Guarantee Agreement

(Eastern Dedicated Freight Corridor 2 Project)

between

INDIA

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated December 11, 2014
GUARANTEE AGREEMENT

AGREEMENT, dated [December 11, 2014], entered into between INDIA ("Guarantor") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") ("Guarantee Agreement") in connection with the Loan Agreement of same date between the Bank and the DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED ("Borrower") ("Loan Agreement"). The Guarantor and the Bank hereby agree as follows:

ARTICLE I – GENERAL CONDITIONS; DEFINITIONS

Section 1.01. The General Conditions (as defined in the Appendix to the Loan Agreement) constitute an integral part of this Agreement.

Section 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions and/or the Loan Agreement, as the case may be.

ARTICLE II – GUARANTEE; PROVISION OF FUNDS

Section 2.01. The Guarantor declares its commitment to the objectives of the Project. To this end, without limitation or restriction upon any of its other obligations under the Guarantee Agreement, the Guarantor hereby unconditionally guarantees, as primary obligor and not as surety merely, the due and punctual payment of all Loan Payments payable by the Borrower pursuant to the Loan Agreement, and the punctual performance of all the other obligations of the Borrower set forth or referred to in the Loan Agreement.

Section 2.02. Without limitation or restriction upon the provisions of Section 2.01 of this Agreement, the Guarantor, through MOR, specifically undertakes, whenever there is reasonable cause to believe that the counterpart funds available to the Borrower will be inadequate to meet the estimated expenditures required for the carrying out of the Project, promptly to provide the Borrower with the funds needed to meet such expenditures.

ARTICLE III – OTHER COVENANTS

Section 3.01. In cooperation with Borrower, the Guarantor, through MOR, undertakes to ensure, that no civil works for the construction of Linked Activities shall commence, until and unless:
(a) the respective Linked Activities have been screened pursuant to the RPF and the EMF, and social and environmental impact assessments, resettlement action plans and environmental management plans, as may be required, have been prepared in accordance therewith; and

(b) the foregoing impact assessments and resettlement/environmental plans have been submitted to the Bank for review, and the Bank has notified in writing to the Guarantor its satisfaction therewith.

Section 3.02. The Guarantor shall, through MOR, ensure that the Linked Activities are implemented in compliance with the RPF and EMF and the environmental and social assessments, resettlement action plans and/or environmental management plans prescribed pursuant to Section 3.01 above.

Section 3.03. The Guarantor shall, through MOR, ensure that the Bank is furnished, by no later than December 31 of each year, commencing on December 31, 2014, with the annual work plan of proposed Linked Activities to be implemented in the following fiscal year; which plan shall thereafter, be carried out by the responsible agency taking into account the comments received from the Bank.

Section 3.04. Prior to commencement of commercial operations of the Project section of the Eastern DFC financed by the Loan, the Guarantor, through MOR, shall ensure that a track access regime agreed with the Bank is in place and operational.

ARTICLE IV - REPRESENTATIVE; ADDRESSES

Section 4.01. The Guarantor’s Representative is the Secretary, or any Additional Secretary, Joint Secretary, Director, Deputy Secretary, or Under Secretary of the Department of Economic Affairs in the Ministry of Finance of the Borrower.

Section 4.02. The Guarantor’s Address is:

Secretary
Department of Economic Affairs
Ministry of Finance
Government of India
North Block
New Delhi 110001, India

Facsimile:

+91 (11) 23094075
Section 4.03. The Bank’s Address is:

International Bank for
Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Cable: INTBAFRAD
Telex: 248423 (MCI) or 64145 (MCI)
Facsimile: (202) 477-6391

AGREED at New Delhi, India, as of the day and year first above written.

INDIA

By

Authorized Representative
Name: TARUN BASAJ
Title: Joint Secretary

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative
Name: Onno Ruhl
Title: Country Director (India)