States in India and has become a role model in various socio-economic facets despite being the youngest in the country. The State has witnessed the highest decadal growth rate in the country with its GSDP growing from INR 3.6 lakh crore in 2011-12 to 11.5 lakh crore in 2020-21 (*MoSPI, 2022*). Telangana has also ranked Top among all the States in India with a population of over 1 crore for its growth rate in terms of Per Capita NSDP (current prices). The core drivers underpinning such a herculean leap were – clear and targeted policies for transformation and good governance.

1.1.2 The Industrial Policy Framework for the State of Telangana (2017) has been a pathbreaking lighthouse policy that has driven not only Industrialization but also Innovation and Research in the State. Currently, the State is home to some of the Global Fortune 500 companies across various sectors including IT/ITeS, BFSI, Life Sciences, Aerospace and Electronics etc.,

1.1.3 Telangana State Industrial Infrastructure Corporation Limited (TSIIC), a wholly owned undertaking of Government of Telangana State, is a premier organization in the State of Telangana. TSIIC has been entrusted with the objective of providing Industrial and allied infrastructure through development of industrial areas in Telangana.

1.1.4 TSIIC is the nodal agency responsible for planning, development and maintenance of Industrial Infrastructure and allied facilities across the State. With a land bank of over 1.5 lakh acres and close to 300 Industrial Parks across the State, TSIIC has supported the State's Industrialization journey through development and operationalization of many new Industrial Parks. In the year 2021-22 itself, TSIIC has developed nearly 13 new Industrial parks and allotted ~810 acres to 526 Industries with an expected investment of INR 6,100 Crore (*TS I&C Dept. Annual report 2021-22*). And it has further been instrumental in elevation of IT/ITeS development in the State by providing the eco-system including associated infrastructure for the same. For example, the development in the area of Hyderabad Knowledge City, HITEX, etc.

1.1.5 Hyderabad, the capital city of Telangana, has been the growth engine of the State with steadily rising economic performance over the last two decades. This bustling 400-year-old City had been home to a rich heritage, cultural confluence and world class innovation – contributing more than half to the GSDP of ~US\$ 140 Bn (est. 2021-22). Home to some of the World's Fortune 500 companies in IT/ITeS, BFSI, Life sciences and other sectors - Hyderabad has been the go-to favorite for several Global back-office operations and extended corporate headquarters. Names like Microsoft, Google, Apple, Amazon, Accenture, Infosys, TCS, Wipro, Qualcomm, Dell, Novartis, GVK Bio-sciences, Dr. Reddy's, Bharat Bio-tech, Tata Aerospace, BAE systems are very well associated with the growth journey of Hyderabad and Telangana.

1.1.6 Hyderabad City has also been a growing favorite global destination for MICE with events such as COP11 (2012), World Metropolis Congress (2014), BioAsia summit (2015), Global Entrepreneurship summit (2017), IndiaJoy Global Youth Festival (2019), UN World Geospatial Information congress (2022) etc., being held. The city had also been a major tourism & travel destination in the State/Region over the years with steadily increasing FTAs – 1.66 lacs (2016) to 3.2 lacs (2019). The city also has good Hotel & Hospitality infrastructure with nearly 33 registered hotels (5600 rooms) and over 2300 unregistered hotels (21000 rooms) [*Source: Nidhi database, GOI*].

| | | | |
|---|--|--|--|
| 5-Star Deluxe: Six hotels (1647 rooms) | 5-Star: Eight hotels (1412 rooms) | 4-Star: Four hotels (547 rooms) | 3-Star: Five hotels (321 rooms) |
|---|--|--|--|

1.1.7 TheHITEC City and Financial District areas, located in the Western part of Hyderabad City

popularly known as Cyberabad, together are considered the CBD of Hyderabad. Cyberabad area houses more than 100 large IT/ITeS and BFSI global companies and employs nearly 1 Mn persons. TSIIIC had created a new Industrial Park layout with the name of “Hyderabad Knowledge City (HKC)” at Raidurgam (v) in about 439 acres. The Government vide GO. Ms. No. 42 of the MA&UD Department dt. 22-02-2018 notified the Hyderabad Knowledge City Industrial Park as an Industrial Township to function as a separate local authority under the provisions of Article 243-Q of Constitution of India. HKC is a new feather in the cap of this bustling CBD area. A few notable developments in the area are – Salarpuria Knowledge City, T-Hub (phase-2), T-Works, Image Towers.

1.1.8 In order to capitalize on the growth momentum in the Business Travel sector of Hyderabad-Cyberabad and also to cater to the requirement of high-end office spaces of international standards, Government of Telangana envisages to attract globally acclaimed luxury Hotel & Hospitality players to invest and operate in Hyderabad. For this reason, TSIIIC intends to undertake development of a 5-Star luxury hotel with a trade center in an area of ~3 acres at the Hyderabad Knowledge City to be developed and operated by any of the reputed 5-Star Deluxe or its global equivalent Hotel brand owners which are presently not available in Hyderabad. The proposed site is located in the heart of HITEC City area with the Raidurg Metro station being just less than 500m away.

1.1.9 In the context above, the Authority solicits Bids from reputed 5-star Deluxe or its global equivalent Hotel Brands and/or Developers having a Memorandum of Understanding/ Association/ Letter of Intent (MoU/MoA/LoI) with any such reputed 5-star Deluxe or its global equivalent Hotel brands which are presently not available in Hyderabad for development of the proposed Project. The Authority intends to select the Developer from Bidders through a transparent bidding process as per the terms & conditions laid down herein the RFP.

1.1.10 Project Site

- The proposed project site is 3 acres at Sy. No. 83/1 near Raidurg Metro Station, Hyderabad Knowledge City, HITEC City Area, Hyderabad Telangana. [GPS: 17.437683, 78.378378]



Image provided for reference purpose only

- The site is in close proximity to Cyber Towers, Shilparamam Crafts Village, Durgam Cheruvu, and IKEA etc which are the major landmarks in the vicinity.

- Site is amidst IT Parks and other top end institutions like T Hub-2, T Works, Image Towers etc.,

1.1.11 Proposed Project

- The Selected Bidder is expected to develop, operate and maintain a 5 Star luxury hotel by itself in case the Bidder is any of the reputed 5-Star Deluxe or its global equivalent hotel brands OR should have an MoU/MoA/Lol with such reputed 5-Star Deluxe or its global equivalent brand, which are not presently available in the Hyderabad, and also a Trade Centre consisting of Grade A commercial space to cater to the needs of the primary catchment and elevate that area for attracting high-end clientele to the State.
- As per the site assessment based on the applicable development control regulations and broad conceptual plan it is estimated that the potential BUA for the Project would be approx. 6.66 lakh Sft (excluding parking) and the following project components are proposed:
 - 200-key 5-star Luxury Hotel (estimated Built-up Area i.e., BUA of ~3.63 Lakh Sft) as per the applicable development control regulations.
 - 2.42 lakh Sft of Grade A commercial space for Trade Centre as per the applicable development control regulations
 - 0.61 lakh Sft of Ground floor comprising - Banquet hall, retail and grand lobby spaces to cater to both the 5-Star luxury Hotel and the Trade Centre
- The Developer needs to develop and hand over a minimum 1.86 lakh Sft BUA or higher as per the Bid Parameter (the '**Authority's Development Share**') in the Trade Centre (warm shell structure) to the Authority within 30 months of Agreement Date.
- The entire project as per the MDOs stated below need to be developed within the timeframe stipulated in Clause 1.1.12 below
- The Developer can own and operate its Share of Trade Centre and the Hotel facility only upon handing over the Authority's Development Share to the satisfaction of the Authority – as per terms of the JDA.
- Estimated Project Cost is expected to be in the range of ~Rs. 500-550 Crores, exclusive of the land value.

1.1.12 Minimum Development Obligations (MDOs)

MDO - 1: Within 30 months of the Agreement Date, the Developer needs to achieve the following:

- a. Complete the construction of the proposed 5-Star Luxury Hotel with minimum 180 Keys (including all necessary associated infrastructure sufficient to initiate commercial operations) as per the terms & conditions of the RFP
- b. Hotel should provide minimum 1 No. of Banquet Hall with minimum 500 pax or as per the brand requirement whichever is higher.
- c. Complete construction of trade centre with minimum 2.18 lakh Sft of Grade A commercial spaces (Trade Centre) as per the approved building plan.
- d. Car parking and all other requisite amenities for the Project as per the applicable Development Control Regulations
- e. Hand over the **Authority's Development Share**, as per the Bid parameter, to the Authority i.e., constructed Grade-A commercial space area in Trade Centre (warm shell¹) along with

¹ **Warm Shell** – Includes Core & Shell, Common Area Finishes like Painting, Flooring & Cladding, False Ceiling, Internal & Fire Doors, Structural Glazing, Electrical (Includes Transformer, LT Panels, DG Set, Cables, Busduct, Common area lighting, Electrical work in External Development), Plumbing & Sanitary (Includes Sanitary & CP fitting for toilets, STP, WTP, Internal & External Piping work, Pumps), Fire Protection (Includes Fire pump room equipment,

requisite car parking and all other amenities as per the applicable development control regulations

MDO - 2: Within 48 months of Agreement Date, the Developer needs to achieve the following:

- a. Operationalize the 5-Star Luxury Hotel along with requisite amenities and facilities required by the luxury Brand with atleast 5 Star Deluxe Certification from Ministry of Tourism, Government of India.

1.1.13 Developer's Other Obligations

- i. The Selected Bidder shall incorporate a Special Purpose Company (SPC) before the date of entering into JDA for exclusive implementation and operation of the Project within the specified timelines.
- ii. The SPC shall enter into the JDA with the Authority, as per the proforma prescribed along with the Selected Bidder and they shall be bound to comply with the terms and conditions of the JDA jointly and severally.
- iii. Neither the Developer nor the SPC constituted for the implementation of the Project, shall mortgage or create charge on the Project Site, for obtaining loans from banks or any financial institutions or for any other purposes. Any loan availed by the Developer for the Project, by mortgaging its Development Rights under the JDA, shall be only with prior written consent of the Authority.
- iv. Undertake all developments as per applicable standards/ regulations/stipulations of Local, State & Central Governments as applicable for the site and Project.
- v. The Developer shall obtain all the necessary permissions/approvals within 120 days from the Agreement Date to commence the construction of project.
- vi. Developer needs to achieve the financial closure within 180 days from Agreement Date; and
- vii. Developer shall, at free of cost, provide to the Authority for a total period of 07 (Seven) days in a year – Banquet hall, 01 (One) suite room and 09 (Nine) double bed rooms in the 5 Star luxury Hotel upon written request atleast 48 hours in advance from the Authority to the Developer.

1.1.14 Authority's Obligations

- Handing over of Encumbrance Free Land within 15 days of Agreement Date, as per the terms of the JDA.
- Facilitation for Approvals & general applicable Concessions or Grants if any on best effort basis from the respective Government Authorities. Any such Concessions or Grants or monies or exemptions or benefits received from Government (National or State) shall be shared by the Developer and Authority in the proportion of their respective Development Shares in the Project. However, it is the responsibility of the Developer for preparing required applications as per the formats & norms, required documentation & compliances for the approvals and for payment of fees.

1.1.15 Other conditions

Hydrant System, Fire Extinguishers, Sprinkler System, PA and Alarm Systems), Elevators, HVAC (Includes Chillers, Chiller Piping and pumps, AHU etc.), External development and Others

- The Bidder, as part of its Bid, shall submit a Memorandum of Understanding (MOU)/ Memorandum of Association (MOA)/ Letter of Intent (LOI) with any of the 5-Star Deluxe or its global equivalent Hotel brands provided in the RFP for undertaking the Project if selected. Such MOU/MOA/LOI shall necessarily provide for submission of a Binding Agreement with the Hotel brand and upon being declared as Selected Bidder shall have to mandatorily furnish such agreement as per the terms of the RFP. The Selected Bidder cannot change the hotel brand that it has signed an MOU/MOA/LOI with for the purpose of Bidding. If any such change is made and/or found by the Authority until the completion of Bidding process the Authority shall summarily reject the Bid of such Bidder and forfeit its Bid Security.
- The Developer shall be solely responsible for the operations, maintenance and management of the hotel facilities with the Hotel brand that has executed Binding Agreement with the Developer as part of the acceptance of Letter of Award (LOA) issued by the Authority. Such Binding Agreement between the Developer and the Hotel brand shall contain terms & conditions, among others, pertaining to the nature of their agreement, tenure of their agreement with minimum 7 (seven) years or more, binding obligations of both parties for undertaking operations of the Hotel as per the terms of the JDA to be signed by the Developer, penalties for breach of Binding Agreement including termination of LOA/JDA, compliances to applicable regulations, statutes and laws, other commercial terms etc.,
- Developer is responsible for all legal compliances related to planning & Construction for Trade Centre and also the operations, maintenance and management of the hotel facilities.
- Developer shall ensure that the objective of the project i.e the construction of the branded 5 star luxury hotel is achieved and the said hotel is run as per best industry practices and standards
- In case for any reason during the period between acceptance of LOA by the Selected Bidder and before commencement of operations of the Hotel - if the Hotel Brand does not come forward to undertake operations then it shall be considered as breach of LOA or Agreement (as the case may be) on part of the Selected Bidder/ Developer and the Authority shall notify the Selected Bidder/ Developer for immediately rectifying such breach within 30 days of notice. The Authority shall also levy a penalty of 30% of the Performance Security and the Selected Bidder/ Developer shall be required to replenish the same upon rectification of such breach not exceeding 30 days from notice issued. The Selected Bidder/ Developer shall be required to submit to the Authority a Letter of Intent or an MOU/MOA/LOI with a new Brand of equivalent or higher repute than the previous brand (as per the rating of Ministry of Tourism, Government of India) within 30 days of issue of notice and further submit the Binding Agreement with new Brand to the Authority within 90 days from notice of breach issued. If the Selected Bidder/ Developer fails to submit the LOI/MOU/MOA and Binding Agreement with such new Brand to the Authority within stipulated timelines above then the Authority shall have the right to terminate the LOA or Agreement (as the case may be) and forfeit the entire Performance Security.

1.1.16 Implementation Format

- The proposed Project shall be implemented through a Special Purpose Company (SPC) to be incorporated by the Selected Bidder. The JDA is to be entered by and between the Authority, SPC and the Selected Bidder to ensure timely implementation of the project in accordance with the terms of the JDA.
- The SPC/Developer shall obtain all the requisite plan permissions/approvals as per the stipulated timelines.
- Upon receipt of the building permissions, Area Identification Agreement for finalizing the Authority's Development Share (i.e., BUA offered by Bidder as per bid parameter to the Authority), to be entered between the SPC and Authority.

- Once the Trade Centre is constructed, Authority's Development Share along with the proportionate undivided share of land shall be handed over to it within the stipulated time.
- The Authority and the Developer shall be free to either sell or lease their respective share of the Commercial Space in the Trade Centre as per market conditions as stated herein and the JDA.

1.1.17 Pricing Decisions

- The Developer shall be entitled to own its share of built-up area in the Trade Centre and the Hotel facilities and collect revenues from them in accordance with the terms of the Joint Development Agreement.
- The Developer shall be entitled to run/operate the hotel and its facilities as per the Best Industry Practices and determine and collect the charges for the services and facilities as per the conditions of the brand or as it may deem fit as per the market conditions.
- The Developer shall be entitled to determine and collect user charges/rentals or sale price for its share of the commercial space in the Trade Center as per the market conditions.

1.2. BRIEF DESCRIPTION OF THE BIDDING PROCESS

1.2.1. The Authority invites Bidders (hereinafter referred to as the '**Bidder**') to submit their Bids for the Project in accordance with the terms hereof. The Authority has adopted a single-stage three envelope bidding process (collectively referred to as the '**Bidding Process**') for selection of the Bidder for award of the Project. The first envelope ('**Key Submissions**') shall be evaluated to ensure responsiveness of the Bids with the terms of the RFP document and second envelope ('**Technical Bid**') shall be evaluated to ensure qualification of the Bidders on the basis of the Technical and Financial Capacity of the Bidders. Subsequent to the evaluation of the Key Submissions and Technical Bid, the Authority shall evaluate the third envelope ('**Financial Bid**') of the Bidders who qualify in the evaluation of the Key Submissions and Technical Bid.

1.2.2. The Bidders are requested to submit their Bids in accordance with the Bidding Documents. The Bid shall be valid for a period of not less than 180 days from the date specified in Clause 1.3.2 for submission of bids (hereinafter referred to as the '**Bid Due Date**').

1.2.3. The Bidding Documents include the draft Joint Development Agreement for the Project and the Project Information Memorandum (hereinafter referred to as the '**PIM**'). Subject to the provisions of Clause 2.1.3, the aforesaid documents and any clarifications, amendments, addenda issued subsequent to this RFP document, will be deemed to form part of the Bidding Documents.

1.2.4. A Bidder is required to submit, along with its Bid, a non-refundable bid processing fee of **Rs. 1 Lakh (Rupees One Lakh only)** in the form of a Demand Draft on the name of "Telangana State Industrial Infrastructure Corporation Limited". It shall also submit a bid security of **Rs. 5 Crores (Rupees Five Crore only) in the form of Demand Draft or Bank Guarantee from a Scheduled Bank** refundable not later than 90 (Ninety) calendar days from the date of Award to the Selected Bidder, except in the case of the Selected Bidder whose Bid Security shall be retained till it has provided the **Performance Security of Rs. 25 Crores (Rupees Twenty Five Crore only) in the form of a Bank Guarantee from a Scheduled Bank** with a validity of Thirty Six Months as provided at the Annexures/Appendices. This Performance Security will be released only once the MDO-1 is achieved.

1.2.5. Bidders Submissions:



Bids shall be submitted in three sealed envelopes, all put together in an “**Outer Envelope**” as follows:

Envelope-1: Key submissions

1. Checklist of Submissions
2. Non-refundable DD for Rs. 1 Lakh towards bid processing fee
3. Bank Guarantee towards Bid Security for Rs. 5 Crores – Appendix VII
4. Covering Letter/Application – Annexure I
5. Technical Capacity of the Bidder (without any supporting documents) – Annexure II
6. Financial Capacity of the Bidder (without any supporting documents) – Annexure III
7. Signed copy of Bidding Documents along with Clarifications/Corrigenda/Addenda if any

Envelope-2: Technical Bid

1. Power of Attorney for signing the Bid – Appendix II
2. If applicable, the Specific Letter of Authorization by Associate to the Bidder – Appendix III
3. Statement of Legal Capacity – Annexure V
4. Supporting documentation for Annexure I – copy of MOA/AOA (in case Bidder is a body corporate or company), copy of partnership deed (in case Bidder is a LLP), other relevant incorporation & charter documents (in case of Bidder being other type of entities)
5. Supporting documentation for Technical Capacity of the Bidder/ Associate - Annexure IV
6. Supporting documentation for Financial Capacity of the Bidder/ Associate - Annexure III
7. Affidavit by Associate – Appendix VI

Envelope-3: Financial Bid

1. Letter comprising of Commercial Proposal – Appendix V

1.2.6. The evaluation of the Bid submissions would be carried out in the following steps:

- A. Step-1: Evaluation of Key Submissions – verification and compliance of key submissions as per the terms of the RFP
- B. Step-2: Evaluation of Technical Bids - Evaluated for meeting the technical qualification criteria
- C. Step- 3: Evaluation of Financial Bids - Highest Quoting Bidder will be selected among the technically qualified bidders.

1.2.7. Financial Bids are invited for the Project on the basis of the Built-up Area of Warm shell² – offered by a Bidder over and above the minimum Reserve share/ built-up area indicated by the Authority (“**Authority’s Development Share**”). The minimum Reserve share/built-up area prescribed for this Project shall be **1,86,000 Sft (One Lakh Eighty Six Thousand Square Feet)** of warm shell in the Trade Centre. The Authority’s Development Share offered by the Bidder shall constitute the sole criteria for evaluation of Financial Bids. Subject to Clause 2.1.16, the Bidder quoting the highest Development Share shall be declared as Highest Bidder.

1.2.8. Bid Parameter: The Technically Qualified Bidder who quotes the highest Development Share (i.e., Area of Commercial Built-up Space for Trade Centre over and above the Reserve Share) will be the Highest Bidder. **Reserve Share is 1,86,000 Sft.** The Bidders need to quote over and above the Reserve Share. The Development Share quoted in the Financial Bid shall be exclusive of the parking area and all other requisite amenities, which shall be provided as per the prevalent Development Control Regulations with no additional cost to the Authority. Any Bidder quoting negative Development Share shall be duly disqualified and its Bid Security shall be forfeited by the Authority.

² **Warm Shell** – Includes Core & Shell. Common Area Finishes like Painting, Flooring & Cladding, False Ceiling, Internal & Fire Doors, Structural Glazing, Electrical (Includes Transformer, LT Panels, DG Set, Cables, Busduct, Common area lighting, Electrical work in External Development), Plumbing & Sanitary (Includes Sanitary & CP fitting for toilets, STP, WTP, Internal & External Piping work, Pumps), Fire Protection (Includes Fire pump room equipment, Hydrant System, Fire Extinguishers, Sprinkler System, PA and Alarm Systems), Elevators, HVAC (Includes Chillers, Chiller Piping and pumps, AHU etc.), External development and Others

1.2.9. Generally, the Highest Bidder shall be the Selected Bidder. The remaining Bidders shall be kept in reserve and may, in accordance with the process specified in Clause 3.3.9 of this RFP document, be invited to match the Bid submitted by the Highest Bidder, in case such Highest Bidder withdraws or is not selected for any reason. In the event that none of the other Bidders match the Bid of the Highest Bidder, the Authority may, in its discretion, either invite fresh Bids from the remaining Bidders or annul the Bidding Process.

1.2.10. Project Development Fee – The Selected Bidder, within 30 days of issuing the Letter of Award (LOA), shall have to pay to the Authority a sum of **Rs. 1.5 Crore (Rupees One Crore Fifty Lakhs only)** plus GST as Non-Refundable Project Development fee in the form of Demand Draft from a Nationalized or Scheduled Bank.

1.2.11. Bidders are advised to examine the Project Site in great detail, and to carry out, at their cost, such studies and to do such due diligence, as may be required for submitting their respective Bids for award of the Development Rights including implementation of the Project.

1.2.12. Letter of Award

- Letter of Award (LOA) will be issued to the Highest Bidder after approval by competent authority and shall be declared as the Selected Bidder.
- Within 30 days of issuance of LOA, the Selected Bidder needs to comply with the following as part of acceptance of LOA:
 - a. Submit the Performance Security BG
 - b. Pay the Project Development Fee
 - c. Incorporating the SPC
 - d. Submit the Binding Agreement with the Hotel Brand, as per its Bid

1.2.13. Within 7 (seven) days of acceptance of the LOA by the Selected Bidder duly fulfilling the conditions therein or as extended by approval of the Authority, the Selected Bidder shall enter into Joint Development Agreement along with the SPC and the Authority.

1.2.14. Further details of the process to be followed and the terms thereof are spelt out in this RFP document. Any queries or request for additional information concerning this RFP document shall be submitted in writing or by fax and e-mail to the officer designated in Clause 2.3.7. The envelopes/ communication shall clearly bear the following identification/ title:

‘Queries/Request for Additional Information: RFP document for ‘Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis’.

1.3. SCHEDULE OF BIDDING PROCESS

1.3.1. The Authority invites Bidders (hereinafter referred to as the 'Bidder') to submit their Bids for the Project in accordance with the terms hereof. The Authority has adopted a single-stage three envelope bidding process (collectively referred to as the 'Bidding Process') for selection of the Bidder for award of the Project.

1.3.2. The Authority shall endeavor to adhere to the following schedule of Bidding Process:

| Sl. | Event Description | Date / Timeframe |
|-----|---|---|
| 1. | Issue of RFP | 06.10.2023 |
| 2. | Last Date for Receiving Queries on RFP Document | 20.10.2023/ 5.00 PM |
| 3. | Pre-Bid Conference | 26.10.2023/11.30 AM |
| 4. | Authority's Responses to the Queries | 31.11.2023 (Tentative) |
| 5. | Bid Due Date | 13.11.2023/3.00 PM |
| 6. | Bid Opening Date | 13.11.2023/4.00PM |
| 7. | Financial Bid Opening | To be informed |
| 8. | Issue of LOA | Within 7 days of finalization of Highest Bidder |

1.3.3. All queries on the RFP document shall be addressed to

The Chief Engineer,

Telangana State Industrial Infrastructure Corporation Ltd., (TSIIC)

5th Floor, Parisrama Bhavan, Basheer Bagh,

Hyderabad – 500 004, Telangana State

Phone: 040- 23237625 Extn. 711

e-Mail: ce-iic@telangana.gov.in

1.3.4. Pre-Bid Conference will be held on date mentioned in Clause 1.3.2. above. Venue of the Pre-Bid Conference is given below:

6th Floor, Parisrama Bhavan, 5-9-58/B, Fateh Maidan Road, Basheer Bagh, Hyderabad - 500 004

2 INSTRUCTIONS TO THE BIDDERS

2.1 GENERAL TERMS OF BIDDING

- 2.1.1 A Bidder is eligible to submit only one Bid for the Project. A Bidder bidding individually or through its Associates shall not be entitled to submit another bid either individually or as an Associate of any other Bidder, as the case may be.
- 2.1.2 a) The Bidder may be a single entity or a group of parent along with its associate entities coming together to implement the Project (the “**Bidder**”). The term Bidder used herein would apply to both a single entity and its Associates; and Such Bidder shall be eligible for consideration subject to the conditions set out in Clause 2.1.16 below.
- 2.1.3 The PIM (Volume 3 of RFP) of the Project is being provided only as a preliminary reference document by way of assistance to the Bidders who are expected to carry out their own surveys, investigations and other detailed examination of the Project before submitting their Bids. Nothing contained in the PIM shall be binding on the Authority and / or its consultants/ advisors, nor confer any right on the Bidders, and the Authority shall have no liability whatsoever in relation to or arising out of any or all contents of the PIM.
- 2.1.4 Notwithstanding anything to the contrary contained in this RFP document, the detailed terms specified in the draft Joint Development Agreement shall have overriding effect; provided, however, that any conditions or obligations imposed on the Bidder hereunder shall continue to have effect in addition to its obligations under the Joint Development Agreement.
- 2.1.5 The Financial Bid should be furnished in the format at Appendix - V, clearly indicating the absolute built-up area of warm shell offered by the bidder over and above the minimum built-up area as prescribed in Clause 1.2.7 and signed by the Bidder’s authorized signatory. In the event of any difference between figures and words, the higher of the two shall be considered final.
- 2.1.6 The Bidder shall submit Bid Security as indicated in Clause 1.2.4 of this Document.
- 2.1.7 The Bidder should submit a Power of Attorney as per the format at Appendix - II, authorizing the signatory of the Bid to commit the Bidder.
- 2.1.8 In case the Bidder is a participating along with its Associates, each such Associate thereof should furnish a Specific Letter of Authorization in favour of the Bidder along with the requisite Affidavit in the format at Appendix – III.
- 2.1.9 Any condition or qualification or any other stipulation contained in the Bid shall render the Bid liable to rejection as a non-responsive Bid.
- 2.1.10 The Bid and all communications in relation to or concerning the Bidding Documents and the Bid shall be in English language.
- 2.1.11 The Bidding Documents including this RFP document and all attached documents, provided by the Authority are and shall remain or becomes the property of the Authority and are transmitted to the Bidders solely for the purpose of preparation and the submission of a Bid in accordance herewith. Bidders are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Bid. The provisions of this Clause 2.1.11 shall also apply mutatis mutandis to Bids and all other documents submitted by the Bidders, and the Authority will not return to the Bidders any Bid, document or any information provided along therewith.
- 2.1.12 Bidder shall not have a conflict of interest (the “**Conflict of Interest**”) that affects the Bidding

Process. Any Bidder found to have a Conflict of Interest shall be disqualified. In the event of disqualification, the Authority shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Authority and not by way of penalty for, inter alia, the time, cost and effort of the Authority, including consideration of such Bidder's proposal (the "**Damages**"), without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Development Agreement or otherwise. Without limiting the generality of the above, a Bidder shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:

- (a) the Bidder, its Associate (or any constituent thereof) and any other Bidder, its Associate thereof (or any constituent thereof) have common controlling shareholders or other ownership interest; provided that this disqualification shall not apply in cases where the direct or indirect shareholding of a Bidder, its Associate thereof (or any shareholder thereof having a shareholding of more than 5% (five per cent) of the paid up and subscribed share capital of such Bidder, Associate, as the case may be) in the other Bidder, its Associate, is less than 5% (five per cent) of the subscribed and paid up equity share capital thereof; provided further that this disqualification shall not apply to any ownership by a bank, insurance company, pension fund or a public financial institution referred to in section 4A of the Companies Act, 1956 including its amendments. For the purposes of this Clause 2.1.12, indirect shareholding held through one or more intermediate persons shall be computed as follows: (aa) where any intermediary is controlled by a person through management control or otherwise, the entire shareholding held by such controlled intermediary in any other person (the "Subject Person") shall be taken into account for computing the shareholding of such controlling person in the
- (b) Subject Person; and (bb) subject always to sub-clause (aa) above, where a person does not exercise control over an intermediary, which has shareholding in the Subject Person, the computation of indirect shareholding of such person in the Subject Person shall be undertaken on a proportionate basis; provided, however, that no such shareholding shall be reckoned under this sub-clause (bb) if the shareholding of such person in the intermediary is less than 26% of the subscribed and paid up equity shareholding of such intermediary; or
- (c) a constituent of such Bidder is also a constituent of another Bidder; or
- (d) such Bidder, its Associate there of receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Bidder, its Associate, or has provided any such subsidy, grant, concessional loan or subordinated debt to any other Bidder, its Associate there of; or
- (e) such Bidder has the same legal representative for purposes of this Bid as any other Bidder; or
- (f) such Bidder, or any Associate thereof, has a relationship with another Bidder, or any Associate thereof, directly or through common third party/ parties, that puts either or both of them in a position to have access to each other's' information about, or to influence the Bid of either or each other; or
- (g) such Bidder or any Associate thereof has participated as a consultant to the Authority in the preparation of any documents, design or technical specifications of the Project.

Explanation: In case a Bidder is participating along with its Associates, then the term Bidder as used in this Clause 2.1.12, shall include each such Associate of the Bidder.

2.1.13 A Bidder shall be liable for disqualification and forfeiture of Bid Security if any legal, financial or technical adviser of the Authority in relation to the Project is engaged by the Bidder, its Associate thereof, as the case may be, in any manner for matters related to or incidental to such Project during the Bidding Process or subsequent to the (i) issue of the Letter of Award

(the “LOA”) or (ii) execution of the Joint Development Agreement. In the event any such adviser is engaged by the Selected Bidder or Developer, as the case may be, after issue of the LOA or execution of the Joint Development Agreement for matters related or incidental to the Project, then notwithstanding anything to the contrary contained herein or in the LOA or the Joint Development Agreement and without prejudice to any other right or remedy of the Authority, including the forfeiture and appropriation of the Bid Security or Performance Security, as the case may be, which the Authority may have thereunder or otherwise, the LOA or the Joint Development Agreement, as the case may be, shall be liable to be terminated without the Authority being liable in any manner whatsoever to the Selected Bidder or Developer for the same.

2.1.14 This RFP document is not transferable.

2.1.15 Any award of Development rights pursuant to this RFP document shall be subject to the terms of the JDA.

2.1.16 To be eligible, a Bidder shall fulfil the following conditions of eligibility (‘Minimum Eligibility Criteria’):

1. Bidder shall be a single legal entity operational for atleast 10 years as on Bid due date. Legal entity means a Company incorporated under the Companies Act, 1956/2013 or a Partnership Firm registered under the Indian Partnership Act, 1932 or a Limited Liability Partnership (LLP) registered under the LLP Act 2008 or a sole Proprietorship firm registered under the Proprietorship Act, 1908.
2. **Technical Capacity:** For demonstrating technical capacity and experience (“Technical Capacity”) the Bidder shall meet one of the following qualifications as on the bid due date:
 - a. Is Brand owner of any of the reputed 5-Star Deluxe or its global equivalent Hotel Brands
OR
 - b. During the last 10 years prior to bid due date, has experience of Developing a minimum of 5,00,000 (Five Lakh) square feet of Grade-A commercial space **AND** at least ONE FIVE STAR rated Hotel (as per the Ministry of Tourism, Government of India) in India which is currently operational **AND** as on the bid due date has an MoU/MoA/Lol with any of the reputed 5-Star Deluxe or its global equivalent Hotel Brands for operation & management of the proposed Hotel that shall be converted into a binding agreement by such Bidder with the Brand before entering into JDA with the Authority
3. **Financial Capacity**
 - a. The Bidder shall have a minimum Net Worth (the “Financial Capacity”) of **Rs. 125 Crore (Indian Rupees One Hundred and Twenty Five Crores only)** as per the audited accounts of the preceding financial year i.e., at the close of 31-Mar-2023 or 2022.
4. No Consortiums are allowed. However, the Bidder is allowed to use the Technical & Financial Capacities of its Associates. For the purpose of the RFP, an Associate shall mean in relation to the Bidder a person who controls, is controlled by or is under common control with such Bidder (the ‘Associate’). The expression ‘control’ means with respect to a person which is a company or body corporate, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the share capital of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person under an agreement or by operation of law.
5. Bidders shall meet the conditions of Section 29 A of the Insolvency & Bankruptcy

Code 2016

2.1.17 The Bidder shall enclose with its Bid, to be submitted as per the format at Appendix - I, complete with its Annexures, the following:

- (a) Certificate(s) from its statutory auditors/ Qualified CA or the concerned client(s) stating the payments made/received or works commissioned, as the case may be during the past 10 years in respect of the projects specified in Clause 2.1.16 above. In case a particular job/contract has been jointly executed by the Bidder (as part of a consortium), it should further support its claim for the share in work done for that particular job/ contract by producing a certificate from its statutory auditor or Qualified CA or the client. In case of Bidder participating with its Associates, such certificate of the Associate claiming the Financial Eligibility shall be furnished; and
- (b) Certificate(s) from its statutory auditors/Qualified CA specifying the net worth of the Bidder, as at the close of the preceding financial year, and also specifying that the methodology adopted for calculating such net worth conforms to the provisions of this Clause 2.1.17.(b). For the purposes of this RFP document net worth (the "**Net Worth**") shall mean the sum of subscribed and paid-up equity and reserves from which shall be deducted the sum of revaluation reserves, miscellaneous expenditure not written off and accrued liabilities. Certificate(s) from its statutory auditors /Qualified CA specifying the turnover and Net Worth as at the close of the preceding financial year, for which audited financial statements available (ending 31st March 2022) shall be submitted. In case of Bidder participating with its Associates, such certificate(s) of each such Associate claiming the Financial Eligibility shall be furnished. The Bidder cannot utilize the Financial Capacities of more than Two (02) Associates for the purpose of this Clause. Further, each such Associate shall be required to submit the Affidavit in the prescribed format (Appendix-III) that they have permitted the Bidder to utilize its financial capacities for the project and that they confirm that the financial capacities so submitted are true and correct.
- (c) Bidder shall be required to submit a Statutory Auditor certificate specifying the details of its relationship with any or each Associate(s) including the mechanism of 'control' as prescribed at clause 2.1.16 above.

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

2.1.19 The following conditions shall be adhered to while submitting a Bid:

- (a) Bidders should attach clearly marked and referenced continuation sheets in the event that the space provided in the prescribed forms in the Annexes is insufficient. Alternatively, Bidders may format the prescribed forms, making due provision for incorporation of the requested information;
- (b) information supplied by a Bidder (or other constituent entities if the Bidder is participating along with its Associates) must apply to the Bidder, its Associate named in the Bid and not, unless specifically requested, to other associated companies or firms;
- (c) Bidders should demonstrate their capacity in accordance with Clauses 2.1.16, 2.1.17 and 3.3.3; and

2.1.20 While Qualification is open to persons from any country, the following provisions shall be applicable:

- (a) Where, on the Bid Due Date, not less than 15% (fifteen percent) of the aggregate issued, subscribed and paid-up equity share capital in a Bidder or any of the constituents of such Bidder is held by persons resident outside India or where a Bidder or any of the constituents of such Bidder is controlled by persons resident outside India; or

- (b) if at any subsequent stage after the Bid Due Date, there is an acquisition of not less than 15% (fifteen percent) of the aggregate issued, subscribed and paid-up equity share capital or control (by persons resident outside India) in or of the Bidder or any of the constituents of such Bidder;

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

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

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

2.1.21 Change in Ownership

- (a) The aggregate equity shareholding of the Selected Bidder (whether a single entity or a participating along with its Associates) in the issued and paid-up equity capital of the SPC/Developer, shall not be less than 51% (fifty one percent), at all times commencing from the date of execution of the Joint Development Agreement and up till 04 (Four) calendar years from the date of signing of the Joint Development Agreement or achieving 5 Star Deluxe rating from Ministry of Tourism (GOI), whichever is later (the "**Lock-in Period**").
- (b) The Bidder further acknowledges and agrees that the aforesaid obligation shall be the minimum and shall be in addition to such other obligations as may be contained in the Joint Development Agreement, and a breach hereof shall, notwithstanding anything to the contrary contained in the Joint Development Agreement, be deemed to be a breach of the Joint Development Agreement and dealt with as such there under.
- (c) By submitting the Bid, the Bidder shall also be deemed to have acknowledged and agreed that in the event of a change in control of an Associate or constituent entity whose Technical Capacity and/ or Financial Capacity was taken into consideration for the purposes of qualification under and in accordance with the RFP document, the Bidder shall be deemed to have knowledge of the same and shall be required to inform the Authority forthwith along with all relevant particulars about the same and the Authority may, in its sole discretion, disqualify the Bidder or withdraw the LOA from the Selected Bidder, as the case may be. In the event such change in control occurs after signing of the Joint Development Agreement but prior to Financial Close of the Project, it would, notwithstanding anything to the contrary contained in the Joint Development Agreement, be deemed to be a breach of the Joint Development Agreement, and the same shall be liable to be terminated without the Authority being liable in any manner whatsoever to the Developer. In such an event, notwithstanding anything to the contrary contained in the Joint Development Agreement, the Authority shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as Damages, without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Joint Development Agreement or otherwise.

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

Bidding Process.

2.1.23 Site Visit and Verification of Information

- (a) Bidders are encouraged to submit their respective Bids after visiting the Project Site and ascertaining for themselves the site conditions, traffic volumes, location, surroundings, climate, availability of power, water and other utilities for construction, access to site, handling and storage of materials, weather data, applicable laws and regulations, and any other matter considered relevant by them.
- (b) It shall be deemed that by submitting a Bid, the Bidder has:
 - i. made a complete and careful examination of the Bidding Documents;
 - ii. received all relevant information requested from the Authority;
 - iii. accepted the risk of inadequacy, error or mistake in the information provided in the Bidding Documents or furnished by or on behalf of the Authority relating to any of the matters referred to in Clause 2.1.23 herein;
 - iv. satisfied itself about all matters, things and information including matters referred to in Clause 2.1.23 herein above necessary and required for submitting an informed Bid, execution of the Project in accordance with the Bidding Documents and performance of all of its obligations there under;
 - v. acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the Bidding Documents or ignorance of any of the matters referred to in Clause 2.1.23 hereinabove shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc. from the Authority, or a ground for termination of the Joint Development Agreement
 - vi. acknowledged that it does not have a Conflict of Interest; and
 - vii. agreed to be bound by the undertakings provided by it under and in terms hereof.
- (c) The Authority shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to RFP document, the Bidding Documents or the Bidding Process, including any error or mistake therein or in any information or data given by the Authority.

2.1.24 Right to Accept and to Reject any or all Bids

- (a) Notwithstanding anything contained in this RFP document, the Authority reserves the right to accept or reject any Bid and to annul the Bidding Process and reject all Bids at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons therefor.
- (b) The Authority reserves the right to reject any Bid and appropriate the Bid Security if:
 - i. At any time, a material misrepresentation is made or uncovered, or
 - ii. the Bidder does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Bid.
- (c) Such misrepresentation/improper response shall lead to the disqualification of the Bidder. If the Bidder is participating along with its Associates, then the Bidder and each such Associate entity may be disqualified/ rejected. If such disqualification/rejection occurs after the Bids have been opened and the Highest Bidder gets disqualified/ rejected, then the Authority reserves the right to:

- i. Invite the remaining Bidders to submit their Bids in accordance with this RFP document; or
- ii. Take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process.

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

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

2.2. DOCUMENTS

2.2.1. Contents of the RFP Document: This RFP document, titled as 'Instructions to Bidders', Volume 1 of the Bidding Documents, comprises the Letter of Invitation, the contents as listed below, and will additionally include any Addenda issued in accordance with Clause 2.2.4.

- Section 1: Introduction
- Section 2: Instructions to Bidders
- Section 3: Evaluation of Bids
- Section 4: Miscellaneous
- Section 5: Appendices and Annexures
 - Appendix-I: Letter Comprising the Bid
 - Annexure - I: Details of Bidder
 - Annexure - II: Technical Capacity of the Bidder
 - Annexure - III: Financial Capacity of the Bidder
 - Annexure - IV: Details of Eligible Projects
 - Annexure - V: Statement of Legal Capacity
 - Appendix-II: Power of Attorney for signing of Bid
 - Appendix - III: Specific Letter of Authorization by Associate to Bidder
 - Appendix - IV: Format of Technical Proposal Evaluation
 - Appendix - V: Format of Financial Bid
 - Appendix - VI: Format of Affidavit by Associate
 - Appendix - VII: Bank Guarantee for Bid Security
 - Appendix - VIII: Draft Letter of Award to the Highest Bidder

2.2.2. The Draft Joint Development Agreement (Volume II) and the Project Information Memorandum (Volume III) provided by the Authority as part of the Bid Documents shall be deemed to be part of this RFP document.

2.2.3. Clarifications



- (a) Bidders requiring any clarification on the RFP document may notify the Authority in writing or by fax and e-mail to the address provided in Clause 1.3.3. They should send in their queries on or before the date mentioned in the Schedule of Bidding Process specified in Clause 1.3.2. The Authority shall endeavor to respond to the queries within the period specified therein, but no later than 15 (fifteen) days prior to the Bid Due Date. The responses will be uploaded on the Authority's website and/or sent by e-mail. The Authority will forward all the queries and its responses thereto, to all Bidders without identifying the source of queries.
- (b) The Authority shall endeavor to respond to the questions raised or clarifications sought by the Bidders. However, the Authority reserves the right not to respond to any question or provide any clarification, in its sole discretion, and nothing in this Clause 2.2.3 shall be taken or read as compelling or requiring the Authority to respond to any question or to provide any clarification.
- (c) The Authority may also on its own motion, if deemed necessary, issue interpretations and clarifications to all Bidders. All clarifications and interpretations issued by the Authority shall be deemed to be part of the Bidding Documents. Verbal clarifications and information given by Authority or its employees or representatives shall not in any way or manner binding on the Authority. The Authority will also upload such clarifications in its website (<https://tsiic.telangana.gov.in>) and will not be responsible for any bidder not receiving any project related clarification from the Authority.

2.2.4. Amendment of RFP document

- (a) At any time prior to the Bid Due Date, the Authority may, for any reason, whether at its own initiative or in response to clarifications requested by a Bidder, modify the RFP document by the issuance of Addenda.
- (b) Any Addendum issued hereunder will be in writing and shall be uploaded on the website.
- (c) In order to afford the Bidders a reasonable time for taking an Addendum into account, or for any other reason, the Authority may, in its sole discretion, extend the Bid Due Date.

2.3. PREPARATION AND SUBMISSION OF BIDS

2.3.1. Format and Signing of Bid

- (a) The Bidder shall provide all the information sought under this RFP document. The Authority will evaluate only those Bids that are received in the required formats and complete in all respects. Incomplete and/or conditional Bids shall be liable to rejection.
- (b) The Bid and its copies shall be typed or written in indelible ink and signed by the authorized signatory of the Bidder who shall also initial each page in blue ink. In case of printed and published Documents, only the cover shall be initialed. All the alterations, omissions, additions or any other amendments made to the Bid shall be initialed by the person(s) signing the Bid. The Bid shall contain page numbers and shall be bound together.
- (c) The Bidder shall submit one original and one copy of the entire Bid. In the event of any discrepancy between the original and the copies, the original shall prevail.

2.3.2. Sealing and Marking of Bids

- (a) The Bidder shall submit the Bids in the manner specified in this Clause 2.3.2.

- (b) The Bidder shall submit the Bids in three separate covers comprising the following documents and marked as “Key Submissions”, “Technical Bid” and “Financial Bid”.
- (c) Envelope I: “Key Submissions”:
- i. Checklist with a self-declaration that all the forms and formats has been provided in the Technical Bid (Envelope) as per the RFP
 - ii. Non-refundable **Rs. 1,00,000/- (Rupees One Lakh only)** in the form of Demand Draft from a Scheduled Bank. inclusive of GST from in favor of “Telangana State Industrial Infrastructure Corporation Limited”, payable at Hyderabad towards the cost of the Bid Processing Fee.
 - iii. Bid Security of **Rs. 5,00,00,000/- (Rupees Five Crore only)** in the form of DD or Bank Guarantee in the format at Appendix- VII;
 - iv. Letter accompanying the Bid in the prescribed format at Appendix- I along with Annexures and supporting documents (substantiating Bidder / Associate details);
 - v. Technical Capacity of Bidder in the format at Annexure-II (without supporting documents)
 - vi. Financial Capacity of the Bidder in the format at Annexure - III (without supporting documents)
 - vii. Signed copy of Bidding Documents along with Clarifications/ Corrigenda/ Addenda if any, with each page initialed by the person signing the Bid in pursuance of the Power of Attorney referred to in sub-clause (d) herein.
- (d) Envelope II: “Technical Bid”:
- i. Power of Attorney for signing of Bid in the prescribed format (Appendix -II);
 - ii. If applicable, the Specific Letter of Authorization by the Associate for the Bidder in the prescribed format (Appendix -III);
 - iii. Statement of Legal Capacity – Annexure V
 - iv. Copy of Memorandum and Articles of Association, if the Bidder/ Associate is a body corporate, and in case of the Partnership firm the partnership firm should furnish partnership deed, in case of other type of entities their relevant incorporation and charter documents;
 - v. Copies of supporting Documents for Evaluation of Technical Capacity along with certificates from Statutory Auditor/Qualified Chartered Accountant (Annexure-IV);
 - vi. Copies of Bidder's or each Associate's duly audited balance sheet, cashflow statements and profit and loss account for the preceding 5 (five) years from the Annual Audited Reports along with certificates from Statutory Auditor/Qualified Chartered Accountant;
 - vii. Copy of the Affidavit from each Associate, in case of Bidder jointly participating with Associates, in the format at Appendix -VI;
The Envelope marked Key Submissions and Technical Bid shall not contain any financial condition/ reservation or any such information which may have a bearing on the Financial Bid. Key Submissions and Technical Bid containing Financial Bids and or financial information/ conditions (unless specifically sought) shall be liable to rejection (and forfeiture of Bid Security).
- (e) Envelope III: “Financial Bid”, consisting of the Authority's Development Share offer of the Bidders over and above the minimum built-up area as prescribed by the Authority in the RFP shall be submitted as per the format provided at Appendix - V of this document.

- 2.3.3.** The Bidder shall seal each of the above three envelopes of the Bid in separate covers and mark them as “Key Submissions”, “Technical Bid” and “Financial Bid”. The three sealed covers shall then be placed in a single outer cover, clearly making each of the envelopes as “Original”.
- 2.3.4.** Similarly, the copies of three parts of the Bids shall be sealed in separate envelopes and placed in a single larger cover, clearly marking each of the envelopes as “COPY”.
- 2.3.5.** Both the original and the copy of the Bid shall be placed in an outer envelope and sealed.
- 2.3.6.** Each of the envelopes (outer and inner) shall clearly bear the following identification and shall clearly indicate the name and address of the Bidder. In addition, the Bid Due Date should be indicated on the right-hand top corner of each of the envelopes

“Bid for Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis”

- 2.3.7.** Each of the envelopes shall be addressed to:

The Chief Engineer,
Telangana State Industrial Infrastructure Corporation Limited,
Parisrama Bhavan, 5th Floor, 5-9-58/B, Fateh Maidan Road,
Basheer Bagh, Hyderabad - 500 004
E-Mail Address: ce-iic@telangana.gov.in

- 2.3.8.** If the envelopes are not sealed and marked as instructed above, the Authority assumes no responsibility for the misplacement or premature opening of the contents of the Bid submitted and consequent losses, if any, suffered by the Bidder.
- 2.3.9.** Bids submitted by fax, telex, telegram or e-mail shall not be entertained and shall be rejected.
- 2.3.10.** Language: The Bids and all related correspondence and documents in relation to the Bidding Process shall be in English language. Supporting documents and printed literature furnished by the Bidder with the Bid may be in any other language provided that they are accompanied by appropriate translations of the pertinent passages in the English language, duly authenticated and certified by the Bidder. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Bid, the English language translation shall prevail.
- 2.3.11.** Bid Due Date: Bids should be submitted before 1500 hrs on the Bid Due Date at the address provided in Clause 2.3.7 in the manner and form as detailed in this RFP document. A receipt thereof should be obtained from the person specified at Clause 2.3.7. The Authority may, in its sole discretion, extend the Bid Due Date by issuing an Addendum in accordance with Clause 2.2.4 uniformly for all Bidders.
- 2.3.12.** Late Bids: Bids received by the Authority after the specified time on the Bid Due Date shall not be eligible for consideration and shall be summarily rejected.
- 2.3.13.** Financial Bid: The Financial Bid shall consist of the built-up area of warm shell in Trade Centre (the ‘Authority’s Development Share’) offered by the Bidder (as per Appendix-V). The bidder shall specify absolute built-up area number over and above the minimum built-up area as prescribed by the Authority in Clause 1.2.7 to undertake the Project in accordance with this RFP document and the provisions of the Joint Development Agreement.
- 2.3.14.** The Project will be awarded to the Technically Qualified Bidder quoting the highest Authority’s Development Share in accordance with procedure described in the Clause 3.3.9
- 2.3.15.** The opening of Bids and acceptance thereof shall be substantially in accordance with this RFP document.

2.3.16. The proposed Joint Development Agreement shall be deemed to be part of the Bid.

2.3.17. Modifications/ Substitution/ Withdrawal of Bids

- (a) The Bidder may modify, substitute or withdraw its Bid after submission, provided that written notice of the modification, substitution or withdrawal is received by the Authority prior to the Bid Due Date. No Bid shall be modified, substituted or withdrawn by the Bidder on or after the Bid Due Date.
- (b) The modification, substitution or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clause 2.3.2, with the envelopes being additionally marked "MODIFICATION", "SUBSTITUTION" or "WITHDRAWAL", as appropriate.
- (c) Any alteration/ modification in the Bid or additional information supplied subsequent to the Bid Due Date, unless the same has been expressly sought for by the Authority, shall be disregarded.

2.3.18. Rejection of Bids: Notwithstanding anything contained in this RFP document, the Authority reserves the right to reject any Bid and to annul the Bidding Process and reject all Bids at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons therefor. In the event that the Authority rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids hereunder. The Authority reserves the right not to proceed with the Bidding Process at any time, without notice or liability, and to reject any Bid without assigning any reasons.

2.3.19. Validity of Bids: The Bids shall be valid for a period of not less than 180 (one hundred and eighty) days from the Bid Due Date. The validity of Bids may be extended by mutual consent of the respective Bidders and the Authority.

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

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

2.4. BID SECURITY

2.4.1. The Bidder shall furnish as part of its Bid, a Bid Security referred to in Clause 1.2.4. In case the Bank Guarantee is issued by a foreign bank outside India, confirmation of the same by any nationalized bank in India is required. For the avoidance of doubt, Scheduled Bank shall mean a bank as defined under Section 2(e) of the Reserve Bank of India Act, 1934.

2.4.2. The Authority shall not be liable to pay any interest on the Bid Security deposit so made and the same shall be interest free.

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

2.4.4. Save and except as provided in Clause 1.2.4 above, the Bid Security of unsuccessful Bidders

(excluding Second Selected Bidder) will be returned by the Authority, without any interest, within 30 days of issue of LOA to the Selected Bidder.

- 2.4.5.** The Bid Security of Selected Bidder and Second Highest Bidder will be returned, without any interest, upon the Selected Bidder signing the Joint Development Agreement and furnishing the Performance Security in accordance with the provisions thereof.
- 2.4.6.** The Authority shall be entitled to forfeit and appropriate the Bid Security as Damages inter alia in any of the events specified in Clause 2.4.7 herein below. The Bidder, by submitting its Bid pursuant to this RFP document, shall be deemed to have acknowledged and confirmed that the Authority will suffer loss and damage on account of withdrawal of its Bid or for any other default by the Bidder during the period of Bid validity as specified in this RFP document. No relaxation of any kind on Bid Security shall be given to any Bidder.
- 2.4.7.** The Bid Security shall be forfeited as Damages without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or under the Joint Development Agreement, or otherwise, under the following conditions:
- (a) If a Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in Section-4 of this RFP document;
 - (b) If a Bidder withdraws its Bid during the period of Bid validity as specified in this RFP document and as extended by mutual consent of the respective Bidder(s) and the Authority;
 - (c) In the case of Selected Bidder, if it fails within the specified time limit
 - i. to sign and return the duplicate copy of LOA;
 - ii. pay the Project Development Fee;
 - iii. to sign the Joint Development Agreement; or
 - iv. to furnish the Performance Security within the period prescribed therefore in the LOA; or
 - v. does not submit the binding agreement with the Hotel Brand as per its Bid within the stipulated time; or
 - (d) In case the Selected Bidder, having signed the Joint Development Agreement, commits any breach thereof prior to furnishing the Performance Security.

3. EVALUATION OF BIDS

3.1. OPENING AND EVALUATION OF BIDS

3.1.1. The Authority shall open the Bids at 1600 hours on the Bid Due Date, at the place specified below and in the presence of the Bidders who choose to attend.

Telangana State Industrial Infrastructure Corporation Limited
Parisrama Bhavan, 5th Floor, 5-9-8/B,
Fateh Maidan Road, Basheer Bagh, Hyderabad - 500004.

3.1.2. The Authority will subsequently examine and evaluate the Bids in accordance with the provisions set out in this section.

3.1.3. To facilitate evaluation of Bids, the Authority may, at its sole discretion, seek clarifications in writing from any Bidder regarding its Bid.

3.1.4. Any information contained in the Bid shall not in any way be construed as binding on the Authority, its agents, successors or assigns, but shall be binding against the Bidder if the Project is subsequently awarded to it under the Bidding Process on the basis of such information.

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

3.1.6. To assist in the examination, evaluation and comparison of Bids, the Authority may utilize the services of its consultant(s) or advisor(s).

3.2. TESTS OF RESPONSIVENESS

3.2.1. Prior to evaluation of Bids, the Authority shall determine whether each Bid is responsive to the requirements of this RFP document. A Bid shall be considered responsive only if:

- (a) it is accompanied by the Bid Security as specified in Clause 2.1.6;
- (b) it is accompanied by the signed Bid documents and Bid Processing fee
- (c) it adheres to all the formats at Appendix - I to VIII and all the Annexures;
- (d) it is received by the Bid Due Date including any extension thereof pursuant to Clause 2.3.11;
- (e) Duly Filled up Annexure - I to Annexure - V of Appendix 1

3.2.2. The Authority reserves the right to reject any Bid which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by the Authority in respect of such Bid.

3.3. EVALUATION PARAMETERS

3.3.1. Only those Bidders whose Bids are adjudged to be responsive shall qualify for evaluation under this Section.

3.3.2. The Bidder's competence and capacity is proposed to be established by the parameters as detailed in Clause 2.1.16 of this RFP document for a) Technical Capacity; and b) Financial Capacity. Further, all the supporting documents shall be evaluated with respect to submission of the Bids.

3.3.3. **Technical Capacity for Purposes of Evaluation:** For the purposes of this RFP document, more particularly for the purposes of Clause 2.1.16, the following categories of experience would qualify as Technical Capacity and eligible experience (the "Eligible Experience") in

relation to eligible projects as stipulated in Clauses 3.3.4 (the "Eligible Projects"):

For the purpose of this RFP document: Eligible Project shall include 5 Star rated Hotel (as per the Ministry of Tourism, Government of India) presently operational in India, Grade-A commercial space presently operational in India

- 3.3.4.** Eligible Experience shall be measured only for Eligible Projects. For a project to qualify as an Eligible Project:
- (a) It should have been undertaken on Joint Development, BOT, BOLT, BOO, BOOT, or other basis for providing its output or services for providing non-discriminatory access to users in pursuance of its charter, joint development or concession or contract agreement, as the case maybe;
 - (b) the entity claiming experience should have held, in the company owning the Eligible Project, a minimum of 26% equity during the period for which Eligible Experience is being claimed; and
 - (c) the entity claiming experience shall, during the past 10 (ten) financial years preceding the Bid Due Date, have (i) paid for development of the project (excluding the cost of land), and/or (ii) collected and appropriated the revenues from users availing of non-discriminatory access to course of fixed project assets, such as revenues from collection of users charges from the users, but shall not include revenues from sale or provision of goods or services such as electricity, gas, telecommunications or fare/freight revenues and other incomes of the company owning the Project.
- 3.3.5.** The Bidder shall quote experience in respect of a particular Eligible Project, even though the Bidder (either individually or along with its Associates) may have played multiple roles in the cited project. Double counting for a particular Eligible Project shall not be permitted in any form. Further, the Project should have been executed by the entity, majority stake of which is held by the Bidder considered for evaluation.
- 3.3.6.** Details of Experience
- (a) The Bidder should furnish the details of Eligible Experience as set out in Clause 2.1.16 in the past 10 (ten) years preceding the Bid Due date.
 - (b) The Bidders must provide the necessary information relating to Technical Capacity set out in Clause 2.1.16 as per format at Annexure - II of Appendix - I and shall furnish the required project-specific information and evidence in support thereof as per the format provided in Annexure - IV of Appendix -I.
 - (c) The Bidder shall necessarily provide details of the Project along with photographs of the completed project, approved building layout/plan and Occupancy Certificate issued by a competent authority to substantiate that the development was completed.
 - (d) The evaluation of Technical Eligibility Criteria shall be on a Pass/Fail basis
- 3.3.7.** Financial information for Purposes of Evaluation
- (a) The Bid must be accompanied by the Audited Annual Statements of the Bidder or of each Associate in case of jointly participating in the Bid (as the case may be) for last 5 (five) financial years from the Bid Due Date. A maximum of Two (02) Associates are allowed to jointly claim Financial Capacity prescribed.
 - (b) The Bidder must qualify under financial evaluation criteria and establish a minimum Net Worth as specified in Clause 2.1.16, and provide details as per format at Annexure - III of Appendix -I.
 - (c) The Bidder shall submit Statutory Auditor certificate confirming the claims made under the Clause 2.1.16 as per the conditions set out in Clause 2.1.17
 - (d) The evaluation of Financial Eligibility Criteria shall be on a Pass/Fail basis
- 3.3.8.** Evaluation of Technical Proposal
- (a) The Technical Proposal of all the Bidders whose Bids are adjudged as responsive in

terms of Clause 3.2.1 and who meet the Eligibility Criteria as per the terms of Clause 2.1.16 will be evaluated.

- (b) Subsequently, the Technical Proposals would be evaluated on the various aspects set out in Appendix -IV.
- (c) Bidders who fulfil the Eligible Projects and the Net Worth requirements (the "Technically Qualified Bidders") as stated above shall be qualified for further stages of evaluation.

3.3.9. Selection of Bidder

- (a) The Financial Bid of only Technically Qualified Bidders shall be opened and the Bidder offering the highest Authority's Development Share shall be declared as the Highest Bidder (the "**Highest Bidder**"). In the event that the Authority rejects or annuls all the Bids, it may, in its discretion, invite all eligible Bidders to submit fresh Bids here under.
- (b) In the event that two or more Bidders quote the same Authority's Development Share (the "**Tie Bidders**"), the Authority shall ask both such Bidders to resubmit their bids such that they are higher than the Authority's Development Share quoted in the first round of Bidding. The Authority shall declare the Bidder that had quoted the higher Authority's Development Share in such second round of Bidding shall be declared as the Selected Bidder.
- (c) In the event that the Highest Bidder withdraws or is not selected for any reason in the first instance (the "**First Round of Bidding**"), the Authority may invite all the remaining Bidders to revalidate or extend their respective Bid Security, as necessary, and match the Bid of the aforesaid Highest Bidder (the "**Second Round of Bidding**"). If in the Second Round of Bidding, only one Bidder matches the Highest Bidder, it shall be the Selected Bidder. If two or more Bidders match the said Highest Bidder in the Second Round of Bidding, then the Bidder whose Bid was higher as compared to other Bidder(s) in the first round of bidding shall be the Selected Bidder. For example, if the third and fifth highest Bidders in the First Round of Bidding offer to match the said Highest Bidder in the Second Round of Bidding, the said third highest Bidder shall be the Selected Bidder.
- (d) In the event that no Bidder offers to match the Highest Bidder in the Second Round of Bidding as specified in sub-clause (c) above, the Authority may, in its discretion, invite fresh Bids (the "**Third Round of Bidding**") from all Bidders except the Highest Bidder of the First Round of Bidding, or annul the Bidding Process, as the case may be. In case the Bidders are invited in the Third Round of Bidding to revalidate or extend their Bid Security, as necessary, and offer fresh Bids, they shall be eligible for submission of fresh Bids provided, however, that in such third round of bidding only such Bids shall be eligible for consideration which are higher than the Bid of the second highest Bidder in the First Round of Bidding.
- (e) After selection, a Letter of Award ("LOA") shall be issued, in duplicate, by the Authority to the Highest Bidder upon approval of competent authority and declared as Selected Bidder (the "**Selected Bidder**"). The Selected Bidder shall, within 30 (Thirty) days of the receipt of the LOA, sign and return the duplicate copy of the LOA in acknowledgement thereof along with the Performance Security and Project Development Fee. In the event the duplicate copy of the LOA duly signed by the Selected Bidder is not received by the stipulated date and/ or non-payment of Performance Security and Project Development Fee, the Authority may, unless it consents to extension of time for submission thereof, appropriate the Bid Security of such Bidder as Damages on account of failure of the Selected Bidder to acknowledge the LOA, and the next eligible Bidder may be considered.
- (f) After acknowledgement of the LOA and payment of Performance Security and Project Development Fee as aforesaid by the Selected Bidder, it shall cause the Developer to execute the Joint Development Agreement within the period prescribed. The Selected Bidder/ Developer shall not be entitled to seek any deviation, modification or amendment in the Joint Development Agreement.

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

4. MISCELLANEOUS

7.1. FRAUD AND CORRUPT PRACTICES

- 7.1.1.** The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process and subsequent to the issue of the LOA and during the subsistence of the Joint Development Agreement. Notwithstanding anything to the contrary contained herein, or in the LOA or the Joint Development Agreement, the Authority may reject a Bid, withdraw the LOA, or terminate the Joint Development Agreement, as the case may be, without being liable in any manner whatsoever to the Bidder or Developer, as the case may be, if it determines that the Bidder or Developer, as the case may be, has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process. In such an event, the Authority shall be entitled to forfeit and appropriate the Bid Security or Performance Security, as the case may be, as Damages, without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/ or the Joint Development Agreement, or otherwise.
- 7.1.2.** Without prejudice to the rights of the Authority under Clause 4.1.1 hereinabove and the rights and remedies which the Authority may have under the LOA or the Joint Development Agreement, or otherwise if a Bidder or Developer, as the case may be, is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice during the Bidding Process, or after the issue of the LOA or the execution of the Joint Development Agreement, such Bidder or Developer shall not be eligible to participate in any tender or RFP document issued by the Authority during a period of 2 (two) years from the date such Bidder or Developer, as the case may be, is found by the Authority to have directly or indirectly or through an agent, engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practices, as the case may be.
- 7.1.3.** For the purposes of this Clause 4.1, the following terms shall have the meaning hereinafter respectively assigned to them:
- (a) "corrupt practice" means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the Authority who is or has been associated in any manner, directly or indirectly, with the Bidding Process or the LOA or has dealt with matters concerning the Joint Development Agreement or arising therefrom, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Authority, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) save and except as permitted under the Clause 2.1.13 of this RFP document, engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOA or after the execution of the Joint Development Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the Joint Development Agreement, who at any time has been or is a legal, financial or technical adviser of the Authority in relation to any matter concerning the Project;
 - (b) "Fraudulent practice" means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process;
 - (c) "Coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any person or property to influence any person's participation or action in the Bidding Process;
 - (d) "Undesirable practice" means (i) establishing contact with any person connected with or employed or engaged by the Authority with the objective of canvassing, lobbying or

in any manner influencing or attempting to influence the Bidding Process; or (ii) having a Conflict of Interest; and

- (e) "Restrictive practice" means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

7.2. PRE-BID CONFERENCE

7.2.1. Pre-Bid conferences of the Bidders shall be convened at the designated date, time and place specified in Clause 1.3.4. Only those persons who have purchased the RFP document shall be allowed to participate in the Pre-Bid Conferences. A maximum of two representatives of each Bidder shall be allowed to participate on production of authority letter/e-mail by the Bidder.

7.2.2. During the course of Pre-Bid conference(s), the Bidders will be free to seek clarifications and make suggestions for consideration of the Authority. The Authority shall endeavor to provide clarifications and such further information as it may, in its sole discretion, consider appropriate for facilitating a fair, transparent and competitive Bidding Process.

7.3. INDEPENDENT ENGINEER

7.3.1. For ensuring timely completion and handover of the project as per the provisions of RFP, JDA and Project Designs approved by the Authority, an 'Independent Engineer' will be appointed as per the terms set forth in the JDA. The IE shall be responsible to certify the Authority's Development Share and the same shall be approved by the Authority for construing the hand over as valid.

7.4. OTHERS

7.4.1. The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts at Hyderabad shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.

7.4.2. The Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to;

- (a) Suspend and/or cancel the Bidding Process and/or amend and/or supplement the Bidding Process or modify the dates or other terms and conditions relating thereto;
- (b) consult with any Bidder in order to receive clarification or further information;
- (c) retain any information and/or evidence submitted to the Authority by, on behalf of, and/ or in relation to any Bidder; and/or
- (d) independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Bidder.

7.4.3. It shall be deemed that by submitting the Bid, the Bidder agrees and releases the Authority, its employees, agents and advisers, irrevocably, unconditionally, fully and finally from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/ or performance of any obligations hereunder, pursuant hereto and/ or in connection with the Bidding Process and waives, to the fullest extent permitted by applicable laws, any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.

8. APPENDICES AND ANNEXURES

APPENDIX - I

Annexure - I

Letter comprising the Bid

Dated:

To,

The Vice-Chairman & Managing Director,
Parisrama Bhavan, 6th Floor, 5-9-58/B, Fateh Maidan Road,
Basheerbagh, Hyderabad - 500 004

Dear Sir,

Subject: Bid for 'Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis' - reg

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

- 1) I/ We acknowledge that the Authority will be relying on the information provided in the Bid and the documents accompanying the Bid for selection of the Developer for the aforesaid Project, and we certify that all information provided therein is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying the Bid are true copies of their respective originals.
- 2) This statement is made for the express purpose of our selection as Developer for aforesaid Project.
- 3) I/ We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the Bid.
- 4) I/ We acknowledge the right of the Authority to reject our Bid without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.
- 5) I/ We certify that in the last five years, we/ or our Associates have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award, nor been expelled from any project or contract by any public authority nor have had any contract terminated by any public authority for breach on our part.
- 6) I/ We declare that:
 - a) I/ We have examined and have no reservations to the Bidding Documents, including any Addendum issued by the Authority; and
 - b) I/ We do not have any conflict of interest in accordance with Clauses 2.1.12 and 2.1.13 of the RFP document; and
 - c) I/ We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in Clause 4.1.3 of the RFP document, in respect of any tender or RFP document issued by or any agreement entered into with the Authority

- or any other public sector enterprise or any government, Central or State; and
- d) I/ We hereby certify that we have taken steps to ensure that in conformity with the provisions of Section 4 of the RFP document, no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice; and
 - e) the undertakings given by us along with the Bid in response to this RFP document for the Project are true and correct as on the Bid Due Date and I/we shall continue to abide by them.
- 7) I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Bid that you may receive nor to invite the Bidders to Bid for the Project, without incurring any liability to the Bidders, in accordance with Clause 2.3.18 of the RFP document.
 - 8) I/ We believe that we satisfy(s) the Net Worth criteria and meet(s) the requirements as specified in the RFP document and are/ is qualified to submit a Bid in accordance with the RFP document.
 - 9) I/ We certify that in regard to matters other than security and integrity of the country, we or any of our Associates have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which could cast a doubt on our ability to undertake the Project or which relates to a grave offence that outrages the moral sense of the community.
 - 10) I/ We further certify that in regard to matters relating to security and integrity of the country, we or any of our Associates have not been charge- sheeted by any agency of the Government or convicted by a Court of Law.
 - 11) I/ We further certify that no investigation by a regulatory authority is pending either against us or against our Associates or against our CEO or any of our Directors/ managers/ employees.
 - 12) I/ We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the guidelines referred to above, we shall intimate the Authority of the same immediately.
 - 13) I/ We acknowledge and undertake that in case selected for the Project, we shall hold at least 51% (fifty one percent) of the subscribed and paid-up equity of the Developer/ SPC for the Lock-In Period for this Project as prescribed in the RFP.
 - 14) I/ We acknowledge and agree that in the event of a change in control of an Associate whose Technical Capacity and/ or Financial Capacity is being relied upon and will be taken into consideration for the purposes of qualifying under and in accordance with the RFP document, I/We shall inform the Authority forthwith along with all relevant particulars and the Authority may, in its sole discretion, seek necessary documentation for continued qualification or disqualify us or withdraw the LOA, as the case may be. I/We further acknowledge and agree that in the event change in control occurs after signing of the JDA but prior to completion of the corresponding Project Development under the JDA, it would, notwithstanding anything to the contrary contained in the JDA, be deemed a breach thereof, and the JDA shall be liable to be terminated without the Authority being liable to us in any manner whatsoever.
 - 15) I/ We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the selection of the Bidder, or in connection with the Bidding Process itself, in respect of the above-mentioned Project and the terms and implementation thereof.
 - 16) In the event of my/ our being declared as the Selected Bidder, I/we agree to enter into a JDA in accordance with the draft that has been provided to me/ us prior to the Bid Due Date. We

agree not to seek any changes in the aforesaid draft and agree to abide by the same.

- 17) I/ We have studied all the Bidding Documents carefully and also surveyed the Project Site. We understand that except to the extent as expressly set forth in the Bidding Documents, we shall have no claim, right or title arising out of any documents or information provided to us by the Authority or in respect of any matter arising out of or relating to the Bidding Process including the award of the Project.
- 18) I/ We offer a Bid Security of INR 5,00,00,000/- (Indian Rupees Five Crores only) to the Authority in accordance with the RFP document. The Bid Security in the form of [Demand Draft/ Bank Guarantee] is attached.
- 19) I/ We agree and understand that the Bid is subject to the provisions of the Bidding Documents. In no case, I/we shall have any claim or right of whatsoever nature if the Project is not awarded to me/us or our Bid is not opened or rejected.
- 20) The Financial Bid has been quoted by me/us after taking into consideration all the terms and conditions stated in the RFP document, draft JDA, our own estimates of costs and demand and after a careful assessment of the site and all the conditions that may affect the project cost and implementation of the project.
- 21) I/ We agree and undertake to abide by all the terms and conditions of the Bidding Documents.
- 22) I/ We shall keep this offer valid for 180 (one hundred and eighty) calendar days from the Bid Due Date specified in the RFP document.

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

Yours faithfully,

Date and Place:

(Signature, name and designation of the Authorized signatory)
Name and seal of Bidder

Details of Bidder

1. Particulars of the Bidder:
 - (a) Name:
 - (b) Country of incorporation:
 - (c) Address of the corporate headquarters and its branch office(s), if any, in India:
 - (d) Date of incorporation and/ or commencement of business:

2. Brief description of the Company including details of its main lines of business and proposed role and responsibilities in [this/ these Project(s)]:

3. Details of individual(s) who will serve as the point of contact/ communication for the Authority:
 - (a) Name:
 - (b) Designation:
 - (c) Company:
 - (d) Address:
 - (e) Telephone Number:
 - (f) E-Mail Address:
 - (g) Fax Number:

4. Particulars of the Authorized Signatory of the Bidder:
 - (a) Name:
 - (b) Designation:
 - (c) Address:
 - (d) Phone Number:
 - (e) Fax Number:

5. In case of jointly participating with Associates:
 - (a) The information above (1-4) should be provided for all the Associates of the Bidder.
 - (b) A copy of the Specific Letter of Authorization along with the Affidavit, as envisaged in the RFP should be attached to the Bid.
 - (c) A letter from the Statutory Auditor of the Bidder certifying the relationship and more specifically the Control mechanism between the Bidder and each Associate
 - (d) Information regarding role of each Associate should be provided as per table below:

| Sl. No. | Name of Associate | Role in the Bid and proposed Project | Control mechanism between the Bidder and Associate |
|---------|-------------------|--------------------------------------|--|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |

Annexure - II

Technical Capacity of the Bidder

(Refer to Clauses 2.1.16 , 3.3.3 and 3.3.4 of the RFP document)

| Bidder Type ^{1/} (1) | Member Code ^{2/} (2) | Project Code ^{3/} (3) | Category ^{4/} (4) | Experience ^{5/} (5) |
|--|-------------------------------|-----------------------------------|----------------------------|------------------------------|
| Single entity Bidder / Parent bidding entity | | A | | |
| | | B | | |
| | | C | | |
| Member 2 (Associate only) | | 2A | | |
| | | 2B | | |
| | | 2C | | |
| | | | | |

Provide details of only those projects that have been undertaken by the Bidder under its own name and/ or by an Associate specified in Clause 2.1.16 and/ or by a project company eligible under Clause 3.3.4 (b). In case the Bid Due Date falls within three months of the close of the latest financial year, it shall ignore such financial year for the purposes of its Bid and furnish all its information and certification with reference to the 10 (Ten) years preceding its latest financial year.

^{1/} A Bidder consisting of a single entity should fill in details as per the row titled Single entity Bidder and ignore the rows titled Member. In case credit is claimed for an Associate, necessary evidence to establish the relationship of the Bidder with such Associate, in terms of Clause 2.1.16, shall be provided.

^{2/} Member Code shall indicate NA for Not Applicable in case of a single entity Bidder. For other Members, the following abbreviations are suggested viz. LM means Lead Member, TM means Technical Member, FM means Financial Member, OM means Other Member.

^{3/} Refer Annexure - IV of this Appendix - I. Add more rows if necessary.

^{4/} Refer Clause 3.3.3.

^{5/} Refer Clauses 2.1.16

The Bidder shall provide information on experience and technical capability as per the formats given. The Authority reserves the right to verify the successful operation and performance of the qualifying project/s mentioned in the formats and the Bidder shall arrange permissions for visiting these installations, if such a request is made by Authority at his cost.

Annexure - III Financial Capacity of the Bidder

(Refer to Clauses 2.1.16 , 2.1.17 and 3.3.7 of the RFP document)
<<to be certified by Statutory Auditor or a Qualified Chartered Accountant>>

| Bidder Type ^{1/} | Member Code ^{2/} | Maximum Annual Turnover (Rs. Crores) of Last 5 Years | Qualification as per Net Worth Criteria (Fig.) | Qualification as per Net Worth Criteria (Words) |
|--|---------------------------|--|--|---|
| (1) | (2) | (3) | (4) | (5) |
| Single entity Bidder / Parent bidding entity | | | | |
| Member2 | | | | |
| | | | | |
| TOTAL | | | | |

- 1/ A Bidder consisting of a single entity should fill in details as per the row titled Single entity Bidder and ignore the rows titled Members. In case of jointly participating with Associates, row titled Single entity Bidder may be filled by the parent bidding entity and a maximum of Two Associates are allowed to jointly claim Financial Capacity.
- 2/ Member Code shall indicate NA for Not Applicable in case of a single entity Bidder. For other Members, the following abbreviations are suggested, OM means Other Member.

Instructions:

- 1) The Bidder/ its constituent Associates shall attach copies of the balance sheets, financial statements for 5 (five) years, for which audited financial statements are available, preceding the Bid Due Date. The financial statements shall:
 - i) reflect the financial situation of the Bidder and its Associates where the Bidder is relying on its Associate's financials;
 - ii) be audited by a statutory auditor;
 - iii) be complete, including all notes to the financial statements; and
 - iv) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
- 2) Annual Turnover for each of the last Five (05) Financial Years shall be provided in this format, while Net Worth may be provided for the preceding Financial Year.
- 3) Net Worth shall mean (Subscribed and Paid-up Equity + Reserves) less (Revaluation reserves + miscellaneous expenditure not written off + accrued liabilities). In case where such calculation does not apply, the Bidder's Statutory Auditor to provide the relevant calculation and certify the value. Net Worth shall be stated in the above table for the latest completed financial year, preceding the Bid Due Date, for which audited financial statement is available.
- 4) In the case of jointly participating with Associates, copies of the Specific Letter of Authorization along with certificate from Statutory Auditor regarding the relationship and control mechanism between Bidder and Associate and the Affidavit shall be submitted in accordance with this RFP document.

- 5) The Bidder shall also provide the name and address of the Bankers to the Bidder.
- 6) The Bidder shall provide an Auditor's Certificate specifying the net worth of the Bidder and also specifying the methodology adopted for calculating such net worth in accordance with Clause 2.1.17 of the RFP document.
 - The Bidder should provide details of its own Financial Capability or of an Associate specified in Clause 2.1.16.
 - For conversion of US Dollars to Rupees, the rate of conversion shall be as on the date 60(sixty) days prior to the Bid Due Date. In case of any other currency, the same shall first be converted to US Dollars as on the date 60 (sixty) days prior to the Bid Due Date, and the amount so derived in US Dollars shall be converted into Rupees at the aforesaid rate. The conversion rate of such currencies shall be the daily representative exchange rates published by the International Monetary Fund for the relevant date.

Annexure - IV

Details of Eligible Projects

(Refer to Clauses 2.1.16, 3.3.3 and 3.3.4 of the RFP document)
<<to be certified by Statutory Auditor/ a Qualified Chartered Accountant>>

Project Code:

Member Code:

| Item | Particulars of the Project |
|--|-----------------------------------|
| (1) | (2) |
| Title & Nature of the Project | |
| Entity for which the Project was Constructed/ Developed | |
| Location | |
| Project Cost | |
| Project Size (sq. ft.) | |
| Date of Commencement of Project/ Contract | |
| Date of Completion/ Commissioning | |
| Date of achieving star rating by Ministry of Tourism (GOI) | |
| Equity Shareholding (with period during which equity was held) | |
| Whether credit is being taken for the Eligible Experience of an Associate (Yes/No) | |

Instructions:

1. Bidders are expected to provide information in respect of Eligible Projects in this Annex. The projects cited must comply with the eligibility criteria specified in Clause 3.3.4 of the RFP document, as the case may be. Information provided in this section is intended to serve as a back-up for information provided in the Bid. Bidders should also refer to the Instructions below.
2. For a single entity Bidder, the Project Codes would be a, b, c, d etc. In case the Bidder is jointly participating with its Associates then for Member1, the Project Codes would be 1a,1b,1c,1d etc., for Member2 the Project Codes shall be 2a, 2b, 2c, 2d etc., and soon.
3. A separate sheet should be filled for each Eligible Project.
4. Member Code shall indicate NA for Not Applicable in case of a single entity Bidder. For other Members, the following abbreviations are suggested OM means Other Member. In case the Eligible Project relates to an Associate of the Bidder or its Member, write "Associate" along with Member Code.
5. Please provide particulars such as name, address and contact details of owner/ Authority/ Agency (i.e. concession grantor, counter party to PPA, etc.)/ Private Entity for each eligible project.
6. For all Eligible Projects, the date of commissioning of the project, upon completion, should be indicated. Further, the equity shareholding of the Bidder, in the company owning the Eligible Project, held continuously during the period for which Eligible Experience is claimed, needs to

- be given (Refer Clause 3.3.4).
7. Experience for any activity relating to an Eligible Project shall not be claimed by two or more Associates of the Bidder. In other words, no double counting by Associates in respect of the same experience shall be permitted in any manner whatsoever.
 8. Certificate from the Client on completion of the Project with relevant details like project built-up area, project start date and completion date shall be provided for all the eligible projects.
 9. It may be noted that in the absence of any detail, the information would be considered inadequate and could lead to exclusion of the relevant project in computation of Threshold Technical Capacity.
 10. The Bidder shall provide above details along with photographs of completed project, approved building layout/plan, occupancy certificate, Star rating issued by relevant competent authority to substantiate that the development was completed and operational.

Annexure - V

Statement of Legal Capacity

(To be forwarded on the letterhead of the Bidder)

Ref. Date:

To,
The Vice-Chairman & Managing Director,
Telangana State Industrial Infrastructure Corporation Limited
Parisrama Bhavan, 6th Floor, 5-9-58/B, Fateh Maidan Road,
Basheer Bagh, Hyderabad - 500 004

Dear Sir,

We hereby confirm that we/ our Associates (constitution of which has been described in the Bid) satisfy the terms and conditions laid out in the RFP document. We have agreed that (insert Associate's name) will act as the Bidder. *

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

Thanking you, Yours faithfully,

Authorized Signatory

For and on behalf of

*Please strike out whichever is not applicable.

APPENDIX - II Power of Attorney for Signing of Bid

(Refer Clause 2.1.7)

Know all men by these presents, We,.....(name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and legalized Mr. / Ms (Name), son/daughter/wife of and presently residing at, who is presently employed with us and holding the position of, as our true and lawful attorney (hereinafter referred to as the "Attorney") to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our bid for the **Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis** Project proposed by the **Telangana State Industrial Infrastructure Development Corporation Limited** (the "Authority") including but not limited to signing and submission of all applications, bids and other documents and writings, participate in bidders' and other conferences and providing information/ responses to the Authority, representing us in all matters before the Authority, signing and execution of all contracts including the Joint Development Agreement and undertakings consequent to acceptance of our bid, and generally dealing with the Authority in all matters in connection with or relating to or arising out of our bid for the said Project and/ or upon award thereof to us and/ or till the entering into of the Joint Development Agreement with the Authority.

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

IN WITNESS WHEREOF WE,, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF, 20.....

For.....
(Signature, name, designation and address)

Witnesses:

1
2

Accepted Notarised

(Signature, name, designation and address of the Attorney)

Notes:

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

APPENDIX - III

Specific Letter of Authorization by Associate to the Bidder

(Only in case of jointly participating with Associates – to be provided by each such Associate on its Letterhead duly signed by its Director or Authorized Signatory having such Authorization to do so)

(Refer Clause 2.1.8)

Whereas the **Telangana State Industrial Infrastructure Development Corporation** (the “Authority”) has invited bids from qualified parties for the **Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis** (the “Project”).

Whereas,,, and (Collectively the “Bidder”) being Associate of the Bidder are interested in bidding for the Project in accordance with the terms and conditions of the RFP document and other connected documents in respect of the Project, and

Whereas, it is necessary for the Associates of the Bidder to Authorize the Bidder with all necessary power and authority to do for and on behalf of such Associates, all acts, deeds and things as may be necessary in connection with the Bidder’s bid for the Project and its execution.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS

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

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

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS SPECIFIC LETTER OF AUTHORIZATION ON THIS DAY OF, 20....

For(Signature, Name &Title)

For (Signature, Name &Title)



(Executants)
(To be executed by all the Associates of the Bidder)

Witnesses:

1

2

Notes:

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

APPENDIX - IV

Format of Technical Proposal Evaluation

| Sl. No. | Parameters | Criteria |
|---------|--|--|
| 1. | <p>Technical Capacity</p> <p>I. Is Brand owner of any of the reputed 5-Star Deluxe or its global equivalent Hotel Brands</p> <p>OR</p> <p>II. During the last 10 years prior to bid due date, has experience of Developing a minimum of 5,00,000 (Five Lakh) square feet of Grade-A commercial space AND at least ONE FIVE STAR rated Hotel (as per the Ministry of Tourism, Government of India) in India which is currently operational AND as on the bid due date has an MoU/MoA/LoI with any of the reputed 5-Star Deluxe or its global equivalent Hotel Brands for operation & Management of the Hotel that shall be converted into a binding agreement by such Bidder with the Brand before entering into JDA with the Authority</p> | Pass/Fail |
| 2. | <p>Financial Capacity</p> <p>The Bidder shall have a minimum Net Worth (the “Financial Capacity”) of Rs. 125 Crore (Indian Rupees One Hundred and Twenty Five Crores only) as per the audited accounts of the preceding financial year i.e., at the close of preceding financial year i.e., 31-Mar-2023 or 2022.</p> | Pass/Fail |
| | TOTAL | PASS only if Pass in all categories above |

APPENDIX - V Format of Financial Bid

Date:

To,
The Vice-Chairman & Managing Director,
Telangana State Industrial Infrastructure Corporation Limited
Parisrama Bhavan, 6th Floor, 5-9-58/B,
Fateh Maidan Road, Basheer Bagh, Hyderabad - 500 004

Sub: Bid for 'Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis in Telangana, India'

Sir,

We hereby submit our Financial Bid and offer **Authority's Development Share** (Built-up area warm Shell) over and above the minimum built-up area of 1,86,000 sq. ft (One Lakh Eighty Six Thousand square feet) as prescribed below by the Authority, for undertaking the aforesaid Project in accordance with the Bidding Documents.

| Reserve Share (A) | Bidder's offer above Reserve Share (B) | Authority's Development Share (A+B) |
|----------------------|--|-------------------------------------|
| 1,86,000 square feet | | |

**Note: The above quoted built-up area is on warm shell basis, in accordance with the RFP*

The Development Share quoted above in our offer is on warm shell basis and exclusive of the parking area and other requisite amenities/ facilities, which shall be provided as per the prevalent Development Control Regulations without any charges to the Authority.

We have reviewed all the terms and conditions of the Bidding Documents and undertake to abide by all the terms and conditions contained therein. We hereby declare that there are, and shall be no deviations from the stated terms in the Bidding Documents.

Yours faithfully,

For and on behalf of

..... (Name of the Bidder)

(Signature of Authorized Signatory)

(Name and designation of the Authorized Person)



APPENDIX-VI

Format of Affidavit by Associate

(On requisite Stamp paper)
(Refer Clauses 2.1.8 and 2.1.17)

This Affidavit is executed and affirmed on this ____ day of _____, 2023 at _____

By

(Name, registered address and details of the authorized person executing) (hereinafter referred to as "Associate")

In Favor of

Telangana State Industrial Infrastructure Corporation Limited, having registered office at 5th & 6th Floor, Parisrama Bhavan, Basheerbagh, Hyderabad (hereinafter referred to as the "Authority")

Whereas, the Authority has invited bids from eligible Bidders for the '**Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis**' (the "Project").

Whereas, M/s (the "Bidder") is interested and is submitting a Bid for the above project and

Whereas we M/s _____ (name of Associate & its registered address) are an Associate of the Bidder as per the terms of the RFP issued and are interested in the bid and have agreed to support the Bidder in bidding for the Project & its execution in accordance with the terms and conditions of the RFP document and other connected documents in respect of the Project, and

Whereas, it is incumbent upon each of such Associates of the Bidder to submit an affidavit authorizing and empowering the Bidder to use their Technical /Financial Qualifications for the bid and for confirming that the details of our company/entity being submitted for the purpose of the bid by the Bidder are true and correct.

Hence, this binding Affidavit by the above-named Associate duly understanding the terms and conditions of the RFP document as follows:

- That we are an Associate of the Bidder hereinabove and have voluntarily provided our Technical/Financial details and qualifications to the Bidder named above for the purpose of submission of Bid by the Bidder for the aforementioned project to the Authority above.
- That the Associate has authorized the Bidder named herein to utilize/submit its Technical/Financial details and documents in support of its Bid and the Associate has agreed to support the Bidder for the bidding process & its execution as per the terms and conditions of the RFP and other connected documents for the above mentioned project.
- That the Associate hereby further confirms and affirms that the Technical/Financial details of the Associate so submitted by the Bidder for the above Bid, are true and correct and the same are binding on the Associate and the Associate shall not be allowed to withdraw the same without prior written confirmation from the Authority.

Hence, this Affidavit executed and affirmed on the date and place above mentioned in presence of the witnesses below & before the Notary public:



Associate

(Stamp/Seal & Signature)

Witnesses:

- 1.
- 2.

Notary

APPENDIX-VII

Format of Bank Guarantee for Bid Security (Refer Clauses 2.1.6 and 1.2.4)

B.G. No.

Dated:

- 1 In consideration of you, Telangana State Industrial Infrastructure Corporation Limited, having its office at Parisrama Bhavan, 5th&6th Floor, 5-9-58/B, Fateh Maidan Road, Basheer Bagh, Hyderabad - 500 004, (hereinafter referred to as the "Authority", which expression shall unless it be repugnant to the subject or context thereof include its, successors and assigns) having agreed to receive the Bid of..... (Company registered under the Companies Act, 1956) and having its registered office at (and acting on behalf of its Bidder) (hereinafter referred to as the "Bidder" which expression shall unless it be repugnant to the subject or context thereof include its/their executors, administrators, successors and assigns), for the **Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam(v) on Joint Development Agreement (JDA) basis in Telangana, India**, (hereinafter referred to as the "Project") pursuant to the RFP document dated issued in respect of the Project and other related documents including without limitation the draft Joint Development Agreement (hereinafter collectively referred to as "Bidding Documents"), we (Name of the Bank) having our registered office at.....and one of its branches at (hereinafter referred to as the "Bank"), at the request of the Bidder, do hereby in terms of Clause 1.2.4 of the RFP document, irrevocably, unconditionally and without reservation guarantee the due and faithful fulfilment and compliance of the terms and conditions of the Bidding Documents (including the RFP document) by the said Bidder and unconditionally and irrevocably undertake to pay forth with to the Authority an amount of Rs. 5,00,00,000/- (Indian Rupees Five Crore only), (hereinafter referred to as the "Guarantee") as our primary obligation without any demur, reservation, recourse, contest or protest and without reference to the Bidder if the Bidder shall fail to fulfil or comply with all or any of the terms and conditions contained in the said Bidding Documents.
- 2 Any such written demand made by the Authority stating that the Bidder is in default of the due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents shall be final, conclusive and binding on the Bank.
3. We, the Bank, do hereby unconditionally undertake to pay the amounts due and payable under this Guarantee without any demur, reservation, recourse, contest or protest and without any reference to the Bidder or any other person and irrespective of whether the claim of the Authority is disputed by the Bidder or not, merely on the first demand from the Authority stating that the amount claimed is due to the Authority by reason of failure of the Bidder to fulfil and comply with the terms and conditions contained in the Bidding Documents including failure of the said Bidder to keep its Bid open during the Bid validity period as set forth in the said Bidding Documents for any reason what so ever. Any such demand made on the Bank shall be conclusive as regards amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs. 5,00,00,000/- (Indian Rupees Five Crore only).
4. This Guarantee shall be irrevocable and remain in full force for a period of 240 (two hundred and forty) calendar days from the Bid Due Date inclusive of a claim period of 60 (sixty) calendar days or for such extended period as may be mutually agreed between the Authority and the Bidder, and agreed to by the Bank, and shall continue to be enforceable till all amounts under this Guarantee have been paid.
5. We, the Bank, further agree that the Authority shall be the sole judge to decide as to whether the Bidder is in default of due and faithful fulfilment and compliance with the terms and conditions contained in the Bidding Documents including, inter alia, the failure of the Bidder to keep its Bid open during the Bid validity period set forth in the said Bidding Documents, and the decision of the Authority that the Bidder is in default as aforesaid shall be final and

binding on us, notwithstanding any differences between the Authority and the Bidder or any dispute pending before any Court, Tribunal, Arbitrator or any other Authority.

6. The Guarantee shall not be affected by any change in the constitution or winding up of the Bidder or the Bank or any absorption, merger or amalgamation of the Bidder or the Bank with any other person.
7. In order to give full effect to this Guarantee, the Authority shall be entitled to treat the Bank as the principal debtor. The Authority shall have the fullest liberty without affecting in any way the liability of the Bank under this Guarantee from time to time to vary any of the terms and conditions contained in the said Bidding Documents or to extend time for submission of the Bid for the Bid validity period or the period for conveying acceptance of Letter of Award by the Bidder or the period for fulfilment and compliance with all or any of the terms and conditions contained in the said Bidding Documents by the said Bidder or to postpone for any time and from time to time any of the powers exercisable by it against the said Bidder and either to enforce or for bear from enforcing any of the terms and conditions contained in the said Bidding Documents or the securities available to the Authority, and the Bank shall not be released from its liability under these presents by any exercise by the Authority of the liberty with reference to the matters aforesaid or by reason of time being given to the said Bidder or any other forbearance, act or omission on the part of the Authority or any indulgence by the Authority to the said Bidder or by any change in the constitution of the Authority or its absorption, merger or amalgamation with any other person or any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of releasing the Bank from its such liability.
8. Any notice by way of request, demand or otherwise hereunder shall be sufficiently given or made if addressed to the Bank and sent by courier or by registered mail to the Bank at the address set forth herein.
9. We undertake to make the payment on receipt of your notice of claim on us addressed to [name of Bank along with branch address] and delivered at our above branch which shall be deemed to have been duly authorized to receive the said notice of claim.
10. It shall not be necessary for the Authority to proceed against the said Bidder before proceeding against the Bank and the guarantee herein contained shall be enforceable against the Bank, notwithstanding any other security which the Authority may have obtained from the said Bidder or any other person and which shall, at the time when proceedings are taken against the Bank hereunder, be outstanding or unrealized.
11. We, the Bank, further undertake not to revoke this Guarantee during its currency except with the previous express consent of the Authority inwriting.
12. The Bank declares that it has power to issue this Guarantee and discharge the obligations contemplated herein, the undersigned is duly authorized and has full power to execute this Guarantee for and on behalf of the Bank.
13. For the avoidance of doubt, the Bank's liability under this Guarantee shall be restricted to Rs. 5,00,00,000/- (Indian Rupees Five Crore only). The Bank shall be liable to pay the said amount or any part thereof only if the Authority serves a written claim on the Bank in accordance with paragraph 9 hereof, on or before [*** (indicate date falling 240 calendar days after the Bid Due Date)].

Signed and Delivered by Bank

By the hand of Mr./Ms.....,itsand authorized official.

(Signature of the Authorized Signatory) (Official Seal)

APPENDIX - VIII Draft Letter of Award to the Highest Bidder

<Name and Address of the Selected Bidder>

Subject: Bid for “Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis” – issue of Letter of Award (LOA) reg.

Dear Madam / Sir,

- 1) We refer to your Proposal (the capitalized terms used herein shall have the same meaning as set forth in the Joint Development Agreement), under the covering letter dated -----, -----, submitted in response to the Request for Proposal (Reference No: -----, Dated:.....) on the subject.
- 2) We are pleased to inform you that your aforesaid Proposal, including the Financial Bid over and above the minimum reserve share/ built-up area of 1,86,000 sq.ft, totaling to _____ sq. ft. (in words) i.e., Authority’s Development Share (built-up area warm shell) provided to the Authority as per the terms of RFP and in accordance with terms of the Joint Development Agreement has been accepted and you are declared as the ‘Selected Bidder’ for the Project, subject to fulfilment of the following terms and conditions:
 - a. You shall incorporate a Special Purpose Company (SPC) under the Indian Companies Act, 2013, for signing the JDA and implementing the Project as per the terms thereof;
 - b. Within 30 days of receipt of this LOA, provide an acceptance to this ‘Letter of Award’ along with:
 - i. Performance Security of Rs. 25,00,00,000 (Rupees Twenty Five Crore only) in the form of Bank Guarantee from a Scheduled Bank with a validity of Forty Eight months. This will be released upon completion of the Defect Liability Period.
 - ii. Non-refundable Project Development Fee of Rs.1,50,00,000/- (Rupees one crore fifty lakh only) in the form of Demand Draft plus applicable GST
 - iii. Binding Agreement with the reputed Hotel Brand as per the MOU/MOA/LOI submitted in your Bid
 - iv. Incorporation documents of the Special Purpose Company (SPC) to undertake the Project as per the terms of JDA
- 3) You shall sign the Joint Development Agreement with the Telangana State Industrial Infrastructure Corporation Limited within 07 (Seven) calendar days from the acceptance of this Letter of Award by you duly fulfilling all the conditions specified herein or as extended by the approval of TSIIIC.
- 4) In accordance with the provisions of the RFP and the Joint Development Agreement, the Developer shall design (as approved by Authority), finance, procure, construct, and transfer the Authority’s Development Share of built-up area and only then own/sell/lease Developer’s share of built-up area in the Project and maintain the Project in accordance with the terms of the Joint Development Agreement

- 5) In the event, you fail or refuse to provide the Performance Security, Project Development Fee, binding agreement with the Hotel brand, incorporation documents of the SPC - we shall forfeit the Bid Security provided by you leading to termination of this Letter of Award.
- 6) In addition to the above, you shall comply with all other requirements set out in the RFP document.

Kindly acknowledge receipt of this Letter of Award by signing the duplicate copy of Letter of Award and confirm the acceptance of LOA along with fulfilling the conditions herein as per terms of this Letter of Award and submit the same to us within 30 days from the date of this letter.

Yours Sincerely,
for and on behalf of Telangana State Industrial Infrastructure Corporation Limited

DISCLAIMER

The information contained in this Request for Proposal document or subsequently provided to Bidder(s), whether verbally or in documentary or any other form by or on behalf of the Telangana State Industrial Infrastructure Corporation Limited or any of their employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this Request for Proposal document and such other terms and conditions subject to which such information is provided.

This Request for Proposal is not an agreement and is neither an offer nor invitation by the Telangana State Industrial Infrastructure Corporation Limited to the prospective Bidders or any other person. The purpose of this Request for Proposal document is to provide interested parties with information that may be useful to the min preparing their bids ('Bids') including all the necessary submissions and the financial offers pursuant to this Request for Proposal document. This Request for Proposal document includes statements, which reflect various assumptions and assessments arrived at by the Telangana State Industrial Infrastructure Corporation Limited in relation to the Development of a 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City on Joint Development Basis at Sy. No 83/1 admeasuring Ac 3-00 gts at Raidurgam Village, Serilingampally Mandal, Rangareddy District, Telangana, India ('Project'). Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This Request for Proposal document may not be appropriate for all persons, and it is not possible for the Telangana State Industrial Infrastructure Corporation Limited, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this Request for Proposal document. The assumptions, assessments, statements and information contained in this Request for Proposal document may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this Request for Proposal document and obtain independent advice from appropriate sources.

Information provided in this Request for Proposal document to the Bidder(s) is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Telangana State Industrial Infrastructure Corporation Limited accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

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

The Telangana State Industrial Infrastructure Corporation Limited does not accept any liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder upon the statements contained in this Request for Proposal document.

The Telangana State Industrial Infrastructure Corporation Limited may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this Request for Proposal document. While efforts will be made to issue public notice of such amendment/supplement, bidders are advised to follow the Telangana State Industrial Infrastructure Corporation Limited's website (<http://tsiic.telangana.gov.in>) on a regular basis.

The issue of this Request for Proposal document does not imply that the Telangana State Industrial Infrastructure Corporation Limited is bound to select a Bidder or to appoint the Selected Bidder or Developer, as the case may be, for the Project and the Telangana State Industrial Infrastructure Corporation Limited reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Telangana State Industrial Infrastructure Corporation Limited or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Bidder and the Telangana State Industrial Infrastructure Corporation Limited shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the Bidding Process.



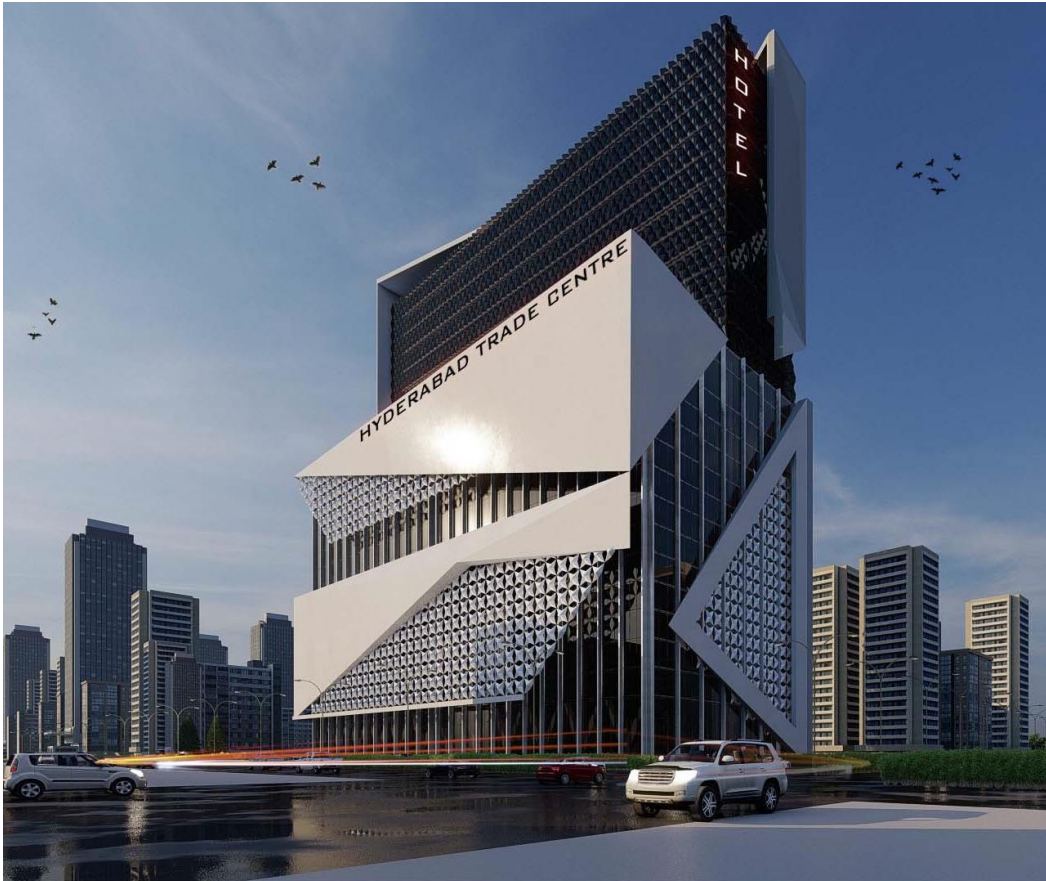
Telangana State Industrial Infrastructure Corporation Limited
Parisrama Bhavan, 6th Floor, 5-9-58/B, Fateh Maidan Road, Basheer Bagh, Hyderabad - 500004.
Ph: +91-40-23237625, 23237626
Fax: +91-40-23240205, 23241385 Internet: <https://tsiic.telangana.gov.in>

02

Request For Proposal (RFP)
for Development of 5 Star luxury Hotel with Trade Centre on
Joint Development basis at Hyderabad Knowledge City,
Raidurgam (V), Serilingampally (M), Ranga Reddy District,
Telangana State, India

Volume -02-Draft Joint Development Agreement

October - 2023



Telangana State Industrial Infrastructure Corporation Limited

Parisrama Bhavanam, 5th & 6th Floor, 5-9-58/B, Fateh Maidan Road,
Basheerbagh, Hyderabad - 500004.

Ph: +91-40-23237625, 23237626

Fax: +91-40-23240205, 23241385 Internet: <https://tsiic.telangana.gov.in>

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LIST OF ABBREVIATIONS

| | |
|----------|---|
| GoI | Government of India |
| IST | Indian Standard Time |
| INR | Indian Rupees |
| LOA | Letter of Award |
| PIM | Project Information Memorandum |
| RFP | Request for Proposal |
| SPC | Special Purpose Company |
| COD | Commercial Operation Date |
| BUA | Built-up Area |
| Ac or ac | Acres |
| O&M | Operations & Maintenance |
| TSIIC | Telangana State Industrial Infrastructure Corporation |
| GHMC | Greater Hyderabad Municipal Corporation |

GLOSSARY

| | |
|-----------------|--|
| Authority | Telangana State Industrial Infrastructure Corporation Limited |
| Government | Government of Telangana |
| Selected Bidder | Highest Bidder offered with the Letter of Award by the Authority as per the terms of the RFP |
| Project | Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City, Raidurgam (v) on Joint Development Agreement (JDA) basis |

CONVERSION OF UNITS

| | |
|-----------|--------------------|
| 1 hectare | 2.4711 acres |
| 1 acre | 43559.66 sq. ft. |
| 1 acre | 4046.9 sq. m |
| 1 acre | 4839.963 sq. yards |
| 1 sq. km | 247.11 acres |
| 1 sq. m | 10.764 sq. ft. |
| 1 meter | 3.28 ft. |
| 1 meter | 1.09361 yards |

JOINT DEVELOPMENT AGREEMENT

This Joint Development Agreement (“**AGREEMENT**”) mutually agreed and entered on this the _____ Day of _____ (Month), Two Thousand Twenty Three at _____, Hyderabad, India

BETWEEN

Telangana State Industrial Infrastructure Corporation Limited, having its principal office at 6th Floor, Parisrama Bhavan, Fateh Maidan Road, Basheerbagh Hyderabad - 500 004 and represented by its _____ (hereinafter referred to as the “**Authority**” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) of First Part;

AND

{**** LIMITED}¹, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at ****, (hereinafter referred to as the “**Developer**” which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns and substitutes) of the Second Part.

1 Name of the Special Purpose Company incorporated by the Selected Bidder

WHEREAS,

- (A) The Authority is the owner and possessor of the land at Sy No. 83/1, Raidurgam Village, Serilingampally (M), Rangareddy District, Telangana State (hereinafter referred to as the said land) and has decided to develop a 5 Star luxury Hotel with Trade Centre on Joint Development Basis (the “**Project**”) on a land parcel admeasuring 3 acres in the said land, which for more clarity has been delineated in yellow color patch on the plan annexed hereto and marked in Schedule I (the “**Project Site**”), in accordance with the terms and conditions set forth in this Joint Development Agreement being entered into.
- (B) The Authority had prescribed the technical and commercial terms and conditions, and invited bids (the “**Request for Proposals**” or the “**RFP**”) for undertaking the Project from the bidders vide its [Tender Notice/ Request for Proposal No. *** dated***]
- (C) The Authority had invited competitive Bids from interested parties for the Project and pursuant to evaluation of the Bids that were received, the Authority has accepted the Proposal submitted by _____ [Selected Bidder] for the Project and a Letter of Acceptance (the “**LoA**”) bearing No. _____ dated _____ was issued to the Selected Bidder. The Authority acknowledges that _____ [Selected Bidder] has signed and returned the duplicate copy of the LOA in acknowledgement thereof vide their letter bearing number _____ dated -----
- (D) The Authority acknowledges that as on this day, the Selected Bidder has submitted the following to the Authority:
- i. Performance Security of Rs. 25,00,00,000 /- (Indian Rupees Twenty-Five Crores Only), thereof, in the form of a Bank Guarantee from a Scheduled Bank, in favour of ‘Telangana State Industrial Infrastructure Corporation Limited’.
 - ii. Project Development Fee of Rs.1,50,00,000/- (Indian Rupees One Crore Fifty Lakh Only) plus GST in the form of a Demand Draft
- (E) The Selected Bidder has incorporated the Developer to undertake the Project in accordance with the RFP and under the terms of this Joint Development Agreement. The [Selected Bidder/ Developer] has also signed a Binding Agreement with the Hotel Brand as per the [MoU/MoA/Lol] submitted in its Bid for undertaking the [Operations/Management] of the 5-Star luxury Hotel as part of the Project in accordance with the terms of this Joint Development Agreement.
- (F) The Parties here to are required to enter into a Joint Development Agreement being these presents, to record the terms, conditions and covenants of the Agreement.

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

1.0. DEFINITIONS AND INTERPRETATIONS

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:

- a. **“Agreement”** shall mean this Joint Development Agreement, including the recitals above, the Schedules hereof and all Annexures attached hereto, as amended from time to time in terms hereof;
- b. **“Agreement Date”** shall mean the date of execution of this Agreement by the Parties;
- c. **“Applicable Laws”** shall mean all laws, ordinances, statutes, rules, bye-laws, orders, decrees, injunctions, licenses, permits, approvals, authorizations, consents, waivers, privileges, agreements and regulations of any Governmental Authority having jurisdiction over the relevant matter as such are in effect as of the date hereof or as may be amended, modified, enacted or revoked from time to time here after;
- d. **“Appointed Date”** shall mean the Date on which both of the obligations i.e., Plan Approvals & Financial Closure are fulfilled, and shall not be beyond 180 days from the date of signing this Agreement;
- e. **“Approvals”** shall have the meaning ascribed to the term in **Clause 4.5**;
- f. **“Authority’s Constructed Area”** shall mean _____ sq ft / Sqm (in words sq ft/ _____ Sqm) of share of Area out of the total Project Constructed Area that may be identified and allocated to the share of the Authority, in terms of this Agreement as per Clause 2.7 and the Area Identification Agreement;
- g. **“Authority’s Default”** shall mean the failure of the Authority to discharge any of its obligations specified under this Agreement;
- h. **“Authority’s Share”** shall mean a collective reference to the Authority’s share of Constructed Area including the undivided land Share of the Authority in the project site;
- i. **“Business Day”** shall be a day, not being a Sunday, or any day which is a public holiday for the purposes of Section 25 of the Negotiable Instruments Act, 1881 on which banks are open for business in Hyderabad;
- j. **“Commencement of Development”** shall have the meaning ascribed to the term in **Clause 5.1**;
- k. **“Common Areas”** shall mean all portions of the Project in common use of the Authority / Developer/occupants of units in the Trade Center or any particular portion of the Project including the roads, driveways, parks and landscaping, sewage treatment plants, generator rooms, security rooms, club house, recreation facilities and any other amenities, facilities and benefits that is meant for common use of the Authority / Developer / occupants of units in the Project and shall be over and above the total Built-up area;
- l. **“Completion Date”** shall have the meaning ascribed to the term in Clause 7.1 of this Agreement;
- m. **“Construction Period”** shall have meant ascribed or the term in Clause 5.7 of this Agreement;
- n. **“Defect”** shall mean any part of the Works not completed in accordance with the Specifications as set out in in Schedule III of this Agreement or such modified specifications communicated to the Developer from time to time by the Authority.
- o. **“Defect Liability Period”** shall mean 24 (Twenty Four) months from the date of

Completion/Occupancy Certificate for the buildings or date of handing over of the Authority's Share whichever is later; or such other period as may be provided by the law applicable from time to time;

- p. **“Developer’s Constructed Area”** shall mean _____ (in words sq ft) of the share of Area out of the total Project Constructed Area that may be identified and allocated to the share of the Developer in terms of this Agreement; as per Clause 2.7 and the Area Identification Agreement;
- q. **“Developer’s Default”** shall mean the failure of the Developer to discharge any of its obligations specified under this Agreement;
- r. **“Developer’s Share”** shall mean a collective reference to the Developer’s Constructed Area including the undivided land share of the Developer in the project site
- s. **“Development Period”** shall mean 48 (Forty eight) months from the Agreement Date for completion of the Project in all respects including fulfilling the MDOs as provided in Clause 2.7 or any extended date as approved by the Authority whichever is later;
- t. **“Force Majeure”** shall mean any event or circumstance or a combination of events and circumstances, which affects the performance of an obligation and is beyond the reasonable control of the affected Party who is responsible for discharge of the relevant obligations under this Agreement as per Article 24
- u. **“Good Industry Practice”** means the exercise of that degree of skill, diligence, prudence and foresight that would reasonably be expected from the Developer/Agency in accordance with the best practices, methods and standards that are generally accepted internationally for such Works under conditions comparable to those applicable to the Works, and consistent with the Laws of India.
- v. **“Governmental Authority”** shall mean any union, state, local or other governmental, administrative, regulatory judicial or quasi-judicial authority or self-regulating authority or agency, in India having jurisdiction over the relevant matter;
- w. **“Independent Engineer”** or “IE” shall have the meaning ascribed to it as set forth in Article 27.
- x. **“Person”** means any natural person or any unlimited liability partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, association, joint stock company, proprietorship, Hindu undivided family, trust, estate, joint venture, unincorporated organization, union, association, government or any agency or political subdivision thereof or other legal person established or existing pursuant to the Applicable Laws of any jurisdiction;
- y. **“Project”** shall mean the buildings and structures and other related infrastructure to be developed on the Project Site in the manner provided and, on the terms, and conditions contained in this Agreement as per Clause 2.7;
1. **“Project Designs”** shall have the meaning ascribed to the term in Clause 4.3;
2. **“Related Party”** shall have the meaning as defined in the Companies Act, 2013;
3. **“Sanctioned Plan”** shall mean the plan for the construction and development of the Project, sanctioned by the relevant Governmental Authority as prepared and submitted by the Developer in terms hereof, and any modifications made thereto in accordance with Applicable Laws;
4. **“taxes”** shall mean all forms of taxation, duties and levies including without limitation GST, wage withholding tax, provident fund, employee state insurance and gratuity

contributions, value added tax, customs and excise duties, and other legal transaction taxes, stamp duty, real estate taxes (including property taxes), other municipal taxes and duties, environmental taxes and duties and -any other type of taxes or duties in any relevant jurisdiction, together with any interest, penalties, surcharges or fines relating thereto, due, payable, levied, imposed upon or claimed to be owed in any relevant jurisdiction.

- z. **“Project Completion”** shall mean the completion of development of the Project in accordance with the Sanctioned Plan and in terms of this Agreement and certified by the Independent Engineer in accordance with the Development Period;
- aa. **“Project Constructed Area/Built-up Area”** shall mean the _____ sq ft /Sqm (total built-up Area) to be constructed as part of the Project excluding all carparking spaces, utility spaces, and landscape / garden spaces;
- bb. **“Project Site”** shall mean the land and the rights in relation thereto, provided by the Authority to the Developer on, under, in or through which the civil structures, facilities or any other construction relating thereto is situated, located, passes through, sits upon or any part of the activities which are to be executed, more particularly delineated in Schedule - I;
- cc. **“Transfer Date”** means the date falling on the last date of the Term or the Termination Date on which date the Developer fulfils the requirements for handing over the Authority’s share of built-up area including of obtaining Occupancy Certificate pursuant to the provisions of this Joint Development Agreement.

1.2. Interpretation:

Unless the context otherwise requires in this Agreement:

- (a) words importing persons or parties shall include firms and corporations and any organizations having legal capacity;
- (b) words importing the singular include the plural and vice versa where the context so requires;
- (c) reference to any Applicable Law shall include such law as from time to time enacted, amended, supplemented Or re-enacted;
- (d) reference to any gender includes a reference to all other genders;
- (e) reference to the words “include” or “including” shall be construed without limitation;
- (f) reference to this Agreement or any other agreement, deed or other instrument or document shall be construed as a reference to this Agreement or such other agreement, deed or other instrument or document as the same may from time to time be amended, varied, supplemented or novated in terms here of;
- (g) the headings and titles in this Agreement are indicative only and shall not be deemed part thereof or be taken into consideration in the interpretation or construction hereof;
- (h) in addition to the terms defined in **Clause 1.1**, certain other terms are defined elsewhere in this Agreement and whenever such terms are used in this Agreement they shall have their respective defined meanings, unless the context expressly or by necessary implication otherwise requires; and
- (i) a time period for a payment to be made or an act to be done shall be calculated by excluding the day on which that period commences and including the day on which that period ends. If the last day of such period is not a Business Day, the due day for the relevant payment to be made or the act to be done shall be the next Business Day;
- (j) any reference to any period commencing “from” a specified day or date and “till” or “until” a specified day or date shall include both such days or dates; provided that if the last day of any period computed under this Agreement is not a Business Day, then the period shall run until the end of the next Business Day;
- (k) any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effective only if it is in writing under the hand of a duly authorized representative of such party addressed to the authorized representative of the other party, as the case may be, in this behalf and not

- otherwise;
- (l) the schedules and recitals to this Agreement form an integral part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement;
 - (m) references to recitals, articles, clauses, sub-clauses or schedules in this Agreement shall, except where the context otherwise requires, mean references to recitals, articles, clauses, sub-clauses or schedules in this Agreement, and references to a paragraph shall, subject to any contrary indication, be construed as a reference to a paragraph of this Agreement or of the schedule in which such reference appears;
 - (n) The rule of construction, if any, that a contract should be interpreted against the parties responsible for the drafting and preparation thereof, shall not apply;
 - (o) Priority of documents – this Agreement, and all other Agreements hereof and documents forming part of this Agreement are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this Agreement, the priority of this Agreement and other Agreements and documents forming part hereof shall, in the event of any conflict between them, be in the following order: (a) this Agreement, (b) all other Agreements and documents forming part hereof, (c) Bidding Documents including any clarifications, addenda, corrigenda forming part thereof i.e., this Agreement at (a) above shall prevail over the documents at (b) and (c) above.
 - (p) Ambiguities within the Agreement – in case of ambiguities or discrepancies in this Agreement, the following shall apply – (a) between two articles or more of this Agreement, the provisions of specific article relevant to the issue under the consideration shall prevail over those in other articles, (b) between the articles and the schedules, the articles shall prevail, save and except as expressly provided in the articles or the schedules, (c) between the written description on the drawings and the specifications and standards, the latter shall prevail, (d) between the written description on the drawing and the specific written dimension, the latter shall prevail, (e) between any value written in numerals and that in words, the latter shall prevail.

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2.0. AGREEMENT TO DEVELOP

2.1. In consideration of the mutual covenants and undertakings of the Parties contained herein, the Authority and the Developer hereby agree that:

- (a) the Developer shall develop the Project in the Project Site;
- (b) the Authority and the Developer shall share the agreed share of built-up area from the Project;
- (c) the Developer shall run/operate the 5 Star luxury Hotel by a reputed Brand as stated in the RFP and its Bid;
- (d) the Developer shall, at free of cost, provide to the Authority for a total period of 07 (Seven) days in a year – Banquet hall, 01 (One) suite room and 09 (Nine) double bed rooms in the 5 Star luxury Hotel upon written request atleast 48 hours in advance from the Authority to the Developer; and
- (e) the Developer shall maintain the commercial space in the Trade Centre by self or through a reputed property management agency /company or by the association of occupants on the terms and subject to the conditions specified in this Agreement.

2.2. In consideration of the Developer agreeing to (i) develop the Project, (ii) transfer Authority's share,(iii) market the Project in terms of this Agreement, (iv) maintain the Trade Centre (including Authority's Share) until the same is handed over to the association/society (s) formed by the purchasers of the built up area in the project and (v) run/operate the 5 Star luxury Hotel and (vi) undertake other mutual rights and obligations of the Parties specified in this Agreement, the Authority hereby irrevocably authorizes the Developer to develop the Project Site in the manner and subject to the terms and conditions set forth in this Agreement.

2.3. In consideration of the Authority agreeing to entitle the Developer to the 5 Star luxury Hotel, and the Developer's Share in the Trade Centre and other mutual rights and obligations specified in this Agreement, the Developer hereby agrees to develop the Project in the manner and subject to the terms and conditions hereinafter set forth in this Agreement.

2.4. The Authority hereby irrevocably and exclusively permits and authorizes the Developer, its agents, servants, associates to enter upon the Project Site to develop the same from the Agreement Date, subject to the terms of this Agreement. The Developer shall have the right to survey the Project Site at its cost and shall be entitled to install a security mechanism (including placing security personnel) to secure the Project Site on and from the Agreement Date. Further, the Authority is not entitled to revoke the permission/authorizations granted, as the Developer will be incurring expenditure for development of the Project Site, based on the assurances and representations of the Authority.

2.5. The Authority hereby further agrees and undertakes not to disturb or interfere with the mechanism adopted in developing the Project or interrupt the construction activity carried out by the Developer in terms of this Agreement and/or commit any act of omission or commission that would result in stoppage or delay of the construction activity to be undertaken by the Developer under and in terms of this Agreement.

2.6. The Parties agree that nothing contained here in shall be construed as delivery of possession in part performance of any agreement of sale under Section 53-A of the Transfer of Property Act, 1882, Section 2 (47) of the Income Tax Act, 1961 and/or such other Applicable Law for the time being in force.

2.7. The Parties agree that the Project Site shall be developed for no other purpose other than as a 5 Star luxury Hotel with Trade Centre (the "Project") with the following Minimum Development Obligations (MDOs):

MDO - 1: Within 30 (Thirty) months of Agreement Date, the Developer shall achieve the

following:

- a. Complete the construction for the proposed 5-Star luxury Hotel with minimum 180 Rooms (including all necessary associated infrastructure sufficient to initiate commercial operations) with or by the Hotel Brand ----- (as per the Binding Agreement submitted)
- b. Hotel should provide minimum 1 No. of Banquet Hall with minimum 500 pax or as per the brand requirement whichever is higher.
- c. Complete construction of trade centre with minimum 2.18 lakh Sft of Grade A commercial spaces (Trade Centre) as per the approved building plan.
- d. Car parking and all other requisite amenities for the Project as per the applicable Development Control Regulations
- e. Hand over the **Authority's Share**, as per the Bid parameter, to the Authority i.e., constructed commercial space area in Trade Centre (Warm Shell¹ structure) along with requisite car parking and all other amenities as per the applicable development control regulations

MDO - 2: Within 48 months of Agreement Date, the Developer shall achieve the following:

- f. Operationalize the 5-Star luxury Hotel (along with requisite amenities and facilities permissible and as required by the Brand) with atleast 5 Star Deluxe Certification from Ministry of Tourism, Government of India.

2.8. The Developer shall be free to develop beyond the MDOs complying with the applicable regulations and prevalent norms/statutes

¹ **Warm Shell** – Includes Core & Shell, Common Area Finishes like Painting, Flooring & Cladding, False Ceiling, Internal & Fire Doors, Structural Glazing, Electrical (Includes Transformer, LT Panels, DG Set, Cables, Busduct, Common area lighting, Electrical work in External Development), Plumbing & Sanitary (Includes Sanitary & CP fitting for toilets, STP, WTP, Internal & External Piping work, Pumps), Fire Protection (Includes Fire pump room equipment, Hydrant System, Fire Extinguishers, Sprinkler System, PA and Alarm Systems), Elevators, HVAC (Includes Chillers, Chiller Piping and pumps, AHU etc.), External development and Others

3.0. PERFORMANCE SECURITY

3.1. Performance Security

- 3.1.1. For due and punctual performance of its obligations under this Agreement, relating to the Project, the Developer has delivered to the Authority, before the execution of this Agreement, an irrevocable and revolving bank guarantee from a nationalized bank or a scheduled Bank in India acceptable to the Authority, for a sum of INR Rs.25,00,00,000 /- (Indian Rupees Twenty Five Crores Only), payable in the form of demand draft/bank guarantee issued by a nationalized bank, or a Scheduled Bank in India, in the form set forth in Schedule – II (the “Performance Security”). The Performance Security shall be kept valid throughout the Development Period. Performance Security shall be valid for a Period of 48 months and will be released at the end of the Defect Liability Period (i.e., 24 months from completion of MDO-1 or handing over the Authority’s Share to the satisfaction of the Authority, whichever is later).
- 3.1.2. Provided that if the Agreement is terminated due to any event other than Developer Event of Default and non-achievement of Conditions Precedent by the Developer, the Performance Security shall subject to Authority’s right to receive amount, if any, due from the Developer under this Agreement, be duly discharged and released to the Developer.

3.2. Appropriation and Replenishment of Performance Security

Upon occurrence of Developer’s Default and non-achievement of Developer’s Obligations and Covenants by the Developer, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to encash and appropriate the relevant amounts from the Performance Security as Damages (as defined in the RFP) for such Developer’s Default which the Developer has failed to remedy within 45 (Forty Five) days of receipt of written notice from the Authority informing the Developer nature of the Developer’s Default for such Developer Default. Upon such encashment and appropriation from the Performance Security, the Developer shall, within 30 (thirty) days thereof, replenish, in case of partial appropriation, to its original level the Performance Security, and in case of appropriation of the entire Performance Security provide a fresh Performance Security, as the case may be, and the Developer shall, within the time so granted, replenish or furnish fresh Performance Security as aforesaid failing which the Authority shall be entitled to terminate this Agreement.

4.0. PLANS /LICENCES & FINANCIAL CLOSURE

- 4.1. The Developer shall at its cost and responsibility prepare Plans and the required drawings for the building/s as per building bye-laws, Rules & Regulations in force for development of the Project Site / the Project and obtain the development Approvals, including the Sanctioned Plan for the entire Project, within 120 days from the date of signing of this agreement. The Authority shall provide all the necessary assistance / facilitation in obtaining the approvals. The Developer shall achieve the financial closure on or before the Appointed Date, which shall not be more than 180 days from signing of this agreement.
- 4.2. The Project Site will be developed for no other purpose other than as a 5 Star luxury Hotel with Trade Centre, consisting minimum facilities as defined in **Clause 2.7**, which is defined as the '**Project**'. The Developer shall, in consultation with the Authority, prepare the necessary plans/ drawings/ designs for the Sanctioned Plan as per all Applicable Laws within 1 (one) month from the date of execution of this Agreement. The Developer shall develop the Project Site by obtaining a consolidated development plan. The Developer is free to construct beyond the MDO requirements defined in Clause 2.7 within the permissible policy and development control regulations.
- 4.3. The Developer shall prepare the concepts/plans/designs/drawings/Schedules ("**Project Designs**") for the Project and submit to the Authority within 1 (one) Month from the date of execution of this Agreement. The Developer cannot unilaterally change the design and concept once finalized by the Authority. The Authority and the Developer shall in the above process act reasonably and cooperate with each other in good faith to achieve the objective of finalization of the Project Designs. If the Authority does not provide any comment/suggestion within 15 (Fifteen) days of submission of the Project Designs as above, it is deemed that the Authority does not have any comments/suggestions on the Project Designs provided by the Developer and the Developer shall be entitled to proceed with finalization of the Project Designs accordingly on expiry of such 15 days period.
- 4.4. The Developer shall engage a reputed Architectural cum Engineering Consulting Firm for design and engineering of the buildings as iconic structures. The developer shall engage the architectural engineering consulting firm who has delivered similar kind of projects in Hospitality and Real Estate sectors, which are operational as on bid due date. In case of any change in the Architect cum Engineering consultant for the project, the Authority shall be informed in advance and replaced with the more experienced firm. The Developer shall have discretion in matters relating to the manner and method of construction. The Project Designs shall be approved by the Authority.
- 4.5. The Developer shall submit the Project Designs to the relevant Governmental Authorities to procure the Sanctioned Plan. The Developer shall obtain all required licenses, sanctions, consents, permissions, no-objections and such other orders as are required to procure the Sanctioned Plan and all approvals necessary for development of the Project ("**Approvals**") within 120 days of signing of this agreement.
- 4.6. The Developer shall, without requiring to obtain the consent of the Authority, not have the right to make additions, deletions and alterations to the plans/ drawings/ designs, in the Sanctioned Plan subject to such additions, deletions and alterations being permissible without adversely affecting the design and extent of the entitlement of the Authority to the Authority's Constructed Area
- 4.7. The Authority is entitled to make suggestions/give its inputs in the design and conceptualization of the project as above, to ensure that the project would be an iconic project catering to the high end clientele and it will be a one of its kind project in India.
- 4.8. It is clarified that if as per the plan sanctioning rules, any deductions have to be made/given for certain portions of the land comprised in the Project Site from calculations of built-up area, then calculation of built-up area stipulated above shall be on the net land area of the Project

Site, after giving such deductions as per law.

- 4.9. The Developer and the Authority shall, execute a separate area identification agreement provided at schedule VIII - to identify the constructed area in the entire Project falling to the share of the Authority and that falling to the share of the Developer, within 30 (thirty) days of securing the sanction of License and Plan ("**Area Identification Agreement**"). The Parties shall co-operate with each other in executing the Area Identification Agreement without any delay. Any delay in executing the Area Identification Agreement by Authority shall entitle the Developer for proportionate extension of time period for commencement of the Project.
- 4.10. The responsibility and expenses for preparing the development plan and construction drawings for the project, and obtaining all other permissions required to take up, commence and complete the development and construction of the Project and other facilities thereon and all infrastructure thereafter shall be that of the Developer.
- 4.11. Upon receipt of approvals, the Developer shall furnish to the Authority one set of copies of all approvals and sanctioned development plans and one set of building construction plans for its records along with soft copy and copies of all other permits, licenses, consents, no objection certificates obtained for developing the Project.
- 4.12. Notwithstanding anything to the contrary contained in this Agreement or elsewhere, in the event the Developer fails to obtain the Approvals for the Project as stated above within a period of 04 (Four) months from the date of signing of this Agreement, for any reasons not attributable to the Developer, the Parties will mutually agree on such extension of time to be granted by the Authority and the further course of action including the steps to be taken to expedite obtaining such approvals. Unless specifically stated in the Agreement, in the event that failure to obtain such Approvals for the Project is attributable to the Developer then the Authority at its discretion shall provide the extension for obtaining such Approvals by levying a penalty of 0.01% of the Project Cost per week for a period of not more than 12 weeks. Upon expiry of such 12 weeks, if the Developer is still unable to obtain the Approvals then the Authority shall have the right to Terminate this Agreement and forfeit the entire Performance Security without any charge or claim whatsoever.
- 4.13. The Developer shall be responsible for achieving the financial closure of the project from any Nationalized or Scheduled Bank or NBFC having more than 5,000 Crores of Funds under Management, within a period not exceeding 180 days from signing of this Agreement.

4.14. Project Financing

- 4.14.1. The Developer shall not be allowed to mortgage the land for any purposes including raising finances for the development of the Project. However, the Developer is free to mortgage the development rights assigned under this JDA towards raising finances for the Project, with the prior consent of the Authority, which consent shall not be unreasonably delayed or withheld by the Authority. The Developer cannot raise any finances, whether through Debt or advances or any other mechanism, totaling more than 75% of the total project cost (excluding land value) without the approval of the Authority.
- 4.14.2. The Developer is free to market the Developer's Share of Built-up Area in Trade Centre to receive advances, or part payments/ any such payments based on the Agreement for Sale/Agreement to Lease, from its prospective buyers/clients towards financing the Project. Any such advances shall be collected only after the Appointed Date.
- 4.14.3. The Developer is solely responsible for any finances raised by it or advances collected by it and the Authority does not undertake any obligation or responsibility, what-so-ever, towards any monies raised by the Developer in whatever manner, should there be a delay or default by the Developer or should there be any other situation leading to the termination of this Agreement, other than the rights and obligations defined in this Agreement and under Article 21 herein.

5.0. CONSTRUCTION

5.1. The Developer shall, at its cost develop the Project Site in accordance with approved development plans and sanctioned construction plans with necessary internal and external services, roads, driveways, walkways, common area amenities, re-location of utilities, if any, facilities including compound and passages and sewerage disposal system, water distribution lines and electricity connections. The construction and other developments shall be in accordance with the Specifications mentioned in **Schedule III** attached here to.

In the event the basic specifications as defined in **Schedule III** are upgraded by the Developer across the Project, then in such case the Authority shall also be entitled to such upgrades and additional specifications, and the cost of the same shall be borne by the Developer without adversely affecting the design and extent of the entitlement of the Authority to the Authority's Constructed Area. The Developer shall commence construction of the Project within 4 (Four) months from the Agreement Date or upon receiving requisite permits, sanctions, licenses from relevant Governmental Authorities.

5.2. The Developer shall be entitled to engage architects, engineers, contractors and other professionals and workmen, as it deems fit to execute the construction work. All persons employed or engaged by the Developer in connection with the development, construction and completion of the Project shall be the Developer's employees or its independent contractors and shall not be or deemed to be the employees, agents or contractors of the Authority. The Developer shall fully comply with all Applicable Laws with respect to such persons engaged in the development of the Project. Any disputes or claims arising from or in relation to the Architects, Engineers, Contractors and workmen in relation to the Project shall be resolved by the Developer at its sole cost, risk and responsibility and the Authority shall not be liable for the same in any manner whatsoever.

5.3. In case of any accidents or injury or death of any workmen or third party during the development and construction in the Project Site or elsewhere in relation to the development in the Project Site and construction, the Developer shall solely be responsible for payment of any compensation or any actions arising there from and the Authority shall have no liability whatsoever in this behalf and the Developer agrees to keep the Authority fully indemnified and harmless at all times against all such claims.

5.4. All items of plant, machinery, tools, implements, stores and materials which the Developer and/or their contractors, workmen and other agencies may bring into the Project Site for the development and construction of the buildings shall remain the exclusive property of the Developer and/or such contractors, workmen and other agencies and the Developer and/or such contractors etc are entitled to remove/replace the same at any time. The Authority shall have no claim or lien whatsoever on any such items of plant, machinery, tools and implements, stores and materials at any time. So also, the ownership and possession of construction materials shall be that of the Developer, till completion and sale of the Project.

5.5. Prior to commencement of Project works, the Developer shall:

- a. Appoint its representative duly authorized to deal with the Authority in respect of all matters or arising out of or relating to this Agreement;
- b. Submit the Project Designs (Detailed Project Report including concept, financing plan, implementation plan and timelines etc.,) within 30 (thirty) days of Agreement Date to the Authority for approval;
- c. Obtain development approvals along with the Sanctioned Plan within 04 (four) months from signing of the Agreement and preparation of execution drawings and designs one month thereafter.
- d. Achieve Financial close within 180 (One hundred and eighty) days from the Agreement Date;

- e. All other Approvals including approval for Environmental Clearance, as required for the Project.
- f. Any other condition precedent is either satisfied or waived, as the case may be, in accordance with the provisions of this Agreement.
- g. Submit its proposed 'Quality Assurance Plan' to Independent Engineer (the "IE") /Authority which shall include the following:
 - i. Organization structure, duties and responsibilities of concerned staff, operating procedures, inspection methodology and Documentation;
 - ii. Quality control mechanism including sampling and testing of works executed, the list of Project Acceptance Tests and their interpretation of results, test frequencies, acceptance criteria, testing facilities and tie up if any, recording, reporting, interpretation of test results, checklist for the activities, standard formats for testing and calibration; and shall take approval of the Authority; and
 - iii. Internal quality audit system.
- h. Undertake, do and perform all such acts, deeds and things as may be necessary or required before commencement of work on the Project under and in accordance with this Agreement.

5.6. Drawings

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

- a. The Developer shall prepare and submit, with reasonable promptness and in such sequence, as is consistent with the Project Completion Schedule submitted in the Project Designs, three copies each of all designs & drawings to the IE / Authority;
- b. By submitting the designs & drawings for review to the Authority, the Developer shall be deemed to have represented that it has determined and verified that the design and engineering, including field construction criteria related thereto, are in conformity with the Scope of Work submitted in the Project Designs, Applicable Laws and Good Industry Practice and in no case, Authority shall be liable for its correctness;
- c. Within 15 (fifteen) days of the receipt of the Drawings, the IE/Authority shall review the same and convey its observations to the Developer regarding their conformity or otherwise with the Scope of Work copy marked to the Authority.
- d. No review and/or observation of the IE / Authority, and/or its failure to review and/or convey observations on any design & drawings shall relieve the Developer of its obligations and liabilities under this Agreement in any manner nor shall the Authority be liable for the same in any manner; and
- e. Any change in the basic design and structure of the Project is subject to approval of the same by the Authority. The Authority shall permit the changes, if it is satisfied that the changes are going to benefit the Project.

5.7. Construction of the Project

- a. On or before the Appointed Date, the Developer shall undertake construction of the Project at the Site as per the Scope of Work and in conformity with the approved Designs & Drawings by the Authority. The Developer shall be entitled to develop the entire Project in one single phase and the Developer shall in the absence of any Force Majeure event complete the entire overall development and construction of the entire Project in accordance with the approved Specifications and the Sanctioned Plans within 30 (thirty) months from the Agreement Date (the "Scheduled Completion Date") and the Developer shall agree and undertake to complete the Project on or before the Scheduled Completion Date (the "Construction Period") with a grace period of 6 (six) months. The Construction Period shall end upon issuance of Completion Certificate by the IE/Authority.

- b. Within 30 (thirty) days of the Project Completion, the Developer shall furnish to the Authority a complete set of as-built Drawings for the built up area handed over / to be handed over to the Authority, in 3 (three) sets of hard copies 2 (two) set of soft copies or in such other medium as may be acceptable to the Authority, reflecting the Project as actually designed, engineered and constructed, including an as-built drawings illustrating the site layout of the Project and setback lines, if any, of the structures forming part of the Project.

5.8. Monitoring of construction

- i. During construction of the Project, the Developer shall furnish monthly progress reports to the IE/Authority on the progress of construction works, i.e., planned v/s actual progress highlighting the delays along with reasons for delay, any shortcomings, near-miss incidents and shall also give such other relevant information as may be required by the Authority. The monthly progress reports shall be submitted no later than 7 (seven) days after the close of each month;
- ii. Samples of all products to be used shall be submitted to the IE / Authority. Any damage during construction, to any part of the work, for any reasons, due to rain, storm, or neglect of the Developer, shall be rectified by the Developer, in an approved manner;
- iii. During the Construction Period, the IE / Authority or his/her representative shall inspect the Project at least once in a month and make a report of such inspection the defects or deficiencies, if any, with particular reference to the Scope of Work as mentioned in the approved Project Designs, the progress of construction, the status of compliance with the construction plan and designs and drawings. It shall send a report within 7 (seven) days of such inspection to the Developer and upon receipt thereof, the Developer shall take immediate action to rectify and remedy the defects and the deficiencies, if any, stated in the Inspection Report. However, such inspections or the submission of Inspection Report by the Authority shall not relieve or absolve the Developer of its obligations and liabilities, as per the provisions of the Agreement, in any manner whatsoever;
- iv. If the IE / Authority has reasonably determined that the rate of progress of works is such that the Project is not likely to be completed by the Scheduled Completion Date, it shall notify the Developer to this effect, and the Developer shall, within 15 (fifteen) days of such notice, by a communication inform the IE / Authority in reasonable detail about the causes of such delay and steps it proposes to take to expedite the progress and the period within which it shall complete the Project.

5.9. Suspension of unsafe construction works

- i. The Authority may by notice require the Developer to suspend forthwith the whole or any part of the construction works, if, in the reasonable opinion of the Authority, such work threatens the safety of the passers-by. Provided, however, that in case of an emergency, the Authority may suo-moto issue the notice referred to hereinabove.
- ii. The Developer shall, pursuant to the notice under Clause 5.9 (i) above suspend the construction works or any part thereof for such time and in such manner, as may be specified by the Authority, and thereupon carry out remedial measures to secure the safety of suspended works and the users. The Developer may by notice require the IE / Engineer-in-Charge to inspect such remedial measures forthwith and after the inspection, the IE /Authority shall either revoke such suspension or instruct the Developer to carry out such other and further remedial measures as may be necessary in the reasonable opinion of the Authority, and the procedure set forth in this Clause 5.9 shall be repeated until the suspension hereunder is revoked.
- iii. Subject to the provisions of Clause 23.6, all reasonable costs incurred for maintaining and protecting the construction works or part thereof during the period of suspension (the "Preservation Costs"), shall be borne by the Developer; provided that if the suspension has occurred as a result of any breach of this Agreement by the Authority, the Preservation Costs shall be borne by the Authority.
- iv. If suspension of construction works is for reasons not attributable to the Developer, the Authority shall determine any extension of the dates set forth in the Project Completion Schedule to which the Developer is reasonably entitled on the basis of the recommendations from the Independent Engineer and shall extend such Project Completion Schedule dates. In the event that the

Scheduled Completion Date is extended pursuant hereto, the Construction Period shall be deemed to be extended by a period equal in length to the period of extension of the Scheduled Completion Date.

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6.0. COST OF CONSTRUCTION

- 6.1. All costs and expenses related to the development of the Project including the costs of construction, financing, costs and expenses of obtaining the Approvals, all licenses, permissions and sanctions, fees payable to the architects, contractors, staff and workmen etc. shall be borne and paid for by the Developer.
- 6.2. The Developer shall at its own cost and expense be responsible for obtaining and keeping in force adequate insurances for / in relation to the Project, including the construction thereof, and also for obtaining and keeping in force all other insurances in relation to the Project / the Project Site under any Applicable Laws that may be in force from time to time.
- 6.3. The developer shall meet all the costs involved in realigning of services like HT lines, approach road and laying Cables, relocating pipe lines if any, if he wants to explore and maximize the built-up areas. The Authority will support on best effort basis.

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7.0. COMPLETION OF CONSTRUCTION

7.1. The Developer shall, subject to the terms of this Agreement including **Clause 5.1**, secure Project Completion (MDO-1) within a period of 30 (thirty) months from the Agreement Date and provide Independent Engineer's Certificate and obtain the Occupancy Certificate for the entire Project ("**Completion Date**"). The Developer shall be entitled to a grace period of 6 (six) months beyond the Completion Date for the Project Completion. In the event of any further delay beyond the grace period as stated in this Clause, the Authority will be entitled to receive liquidated damages @Rs.50 (Rupees Fifty) per square feet per month for a period of 6 (six) months of delay for such delay in the Trade Centre development of any portion thereof of total built up area falling to the share of the Authority that has not been issued Taking Over Certificate by the Authority as per Clause 7.3 herein. Beyond such 6 (six) months of delay, the Authority shall have the right to Terminate the Agreement and forfeit the entire Performance Security or at its sole discretion provide further extension and receive an increased liquidated damages @Rs.100 (Rupees One Hundred) per square feet per month for any further period as extended by the Authority in the Trade Centre development of any portion thereof of total built up area falling to the share of the Authority that has not been issued Taking Over Certificate by the Authority as per Clause 7.3 herein. After the expiry of 12 (twelve) months of delay, the Authority is entitled, at its sole discretion, to take over the development and complete the same by engaging another competent developer; at the cost of the Developer. However, in such an event, pending work and cost involved will have to be evaluated by the IE/Authority and mutually agreed upon by the Parties before Authority takes over the development. It is hereby clarified that if the Authority does not take over the development as stated above, the Developer shall continue to pay liquidated damages to the Authority for the continuing period of such delay at the rate last mentioned above.

The Developer shall not incur any liability towards the Authority due to failure or delay in performance of any obligation of the Developer by reason/s of Force Majeure or the Authority's Default. On the happening of a Force Majeure event as mentioned in **Clause 1.1 of this Agreement**, the Developer shall be entitled to such extension of time for the delivery of the Authority's 'Constructed Area as shall be equal to the number of days by which the delay is caused.

7.2. Identification of Authority and Developer Built-up area including identification and handover of Authority's' Constructed Area

In consideration of the Developer agreeing to develop the Project at its own cost risk and responsibility as per this agreement, construct and deliver the Authority's' Constructed area and market the Project, the Developer shall be entitled to _____sq ft i.e the Developer's Constructed area together with proportionate undivided share of area in the Project site i.e., Developer's Share.

7.3. The Developer shall, within the agreed timeline, (i) complete construction of the Authorities' share of Built-up Area as identified and allotted under the Area Identification Agreement (ii) obtain occupancy certificate in respect thereof, and (iii) handover the same to the Authority by issuing 45 (forty-five) days written notice to the Authority. The Authority shall within 45 (Forty-five) days of the receipt of notice from the Developer in this regard, take over the Authority's share of Built-up area from the Developer subject to same being in compliance of specifications as per the terms of this Agreement and obtaining Occupancy Certificate from the Competent Authority ("Occupancy Certificate") and Completion Certificate issued by the Authority for taking over the Authority's Share as per Clause 11.7. Only after handing over, the Authority's Share in full shape as per the terms of the JDA and obtaining taking over certificate from the Authority which certificate shall only be issued after obtaining Occupancy Certificate, Completion Certificate and handing over of the Authority's Share as per the Area Identification Agreement in accordance with the terms of this JDA ("Taking Over Certificate"), the Developer will be entitled to execute conveyance/ sale deed/lease deed, as the case may be, for the Developer's share of the Project and handover the same to the prospective clients or the Developer itself." The Developer shall not be allowed to begin operations of the Hotel or enter into "Agreement for Sale/ Agreement to Lease" with any prospective clients or buyers for any developed space

within the Developer's Share until the Completion Certificate is issued and the Authority's Share is handed over to the Authority to its satisfaction.

- 7.4. Under the Joint Development Agreement entered into by the Authority with Developer, the Developer has agreed to transfer (in sq ft)/ (in sq mt) of Total Built-Up Area towards Authority's Constructed Area, as specified in Clause No 2.7. The aforementioned built-up areas to be transferred to the Authority are hereinafter collectively referred to as the "Authority's share of Built-up Area". The Authority's' share of Built-up Area along with proportionate undivided land share in the Project Site or any portion thereof shall be earmarked in the area identification agreement.
- 7.5. The Developer shall (i) complete construction of the Authorities' share of Built-up Area as identified and allotted under the Area Identification Agreement (ii) obtain occupancy certificate in respect thereof, and (iii) handover the same to the Authority.
- 7.6. The Authority shall also provide written confirmation acknowledging its acceptance to receive the area identified and agreed thereof in the Area Identification Agreement.
- 7.7. The Developer hereby acknowledges that it has been provided with copies of the Joint Development Agreements entered into between the Authority and it is fully aware of the terms and conditions thereof. The Developer hereby agrees to indemnify and hold harmless the Authority against all claims and losses that may be incurred by the Authority under or in relation to the aforementioned Joint Development Agreements with the Authority on account of any breach of the terms and conditions of this Agreement committed by the Developer.
- 7.8. Notwithstanding anything to the contrary contained in this Agreement, in the event that completion of construction does not occur, for any reason whatsoever, within the period set forth in this Section 7, all rights, privileges, claims and entitlements of the Developer under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Developer, and the Joint Development Agreement shall be deemed to have been terminated by mutual agreement of the Parties. The Authority shall have the right to forfeit the entire Performance Security without any charge or claim whatsoever.

8.0. OPERATIONS & MAINTENANCE OF THE PROJECT

8.1. Operations & Maintenance Obligations of the Developer

8.1.1. The Developer shall in accordance with this Agreement ensure that the 5 Star luxury Hotel is operated and maintained by the Brand which has made a binding agreement with the Developer. The Operations & Maintenance of the 5 Star luxury Hotel shall be at par with the Global standards of the Brand's chain of luxury Hotels and shall always bear compliance with the star rating of the Ministry of Tourism (Government of India) for a 5 Star Deluxe (or above) Hotel.

8.1.2. Upon completion of construction, the Developer shall maintain the Trade Centre including the Authority's Share in accordance with this Agreement either by itself, or through reputed property management agency during the entire Defect Liability period prescribed in this Agreement or until the project building (s) are handed over to the respective purchaser (s)/ association/ society(s) of purchasers of the built up area and the Building Maintenance Society/ Trust/ Company is created in accordance with Clause 8.1.5 hereunder, Provided that the handover of the building to the respective association/ society(s) of Purchaser(s) shall not be deemed to absolve the duty and obligation of the Developer of maintaining the building and of taking up the repairs/modifications, corrective steps and obligations essential to be taken up under the agreement during the Defect Liability period. The obligations of the Developer hereunder shall include:

- a) permitting safe, smooth and uninterrupted use of Project Facilities during normal operating conditions;
- b) minimizing disruption in the event of accidents or other incidents-affecting the safety and use of the Project Facilities by providing a rapid and effective response and maintaining liaison with emergency services of the State;
- c) carrying out periodic preventive maintenance of the Project including if required modify, repair or otherwise make improvements to the Trade Centre to comply with the provisions of this Agreement and conform to Specification and Standards and Good Industry Practice;
- d) undertaking routine maintenance including prompt repairs of cracks, joints, drains, markings, lighting, signs and other control devices;
- e) undertaking major maintenance such as repairs to structures, and refurbishment of parking system and other equipment;
- f) preventing, with the assistance of concerned law enforcement agencies, any unauthorized use of the Project;
- g) preventing, with the assistance of the concerned law enforcement agencies, any encroachments on the Project Site;
- h) protection of the environment and provision of equipment and materials therefore;
- i) maintenance of all communication, control and administrative systems necessary for the efficient operation of the Project; and
- j) Installation of modern building management system including monitoring mechanism through cameras for capturing deferred images at regular interval.

8.1.3. The Developer shall remove promptly from the Project all surplus construction machinery and materials, waste materials (including hazardous materials and waste water), rubbish and other debris (including, without limitation, accident debris) and keep the Project in a clean, tidy and orderly condition, and in conformity with the Applicable Laws, Applicable Permits and Good

Industry Practice.

- 8.1.4. The Developer is entitled to charge Common Area Maintenance (CAM) charges to all occupiers/tenants including occupiers/tenants of leasable area under the ownership of the Authority as per the Area Identification Agreement for the services that would be provided under this Article 8. Minimum CAM Charges payable for any occupier / tenant of the Authority's area as per the Area Identification Agreement shall not be less than the lowest CAM Charges agreed for leasable area leased by the Developer in its share during the last 12 months. In the event of no fresh / renewal leases signed by the Developer during last 12 months, lowest CAM Charges agreed for leasable area leased by the Developer in its share during the last 24 months will be considered as minimum CAM Charges payable for any occupier / tenant of the Authority's area as per the Area Identification Agreement. It is agreed between the Parties that in the event of Saleable Area of either of the Parties is vacant or self-occupied, the owner of such area shall be liable to pay all applicable charges in respect of such vacant area including CAM Charges, electricity charges.
- 8.1.5. Within 12 (Twelve) months from the receipt of the Occupancy Certificate, the Developer shall create Building Maintenance Society/ Trust/ Company to manage the maintenance responsibilities of the entire built-up area and shall continue to be part of such Society/ Trust/ Company until its exit from the Project. After its formation, all the CAM charges will be collected by the Society/ Trust/ Company which shall continue to maintain the Developed Area as per its charter and the terms specified in this Article 8.

9.0. REPRESENTATIONS AND WARRANTIES

9.1. The Parties make the following representations and warranties to each other that:

- (a) Each Party has the power to enter into and perform this Agreement and upon execution, this Agreement would constitute legal, valid and binding obligations on them; and
- (b) the entry into and performance of this Agreement would not be in conflict with any Applicable Laws as of the date hereof or any agreement or document to which each Party is a party and would not be against any Court order, judgment or decree, applicable to such Party.
- (c) Each Party represents that the person or signatory signing this Agreement for and on its behalf has the appropriate approvals and authority to sign and register this Agreement and other documents required to be executed pursue and there to.

9.2. The Authority represents, covenants and warrants to the Developer as follows:

9.2.1. The Authority is the absolute owners of the Project Site till the date hereof, and the Project Site is legally and beneficially owned, occupied, absolutely controlled or otherwise used by the Authority for lawful purposes;

9.2.2. The Authority has not done any act, deed or thing, which is likely to curtail, restrict or prejudice its right to enter into this Agreement and to allow the development of the Project in terms of this Agreement;

9.2.3. The Authority is not a party to any agreement for sale, estate contract, option, right of pre-emption, guarantee or similar matter whereby any third party has a contractual right or obligation to acquire an estate or interest in the Project Site, or which may hinder the consummation of, or defeat the objectives of this Agreement;

9.2.4. No notice for acquisition has been received in respect of any portion of the Project Site, nor has any portion of the Project Site been acquired under the Land Acquisition Act, 1894 and amended act of 2013 or any other Applicable Law;

9.2.5. The Project Site is free from any land charge, recovery proceedings, restriction or notice, and no matter exists against the Project Site.

9.2.6. No part of the Project Site is subject to attachment and there are no unfulfilled or unsatisfied judgments, injunctions or attachments, court orders, dues, notices and/or acquisition proceedings or legal proceedings pending against the same;

9.2.7. The Project Site is free from all encumbrances, attachments, claims, liens, charges, clogs, hindrances, claims from members of joint family, lies pendens, easement, license, encroachment, dispute relating to boundary, prior agreements, pre-emption, options, reservation, road-widening, set back or set forward etc., and other charges of any nature whatsoever and howsoever, and there is no defect in the title of the Authority in the knowledge of the Authority;

9.2.8. All estate, interest, right and title whatsoever (including for the avoidance of any doubt, interest in the nature of options and rights in the nature of contractual licenses) relating to the Project Site vest with the Authority and the Authority is absolutely entitled to develop the same, as contemplated in this Agreement;

- 9.2.9. The Authority hereby represents and warrants that no person, entity, association of persons, trust, company or any third party, other than the Authority, has any right, title or interest in the Project Site;
- 9.2.10. The Authority confirms that the Project Site has good connectivity. The Authority is the owner of all benefits and easements necessary for the use and enjoyment of the Project Site as contemplated under this Agreement. No right or easement that may be required for the fulfilment of the terms and conditions of this Agreement is restricted in any manner whatsoever. Such rights and easements are enjoyed freely without interruption and without restrictions as to hours of use or otherwise. No person has any right to terminate or curtail a right or easement appurtenant to or benefiting the Project Site, excepting the sovereign right of the Governmental Authorities;
- 9.2.11. The Authority has made all representations and warranties in this Agreement based on the information and document available with it and to the best of its knowledge. This Agreement does not contain any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained here in misleading;
- 9.2.12. The Authority declares that there is no payment outstanding to any revenue department(s) such as income-tax, sales tax etc. Of the Authority which could directly or remotely constitute a charge/lien on the Project Site or otherwise adversely prejudice or affect the transaction herein;
- 9.2.13. The Authority has been regularly paying all taxes, cesses, and other outgoings with respect to the Project Site to the concerned Governmental Authority and shall, up to the Agreement Date, pay all such taxes, cesses, and other outgoings. If there are any arrears and demands of such taxes, cesses, and other outgoings payable in respect of the period prior to the Agreement Date, the same shall be paid by the Authority directly to the concerned Governmental Authorities;
- 9.2.14. All the representations and warranties of the Authority contained herein shall run in favour of, and benefit, the Developer.
- 9.2.15. The Authority undertakes that it shall, at all times, and from time to time hereinafter, at the request or demand of the Developer do, or cause to be done all such acts or things as shall be law fully or reasonably necessary or required to give effect to the terms of this Agreement.
- 9.2.16. The Authority shall not without prior written consent from the Developer, take or propose to take any action relating to the Project Site or any portion thereof that could be inconsistent with the terms and conditions, obligations and rights set out in this Agreement, including but not limited to, any consent, acquisition or other proceedings involving any Governmental Authority.
- 9.2.17. The Developer's all its rights and interests in the Project shall pass to and vest in the Authority on the Transfer Date/termination free and clear of all liens, claims and Encumbrances, without any further act or deed on its part or that of the Authority, and that none of the Project assets shall be acquired by it Subject to any agreement under which a security interest or other lien or encumbrance is retained by any person, save and except as expressly provided in this Agreement;
- 9.3. The Developer represents, covenants and warrants to the Authority that:
- 9.3.1. It has the necessary experience and expertise in developing, operating & maintaining the Project; and
- 9.3.2. It would comply with all Applicable Laws and would complete the development of the Project strictly in accordance with the terms and conditions of this Agreement.

- 9.3.3. It is duly organized and validly existing under the laws of India, and has full power and authority to execute and perform its obligations under this Agreement and to carry out the transactions contemplated hereby;
- 9.3.4. it has taken all necessary corporate and other actions under Applicable Laws to authorise the execution and delivery of this Agreement and to validly exercise its rights and perform its obligations under this Agreement;
- 9.3.5. it has the financial standing and resources to fund the required equity and to raise the debt necessary for undertaking and implementing the Project in accordance with this Agreement;
- 9.3.6. this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with the terms hereof, and its obligations under this Agreement -will be legally valid, binding and enforceable obligations against it in accordance with the terms hereof;
- 9.3.7. it is subject to the laws of India, and hereby expressly and irrevocably waives any immunity in any jurisdiction in respect of this Agreement or matters arising hereunder including any obligation, liability or responsibility hereunder;
- 9.3.8. The execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under, or accelerate performance required by any of the terms of its Memorandum and Articles of Association (or those of any Associates) or any Applicable Laws or any covenant, contract, agreement, arrangement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;
- 9.3.9. there are no actions, suits, proceedings, or investigations pending or, to its knowledge, threatened against it at law or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which may result in the breach of this Agreement or which individually or in the aggregate may result in any material impairment of its ability to perform any of its obligations under this Agreement
- 9.3.10. it has no knowledge of any violation or default with respect to any order, writ, injunction or decree of any court or Government Authority which may result in any Material Adverse Effect on its ability to perform its obligations under this Agreement and no fact or circumstance exists which may give rise to such proceedings that would adversely affect the performance of its obligations under this Agreement;
- 9.3.11. it has complied with Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have a Material Adverse Effect on its ability to perform its obligations under this Agreement;
- 9.3.12. it shall at no time undertake or permit any Change in Ownership except in accordance with the provisions of the Bidding Documents and any such request made for any Change in Ownership, shall be at the option of the Authority, may be required to be accompanied by a suitable no objection letter from Senior Lenders;
- 9.3.13. the Developer is duly organized and validly existing under the laws of the jurisdiction of its incorporation or registration, as the case may be, and has requested the Authority to enter into this Agreement pursuant to the Letter of Award, and has agreed to and unconditionally accepted the terms and conditions set forth in this Agreement;
- 9.3.14. the Developer's all its rights and interests in the Project shall pass to and vest in the Authority on the Transfer Date free and clear of all liens, claims and Encumbrances, without any further act or deed on its part or that of the Authority, and that none of the Project assets shall be acquired by it subject to any agreement under which a security interest or other lien or encumbrance is retained by any person, save and except as expressly provided in this Agreement;
- 9.3.15. no representation or warranty by it contained herein or in any other document furnished by it to the Authority or to any Government Authority in relation to Approvals contains or will contain any untrue or misleading statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading;
- 9.3.16. no sums, in cash or kind, have been paid or will be paid, by it or on its behalf, to any person by way of fees, commission or otherwise for securing the Concession or entering into

this Agreement or for influencing or attempting to influence any officer or employee of the Authority in connection therewith;

- 9.3.17. The information furnished in the Bid and as updated on or before the date of this Agreement is true and accurate in all respects as on the date of this Agreement; and
- 9.3.18. All undertakings and obligations of the Developer arising from the Bidding Documents or otherwise shall be binding on the Developer as if they form part of this Agreement.

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10.0. DEVELOPER'S OBLIGATIONS AND COVENANTS

- 10.1. The Developer shall regularly keep the Authority updated on the progress of the Project by providing monthly report and call for a quarterly meeting with the Authority to discuss the same
- 10.2. The Authority and its representative shall, at all times, be entitled to visit the Project Site and the Developer shall provide full cooperation, assistance and access to the Approval Plan, drawings and all other documents relating to the Project Site and the Project for their inspection and provide copies thereof to the Authority immediately on request by the Authority.
- 10.3. The Developer shall be exclusively liable and responsible towards Governmental Authorities for the compliance of any of the statutory requirements and the Applicable Laws in relation to development of the Project Site including accidents that may arise in the project site.
- 10.4. The Developer shall be solely responsible for undertaking development of the Project Site in accordance with the Applicable Laws, including but not limited to obtaining all Approvals for development and marketing of the Project at their cost. For the Authority's share, the same shall be upon receipt of written request from the Authority, without any additional cost to the Authority.
- 10.5. The Developer shall develop the Project as per the approved design by the Authority and as per the Sanctioned Plan and hand over the Authority's Share as per the terms of this agreement. And only upon satisfactory hand over to the Authority, the Developer shall be entitled to take up operations of the Hotel in accordance with the terms of this agreement.
- 10.6. The responsibilities and expenses of preparing the plans, drawing etc and procuring all sanctions and permissions required to commence and complete the development and construction of the Project in the Project Site shall be those of the Developer.
- 10.7. The Developer shall ensure that they shall select good quality construction materials, adopt proper method of construction, use good equipment for construction and other related techniques for construction and the Authority shall not interfere with the same provided it is made clear that the development and construction shall be in accordance with the specifications agreed between the Parties in terms of this Agreement.
- 10.8. The aggregate equity shareholding of the Selected Bidder in the issued and paid-up equity capital of the Developer i.e SPC, shall not be less than 51% (fifty one percent), at all times commencing from the date of execution of this Joint Development Agreement and up till 04 (Four) calendar years from the date of signing of the Joint Development Agreement or achieving 5 Star Deluxe rating from Ministry of Tourism (GOI) for the 5 Star Luxury Hotel, whichever is later (the "**Lock-in Period**").
- 10.9. The Developer shall ensure that the quality and uniformity of construction is maintained for the entire project.
- 10.10. The Developer shall also ensure that they shall set right or rectify any defects in the Project during the Defect Liability Period of 24 months, for the built-up share of the Authority.

11.0. AUTHORITY'S OBLIGATION AND COVENANTS

- 11.1. The Authority shall be liable for all its obligations under this Agreement.
- 11.2. The Authority on this day with the execution of this Agreement have executed a power of Attorney in favour of the Developer ("**General Power of Attorney**") inter alia to enable the Developer to proceed with the obtaining of the Development Plan, Licenses and Building Construction Plans, consents in regard to the development on the Project Site and construction to be as agreed herein and authorizing the Developer to represent the Authority before the Greater Hyderabad Municipal Corporation (GHMC), Hyderabad Metropolitan Development Authority, Hyderabad Growth Corridor Limited, State and Central Government Departments, Fire Force Department, Electricity, Water Supply Departments/Companies, Telecom Department, Airport and Pollution Control Board and all other Statutory Authorities for the said purpose, which will be in force until the completion of the Project and the sales are completed.
- 11.3. The Authority shall provide all necessary facilitation on best effort basis in getting the building approvals and concessions as similar to other/equivalent projects in the State. Any such Concessions or Grants or monies or exemptions or benefits received from Government (National or State) shall be shared by the Developer and Authority in the proportion of their respective Development Shares in the Project. However, it is the responsibility of the Developer for preparing required applications as per the formats & norms, required documentation & compliances for the approvals and for payment of fees.
- 11.4. The Developer alone shall be responsible for all losses, claims, liabilities and consequences arising under or in relation to all the agreements, deeds and undertakings entered into by the Developer (for itself and /or as Power of Attorney Holder of the Authority) in relation to the Project / the Project Site with any Person, including but not limited to the Purchasers, contractors and the Governmental Authorities; and wherever it is feasible under the Applicable Laws, such agreements, deeds and undertakings shall expressly set out the aforementioned sole responsibility and liability of the Developer; and
- 11.5. The Developer shall not be entitled, to raise any loan(s) from bank/s, financier/s, finance company/companies, and other financial institution/s, by mortgaging the Project Site and shall only be entitled to raise finance/loan against the JDA rights assigned under this Agreement for the sole purpose of construction of the Project and no other purpose subject to Clause 4.13 and 4.14 above.
- 11.6. That in case the Developer intends to obtain loan for the project construction by mortgaging the Developers Share in the project, during the project Construction Period, the Authority shall grant the No Objection Certificate (NOC) for the purpose as required by the Bank (s)/NBFC and such NOC shall not be unreasonably withheld or delayed by the Authority. That if the Authority does not convey the NOC within 30 days of such written request, the Developer shall make further request to the Authority for granting the NOC and at such request by the Developer the Authority shall not unreasonably delay or withheld such NOC. The Developer shall ensure that the loan is utilized only for the purpose of implementing the Project and no other purpose. That after completion of the Project and obtaining Occupancy certificate there shall be no requirement of such NOC as the obligation of the Developer of construction of the project shall stand achieved by that time. *
- 11.7. The Authority shall enter into the Area Identification Agreement as specified in this Agreement. The Authority or its representative shall within the specified time issue the Completion Certificate, based on the recommendation of the Independent Engineer, to the Developer and also receive its share of the Trade center as per the terms and conditions of this Agreement ("Completion Certificate"). The Developer shall have right to sell, lease, transfer otherwise dispose its share of Built-up area along with undivided share of land in the Project in favour of the prospective purchasers, which the Developer agrees to exercise in terms of this

Agreement subject to clause 7.3.

- 11.8. The Developer has undertaken and completed due diligence on title to the Project Site based on all the documents and information available with the Authority and the Developer is satisfied with the title to the Project Site in the hands of the Authority. Notwithstanding such diligence exercised by the Developer, the Authority shall be fully liable and responsible for settling all the claims and demands arising in relation to the title of the Project Site. Accordingly, the Authority shall indemnify and hold the Developer harmless against any loss or liability, cost or expenses, action or proceedings and third party claims attributable to any misrepresentations of the Authority in relation to the Project Site. The time taken to clear any third-party claims caused at the instance of the Authority or relating to its title resulting in stoppage of construction will be added to the period of construction. The Developer shall, at the cost of the Authority, co-operate with the Authority to resolve such interferences and claims to the title of the Project Site. If there is a loss of title or interference in respect of portion/s of the Project Site, the same will not come in the way of the Developer, and the Developer at its option and discretion, shall continue the development in the remaining portion of the Project Site and in the meantime the Authority agrees to get the defect or claims cured at its cost.
- 11.9. The Authority shall sign and execute necessary application/s, paper/s, affidavit/s, undertaking/s and/or document/s and do all act/s, deed/s and thing/s as the Developer may lawfully require for obtaining the Approvals for completing the development of the Project.
- 11.10. The Authority will not encumber the Project Site nor deal with or dispose of the Project Site or any interest therein or portion thereof grant any license to use the Project Site as it will prejudice the rights of the Developer or affect development and sale of the Developer's Share. The Authority shall not grant any power of attorney to any third parties to deal with the Developer's share of Built-up Area or the Project Site in any manner whatsoever.
- 11.11. The Authority shall ensure that the Developer, its agents, servants, associates and any Person claiming through or under them have unhindered access to the Project Site.
- 11.12. The Authority shall neither do any act or thing that may adversely affect the aesthetic appearance/ beauty of the Project nor do anything which may cause nuisance or obstruction or hindrance to the other owners or occupants of the Project or any portion thereof.
- 11.13. The Developer shall be notified immediately by the Authority of any notices received by it from any Governmental Authority and also intimate any matter or action undertaken by reason of such notices received by it in relation to the Project Site or to the Authority which may impact the Project as contemplated in this Agreement.

12.0. INDEMNIFICATION

- 12.1. The Developer shall keep the Authority its agents, nominees, assignees and employees fully indemnified and harmless against any loss or liability, cost/s or claim/s, action/s or proceeding/s that may arise against the Authority or the Project by reason of (a) any misrepresentation by the Developer, (b) Developer's Default or (c) on account of any act of omission or commission in using the Project Site or arising out of the, Development and putting up of the construction or in delay thereof and further the Developer shall be fully liable and responsible to the Government (State and Central), and other Authorities for compliance of all the statutory requirements regarding construction and providing amenities/facilities therein. The Developer shall also be liable and responsible for third party claims and claims arising out of contract entered into by the Authority with persons desiring to own and/or possess the Authority's Share of Built-up Area or portions thereof and the land in the Project Site to the extent on account of breach by the Developer under this Agreement.
- 12.2. In the event the Authority is made a party to any litigation in relation to this Agreement, by reason of the wrongful or unlawful acts, omissions or commissions of the Developer, or any incorrect or misleading representations made by the Developer, the Developer shall be responsible for all legal costs and expenses, including but not limited to attorneys' fees, court fees and expenses.
- 12.3. The Authority shall keep the Developer fully indemnified and hold them harmless against any losses or liabilities, cost/s or claim/s, action/s or proceeding/s or third party claim/s that may arise against the Developer, its agents, nominees, assignees and employees or in respect of any portion of the Project Site by reason of: (a) misrepresentations or breach of any representation and warranties made by the Authority; or (b) failure on the part of the Authority to discharge any of their liabilities, obligations and covenants under this Agreement; or (c) in the event of Authority's Default.
- 12.4. In the event the Developer is made a party to any litigation in relation to this Agreement, by reason of the wrongful or unlawful acts, omissions or commissions of the Authority, or any incorrect or misleading representations made by the Authority, the Authority shall be responsible for all legal costs and expenses, including but not limited to attorneys' fees, court fees and expenses.
- 12.5. The Authority agrees that the cost of making out clear title to the Project Site shall always be that of the Authority. If on account of any claims on title or an account of defect in Authority's title to the Project Site the Developer is restrained from carrying out the construction and development of the Project Site, the Authority shall at its own cost and expenses remedy such defects and if the Authority fails to remedy such defects within a reasonable time the Developer shall be entitled to remedy such breach in consultation with the Authority and recover the costs thereof from the Authority's share. Further any loss of construction time on account of such defects shall add to period of construction and the time for completion shall stand extended accordingly.

13.0. PUBLICITY AND SIGNAGE

- 13.1. The Developer shall be entitled to market the Project by erecting signboards on the Project Site from the Appointed Date. The Developer shall also be entitled to advertise the sale and disposal of the developer's share of built-up areas in the Project and to publish advertisements in newspaper/s, magazine/s, website/s and such other media/s seeking prospective purchaser/s and tenants and to do all other lawful things to market the Project in any manner whatsoever. Subject however that it exhibits the names of both the Authority and the Developer in all such publicity materials.
- 13.2. The Authority and Developer shall have equal signage rights for the Trade Centre of the Project. Developer will have all rights on the naming/ branding/ signage of the 5 Star luxury Hotel.
- 13.3. The Authority shall not bear any cost incurred under this Article 13.

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14.0. ACQUISITION

- 14.1. If any portion of the Project Site is acquired under any Law by the Government or other Authority under the law, before issue of the Occupancy Certificate by the Plan Sanctioning Authorities, then Compensation payable for the land in such portion of the Project Site shall be taken by the Authority in their entirety and the compensation payable for construction and development made and incurred there on by the Developer shall be taken by Developer in its entirety. Further, the Authority shall refund proportionate share of monies received from the Developer immediately on completion of acquisition of such extent of the land in the Project Site. In the event of acquisition of the Project Site after receipt of Occupancy Certificate from the Plan Sanctioning Authorities, the compensation shall be divided between the Authority and the Developer in proportion to their undivided share of land in the Project Site and the built-up area/s ratio.
- 14.2. If in the course of plan approval and development if any portions of the Project Site are acquired for forming any road and/or for road widening etc. and the authority acquiring the land, in lieu of monetary compensation to the Authority, the Authority has the option to utilize the compensation in the Project Site or any other property.

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15.0. ADDITIONAL WORK

It is agreed between the Parties that in the event of any change in the Specifications sought for by the Authority for its share of Built-up area of the Project Site, which is in the nature of upgradation of Specifications, the Authority shall contribute the difference for such upgradation cost at mutually agreed rates and at mutually agreed additional time periods, provided the same is not in contravention of the Sanctioned Plan.

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16.0. DEFECT LIABILITY PERIOD

The Developer shall rectify any structural defects, water leakages, plumbing and electrical defects, in the building/s constructed in the Project Site noticed up to a period of 24 (Twenty Four) months from the date of Completion/Occupancy Certificate for the buildings or date of handing over of the constructed area to the Authority whichever is later; or such other period as may be provided by the law applicable from time to time. However, small air-cracks in the plaster, masonry, door and windows shall not be construed as defects.

The Developer shall maintain the Performance Security until the end of the Defect Liability Period as per the terms of Article 3.

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17.0. INSURANCE

17.1. Insurance during Construction Period

The Developer shall affect and maintain at its own cost, during the Construction Period, such insurances for such maximum sums as may be required or prudent in accordance with Good Industry Practice and the Applicable Laws (the "Insurance Cover"). Such insurances shall be in the joint names of the Authority and the Developer and have to be furnished to the Authority within 30 days from the date of this Agreement.

The Insurance Cover shall be up to the end of completion of Works, till such time Completion Certificate is issued. The Insurance Cover must necessarily cover the following Developer's risks.

- a. loss of or damage to the Works, plant and materials.
- b. loss of or damage to the equipment.
- c. loss of or damage of property in connection with the Contract.
- d. personal injury or death of persons employed for construction.
- e. Professional liability insurance: The Contractor shall affect professional indemnity insurance, which shall cover the risk of professional negligence in the design or construction of the Project. This insurance shall be for a value not less than the Contract Value of Rs. ----- (Rupees ----- only).
- f. Any other insurances as may be required as per Good Industry Practice.

17.2. All such insurance shall provide for compensation to be payable to rectify the loss or damage incurred.

17.3. The Developer shall also pay regularly the insurance premium and produce necessary receipt(s) to the Authority within 15 (fifteen) days of such payment, well in advance.

17.4. Alterations to the terms of insurance shall not be made without the approval of Authority/Authority's Representative.

17.5. Application of insurance proceeds

The proceeds from all insurance claims, except life and injury, shall apply for any necessary repair, reconstruction, reinstatement, replacement, improvement or delivery of the Project.

18.0. SAFETY & SECURITY REQUIREMENT

- 18.1 The Developer shall comply with the provisions of this Joint Development Agreement, Applicable Laws and Approvals and conform to Good Industry Practice for securing the Project Site ("**Security Requirements**"). In this regard, the Developer shall develop, implement and administer a surveillance program for providing a secure environment at the Project Site in consultation with the Authority.
- 18.2 The Developer shall in performing its obligations under this Joint Development Agreement comply with and procure that its personnel and sub-Contractor comply with all Applicable Laws, Approvals, conditions of the consents, requirements of the Authority with regards to the safety to the personnel working at the Project Site and the people residing in the surrounding areas and/or the people passing through the surrounding areas and in all matters relating to occupational health, safety and the environment ("**Safety Requirements**"). In this regard, the Developer shall develop, implement and administer a safety program for providing a safe environment at the Project Site in consultation with the Authority.
- 18.3 All costs and expenses arising out of or relating to Safety Requirements shall be borne by the Developer to the extent such costs and expenses form part of the works and services included in the Scope of the Project, and works and services, if any, not forming part of the Scope of the Project shall be undertaken in consultation with the Authority. Such expenses shall be as approved and funded by the Authority.

19.0. FINANCIAL CLOSE

19.1 General Obligations

- a) The Developer expressly agrees and undertakes that it shall solely be responsible to arrange for financing and/ or meeting all financing requirements for the development of the Project at its cost and shall enter into Financing Agreements, if required, with the Senior Lenders for the same in accordance with the terms of this agreement.
- b) The Developer hereby agrees and undertakes that it shall achieve Financial Close within 180 days from the Agreement Date.
- c) The Developer shall, upon occurrence of Financial Close, notify the Authority forthwith, and shall have provided to the Authority, at least 2 (two) days prior to Financial Closure, 3 (three) true copies of the Financial Package and the Financial Model, duly attested by a Director of the Developer, along with 2 (two) soft copies of the Financial Model in MS Excel version or any substitute thereof, which is acceptable to the Senior Lenders.

19.2 Termination due to failure to achieve Financial Close

Notwithstanding anything to the contrary contained in this Agreement, in the event that Financial close does not occur, for any reason whatsoever, within the period set forth in the Clause 19.1, all rights, privileges, claims and entitlements of the Developer under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Developer, and the Joint Development Agreement shall be deemed to have been terminated by mutual agreement of the Parties. The Authority shall have the right to forfeit the entire Performance Security without any charge or claim whatsoever. However, instead of terminating this Agreement as provided in this Clause 19.2, the Parties may by mutual agreement extend the time for fulfilling this condition precedent.

20.0. SUBSTITUTION AGREEMENT

20.1 Substitution Agreement

- a) This Agreement shall not be assigned by the Developer in any manner or through any device or arrangement, directly or indirectly. Provided, however, subject to the provisions of this Agreement, Senior Lenders may be given the right of substitution in accordance with term hereof and under the Substitution Agreement (the "Substitution Agreement") executed as condition precedent in the form annexed hereto as Schedule VII.
- b) The Senior Lenders may exercise the rights to replace the Developer with a Nominated Company as per terms provided in the Substitution Agreement, provided that the Nominated Company substituting the Developer shall enjoy all rights and be responsible for performing and fulfilling all obligations of the Developer under this Agreement.

Provided that in the event the Senior Lenders are unable to substitute the Developer by Nominated Company as per the provisions of the Substitution Agreement, Authority may in its sole discretion either decide to find a substitute entity itself or shall proceed to terminate the Agreement.

20.2 SUBSTITUTION OF THE DEVELOPER

Substitution by Lenders' Representative

In the event of Developer's default, Authority shall, if there be any Senior Lenders, send copy of the Termination Notice to the Lenders' Representative to inform and grant 15 (fifteen) day to the Lenders' Representative, for making representation on behalf of the Senior Lender stating the intention to substitute the Developer. In case Authority receives representation on behalf of the Senior Lenders, within the aforesaid period, Authority shall withhold the termination for period not exceeding 180 (one hundred and eighty) days, for enabling the Lenders' Representative to exercise the Senior Lenders' right of substitution in accordance with the Substitution Agreement, and substitute the Developer with Nominated Company.

20.3 Substitution by Authority

In the event that no company is nominated by the Lender's Representative to act as the Nominated Company or the company nominated by the Lenders' Representative in terms of Clause 20.1 is not acceptable to Authority, then the Authority may either substitute the Developer with its own Nominated Company in accordance with the Substitution Agreement or terminate the Agreement.

20.4 Substitution Process

While carrying out substitution, the Lender's Representative or Authority, as the case may be shall invite competitive bids from the prospective parties for acting as the Nominated Company and substituting the Developer. Such Nominated Company shall have to agree to bear the Termination Payment if any to the Developer as per the provisions of this Agreement along with all the liabilities of the Developer in terms of this Agreement and Financing Agreement.

20.5 Consequences of Substitution

The Authority shall grant, to the Nominated Company, the right to develop, design, finance, construct and transfer the Authority share of built-up area and maintain the Project (including entering into Sub-Contracts) together with all other rights of the Developer under this Agreement, subject to fulfilment of the Developer's entire obligation under this Agreement by such Nominated Company, for the remainder of the Term of this Agreement. Such rights shall be granted by the Authority through the novation of the Agreement, if applicable, in favour of the Nominated Company.

The Authority shall also execute new Substitution Agreement with the Nominated Company and the Senior Lenders, if there be any. All sub-contracts and agreements in respect of the Project including Financing Agreements and all sub-contracts executed by the Developer shall stand transferred and novated in favour of the Nominated Company. Further all rights of the Developer on the Site and Project Assets in terms of the Agreement shall stand transferred and novated in favour of the Nominated Company. All Approvals/clearances of AUTHORITY received by the Developer shall stand transferred and novated in favour of the Nominated Company. The Developer shall get replaced by the Nominated Company for all purposes related to the Project.

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21.0. TERMINATION

21.1 Save as otherwise provided in this Joint Development Agreement, in the event that any of the defaults specified below shall have occurred, and the Developer fails to cure the default within the Cure Period set forth below, or where no Cure Period is specified, then within a Cure Period of 60 (sixty) days, the Developer shall be deemed to be in default of this Joint Development Agreement (a "Developer Default"), unless the default has occurred solely as a result of any breach of this Joint Development Agreement by the Authority or due to Force Majeure. In case of occurrence of the below mentioned Developer Default, the Authority shall be entitled to take action for termination as per this clause or issue suspension notice in accordance with clause 23.1. The defaults referred to herein shall include:

- a) The Performance Security has been encashed and appropriated and the Developer fails to replenish or provide fresh Performance Security within a Cure Period of 30 (thirty) days;
- b) failure to achieve completion of the Project within the Scheduled Completion Date with grace period as permitted as per the provisions of this Agreement, including any extension of time granted thereof;
- c) failure to hand over Authority's share of Built-up Area in Trade Centre as specified in this Agreement;
- d) failure to operationalize the Hotel with the Brand that has signed the Binding Agreement
- e) failure to operationalize the Hotel with certification of 5-Star deluxe (or above) from Ministry of Tourism (Government of India) within stipulated timeframe
- f) subsequent to the replenishment or furnishing of fresh Performance Security (as the case may be), the Developer fails to cure, within a Cure Period of 15 (fifteen) days, the Developer Default for which whole or part of the Performance Security was initially appropriated;
- g) The Developer is in material breach of its obligations and / or scope of work as laid down in this Joint Development Agreement;
- h) the Developer abandons or manifests intention to abandon the works / Project Site / and/ or maintenance of the Project without the prior written consent of the Authority;
- i) any application against the Developer is admitted for insolvency;
- j) if any receiver, liquidator, trustee or administrator interim resolution professional / resolution professional or similar official has been appointed for Developer or winding up, (voluntary or involuntary) under Insolvency and Bankruptcy Code, 2016, insolvency or dissolution administration or reorganization or legal proceedings in respect of Developer have been initiated;
- k) the Developer has been, or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would cause, in the reasonable opinion of the Authority, a Material Adverse Effect;
- l) any representation or warranty of the Developer herein contained which is, as of the date hereof, found to be materially false or the Developer is at any time hereafter found to be in breach thereof;
- m) the Developer has failed to fulfil any obligation, for which failure termination has been specified in this Joint Development Agreement;
- n) the Developer repudiates this Joint Development Agreement or otherwise takes any action or evidences or conveys an intention not to be bound by the Joint Development Agreement;
- o) if the Developer, in the judgment of the Authority has engaged in corrupt or fraudulent practices in competing for or in executing the Joint Development Agreement;

- p) If the Developer fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause 25.3 hereof; and/or
- q) a Change in Ownership has occurred within the Lock-in period, without the prior written consent of the Authority.

In case of occurrence of the above-mentioned Developer Default, the Authority shall be entitled to take action for termination as per this clause or issue suspension notice in accordance with clause 23.1.

The Authority shall be entitled to terminate this Joint Development Agreement by issuing a Termination Notice to the Developer; provided that before issuing the Termination Notice, the Authority shall by a notice inform the Developer of its intention to issue such Termination Notice and grant 15 (fifteen) days to the Developer to make a representation, and may after the expiry of such 15 (fifteen) days, in receipt of such representation that is not satisfactory to the Authority, issue the Termination Notice.

For the avoidance of doubt, the date of Termination Notice shall be deemed to be the Termination Date.

21.2 BY THE AUTHORITY

In the event that any of the defaults specified below shall have occurred, and the Authority fails to cure such default within a Cure Period of 60 (sixty) days or such longer period as has been expressly provided in this Joint Development Agreement, the Authority shall be deemed to be in default of this Joint Development Agreement (the "Authority Default") unless the default has occurred as a result of any breach of this Joint Development Agreement by the Developer or due to Force Majeure. The defaults referred to herein shall include:

- a) If the Authority fails to comply with any final decision reached as a result of arbitration pursuant to Clause 25.3 hereof;
- b) The Authority repudiates this Joint Development Agreement or otherwise takes any action that amounts to or manifests an irrevocable intention not to be bound by this Joint Development Agreement;
- c) Any other circumstance or situation which has been described as an AUTHORITY Default under this Joint Development Agreement.

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

For the avoidance of doubt, the date of Termination Notice shall be deemed to be the Termination Date.

21.3 TERMINATION PAYMENTS

Provided, no compensation shall be payable to the Developer if the Developer fails to maintain Insurance Cover as contemplated under Article 17 of this Agreement.

- 21.3.1 Upon Termination on account of a Developer's Default during the Construction Period but after Financial Close the Authority shall pay to the Developer, by way of Termination Payment, an amount equal to 75% (seventy five per cent) of the Debt Due, less Insurance Cover; provided that if any insurance claims forming part of the Insurance Cover are not admitted and paid, then 80% (eighty per cent) of such unpaid claims shall be included in the computation of Debt Due; For the avoidance of doubt, the Developer hereby acknowledges that no Termination Payment shall be due or payable on account of a Developer Default occurring prior to Financial Close.
- 21.3.2 Upon Termination on account of an Authority Default, the Authority shall pay to the Developer, by way of Termination Payment, an amount equal to:
- a. Debt Due less Insurance Cover; and
 - b. 120% (one hundred and twenty per cent) of the Equity.
- 21.3.3 In this regard, any amounts received from the buyers as advance and spent on the Project shall be deducted as certified by the IE/Authority's Statutory Auditor while making the above payments.
- 21.3.4 Upon Termination, the Developer shall submit a detailed demand with all the particulars of compensation to be received under Termination Payments by the Developer. The Authority shall forthwith forward the same to IE/ Authority's Statutory Auditor to examine in detail and furnish an evaluation report within 30 days with their recommendations thereof. Within the next 30 days of such recommendations, the Authority shall arrive at the amount payable and arrange the same to be paid to the Developer.
- 21.3.5 The Developer expressly agrees the Termination Payment under this Article 21 shall constitute a full and final settlement of all claims of the Developer on account of Termination of this Agreement for any reason whatsoever and that the Developer or any shareholder thereof shall not have any further right or claim under any law, treaty, convention, contract or otherwise.

21.4 OTHER RIGHTS AND OBLIGATIONS OF THE AUTHORITY

21.4.1 Other rights and obligations of the Authority

Upon Termination for any reason whatsoever, the Authority shall:

- a. be deemed to have taken possession and control of the Project forthwith;
- b. take possession and control of all materials, stores, implements, equipment, systems used or being used in the development of the Project;
- c. be entitled to restrain the Developer and any person claiming through or under the Developer from entering upon the office or any part of the Project; and
- d. require the Developer to comply with the Divestment Requirements set forth in Clause 22.1.

21.4.2 Survival of rights

Notwithstanding anything to the contrary contained in this Agreement, but subject to the provisions of Clause 21.3.5, any Termination pursuant to the provisions of this Agreement shall be without prejudice to the accrued rights of either Party including its right to claim and recover money Damages, insurance proceeds, security deposits, and other rights and remedies, which it may have in law or contract. All rights and obligations of either Party under this Agreement, including Termination Payments and Divestment Requirements shall survive the Termination to the extent such survival is necessary for giving effect to such rights and obligations.

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22.0. DIVESTMENT OF RIGHTS AND INTEREST

22.1 Divestment Requirements

22.1.1 Upon Termination, the Developer shall comply with and conform to the following Divestment Requirements:

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

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

22.2 Vesting Certificate

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

22.3 Divestment Costs

22.4 The Developer shall bear and pay all costs incidental to divestment of all of the rights, title and interest of the Developer in the Project in favor of the Authority upon Termination, save and except that all stamp duties payable on any deeds or Documents executed by the Developer in connection with such divestment shall be borne by the Authority.

22.5 In the event of any Dispute relating to matters covered by and under this Article 22, the Dispute Resolution procedure shall apply.

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23.0. SUSPENSION

23.1 SUSPENSION AND SUSPENSION NOTICE

The Authority may, without prejudice to its rights under this Agreement, by written notice of suspension to the Developer including forfeiture of 50% of the Performance Security, suspend all activities of the Developer hereunder if the Developer fails to perform any of its obligations or in case of Developer Defaults as per Clause 21.1, provided that such notice of suspension is issued, (i) shall specify the nature of the failure, and (ii) shall request the Developer to remedy such failure within a period not exceeding 60 (sixty) days after receipt by the Developer of such notice of suspension (the "Suspension"). The Developer shall also be required to replenish the Performance Security in accordance with Clause 3.2 of this Agreement.

23.2 REVOCATION OF SUSPENSION

Upon the Developer having cured the Developer Default within a period not exceeding 60 (sixty) days from the date of Suspension, the Authority shall revoke the Suspension forthwith and restore all rights of the Developer under this Joint Development Agreement.

In the event that the Authority shall have rectified or removed the cause of Suspension within a period not exceeding 60 (sixty) days from the date of Suspension, it shall recover two (02) times of all such costs incurred by the Authority for such rectification or removal of the cause of Suspension and then revoke the Suspension forthwith and restore all rights of the Developer under this Joint Development Agreement. Such costs referred herein shall be as determined in accordance with Clause 7 of Schedule VI of this Agreement and certified by the Independent Engineer and submitted to the Authority with a copy to the Developer.

23.3 AUTHORITY TO ACT ON BEHALF OF DEVELOPER

During the period of Suspension hereunder, all things done or actions taken, including expenditure incurred by the Authority or any entity on its behalf for discharging the obligations of the Developer under and in accordance with this Joint Development Agreement, shall be deemed to have been done or taken for and on behalf of the Developer and the Developer undertakes to indemnify the Authority for all costs incurred during such period.

23.4 TERMINATION FROM SUSPENSION

At any time during the period of Suspension, the Developer may by notice require the Authority to revoke the Suspension and elect to issue a Termination Notice. Subject to the rights of the Lenders' Representative to undertake substitution in accordance with the provisions of this Agreement and within the period specified in Clause 23.5 the Authority shall within 30 (thirty) days of receipt of such Termination Notice, terminate this Joint Development Agreement in accordance with the provisions of this Agreement and forfeit the entire Performance Security.

Notwithstanding anything to the contrary contained in this Joint Development Agreement, in the event that Suspension is not revoked within 180 (One Hundred and Eighty) days from the date of Suspension, the Joint Development Agreement shall, upon expiry of the aforesaid period, be deemed to have been terminated by mutual agreement of the Parties and all the provisions of this Joint Development Agreement shall apply, mutatis mutandis, to such

termination as if a Termination Notice had been issued by the Authority upon occurrence of a Developer Default and the entire Performance Security shall be forfeited.

23.5 SUBSTITUTION OF DEVELOPER

At any time during the period of Suspension, the Lenders' Representative, on behalf of Senior Lenders, shall be entitled to substitute the Developer under and in accordance with the Substitution Agreement, and upon receipt of notice there under from the Lender's Representative, the Authority shall withhold Termination including forfeiture of Performance Security for a period not exceeding 180 (one hundred and eighty) days from the date of Suspension, and any extension thereof under the provisions of this Agreement, for enabling the Lenders' Representative to exercise its rights of substitution on behalf of Senior Lenders.

23.6 CESSATION OF RIGHTS AND OBLIGATIONS

Upon termination of this Joint Development Agreement pursuant to this Clause 23.6 or upon expiration of this Joint Development Agreement pursuant to Clause 23.3 hereof, as the case may be, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, as the case may be, including its right to claim and recover money, damages and other rights and remedies which it may have in law or Joint Development Agreement (ii) the obligation of confidentiality set forth in Clause 28.1 hereof, and (iii) recourse to arbitration and indemnity obligations; and (iv) any other right which a Party may have under the Applicable Laws.

24.0. FORCE MAJEURE

24.1 Force Majeure Event

24.1.1 Any of the following events which is beyond the control of the Party claiming to be affected thereby ("Affected Party") and which the Affected Party has been unable to overcome or prevent despite exercise of due care and diligence, and results in Material Adverse Effect shall constitute Force Majeure Event:

- a) act of God which includes epidemic, extremely adverse weather conditions, lightning, earthquake, landslide, cyclone, flood, chemical or radioactive contamination or ionizing radiation, fire or explosion (to the extent of contamination or radiation or fire or explosion originating from a source external to the Project Site);
- b) any judgement or order of any court of competent jurisdiction or statutory authority made against the Developer in any proceedings for reasons other than (i) failure of the Developer to comply with any Applicable Law or Applicable Permit, or (ii) on account of breach of any Applicable Law or Applicable Permit or of any contract, or (iii) enforcement of this Concession Agreement, or (iv) exercise of any of its rights under this Concession Agreement by the Authority.

24.1.2 Notice of Force Majeure Event

24.1.3 As soon as practicable and in any case within 7(seven) days of the date of occurrence of a Force Majeure Event or the date of knowledge thereof, the Affected Party shall notify the other Party of the same setting out, inter alia, the following in reasonable detail:

- a) the nature and extent of the Force Majeure Event;
- b) the estimated Force Majeure Period;
- c) the nature of and the extent to which, performance of any of its obligations under this Agreement is affected by the Force Majeure Event;
- d) the measures which the Affected Party has taken or proposes to take to alleviate/mitigate the impact of the Force Majeure Event and to resume performance of such of its obligations affected there by; and
- e) assess the impact of the underlying Force Majeure Event,
- f) to determine the likely duration of Force Majeure Period and,
- g) to formulate damage mitigation measures and steps to be undertaken by the Parties for resumption of obligations the performance of which shall have been affected by the underlying Force Majeure Event.

25.0. DISPUTE RESOLUTION

25.1 Dispute Resolution

25.1.1 **Any dispute**, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either Party to the other Party (the “**Dispute**”) shall, in the first instance, be attempted to be resolved amicably in accordance with the conciliation procedure set-forth in Clause 25.2 i.e. Conciliation.

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

25.2 Conciliation

25.2.1 In the event of any Dispute between the Parties, either Party may call upon a mutually agreed lawyer / person, to mediate and assist the Parties in arriving at an amicable settlement thereof. The said lawyer / persons shall meet no later than 7 (seven) days from the date of reference to discuss and attempt to amicably resolve the Dispute. If such meeting does not take place within the 7 (seven) day period or the Dispute is not amicably settled within 15 (fifteen) days of the meeting or the Dispute is not resolved as evidenced by the signing of written terms of settlement within 30 (thirty) days of the notice in writing referred to in Clause 25.1.1 or such longer period as may be mutually agreed by the Parties, either Party may refer the Dispute to arbitration in accordance with the provisions of Clause 25.3.

25.3 Arbitration

25.3.1 Any Dispute which is not resolved amicably by conciliation, as provided in Clause 25.2, shall be finally decided by reference to arbitration by a Board of Arbitrators appointed in accordance with Clause 25.3.2. Such arbitration shall be held in accordance with the Arbitration and Conciliation Act 1996 and the venue of such arbitration shall be at Hyderabad, and the language of arbitration proceedings shall be English.

25.3.2 There shall be a Board of three arbitrators, of whom each Party shall select one, and the third arbitrator shall be appointed by the two arbitrators so selected and in the event of disagreement between the two arbitrators, the appointment shall be made in accordance with the Rules.

25.3.3 The arbitrators shall make a reasoned award (the “Award”). Any Award made in any arbitration held pursuant to this Clause 25.3 shall be final and binding on the Parties as from the date it is made, and the Developer and the Authority agree and undertake to carry out such Award without delay.

25.3.4 The Developer and the Authority agree that an Award may be enforced against the Developer and/or the Authority, as the case may be, and their respective assets wherever situated.

25.3.5 This Agreement and the rights and obligations of the Parties shall remain in full force and effect, pending the Award in any arbitration proceedings hereunder.

25.4 Adjudication by Regulatory Authority or Commission

25.4.1 In the event of constitution of a statutory Regulatory Authority or Commission with powers to adjudicate upon disputes between the Developer and the Authority, all Disputes arising after such constitution shall, instead of reference to arbitration under Clause 25.3, be adjudicated upon by such Regulatory Authority or Commission in accordance with the Applicable Law and all references to Dispute Resolution Procedure shall be construed accordingly. For the avoidance of doubt, the Parties hereto agree that the adjudication hereunder shall not be final and binding until an appeal against such adjudication has been decided by an appellate tribunal or High Court, as the case may be, or no such appeal has been preferred within the time specified in the Applicable Law.

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26.0. NOTICES

26.1 Any notice and other communications provided for in this Agreement shall be in writing and shall be delivered personally, sent by post, by fax, by internationally recognized courier service or registered mail, in the manner as elected by the Party giving such notice to the following addresses:

(a) In the case of notices to the Authority:

Address : TSIIC Limited,
5th Floor, Parisrama Bhavan,
Basheerbagh, Hyderabad-500004.

Attention : Chief Engineer

Telephone : 040-23237672

Facsimile : 040-23235582 (CE)
040-23240205 (MD)
040-23231828 (MD)

Email : ce-iic@telangana.gov.in

(b) In the case of notices to Developer:

Address :
Attention :
Telephone :
Facsimile :
Email :

26.2 All notices shall be deemed to have been validly given on (i) the Business Day immediately after the date of transmission with confirmed answer back, if transmitted by facsimile transmission, or (ii) upon receipt if delivered personally or (iii) 5 (Five) Business Days after posting, if transmitted by courier or registered airmail or (iv) 7 (Seven) Business Days if sent by post

26.3 Each Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving to the other Party not less than 30 (thirty) days prior written notice.

27.0. APPOINTMENT OF INDEPENDENT ENGINEER

The Authority shall appoint a consulting engineering firm substantially in accordance with the selection criteria set forth in Schedule-V, to be the independent consultant under this Agreement (the "Independent Engineer"). The Independent Engineer shall assist the Authority in matters related to supervising construction of the Project and shall support the Authority to monitor compliance with Specifications and Standards as set forth in this Agreement. The appointment shall be made no later than 60 (Sixty) days from the date of this Agreement and shall be for entire Construction Period. On expiry or termination of the aforesaid appointment, the Authority shall appoint an Independent Engineer for a further term of 1(one) year in accordance with the provisions of Schedule-V, as per Project requirements. At the discretion of the Authority, such procedure shall be repeated after expiry of each appointment.

27.1 Duties and functions

- i. The Independent Engineer shall discharge its duties and functions substantially in accordance with the terms of reference set-forth in Schedule-VI.
- ii. The Independent Engineer shall, at all times, have the right to attend any meetings held by the Authority to review the progress of construction, and to provide its comments/suggestions regarding the progress as well as the manner in which the construction works are being undertaken.
- iii. The Independent Engineer shall submit regular periodic reports (at least once every month) to the Authority in respect of its duties and functions set-forth in Schedule-VI.
- iv. A true copy of all communications sent by the Authority to the Independent Engineer and by the Independent Engineer to the Authority shall be sent forthwith by the Independent Engineer to the Developer.
- v. A true copy of all communications sent by the Independent Engineer to the Developer and by the Developer to the Independent Engineer shall be sent forthwith by the Independent Engineer to the Authority.

27.2 Remuneration

The monthly remuneration, cost and expenses of the Independent Engineer shall be paid by the Authority, three-fourth of such monthly remuneration, cost and expenses shall be reimbursed by the Developer to the Authority within 15 (fifteen) days of receiving a statement of expenditure from the Authority.

27.3 Termination of appointment

The Authority may, in its discretion, terminate the appointment of the Independent Engineer at any time, but only after appointment of another Independent Engineer in accordance with Clause 27.1.

If the Developer has reason to believe that the Independent Engineer is not discharging its duties and functions in a fair, efficient and diligent manner, it may make a written representation to the Authority and seek termination of the appointment of the Independent Engineer. Upon receipt of such representation, the Authority shall hold a tripartite meeting with the Developer and Independent Engineer for an amicable resolution of the Dispute, and if any difference or disagreement between the Authority and the Developer remains unresolved, the Dispute shall be settled in accordance with the Dispute Resolution procedure. In the event that the appointment of the Independent Engineer is terminated hereunder, the Authority shall appoint

forthwith another Independent Engineer in accordance with Clause 27.1.

27.4 Authorized signatories

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

27.5 Dispute resolution

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

27.6 Interim arrangement

In the event that the Authority does not appoint an Independent Engineer, or the Independent Engineer so appointed has relinquished its functions or defaulted in discharge thereof, the Authority may, in the interim, designate and authorize any person to discharge the functions of the Independent Engineer in accordance with the provisions of this Agreement, save and except that such person shall not exercise any functions relating to review, comment, approval or inspection as specified in this Agreement for and in respect of the Independent Engineer, and such functions shall be discharged as and when an Independent Engineer is appointed in accordance with the provisions of this Agreement. Provided, however, that nothing contained in this Clause 27.6 shall in any manner restrict the rights of the Authority to enforce compliance of the provisions of this Agreement.

28.0. MISCELLANEOUS

28.1 Confidentiality and non-disclosure

The Parties mutually acknowledge that they, or its respective agents may, in the course of this Agreement be exposed to or acquire information which is proprietary or confidential to the Other Party, its clients, or to any third parties to whom the Other Party owes a duty of confidentiality. Any and all non-public information of any form obtained by the Party or its respective agents during this Agreement shall be deemed to be confidential information. The Party shall hold the confidential information in strict confidence and not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give or disclose such information to third parties or use such information for any purpose whatsoever other than the provision contemplated by this Agreement and shall advise each of their agents who may be exposed to the confidential information of their obligations to keep such information confidential.

28.2 Governing Law and Jurisdiction: This Agreement shall be construed and interpreted in accordance with and governed by the laws of India, and the courts at Hyderabad shall have exclusive jurisdiction over matters arising out of or relating to this Agreement.

28.3 Waiver of Immunity: Each Party unconditionally and irrevocably:

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

28.4 Depreciation and Interest: For the purposes of depreciation under the Applicable Laws, the property representing the capital investment made by the Developer in the Project shall be deemed to be acquired and owned by the Developer. For the avoidance of doubt, the Authority shall not in any manner be liable in respect of any claims for depreciation to be made by the developer under the Applicable Laws. Unless otherwise specified, any interest payable under this Agreement shall accrue on a daily outstanding basis and shall be compounded on the basis of quarterly rests.

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

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

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

28.7 No Partnership: This Agreement shall not be interpreted or construed to create an association, joint venture or partnership between the Parties, or to impose any partnership obligation or liability upon either Party, and neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

28.8 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 or any representation by either Party not contained in a binding legal agreement executed by both Parties.

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

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

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

28.12 Successors and Assigns: This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns.

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

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

- (a) This Agreement may be executed in any number of counterparts and all of which taken together shall constitute one and the same instrument. The Parties may enter into this Agreement by signing any such counterpart and shall become effective when the Parties have signed all the sets.
- (b) Two Sets of original stamped Agreements shall be executed and retained each by the Developer and the Authority.

28.15 Amendment:

- (a) No Party can carry any amendment and /or do modification hereof except under a duly executed Supplementary Agreement signed by both the parties.

- (b) The Developer being a Company has complied with all internal procedures and this Agreement is duly executed by its Chairman and Managing Director and Authorized Signatory with intent and purpose to bind the Company.

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

SIGNED, SEALED AND DELIVERED
for and on behalf of
Authority:

SIGNED, SEALED AND DELIVERED
for and on behalf of
Developer:

(Signature)
(Name)
(Designation)

(Signature)
(Name)
(Designation)

Witnesses

1.

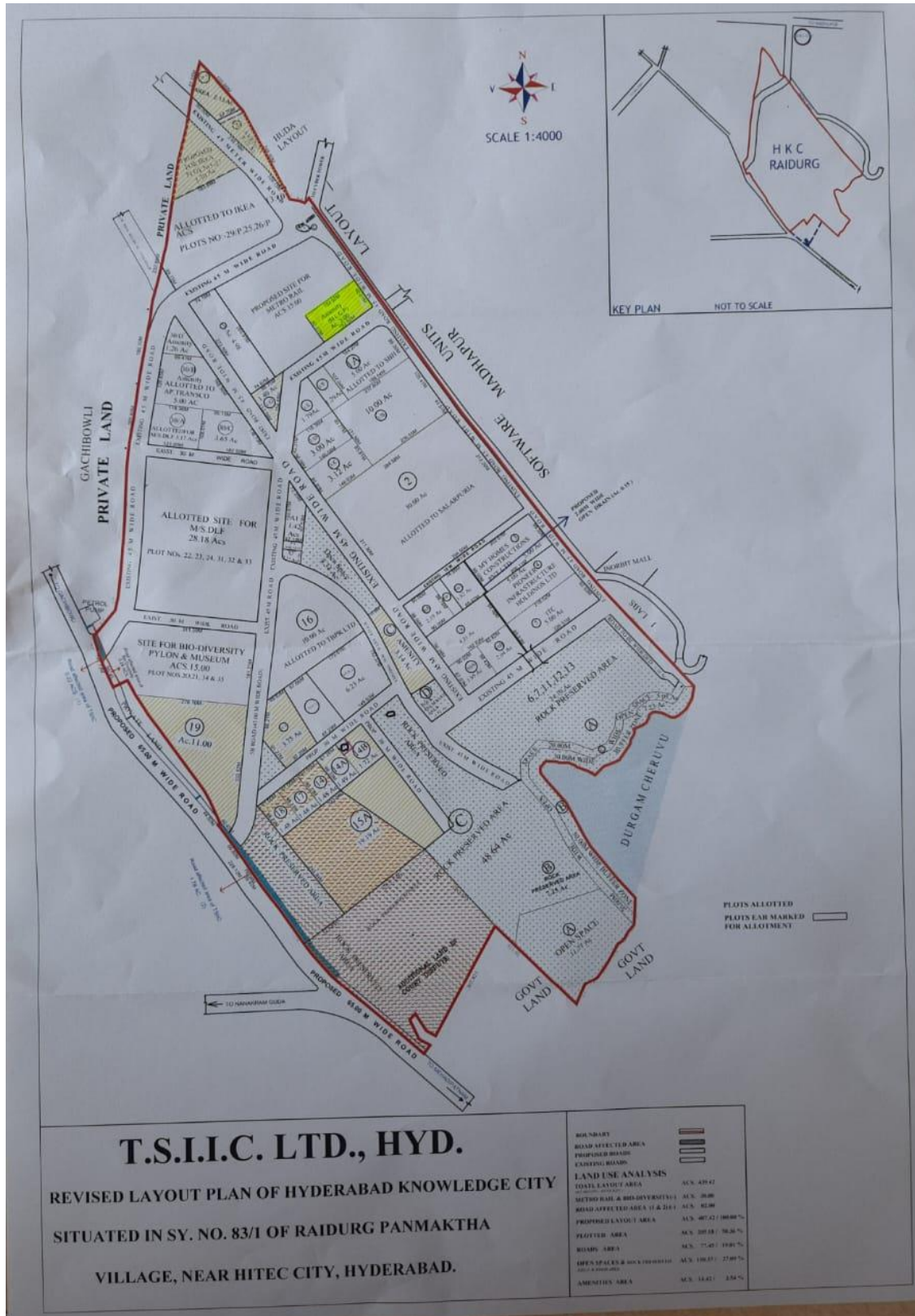
1.

2.

2.

SCHEDULE I – SCHEDULE OF PROJECT SITE

To include schedule of project site and the project site plan



SCHEDULE II – PERFORMANCE SECURITY

To be included

SCHEDULE III – SPECIFICATIONS

To include specifications as approved by the Authority

SCHEDULE IV – GENERAL POWER OF ATTORNEY

This Power of Attorney (“General Power of Attorney”) mutually agreed and entered into on this the _____ day of _____ (Month), Two Thousand and _____, Hyderabad, India at _____, Hyderabad, India

BETWEEN

Telangana State Industrial Infrastructure Corporation Limited, formed in 1973 by the GO No: 831 dated 10-SEP-1973 issued by Government of Telangana., having its principal office at 6th Floor, Parisrama Bhavan, Fateh Maidan Road, Basheerbagh Hyderabad - 500 004 and represented by its Vice Chairman & Managing Director (hereinafter referred to as the “Authority” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) of One Part;

AND

_____, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at _____, India and represented by its authorized _____ Mr. _____, signatory, _____, (hereinafter referred to as the “Developer” which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns and substitutes) of the Other Part.

WHEREAS

A. The Authority has decided to develop a 5 Star luxury Hotel with Trade Centre at Raidurgam village, in Hyderabad on Joint Development basis (the “Project”) on a land parcel admeasuring 3 acres, which for more clarity has been delineated in yellow color shaded area on the plan annexed hereto and marked in Schedule I (the “Project Site”), in accordance with the terms and conditions set forth in this Joint Development Agreement.

B. The Authority acknowledges that as on this day, the Developer has paid the following amounts to the Authority:

- i) Performance Security of Rs. _____/- (Indian Rupees _____ Only) thereof, in the form of Bank Guarantee (hereinafter referred to as the “Performance Security”), in favour of ‘Telangana State Industrial Infrastructure Corporation Limited’, the Authority herein;
- iii) Project Development Fee of Rs. _____/- (Indian Rupees _____ Only) plus GST (hereinafter referred to as the “Project Development Fee’) in the form of DD bearing no. _____ dated _____ in favour of ‘Telangana State Industrial Infrastructure Corporation Limited’, the Authority herein;

C. In consideration of the amounts paid by the Developer and in terms of the Joint Development Agreement dated _____ recording the terms, conditions and covenants of the Joint Development Agreement, the Authority is executing this power of attorney.

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements set forth in this Joint Development Agreement and as per the provisions of Clause 11.2 of the Joint Development Agreement, the Authority do hereby appoint, retain, nominate and constitute the Developer, represented by its Authorized Signatory Mr _____ as our lawful Power of Attorney to do all such acts, deeds and things as setout herein below including the power and authority to our attorney subject to clauses hereunder and do the following acts, deeds and things in their name and on their behalf.

- i) To enter upon the Project Site to possess the Project Site and take all actions for

development of the Project Site;

ii) To apply to the TSIIC/GHMC/HMDA and any other authorities concerned for obtaining sanctions in connection with the architectural plans from time to time for the construction and execution of the Project and for the said purpose to sign all applications, maps, plans and representations as may be necessary and as the said Attorney shall think fit and proper;

iii) To deposit any fee or any other amounts which may have to be paid to the TSIIC/GHMC / HMDA and any other authority for the Sanction of the architectural plans, granting all permissions and consents for execution of the Project;

iv) To appoint Engineers, Architects and other Agents and sub-contractors as the said Attorney shall think fit and proper and to make payment of their fees and charges;

v) To warn off and prohibit, and if necessary, proceed against in due form of law, against all or any trespassers on the Project Site or any parts thereof and to take appropriate steps;

vi) To apply for and obtain such certificates and other permissions and clearances, including, certificates and/or permissions from the Urban Land Ceiling Authorities, the Land Conversion Authorities and other authorities as may be required for Sanction of the architectural plans and execution of the Project on the Project Site;

vii) To appear for and represent us before the State and Central Government authorities, local bodies, Town Planning Department, Municipal Councils and other statutory offices, bodies etc., apply for and obtain necessary and appropriate orders for conversion and/or change of land use of the Project Site from the existing to use to any other usage in respect of the Project Site, pay the prescribed fees, premiums, conversion fine and other sums that may be demanded by the authorities and for the said and other purposes sign and execute necessary Petitions, Applications, Forms, Affidavits, Declarations, Undertakings, Indemnities and other deeds and papers required therefore and for renewal if required and to do all such acts, deeds and things that may be required to achieve the aforesaid purposes;

viii) To appear for and represent us before the Town Planning Department, Government and Semi-Government Offices, Statutory Offices, bodies and other authorities, Electricity Supply Company Ltd., Water Supply and Sewerage Board, Airport Area Planning Authority, Town Municipal Council, National Highways Authority, State Highways Authority, Southern Railways, Telephones, Police Department, Airport Authorities, Fire force Authorities, Industries Department, State Pollution Control Board, Environment Authorities, Infrastructure and Development Department, Urban Development Department, Housing Development Department, Departments of Energy, Forest and Ecology, Tourism Department and in all other Offices or state and Central Governments etc. and Apply for & obtain necessary consents, no objection certificates, permissions, Licenses, plan/s, Conversions, sanctions, permits and all other orders required for development and for securing the sanctions of license and Plan Sanction for the Development and also for Power / water supply and other infrastructure and all other connected utilities purposes as our Attorney may deem it fit from time to time and for the said purposes, sign and execute petitions, applications, forms, affidavits, declarations, undertakings, Indemnities and other deeds containing such covenants; as may be required for securing the aforesaid and to take all steps, necessary therefor and also apply for renewals thereof and pay necessary charges levies, premiums and all other sums that may be demanded both for Sanction/s and/or for renewal/s;

ix) To release and relinquish portions of the Project Site to the authorities sanctioning the License and Plan for development of Project Site as parks, open spaces and other civic amenity sites, road widening etc., on such terms and conditions as the authorities may impose for Sanction of license and plan and for the said purposes, sign and execute release deeds and/or relinquishment deeds to surrender such areas to the Government and/or local Bodies and/or Plan Sanctioning Authorities and get the same registered in the manner required under law before the jurisdictional Sub-Registrar;

- x) To fully develop the Project Site into buildings and for the said purposes, take steps as are required for commencement and completion of the construction, development and providing infrastructure therein;
- xi) To apply for and secure electricity, water and sanitary connections and all other amenities and facilities, whether temporary or permanent and other incidental requirements which may be required in the Project Site and/or to the Development to be constructed from the concerned authorities from time to time and for the said and other purposes, to sign and execute all letters, applications, undertakings, declarations, indemnities, agreements etc., as may from time to time be necessary or as may be required by the concerned authorities;
- xii) To deal and correspond with the Electricity Supply Company Ltd., and/or other service providers for obtaining electricity connection or connections including making or putting up sub-station/ s for and/or in respect of or relating to the Project which will be constructed hereafter on the Project Site and for the said and other purposes, sign and execute all letters, applications, undertakings, declarations, indemnities, agreements etc., as may from time to time be necessary or as may be required by the concerned authorities;
- xiii) To deal and correspond with the water Supply and Sewerage Board and/or other service providers for obtaining water and sanitary service in respect of or relating to the Project which will be constructed hereafter on the Project Site and for the said and other undertakings, purposes, sign and execute all letters, applications, undertaking, declarations, indemnities, agreements etc., as may from time to time be necessary or as may be required by the concerned authorities;
- xiv) To apply for and obtain commencement Certificates or Completion Certificates, Occupation Certificates or completion Certificates and all other certificates to the Project to be constructed and completed on the Project Site from time to time from the concerned authorities;
- xv) To appear for and represent us before any and all concerned Authorities and parties as may be necessary, required or advisable for or in connection with securing of all the permissions, sanctions, connections as stated in the foregoing paragraphs and to make such arrangement and arrive at such arrangements as may be necessary for the Project Site and to sign and execute necessary papers, documents, affidavits, undertakings, indemnities, petitions, etc.;
- xvi) To appear on our behalf and in our name and to represent our interest before the Survey Authorities, Land Revenue and Assessor of Municipal Rates and taxes, town Planning, Authorities, and Municipal Offices, and other Government and Semi-Government Offices, for assessment of property and other taxes, securing any licenses, securing plans for same or for any other purposes relating to the Project Site and its development etc. as may be necessary under any Local Acts, Rules or Regulations and also to appear before any public or Government Office or other Authorities whomsoever in any matter relation to the Project Site;
- xvii) To appear for and represent us before any and all concerned authorities and parties as may be necessary, required or advisable for or in connection with the development of the Project Site and to make such arrangement and arrive at such arrangements as may be conducive to the development of the Project Site;
- xviii) to enter into agreements for lease/ sale/ transfer with respect to Developer's share of Built-up area including undivided share in the Project Site with prospective clients;
- xix) to receive the advances, earnest money deposits, part payments and balance payments towards the sale/ lease consideration in regard to the sale/ lease/transfer of Developer's share of Built-up area including proportionate undivided share in the Project Site and to take steps as per Clause 11.7 of the Agreement and to take actions and exercise rights as per this Joint Development Agreement.
- xix(a) to transfer and convey by way of sale/transfer or mortgage or otherwise deal or dispose off the Developer's share of Built-up area including proportionate undivided share in the Project Site

either to the Developer or any person nominated by the Developer, and to execute necessary Deeds of Sale/Conveyance either in its favour or in favour of the intending purchasers/ transferees and/or Mortgage deed in favor of the Bank (s) or NBFC as the case may be and to do everything necessary for completing the sale/ conveyance/ transfer/ mortgage including execution of such Deed/s, and for the presentation of the Deed of Sale/ transfer/ conveyance/ gift/ exchange/ Mortgage or any other documents as required for this clause and admitting execution thereof as well as to sign and execute all forms, affidavits, applications/statements/ declarations/ forms/returns for such registration. However, the power granted under this clause (xix) can be exercised directly, only after Project Completion including MDO-1 as per the terms of the Joint Development Agreement and after receipt of Occupancy Certificate in accordance with Clause 7.3, without requirement of any No Objection Certificate as specified in the Clause 11.6 of the JDA from the Authority for the purpose. This clause shall however come into effect only after execution of the Area Identification Agreement with the Authority in terms of this agreement.

xx) To grant and terminate leases, tenancies, licenses, with respect to the Developer's share of built-up area as per the Area Identification Agreement along with proportionate undivided share in the Project Site or any portions/ shares thereof and constructed area pertaining to the Development and constructed area on such terms as our attorney may deem fit;

xxi) To execute deeds for lease, tenancies, licenses, with respect to the Developer's share of built-up area as per the Area Identification Agreement for the Project Site; For the registration of such lease deed, tenancy and license do everything necessary for completing thereof including presentation and admitting execution thereof as well as to sign and execute all forms, affidavits/ applications/ statements/ declarations/ forms/ returns;

xxii) To renew a lease already granted and to terminate such lease or renewal and take back the possession of the premises in the Developer's share of built-up area as per the Area Identification Agreement in the Project on the Project Site subject to fulfilment of Clauses of the Joint Development Agreement;

xxiii) To hand over possession of the Developer's share of built-up area as per the Area Identification Agreement in the Project Site or any portions/ shares thereof pertaining to the Development with the constructed area to any of the transferees, lessees, licensees or person authorized to occupy the Project Site or any part thereof, subject to fulfilment of Clauses of the Joint Development Agreement;

xxiv) To issue legal notice for termination of any lease, license or tenancies granted and to take all action necessary for eviction of the occupant from the Developer's share of built-up area as per the Area Identification Agreement in the Project Site or any part thereof, subject to fulfilment of terms of the Joint Development Agreement and handing over peaceful possession of the Authority's share of built-up area as per the Area Identification Agreement to the Authority, to the fullest satisfaction of the Authority in accordance with terms of the Joint Development Agreement;

xxv) To institute, prosecute and defend all legal, Revenue, Tax and other proceedings relating to the Developer's share of built-up area as per the Area Identification Agreement in the Project Site or any portions/ shares thereof pertaining to the Development in the Project Site; and to settle, withdraw, compromise, compound any suit or proceedings with regard thereto. Any such proceedings will be brought to the notice of the authority immediately by way of written communication;

xxvi) To sign and execute pleadings, applications, petitions, affidavits, declarations, Memoranda of Appeal, Revision and Review to be filed before any Court, Tribunal or Authority or Arbitration/ s with regard to Developer's share of built-up area as per the Area Identification Agreement in the Project Site or any portions/ shares thereof pertaining to the Development in the Project Site. Any such pleadings/ applications/ petition or any other proceedings will be brought to the notice of the authority immediately by way of written communication to enable the authority to take appropriate steps;

xxvi (a) To produce documents and obtain return thereof, to give evidence and to instruct Counsel in

regard to any proceeding relating to Developer's share of built-up area as per the Area Identification Agreement in the Project Site or any portions/ shares thereof pertaining to the Development and development in the Project Site, subject to fulfilment of terms of the Joint Development Agreement and handing over peaceful possession of the Authority's share of built-up area as per the Area Identification Agreement to the Authority, to the fullest satisfaction of the Authority in accordance with terms of the Joint Development Agreement

xxvii) To commence, prosecute, enforce, defend, answer or oppose all actions or other legal proceedings, including any suit or arbitration proceeding and demands touching any of the matters aforesaid or any other matters relating to the Project or any part thereof, and also, to refer to arbitration, abandon, submit to judgment or become non-suited in any such action or proceedings as aforesaid before any Court, Civil, Criminal or Revenue, Small causes Court including High Court and Supreme Court, except to the title of the Project Site. Any such action shall be initiated only under due written intimation to the Authority;

xxviii) To accept notices and service of papers from any Court, Tribunal, Postal and / or other authorities and / or persons touching any of the matters aforesaid or any other matters relating to the Project or any part thereof. However, receipt of any such notice shall be informed to the authority immediately to enable the authority to initiate any steps felt essential;

xxix) For the purposes aforesaid, to appoint Advocates and sign and execute Vakalatnamas, authorizing such Advocates to act and to terminate such authority and to pay fees of such Advocates. Any such action shall be initiated only under due written intimation to the Authority;

xxx) To pay and/or deposit all moneys, including Court fees and receive refunds and to receive and grant receipts and discharges in respect thereof for the Project Site; Any such action shall be initiated only under due written intimation to the Authority;

xxxi) To appear for and represent us before the concerned authorities and Government Departments and / or officers and also all other State, Executive, Judicial or Quasi-judicial, Municipal and other authorities and also all courts and Tribunals, for all matters connected with the Project and connections of utilities and sanctioning/ modifications of matters relating to the Project, sign and verify plaint, written statement, give affidavit, declaration, depose before Court of Law Tribunal, authorities etc. on oath and to sign any document required to defend or to prosecute or to institute suit on behalf of the Owner; Any such action shall be initiated only under due written intimation to the Authority;

xxxii) To depose in any court of law or before any authority on behalf of and in the name of the Authority, in any matter stated above. Any such action shall be initiated only under due written intimation to the Authority;

xxxiii) To receive any registered letters or any other documents in respect of the Project and to grant proper and effectual receipts in respect thereof;

xxxiv) To raise loans /credit facilities from Scheduled Banks and financial institutions, on the security of Developer's Share of built-up area, as per the Area Identification Agreement in the Project Site belonging to the Developer only and the loan will be taken only towards development and construction of the Project and the amount will be utilized for this Project only. The loan amount will not be utilized by the Developer for any other purpose. Only such area earmarked as the Developer's share of built-up area as per the Area Identification Agreement with proportionate divided/undivided interest in the Project Site can alone be mortgaged for offering as security for the purpose of bank loan. The Developer shall repay such loan in full within the scheduled time and handover the documents to the Authority;

xxxv) To apply for and obtain such certificates and other permissions from the Real Estate Regulatory Authority under the Real Estate (Regulation and Development) Act 2016 in respect of the Project on the Project Site, if required;

xxxvi) To present and admit for execution of any document executed either by the authority or the developer as per the Joint Development Agreement cum Power of Attorney before jurisdictional Sub-Registrar and complete all the formalities of the registration of such executed document including signing any forms etc for such registration.

xxxvii) Generally to do all other acts, deeds and things necessary in regard to the management, maintenance and disposal of Developer's share of built-up area as per the Area Identification Agreement in the Project Site, subject to fulfillment of the Clauses of the Joint Development Agreement and handing over peaceful possession of the Authority's share of built-up area as per the Area Identification Agreement to the Authority, to the full satisfaction of the Authority in accordance with terms of the Joint Development Agreement;

WE HEREBY AGREE AND UNDERTAKE TO RATIFY AND CONFIRM all and whatsoever our said Attorney may lawfully do and in accordance with the above conditions, pursuant to this Power of Attorney.

SCHEDULE V - SELECTION OF INDEPENDENT ENGINEER

1. Selection of Independent Engineer

1.1. A reputed Engineering Consultancy firm with minimum of 5 years' experience in providing Independent Engineer / Authority Engineer services shall be eligible for appointment as the Independent Engineer hereunder.

1.2. In the event of termination of an Independent Engineer appointed in accordance with the provisions of Paragraph 1.1, the Authority shall appoint another firm of Technical Consultants forthwith or may engage a government-owned entity in accordance with the provisions of Paragraph 5 of this Schedule-V.

1.3. The Developer may, in its discretion, nominate a representative to participate in the process of selection to be undertaken by the Authority under this Schedule-V.

2. Terms of Reference

The Terms of Reference for the Independent Engineer shall substantially conform to Schedule-VI.

3. Fee and expenses

3.1. Payments shall be borne by the Authority and the Developer shall reimburse three-fourth of such payments to the Authority in accordance with the provisions of this Agreement.

3.2. The nature and quantum of duties and services to be performed by the Independent Engineer during the Operation Period shall be determined by the Authority in conformity with the provisions of this Agreement and with due regard for economy in expenditure. All payments made to the Independent Engineer on account of fee and expenses during the Operation Period shall be borne by the Authority and the Developer shall reimburse three-fourth of such payments to the Authority in accordance with the provisions of this Agreement.

4. Selection every three years

No later than 3(three) years from the date of appointment of Independent Engineer pursuant to the provisions of Paragraph 1 of this Schedule-V, and every 1 (one) year thereafter, the Authority at its discretion extend the term of the IE or shall engage another firm in accordance with the criteria set forth in this Schedule-V.

5. Appointment of government entity as Independent Engineer

Notwithstanding anything to the contrary contained in this Schedule, the Authority may in its discretion appoint a government-owned entity as the Independent Engineer; provided that such entity shall be a body corporate having as one of its primary function the provision of consulting, advisory and supervisory services for engineering projects; provided further that a government-owned entity which is owned or controlled by the Authority shall not be eligible for appointment as Independent Engineer.

SCHEDULE VI TERMS OF REFERENCE FOR INDEPENDENT ENGINEER

1. These Terms of Reference for the Independent Engineer (the “TOR”) are being specified pursuant to the Joint Development Agreement dated (the “Agreement”), which has been entered into between the Authority and the “Developer” for developing a 5 Star luxury Hotel with Trade Centre at Raidurgam (v), Serilingampally (M), Rangareddy District, Telangana State on Joint Development Basis, and a copy of which is annexed hereto and marked as Annex-A to form part of this TOR.
2. **Definitions and interpretation**
 - 2.1. The words and expressions beginning with or in capital letters used in this TOR and not defined herein but defined in the Agreement shall have, unless repugnant to the context, the meaning respectively assigned to them in the Agreement.
 - 2.2. References to Articles, Clauses and Schedules in this TOR shall, except where the context otherwise requires, be deemed to be references to the Articles, Clauses and Schedules of the Agreement, and references to Paragraphs shall be deemed to be references to Paragraphs of this TOR.
 - 2.3. The rules of interpretation stated in Clauses 1.2 of this Joint Development Agreement shall apply, mutatis mutandis, to this TOR.
3. The role and functions of the Independent Engineer shall include the following:
 - i. Review of the Drawings and Documents as set forth in Paragraph4;
 - ii. Review, inspection and monitoring of construction works as set forth in Paragraph 5; conducting Tests on completion of construction and issuing Completion Certificate assets forth in Paragraph5.
 - iii. Review, inspection and certifying the Authority’s Share as per the Area Identification Agreement;
 - iv. Review, inspection and monitoring of Divestment Requirements asset for thin Paragraph7;
 - v. Determining, as required under the Agreement, the costs of any works or services and/or their reasonableness;
 - vi. Determining, as required under the Agreement, the period or any extension thereof, for performing any duty or obligation;
 - vii. Assisting the Parties in resolution of Disputes as set forth in Paragraph8; and
 - viii. Undertaking all other duties and functions in accordance with the Agreement.
- 3.2. The Independent Engineer shall discharge its duties in a fair, impartial and efficient manner, consistent with the highest standards of professional integrity and Good Industry Practice.

4. Development Period

- 4.1. During the Development Period, the Independent Engineer shall undertake a detailed review of the Drawings to be furnished by the Developer along with supporting data for the Project. The Independent Engineer shall complete such review and send its comments/ observations to the Authority and the Developer within 15 (fifteen) days of receipt of such Drawings. In particular, such comments shall specify the conformity or otherwise of such Drawings with the Scope of the Project and Specifications and Standards.
- 4.2. The Independent Engineer shall review any modified Drawings or supporting Documents sent to it by the Developer and furnish its comments within 7 (seven) days of receiving such Drawings or Documents.
- 4.3. The Independent Engineer shall review the detailed design, construction methodology, quality assurance procedures and the procurement, engineering and construction time schedule for the Project sent to it by the Developer and furnish its comments within 15(fifteen) days of receipt thereof.
- 4.4. Upon reference by the Authority, the Independent Engineer shall review and; comment on the EPC Contractor any other contract for construction of the Project, and furnish its comments within 7 (seven) days from receipt of such reference from the Authority.
- 4.5. The Independent Engineer shall assist the Developer and the Authority in execution of a separate area identification agreement to identify the constructed area in the entire Project falling to the share of the Authority and the Developer, including the Built-up area to be allotted to Authority, within 45 (forty-five) days of securing the sanction of License and Plan ("Area Identification Agreement").

5. Construction Period

- 5.1. In respect of the Drawings, Documents received by the Independent Engineer for its review and comments during the Construction Period for the Project, the provisions of Paragraph 4 shall apply, mutatis mutandis.
- 5.2. The Independent Engineer shall review the monthly progress report furnished by the Developer and send its comments thereon to the Authority and the Developer within 7(seven) days of receipt of such report.
- 5.3. The Independent Engineer shall inspect the construction works and the Project once every month, preferably after receipt of the monthly progress report from the Developer, but before the 20th (twentieth) day of each month in any case, and make out a report of such inspection (the "Inspection Report") setting forth an overview of the status, progress, quality and safety of construction, including the work methodology adopted, the materials used and their sources, and conformity of Construction works with the Scope of the Project and the Specifications and Standards. In a separate section of the Inspection Report, the Independent Engineer shall describe in reasonable detail the lapses, defects or deficiencies observed by it in the construction of the Project. The Independent Engineer shall send a copy of its Inspection Report to the Authority and the Developer within 7(seven) days of the inspection.
- 5.4. The Independent Engineer may inspect the Project more than once in a month if any lapses, defects or deficiencies require such inspections.
- 5.5. For determining that the construction works conform to Specifications and Standards, the Independent Engineer shall require the Developer to carry out, or cause to be carried out, tests on a sample basis, to be specified by the Independent Engineer in accordance with

Good Industry Practice for quality assurance. For purposes of this Paragraph 5.5, the tests shall have to be conforming to NBC 2016 or its modifications, if any, or any other tests as stipulated in Codes & Standards as applicable to the activity and Good Industry Practice for quality assurance. The Independent Engineer shall issue necessary directions to the Developer for ensuring that the tests are conducted in a fair and efficient manner, and shall monitor and review the results thereof.

- 5.6. The sample size of the tests, to be specified by the Independent Engineer under Paragraph 5.5, shall comprise 5% (five per cent) of the quantity or number of tests prescribed for each category or type of tests in the Quality Control Manuals; provided that the Independent Engineer may, for reasons to be recorded in writing, increase the aforesaid sample size by upto 10% (ten percent) for certain categories or types of tests.
- 5.7. The timing of tests referred to in Paragraph 5.5, and the criteria for acceptance/ rejection of their results shall be determined by the Independent Engineer in accordance with the Quality Control Manuals. The tests shall be undertaken on a random sample basis and shall be in addition to, and independent of, the tests that may be carried out by the Developer for its own quality assurance in accordance with Good Industry Practice.
- 5.8. In the event that the Developer carries out any remedial works for removal or rectification of any defects or deficiencies, the Independent Engineer shall require the Developer to carryout, or cause to be carried out, tests to determine that such remedial works have brought the construction works into conformity with the Specifications and Standards, and the provisions of this Paragraph 5 shall apply to such tests.
- 5.9. In the event that the Developer fails to achieve any of the Project Milestones, the Independent Engineer shall undertake a review of the progress of construction and identify potential delays, if any. If the Independent Engineer shall determine that completion of the Project is not feasible within the time specified in the Agreement, it shall require the Developer to indicate within 15(fifteen) days the steps proposed to be taken to expedite progress, and the period within which the Completion Period shall be achieved. Upon receipt of a report from the Developer, the Independent Engineer shall review the same and send its comments to the Authority and the Developer forthwith.
- 5.10. If at any time during the Construction Period, the Independent Engineer determines that the Developer has not made adequate arrangements for the safety of workers and Users in the zone of construction or that any work is being carried out in a manner that threatens the safety of the workers and the Users, it shall make a recommendation to the Authority forthwith, identifying the whole or part of the construction works that should be suspended for ensuring safety in respect thereof.
- 5.11. In the event that the Developer carries out any remedial measures to secure the safety of suspended works and Users, it may, by notice in writing, require the Independent Engineer to inspect such works, and within 3 (three) days of receiving such notice, the Independent Engineer shall inspect the suspended works and make a report to the Authority forthwith, recommending whether or not such suspension maybe revoked by the Authority.
- 5.12. If suspension of construction works is for reasons not attributable to the Developer, the Independent Engineer shall determine the extension of dates set forth in the Project Completion Schedule, to which the Developer is reasonably entitled, and shall notify the Authority and the Developer of the same.
- 5.13. The Independent Engineer shall carry out, or cause to be carried out, the Tests as required be for issuance of the Completion Certificate. For carrying out its functions under this Paragraph 5.13 and all matters incidental thereto, the Independent Engineer shall act under and in accordance with the provisions of Article 27 and Schedule-V.

- 5.14. Upon reference from the Authority, the Independent Engineer shall make a fair and reasonable assessment of the costs of providing information, works and services as may be required and certify the reasonableness of such costs.
- 5.15. The Independent Engineer shall have to assist in handing over of Authority's share of built-up area including all amenities/utilities as per applicable norms on completion of the Trade Centre as per the provisions of this Agreement including issuance of Completion Certificate.
- 5.16. The Independent Engineer shall aid and advise the Developer in preparing the Maintenance Manual.

6. Termination

- 6.1. At any time, not earlier than 90 (ninety) days prior to Termination but not later than 15 (fifteen) days prior to such Termination, the Independent Engineer shall, in the presence of a representative of the Developer, inspect the Project for determining compliance by the Developer with the Divestment Requirements and, if required, cause tests to be carried out at the Developer's cost for determining such compliance.
- 6.2. The Independent Engineer shall inspect the Project once in every 15 (fifteen) days during a period of 90 (ninety) days after Termination for determining the liability of the Developer in respect of the defects or deficiencies. If any such defect or deficiency is found by the Independent Engineer, it shall make a report in reasonable detail and send it forthwith to the Authority and the Developer.

7. Determination of costs and time

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

8. Assistance in Dispute resolution

- 8.1. When called upon by either Party in the event of any Dispute, the Independent Engineer shall mediate and assist the Parties in arriving at an amicable settlement.
- 8.2. In the event of any disagreement between the Parties regarding the meaning, scope and nature of Good Industry Practice, as set forth in any provision of the Agreement, the Independent Engineer shall specify such meaning, scope and nature by issuing a reasoned written statement relying on good industry practice and authentic literature.

9. Other duties and functions

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

10. Miscellaneous

- 10.1. The Independent Engineer shall notify its programme of inspection to the Authority and to the Developer, who may, in their discretion, depute their respective representatives to be present during the inspection.
- 10.2. A copy of all communications, comments, instructions, Drawings or Documents sent by the

Independent Engineer to the Developer pursuant to this TOR, and a copy of all the test results with comments of the Independent Engineer thereon shall be furnished by the Independent Engineer to the Authority forthwith.

- 10.3. The Independent Engineer shall obtain, and the Developer shall furnish in 2(two) hard Copies thereof, all communications and reports required to be submitted, under this Agreement, by the Developer to the Independent Engineer, whereupon the Independent Engineer shall send 1(one) of the copies to the Authority along with its comments thereon.
- 10.4. The Independent Engineer shall retain at least one copy each of all Drawings and Documents Received by it, including 'as-built' Drawings, and keep them in its safe custody.
- 10.5. Upon completion of its assignment hereunder, the Independent Engineer shall duly classify and list all Drawings, Documents, results of tests and other relevant records, and hand the mover to the Authority or such other person as the Authority may specify, and obtain written receipt thereof. Two copies of the said documents shall also be furnished in their editable digital formator in such other medium or manner as may be acceptable to the Authority.
- 10.6. Wherever no period has been specified for delivery of services by the Independent Engineer, the Independent Engineer shall act with the efficiency and urgency necessary for discharging its functions in accordance with Good Industry Practice.

SCHEDULE VII - SUBSTITUTION AGREEMENT
(See Article 20)

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

AMONGST

1. Telangana State Industrial Infrastructure Corporation Limited, formed in 1973 by the GO No:831 dated 10-SEP-1973 issued by Government of Telangana., having its principal office at 6thFloor, Parisrama Bhavan, Fateh Maidan Road, Basheerbagh, Hyderabad - 500 004 and represented by its Vice Chairman & Managing Director (hereinafter referred to as the "Authority" which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns).
2. LIMITED, a company incorporated under the provisions of the Companies Act,1956/2013 and having its registered office at (hereinafter referred to as the "Developer" which expression shall, unless repugnant to the context or meaning thereof, include its successors, permitted assigns and substitutes);
3.name and particulars of Lenders' Representative and having its registered office atacting for and on behalf of the Senior Lenders as their duly authorized agent with regard to matters arising out of or in relation to this Agreement (hereinafter referred to as the "Lenders' Representative" which expression shall, unless repugnant to the context or meaning thereof, include its successors and substitutes);

WHEREAS:

- A. The Authority has entered into a Joint Development Agreement dated with the Developer (the "Joint Development Agreement") for to develop a 5 Star luxury Hotel with Trade Centre at Raidurgam (v), Serilingampally (M), Rangareddy District, Telangana State, India on Joint Development Basis, and a copy of which is annexed hereto and marked as Annex-A to form part of this Agreement.
- B. Senior Lenders have agreed to finance the Project in accordance with the terms and conditions set forth in the Financing Agreements.
- C. Senior Lenders have requested the Authority to enter into this Substitution Agreement for securing their interests through assignment, transfer and substitution of the joint development rights to a Nominated Company in accordance with the provisions of this Agreement and the Joint Development Agreement.
- D. In order to enable implementation of the Project including its financing, construction, operation and maintenance, the Authority has agreed and undertaken to transfer and assign the Project Development to a Nominated Company in accordance with the terms and conditions set forth in this Agreement and the Joint Development Agreement.

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

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

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

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

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

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

“Nominated Company” means a company, incorporated under the provisions of the Companies Act, 1956/2013, selected by the Lenders’ Representative, on behalf of Senior Lenders, and proposed to the Authority for assignment/transfer of the Project Development as provided in this Agreement;

“Notice of Financial Default” shall have the meaning ascribed thereto in Clause 3.2.1 of this Agreement; and

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

1.2 Interpretation

1.2.1 References to Lenders’ Representative shall, unless repugnant to the context or meaning thereof, mean references to the Lenders’ Representative, acting for and on behalf of Senior Lenders.

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

1.2.3 The words and expressions beginning with capital letters and defined in this Agreement shall have the meaning ascribed thereto herein, and the words and expressions used in this Agreement and not defined herein but defined in the Joint Development Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Joint Development Agreement.

1.2.4 The rules of interpretation stated in Clause 1.2 of the Joint Development Agreement shall apply, mutatis mutandis, to this Agreement.

2. ASSIGNMENT

2.1 Assignment of rights and title

The Developer hereby agrees to assign the rights, title and interest in the Project Development

to, and in favour of, the Lenders' Representative pursuant to and in accordance with the provisions of this Agreement and the Joint Development Agreement by way of security in respect of financing by the Senior Lenders under the Financing Agreements.

3. SUBSTITUTION OF THE DEVELOPER

3.1 Rights of substitution

3.1.1 Pursuant to the rights, title and interest assigned under Clause 2.1, the Lenders' Representative shall be entitled to substitute the Developer by a Nominated Company under and in accordance with the provisions of this Agreement and the Joint Development Agreement.

3.1.2 The Authority hereby agrees to substitute the Developer by endorsement on the Joint Development Agreement in favour of the Nominated Company selected by the Lenders' Representative in accordance with this Agreement. (For the avoidance of doubt, the Senior Lenders or the Lenders' Representative shall not be entitled to operate and maintain the Project as Developer either individually or collectively).

3.2 Substitution upon occurrence of Financial Default

3.2.1 Upon occurrence of a Financial Default, the Lenders' Representative may issue a notice to the Developer (the "Notice of Financial Default") along with particulars thereof and send a copy to the Authority for its information and record.

A Notice of Financial Default under this Clause 3 shall be conclusive evidence of such Financial Default and it shall be final and binding upon the Developer for the purposes of this Agreement.

3.2.2 Upon issue of a Notice of Financial Default hereunder, the Lenders' Representative may, without prejudice to any of its rights or remedies under this Agreement or the Financing Agreements, substitute the Developer by a Nominated Company in accordance with the provisions of this Agreement.

3.2.3 At any time after the Lenders' Representative has issued a Notice of Financial Default, it may by notice require the Authority to suspend all the rights of the Developer and undertake the operation and maintenance of the Project in accordance with the provisions of Article 8 of the Joint Development Agreement. On receipt of notice under Article 23.1, the Authority shall undertake Suspension under and in accordance with the provisions of the Joint Development Agreement. The aforesaid Suspension shall be revoked upon substitution of the Developer by a Nominated Company, and in the event such substitution is not completed within 180 (one hundred and eighty) days from the date of such Suspension, the Authority may terminate the Joint Development Agreement forthwith by issuing a Termination Notice in accordance with the provisions of the Joint Development Agreement. For the avoidance of doubt, the Authority expressly agrees and undertakes to terminate the Joint Development Agreement forthwith, upon receipt of a written request from the Lenders' Representative at the end of 180 (one hundred and eighty) days from the date of Suspension hereunder.

3.3 Substitution upon occurrence of Developer Default

3.3.1 Upon occurrence of a Developer Default, the Authority shall by a notice inform the Lenders' Representative of its intention to issue a Termination Notice and grant 15 (fifteen) days' time to the Lenders' Representative to make a representation, stating the intention to substitute the Developer by a Nominated Company.

- 3.3.2 In the event that the Lenders' Representative makes a representation to the Authority within the period of 15 (fifteen) days specified in Clause 3.3.1, stating that it intends to substitute the Developer by a Nominated Company, the Lenders' Representative shall be entitled to undertake and complete the substitution of the Developer by a Nominated Company in accordance with the provisions of this Agreement within a period of 180 (one hundred and eighty) days from the date of such representation, and the Authority shall either withhold Termination or undertake Suspension for the aforesaid period of 180 (one hundred and eighty) days.

3.4 Procedure for substitution

- 3.4.1 The Authority and the Developer hereby agree that on or after the date of Notice of Financial Default or the date of representation to the Authority under Clause 3.3.2, as the case may be, the Lenders' Representative may, without prejudice to any of the other rights or remedies of the Senior Lenders, invite, negotiate and procure offers, either by private negotiations or public auction or tenders for the take over and transfer of the Project including the Project Development to the Nominated Company upon such Nominated Company's assumption of the liabilities and obligations of the Developer towards the Authority under the Joint Development Agreement and towards the Senior Lenders under the Financing Agreements.
- 3.4.2 To be eligible for substitution in place of the Developer, the Nominated Company shall be required to fulfil the eligibility criteria that were laid down by the Authority for shortlisting the bidders for award of the Project Development; provided that the Lenders' Representative may represent to the Authority that all or any of such criteria may be waived in the interest of the Project, and if the Authority determines that such waiver shall not have any material adverse effect on the Project, it may waive all or any of such eligibility criteria.
- 3.4.3 Upon selection of a Nominated Company, the Lenders' Representative shall request the Authority to:
- a. accede to transfer to the Nominated Company the right to construct, operate and maintain the Project in accordance with the provisions of the Joint Development Agreement;
 - b. endorse and transfer the Project Development to the Nominated Company, on the same terms and conditions, for the residual Project Development Period; and
 - c. enter into a Substitution Agreement with the Lenders' Representative and the Nominated Company on the same terms as are contained in this Agreement.
- 3.4.4 If the Authority has any objection to the transfer of Project Development in favour of the Nominated Company in accordance with this Agreement, it shall within 15 (fifteen) days from the date of proposal made by the Lenders' Representative, give a reasoned order after hearing the Lenders' Representative. If no such objection is raised by the Authority, the Nominated Company shall be deemed to have been accepted. The Authority thereupon shall transfer and endorse the Project Development within 15 (fifteen) days of its acceptance/deemed acceptance of the Nominated Company; provided that in the event of such objection by the Authority, the Lenders' Representative may propose another Nominated Company where upon the procedure set forth in this Clause 3.4 shall be followed for substitution of such Nominated Company in place of the Developer.

3.5 Selection to be binding

The decision of the Lenders' Representative and the Authority in selection of the Nominated Company shall be final and binding on the Developer. The Developer irrevocably agrees and waives any right to challenge the actions of the Lenders' Representative or the Senior Lenders or the Authority taken pursuant to this Agreement including the transfer/assignment of the Project

Development in favour of the Nominated Company. The Developer agrees and confirms that it shall not have any right to seek revaluation of assets of the Project or the Developer's shares. It is hereby acknowledged by the Parties that the rights of the Lenders' Representative are irrevocable and shall not be contested in any proceedings before any court or Authority and the Developer shall have no right or remedy to prevent, obstruct or restrain the Authority or the Lenders' Representative from effecting or causing the transfer by substitution and endorsement of the Project Development as requested by the Lenders' Representative.

4. PROJECT AGREEMENTS

4.1 Substitution of Nominated Company in Project Agreements

The Developer shall ensure and procure that each Project Agreement contains provisions that entitle the Nominated Company to step into such Project Agreement, in its discretion, in place and substitution of the Developer in the event of such Nominated Company's assumption of the liabilities and obligations of the Developer under the Joint Development Agreement.

5. TERMINATION OF JOINT DEVELOPMENT AGREEMENT

5.1 Termination upon occurrence of Financial Default

At any time after issue of a Notice of Financial Default, the Lenders' Representative may by a notice in writing require the Authority to terminate the Joint Development Agreement forthwith, and upon receipt of such notice, the Authority shall undertake Termination under and in accordance with the provisions of Article 21 of the Joint Development Agreement.

5.2 Termination when no Nominated Company is selected

In the event that no Nominated Company acceptable to the Authority is selected and recommended by the Lenders' Representative within the period of 180 (one hundred and eighty) days, the Authority may terminate the Joint Development Agreement forthwith in accordance with the provisions thereof.

5.3 Realisation of Debt Due

The Authority and the Developer hereby acknowledge and agree that, without prejudice to their any other right or remedy, the Lenders' Representative is entitled to receive from the Developer, without any further reference to or consent of the Developer, the Debt Due upon Termination of the Joint Development Agreement. For realisation of the Debt Due, the Lenders' Representative shall be entitled to make its claim in accordance with the provisions of the Joint Development Agreement.

6. DURATION OF THE AGREEMENT

6.1 Duration of the Agreement

This Agreement shall come into force from the date hereof and shall expire at the earliest to occur of the following events:

- a. Termination of the Agreement; or
- b. no sum remains to be advanced, or is outstanding to the Senior Lenders, under the Financing Agreements.

7. INDEMNITY

7.1 General indemnity

- 7.1.1 The Developer will indemnify, defend and hold the Authority and the Lenders' Representative harmless against any and all proceedings, actions and third-party claims for any loss, damage, cost and expense of whatever kind and nature arising out of any

breach by the Developer of any of its obligations under this Agreement or on account of failure of the Developer to comply with Applicable Laws and Approvals.

- 7.1.2 The Authority will indemnify, defend and hold the Developer harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Authority to fulfil any of its obligations under this Agreement, materially and adversely affecting the performance of the Developer's obligations under the Joint Development Agreement or this Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Authority, its officers, servants and agents.
- 7.1.3 The Lenders' Representative will indemnify, defend and hold the Developer harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Lenders' Representative to fulfil its obligations under this Agreement, materially and adversely affecting the performance of the Developer's obligations under the Joint Development Agreement, other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Lenders' Representative, its officers, servants and agents.

7.2 Notice and contest of claims

In the event that any Party hereto receives a claim from a third party in respect of which it is entitled to the benefit of an indemnity under Clause 7.1 or in respect of which it is entitled to reimbursement (the "Indemnified Party"), it shall notify the other Party responsible for indemnifying such claim hereunder (the "Indemnifying Party") within 15 (fifteen) days of receipt of the claim and shall not settle or pay the claim without the prior approval of the Indemnifying Party, such approval not to be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim, it may conduct the proceedings in the name of the Indemnified Party and shall bear all costs involved in contesting the same. The Indemnified Party shall provide all cooperation and assistance in contesting any claim and shall sign all such writings and documents as the Indemnifying Party may reasonably require.

8. DISPUTE RESOLUTION

8.1 Dispute resolution

- 8.1.1 Any dispute, difference or claim arising out of or in connection with this Agreement which is not resolved amicably shall be decided by reference to arbitration to a Board of Arbitrators comprising one nominee each of the Authority, Developer and the Lenders' Representative. Such arbitration shall be held in accordance with rules as may be mutually agreed by the Parties and shall be subject to provisions of the Arbitration and Conciliation Act, 1996.
- 8.1.2 The Arbitrators shall issue a reasoned award and such award shall be final and binding on the Parties. The venue of arbitration shall be Hyderabad and the language of arbitration shall be English.

9. MISCELLANEOUS PROVISIONS

9.1 Governing law and jurisdiction

This Agreement shall be construed and interpreted in accordance with and governed by the laws of India, and the Courts at Hyderabad shall have jurisdiction overall matters arising out of or relating to this Agreement.

9.2 Waiver of sovereign immunity

The Authority unconditionally and irrevocably:

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

9.3 Priority of agreements

In the event of any conflict between the Joint Development Agreement and this Agreement, the provisions contained in the Joint Development Agreement shall prevail over this Agreement.

9.4 Alteration of terms

All additions, amendments, modifications and variations to this Agreement shall be effectual and binding only if in writing and signed by the duly authorised representatives of the Parties.

9.5 Waiver

9.5.1 Waiver by any Party of a default by another Party in the observance and performance of any provision of or obligations under this Agreement:

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

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

9.6 No third-party beneficiaries

This Agreement is solely for the benefit of the Parties and no other person or entity shall have any rights hereunder.

9.7 Survival

9.7.1 Termination of this Agreement:

- a. shall not relieve the Parties of any obligations hereunder which expressly or by implication survive termination hereof; and

- b. except as otherwise provided in any provision of this Agreement expressly limiting the liability of either Party, shall not relieve either Party of any obligations or liabilities for loss or damage to the other Party arising out of or caused by acts or omissions of such Party prior to the effectiveness of such termination or arising out of such termination.

9.7.2 All obligations surviving the cancellation, expiration or termination of this Agreement shall only survive for a period of 1 (one) year following the date of such termination or expiry of this Agreement.

9.8 Severability

If for any reason whatever any provision of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any court of competent jurisdiction or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not be affected in any manner, and the Parties will negotiate in good faith with a view to agreeing to one or more provisions which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to such invalid, illegal or unenforceable provision. Failure to agree upon any such provisions shall not be subject to dispute resolution under Clause 8 of this Agreement or otherwise.

9.9 Successors and assigns

This Agreement shall be binding on and shall inure to the benefit of the Parties and the irrespective successors and permitted assigns.

9.10 Notices

All notices or other communications to be given or made under this Agreement shall be in writing, shall either be delivered personally or sent by courier or registered post with an additional copy to be sent by facsimile or e-mail. The address for service of each Party, its facsimile number and email address are set out under its name on the signing pages hereto. A notice shall be effective upon actual receipt thereof, save that where it is received after 5.00 (five) p.m. on any day, or on a day that is a public holiday, the notice shall be deemed to be received on the first working day following the date of actual receipt. Without prejudice to the foregoing, a Party giving or making a notice or communication by facsimile or e-mail shall promptly deliver a copy thereof personally or send it by courier or registered post to the addressee of such notice or communication. It is hereby agreed and acknowledged that any Party may by notice change the address to which such notices and communications to it are to be delivered or mailed. Such change shall be effective when all the Parties have notice of it.

9.11 Language

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

9.12 Authorised representatives

Each of the Parties shall by notice in writing designate their respective authorized representatives through whom only all communications shall be made. A Party hereto shall be entitled to remove and/or substitute or make fresh appointment of such authorized representative by similar notice.

9.13 Original Document

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

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

THE COMMON SEAL OF DEVELOPER has been affixed pursuant to the resolution passed by the
Board of Directors of the Developer at its meeting held on the day of 20..... hereunto affixed
by:

SIGNED, SEALED AND DELIVERED

For and on behalf of

Telangana State Industrial Infrastructure Corporation Limited

in the presence of, Director, who has signed these presents in token thereof and,
Company Secretary / Authorised Officer who has countersigned the same in token thereof:

(Signature)
(Name)
(Designation)

(Signature)
(Name)
(Designation)

SIGNED, SEALED AND DELIVERED

For and on behalf of

SENIOR LENDERS by the Lenders' Representative:

(Signature)
(Name)
(Designation)
(Address)
(Fax)
(e-mail address)

In the presence of:

1. _____
2. _____

SCHEDULE VIII – AREA IDENTIFICATION AGREEMENT (See Section 4)

This Area Identification Agreement (“**AGREEMENT**”) mutually agreed and entered into on this the _____ day of _____ (Month), Two Thousand and Twenty _____ at _____, Hyderabad, India

BETWEEN

Telangana State Industrial Infrastructure Corporation Limited, was formed in 1973 by the GO No: 831 dated 10-SEP-1973 issued by Government of Telangana., having its principal office at 6th Floor, Parisrama Bhavan, Fateh Maidan Road, Basheerbagh Hyderabad - 500 004 and represented by its Chief Engineer, Sri. K. Shyam Sunder (hereinafter referred to as the “**Authority**” which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) of One Part;

AND

_____, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at ----- and represented by its authorized signatory, ----- (hereinafter referred to as the “**Developer**” which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns and substitutes) of the Other Part.

WHEREAS,

- (A) The Authority and the Developer entered into a Joint Development Agreement dated - ----- for the development of about 3 acres of land which for more clarity has been delineated in Schedule I (the “**Project Site**”) and which was registered as document No.----- in the office of the Joint Sub registrar, Ranga Reddy, Hyderabad (hereinafter referred to as the ‘**Joint Development Agreement**’).
- (B) In furtherance to the Joint Development Agreement, the Developer is constructing a 5-star luxury hotel with Trade Centre on the Project Site (the “**Project**”) consisting of ---- --- basement, ground and 15 upper floors pursuant to the building plans sanctioned by TSIIIC-Raidurg vide its Permit No. ----- (‘**Sanctioned Plan**’).
- (C) As per the clause no. 4.9 of the Joint Development Agreement, the Parties hereto are required to enter into **Area Identification Agreement** to identify the **Constructed Area/ Built-up Area in the Project** and un-divided share of land in the entire Project site falling to the share of the Authority and the Developer corresponding to the area allocated in the Project and in furtherance to the same, the Parties are entering into this Agreement recording the Authority’s Share and Developer’s Share in terms hereof.

NOW, THEREFORE, the Parties agree as follows:

DEFINITIONS AND INTERPRETATIONS

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:



- a) **“Authority’s Constructed Area/ Built-up Area”** shall mean share of built-up area (excluding car parking area) out of the total Project Constructed Area/ Built-up Area that may be identified and allocated to the share of the Authority from time to time as per Clause 2.7 of the Joint Development Agreement;
- b) **“Authority’ Land Share”** shall mean undivided share that may be identified and allocated to the share of the Authority from time to time in the Project Site;
- c) **“Authority’s Share”** shall mean a collective reference to the Authority’s Constructed Area/ Built-up Area and the Authority’s Land Share;
- d) **“Built-up Area”** shall mean net usable area within the floor including the wall thicknesses but excluding common areas like cut-outs, shafts, lift wells, lift lobbies, common lobbies, fire refuge areas, staircases;
- e) **“Developer’s Constructed Area/ Built-up Area”** shall mean share of built-up area (excluding car parking area) out of the total Project Constructed Area that may be identified and allocated to the share of the Developer from time to time as per Clause 2.7 of the Joint Development Agreement;
- f) **“Developer’s Land Share”** shall mean undivided share that may be identified and allocated to the share of the Developer from time to time in the Project Site;
- g) **“Developer’s Share”** shall mean a collective reference to the Developer’s Constructed Area/ Built-up Area and the Developer’s Land Share;
- h) **“Project Constructed Area/ Total Built-up Area”** shall mean the total built-up area constructed as part of the Project excluding all car parking spaces, utility spaces, and landscape / garden spaces from time to time as per Clause 2.7 of the Joint Development Agreement;
- i) **“Project”** shall mean the commercial buildings and structures and other related infrastructure to be developed on the Project Site as per clause 2.7 of the Joint Development Agreement in the manner provided and on the terms and conditions contained in the Joint Development Agreement;

AREA IDENTIFICATION

- 2.1 The Parties agree that the purpose of this Area Identification Agreement is to identify the Built-up area in the entire Project and un-divided share of land in the Project Site falling to the share of the Authority and the Developer; and all terms and conditions of the Joint Development Agreement shall be applicable.
- 2.2 The Parties agree that each Party shall have the following undivided share of land area in the Project Site:

| Sl. No. | Particulars | Project Site Area (acres) | Authority's Land Share (acres) | Developer's Land Share (acres) |
|---------|--------------|---------------------------|--------------------------------|--------------------------------|
| 1 | Project Site | 3.00 | | |
| | Total | 3.00 | | |

- 2.3 The Parties agree that the total Built Up area of the Project being constructed over the Project Site in furtherance to the Sanctioned Plan is [*****] square feet of Built Up area. The Parties agree that the following Project Constructed / Built-up Areas allotted to the Parties in the Project:

| Sl. No. | Floor | Project Constructed Area / (Total) Built-up Area (sq. ft.) | Authority's Constructed Area/ Built-up Area (sq. ft.) | Developer's Constructed Area/ Built-up Area (sq. ft.) | Usage* |
|---------|--------------|--|---|---|--------|
| 1 | Ground Floor | | | | |
| 2 | 1st Floor | | | | |
| 3 | 2nd Floor | | | | |
| 4 | 3rd Floor | | | | |
| 5 | 4th Floor | | | | |
| 6 | 5th Floor | | | | |
| 7 | 6th Floor | | | | |
| 8 | 7th Floor | | | | |
| 9 | 8th Floor | | | | |
| 10 | 9th Floor | | | | |
| 11 | 10th Floor | | | | |
| 12 | 11th Floor | | | | |
| 13 | 12th Floor | | | | |
| 14 | 13th Floor | | | | |
| 15 | 14th Floor | | | | |
| 16 | 15th Floor | | | | |
| | Total | | | | |

Note: As per the Joint development agreement, any additional built-up area over the 6,65,863 sq. ft. shall be shared equally between both the Parties.

- 2.4 The Parties agree that the common areas like the cutout, shafts, left wells, lift lobbies, common lobbies, and staircase, which are over and above the constructed area/ built-up area shall be jointly owned by both the parties in the same proportion as the above listed constructed area share and form part of the common area of the Building.
- 2.5 The Parties agree that the following parking slots are allotted to the Parties in the Project.

| Sl. No. | Floor | Total Parking Slots | | Authority's Share | | Developer's Share | |
|---------|--------------|---------------------|-----------|-------------------|-----------|-------------------|-----------|
| | | 4 Wheeler | 2 Wheeler | 4 Wheeler | 2 Wheeler | 4 Wheeler | 2 Wheeler |
| | | (Nos.) | (Nos.) | (Nos.) | (Nos.) | (Nos.) | (Nos.) |
| 1 | Basement 1 | | | | | | |
| 2 | Basement 2 | | | | | | |
| 3 | Basement 3 | | | | | | |
| 4 | Basement 4 | | | | | | |
| | Total | | | | | | |

- 2.6 The Built Up Areas and the car parking slots falling to the share of the Authority is demarcated in green colour in the plans annexed hereto in Schedule II and the Built Up Area and the car parking slots falling to the share of the Developer is demarcated in blue colour in the plans annexed hereto in Schedule II.
- 2.7 That the Parties are entitled to own, possess and enjoy the respectively Built Up areas and the car parking area as the full and absolute owner with full powers of enjoyment and alienation and shall be entitled to hold or to sell, lease, mortgage or otherwise dispose off their share of the Built Up area and car parking space of their share in any manner it deems fit and it shall be entitled to all income, gains, capital appreciation and benefits of all kinds of description accruing or arising therefrom in terms of the Joint Development Agreement.
- 2.8 The Parties hereto agree that in case if there is any increase in the total Built Up area of the Project or the car parking area on completion of the Project, the increased area shall be allocated to the Parties equally and the Parties shall enter into revised allocation agreement for recording revised area if any.
- 2.9 For the purpose of lease of the respective allocated Built Up area, the Parties agree that as per industry standard, the lease transaction is based on '**Leasable Area**' which shall mean and includes the total **Built Up Area** constructed including balconies, sit outs, staircases, lift room, corridor areas, common areas, common amenities and facilities, services appertaining to the building or as the case may be proportionate part/s thereof in the case of unit/s including but not limited to, electrical meter rooms, pump rooms, generator rooms, air-conditions/AHU areas, common areas capable of being used commonly in the building, circulation areas but excludes car parking areas and terrace areas.
- 2.10 Each Party shall sign and execute all such deeds and documents as may be required by the other Party to perfect the title of the other Party to the Built Up areas/ car parking space allotted subject to the other party bearing the expenses connected therewith.
- 2.11 The Parties hereto agree that this Area Identification Agreement shall be read in continuation of the Joint Development Agreement and both shall be complimentary to each other and form part and parcel of the same transaction and all the terms and conditions of the Joint Development Agreement shall continue to be binding on the Parties hereto.
- 2.12 This Agreement is prepared in duplicate, original is retained by the Developer and the duplicate is retained by the Authority.

NOTICES

Any notice and other communications provided for in this Agreement shall be in writing and shall be delivered personally, sent by post, by fax, by internationally recognised courier service or registered mail, in the manner as elected by the Party giving such notice to the following addresses:

(a) In the case of notices to the Authority:

Address : TSIC Limited,
5th Floor, Parisrama Bhavan,
Basheerbagh, Hyderabad-500004.

Attention : Chief Engineer

Telephone : 040-23237672

Facsimile : 040-23235582 (CE)
040-23240205 (MD)
040-23231828 (MD)

Email : ce-iic@telangana.gov.in

(b) In the case of notices to Developer:

Address :

Attention :

Telephone :

Facsimile :

Email :

All notices shall be deemed to have been validly given on (i) the Business Day immediately after the date of transmission with confirmed answer back, if transmitted by facsimile transmission, or (ii) upon receipt if delivered personally or (iii) 5 (Five) Business Days after posting, if transmitted by courier or registered airmail or (iv) 7 (Seven) Business Days if sent by post

Each Party may, from time to time, change its address or representative for receipt of notices provided for in this Agreement by giving to the other Party not less than 30 (thirty) days prior written notice.

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

SIGNED, SEALED AND DELIVERED
for and on behalf of
Authority:
TSIC Limited

SIGNED, SEALED AND DELIVERED
for and on behalf of
Developer:



(Signature)
(Name)
(Designation)

(Signature)
(Name)
(Designation)

Witnesses

1.

1.

2.

2.

SCHEDULE I – SCHEDULE OF PROJECT SITE

SCHEDULE II –IDENTIFICATION OF CONSTRUCTED AREA/ BUILT-UP AREAS IN THE PROJECT

The following floor-wise plans earmark the **Authority's Constructed Area/ Built-up Area** and **Developer's Constructed Area/ Built-up Area** in the Project.

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This Request for Proposal is not an agreement and is neither an offer nor invitation by the Telangana State Industrial Infrastructure Corporation Limited to the prospective Bidders or any other person. The purpose of this Request for Proposal document is to provide interested parties with information that may be useful to them in preparing their bids ('Bids') including all the necessary submissions and the financial offers pursuant to this Request for Proposal document. This Request for Proposal document includes statements, which reflect various assumptions and assessments arrived at by the Telangana State Industrial Infrastructure Corporation Limited in relation to the Development of 5 Star luxury Hotel with Trade Centre at Hyderabad Knowledge City on Joint Development Basis at Sy. No 83/1 admeasuring Ac 3-00 gts at Raidurgam Village, Serilingampally Mandal, Rangareddy District on Joint Development Basis, Telangana, India ('Project'). Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This Request for Proposal document may not be appropriate for all persons, and it is not possible for the Telangana State Industrial Infrastructure Corporation Limited, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this Request for Proposal document. The assumptions, assessments, statements and information contained in this Request for Proposal document may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this Request for Proposal document and obtain independent advice from appropriate sources.

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The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Telangana State Industrial Infrastructure Corporation Limited or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Bidder and the Telangana State Industrial Infrastructure Corporation Limited shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Bid, regardless of the conduct or outcome of the Bidding Process.



Telangana State Industrial Infrastructure Corporation Limited

Parisrama Bhavan, 6th Floor, 5-9-58/B, Fateh Maidan Road, Basheer Bagh, Hyderabad - 500004.

Ph: +91-40-23237625, 23237626

Fax: +91-40-23240205, 23241385 Internet: <https://tsiic.telangana.gov.in>

PROJECT INFORMATION MEMORANDUM

03

Development of Five Star Luxury
Hotel with Trade Centre at
Raidurgam, Hyderabad



Telangana State Industrial Infrastructure Corporation Ltd.,
Parisrama Bhavan, Basheer Bagh, Hyderabad, Telangana - 500004

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1. Project Introduction

1.1. Background

Telangana State Industrial Infrastructure Corporation (TSIIC) is the nodal agency responsible for planning, development and maintenance of Industrial Infrastructure and allied facilities across the Telangana State. With a land bank of over 1.5 lakh acres and close to 300 Industrial Parks across the State, TSIIC has been supporting the state's industrialization journey with successful development and operationalization of large number of new industrial parks across the state. In the year 2021-22 itself, TSIIC has developed 13 new Industrial parks and allotted ~810 acres of land to 526 Industries with an expected investment of INR 6,100 Crore (source: TS I&C Dept. Annual report 2021-22).

Hyderabad, the capital city of Telangana, has been the growth engine of the State with steadily rising economic performance over the last two decades. This bustling 400-year-old city has a blend of rich heritage, cultural confluence and world class innovation – contributing to more than half of the State's GSDP of ~US\$ 140 Bn (est. 2021-22). Home to some of the World's Fortune 500 companies in IT/ITeS, BFSI, Life sciences and other sectors, Hyderabad has been the go-to favourite for several Global back-office operations and extended corporate headquarters. MNCs like Microsoft, Google, Apple, Amazon, Accenture, Infosys, TCS, Wipro, Qualcomm, Dell, Novartis, GVK Bio-sciences, Dr. Reddy's, Bharat Bio-tech, Tata Aerospace, BAE systems etc. are very well associated with the growth journey of Telangana.

Hyderabad City has also emerged as a favourite global destination for MICE with events such as COP11 (2012), World Metropolis Congress (2014), BioAsia Summit (Annual Event), Global Entrepreneurship summit (2017), India Joy Global Youth Festival (2019), UN World Geospatial Information Congress (2022) etc., being held. The city had also been a major tourism & travel destination in the State/Region over the years with steadily increasing FTAs from 1.66 lacs (2016) to 3.2 lacs (2019). The city also has good Hotel & Hospitality infrastructure with nearly 33 registered hotels (5600 rooms) and over 2300 unregistered hotels (21000 rooms) [Source: Nidhi database, GOI].

TheHITEC City and Financial District areas, located in the Western part of Hyderabad City popularly known as Cyberabad, together are considered as the CBD of Hyderabad. The Cyberabad area houses more than 100 large IT/ITeS and BFSI global companies and employs nearly 1 Mn persons. The Hyderabad Knowledge City developed at Raidurgam is a new feather in the cap of this bustling CBD area. Developed in an area of ~30 acres with over 7 Mn Sq. ft of IGBC rated IT Space, Entrepreneurial eco systems like T Hub-2, T Works and Games City etc. within this layout has added new impetus to the growing commercial office space and hotel inventory demand in the area.

In order to cater to the growth momentum in the Business Travel sector in the region and to cater to the growing demand for quality office spaces of international standard, the Government of Telangana has decided to take up a project for development of a Luxury Hotel to be taken up by a globally acclaimed luxury brand along with setting up a trade centre on a suitable bidding process. The Project has been accordingly primarily structured to fulfil the vision of the Government.

In view of the above, TSIIC as the nodal agency intends to undertake development of a 5-Star luxury hotel with a trade centre in an area of ~3 acres at the Hyderabad Knowledge City to be developed and operated by one of the top 10 globally acclaimed Luxury Hotel brands. The Structure has been adopted keeping in line with the vision of Government for attracting top class global hospitality investment and also optimizing returns by combining with Trade Centre commercial space.

In this context, TSIIC has appointed Transaction Advisor for development of a 5-Star luxury hotel with trade centre at Hyderabad Knowledge City, Raidurgam on appropriate commercial model through

Private Sector investments. The land is located in the heart of HITEC City area with the Raidurg Metro station being just less than 500m away.

Based on the direction of TSIC, the Consultant has undertaken the following activities as a first step towards conceptualisation of the Project and Development Structure:

- Undertaken Site visits and collected plan and site data/information from Authority.
- Undertaken a review of Planning & Development Control norms prevalent for the Site
- Carried out an Assessment of existing & proposed commercial as well as hotel projects in the influence area (2-3 Km)
- Discussed with selected IPCs to understand the Demand-Supply dynamics for the proposed product mix and offtake projections including potential pricing options
- Based on the above, prepared a broad Project vision and concept masterplan (indicative layout) for the consideration of TSIC
- Undertaken basic financial assessment of the project with estimated high-level CapEx and OpEx assumptions for the proposed project configuration to ascertain project viability.

1.2. Project brief

Table 1: Details of the Project Brief given by TSIC

| Description | Details |
|---------------------|--|
| Name of the Project | Development of Five Star Luxury Hotel cum Trade Centre at Sy No. 83/1, Raidurg Panmaktha Village, Serilingampally Mandal, Rangareddy, Telangana, India |
| Nodal Agency | Telangana State Industrial Infrastructure Corporation Limited (TSIC) |
| Land Area | Total land area earmarked by the Authority is 3 Acres (12,141 sq.m. or 1,30,860 sq.ft) |
| Location | strategically situated within the designated 'Hyderabad Knowledge City' Layout of TSIC, in close proximity to the Mindspace Rotary |
| Surrounding Details | surrounded by a mix of commercial establishments ranging from IT Parks, Corporate offices, Malls, Mix use development, Hospitality units such as Hotels, Restaurants and certain pockets of residential areas. The site is also situated within the reputed IT cluster like Mindspace, Sky View and Shapoorji, Meenakshi etc |

Disclaimer: While the analyses, assumptions, calculations, conclusions herein have been provided purely for information purpose of the Bidders, it may be noted that the Bidders cannot rely on the same for undertaking bidding. It is mandatory for the Bidders to undertake their own assessment of site conditions, risks and returns for the proposed project and submit their bids accordingly. Neither TSIC nor the Transaction Advisor shall be liable under any circumstances for loss or damage of any kind that may potentially be caused to the bidders in this regard.

2. Site Assessment

2.1. Site Location & Connectivity

The proposed 3-acre site is strategically situated within the designated 'Hyderabad Knowledge City' Layout of TSIC, in close proximity to the Mindspace Rotary and is well connected through the Raidurgam Metro Station, which is at a distance of around 500 m from the site.

The site also enjoys an excellent visibility as it abuts the Durgam Cheruvu Road along the north-eastern side giving the site a significant natural locational advantage. The flagship IKEA store is also located in close proximity to the site. The main approach to the proposed site is through a 45m wide road (detour from the main Durgam Cheruvu Road) at the south-eastern side. T Hub 2, IMAGE Towers and T Works are the other landmarks next to the site.

Figure 1: Location and Connectivity of the Project Site

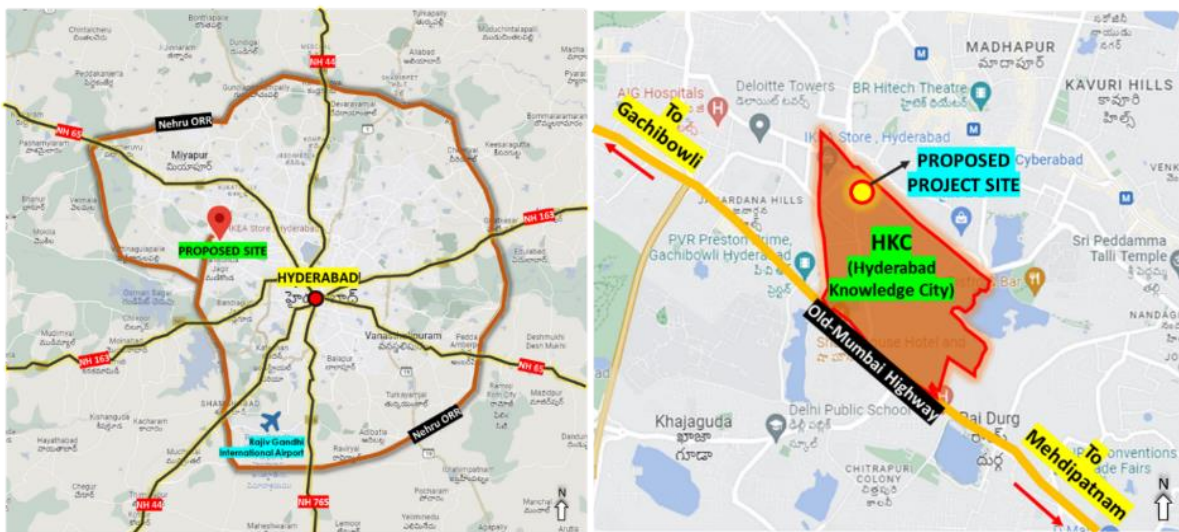
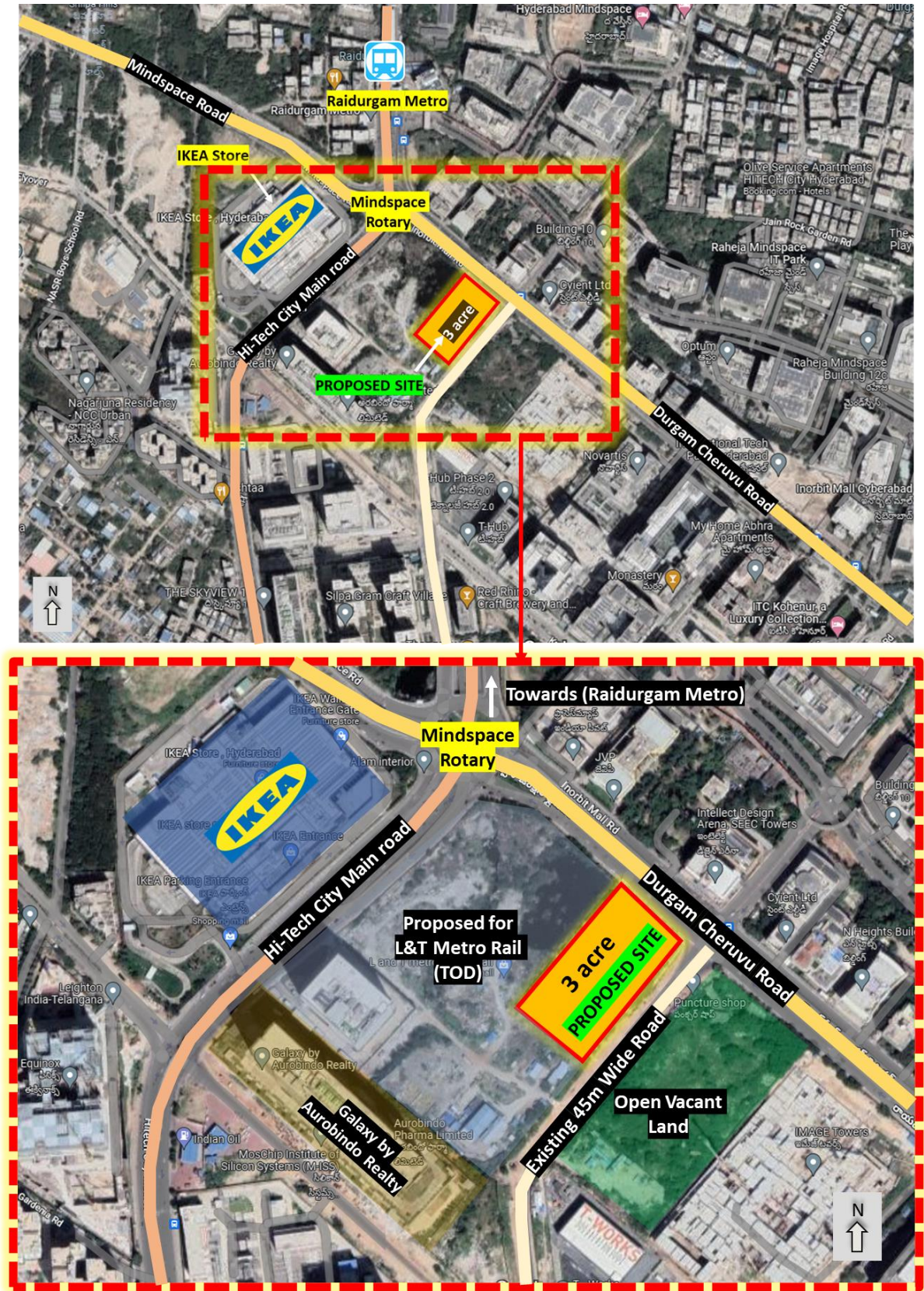


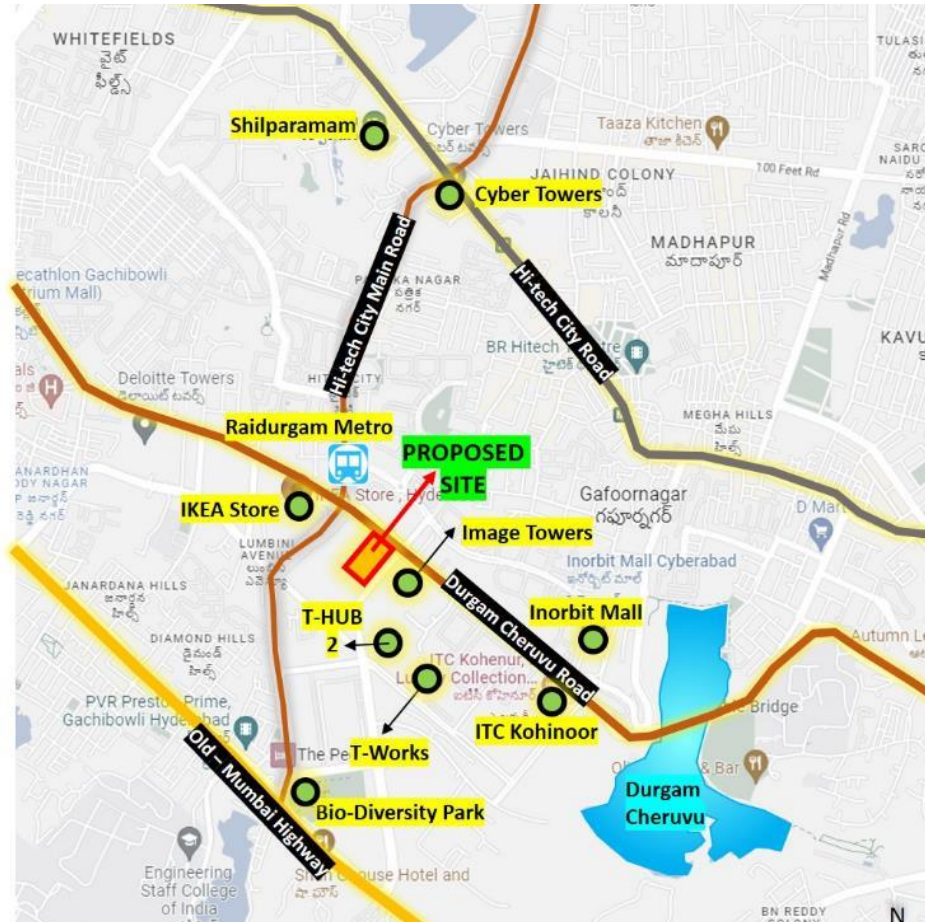
Figure 2: Map showing the Site Position w.r.t surrounding developments



2.2. Site Surroundings

The site is surrounded by a mix of commercial establishments ranging from IT Parks, Corporate offices, Malls, Mix use development, Hospitality units such as Hotels, Restaurants and certain pockets of residential areas. The site is situated within the reputed IT cluster like Mindspace, Sky View and Shapoorji, Meenakshi etc.

Figure 3: Prominent Landmarks in and around the Site



- Site is about 4.8km away from Hyderabad International Convention Centre (HICC) & HITEX which are the most recognised MICE Projects in the country.
- 5-star hotels like ITC Kohinoor, The Westin, Trident and Marriot Suites are also in the proximity.
- IKEA Store - a well-known landmark for people visiting the area, is located in close proximity to the project site.
- Major malls and shopping complexes located in the neighbourhood includes Inorbit Mall, Sarath City Capital Mall and Atrium Mall.
- National level reputed Institutes such as Maulana Azad National Urdu University, Engineering Staff College of India (ESCI) and Multi-speciality Hospitals like CARE, Medcover, AIG, KIMS, Yashoda etc. strategically falls within 3 km radius from the site.
- The proposed 3-acre site is also strategically connected to the Nehru Outer Ring Road (ORR) through Old Mumbai Road and just around 30 minutes away from Rajiv Gandhi International Airport.

3. Market Assessment & Proposed Product Mix

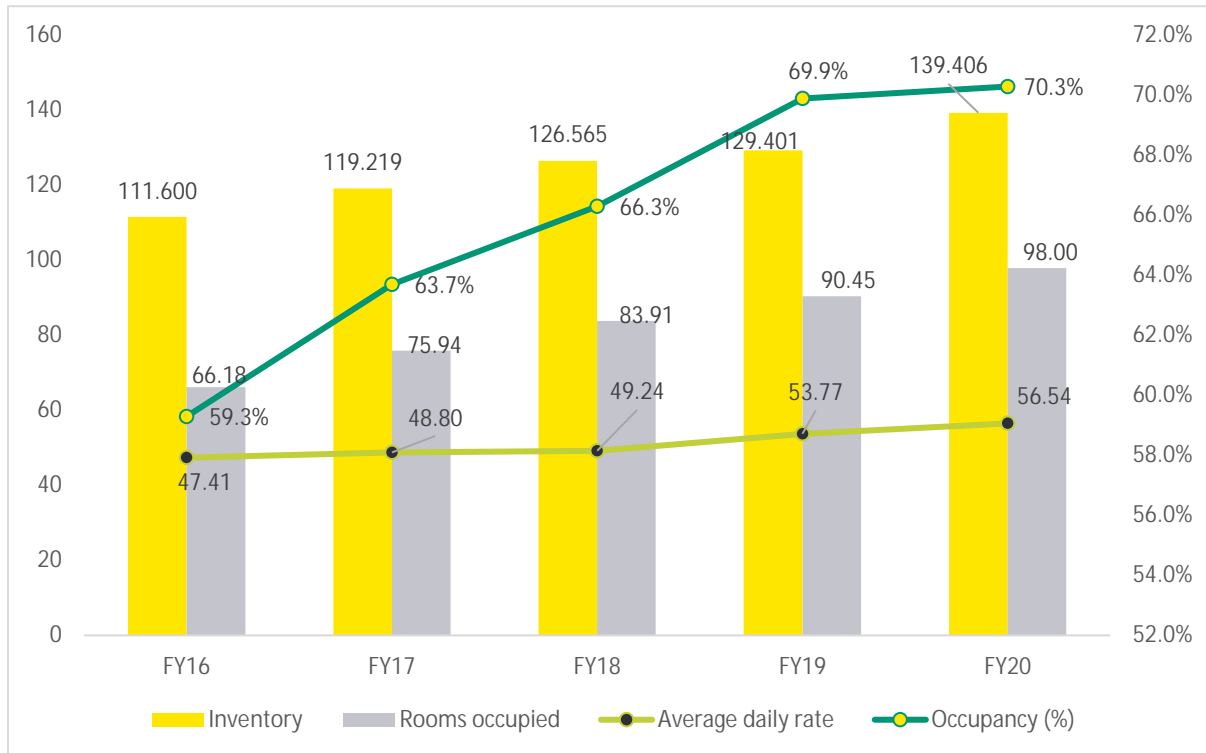
3.1. Introduction

As indicated in earlier sections, TSIC intends to develop a 5-star luxury hotel with a trade centre in the identified land parcel spreading over an area of 3 acres within the Hyderabad Knowledge City, Raidurgam, Hyderabad. This section of the report examines the demand from luxury hotel in the site and also understand the current business of the Hotel industry in India and Hyderabad city to arrive at the viable product mix. The study is based on primary and secondary research conducted by the Consultant and also based on multiple client interactions.

3.2. Indian Market Scenario – Hotels

As per the market survey reports of the Hotelivate Research & Estimates, a leading hospitality consulting firm, the broad metrics of the present Indian hotel scenario with respect to number of rooms available, rooms occupied, Average Daily Rate (ADR) and occupancy percentage across the last 5 years (i.e.,2016-2020) are as provided in the figure below:

Figure 4: Nationwide Inventory (000'), Rooms occupied (000'), ADR (00') and Occupancy Percentage (%)



Source: Indian Hospitality – The Stats and Pulse Report FY 2021 by Hotelivate

From the above, it is observed that there has been gradual increase in the rooms inventory, occupancy rate and ADRs from FY 2016 to FY 2020. The overall hospitality industry is doing well in the country and there appears to be a significant scope for future business growth in the coming years. It may be noted that data for the years FY 2021 & FY 2022 have not been reviewed due to the impact of COVID-19. The 2022 Indian Hospitality Trends and Opportunities report published by Hotelivate provides a positive upturn in the demand trends and resurgence of activity post-COVID owing to return to business as well as increased leisure tourism activities. This augurs well for the hospitality related activities and business.

3.2.1. Luxury Hotels

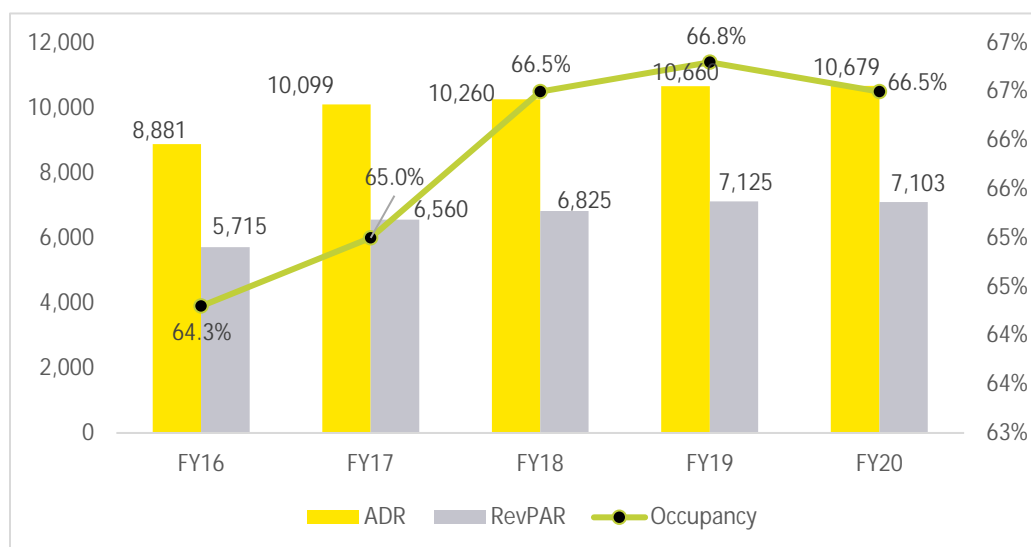
The Ministry of Tourism in India provides star rating to Hotels based on a set of predefined parameters and is valid typically for a period of 5 years. The latest guidelines issued by the Ministry¹ offer ratings between 1-Star to 5-Star with 5-Star Deluxe being the highest category of rating. However, there are several top hotel brands in the country and globally that aim to provide its guests with service, amenities and facilities that go much beyond the mandatory requirements of a 5-Star Deluxe category. These hotels are loosely referred as 6 star or 7 star hotels.

The luxury hotel industry has been experiencing a resurgence in the post-covid era, as an increasing number of travellers seek high-end travel and stay experiences. The luxury hotel market is projected to grow from \$119.55 billion in 2021 to \$238.49 billion in 2028 at a CAGR of 10.4% in the forecast period [2021-2028] India's luxury hotel sector is flourishing. The inflow of international tourists and domestic tourist movement is anticipated to grow as international sports events, trade fairs, and exhibitions become more prevalent. The expansion of the travel and tourism sector, along with evolving living standards, have contributed to progressive growth in luxury hotel market trends. Factors such as rising purchasing power parity among domestic travellers, a developing airline industry, increased foreign tourist arrivals, and relaxed visa regulations are expected to drive the India Hotel Market

The requirement under this project, as defined by the TSIC is to attract such luxury brands to Hyderabad which do not have their presence yet in the state, and to mandate development of 5-star luxury hotel that will at the minimum achieve a 5-Star Deluxe rating.

The study which reviewed specially Five-star Luxury market category in the country for the 5 years (FY 2016-2020) illustrated that the average daily room rate, revenue per available rooms and the occupancy percentage has shown gradual increase as illustrated in the figure below. It may be observed that while the overall occupancy pre-pandemic stood consistently above 60% the Revenue Per Available Room (RevPAR) has shown a slight decline indicating the increase in overall operating costs in the segment.

Figure 5: 5-Star Luxury segment ADR, Rev.PAR and Occupancy Percentage (%)



Note: Hotelivate groups 'Upscale' and 'Upper Upscale' hotels in the Luxury category

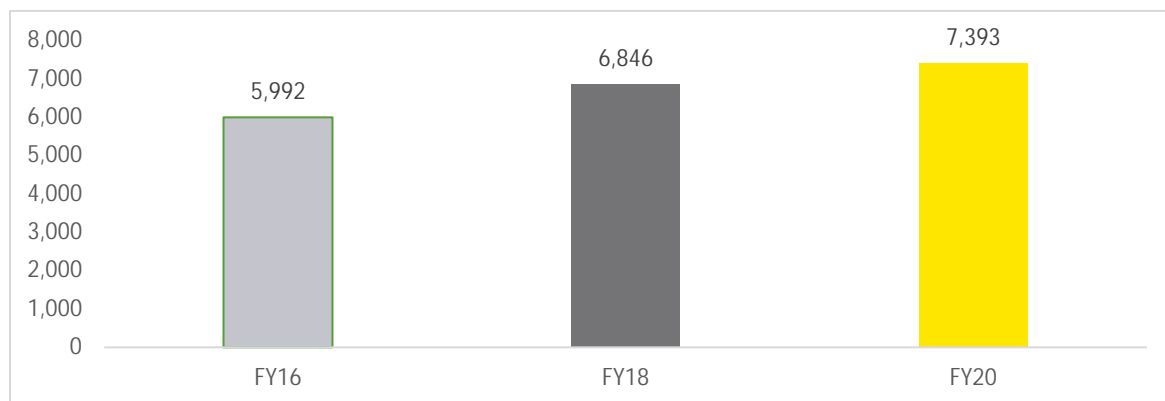
¹ "Guidelines for Approval of Hotel Projects and Star Classification of Operational Hotels" (https://tourism.gov.in/sites/default/files/2020-02/Hotel_Guidelines_From%2019-01-2018.pdf)

Source: Indian Hospitality – The Stats and Pulse Report FY 2021 by Hotelivate

3.3. Local/ Regional Scenario - Hyderabad

As per the 2019 India State Ranking Survey² published by Hotelivate in association with the World Travel and Tourism Council, Telangana stands 6th in terms of presence of branded hotel rooms. As per the Hotelivate 25th Edition of 2022 Indian Hospitality Trends and opportunities Research report, Hyderabad stands in 3rd position in terms of average hotel size which reflects the economic activity witnessed by the city and demand footprint in the city. The hotel inventory in Hyderabad during the period 2016-20 has shown a healthy growth of over 20% - signifying the demand potential.

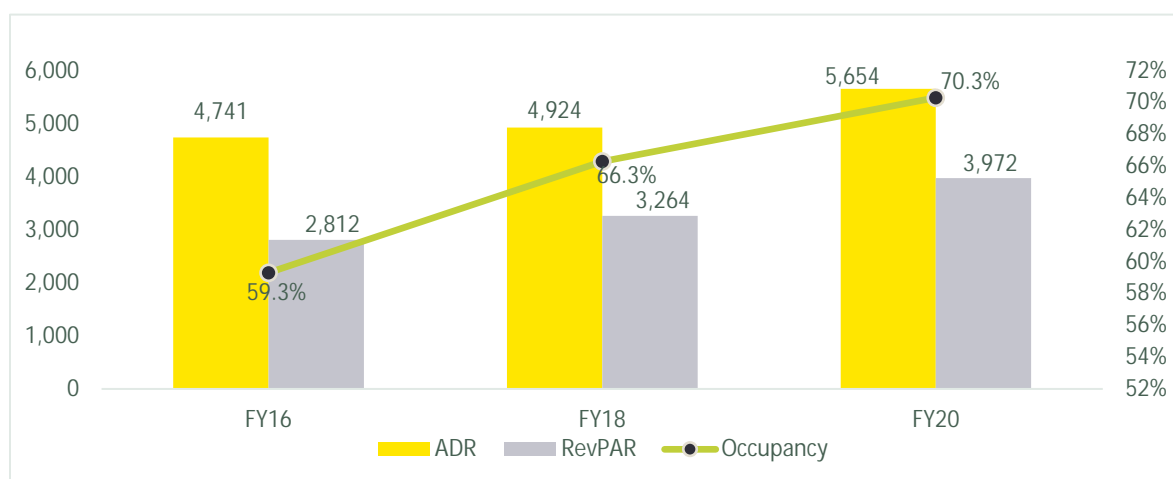
Figure 6: Supply / Inventory matrix of Hotels for Hyderabad Region



Source: Indian Hospitality – The Stats and Pulse Report FY 2021 by Hotelivate

The overall performance of the Hyderabad Hotel industry in terms of Average Daily Rate (ADR), Revenue generated per room (Rev PAR) and occupancy during the 5 years can also be witnessed in the figure 7 illustrated here.

Figure 7: Supply / Inventory matrix of Hotels for Hyderabad Region



Source: Indian Hospitality – The Stats and Pulse Report FY 2021 by Hotelivate

The Hotelivate report estimates that there will be a 40% addition to the branded room supply in the city of Hyderabad over the next 5 years which adds up to an expected addition of 2,979 rooms of

² A biennial publication that assesses the relative competitiveness of the nation’s 30 states in terms of Travel & Tourism potential across 12 predefined parameters. (https://hotelivate.com/wp-content/uploads/2020/04/2019-India_State-Ranking-Survey.pdf)

which 5.3% are in the Luxury category. This compares with an addition of 27.5% of the rooms addition in Mumbai and 21% of the rooms addition in Ahmedabad in the luxury category. Further, while Hyderabad handled close to 2.2 mn air passengers in 2019-20 – which is equivalent to 66% of passenger traffic in Bengaluru, a comparable city, Hyderabad lags in branded room inventory and has only 7,450 rooms compared with 14,000 rooms in Bengaluru. The cities such as Bengaluru and Mumbai have an expected 49% and 41% increase in future supply – which is much higher than Hyderabad – despite the fact that Hyderabad has a smaller base. With a sharp increase in the business and leisure travel to Hyderabad and Telangana because of a strong growth in the IT industry and business investments, Hyderabad requires a stronger growth in the branded hotel room inventory – more so in the upscale and luxury categories.

3.3.1. West Region Scenario - Raidurgam

Western part of Hyderabad, around Raidurgam has witnessed rapid urbanisation during the last couple of years which led to development of residential, commercial, recreational and other infrastructure in the region. In addition to this, Raidurgam Metro Rail station located at a distance of 500 m from the proposed project site, provides transit services duly establishing an excellent connectivity to major areas of the city.

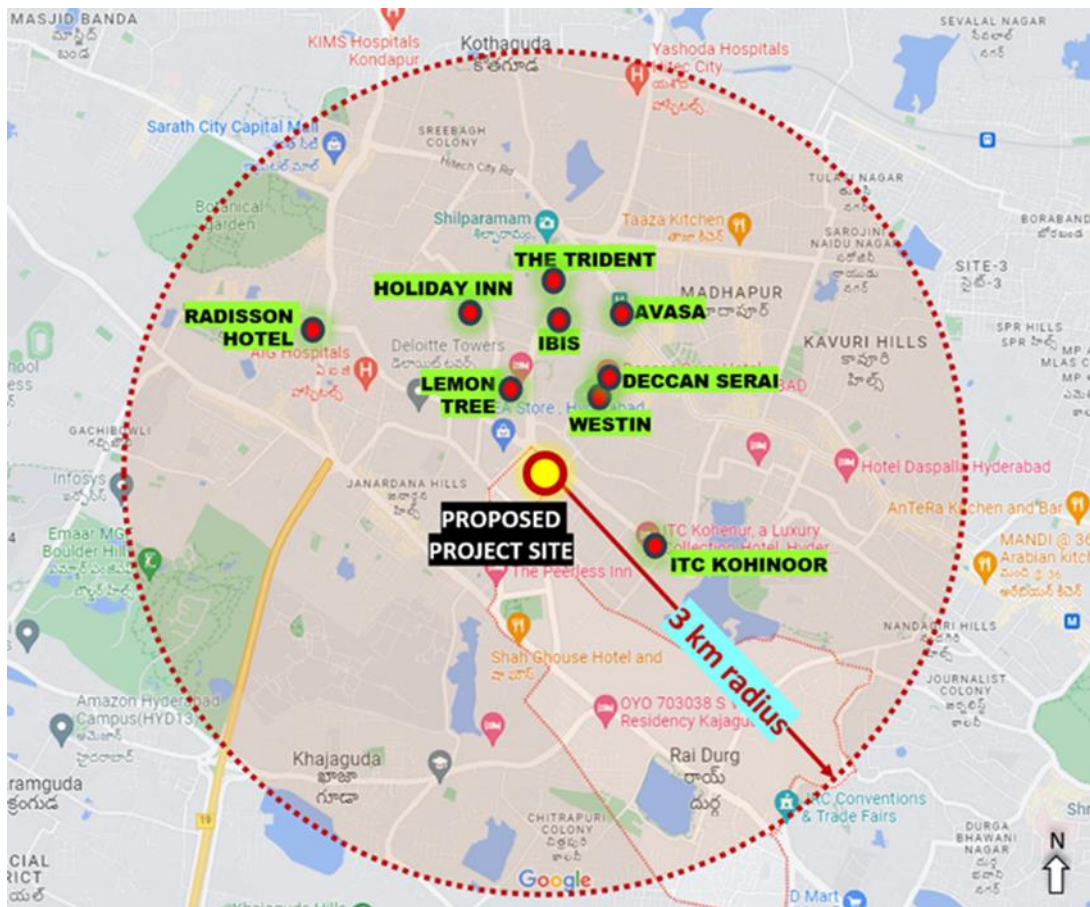
These expansions and developments in the region have led to increase in demand for hotels and other leisure and entertainment options. Various luxury and business class have come up in the region during last two decades catering to the requirements in the region. The table below illustrates the details of Luxury and business hotels (i.e. Average Room Rate (ARR), Occupancy and Revenue Rate per room) within 3 km radius from the project site:

Table 2: Parameters of Luxury & business hotels in the Hyderabad West region

| Hotel | Developer | Positioning | Location | Total Inventory | Year of Operation | ARR, 2018 | Occu. 2018 | Rev Par, 2018 |
|----------------------------|-------------------------------|-------------|------------|-----------------|-------------------|-----------|------------|---------------|
| ITC Kohinoor | ITC | Luxury | Madhapur | 271 | 2018 | 8000 | 50% | 4000 |
| Westin | K Raheja Corp. | Luxury | Madhapur | 428 | 2009 | 7900 | 80% | 6320 |
| The Trident | Maha Hotels Project Pvt. Ltd | Luxury | Madhapur | 324 | 2013 | 6900 | 70% | 4830 |
| Radisson | Manjeera Group | Business | Gachibowli | 203 | 2011 | 5800 | 85% | 4930 |
| Holiday INN (Express) | Intercontinental Hotels Group | Business | HITEC City | 232 | 2014 | 3500 | 70% | 2450 |
| Lemon Tree Hotel (Premier) | Lemon Hotel | Business | Madhapur | 267 | 2011 | 4000 | 85% | 3400 |
| Avasa | Dr.Reddy's/ GV Reddy | Business | Madhapur | 217 | 2012 | 5500 | 75% | 4125 |
| IBIS Hotel | Interglobe & Accor | Business | Madhapur | 178 | 2016 | 3500 | 63% | 2205 |
| Deccan Serai | - | Business | Madhapur | 100 | 2016 | 3500 | 85% | 2975 |

Source: Consultant analyses

Figure 8: Prominent Hotels in and around the project site area



3.4. Conclusion

The project site is located in close proximity to major IT clusters and related corporate establishments. Prime initiatives like T-HUB, T-Works, IMAGE towers, etc. are located just opposite to the proposed project development. As per the market survey and related studies carried out, it is observed that business class hotels and serviced apartments exist in large numbers in comparison with premium or luxury segment hotels and there is a demand for the luxury segment hotels in the region considering the current eco-system within which the project site is located.

Moreover, the proposed project site area has a strong locational advantage of being placed in close proximity to business and hospitality driven eco-system as it is observed that majority of these luxury segment hotels located within urban environments are greatly influenced by corporate travels as well as MICE and other related tourism as Hyderabad is ranked at 159th position globally and 2nd best city in India after Delhi as per International Congress and Convention Association (ICCA) among the top cities hosting 19 global events till 2022.

In addition to the above, Hyderabad has been on the world map with respect to MICE from the past decade and has been constantly improving its facilities and amenities to make itself a most preferred destination when it comes to organizing mega events. The city has hosted 30+ global events increasing every year and last few years have been very successful where Hyderabad International Convention Centre hosted several large conferences, bringing about 4 lakh delegates on an average every year to the city. Considering the demand of MICE related venues within such an existing eco-system, good banqueting facilities shall be integrated along with the proposed development.

While there is a clear need to underpin the Government's vision of establishing luxury brand Hotels in Hyderabad, it may also be noted that 5 Star and above category Hotels are considered Asset heavy investments and generally require significant support for taking off as standalone properties. Most luxury brand hotels operate in close proximity to high demand zones in urban areas such as Airports, CBD core areas, MICE zones etc., or with an associated revenue generating investment such as leisure & entertainment facilities, corporate facilitation centres, high end retail etc.,

In the above context, in addition to the 5-star Luxury hotel as stated above, there is also an observed need for the development of Trade Center in the Raidurgam region. Hyderabad has witnessed a significant upsurge in the Commercial Grade A IT/ITeS office space in the recent years propelled further by the GRID policy of Telangana. An estimated 8.2 mn sq. ft of new office space was infused in Hyderabad in H1FY23, which was equivalent of 34% of total new office supply across the top seven cities in India as per the recent real estate report by Anarock.³ However, most of the addition has been majorly IT/ITeS Grade A office spaces while the growth in the office spaces for the trade related activities and businesses, especially in the Western Hyderabad (Raidurgam region including) has been limited.

With such a growth in the international IT/ITeS and other business players, tourism, trade and hospitality, Hyderabad would also require a world class Trade facilitation Center that would house various businesses & corporates involved in global trading and commerce. This may include information center, consular offices, exhibition spaces for global investors, international bankers, trade associations, from manufacturers to importers and exporters of international nature, training center, meeting rooms, co-working spaces, etc – in aggregate one-stop trade information hub that brings together businesses, foreign representative offices and government agencies or any other permissible commercial uses. With its excellent connectivity, well developed infrastructure, largely populated sub-urbs in the proximity and skilled professional/ workforce on board, Raidurgam region has great potential for international trade services and facilities, sizable exhibit spaces, office spaces etc.

Owing to the above analysis, the proposed project development could look at integrating both a 5-star luxury hotel and a Trade Centre with world-class amenities that would serve the current and future requirements of such an active business eco-system.

³ India Office Market Half Yearly Update – H1 FY23 by Anarock

4. Land Use & Development Control Regulations

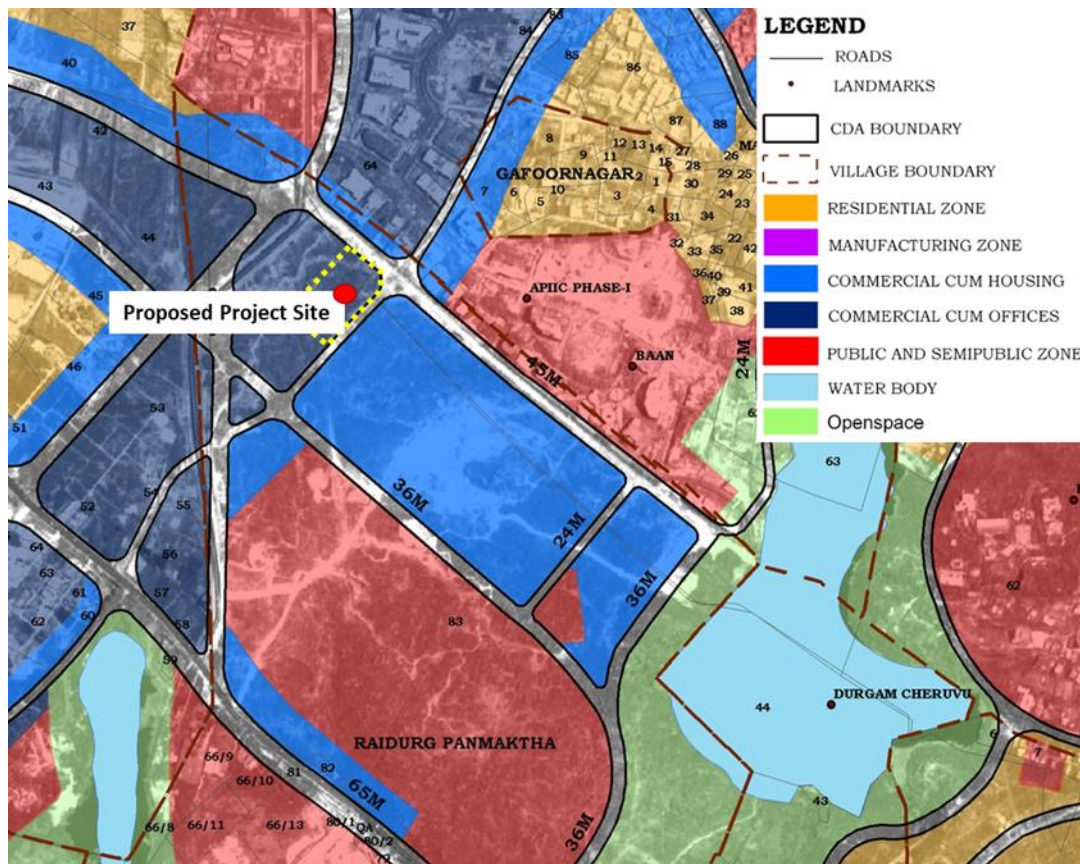
4.1. Land Use

This section provides a preliminary analysis of existing Land Use and Development Control Regulations pertaining to the proposed site. The observations, details, calculations and conclusions presented here were undertaken purely for the purpose of feasibility and it is advised that the Bidders and/or Developer shall be required to carry out their own assessment independently.

The subject site admeasuring 3.0 acres is a part of Hyderabad Knowledge City Layout developed by TSIC and approved as an Industrial Township by the Government of Telangana vide GO Ms. No. 42 of MA&UD Dept. dt. 22.02.2018. The site is located in Survey No. 83/1, within the administrative jurisdiction of Raidurg Panmaktha Village, Serilingampally Mandal in Ranga Reddy District. All the Applicable Development Controls and Regulations shall be as per the G.O. Ms. 363 dated august 21, 2010 (hereafter referred "GO363") and G.O Ms. No 168 dated April 07, 2012 (hereafter referred "GO168") issued by Municipal Administration and Urban Development (MA&UD) Department – Andhra Pradesh Building Rules, 2012, which are adopted by Government of Telangana after formation of new State.

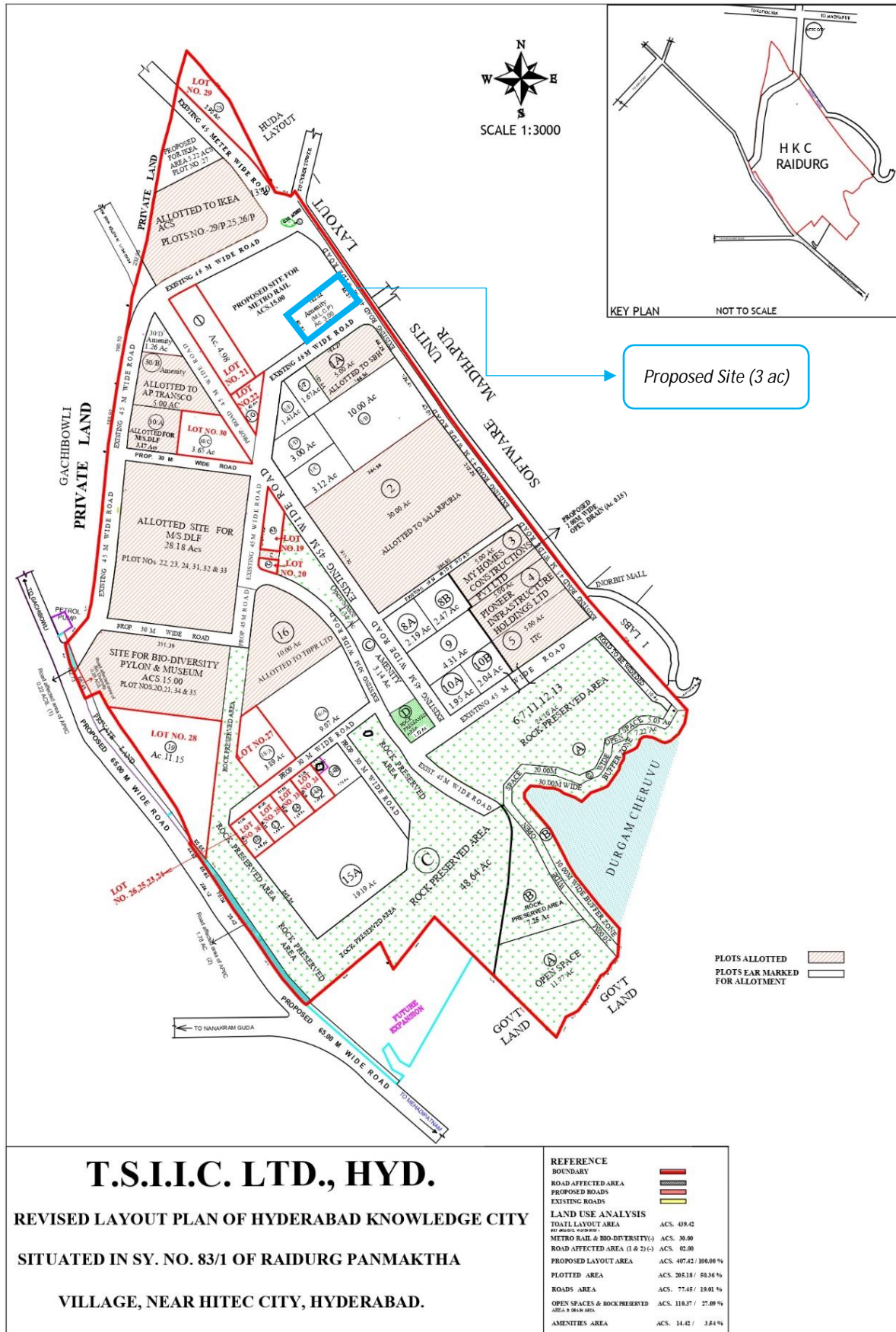
The site is located in Cyberabad Zone of Hyderabad Metropolitan Development Authority (HMDA) area and the proposed land use of the site area falls under Commercial Zone as per the Cyberabad Development Authority Master Plan as referred in figure 9. The proposed development of Hotel and Trade Centre – Commercial/Office both the uses are permissible as per the Annexure-I i.e. permissible and prohibited uses under commercial use zone.

Figure 9: Master Plan Extract of Cyberabad Development Authority (CDA-HMDA)



Source: Master Plan of Cyberabad Development Authority

Figure 10: Revised Layout Plan of Hyderabad Knowledge City and location of proposed Project Site



Source: Zonal Manager, TSIIIC – Madhapur | Note: The designated site area for the project shall be subject to approval of TSIIIC

4.2. Zoning Regulations

The proposed developments at Raidurgam Site shall be executed as per the GO168 and related amendments and Airports Authority of India Norms.

4.2.1. Sky Scrapper Zone

As per Annexure II of GO168, the subject project area is designated as Skyscraper Zone (as per HUDA/HADA/CDA Master Plan). The areas notified as sky scrapper Zones within the limits of HMDA are shown in the Table 1 below:

Table 3: Showing the Sky Scrapper Zones in HMR Region

| | |
|----|---|
| 1 | All along the Inner Ring Road outside Erstwhile MCH limits. |
| 2 | Along River Musi outside Erstwhile MCH limits as per special regulations of HUDA. |
| 3 | Gachi Bowli – Raidurg – Khajaguda – Manikonda Area. |
| 4 | South of International Airport – Mankhal – Bagh Mankhal – Harshagudem Area. |
| 5 | Kollur – Edulanagupallii – Velimella – Nanakramguda – Gopanpalli Area. |
| 6 | APHB Singapore Township – Rampally- Ghatkesar. |
| 7 | Nallagandla –Tellapur Area. |
| 8 | Miyapur – Aminpur – Sultanpur Area. |
| 9 | All Sites Abutting Proposed 29 Radial Roads outside Erstwhile MCH limits as per special regulations of HUDA. |
| 10 | All along the Outer Ring Road up to a depth of 500 meters on either side in areas other than those covered in G.O.Ms.No.111 MA, dated 08.03.1996. |
| 11 | 1 km radius from MMTS Stations located in areas other than in areas listed at 2 in Annex II. |

Source: G O Ms.168 Building Regulations

4.2.2. Applicable Height Regulations

A Sky Scrapper Zone allows the Minimum Height of 36 m (12 floors) and above and the minimum Plot Size shall be 4,000 Sq.m, where the minimum abutting road width is 24 m & above, *subject to clearance from Airports Authority of India.*

Also, it is observed that similar developments were permitted by the Highrise building committee in the Raidurg namely:

- a. *Galaxy Aurobindo Realty (Commercial Office Building): 105m height with 25 floors*
- b. *My Home Bhooja (residential project): 116m height with 36 floors*
- c. *Divyasree Orion (Commercial Office Complex): 107m height with 27 floors*
- d. *Image Towers (Commercial office space): 120m height with 20 floors*

Though the above skyscrapers of above 100m were permitted by the authority before 2022, the recent amendments in the guidelines of Airports Authority of India are observed to have significantly restricted the permissible top elevation of high-rise buildings in the vicinity of the project site. The preliminary analyses on permissible top elevation for the proposed site is presented in the subsequent section.

4.2.3. All round Open Spaces /Setbacks Regulations

The G.O.Ms. No 50, dated Apr 22, 2019 (hereafter referred "GO50"), MA&UD Dept, which is an amendment of GO168 provides a basis for determining the allowable heights and the required approach road width. As per Amendment 6 of GO50, the amended Rule no. 7, Table IV under sub-rule (a) (x) of GO168, the minimum abutting road width and all-round setbacks for Sky Scrapers is provided as below:

Table 4: All Round Open Space/Setbacks for Highrise buildings

| Height (in m) above | Up to | Minimum abutting road width required (in m) | Minimum all-round open space on remaining sides (in m) |
|---------------------|-------|---|--|
| 1 | 2 | 3 | 4 |
| - | 21 | 12 | 7 |
| 21 | 24 | 12 | 8 |
| 24 | 27 | 18 | 9 |
| 27 | 30 | 18 | 10 |
| 30 | 35 | 24 | 11 |
| 35 | 40 | 24 | 12 |
| 40 | 45 | 24 | 13 |
| 45 | 50 | 30 | 14 |
| 50 | 55 | 30 | 16 |
| 55 | 70 | 30 | 17 |
| 70 | 120 | 30 | 18 |
| Above 120 | | 30 | 20 |

Source: G O Ms.50 Building Regulations

- i. The balcony projection of up to 2m may be allowed projecting onto the open spaces for upper floors from 6m height onwards.
- ii. Where the lighting and ventilation of a building is through the means of a chowk or inner courtyard or interior open space/duct, such open space shall be open to sky and area of at least 25 sq.m and no side shall be less than 3 m.

4.2.4. Regulations applicable based on Building Types

The GO168 also provides the variations required in terms of planning based on the type of the building proposed. The rules below provide a summary of requirements based on the type of the building.

Tower and Podium Type Building:

- (i) Height of the building shall be allowed up to 50 m.
- (ii) For Podium, i.e., Ground plus first floor: all-round setbacks shall be 7 m.
- (iii) For Tower block: The coverage and all-round setbacks shall be minimum 50% of the Podium Block, and shall be at least 3 m from the Podium edge on all sides,
- (iv) The fire safety and fire escape measures for the Tower Block shall be independent of the Podium Block.

"Stepped Type" or "Pyramidal Type" Building:

Such type of High-Rise Building blocks may be allowed for heights above 30 m with the following open space requirements:

- (i) At Ground level: Minimum 9 m all-round open space for the first five floors.

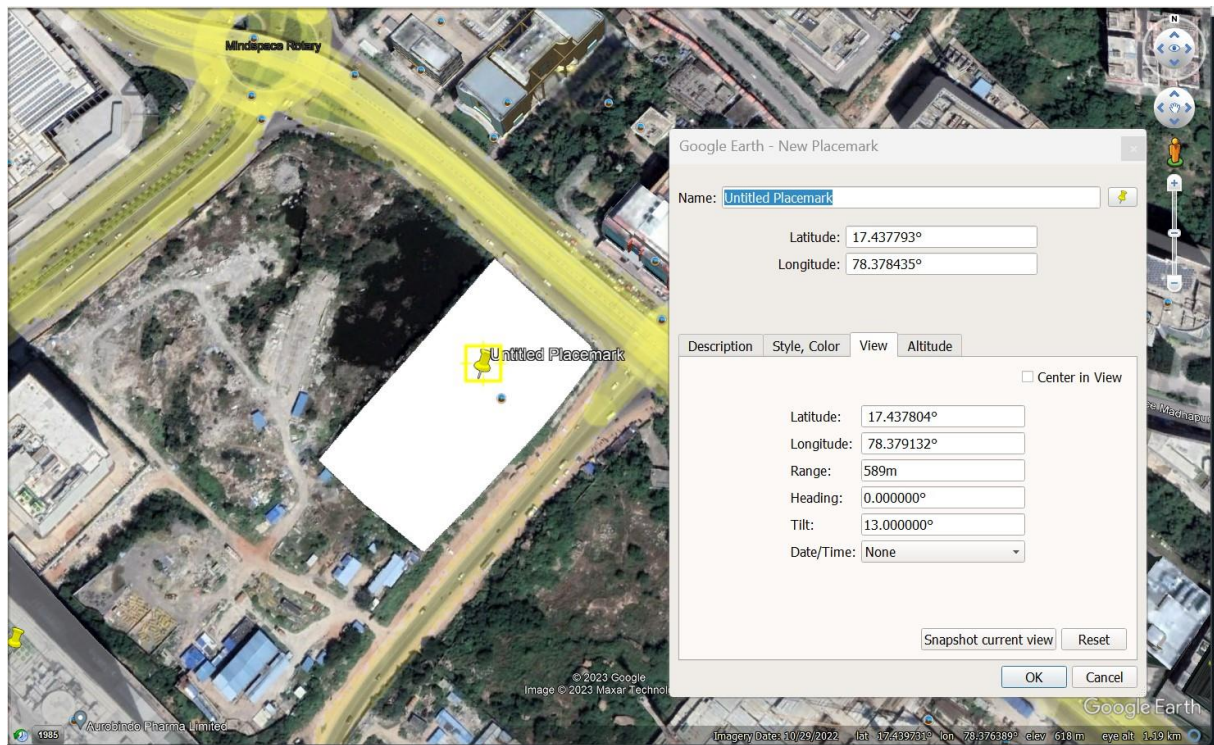
- (ii) At Upper floors: Increase of 1 m all-round open space or more, for every 5 upper floors or 15 m height or part thereof, over and above the ground level open space of minimum 9m.

While the regulations allow for the above two types of buildings, considering the nature of the land parcel, floor plate available and with an objective to maximize the built-up area possible, the proposed product mix which has two major components i.e. 5-Star Luxury hotel and Trade Centre for which norms related to stepped type building may be considered appropriate. However, we propose that the Private Partner be given the flexibility to determine the building type.

4.2.5. Airports Authority of India Norms

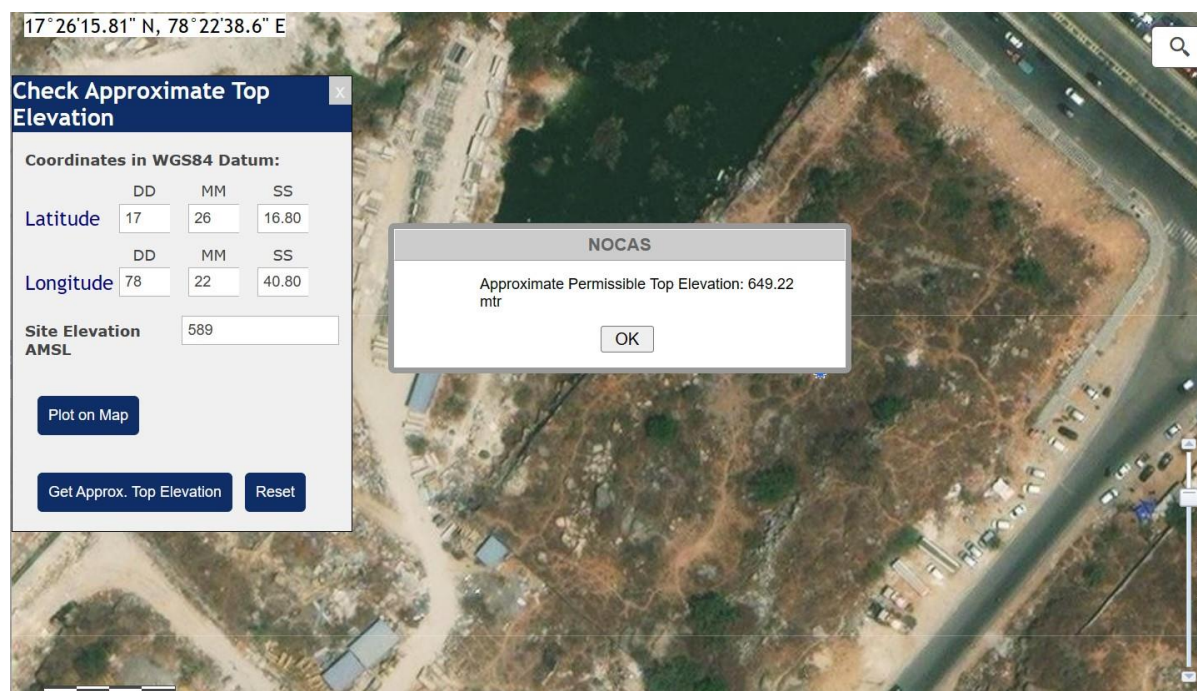
As per TSIIIC, the subject Site is 589.15m above mean sea level and falls under the Begumpet Airport Zone, Hyderabad. The site requires height clearance from the AAI for buildings and structures to be constructed as a part of the project.

Figure 11 Map showing Height of the site above mean sea level



The maximum permissible height achievable in the location is subject to the approvals of the Airports Authority of India (AAI) in addition to the applicable development control regulations. The maximum permissible height has been verified through online application system of AAI viz., "No Objection Certificate Application System (NOCAS) as per the details shown next.

Figure 12: Extract showing the Approximate Permissible Top Elevation for the Site as per NOCAS, AAI



Source: NOCAS, Airports Authority of India

Based on the AAI's NOCAS, the approximate permissible top elevation for the subject site is observed as 649.22m above mean sea level indicating that the site has a potential for a tower of up to a maximum height of 60 meters

Height (Above Ground Level) = Approximate top elevation – Mean sea level of the Site

$$649.22 - 589.15 \text{ i.e. } 60.07\text{m}$$

The permissible height of the tower has been estimated based on validation from multiple airport consultants who are experts in the domain.

Based on the above assessment, maximum achievable height has been restricted to 60 meters for computing the set-back requirements as per the applicable DCRs and computing the maximum achievable built-up area for the purposes of project feasibility. Table 4 indicates that all round set-backs of 17 mtrs is required for buildings of height between 55m and 70m.

4.2.6. Parking Requirements

The proposed project site is located within Hyderabad Metropolitan Region (HMR) hence parking requirements shall abide provisions as per the Building Regulations under, G.O.Ms.No 168.

Table 5: Parking Requirements for different Categories of Buildings/Activities

| Sl. No. | Categories of Building/Activity | HMDA Area | |
|---------|--|-----------|--|
| | | GHMC | Municipalities/ N.Ps/ G.Ps. in HMDA Area |
| 1 | 2 | 3 | 4 |
| 1 | Multiplexes | 60% | 50% |
| 2 | Shopping Malls (above 4000 sq.m), Information Technology Enabling Services Complexes | 60% | 50% |

| | | | |
|---|--|-----|-----|
| 3 | Hotels, Restaurants, Lodges, Cinema halls, Business buildings, Other Commercial buildings, Kalyana Mandapams, Offices, & High-Rise Buildings / Complexes of Non Residential Category | 40% | 30% |
| 4 | Residential Apartment Complexes, Hospitals, Institutional buildings, Industrial buildings, Schools, Colleges, Other Educational Buildings & Godowns & Others | 30% | 20% |

Source: Extracts of relevant guidelines for the Project Site from G O Ms.168 Building Regulations

As the said site area falls in Cyberabad Development Authority, which comes under rest of the municipalities & development authorities as per Table 5, minimum of 30% of the total built-up area (BUA) shall be provided for parking purposes for the proposed facility.

4.3. Key Takeaways from applicable DCRs for the proposed Project

- The Development regulations related to GO168, GO50 and GO363 and NOC norms of Airports Authority of India are applicable for the development of the Project Site.
- No land use conversion is required for the proposed development as the proposed Project Site is located in Cyberabad Zone of Hyderabad Metropolitan Development Authority and the land use of the project site falls under Commercial zone as per the Cyberabad Development Authority Master Plan which allows for the proposed development of project.
- The Approximate Permissible Top Elevation as per the No Objection Certificate Application System (NOCAS), Airports Authority of India (AAI) is 60.07m. Hence the Tower height has to be designed < 60.07m.
- Further, the proposed facility would require 30% of the total BUA to be allotted for parking complying the parking requirements as per GO168.
- A detailed analysis has been worked out based on possible scenarios for achieving heights and BUAs as below:

Table 6: Scenarios for the achieving optimum utilisation of the Site Area

| Particulars | Scenario1 | Scenario2 | Scenario3 |
|--|------------------|------------------|------------------|
| Site Area (Sqm) | 12,141 | 12,141 | 12,141 |
| Setbacks (mtrs) | 14 | 16 | 17 |
| Achievable Floor Plate /Ground Coverage Built up (Sqm) | 6,640 | 5,959 | 5,626 |
| Max. Height of the Building (mtrs) | 50 | 55 | 60 |
| Height of the floor* (mtrs) | 4 | 4 | 4 |
| No of Floors | 13 | 14 | 15 |
| Total BUA (Sqm) | 83,000 | 81,936 | 84,390 |
| Total BUA (Sq. ft) | 8,93,404 | 8,81,954 | 9,09,724 |
| Parking Area (Sq. ft) @ 30% to Total BUA | 2,68,021 | 2,91,045 | 3,00,209 |
| Total BUA (including Parking) | 11,61,425 | 11,72,998 | 12,09,933 |

Source: Consultant Analysis

*The height of the floor is based on the standard height design adopted for commercial buildings and the actual height of the floor and therefore the number of floors and built-up area feasible at the identified site shall be based on the nature of the facility developed.

For the purposes of financial analysis and project viability, a Development Option based on Scenario no 3 in Table 6 above has been considered for base guidelines related to allowable building height (60m) and setbacks (17m) in accordance with the applicable zoning regulations and AAI NOCAS norms.

Figure 13: Tentative developable area/ground coverage in the Project Site for Proposed Development Option



Source: Consultant Analysis

However, as indicated the scenario provides for maximum built-up area and height of floor considering only commercial development and will vary for a mixed development scenario. In case of 5-Star hotels, based on the industry norms, the optimum built-up is considered only 50% of the floor plate available – as a luxury hotel would require external view for all rooms, ambience spaces for Atrium, lobby, open areas, pools etc. Likewise, the typical floor height for the hotel is considered as 3.3mts compared with a 4 mtrs for commercial building. Based on these assumptions, the total built up area has been worked out for the proposed site. The calculations for the identified project site considering the development of Trade Centre cum 5 Star Hotel have been presented in the next chapter.

5. Proposed Development Option

Based on the assessment of the Airports Authority of India norms, Zoning and Development Controls, development option with suitable product mix has been worked duly considering site suitability, height of the building and the setbacks as detailed below:

5.1.1. Conceptual Details

Based on the details indicated in Section 4.3, a 15-floor tower with building height of 60 mtrs is conceptualized with 17 meters setback on all sides of the plot. This provides a floor plate of 5,626 sq. mtrs/ 60,536 sq. ft for construction. With a floor height of 4 mtrs for Grade A Commercial Space and a 3.3 mtrs for Hotel, maximum achievable BUA at the project site is approximately 6.66 lakhs sq. ft (excluding parking) and 8.86 Lakhs Sq.ft (including parking).

Based on the market assessment, primary consultations, and discussions with client and the BUA achievable, the proposed development mix is proposed as below:

- a. A single tower that will maximize the utility of the space available and provide maximum achievable built-up area.
- b. Development of 5-Star Luxury Hotel and Trade Centre along with parking as per the regulations, all necessary infrastructure and amenities comprising:
 - i. Ground floor with lobby areas for Trade Centre & Hotel, Luxury Retail/Banquet Hall spaces. The primary objective of the Authority is to develop a 5-star luxury hotel at the Project Site. Therefore, the development option considers maximizing the space available for a hotel of acceptable configuration (200 keys as a minimum).
 - ii. Five Star Luxury Hotel comprising 200 keys – to occupy in top 8 floors;
 - iii. Trade Centre - Commercial/Office to occupy the first 4 floors;
 - iv. One Services Floor will be provided;
 - v. One floor will be dedicated for Specialty Restaurants & Banquets.

5.1.2. Area Utilization Statement

The overall area allocation is done in the manner shown in the Table 7

Table 7: Area Statement of the Proposed Development

| S. No. | Floor No | Floor Height(m) | Total Tower Height(m) | Description | Area Details | | | % of Total Area |
|--------|---------------------|-----------------|-----------------------|---|--------------|----------|---------------|-----------------|
| | | | | | Sq.m | Sq.ft | Saleable Area | |
| | | | 60 | | | | | |
| A | Lobbies & Banquets | | | | 5,626 | 60,536 | | 6.84 |
| 1) | GF | 9.4 | 9.4 | Lobby for Office | 500 | 5,380 | | 0.61 |
| 2) | | | | Lobby for Hotel | 500 | 5,380 | | 0.61 |
| 3) | | | | Banquet Hall/Retail | 4,626 | 49,776 | 49,776 | 5.62 |
| B | Trade Centre | | | | 22,504 | 2,42,143 | | 27.34 |
| 1) | 1st-4 th | 4 | 16 | Trade Centre (with an equivalent of Grade-A office space quality) | 22,504 | 2,42,143 | 2,42,143 | 27.34 |
| C | Luxury Hotel | | | | 33,756 | 3,63,215 | | 41.01 |

| S. No. | Floor No | Floor Height(m) | Total Tower Height(m) | Description | Area Details | | | % of Total Area |
|---------|---|-----------------|-----------------------|--|--------------|----------|-----------|-----------------|
| 1) | 5th | 5.2 | 5.2 | Speciality Restaurants+ Banquets | 5,626 | 60,536 | 60,535.76 | 6.84 |
| 2) | 6th Floor | 3 | 3 | Service Floor (Not Saleable) | 5,626 | 60,536 | | 6.84 |
| 3) | 7th-14th | 3.3 | 26.4 | Luxury Hotel - Considered 50% of floor Plate for hotel | 22,504 | 2,42,143 | 2,42,143 | 27.34 |
| A+B+C | Total Area | | | | 61,886 | 6,65,893 | 5,94,598 | 75.19 |
| D | Parking (including visitors) | | | | 20,422 | 2,19,745 | | 24.81 |
| 1) | Basement-1 | 3 | | Parking | 6,807 | 73,248 | | 8.27 |
| 2) | Basement-2 | | | Parking | 6,807 | 73,248 | | 8.27 |
| 3) | Basement-3 | | | Parking | 6,807 | 73,248 | | 8.27 |
| A+B+C+D | Total Built Up Area (including Parking) | | | | 82,308 | 8,85,638 | | 100.00 |

Source: Consultant estimates

Figure 14: Section for the Luxury Hotel & Trade Centre

| | | | |
|---------------|---------------------------|--------------------------|-------------|
| TERRACE FLOOR | | | |
| +60 M LVL | HOTEL FLOOR 8 | | |
| 14TH FLOOR | HOTEL FLOOR 7 | | |
| +56.7 M LVL | HOTEL FLOOR 6 | | |
| 13TH FLOOR | HOTEL FLOOR 5 | | |
| +53.4 M LVL | HOTEL FLOOR 4 | | |
| 12TH FLOOR | HOTEL FLOOR 3 | | |
| +50.1 M LVL | HOTEL FLOOR 2 | | |
| 11TH FLOOR | HOTEL FLOOR 1 | | |
| +46.8 M LVL | SERVICE FLOOR | | |
| 10TH FLOOR | AD+ SPECIALITY RESTAURANT | | |
| +43.5 M LVL | OFFICE FLOOR 4 | | |
| 9TH FLOOR | OFFICE FLOOR 3 | | |
| +40.2 M LVL | OFFICE FLOOR 2 | | |
| 8TH FLOOR | OFFICE FLOOR 1 | | |
| +36.9 M LVL | OFFICE FLOOR 1 | | |
| 7TH FLOOR | OFFICE FLOOR 1 | | |
| +33.6 M LVL | OFFICE FLOOR 1 | | |
| 6TH FLOOR | OFFICE FLOOR 1 | | |
| +30.6 M LVL | OFFICE FLOOR 1 | | |
| 5TH FLOOR | OFFICE FLOOR 1 | | |
| +25.4M LVL | OFFICE FLOOR 1 | | |
| 4TH FLOOR | OFFICE FLOOR 1 | | |
| +21.4 M LVL | OFFICE FLOOR 1 | | |
| 3RD FLOOR | OFFICE FLOOR 1 | | |
| +17.4 M LVL | OFFICE FLOOR 1 | | |
| 2ND FLOOR | OFFICE FLOOR 1 | | |
| +13.4 M LVL | OFFICE FLOOR 1 | | |
| 1ST FLOOR | OFFICE FLOOR 1 | | |
| +9.4 M LVL | OFFICE FLOOR 1 | | |
| GROUND FLOOR | BANQUET HALL / RETAIL | OFFICE LOBBY | HOTEL LOBBY |
| +0.40M LVL | OFFICE FLOOR 1 | | |
| PARKING / MEP | | BASEMENT 01 -4.40M LVL | |
| PARKING / MEP | | BASEMENT 02 -7.90 M LVL | |
| PARKING / MEP | | BASEMENT 03 -12.40 M LVL | |

Source: Consultant Analysis/ Note: Office floor represents the Trade Centre space; the spaces related to Lobby, Service Floor and Parking are considered as 'non-saleable'/'non-leasable' spaces as they wouldn't have independent revenue streams.

5.1.3. *Conclusions and Recommendations*

As per above optimum development option, the total BUA of the proposed tower is approximately 8.86 lakh sq. ft which includes 2.19 lakh sq. ft of Parking area and maximum achievable saleable or leasable area of 5.94 lakh sq. ft.

However, the maximum achievable built-up area arrived at as above, cannot be considered as Minimum Development Obligation (MDO) for a private sector developer, considering the challenges such as higher cost of construction to achieve higher floors, vaasthu and related compliances (which are necessary preconditions for salability in India), and other viability related aspects.

Given the primary objective of development at the site is to develop a 5-star luxury hotel, it is proposed that the Developer may be mandated to develop 5-star luxury hotel that would occupy the maximum space in the overall development along with requisite parking and all other associated infrastructure for such hotel.

It may be noted that for the purpose of bidding, the Authority may consider providing Minimum Development Obligations (MDOs) for undertaking the development of the project by the Selected Bidder. This would provide some flexibility in terms of design, planning and commercialization of the proposed project by the Developer. The Developer may however be required to undertake its own assessment of the proposed project's viability and choose to develop beyond the MDOs as well.

6. Financial Feasibility Assessment

Various alternative development options have been evaluated to assess the workable commercial structure that would maximize value for TSIC while keeping into account the basic viability factors from the perspective of the private developer. As per the preference suggested by TSIC, the project was to be implemented on Joint Development Agreement (JDA) basis with developed commercial space in Trade Centre as returns to the Authority.

While the analyses, assumptions, calculations, conclusions herein have been provided purely for information purpose of the Bidders, it may be noted that the Bidders cannot rely on the same for undertaking bidding. It is mandatory for the Bidders to undertake their own assessment of site conditions, risks and returns for the proposed project and submit their bids accordingly. Neither TSIC nor the Transaction Advisor shall be liable under any circumstances for loss or damage of any kind that may potentially be caused to the bidders in this regard.

6.1. Key Inputs for Financial Analysis

The key inputs for financial feasibility assessment are as provided below:

6.1.1. General Assumptions

- a) The Financial Model has been worked out for JDA model considering the minimum development obligations only.
- b) The overall project is proposed to be developed in a single phase and is expected to be completed in 24-30 months.
- c) Financial Analysis is based on the discussions with client and market assessment based on similar projects.
- d) For the commercial/retail spaces, assumptions for costs, revenues, and occupancy have been taken based on the primary consultations and the report on the real estate trends in Raidurgam prepared by leading property consultants.
- e) Assumptions related to occupancy, operating costs and revenues are determined based on industry standards, and benchmarks from similar projects/hotels.
- f) The escalations in construction costs, lease rentals, and costs are based on prevailing practices
- g) Standard assumptions related to depreciation, financing, income tax rates have been taken for assessing profitability and internal rates of return
- h) Overall development (Minimum Development Obligations) have been considered at 90% of the overall project configuration – as given below:
 - a. Ground floor with an area of 60,636 sq. ft comprising Lobbies/ Retail/ Restaurants/ 500-pax Banquet Hall.
 - b. Trade Centre with Commercial areas for Premium Office and Retail Spaces/ Lobby/ Conference/ meeting halls of minimum 2,18,000 Sft.
 - c. A 180-key 5 Star Luxury Hotel along with Swimming Pool, Restaurants, Conferences/Banquet Halls and other services.
- i) As indicated, the financial model for purpose of evaluating financial viability of the project for the private developer has been worked out based on minimum development obligations only.

6.2. Financial Viability

The Financial Viability, as per the MDOs indicated above, has been worked out in two modes i.e., lease and sale basis for the commercial space in Trade Centre for the Developer. The financial metrics for the Project in such scenarios are as below:

| Mode of Returns | Sale of Commercial Space | Lease of Commercial Space |
|------------------------|--------------------------|---------------------------|
| Project IRR (post-tax) | 14.8% | 14.0% |
| Equity IRR | 18.0% | 16.2% |

The assumptions on the occupancy and sale have been considered conservatively. Any improvement in the actual market scenario could improve the financial viability of the Project further. The returns would also improve by achieving higher sq. ft construction as per the applicable norms to maximize the potential at the Project Site.

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7. Site photographs & Concept Images

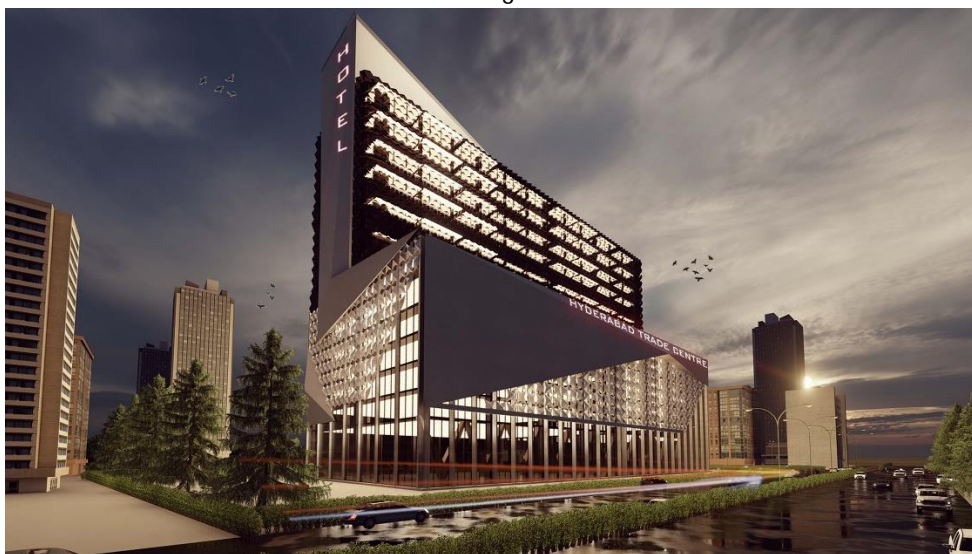




Day view – from existing 45m North-South road



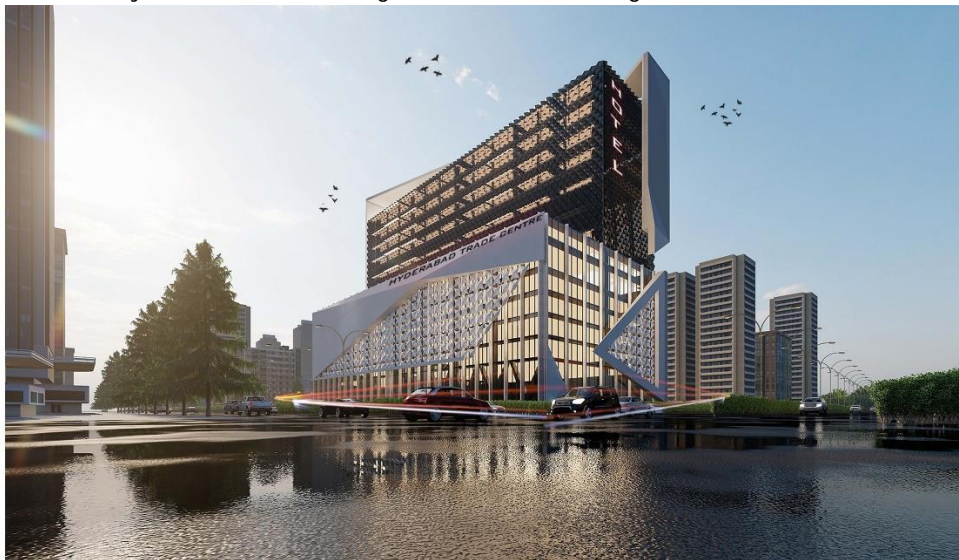
Dawn view – from existing 45m North-South road



Dusk view – from existing 45m North-South road



Day view – from existing 45m East-West Durgam Cheruvu road



Dawn view – from existing 45m East-West Durgam Cheruvu road



Dusk view – from existing 45m East-West Durgam Cheruvu road

** - End of Report - **