



उत्तर प्रदेश जल निगम

02

कार्यालय महाप्रबन्धक, गंगा प्रदूषण नियन्त्रण इकाई, 30 प्र0 जल निगम, बेनाझाबर रोड कानपुर-208002

पत्रांक : 2078

AC-11/11

दिनांक 30/08/2018

LETTER OF AWARD

To,

Shapoorji Pallonji And Company Private Limited
SP Centre, 41/44, Minoo Desai Marg, Colaba,
Mumbai - 400 005, Maharashtra, India.

Sub: Letter of Award (LOA) for "Design, Build, Rehabilitate & Operate with associated Infrastructure for a period of minimum 15 years under Hybrid Annuity Based PPP Model in Kanpur City Distt. Kanpur & Unnao, Shuklaganj of Unnao District, State of Uttar Pradesh, India"

Dear Sir,

This is in reference to your Bid dated 11 August 2018, submitted in response to the Request for Proposal (NIT No: 470/AC-9/33, dated 23.05.2018) for the implementation of the above-mentioned Project.

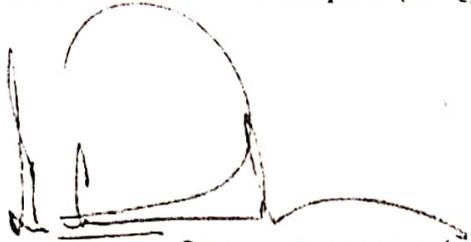
1. We are pleased to inform you that your Bid, including the Financial Proposal (*attached*) of INR 816,24,87,312.00 only (*Rs. Eight Hundred Sixteen Crores Twenty Four Lakh Eighty Seven Thousands Three Hundred Twelve Only*) as the Bid Price for Design, Build, Rehabilitate & Operate Facilities with Associated Infrastructure for a period of minimum 15 years under Hybrid Annuity Based PPP Model in Kanpur City District Kanpur & Unnao, Shuklaganj of District Unnao, State of Uttar Pradesh, India, has been accepted and you have been identified as the Selected Bidder for the Project, subject to fulfillment of the following terms and conditions:

- (a) the Selected Bidder shall incorporate a Special Purpose Vehicle ("Concessionaire") under the Companies Act to implement the Project and submit all necessary documents regarding the incorporation (including specifically the constitution documents) prior to signing of the Concession Agreement;
- (b) The Concessionaire shall be responsible for -
 - (i) Designing, financing, rehabilitating and completing the Jajmau Facilities by the Scheduled Jajmau Construction Completion Date in accordance with the Concession Agreement
 - (ii) Operating and maintaining Jajmau Facilities from Effective Date until the Expiry Date, in accordance with the Concession Agreement;
 - (iii) Designing, financing, constructing and completing Unnao Facilities, Shuklaganj Facilities and Pankha Facilities by the Scheduled Unnao Construction Completion Date, Scheduled Shuklaganj Construction Completion Date and Scheduled Pankha Construction Completion Date respectively in accordance with the Concession Agreement;
 - (iv) Operating and maintaining Unnao Facilities, Shuklaganj Facilities and Pankha Facilities from the Unnao COD, Shuklaganj COD and Pankha COD respectively until the Expiry Date, in accordance with the Concession Agreement; and
 - (v) Operating and maintaining Bingawan Facilities and Sajari Facilities from the Bingawan Handover Date and Effective Date respectively until the Expiry Date, in accordance with the Concession Agreement.

- (c) The Concessionaire will be required to construct/renovate (wherever mentioned in the scope of work), operate and maintain facilities and fulfil the KPIs, in accordance with the Concession Agreement
- (d) 40% of the relevant Bid Project Cost will be reimbursed to the Concessionaire during (i) the Unnao Construction Period for the Unnao Facilities, (ii) Pankha Construction Period for the Pankha Facilities, (iii) Jajmau Construction Period for the Jajmau Facilities, and (iv) the Shuklaganj Construction Period for the Shuklaganj Facilities, which will be linked to completion and certification of the works corresponding to specified Payment Milestones (refer clause 9.3 of Concession Agreement). From the relevant COD of each Facility, the Capex Annuity (along with interest) and the O&M Charges will be paid on a quarterly basis to the Concessionaire. Additionally, the Concessionaire will also be reimbursed on a quarterly basis for: (i) the Power Charges at actuals (subject to a cap of the Power Charges based on the Guaranteed Energy Consumption) for power consumed for the O&M of the Facilities. If the Concessionaire consumes more power for O&M of any Facility than the relevant Guaranteed Energy Consumption for such Facility in any given quarter, it will be liable to pay damages to the Jal Nigam in accordance with the Concession Agreement.
- (e) the Concessionaire shall bear the Power Charges for each Facility (for units of energy consumed from the grid and from DG sets) and the Power Charges for the O&M Period will be reimbursed to the Concessionaire, subject to a cap of the relevant Guaranteed Energy Consumption quoted by the Selected Bidder for such Facility in its Financial Proposal (For relevant Guaranteed Energy Consumption applicable for each Facility, please refer to the attached Financial Proposal);
- (f) In order to meet its power consumption requirements, the Concessionaire may construct and operate a biogas power plant at any or all of the Facilities and utilise the bio gas generated from the treatment of raw sewage at those Facilities to produce clean energy. The Concessionaire may also set up a rooftop solar project at any or all of the Facilities to meet its power consumption requirements; and
- (g) The Concessionaire will be required to construct/renovate (wherever mentioned in the scope of work), operate and maintain facilities and fulfil the KPIs, in accordance with the Concession Agreement.
- (h) the Concessionaire shall implement the Project as per the terms and conditions of the RFP (including the Concession Agreement).
2. Within 15 days from the issuance of the LOA by the Jal Nigam, the Selected Bidder is required to sign and stamp the LOA and send it to the Jal Nigam as acknowledgement and acceptance of the LOA.
- In the acknowledged copy of the LOA, the Selected Bidder is required to indicate the date on which it proposes to sign the Concession Agreement (through the Special Purpose Vehicle to be incorporated by the Selected Bidder to implement the Project), which date shall not be later than 45 days of the date of the LOA, in accordance with Clause 31.4 of the RFP, NMCG, the Jal Nigam and the Special Purpose Vehicle shall sign the Concession Agreement on the date specified by the Selected Bidder in the accepted copy of the LOA or any other date mutually agreed among the Parties.
3. The Selected Bidder is also required to submit the Performance Security in accordance with clause 16 of the RFP, prior to signing of the Concession Agreement.
4. If you, the Selected Bidder, fail to comply with the requirements of paragraph 2 or 3 above or it is subsequently discovered that you made any material misrepresentation or gave any materially incorrect or false information, the Jal Nigam shall have the right to disqualify you, revoke this LOA and forfeit your Bid Security in accordance with the RFP.
5. In addition to the above, you, the Selected Bidder, shall comply with all other requirements as set out in the RFP and for all purposes, the conditions of the RFP may be read as a part of this LOA and in case of any contradiction, the terms set forth in the RFP shall prevail.

6. You are therefore requested to do the needful as set out in this LOA to facilitate the signing of the Concession Agreement for the implementation of the Project.
7. The capitalized terms used in this LOA shall have the same meaning as set forth in the Concession Agreement or the RFP, as the case may be.

Enclosure: - Financial Proposal (BOQ) of Shapoorji Pallonji And Company Private Limited



Yours sincerely

(Rakesh Kumar Agrawal)
General Manager

Accepted by: **REBY THOMAS (HEAD-WATER BUSINESS)**
06/09/2018

Proposed date of execution
Of the Concession Agreement: 15th Oct 2018

For ShapoorjiPallonji And Company Private Limited

Endt. & date as above.

Copy to the following for information and necessary action please:-

- 1- Director General, NMCG, New Delhi
- 2- Executive Director (Projects), NMCG, New Delhi.
- 3- Project Director, SMCG UP, Lucknow.
- 4- Shri Madhava Kumar R., Senior Economics & Finance Analysis Expert, NMCG, New Delhi.
- 5- Managing Director, U.P. Jal Nigam, Lucknow.
- 6- Chief Engineer (Ganga), U.P. Jal Nigam, Lucknow in reference of your letter no. 138/021-0218(153)/2018 Dated. 30-08-2018.
- 7- Chief Engineer (Kanpur zone), U.P. Jal Nigam, Kanpur.
- 8- Project Manager, Ganga Pollution Control Unit, U.P. Jal Nigam, Kanpur.
- 9- Project Manager (E/M), Ganga Pollution Control Unit, U.P. Jal Nigam, Kanpur.

General Manager