

MSRDC/01/JMD(II)/IRDP-K/ BID/LOA/08/ 1103
Dated 26.03.2008



127 MAR 2008 LETTER OF ACCEPTANCE

To, -
Shri. V.D. Mhaiskar,
Authorized Signatory,
IRB - ATR - MRM Consortium,
M/s. IRB Infrastructure Developers Ltd.,
IRB Complex, CHANDIVALI FARM,
CHANDIVALI Village, Andheri (E)
Mumbai 400 072.

Maharashtra State
Road Development
Corpn. Ltd.
(A Govt. Of Maharashtra Undertaking)

Sub: Implementation of Integrated Road Development Program (IRDP) in the city of Kolhapur on Build, Operate and Transfer (BOT) basis.

Ref: 1)-Bid Submitted by you on 24.12.2007.

Dear Sir,

We are pleased to inform you that the MSRDC has accepted your offer for the work of Implementation of Integrated Road Development Program (IRDP) in the city of Kolhapur on Build, Operate and Transfer (BOT) basis as per the terms and conditions of the bid documents with your offer of Negative grant of Rs.27,00,00,000/- (Rupees Twenty Seven Crores only) for a total fixed concession period of thirty years from appointed date. The scope of the work will include all the works as stipulated in the bid document.

You are requested to form SPV (Special Purpose Vehicle) as per provision stipulated in the bid documents, submit the performance security and sign the concession agreement within 30 days from the date of issue of this letter.

As per the Article 1.31.1 of Volume I (RFP document), you have to submit an irrevocable and unconditional guarantee from a bank for a sum equivalent to Rs.11,00,00,000/- (Rupees Eleven Crores only) in the form set forth in Schedule F of Volume II-A (RFP document) towards performance security. After furnishing the performance security, the SPV should achieve the financial close as stipulated in Volume I (RFP document).

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On failure to comply with the requirements of the clause 1.31.1 of Volume I (RFP document) and/or to furnish the performance security, as stipulated the MSRDC will take action as per the clause 1.31.3 of Volume I (RFP document).

On achieving the financial close, the following payments have to be made to the MSRDC as given below

S.N.	Amount	Payment time frame
1	Rs.10(Ten) Crores	Within 30 days of Financial close
2	Rs.5(Five) Crores	Within 120 days of Financial close
3	Rs.10(Ten) Crores	Within 360 days of COD

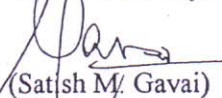
As per the negative grant quoted by you in the Appendix F-6A in the financial proposal of the bid and as per the clause 25.3 of the Article 25 of Volume II (RFP document), the Negative Grant i. e. sum of Rs.27,00,00,000/- Crores (Rupees Twenty seven Crores) should be paid to the MSRDC by way of DD (instead of cash) in favor of "MSRDC Ltd., Mumbai" of a Nationalized or a schedule Bank payable at Mumbai within 180days from the issue of this letter.

As per the terms and conditions in the bid document, the commercial plot shall be handed over only after investment of Rs.60 (sixty) crores (i.e. Rs.45Crores in the work and Rs.15crores as payment). It should please be noted that the commercial plot has to be developed as per D.C. rules prevailing at the time of development and that in case of any additional benefit obtained due to any change in the approved Development Plan and/or D.C. rules during the lease period, the additional income arising there from has to be distributed amongst the concessionaire and MSRDC in equal proportion.

The duplicate copy of this letter may please be returned immediately duly stamped and signed by you, in token of your acknowledgement of this letter of acceptance.

Thanking you,

Yours Faithfully,


(Satish M. Gavai)

Vice Chairman & Managing Director,
MSRDC (Ltd.), Mumbai

