

CONCESSION AGREEMENT

BETWEEN

**FOOD CORPORATION
OF INDIA**

AND

NCML KB PRIVATE LIMITED

**For construction of Foodgrain Silos at
Kaimur and Buxar (Bihar) on DBFOT basis**

FOOD CORPORATION
OF INDIA

AND

NCML RB PRIVATE LIMITED

The constitution of Food Corporation of India
and NCML RB Private Limited is hereby



CONCESSION AGREEMENT

BETWEEN

FOOD CORPORATION OF INDIA

16-20, Barakhamba Lane, New-Delhi-110001, India

(THE AUTHORITY)

AND

NCML KB PRIVATE LIMITED

IFFCO TOWER-1, B- WING, 5TH FLOOR, PLOT NO.3, SECTOR-29, Gurgaon,
Haryana, India- 122001

(THE CONCESSIONAIRE)

FOR

**Development of Food Grain Silos at Kaimur
and Buxar through Public Private Partnership
(PPP) On Design, Build, Finance, Operate and
Transfer (DBFOT) basis**

Dated : The 15th day of January, 2018

आसीम छाबड़ा / ASEEM CHHAJRA
महाप्रबंधक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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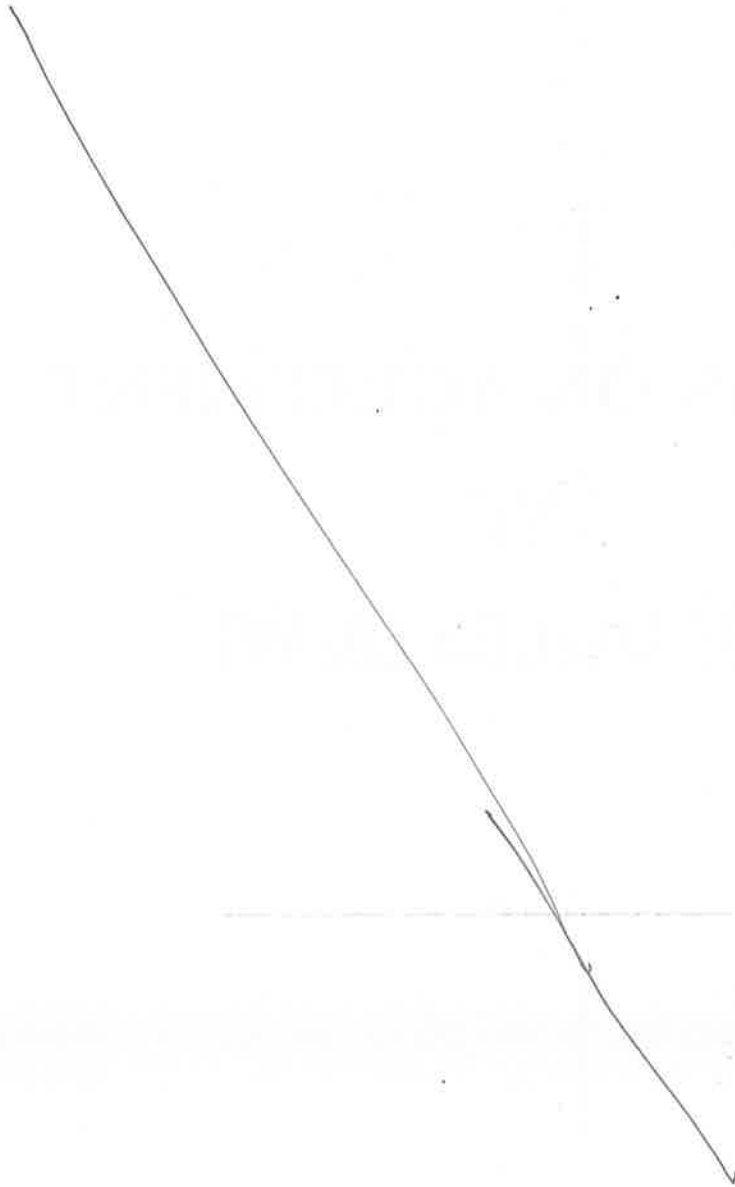
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CONCESSION AGREEMENT
AND
SCHEDULES (A-W)


आसीम छाबड़ा / ASEEM CHHABRA
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FOOD CORPORATION OF INDIA

CONCESSION AGREEMENT

FOR

**Selection of Developer for construction of Food Grain
Silos at Kaimur and Buxar through Public Private
Partnership (PPP) On Design, Build, Finance, Operate
and Transfer (DBFOT) basis**

आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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Part I
Preliminary

आसीम छाबड़ा / **ASEEM CHHABRA**
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Indian-Non Judicial Stamp Haryana Government



Date :14/12/2017

Certificate No. G0N2017L1928



GRN No. 32070462



Stamp Duty Paid : ₹ 101
(Rs. Only)

Penalty : ₹ 0
(Rs. Zero Only)

Deponent

Name: Ncml Kb Pvt Ltd

H.No/Floor : Na

Sector/Ward : 29

Landmark : Iffco tower

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone : 0



Purpose : all to be submitted at Concerned office



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CONCESSION AGREEMENT

THIS AGREEMENT is entered into on this the ^{15th}..... day of January, 2018

BETWEEN

- 1 **THE FOOD CORPORATION OF INDIA**, established under the Food Corporation Act 1964, represented by its Chairman and having its principal offices at 16-20, Barakhamba Lane, New Delhi - 110001 (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

- 2 **NCML KB PRIVATE LIMITED**, a company incorporated under the provisions of the Companies Act, 2013 and having its registered office at IFFCO TOWER-1, B- WING, 5TH FLOOR, PLOT NO.3, SECTOR-29, Gurgaon, Haryana, India- 122001, (hereinafter referred to as the "**Concessionaire**" 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 had resolved to procure an integrated Storage Facility for storage of Food Grains at two locations, each with a design storage capacity of 50,000 (fifty thousand) metric tonnes, at 'Kaimur' and 'Buxar' in the state of Bihar in India on design, build, finance, operate and transfer ("**DBFOT**") basis in accordance with the terms and conditions set forth in this Agreement.
- (B) The Authority had accordingly invited proposals by its Request for Qualification No. **Silos/203/DEA/2016** dated **6th December, 2016** (the "Request for Qualification" or "RFQ") for short listing of bidders for construction, operation and maintenance of the above referred Storage Facility on DBFOT basis and had shortlisted certain bidders including, inter alia, the selected bidder **National Collateral Management Services Limited**.
- (C) The Authority had prescribed the technical and commercial terms and conditions, and invited Bids (the "**Request for Proposals**" or "**RFP**") dated April 11th 2017 from the bidders shortlisted pursuant to the RFQ for undertaking the Project.
- (D) After evaluation of the Bids received, the Authority had accepted the Bid of the selected bidder and issued its Letter of Award No. **SILO/203/DEA/2016/Pt./453** dated **23/28.08.2017** (hereinafter called the "**LOA**") to the selected bidder requiring, inter alia, the execution of this Concession Agreement within 45 (forty-five) days of the date of issue thereof.
- (E) The selected bidder has since promoted and incorporated the Concessionaire as a limited liability company under the Companies Act 2013, and has requested the Authority to accept the Concessionaire as the entity which shall undertake and perform the obligations and

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exercise the rights of the selected bidder under the LOA, including the obligation to enter into this Concession Agreement pursuant to the LOA for executing the Project.

- (F) By its letter dated 6th October, 2017 the Concessionaire has also joined in the said request of the selected bidder to the Authority to accept it as the entity which shall undertake and perform the obligations and exercise the rights of the selected bidder including the obligation to enter into this Concession Agreement pursuant to the LOA. The Concessionaire has further represented to the effect that it has been promoted by the selected bidder for the purposes hereof.
- (G) The Authority has agreed to the said request of the selected bidder and the Concessionaire, and has accordingly agreed to enter into this Concession Agreement with the Concessionaire for execution of the Project on DBFOT basis, subject to and on the terms and conditions set forth hereinafter.

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



ARTICLE 1

1. DEFINITIONS AND INTERPRETATION

1.1. Definitions

The words and expressions beginning with capital letters and defined in this Agreement (including those in Article 42) shall, unless the context otherwise requires, have the meaning ascribed thereto herein, and the words and expressions defined in the Schedules and used therein shall have the meaning ascribed thereto in the Schedules.

1.2. Interpretation

1.2.1. In this Agreement, unless the context otherwise requires,

- (a) references to any legislation or any provision thereof shall include amendment or re-enactment or consolidation of such legislation or any provision thereof so far as such amendment or re-enactment or consolidation applies or is capable of applying to any transaction entered into hereunder;
- (b) references to laws of India or Indian law or regulation having the force of law shall include the laws, acts, ordinances, rules, regulations, bye laws or notifications which have the force of law in the territory of India and as from time to time may be amended, modified, supplemented, extended or re-enacted;
- (c) references to a "person" and words denoting a natural person shall be construed as a reference to any individual, firm, company, corporation, society, trust, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above and shall include successors and assigns;
- (d) the table of contents, headings or sub-headings in this Agreement are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this Agreement;
- (e) the words "include" and "including" are to be construed without limitation and shall be deemed to be followed by "without limitation" or "but not limited to" whether or not they are followed by such phrases;
- (f) references to "construction" or "building" include, unless the context otherwise requires, investigation, design, developing, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction, and "construct" or "build" shall be construed accordingly;
- (g) references to "development" include, unless the context otherwise requires, construction, renovation, refurbishing, augmentation, up-



DATE: 15/05/2017 BY: ASEEM CHHABRA

gradation and other activities incidental thereto, and "develop" shall be construed accordingly;

- (h) any reference to any period of time shall mean a reference to that according to Indian Standard Time;
- (i) any reference to day shall mean a reference to a calendar day;
- (j) references to a "business day" shall be construed as a reference to a day (other than a Sunday) on which banks in Delhi are generally open for business;
- (k) any reference to month shall mean a reference to a calendar month as per the Gregorian calendar;
- (l) references to any date, period or Project Milestone shall mean and include such date, period or Project Milestone as may be extended pursuant to this Agreement;
- (m) 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;
- (n) the words importing singular shall include plural and vice versa;
- (o) references to any gender shall include the other and the neutral gender;
- (p) "lakh" means a hundred thousand (100,000) and "crore" means ten million (10,000,000);
- (q) "indebtedness" shall be construed so as to include any obligation (whether incurred as principal or surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (r) references to the "winding-up", "dissolution", "insolvency", or "reorganisation" of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, arrangement, protection or relief of debtors;
- (s) save and except as otherwise provided in this Agreement, any reference, at any time, to any agreement, deed, instrument, licence or document of any description shall be construed as reference to that agreement, deed, instrument, licence or other document as amended, varied, supplemented, modified or suspended at the time of such reference; provided that this

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Sub-clause shall not operate so as to increase liabilities or obligations of the Authority hereunder or pursuant hereto in any manner whatsoever;

- (t) any agreement, consent, approval, authorisation, notice, communication, information or report required under or pursuant to this Agreement from or by any Party or the Independent Expert shall be valid and effective only if it is in writing under the hand of a duly authorised representative of such Party or the Independent Expert, as the case may be, in this behalf and not otherwise;
- (u) 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;
- (v) 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 and Schedules of or to 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;
- (w) the damages payable by either Party to the other of them, as set forth in this Agreement, whether on *per diem* basis or otherwise, are mutually agreed genuine pre-estimated loss and damage likely to be suffered and incurred by the Party entitled to receive the same and are not by way of penalty (the "Damages"); and
- (x) time shall be of the essence in the performance of the Parties' respective obligations. If any time period specified herein is extended, such extended time shall also be of the essence;
- (y) capitalised terms used in the Agreement, but not defined herein, shall be construed in accordance with Good Industry Practice

1.2.2. Unless expressly provided otherwise in this Agreement, any Documentation required to be provided or furnished by the Concessionaire to the Authority and/or the Independent Expert shall be provided free of cost and in three copies, and if the Authority and/or the Independent Expert is required to return any such Documentation with their comments and/or approval, they shall be entitled to retain two copies thereof.

1.2.3. 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

1.2.4. Any word or expression used in this Agreement shall, unless otherwise defined or construed in this Agreement, bear its ordinary English meaning and, for these purposes, the General Clauses Act 1897 shall not apply.



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1.3. Measurements and arithmetic conventions

All measurements and calculations shall be in the metric system and calculations done to 2 (two) decimal places, with the third digit of 5 (five) or above being rounded up and below 5 (five) being rounded down.

1.4. Priority of agreements, clauses and schedules

1.4.1. This Agreement, and all other agreements and documents forming part of or referred to in 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 documents and agreements forming part hereof or referred to herein shall, in the event of any conflict between them, be in the following order:

(a) this Agreement; and

(b) all other agreements and documents forming part hereof or referred to herein;

i.e. the Agreement at (a) above shall prevail over the agreements and documents at (b) above.

1.4.2. Subject to the provisions of Clause 1.4.1, in case of ambiguities or discrepancies within this Agreement, the following shall apply:

(a) between two or more Clauses of this Agreement, the provisions of a specific Clause relevant to the issue under consideration shall prevail over those in other Clauses;

(b) between the Clauses of this Agreement and the Schedules, the Clauses shall prevail and between Schedules and Annexes, the Schedules shall prevail;

(c) between any two Schedules, the Schedule relevant to the issue shall prevail;

(d) between the written description on the Drawings and the Specifications and Standards, the latter shall prevail;

(e) between the dimension scaled from the Drawing and its specific written dimension, the latter shall prevail; and

(f) between any value written in numerals and that in words, the latter shall prevail.



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Part II

The Concession



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ARTICLE 2

2. SCOPE OF THE PROJECT

2.1.Scope of the Project

The scope of the Project (the "Scope of the Project") shall mean and include, during the Concession Period:

- (a) Identification and procurement of land parcel for the Project and transfer of the same to the Authority, in accordance with the provisions of this Agreement
- (b) design, finance, and construction of the Storage Facility on the Site set forth in Schedule A and as specified in Schedule B together with provision of Project Facilities as specified in Schedule C, and in conformity with the Specifications and Standards set forth in Schedule D;
- (c) operation and maintenance of the Storage Facility in accordance with the provisions of this Agreement; and
- (d) performance and fulfilment of all other obligations of the Concessionaire in accordance with the provisions of this Agreement and matters incidental thereto or necessary for the performance of any or all of the obligations of the Concessionaire under this Agreement.
- (e) storage and preservation of Food Grains, including provision of Storage Services, in accordance with the provisions of this Agreement.

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ARTICLE 3

3. GRANT OF CONCESSION

3.1.The Concession

3.1.1. Subject to and in accordance with the provisions of this Agreement, the Applicable Laws and the Applicable Permits, the Authority hereby grants to the Concessionaire the Concession set forth herein including the exclusive right, licence and authority to construct, operate and maintain the Project (the "Concession") for a period of 31.5 years (Thirty One years and six months) commencing from the Appointed Date, and the Concessionaire hereby accepts the Concession and agrees to implement the Project subject to and in accordance with the terms and conditions set forth herein.

3.1.2. Subject to and in accordance with the provisions of this Agreement, the Concession hereby granted shall oblige or entitle (as the case may be) the Concessionaire to:

- i. access and licence to the Site for the purpose of and to the extent conferred by the provisions of this Agreement;
- ii. design, finance and construct the Storage Facility
- iii. manage, operate and maintain the Storage Facility in accordance with the terms of this Agreement;
- iv. receive payments from the Authority in respect of the Storage Services;
- v. perform and fulfil all of the Concessionaire's obligations under and in accordance with this Agreement;
- vi. bear and pay all costs, expenses and charges in connection with or incidental to the performance of the obligations of the Concessionaire under this Agreement; and
- vii. neither assign, transfer or sublet or create any lien or Encumbrance on this Agreement, or the Concession hereby granted or on the whole or any part of the Storage Facility nor transfer, lease or part possession thereof, save and except as expressly permitted by this Agreement or the Substitution Agreement.

3.2.Release of Capacity

3.2.1. Storage Capacity shall be deemed to be earmarked and reserved for exclusive utilization by the Authority, and the Concessionaire shall be entitled to receive payment of Fixed Storage Charges for Availability thereof in accordance with the provision of this Agreement



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- 3.2.2. In the event that any part of the Storage Capacity is released or de-reserved with mutual consent, the same shall be deemed to be unutilized capacity ("the Unutilized Capacity"); The Concessionaire may, subject to the provisions of this Agreement, let out the Unutilized Capacity for storage of Food Grains belonging to third parties; provided that the revenues from use of Unutilized Capacity hereunder shall be subject to payment of Revenue Share under and in accordance with the provisions of Clause 3.2.4 and 3.2.5
- 3.2.3. Subject to the provisions of Clause 3.2.1 the Parties expressly acknowledge and agree that the Authority may utilize, or cause to be utilized, the Storage Capacity for storage of Food Grains owned by any other public or private entity; provided, however, that the Authority shall at all times be responsible and liable for discharging all its obligations under this Agreement, including the payment of Storage and Handling Charges.
- 3.2.4. The Concessionaire shall pay to the Authority, 40% (forty per cent) of the revenues accruing from all charges including proceeds of any rentals, deposits, capital receipts or insurance claims, received in each month for and in respect of the Unutilized Capacity (the "Revenue Share from Unutilized Capacity). The Parties agree that Revenue Share from Unutilised Capacity payable for any month shall be set off against the Storage and Handling Charges payable by the Authority for that month.
- 3.2.5. In the event of any dispute relating to Revenue Share from Unutilised Capacity, the Dispute Resolution Procedure shall apply.

3.3. Substitution of the Authority

The Parties expressly agree that the Authority may, in pursuance of any re-organization or restructuring undertaken in pursuance of the Applicable Laws, substitute itself by any other public entity having the capacity to undertake and discharge the duties and obligations of the Authority and upon such substitution, all the functions, rights and obligations of the Authority under this Agreement shall be deemed to be transferred to the substituted entity in accordance with and subject to the Applicable Laws; provided, however, that, prior to any substitution hereunder, the Parties shall, on a best endeavor basis, make such arrangements and enter into such further agreements as may be necessary for performance of their respective obligations hereunder, including the rights and obligations arising out of the provisions of Clause 25.8.



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ARTICLE 4

4. CONDITIONS PRECEDENT

4.1. Conditions Precedent

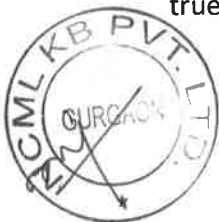
4.1.1. Save and except as expressly provided in Articles 4, 9, 10, 22, 29, 39 and 41 or unless the context otherwise requires, the respective rights and obligations of the Parties under this Agreement shall be subject to the satisfaction in full of the conditions precedent specified in this Clause 4.1 (the "Conditions Precedent").

4.1.2. The Concessionaire may, upon providing the Performance Security to the Authority in accordance with Article 9, at any time after 120 (one hundred and twenty) days from the date of this Agreement or on an earlier day acceptable to the Authority, by notice require the Authority to satisfy any or all of the Conditions Precedent set forth in this Clause 4.1.2 within a period of 30 (thirty) days of the notice, or such longer period not exceeding 60 (sixty) days as may be specified therein, and the Conditions Precedent required to be satisfied by the Authority shall be deemed to have been fulfilled when the Authority shall have:

- a) provided consideration in one instalment to the Concessionaire against provision of land parcel for the Site in accordance with provisions of Clause 10.2.4;
- b) granted the Concessionaire the licence to the Project Site in accordance with Clause 10.3.2
- c) executed and procured execution of the Escrow Agreement in accordance with the provisions of Clause 26.1

4.1.3. The Conditions Precedent required to be satisfied by the Concessionaire prior to the Appointed Date shall be deemed to have been fulfilled when the Concessionaire shall have:

- (a) provided Performance Security to the Authority;
- (b) executed and procured execution of the Escrow Agreement;
- (c) executed and procured execution of the Substitution Agreement;
- (d) procured all the Applicable Permits specified in Schedule W unconditionally or if subject to conditions, then all such conditions required to be fulfilled by the date specified therein shall have been satisfied in full and such Applicable Permits are in full force and effect;
- (e) executed the Financing Agreements and delivered to the Authority 3 (three) true copies thereof, duly attested by a Director of the Concessionaire;



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- (f) delivered to the Authority 3 (three) true copies of the Financial Package and the Financial Model, duly attested by a Director of the Concessionaire, along with 3 (three) soft copies of the Financial Model in MS Excel version or any substitute thereof, which is acceptable to the Senior Lenders;
- (g) delivered to the Authority from the existing promoter/selected bidders their respective confirmation, in original, of the correctness of their representations and warranties set-forth in Sub clauses (k), (l) and (m) of clause 7.1 of this Agreement;
- (h) delivered to the Authority a legal opinion from the legal counsel of the Concessionaire with respect to the authority of the Concessionaire to enter into this Agreement and the enforceability of the provisions thereof; and
- (i) transferred the ownership title of the Site in accordance with provisions of Clause 10.2;

Provided that upon request in writing by the Concessionaire, the Authority may, in its discretion, waive any of the Conditions Precedent set forth in this Clause 4.1.3. For the avoidance of doubt, the Authority may, in its sole discretion, grant any waiver hereunder with such conditions as it may deem fit.

- 4.1.4. Each Party shall make all reasonable endeavours to satisfy the Conditions Precedent within the time stipulated and shall provide the other Party with such reasonable cooperation as may be required to assist that Party in satisfying the Conditions Precedent for which that Party is responsible.
- 4.1.5. The Parties shall notify each other in writing at least once a month on the progress made in satisfying the Conditions Precedent. Each Party shall promptly inform the other Party when any Condition Precedent for which it is responsible has been satisfied.

4.2. Damages for delay by the Authority

In the event that (i) the Authority does not procure fulfilment of any or all of the Conditions Precedent set forth in Clause 4.1.2 within the period specified in respect thereof, and (ii) the delay has not occurred as a result of breach of this Agreement by the Concessionaire or due to Force Majeure, the Authority shall pay to the Concessionaire Damages in an amount calculated at the rate of 0.1% (zero point one per cent) of the Performance Security for each day's delay until the fulfilment of such Conditions Precedent, subject to a maximum of 20% (twenty percent) of the Performance Security.

4.3. Damages for delay by the Concessionaire

In the event that (i) the Concessionaire does not procure fulfilment of any or all of the Conditions Precedent set forth in Clause 4.1.3 within a period of 180 (one hundred and eighty) days from the date of this Agreement, and (ii) the delay has not occurred as a result of failure to fulfil the obligations under Clause 4.1.2 or other breach of this

Agreement by the Authority, or due to Force Majeure, the Concessionaire shall pay to the Authority Damages in an amount calculated at the rate of 0.2 % (zero point two per cent) of the Performance Security for each day's delay until the fulfilment of such Conditions Precedent, subject to a maximum of 20% (twenty percent) of the Performance Security.

4.4.Termination of this Agreement for non-fulfilment of Conditions Precedent by the Authority

- 4.4.1.** If the Conditions Precedent set forth above in Clause 4.1.2 have not been satisfied by the Authority on or before the expiry of 60 (Sixty) days from the date of receipt of notice from the concessionaire as per Clause 4.1.2 and the Concessionaire has not extended the said period or waived, fully or partially, such conditions, then the Concessionaire may, notwithstanding anything to the contrary contained in this Agreement, terminate this Agreement.
- 4.4.2.** In case of Termination on account of non-fulfilment of Conditions Precedent by the Authority, if the land title for the identified project site had been transferred by the Concessionaire to the Authority in accordance with clause 10.2.3, then the land transfer shall be reversed by the Authority in favour of the Concessionaire along with return of any consideration paid by the Authority to the Concessionaire for such transfer of land. Any expenses / taxes / fees for such transfer of land shall be borne by the Authority.



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ARTICLE 5

5. OBLIGATIONS OF THE CONCESSIONAIRE

5.1.Obligations of the Concessionaire

- 5.1.1. Subject to and on the terms and conditions of this Agreement, the Concessionaire shall, at its own cost and expense, procure finance for and undertake the design, engineering, procurement, construction, operation and maintenance of the Storage Facility and observe, fulfil, comply with and perform all its obligations set out in this Agreement or arising hereunder.
- 5.1.2. The Concessionaire shall comply with all Applicable Laws and Applicable Permits (including renewals as required) in the performance of its obligations under this Agreement.
- 5.1.3. Subject to the provisions of Clauses 5.1.1 and 5.1.2, the Concessionaire shall discharge its obligations in accordance with Good Industry Practice and as a reasonable and prudent person.
- 5.1.4. Subject to the provisions of Clause 3.2.1, the Concessionaire shall provide the Storage Facility for the exclusive use of the Authority or its assignees for storage of Food Grain and provide handling and related services to the Authority or its assignees, as per the terms laid down herein against payment of Storage and Handling Charges, as the only charges payable as per terms of this Agreement for the Storage Services.
- 5.1.5. The Concessionaire shall design, construct, operate and maintain the Storage Facility in accordance with the Specifications and Standards and the Maintenance Requirements, such that its Availability is not less than 98% (ninety eight per cent) of the Storage Capacity during any Accounting Year of the Concession Period (the "Normative Availability"). For the avoidance of doubt and by way of illustration, the Normative Availability for a designed Storage Capacity of 10,000 (ten thousand) MT shall be 9,800 (nine thousand and eight hundred) MT for an Accounting Year and where the context so requires, the Normative Availability for any month shall also be an average Availability of 9,800 (nine thousand and eight hundred) MT for that month.

Explanation:

Availability of the Storage Capacity shall mean, the capacity available for storage of Food Grains in Silos, expressed as a percentage of the aggregate designed Storage Capacity (the "Availability") and shall include any deemed Availability in accordance with the provisions of this Agreement. For the avoidance of doubt, any Storage Capacity which is being utilised for storage of Food Grains shall be included in the computation of Availability.

- 5.1.6. The Concessionaire shall, at its own cost and expense, in addition to and not in derogation of its obligations elsewhere set out in this Agreement:

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- a. make, or cause to be made, necessary applications to the relevant Government Instrumentalities with such particulars and details as may be required for obtaining Applicable Permits (other than those set forth in Clause 4.1.2, and obtain and keep in force and effect such Applicable Permits in conformity with the Applicable Laws;
- b. procure, as required, the appropriate proprietary rights, licences, agreements and permissions for materials, methods, processes and systems used or incorporated into the Storage Facility;
- c. perform and fulfil its obligations under the Financing Agreements;
- d. make reasonable efforts to maintain harmony and good industrial relations among the personnel employed by it or its Contractors in connection with the performance of its obligations under this Agreement;
- e. ensure and procure that its Contractors comply with all Applicable Permits and Applicable Laws in the performance by them of any of the Concessionaire's obligations under this Agreement;
- f. not do or omit to do any act, deed or thing which may in any manner be violative of any of the provisions of this Agreement;
- g. support, cooperate with and facilitate the Authority in the implementation and operation of the Project in accordance with the provisions of this Agreement; and
- h. transfer the Project Assets to the Authority upon Termination of this Agreement

5.2.Obligations relating to Project Agreements

5.2.1. It is expressly agreed that the Concessionaire shall, at all times, be responsible and liable for all its obligations under this Agreement notwithstanding anything contained in the Project Agreements or any other agreement, and no default under any Project Agreement or agreement shall excuse the Concessionaire from its obligations or liability hereunder.

5.2.2. The Concessionaire shall submit to the Authority the drafts of all Project Agreements, or any amendments or replacements thereto, for its review and comments, and the Authority shall have the right but not the obligation to undertake such review and provide its comments, if any, to the Concessionaire within 15 (fifteen) days of the receipt of such drafts. Within 7 (seven) days of execution of any Project Agreement or amendment thereto, the Concessionaire shall submit to the Authority a true copy thereof, duly attested by a Director of the Concessionaire, for its record. For the avoidance of doubt, it is agreed that the review and comments hereunder shall be limited to ensuring compliance with the



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terms of this Agreement. It is further agreed that no review and/or observation of the Authority and/or its failure to review and/or convey its observations on any document shall relieve the Concessionaire of its obligations and liabilities under this Agreement in any manner nor shall the Authority be liable for the same in any manner whatsoever.

- 5.2.3. The Concessionaire shall not make any addition, replacement or amendments to any of the Financing Agreements without the prior written consent of the Authority. If such addition, replacement or amendment has, or may have, the effect of imposing or increasing any financial liability or obligation on the Authority, and in the event that any replacement or amendment is made without such consent, the Concessionaire shall not enforce such replacement or amendment nor permit enforcement thereof against the Authority. For the avoidance of doubt, the Authority acknowledges and agrees that it shall not unreasonably withhold its consent for restructuring or rescheduling of the debt of the Concessionaire.
- 5.2.4. The Concessionaire shall procure that each of the Project Agreements contains provisions that entitle the Authority to step into such agreement, in its sole discretion, in substitution of the Concessionaire in the event of Termination or Suspension (the "Covenant"). For the avoidance of doubt, it is expressly agreed that in the event the Authority does not exercise such rights of substitution within a period not exceeding 90 (ninety) days from the Transfer Date, the Project Agreements shall be deemed to cease to be in force and effect on the Transfer Date without any liability whatsoever on the Authority and the Covenant shall expressly provide for such eventuality. The Concessionaire expressly agrees to include the Covenant in all its Project Agreements and undertakes that it shall, in respect of each of the Project Agreements, procure and deliver to the Authority an acknowledgment and undertaking, in a form acceptable to the Authority, from the counter party(ies) of each of the Project Agreements, where under such counter party(ies) shall acknowledge and accept the Covenant and undertake to be bound by the same and not to seek any relief or remedy whatsoever from the Authority in the event of Termination or Suspension.
- 5.2.5. Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire agrees and acknowledges that selection or replacement of an O&M Contractor and execution of the O&M Contract shall be subject to the prior approval of the Authority from national security and public interest perspective, the decision of the Authority in this behalf being final, conclusive and binding on the Concessionaire, and undertakes that it shall not give effect to any such selection or contract without prior approval of the Authority. For the avoidance of doubt, it is expressly agreed that approval of the Authority hereunder shall be limited to national security and public interest perspective, and the Authority shall endeavour to convey its decision thereon expeditiously. It is also agreed that the Authority shall not be liable in any manner on account of grant or otherwise of such approval and that such approval or denial thereof shall not in any manner absolve the Concessionaire or its Contractors from any liability or obligation under this Agreement.



5.3.Obligations relating to Change in Ownership

5.3.1. The Concessionaire shall not undertake or permit any Change in Ownership, except with the prior approval of the Authority.

5.3.2. Notwithstanding anything to the contrary contained in this Agreement, the Concessionaire agrees and acknowledges that:

- (i) all acquisitions of Equity by an acquirer, either by himself or with any person acting in concert, directly or indirectly, including by transfer of the direct or indirect legal or beneficial ownership or control of any Equity, in aggregate of not less than 15% (fifteen per cent) of the total Equity of the Concessionaire; or
- (ii) acquisition of any control directly or indirectly of the board of directors of the Concessionaire by any person either by himself or together with any person or persons acting in concert with him shall constitute a Change in Ownership requiring prior approval of the Authority from national security and public interest perspective, the decision of the Authority in this behalf being final, conclusive and binding on the Concessionaire, and undertakes that it shall not give effect to any such acquisition of Equity or control of the board of directors of the Concessionaire without such prior approval of the Authority. For the avoidance of doubt, it is expressly agreed that approval of the Authority hereunder shall be limited to national security and public interest perspective, and the Authority shall endeavour to convey its decision thereon expeditiously. It is also agreed that the Authority shall not be liable in any manner on account of grant or otherwise of such approval and that such approval or denial thereof shall not in any manner absolve the Concessionaire from any liability or obligation under this Agreement.

For the purposes of this Clause 5.3.2:

- (a) the expression "acquirer", "control" and "person acting in concert" shall have the meaning ascribed thereto in the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997 or any statutory re-enactment thereof as in force as on the date of acquisition of Equity, or the control of the board of directors, as the case may be, of the Concessionaire;
- (b) the indirect transfer or control of legal or beneficial ownership of Equity shall mean transfer of the direct or indirect beneficial ownership or control of any company or companies whether in India or abroad which results in the acquirer acquiring control over the shares or voting rights of shares of the Concessionaire; and
- (c) power to appoint, whether by contract or by virtue of control or acquisition of shares of any company holding directly or through one or more companies (whether situated in India or abroad) the Equity of the



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Concessionaire, not less than half of the directors on the Board of Directors of the Concessionaire or of any company, directly or indirectly whether situated in India or abroad, having ultimate control of not less than 15% (fifteen per cent) of the Equity of the Concessionaire shall constitute acquisition of control, directly or indirectly, of the Board of Directors of the Concessionaire.

5.4. Employment of foreign nationals

The Concessionaire acknowledges, agrees and undertakes that employment of foreign personnel by the Concessionaire and/or its contractors and their sub-contractors shall be subject to grant of requisite regulatory permits and approvals including employment/residential visas and work permits, if any required, and the obligation to apply for and obtain the same shall and will always be of the Concessionaire and, notwithstanding anything to the contrary contained in this Agreement, refusal of or inability to obtain any such permits and approvals by the Concessionaire or any of its contractors or sub-contractors shall not constitute Force Majeure Event, and shall not in any manner excuse the Concessionaire from the performance and discharge of its obligations and liabilities under this Agreement.

5.5. Employment of trained personnel

The Concessionaire shall ensure that the personnel engaged by it in the performance of its obligations under this Agreement are at all times properly trained for their respective functions.

5.6. Sole purpose of the Concessionaire

The Concessionaire having been set up for the sole purpose of exercising the rights and observing and performing its obligations and liabilities under this Agreement, the Concessionaire or any of its subsidiaries shall not, except with the previous written consent of the Authority, be or become directly or indirectly engaged, concerned or interested in any business other than as envisaged herein.

5.7. Branding of Storage Facility

The Storage Facility or any part thereof shall not be branded in any manner to advertise, display or reflect the name or identity of the Concessionaire or its shareholders. The Concessionaire undertakes that it shall not, in any manner, use the name or identity of the Storage Facility to advertise or display its own identity, brand equity or business interests, including those of its shareholders, save and except as may be necessary in the normal course of business. For the avoidance of doubt, it is agreed that the Concessionaire may display its own name at a spot where other public notices are displayed. It is further agreed that the Storage Facility shall be known, promoted, displayed and advertised by the name of*****.

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5.8.Obligations regarding taxes

The Concessionaire shall pay, at all times during the subsistence of this agreement, all Taxes, levies, duties, cesses and all other statutory charges payable in respect of the Storage Facility, provided, however, that all payments made with respect to service tax, value added tax, general sales tax or goods and services tax (GST), if any, levied on or in respect of the Storage Services shall be reimbursed by the Authority upon receipt of particulars thereof.

5.9.Obligations related to storage operations

The concessionaire shall at all times operate the Storage Facility in accordance with Applicable Laws, Good Industry Practice and the provisions of this Agreement

5.10. Liability for Personnel

5.10.1. The Concessionaire shall be solely responsible for complying with all statutory responsibilities and liabilities in respect of the personnel engaged by him and liable for obtaining all mandatory registrations and deposit of contributions under various enactments. If, on account of default of the Concessionaire, the Authority is compelled to make any payments/contributions or discharge any responsibility/liability of the Concessionaire, the Authority shall be entitled to recover and/or set off such amounts/expenses incurred from the amounts due to the Concessionaire without prejudice to the right of the Authority to initiate appropriate legal proceedings for recovery of such amounts. The Concessionaire shall indemnify the Authority against all claims whatsoever arising out of his default in respect of the personnel engaged by him under any Statute/Law in force.

5.10.2. The Concessionaire shall maintain and submit all records & returns prescribed under all the Applicable Law to the designated Authorities within the prescribed time limit and also to the Authority's Representative or any officer acting on its behalf whenever demanded.

5.10.3. The Agreement as entered into between the Authority and the Concessionaire shall in no way nullify, reduce, mitigate or absolve the parties of any responsibility, obligation or liability that may devolve upon them under any statutory/mandatory provisions prevailing in India. Liabilities of the Concessionaire in respect of obligatory laws remain unaffected and Concessionaire shall remain responsible for settlement of claims, if any, of third parties who may suffer damages either due to the fault of the Concessionaire or its employees and Associates.

5.10.4. All persons employed by the Concessionaire shall be engaged by him as his own employees/workers in all respects and all rights and liabilities under the Indian Factories Act, the Employees Compensation Act, Employees Provident Fund & Miscellaneous Provisions Act (EPF & MP Act), Industrial Disputes Act, Employees State Insurance Act, Contract Labour (R&A) Act and under all other applicable enactments in India in respect of all such personnel shall exclusively be that of the Concessionaire. The Concessionaire shall be bound to indemnify Authority against



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all the claims whatsoever in respect of his personnel under the Employees Compensation Act, 1923 or any statutory modification thereof or otherwise for or in respect of any damage or compensation payable in consequence of any accident or injury sustained by any workmen or other person whether in employment of the Concessionaire or not.

5.10.5. The provisions indicated above are not comprehensive; the Concessionaire shall ensure compliance of all statutory/mandatory provisions under all the Applicable Laws, rules & regulations made by the State Government/Central Government from time to time pertaining to the contract, including all labour laws and all the laws as applicable.

5.11. Furnishing of Information

Unless otherwise expressly provided in this Agreement any Documentation required to be provided or furnished by the Concessionaire to the Authority and/or the Independent Expert shall be provided free of cost and in three copies and in the event the Authority and/or the Independent Expert are required to return any such Documentation with their comments and/or approval, they shall be entitled to retain two copies thereof.

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ARTICLE 6

6. OBLIGATIONS OF THE AUTHORITY

6.1. Obligations of the Authority

- 6.1.1.** The Authority shall, at its own cost and expense undertaken, comply with and perform all its obligations set out in this Agreement or arising hereunder.
- 6.1.2.** The Authority agrees to provide support to the Concessionaire and undertakes to observe, comply with and perform, subject to and in accordance with the provisions of this Agreement and the Applicable Laws, the following:
- upon written request from the Concessionaire, and subject to the Concessionaire complying with Applicable Laws, provide reasonable support and assistance to the Concessionaire in procuring Applicable Permits required from any Government Instrumentality for implementation and operation of the Project;
 - procure that no barriers are erected or placed on or about the Storage Facility by any Government Instrumentality or persons claiming through or under it, except for reasons of Emergency, national security, law and order or collection of inter-state taxes;
 - assist the Concessionaire in procuring police assistance for removal of trespassers and security on or at the Storage Facility;
 - not do or omit to do any act, deed or thing which may in any manner be violative of any of the provisions of this Agreement;
 - support, cooperate with and facilitate the Concessionaire in the implementation and operation of the Project in accordance with the provisions of this Agreement; and
 - upon written request from the Concessionaire and subject to the provisions of Clause 5.4, provide reasonable assistance to the Concessionaire and any expatriate personnel of the Concessionaire or its Contractors to obtain applicable visas and work permits for the purposes of discharge by the Concessionaire or its Contractors their obligations under this Agreement and the Project Agreements.
 - ensure timely release of Storage and Handling Charges to the Concessionaire on performance of the obligation as provided herein;

6.2. Obligations related to consideration for transfer of land

The Authority shall, upon transfer of land by the Concessionaire under Clause 10.2.3, pay consideration in one instalment as per the provision of Clause 10.2.4.



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6.3.Obligations of the Authority during the Operation Period,

Authority shall arrange at its own cost/expense for transport/movement of Food Grains to and from Storage Facility and the Authority shall allow reasonable time notices to the Concessionaire in order to facilitate such movements. Operational guidelines to be followed by the Authority in respect of movement of Food Grains are provided in Schedule V.

6.4.Obligations relating to refinancing

Upon request made by the Concessionaire to this effect, the Authority shall, in conformity with any regulations or guidelines that may be notified by the Government or the Reserve Bank of India, as the case may be, permit and enable the Concessionaire to secure refinancing, in whole or in part, of the Debt Due on such terms as may be agreed upon between the Concessionaire and the entity providing such refinancing; provided, however, that the refinancing hereunder shall always be subject to the prior consent of the Authority, which consent shall not be unreasonably withheld. For the avoidance of doubt, the tenure of debt refinanced hereunder may be determined mutually between the Senior Lenders and the Concessionaire, but the repayment thereof shall be completed no later than 1 (one) year prior to expiry of the Concession Period



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ARTICLE 7

7. REPRESENTATIONS AND WARRANTIES

7.1. Representations and warranties of the Concessionaire

The Concessionaire represents and warrants to the Authority that:

- a. it is duly organised 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;
- b. 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;
- c. it has the financial standing and capacity to undertake the Project in accordance with the terms of this Agreement;
- d. 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;
- e. 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 thereunder including any obligation, liability or responsibility hereunder;
- f. 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;
- g. 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 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;
- h. 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;

it has no knowledge of any violation or default with respect to any order, writ, injunction or decree of any court or any legally binding order of any



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Government Instrumentality 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;

- j. 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;
- k. it shall at no time undertake or permit any Change in Ownership except in accordance with the provisions of Clause 5.3 and that the selected bidder, together with its/ their Associates, hold not less than 33% (thirty three percent) of its issued and paid up Equity as on the date of this Agreement;

Provided further that any such request made under Clause 7.1(k) and / or Article 42, at the option of the authority, may be required to be accompanied by a suitable no objection letter from lenders,

- l. the selected bidder and its/their Associates have 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;
- m. the selected bidder is duly organised and validly existing under the laws of the jurisdiction of its incorporation, and has requested the Authority to enter into this Agreement with the Concessionaire pursuant to the Letter of Award, and has agreed to and unconditionally accepted the terms and conditions set forth in this Agreement;
- n. all its rights and interests in the Storage Facility 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;
- o. no representation or warranty by it contained herein or in any other document furnished by it to the Authority or to any Government Instrumentality in relation to Applicable Permits 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;
- p. 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; and



- q. all information provided by the selected bidder in response to the Request for Qualification and Request for Proposals or otherwise, is to the best of its knowledge and belief, true and accurate in all material respects

7.2. Representations and warranties of the Authority

The Authority represents and warrants to the Concessionaire that:

- a. it has full power and authority to execute, deliver and perform its obligations under this Agreement and to carry out the transactions contemplated herein and that it has taken all actions necessary to execute this Agreement, exercise its rights and perform its obligations, under this Agreement;
- b. it has taken all necessary actions under the Applicable Laws to authorise the execution, delivery and performance of this Agreement;
- c. it has the financial standing and capacity to perform its obligations under this Agreement;
- d. this Agreement constitutes a legal, valid and binding obligation enforceable against it in accordance with the terms hereof;
- e. it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any court or any legally binding order of any Government Instrumentality which may result in any material adverse effect on the Authority's ability to perform its obligations under this Agreement;
- f. it has complied with Applicable Laws in all material respects;
- g. It has good and valid right to the Site, and has power and authority to grant a licence in respect thereto to the Concessionaire

7.3. Disclosure

In the event that any occurrence or circumstance comes to the attention of either Party that renders any of its aforesaid representations or warranties untrue or incorrect, such Party shall immediately notify the other Party of the same. Such notification shall not have the effect of remedying any breach of the representation or warranty that has been found to be untrue or incorrect nor shall it adversely affect or waive any right, remedy or obligation of either Party under this Agreement.



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ARTICLE 8

8. DISCLAIMER

8.1.Disclaimer

- 8.1.1. The Concessionaire acknowledges that prior to the execution of this Agreement, the Concessionaire has, after a complete and careful examination, made an independent evaluation of the Request for Qualification, Request for Proposals, Scope of the Project, Specifications and Standards, Site, existing structures, local conditions, physical qualities of ground, subsoil and geology, and all information provided by the Authority or obtained, procured or gathered otherwise, and has determined to its satisfaction the accuracy or otherwise thereof and the nature and extent of difficulties, risks and hazards as are likely to arise or may be faced by it in the course of performance of its obligations hereunder. The Authority makes no representation whatsoever, express, implicit or otherwise, regarding the accuracy, adequacy, correctness, reliability and/or completeness of any assessment, assumptions, statement or information provided by it and the Concessionaire confirms that it shall have no claim whatsoever against the Authority in this regard.
- 8.1.2. The Concessionaire acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth in Clause 8.1.1 above and hereby acknowledges and agrees that the Authority shall not be liable for the same in any manner whatsoever to the Concessionaire, and their Associates or any person claiming through or under any of them.
- 8.1.3. The Parties agree that any mistake or error in or relating to any of the matters set forth in Clause 8.1.1 above shall not vitiate this Agreement, or render it voidable.
- 8.1.4. In the event that either Party becomes aware of any mistake or error relating to any of the matters set forth in Clause 8.1.1 above, that Party shall immediately notify the other Party, specifying the mistake or error; provided, however, that a failure on part of the Authority to give any notice pursuant to this Clause 8.1.4 shall not prejudice the disclaimer of the Authority contained in Clause 8.1.1 and shall not in any manner shift to the Authority any risks assumed by the Concessionaire pursuant to this Agreement.
- 8.1.5. Except as otherwise provided in this Agreement, all risks relating to the Project shall be borne by the Concessionaire and the Authority shall not be liable in any manner for such risks or the consequences thereof.



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Part III

Development and Operations



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ARTICLE 9

9. PERFORMANCE SECURITY

9.1. Performance Security

- 9.1.1. The Concessionaire shall, for the performance of its obligations hereunder during the Concession Period, provide to the Authority no later than 180 (one hundred and eighty) days from the date of this Agreement, an irrevocable and unconditional guarantee from a Bank for a sum equivalent to Rs.3.26 crore (Rupees Three crore Twenty Six Lakhs only) in the form set forth in Schedule M (the "Performance Security"). Until such time the Performance Security is provided by the Concessionaire pursuant hereto and the same comes into effect, the Bid Security shall remain in force and effect, and upon such provision of the Performance Security pursuant hereto, the Authority shall release the Bid Security to the Concessionaire.
- 9.1.2. Notwithstanding anything to the contrary contained in this Agreement, in the event Performance Security is not provided by the Concessionaire within a period of 180 (one hundred and eighty) days from the date of this Agreement, the Authority may encash the Bid Security and appropriate the proceeds thereof as Damages, and thereupon all rights, privileges, claims and entitlements of the Concessionaire under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Concessionaire, and this Agreement shall be deemed to have been terminated by mutual agreement of the Parties.

9.2. Appropriation of Performance Security

Upon occurrence of a Concessionaire Default or failure to meet any Condition Precedent, 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 for such Concessionaire Default or failure to meet any Condition Precedent. Upon such encashment and appropriation from the Performance Security, the Concessionaire 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 Concessionaire 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 in accordance with Article 32. Upon replenishment or furnishing of a fresh Performance Security, as the case may be, as aforesaid, the Concessionaire shall be entitled to an additional Cure Period of 90 (ninety) days for remedying the Concessionaire Default or failure to meet any Condition Precedent, and in the event of the Concessionaire not curing its default or meeting such Condition Precedent within such Cure Period, the Authority shall be entitled to

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encash and appropriate such Performance Security as Damages, and to terminate this Agreement in accordance with Article 32.

9.3. Release of Performance Security

The Performance Security shall remain in force and effect for a period of one year from the Appointed Date, but shall be released earlier upon the Concessionaire expending on Project construction an aggregate sum that is not less than 40% (forty per cent) of the Total Project Cost including, Equity Support, if any; provided, however, that the Performance Security shall not be released if the Concessionaire is in breach of this Agreement. Upon request made by the Concessionaire for release of the Performance Security along with the particulars which establish satisfaction of the requirements specified in this Clause 9.3, the Authority shall release the Performance Security forthwith.

9.4. Deemed Performance Security

The Parties expressly agree that upon release of the Performance Security in accordance with the provisions of Clause 9.3, a substitute Performance Security for a like amount shall be deemed to be created under this Clause 9.4, as if it is a Performance Security under Clause 9.1 for and in respect of the entire Concession Period (the "Deemed Performance Security"). The Deemed Performance Security shall be unconditional and irrevocable, and shall, notwithstanding anything to the contrary contained in Clause 26.3, constitute the first and exclusive charge on an equivalent balance in the Escrow Account and the payments accrued or payments due and payable subsequently, as the case may be, to the Concessionaire under this Agreement and over which the Authority shall have the first and exclusive charge and shall be entitled to appropriate any amount therefrom as if it is an appropriation from the Deemed Performance Security under Clause 9.5. For the avoidance of doubt, the Parties agree that no amounts shall be earmarked, frozen or withheld in the Escrow Account for securing payment of any potential Damages that may fall due at a subsequent date, and only the amounts which shall have become due and payable by the Concessionaire upon occurrence of Concessionaire Default shall be liable to appropriation hereunder.

9.5. Appropriation of Deemed Performance Security

Upon occurrence of a Concessionaire Default, the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to appropriate the relevant amounts from the Deemed Performance Security as Damages for Concessionaire Default. For the avoidance of doubt, the Parties expressly agree that upon the Deemed Performance Security being appropriated, in whole or in part, it shall be deemed to be replenished to the extent of such appropriation.



9.6. References to Performance Security

References to Performance Security occurring in this Agreement for and in respect of any period prior to the delivery of the Performance Security by the Concessionaire to the Authority, or in respect of any period subsequent to the expiry or release thereof, as the case may be, shall be construed solely for the purposes of calculating the amount of Damages payable by the Concessionaire, and the amount so determined shall be appropriated from the Bid Security or Deemed Performance Security, as the case may be.

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ARTICLE 10

10. SITE AND RELATED ASPECTS

10.1. The Site

The site of the Storage Facility shall comprise the land described in Schedule A for which the Right of Way shall be provided and granted by the Authority to the Concessionaire under and in accordance with this Agreement (the "Site"). For the avoidance of doubt, it is hereby acknowledged and agreed that references to the Site shall be construed as references to the real estate required for development of Storage Facility as set forth in Schedule A.

10.2. Procurement of the Site and transfer

10.2.1. The Site provided by the Selected Bidder/Concessionaire shall meet the following requirements as mentioned in Clause 1.2.14 of the RFP document:

- Location: The land parcels should be located within the boundaries of the respective [revenue districts] as specified in Clause 1.1.1 of the RFP document
- Minimum size of land parcel: The land parcel, at each location, should measure a minimum of 7 acres and maximum of 7.5 acres. The land parcel should be a contiguous piece of land. The dimensions of the land parcel should be adequate to meet the requirements of the silo facility as per the Standards and Specifications prescribed in the Draft Concession Agreement for pilot projects.
- Accessibility: The land parcels should be connected to major highway (national highway / state highway / major district road) by a two-lane paved road. The land parcels should also be within 8 KMs of road distance from a railway goods shed.
- The land parcels should be free from any encumbrances or encroachments.
- The land parcels should be suitable and available for construction and operation of the silo facility.
- Concessionaire should have identified and procured the land parcels for transferring the sites to the Authority within 120 (one hundred twenty) days from the date of signing of Concession Agreement.

10.2.2. The Concessionaire shall undergo proper due-diligence of the Site before transferring the Site to the Authority and shall indemnify the Authority from any kind of disputes arising due to this transfer

10.2.3. The ownership of the Site shall be transferred by the Concessionaire to the Authority as per the prescribed legal process during the Condition Precedent to this Agreement;

10.2.4. The consideration for the land payable by the Authority to the Concessionaire upon transfer shall be calculated in accordance with the prevailing circle rates. The consideration shall be a one-time payment at the time of transfer of land. Payment



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of all necessary charges and duties applicable to the transfer of land shall be done in accordance with LARR

10.2.5. The consideration shall be paid for minimum of 7 acres and maximum of 7.5 acres of land

10.2.6. The Concessionaire shall provide all necessary support to transfer the ownership title to the Authority and ensure that the ownership is duly transferred to the Authority. The Concessionaire also hereby warrants that after the transfer of land, the Authority shall be the sole owner of the land

10.2.7. Pursuant to transfer of the Site to the Authority, the ownership title of the Site shall rest with the Authority during and after the Concession Period;

10.2.8. For the avoidance of doubt, it is hereby acknowledged and agreed that, once the Site is transferred to the Authority, the Site shall continue to rest with the Authority in perpetuity. Termination of this Agreement for any purpose and under any clause of this Agreement, shall not affect the status and ownership of the Site, except in accordance with Clause 4.4.2.

10.2.9. The Additional Bank Guarantee of Rs. 35 lakhs per location, if applicable as per Clause 1.2.13 of the RFP document shall be released after the land gets transferred to the Authority. If the Concessionaire fails to transfer the land as per the provisions of Clause 10.2.3, the Additional Bank Guarantee shall be encashed and the project will be terminated

10.2.10. Without reference to any other clause in this Agreement, it is hereby acknowledged and agreed that non-compliance by the Concessionaire with Clause 10.2.1 and / or Clause 10.2.3 shall be treated as an event of Concessionaire's Default and shall form a basis for the Termination of the Agreement;

10.2.11. On and after grant of leave and license rights by the Authority as per provisions of Clause 10.3.2, and until the Transfer Date, the Concessionaire shall maintain a round-the-clock vigil over the Site and shall ensure and procure that no encroachment thereon takes place, and in the event of any encroachment or occupation on any part thereof, the Concessionaire shall report such encroachment or occupation forthwith to the Authority and undertake its removal at its cost and expenses.

10.3. Licence and Access

10.3.1. The Authority hereby grants to the Concessionaire access to the Site for carrying out any surveys, investigations and soil tests that the Concessionaire may deem necessary during the Development Period, it being expressly agreed and understood that the Authority shall have no liability whatsoever in respect of survey, investigations and tests carried out or work undertaken by the Concessionaire on or about the Site pursuant hereto in the event of Termination or otherwise.

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10.3.2. In consideration of the License Fee, this Agreement and the covenants and warranties on the part of the Concessionaire herein contained, the Authority, in accordance with the terms and conditions set forth herein, hereby grants to the Concessionaire, commencing from the Appointed Date, leave and licence rights in respect of all the land (along with any buildings, constructions or immovable assets, if any, thereon) comprising the Site which is described, delineated and shown in Schedule A hereto (the "Licensed Premises"), on an "as is where is" basis, free of any Encumbrances, to develop, operate and maintain the said Licensed Premises, together with all and singular rights, liberties, privileges, easements and appurtenances whatsoever to the said Licensed Premises, hereditaments or premises or any part thereof belonging to or in any way appurtenant thereto or enjoyed therewith, for the duration of the Concession Period and, for the purposes permitted under this Agreement, and for no other purpose whatsoever.

10.3.3. It is expressly agreed that the licence granted hereunder shall terminate automatically and forthwith, without the need for any action to be taken by the Authority to terminate the licence, upon the Termination of this Agreement for any reason whatsoever. For the avoidance of doubt, the Parties expressly agree that notwithstanding any temporary or permanent structures erected on the Site by the Concessionaire or its sub-licensees, the licence in respect of the Site shall automatically terminate, without any further act of the Parties, upon Termination of this Agreement.

10.3.4. The Concessionaire hereby irrevocably appoints the Authority (or its nominee) to be its true and lawful attorney, to execute and sign in the name of the Concessionaire a transfer or surrender of the licence granted hereunder at any time after the Concession Period has expired or has been terminated earlier in terms hereof, a sufficient proof of which will be the declaration of any duly authorised officer of the Authority, and the Concessionaire consents to it being registered for this purpose.

10.3.5. It is expressly agreed that trees on the Site are property of the Authority except that the Concessionaire shall be entitled to exercise usufructory rights thereon during the Concession Period.

10.4. Site to be free from Encumbrances

Subject to the provisions of Clause 10.2, the Site shall be made available by the Authority to the Concessionaire pursuant hereto free from all Encumbrances and occupations and without the Concessionaire being required to make any payment to the Authority, except insofar as otherwise expressly provided in this Agreement. It is further agreed that the Concessionaire accepts and undertakes to bear any and all risks arising out of the inadequacy or physical condition of the Site.

10.5. Protection of Site from encroachments

During the Concession Period, the Concessionaire shall protect the Site from any and all occupations, encroachments or Encumbrances, and shall not place or create



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nor permit any Contractor or other person claiming through or under the Concessionaire to place or create any Encumbrance or security interest over all or any part of the Site or the Project Assets, or on any rights of the Concessionaire therein or under this Agreement, save and except as otherwise expressly set forth in this Agreement.

10.6. Special/temporary right of way

The Concessionaire shall bear all costs and charges for any special or temporary right of way required by it in connection with access to the Site. The Concessionaire shall obtain at its cost such facilities on or outside the Site as may be required by it for the purposes of the Storage Facility and the performance of its obligations under this Agreement.

10.7. Access to the Authority and Independent Expert

The licence and right to the Site granted to the Concessionaire hereunder shall always be subject to the right of access of the Authority and the Independent Expert and their employees and agents for inspection, viewing and exercise of their rights and performance of their obligations under this Agreement.

10.8. Geological and archaeological finds

It is expressly agreed that mining, geological or archaeological rights do not form part of the licence granted to the Concessionaire under this Agreement and the Concessionaire hereby acknowledges that it shall not have any mining rights or interest in the underlying minerals, fossils, antiquities, structures or other remnants or things either of particular geological or archaeological interest and that such rights, interest and property on or under the Site shall vest in and belong to the Authority or the concerned Government Instrumentality. The Concessionaire shall take all reasonable precautions to prevent its workmen or any other person from removing or damaging such interest or property and shall inform the Authority forthwith of the discovery thereof and comply with such instructions as the concerned Government Instrumentality may reasonably give for the removal of such property. For the avoidance of doubt, it is agreed that any reasonable expenses incurred by the Concessionaire hereunder shall be reimbursed by the Authority. It is also agreed that the Government shall procure that the instructions hereunder are issued by the concerned Government Instrumentality within a reasonable period.

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ARTICLE 11

11.UTILITIES, ASSOCIATED ROADS AND TREES

11.1. Existing utilities and associated roads

Notwithstanding anything to the contrary contained herein, the Concessionaire shall ensure that the respective entities owning the existing associated roads or utilities on, under or above the Site are enabled by it to keep such utilities in continuous satisfactory use, if necessary, by providing suitable temporary or permanent diversions with the authority of the controlling body of that associated road, or utility, and the Authority shall, upon written request from the Concessionaire, initiate and undertake at the Concessionaire's cost, legal proceedings for acquisition of any right of way necessary for such diversion.

11.2. Shifting of obstructing utilities

The Concessionaire shall, subject to Applicable Laws undertake shifting of any utility including electric lines, water pipes and telephone cables, to an appropriate location or alignment within or outside the Site if and only if such utility causes or shall cause a material adverse effect on the construction, operation or maintenance of the Storage Facility. The cost of such shifting shall be borne by the Concessionaire or by the entity owning such utility, if the Authority so directs, and in the event of any delay in shifting thereof, the Concessionaire shall not be excused for failure to perform any of its obligations hereunder; unless such failure is a direct consequence of delay on the part of the entity owning such electric lines, water pipes or telephone cables, as the case may be

11.3. Felling of trees

The Concessionaire shall obtain Applicable Permits for felling of trees for this purpose if and only if such trees cause a material adverse effect on the construction, operation or maintenance of the Storage Facility. The cost of such felling shall be borne by the Concessionaire, and in the event of any delay in felling thereof for reasons beyond the control of the Concessionaire, it shall be excused for failure to perform any of its obligations hereunder if such failure is a direct consequence of delay in the felling of trees. For the avoidance of doubt, the Parties hereto agree that the felled trees shall be deemed to be owned by the Authority and shall be disposed in such manner and subject to such conditions as the Authority may in its sole discretion deem appropriate.



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ARTICLE 12

12.CONSTRUCTION OF THE STORAGE FACILITY

12.1. Obligations prior to commencement of construction

Prior to commencement of Construction Works, the Concessionaire shall:

- a. submit to the Authority and the Independent Expert its detailed design, construction methodology, quality assurance procedures, and the procurement, engineering and construction time schedule for completion of the Project in accordance with the Project Completion Schedule as set forth in Schedule N;
- b. appoint its representative duly authorised to deal with the Authority in respect of all matters under or arising out of or relating to this Agreement; and
- c. undertake, do and perform all such acts, deeds and things as may be necessary or required before commencement of construction under and in accordance with this Agreement, the Applicable Laws and Applicable Permits

12.2. Drawings

In respect of the Concessionaire's obligations relating to the Drawings of the Storage Facility, the following shall apply:

- a. the Concessionaire shall prepare and submit, with reasonable promptness and in such sequence as is consistent with the Project Completion Schedule, 3 (three) copies each of all Drawings to the Independent Expert for review;
- b. by submitting the Drawings for review to the Independent Expert, the Concessionaire shall be deemed to have represented that it has determined and verified the compliance of such Designs and Drawings with the requirements of Clause 12.3.1;
- c. within 15 (fifteen) days of the receipt of the Drawings the Independent Expert shall review the same and convey its observations to the Concessionaire with particular reference to their conformity or otherwise with the Scope of the Project and the Specifications and Standards. The Concessionaire shall not be obliged to await the observations of the Independent Expert on the Drawings submitted pursuant hereto beyond the said 15 (fifteen) days period and may begin or continue Construction Works at its own discretion and risk;
- d. if the aforesaid observations of the Independent Expert indicate that the Drawings are not in conformity with the Scope of the Project or the Specifications and Standards, such Drawings shall be revised by the

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Concessionaire and resubmitted to the Independent Expert for review. The Independent Expert shall give its observations, if any, within 7 (seven) days of receipt of the revised Drawings;

- e. no review and/or observation of the Independent Expert and/or its failure to review and/or convey its observations on any Drawings shall relieve the Concessionaire of its obligations and liabilities under this Agreement in any manner nor shall the Independent Expert or the Authority be liable for the same in any manner;
- f. without prejudice to the foregoing provisions of this Clause 12.2, the Concessionaire shall submit to the Authority for review and comments, its Drawings relating to planning of the Storage Facility and the Authority shall have the right but not the obligation to undertake such review and provide its comments, if any, within 30 (thirty) days of the receipt of such Drawings. The provisions of this Clause 12.2 shall apply *mutatis mutandis* to the review and comments hereunder
- g. within 90 (ninety) days of the Project Completion Date, the Concessionaire shall furnish to the Authority and the Independent Expert a complete set of as-built Drawings, in 2 (two) hard copies and in micro film form or in such other medium as may be acceptable to the Authority, reflecting the Storage Facility as actually designed, engineered and constructed, including an as-built survey illustrating the layout of the Storage Facility and setback lines, if any, of the buildings and structures forming part of Storage Facility.

12.3. Construction of the Storage Facility

12.3.1. On or after the Appointed Date, the Concessionaire shall undertake construction of Storage Facility as specified in Schedule B and Schedule C, and in conformity with the Specifications and Standards set forth in Schedule D. The 540th (five hundred and fortieth) day from the Appointed Date shall be the scheduled date for completion of Storage Facility (the "**Scheduled Completion Date**") and the Concessionaire agrees and undertakes that the construction of the Storage Facility shall be completed on or before the Scheduled Completion Date.

12.3.2. The Concessionaire shall construct the Storage Facility in accordance with the Project Completion Schedule set forth in Schedule N. In the event that the Concessionaire fails to achieve any Project Milestone within a period of 60 (sixty) days from the date set forth for such Milestone in Schedule N, unless such failure has occurred due to Force Majeure or for reasons solely attributable to the Authority, it shall pay Damages to the Authority in a sum calculated at the rate of 0.1% (zero point one per cent) of the amount of Performance Security for delay of each day until such Milestone is achieved; provided that if any or all Project Milestones or the Scheduled Completion Date are extended in accordance with the provisions of this Agreement, the dates set forth in Schedule N shall be deemed to be modified accordingly and the provisions of this Agreement shall apply as if Schedule N has been amended as above; provided further that in the event Project



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Completion Date is achieved on or before the Scheduled Completion Date, the Damages paid under this Clause 12.3.2 shall be refunded by the Authority to the Concessionaire, but without any interest thereon. For the avoidance of doubt, it is agreed that recovery of Damages under this Clause 12.3.2 shall be without prejudice to the rights of the Authority under this Agreement, including the right of Termination thereof.

12.3.3. In the event that Storage Facility is not completed within 180 (one hundred and eighty) days from the Scheduled Completion Date, unless the delay is on account of reasons solely attributable to the Authority or due to Force Majeure, the Authority shall be entitled to terminate this Agreement.

12.3.4. During the Construction Period, the Concessionaire shall:

- i. ensure that professionally competent persons are appointed to manage the Construction Works;
- ii. provide adequate safety at the Site;
- iii. undertake that all the Construction Works, materials, equipment, systems and procedures are new, in good condition and in conformity with the Standards and Specifications (ref: Schedule D), Good Industry Practice, the Applicable Laws and the Applicable Permits;
- iv. the Storage Facility is fabricated, erected, installed and completed in accordance with the final designs and Drawings approved by the Independent Expert under Clause 12.2; and
- v. reasonably consider the comments/suggestions made by the Independent Expert during any meetings of the Concessionaire with its Contractors.


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ARTICLE 13

13. MONITORING OF CONSTRUCTION

13.1. Monthly progress reports

During the Construction Period, the Concessionaire shall, no later than 7 (seven) days after the close of each month, furnish to the Authority and the Independent Expert a monthly report on progress of the Construction Works and shall promptly give such other relevant information as may be required by the Independent Expert.

13.2. Inspection

During the Construction Period, the Independent Expert shall inspect the Storage Facility at least once a month and make a report of such inspection (the "Inspection Report") stating in reasonable detail the defects or deficiencies, if any, with particular reference to the Scope of the Project and Specifications and Standards. It shall send a copy of the Inspection Report to the Authority and the Concessionaire within 7 (seven) days of such inspection and upon receipt thereof, the Concessionaire shall rectify and remedy the defects or deficiencies, if any, stated in the Inspection Report. Such inspection or submission of Inspection Report by the Independent Expert shall not relieve or absolve the Concessionaire of its obligations and liabilities hereunder in any manner whatsoever.

13.3. Tests

13.3.1. For determining that the Construction Works conform to the Specifications and Standards, the Independent Expert shall require the Concessionaire to carry out or cause to be carried out tests, at such time and frequency and in such manner as may be specified by the Independent Expert from time to time, in accordance with Good Industry Practice for quality assurance. The Concessionaire shall, with due diligence, carry out or cause to be carried out all the tests in accordance with the instructions of the Independent Expert and furnish the results thereof to the Independent Expert. One half of the costs incurred on such tests, and to the extent certified by the Independent Expert as reasonable, shall be reimbursed by the Authority to the Concessionaire. For the avoidance of doubt, the costs to be incurred on any Test which is undertaken for determining the rectification of any defect or deficiency in construction shall be borne solely by the Concessionaire.

13.3.2. In the event that results of any tests conducted under this Clause 13.3 establish any defects or deficiencies in the Construction Works, the Concessionaire shall carry out remedial measures and furnish a report to the Independent Expert in this behalf. The Independent Expert shall require the Concessionaire to carry out or cause to be carried out tests to determine that such remedial measures have brought the Construction Works into compliance with the Specifications and Standards, and the procedure set forth in this Clause 13.3 shall be repeated until such Construction Works conform to the Specifications and Standards. For the avoidance of doubt, it



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is agreed that tests pursuant to this Clause 13.3 shall be undertaken in addition to and independent of the tests that shall be carried out by the Concessionaire for its own quality assurance in accordance with Good Industry Practice. It is also agreed that a copy of the results of such tests shall be sent by the Concessionaire to the Independent Expert forthwith.

13.4. Delays during construction

Without prejudice to the provisions of Clause 12.3.2, if the Concessionaire does not achieve any of the Project Milestones or the Independent Expert shall have reasonably determined that the rate of progress of Construction Works is such that completion of the Storage Facility is not likely to be achieved by the Scheduled Completion Date, it shall notify the Concessionaire to this effect, and the Concessionaire shall, within 15 (fifteen) days of such notice, by a communication inform the Independent Expert in reasonable detail about the steps it proposes to take to expedite progress and the period within which it shall achieve the Project Completion Date.

13.5. Suspension of unsafe Construction Works

13.5.1. Upon recommendation of the Independent Expert to this effect, the Authority may by notice require the Concessionaire 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 any person or property.

13.5.2. The Concessionaire shall, pursuant to the notice under Clause 13.5.1, 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, the affected persons or properties and the Users. The Concessionaire may by notice require the Independent Expert to inspect such remedial measures forthwith and make a report to the Authority recommending whether or not the suspension hereunder may be revoked. Upon receiving the recommendations of the Independent Expert, the Authority shall either revoke such suspension or instruct the Concessionaire 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 13.5 shall be repeated until the suspension hereunder is revoked.

13.5.3. Subject to the provisions of Clause 29.7, 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 Concessionaire; 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.

13.5.4. If suspension of Construction Works is for reasons not attributable to the Concessionaire, the Independent Expert shall determine any extension of the dates set forth in the Project Completion Schedule to which the Concessionaire is

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reasonably entitled, and shall notify the Authority accordingly whereupon the Authority shall extend such Project Completion Schedule dates in accordance with the recommendations of the Independent Expert. In the event that the Scheduled Completion Date is extended pursuant hereto, the Concession Period shall be deemed to be extended by a period equal in length to the period of extension of the Scheduled Completion Date.

13.6. Video recording

During the Construction Period, the Concessionaire shall provide to the Authority for every calendar quarter, a video recording, which will be compiled into a 3 (three)-hour compact disc or digital video disc, as the case may be, covering the status and progress of Construction Works in that quarter. The first such video recording shall be provided to the Authority within 7 (seven) days of the Appointed Date and thereafter, no later than 15 (fifteen) days after the close of each quarter.



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ARTICLE 14

14.COMPLETION CERTIFICATE

14.1. Tests

14.1.1. At least 30 (thirty) days prior to the likely completion of the Storage Facility, the Concessionaire shall notify the Independent Expert of its intent to subject the Storage Facility to Tests. The date and time of each of the Tests shall be determined by the Independent Expert in consultation with the Concessionaire, and notified to the Authority who may designate its representative to witness the Tests. The Concessionaire shall provide such assistance as the Independent Expert may reasonably require for conducting the Tests. In the event of the Concessionaire and the Independent Expert failing to mutually agree on the dates for conducting the Tests, the Concessionaire shall fix the dates by not less than 10 (ten) days' notice to the Independent Expert.

14.1.2. All Tests shall be conducted in accordance with Schedule K. The Independent Expert shall observe, monitor and review the results of the Tests to determine compliance of the Storage Facility with Specifications and Standards and if it is reasonably anticipated or determined by the Independent Expert during the course of any Test that the performance of the Storage Facility or any part thereof does not meet the Specifications and Standards, it shall have the right to suspend or delay such Test and require the Concessionaire to remedy and rectify the defects or deficiencies. Upon completion of each Test, the Independent Expert shall provide to the Concessionaire and the Authority copies of all Test data including detailed Test results. For the avoidance of doubt, it is expressly agreed that the Independent Expert may require the Concessionaire to carry out or cause to be carried out additional Tests, in accordance with Good Industry Practice, for determining the compliance of the Storage Facility with Specifications and Standards.

14.2. Completion Certificate

Upon completion of Construction Works and the Independent Expert determining the Tests to be successful, it shall forthwith issue to the Concessionaire and the Authority a certificate substantially in the form set forth in Schedule O (the "Completion Certificate").

14.3. Provisional Certificate

14.3.1. The Independent Expert may, at the request of the Concessionaire, issue a provisional certificate of completion substantially in the form set forth in Annex – I of Schedule O (the "Provisional Certificate") if the Tests are successful and the Storage Facility can be safely and reliably placed in commercial operation though certain works or things forming part thereof are outstanding and not yet complete. In such an event, the Provisional Certificate shall have appended thereto a list of outstanding items signed jointly by the Independent Expert and the Concessionaire (the "Punch List"); provided that the Independent Expert shall not withhold the

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Provisional Certificate for reason of any work remaining incomplete if the delay in completion thereof is attributable to the Authority.

- 14.3.2. The Parties hereto expressly agree that a Provisional Certificate under this Clause 14.3.2 may, upon request of the Concessionaire to this effect, be issued if the Tests undertaken in terms hereof establish that the Storage Facility can be safely and reliably placed in commercial operation in accordance with the provisions of Clause 14.3.1. Upon issue of such Provisional Certificate, the provisions of Article 15 shall apply to such completed part.

14.4. Completion of Punch List items

- 14.4.1. All items in the Punch List shall be completed by the Concessionaire within 90 (ninety) days of the date of issue of the Provisional Certificate and for any delay thereafter, other than for reasons solely attributable to the Authority or due to Force Majeure, the Authority shall be entitled to recover Damages from the Concessionaire to be calculated and paid for each day of delay until all items are completed, at the lower of (a) 0.1% (zero point one per cent) of the Performance Security, and (b) 0.2% (zero point two per cent) of the cost of completing such items as estimated by the Independent Expert. Subject to payment of such Damages, the Concessionaire shall be entitled to a further period not exceeding 120 (one hundred and twenty) days for completion of the Punch List items. For the avoidance of doubt, it is agreed that if completion of any item is delayed for reasons solely attributable to the Authority or due to Force Majeure, the completion date thereof shall be determined by the Independent Expert in accordance with Good Industry Practice, and such completion date shall be deemed to be the date of issue of the Provisional Certificate for the purposes of Damages, if any, payable for such item under this Clause 14.4.1.

- 14.4.2. Upon completion of all Punch List items, the Independent Expert shall issue the Completion Certificate. Failure of the Concessionaire to complete all the Punch List items within the extended time set forth in Clause 14.4.1 for any reason, other than conditions constituting Force Majeure or for reasons solely attributable to the Authority and failure of the Concessionaire to pay the damages as set forth in Clause 14.4.1, shall entitle the Authority to terminate this Agreement.

- 14.4.3. Notwithstanding anything to the contrary contained in Clause 14.4.2, the Parties hereto expressly agree that the Completion Certificate shall, subject to the provisions of this Agreement, be issued if the tested storage capacity is capable of providing at least 90% (ninety per cent) of the Storage Capacity; provided, however, that for every shortfall of 1% (one per cent) or part thereof in the Availability, the Fixed Storage Charge set forth in Clause 25.1 shall be deemed to be reduced by 1.5% (one point five per cent) thereof; provided further that upon reduction of the Fixed Charge hereunder, the Storage Capacity shall be deemed to be reduced in accordance with the capacity specified in the Completion Certificate and the provisions of this Agreement shall apply as if the Storage Capacity is the capacity determined hereunder. For the avoidance of doubt, the Concessionaire may at any time rectify the shortfall hereunder and require the Independent Expert to issue a



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revised Completion Certificate under and in accordance with this Article 14 and the revised Completion Certificate, if any, shall be deemed to be the Completion Certificate, from the date thereof, for the purposes of this Agreement, including the determination of Fixed Storage Charges

14.5. Withholding of Provisional Certificate

14.5.1. If the Independent Expert determines that the Storage Facility or any part thereof does not conform to the provisions of this Agreement and cannot be safely and reliably placed in commercial operation, it shall forthwith make a report in this behalf and send copies thereof to the Authority and the Concessionaire. Upon receipt of such a report from the Independent Expert and after conducting its own inspection, if the Authority is of the opinion that the Storage Facility is not fit and safe for commercial service, it shall, within 7 (seven) days of receiving the aforesaid report, notify the Concessionaire of the defects and deficiencies in the Storage Facility and direct the Independent Expert to withhold issuance of the Provisional Certificate. Upon receipt of such notice, the Concessionaire shall remedy and rectify such defects or deficiencies and thereupon Tests shall be undertaken in accordance with this Article 14. Such procedure shall be repeated as necessary until the defects or deficiencies are rectified.

14.5.2. Notwithstanding anything to the contrary contained in Clause 14.5.1, the Authority may, at any time after receiving a report from the Independent Expert under that Clause, direct the Independent Expert to issue a Provisional Certificate under Clause 14.3, and such direction shall be complied forthwith.

14.6. Rescheduling of Tests

If the Independent Expert certifies to the Authority and the Concessionaire that it is unable to issue the Completion Certificate or Provisional Certificate, as the case may be, because of events or circumstances on account of which the Tests could not be held or had to be suspended, the Concessionaire shall be entitled to re-schedule the Tests and hold the same as soon as reasonably practicable.

14.7. Safety certification prior to COD

The Concessionaire shall, not later than 1 (one) month prior to the likely COD, notify the Authority and the Independent Expert of the compliance of Safety Requirements and invite them to observe any or all the tests that may be specified by the Independent Expert in accordance with Applicable Laws and Good Industry Practice to determine and certify that the Storage Facility is safe for entering into commercial service, and the costs of such tests shall be shared equally between the Concessionaire and the Authority; provided that in case of failure in any test requiring repetition thereof, the cost of such second or subsequent test shall be borne entirely by the Concessionaire.



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ARTICLE 15

15. ENTRY INTO COMMERCIAL SERVICE

15.1. Commercial Operation Date (COD)

- 15.1.1.** Storage Facility shall be deemed to be complete when the Completion Certificate or the Provisional Certificate, as the case may be, is issued under the provisions of Article 14, and accordingly the commercial operation date of the Project shall be the date on which such Completion Certificate or the Provisional Certificate is issued (the "COD").
- 15.1.2.** The Storage Facility shall enter into commercial service on COD whereupon the Concessionaire shall be entitled to receive Storage and Handling Charges from the Authority in accordance with the provisions of Article 25.
- 15.1.3.** For avoidance of all doubt it is, hereby, agreed and accepted by the Parties that the declaration of COD, in case of earlier completion of the Storage Facility and issue of Completion Certificate as detailed in Clause 14.2, will be at the sole and exclusive discretion of the Authority.

15.2. Damages for delay

Subject to the provisions of Clause 12.3, if COD does not occur prior to the 91st (ninety first) day after the Scheduled Completion Date, unless the delay is on account of reasons solely attributable to the Authority or due to Force Majeure, the Concessionaire shall pay Damages to the Authority in a sum calculated at the rate of 0.1% (zero point one per cent) of the amount of Performance Security for delay of each day until COD is achieved.



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ARTICLE 16

16.CHANGE OF SCOPE

16.1. Change of Scope

- 16.1.1.** The Authority may, notwithstanding anything to the contrary contained in this Agreement, require the provision of additional works and services which are not included in the Scope of the Project as contemplated by this Agreement (the "Change of Scope"). Any such Change of Scope shall be made in accordance with the provisions of this Article 16 and the costs thereof shall be expended by the Concessionaire and reimbursed to it by the Authority in accordance with Clause 16.3.
- 16.1.2.** If the Concessionaire determines at any time that a Change of Scope is necessary for providing safer and improved Storage Services, it shall by notice in writing require the Authority to consider such Change of Scope. The Authority shall, within 15 (fifteen) days of receipt of such notice, either accept such Change of Scope with modifications, if any, and initiate proceedings therefore in accordance with this Article 16 or inform the Concessionaire in writing of its reasons for not accepting such Change of Scope.
- 16.1.3.** Any works or services which are provided under and in accordance with this Article 16 shall form part of the Storage Facility and the provisions of this Agreement shall apply *mutatis mutandis* to such works or services.
- 16.1.4.** Notwithstanding anything to the contrary contained in Clause 16.1.3 or this Agreement, the Change in Scope shall not require the acquisition of additional land, and in the event such additional land is required for the Change of Scope, the responsibility for determining need for additional land for executing the Change of Scope activity shall be with the Independent Expert and the responsibility for the acquisition and provision of this additional land to execute the Change in Scope, shall be with the Authority.

16.2. Procedure for Change of Scope

- 16.2.1.** In the event of the Authority determining that a Change of Scope is necessary, it shall issue to the Concessionaire a notice specifying in reasonable detail the works and services contemplated thereunder (the "Change of Scope Notice").
- 16.2.2.** Upon receipt of a Change of Scope Notice, the Concessionaire shall, with due diligence, provide to the Authority such information as is necessary, together with preliminary Documentation in support of:
- a. the impact, if any, which the Change of Scope is likely to have on the Project Completion Schedule if the works or services are required to be carried out during the Construction Period; and



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- b. the options for implementing the proposed Change of Scope and the effect, if any, each such option would have on the costs and time thereof, including a detailed breakdown by work classifications specifying the material and labour costs calculated in accordance with the schedule of rates applicable to the works assigned by the Authority to its contractors, along with the proposed premium/discount on such rates; provided that the cost incurred by the Concessionaire in providing such information shall be reimbursed by the Authority to the extent such cost is certified by the Independent Expert as reasonable.

16.2.3. Upon receipt of information set forth in Clause 16.2.2, if the Authority decides to proceed with the Change of Scope, it shall convey its preferred option to the Concessionaire, and the Parties shall, with assistance of the Independent Expert, thereupon make good faith efforts to agree upon the time and costs for implementation thereof. Upon reaching an agreement, the Authority shall issue an order (the "Change of Scope Order") requiring the Concessionaire to proceed with the performance thereof. In the event that the Parties are unable to agree, the Authority may, by issuing a Change of Scope Order, require the Concessionaire to proceed with the performance thereof pending resolution of the Dispute, or carry out the works in accordance with Clause 16.5.

16.2.4. The provisions of this Agreement, insofar as they relate to Construction Works and Tests, shall apply *mutatis mutandis* to the works undertaken by the Concessionaire under this Article 16.

16.3. Payment for Change of Scope

Within 7 (seven) days of issuing a Change of Scope Order, the Authority shall make an advance payment to the Concessionaire in a sum equal to 20% (twenty per cent) of the cost of Change of Scope as agreed hereunder, and in the event of a Dispute, 20% (twenty per cent) of the cost assessed by the Independent Expert. The Concessionaire shall, after commencement of work, present to the Authority bills for payment in respect of the works in progress or completed works, as the case may be, supported by such Documentation as is reasonably sufficient for the Authority to determine the accuracy thereof. Within 30 (thirty) days of receipt of such bills, the Authority shall disburse to the Concessionaire such amounts as are certified by the Independent Expert as reasonable and after making a proportionate deduction for the advance payment made hereunder, and in the event of any Dispute, final adjustments thereto shall be made under and in accordance with the Dispute Resolution Procedure.

16.4. Restrictions on certain works

16.4.1. Notwithstanding anything to the contrary contained in this Article 16, but subject to the provisions of Clause 16.4.2, the Authority shall not require the Concessionaire to undertake any works or services if such works or services are likely to delay completion of Storage Facility; provided that in the event that the Authority considers such works or services to be essential, it may issue a Change of Scope



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Order, subject to the condition that the works forming part of or affected by such Order shall not be reckoned for purposes of determining completion of Storage Facility and issuing the Provisional Certificate.

16.4.2. Notwithstanding anything to the contrary contained in this Article 16, the Concessionaire shall be entitled to nullify any Change of Scope Order if it causes the cumulative costs relating to all the Change of Scope Orders to exceed 5% (five per cent) of the Total Project Cost in any continuous period of 3 (three) years immediately preceding the date of such Change of Scope Order or if such cumulative costs exceed 20% (twenty per cent) of the Total Project Cost at any time during the Concession Period.

16.5. Power of the Authority to undertake works

16.5.1. Notwithstanding anything to the contrary contained in Clauses 16.1.1, 16.2 and 16.3, the Authority may, after giving notice to the Concessionaire and considering its reply thereto, award any works or services, contemplated under Clause 16.1.1, to any person on the basis of open competitive bidding; provided that the Concessionaire shall have the option of matching the first ranked bid in terms of the selection criteria, subject to payment of 2% (two per cent) of the bid amount to the Authority⁵, and thereupon securing the award of such works or services. For the avoidance of doubt, it is agreed that the Concessionaire shall be entitled to exercise such option only if it has participated in the bidding process and its bid does not exceed the first ranked bid by more than 10% (ten percent) thereof. It is also agreed that the Concessionaire shall provide access, assistance and cooperation to the person who undertakes the works or services hereunder.

16.5.2. The works undertaken in accordance with this Clause 16.5 shall conform to the Specifications and Standards and shall be carried out in a manner that minimises the disruption in operation of the Storage Facility. The provisions of this Agreement, insofar as they relate to Construction Works and Tests, shall apply *mutatis mutandis* to the works carried out under this Clause 16.5.

16.6. Reduction in Scope of the Project

16.6.1. If the Concessionaire shall have failed to complete any Construction Works on account of Force Majeure or for reasons solely attributable to the Authority, the Authority may, in its discretion, require the Concessionaire to pay 80% (eighty percent) of the sum saved therefrom, and upon such payment to the Authority, the obligations of the Concessionaire in respect of such works shall be deemed to have been fulfilled. For the avoidance of doubt, it is agreed that in the event such reduction in Scope of the Project causes or will cause a reduction in net after-tax return of the Concessionaire, the Parties shall meet, as soon as reasonably practical, and agree on a full or partial waiver of the aforesaid payment of 80%

⁵ The Authority shall transfer 75% (seventy five percent) of the amount so received to the first ranked bidder whose bid shall have been matched by the Concessionaire.¹ As per details specified by the Bidder during the RFP stage

(eighty per cent) so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no reduction in Scope of the Project. It is further agreed that the liability of the Authority under this Clause 16.6 shall not extend beyond waiver of the aforesaid 80% (eighty per cent). It is also agreed that in the event of a dispute, the Dispute Resolution Procedure shall apply.

16.6.2. For determining the obligations of the Concessionaire under this Clause 16.6, the provisions of Clauses 16.1, 16.2 and 16.4 shall apply *mutatis mutandis*, and upon issue of Change of Scope Order by the Authority hereunder, the Concessionaire shall pay forthwith the sum specified therein.

16.7. Change in Scope during the Operational Period

If Change in Scope is required during the Operational Period, the provisions of this Article 16 shall apply *mutatis mutandis* to such Change in Scope.



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ARTICLE 17

17. OPERATION AND MAINTENANCE

17.1. O&M obligations of the Concessionaire

17.1.1. During the Operation Period, the Concessionaire shall operate and maintain the Storage Facility in accordance with this Agreement and in compliance with the performance standards given in Schedule G either by itself, or through the O&M Contractor and if required, modify, repair or otherwise make improvements to the Storage Facility to comply with the provisions of this Agreement, Applicable Laws and Applicable Permits, and conform to Specifications and Standards and Good Industry Practice. The obligations of the Concessionaire hereunder shall include:

- a. ensuring safe, hygienic and efficient storage of Food grains in the Storage Facility, including prevention of loss or damage thereto, during normal operating conditions;
- b. minimising disruption to storage of Food Grains in the event of accidents or other incidents affecting the safety and use of the Storage Facility by providing a rapid and effective response and maintaining liaison with emergency services of the State;
- c. carrying out periodic preventive maintenance of the Storage Facility;
- d. procuring that the Availability of the Storage Capacity is not less than the Normative Availability
- e. undertaking operation and maintenance of the Storage Facility in an efficient, coordinated and economical manner, in compliance with the Standards and Specifications, and procure Availability of the Storage Capacity to the Authority in accordance with the provisions of this Agreement and Applicable Laws;
- f. undertaking major maintenance including Major Overhaul, replacement of components and parts, repairs to structures, and repairs and refurbishments of associated facilities and equipment;
- g. preventing, with the assistance of concerned law enforcement agencies, any unauthorised use of the Storage Facility;
- h. preventing, with the assistance of the concerned law enforcement agencies, any encroachments on the Storage Facility;
- i. protection of the environment and provision of equipment and materials therefore;


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- j. operation and maintenance of all communication, control and administrative systems necessary for the efficient operation of the Storage Facility;
- k. maintaining a public relations unit to interface with and attend to suggestions from the Users, government agencies, media and other agencies; and
- l. complying with Safety Requirements in accordance with Article 18;

17.1.2. The Concessionaire shall remove promptly from the Storage Facility 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 Storage Facility in a clean, tidy and orderly condition, and in conformity with the Applicable Laws, Applicable Permits and Good Industry Practice.

17.1.3. The Concessionaire shall maintain, in conformity with Good Industry Practice, storage Silos, handling facilities, all stretches of approach roads or other structures situated on the Site.

17.1.4. If the Concessionaire fails to comply with any directions issued by the Authority or any Government Instrumentality acting under any Applicable Laws, as the case may be, and is liable to pay a penalty under the provisions of Applicable Laws, such penalty shall be borne solely by the Concessionaire, and shall not be claimed from the Authority. For the avoidance of doubt, payment of any penalty under the provisions of Applicable Laws shall be in addition to, and independent of the Damages payable under this Agreement.

17.2. Maintenance Requirements

The Concessionaire shall procure that at all times during the Operation Period; the Storage Facility conforms to the maintenance requirements set forth in Schedule H (the "Maintenance Requirements").

17.3. Maintenance Manual

17.3.1. No later than 180 (one hundred and eighty) days prior to the Scheduled Completion Date, the Concessionaire shall, in consultation with the Independent Engineer Expert, evolve a repair and maintenance manual (the "Maintenance Manual") for the regular and preventive maintenance of the Storage Facility in conformity with the Specifications and Standards, Maintenance Requirements, Safety Requirements and Good Industry Practice, and shall provide 5 (five) copies thereof to the Authority and 2 (two) copies to the Independent Expert. The Maintenance Manual shall be revised and updated once every 3 (three) years and the provisions of this Clause 17.3 shall apply, mutatis mutandis, to such revision.

17.3.2. Without prejudice to the provision of Clause 17.3.1, the Maintenance Manual shall, in particular, include provisions for maintenance of Project Assets and shall provide



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for life cycle maintenance, routine maintenance and reactive maintenance which may be reasonably necessary for maintenance and repair of the Project Assets, including replacement thereof, such that their overall condition conforms to Good Industry Practice.

17.4. Maintenance Programme

17.4.1. On or before COD and no later than 45 (forty five) days prior to the beginning of each Accounting Year during the Operation Period, as the case may be, the Concessionaire shall provide to the Authority and the Independent Expert, its proposed annual programme of preventive, urgent and other scheduled maintenance (the "Maintenance Programme") to comply with the Maintenance Requirements, Maintenance Manual and Safety Requirements. Such Maintenance Programme shall include:

- a. preventive maintenance schedule;
- b. arrangements and procedures for carrying out urgent repairs;
- c. criteria to be adopted for deciding maintenance needs;
- d. intervals and procedures for carrying out inspection of all elements of the Storage Facility
- e. intervals at which the Concessionaire shall carry out periodic maintenance;
- f. arrangements and procedures for carrying out safety related measures; and
- g. intervals for major maintenance works and the scope thereof
- h. frequency of carrying out intermediate and periodic overhaul of the equipment

Provided that the Maintenance Programme shall not schedule any closure or Major Overhaul at any time during the Harvest Season

17.4.2. Within 15 (fifteen) days of receipt of the Maintenance Programme, the Independent Expert shall review the same and convey its comments to the Concessionaire with particular reference to its conformity with the Maintenance Requirements, Maintenance Manual and Safety Requirements.

17.4.3. The Concessionaire may modify the Maintenance Programme as may be reasonable in the circumstances, and the procedure specified in Clauses 17.4.1 and 17.4.2 shall apply *mutatis mutandis* to such modifications.

17.4.4. Any maintenance carried out by the Concessionaire as per the Maintenance Programme under this Clause 17.4.4 and as notified to the Authority under the provisions of Article 31 (suspension of services) shall be deemed to be Scheduled Maintenance (the "Scheduled Maintenance"). For the avoidance of doubt, any

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closure, Suspension or reduction of Storage Capacity arising out of Scheduled Maintenance shall be deemed as Non-Availability of Storage Capacity.

17.5. Major Overhaul

17.5.1. The Concessionaire may, as and when necessary, undertake Major Overhaul of a Silo, but in no case more than once in every 5 (five) years, in accordance with a schedule to be notified by the Concessionaire to the Authority, at least 1 (one) year in advance, and requiring the Authority to evacuate Food Grains from such Silo prior to the scheduled date of commencement of Major Overhaul. Provided that a Major Overhaul shall not be scheduled during the Harvest Season or during a period of 6 (six) months following the Harvest Season. For the avoidance of doubt, unless the Parties mutually agree, not more than 1 (one) Silo shall be subjected to a Major Overhaul during the course of an Accounting Year.

17.5.2. The Normative Availability of the Storage Facility shall be deemed to be reduced during the period of Major Overhaul and such reduction shall bear the same proportion as the capacity of the Silo being subjected to Major Overhaul does to the Storage Capacity.

17.5.3. The Fixed Storage Charge due and payable to the Concessionaire shall be reduced proportionately to the extent of reduction in Availability of the Storage Facility during the period of Major Overhaul. For the avoidance of doubt, the Parties agree that the evacuation of a Silo shall cause disruption in the operations of the Authority and consequently, the Concessionaire shall be liable to pay Damages equal to 25% (twenty five per cent) of the Fixed Storage Charge payable for a period of 1 (one) month following the re-commissioning of such Silo.

17.6. Safety, breakdowns and accidents

17.6.1. The Concessionaire shall ensure safe conditions for the Authority and Users, and in the event of unsafe conditions, damages, breakdowns and accidents, it shall follow the relevant operating procedures and removal of obstruction and debris without delay. Such procedures shall conform to the provisions of this Agreement, Applicable Laws, Applicable Permits and Good Industry Practice.

17.6.2. The Concessionaire's responsibility for rescue operations on the Storage Facility shall include safe evacuation of all persons from the affected area as an initial response to any particular incident and shall also include prompt removal of debris or any other obstruction, which may endanger or interrupt the safe operations of the Storage Facility.

17.7. De-commissioning due to Emergency

17.7.1. If, in the reasonable opinion of the Concessionaire, there exists an Emergency which warrants de-commissioning and closure of the whole or any part of the Storage Facility, the Concessionaire shall be entitled to de-commission and close the whole or any part of the Storage Facility for so long as such Emergency, and the



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consequences thereof warrant; provided that such decommissioning and particulars thereof shall be notified by the Concessionaire to the Authority without any delay, and the Concessionaire shall diligently carry out and abide by any reasonable directions that the Authority may give for dealing with such Emergency.

17.7.2. The Concessionaire shall re-commission the Storage Facility or the affected part thereof as quickly as practicable after the circumstances leading to its decommissioning and closure have ceased to exist or have so abated as to enable the Concessionaire to re-commission the Storage Facility and shall notify the Authority of the same without any delay.

17.7.3. Any decommissioning or closure of any part of the Storage Facility and the re-commissioning thereof shall, as soon as practicable, be brought to the notice of affected persons by means of public announcements/notice.

17.8. Section closure

17.8.1. Upon notice given by the Authority to this effect prior to commencement of an Accounting Year, the Concessionaire shall, save and except as provided in Clause 17.7, not schedule a closure of any part of the Storage Facility at any time during a continuous period of 180 (one hundred and eighty) days as may be specified by the Authority for and in respect of such Accounting Year.

17.8.2. Save and except as provided in Clause 17.7, the Concessionaire shall not shut down or close any part of the Storage Facility for undertaking maintenance or repair works not forming part of the Maintenance Programme, except with the prior written approval of the Authority. Such approval shall be sought by the Concessionaire through a written request to be made to the Authority at least 7 (seven) days before the proposed closure of such section and shall be accompanied by particulars thereof. Within 3 (three) days of receiving such request, the Authority shall grant permission with such modifications as it may deem necessary.

17.8.3. Upon receiving the permission pursuant to Clause 17.8.2, the Concessionaire shall be entitled to shut down the designated section for the period specified therein, and in the event of any delay in re-opening such section, the Concessionaire shall pay Damages to the Authority calculated at the rate of 1% (one per cent) of the Fixed Storage Charge for each day of delay until the section has been re-opened for operations.

17.9. Unscheduled Maintenance

Any maintenance, repair or rectification of the Storage Facility not forming part of Scheduled Maintenance shall be deemed to be unscheduled maintenance (the "Unscheduled Maintenance"). For the avoidance of doubt, it is agreed that any maintenance arising out of de-commissioning and Forced Closure of the whole or any part of the Storage Facility under the provisions of Clause 17.7 shall be deemed to be Unscheduled Maintenance. It is further agreed that any closure, suspension or reduction of Storage Capacity arising out of Unscheduled Maintenance shall be



deemed as Non- Availability of Storage Capacity and excluded from the computation of Availability

17.10. Damages for breach of maintenance obligations

17.10.1. In the event that the Concessionaire fails to repair or rectify any defect or deficiency set forth in the Maintenance Requirements within the period specified therein, it shall be deemed to be in breach of this Agreement and the Authority shall be entitled to recover Damages, to be calculated and paid for each day of delay until the breach is cured, at the higher of (a) 0.5% (zero point five per cent) of Fixed Storage Charge, and (b) 0.1% (zero point one per cent) of the cost of such repair or rectification as estimated by the Independent Expert. Recovery of such Damages shall be without prejudice to the rights of the Authority under this Agreement, including the right of Termination thereof.

17.10.2. The Damages set forth in Clause 17.10.1 may be assessed and specified forthwith by the Independent Expert; provided that the Authority may, in its discretion, demand a smaller sum as Damages, if in its opinion, the breach has been cured promptly and the Concessionaire is otherwise in compliance with its obligations hereunder. The Concessionaire shall pay such Damages forthwith and in the event that it contests such Damages, the Dispute Resolution Procedure shall apply.

17.11. Authority's right to take remedial measures

17.11.1. In the event the Concessionaire does not maintain and/or repair the Storage Facility or any part thereof in conformity with the Maintenance Requirements, the Maintenance Manual or the Maintenance Programme, as the case may be, and fails to commence remedial works within 15 (fifteen) days of receipt of the O&M Inspection Report or a notice in this behalf from the Authority or the Independent Expert, as the case may be, the Authority shall, without prejudice to its rights under this Agreement including Termination thereof, be entitled to undertake such remedial measures at the risk and cost of the Concessionaire, and to recover its cost from the Concessionaire. In addition to recovery of the aforesaid cost, a sum equal to 20% (twenty per cent) of such cost shall be paid by the Concessionaire to the Authority as Damages. For the avoidance of doubt, the right of the Authority under this Clause 17.11.1 shall be without prejudice to its rights and remedies provided under Clause 17.10.

17.11.2. The Authority shall have the right, and the Concessionaire hereby expressly grants to the Authority the right, to recover the costs and Damages specified in Clause 17.11.1 directly from the Escrow Account as if such costs and Damages were O&M Expenses, and for that purpose, the Concessionaire hereby agrees to give irrevocable instructions to the Escrow Bank to make payment from the Escrow Account in accordance with the instructions of the Authority under this Clause 17.11.2 and debit the same to O&M Expenses.



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17.12. Overriding powers of the Authority

17.12.1. If in the reasonable opinion of the Authority, the Concessionaire is in material breach of its obligations under this Agreement and, in particular, the Maintenance Requirements, and such breach is causing or likely to cause material hardship or danger to any person or property or the Users, the Authority may, without prejudice to any of its rights under this Agreement including Termination thereof, by notice require the Concessionaire to take reasonable measures immediately for rectifying or removing such hardship or danger, as the case may be.

17.12.2. In the event that the Concessionaire, upon notice under Clause 17.12.1, fails to rectify or remove any hardship or danger within a reasonable period, the Authority may exercise overriding powers under this Clause 17.12.2 and take over the performance of any or all the obligations of the Concessionaire to the extent deemed necessary by it for rectifying or removing such hardship or danger; provided that the exercise of such overriding powers by the Authority shall be of no greater scope and of no longer duration than is reasonably required hereunder; provided further that any costs and expenses incurred by the Authority in discharge of its obligations hereunder shall be deemed to be O&M Expenses, and the Authority shall be entitled to recover them from the Concessionaire in accordance with the provisions of Clause 17.11 along with the Damages specified therein.

17.12.3. In the event of a national emergency, civil commotion or any other act specified in Clause 29.3, the Authority may take over the performance of any or all the obligations of the Concessionaire to the extent deemed necessary by it or as directed by the Government, and exercise such control over the Storage Facility or give such directions to the Concessionaire as may be deemed necessary; provided that the exercise of such overriding powers by the Authority shall be of no greater scope and of no longer duration than is reasonably required in the circumstances which caused the exercise of such overriding power by the Authority. For the avoidance of doubt, it is agreed that the consequences of such action shall be dealt in accordance with the provisions of Article 29. It is also agreed that the Concessionaire shall comply with such instructions as the Authority may issue in pursuance of the provisions of this Clause 17.12.3, and shall provide assistance and cooperation to the Authority, on a best effort basis, for performance of its obligations hereunder.

17.13. Restoration of loss or damage to Storage Facility

Save and except as otherwise expressly provided in this Agreement, in the event that the Storage Facility or any part thereof suffers any loss or damage during the Concession Period from any cause whatsoever, the Concessionaire shall, at its cost and expense, rectify and remedy such loss or damage forthwith so that the Storage Facility conforms to the provisions of this Agreement.



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17.14. Modifications to the Storage Facility

The Concessionaire shall not carry out any material modifications to the Storage Facility save and except where such modifications are necessary for the Storage Facility to operate in conformity with the Specifications and Standards, Maintenance Requirements, Good Industry Practice and Applicable Laws; provided that the Concessionaire shall notify the Independent Expert of the proposed modifications along with particulars thereof at least 15 (fifteen) days before commencing work on such modifications and shall reasonably consider any suggestions that the Independent Expert may make within 15 (fifteen) days of receiving the Concessionaire's proposal. For the avoidance of doubt, all modifications made hereunder shall comply with the Specifications and Standards, Applicable Laws and the provisions of this Agreement.

17.15. Excuse from performance of obligations

The Concessionaire shall not be considered in breach of its obligations under this Agreement if any part of the Storage Facility is not available for storage of Food Grains on account of any of the following for the duration thereof:

- a. an event of Force Majeure;
- b. measures taken to ensure the safe use of the Storage Facility except when unsafe conditions occurred because of failure of the Concessionaire to perform its obligations under this Agreement; or
- c. compliance with a request from the Authority or the directions of any Government Instrumentality, the effect of which is to close all or any part of the Storage Facility.

Provided, that any such Non-Availability and particulars thereof shall be notified by the Concessionaire to the Authority and the Independent Expert without any delay:

Provided further that the Concessionaire shall ensure and procure Availability of all unaffected parts of the Storage Facility, provided they can be operated safely.

17.16. Advertising on the Site

The Concessionaire shall not undertake or permit any form of commercial advertising, display or hoarding at any place on the Site which violates Applicable Laws. All advertising on the Storage Facility shall also conform to Good Industry Practice.

17.17. Determination of available storage capacity

- 17.17.1. The Concessionaire shall from time to time, but not less than once a quarter, inform the Authority and the Independent Expert in writing of the unused Food Grain storage capacity available in each of the Silo in the Storage Facility. The Concessionaire shall especially inform the Authority when the unused Food Grain



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storage capacity reaches the level of 15% (fifteen) of total Storage Capacity. The Authority and Independent Expert may carry out inspection of the Storage Facility to verify such submissions made by the Concessionaire. Based on the submissions made by the Concessionaire, as verified by the Independent Expert and/or the Authority, the Authority shall determine the Acceptance Quantity for the Storage Facility and shall, sufficiently in advance and not less than 72 (seventy two) hours in advance, instruct the Concessionaire to receive Food Grain from the Authority or its nominees or from the farmers directly.

- 17.17.2. The Concessionaire shall be obligated to receive and store the Acceptance Quantity in the Storage Facility as instructed by the Authority subject to provisions of this Agreement.

17.18. Receipt of Food Grain in Storage Facility

- 17.18.1. The Authority shall be responsible for, directly or indirectly, procuring and transporting of Food Grain, subject to the Acceptance Quantity, to the Acceptance Point within the Storage Facility. In this case, the direct procurement and transportation shall be undertaken by the Authority on its own or its contractors while the indirect procurement and transportation may be undertaken by the Authority's nominee or by farmers.

- 17.18.2. Subject to the Acceptance Quantity determined at Clause 17.17, the Concessionaire shall receive and accept all consignments of Food Grain received at the gates of Storage Facility subject to the consignment of Food Grain meeting the Grain Acceptance Specification, as per Schedule F, as determined by the Pre-Acceptance Test. For avoidance of doubt, a consignment shall mean the total quantity of Food Grain, whether in bulk or bagged form, contained in a single Vehicle, a Vehicle being a truck, tractor-trailer or animal-pulled cart, where one Vehicle is distinguishable from another Vehicle.

- 17.18.3. Each consignment of the Food Grain received at the Storage Facility shall be subjected to Pre-Acceptance Test to be carried out by the Concessionaire at its costs. The Pre-Acceptance Test shall determine the quantity and the quality of Food Grain in the consignment. The Concessionaire shall prepare a report of Pre-Acceptance Test ("Pre-Acceptance Test Report") for each consignment of Food Grain received at the Storage Facility and provide a duly signed and stamped copy of the Pre-Acceptance Test Report to each of the Authority's nominee / farmer (in case consignment is received from the Authority's nominee / farmer), the Authority's Representative and Independent Expert.

- 17.18.4. The quality test for the Pre-Acceptance Test shall be carried out on a sample basis to determine if the quality is within the norms of Grain Acceptance Specifications as specified under Schedule F. In the event, a consignment of Food Grain does not meet the Grain Acceptance Specifications; the Concessionaire has the right to reject the concerned consignment, duly stating the reason for the same in the Pre-Acceptance Test Report. In the event the Concessionaire is of the opinion that the concerned consignment can be brought within the Grain Acceptance



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Specifications by carrying out Pre-Storage Treatment, the Concessionaire may do so with prior intimation and approval of the Authority's Representative and specifying the loss in quantity estimated for the consignment as a result of Pre-Storage Treatment and the loss in quantity shall be borne by the Authority.

17.18.5. The sampling for the quality test as part of the Pre-Acceptance Test shall be required to meet the following requirements :

- i. In case of Food Grain received in bulk form in a Vehicle by road (open truck, lorry, tractor-trailer, animal-pulled cart), a minimum of 5 (five) samples per Vehicle taken from 5(five) different points;
- ii. In case of Food Grain received in bagged form in a Vehicle by road (open truck, lorry, tractor-trailer, animal-pulled cart), a minimum of 10% of the Bags from across the consignment to be probed for samples;

17.18.6. The quantity test for the Pre-Acceptance Test shall be carried out as per the weighment test specified in Clause 17.22. The same shall be duly recorded in the Pre-Acceptance Test Report.

17.18.7. The Authority may nominate a representative to witness the Pre-Acceptance Tests during the receipt process and counter-sign the Pre-Acceptance Test Report.

17.18.8. After the Pre-Acceptance Test, the consignment of Food Grain, as acceptable to the Concessionaire, will be unloaded into the dump pit at the Acceptance Point. All the activities related to unloading of Food Grain, including but not limited to emptying of Food Grain load, unloading of Bags, debagging and emptying of Bags, stacking of empty Bags, conveying of emptied load onto Pre-Storage Silos / Receiving Silos and further for Pre-Storage Treatment and storage in Long Term Storage Silos shall be the sole responsibility of the Concessionaire and shall be carried by the Concessionaire at its own cost.

17.18.9. The possession of the Food Grain shall be deemed to have been transferred to the Concessionaire once the Food Grain is received at the Acceptance Point. The Concessionaire shall be responsible for the quantity and quality, as determined through the Pre-Acceptance Test, of the Food Grain from Acceptance Point to the Dispatch Point.

17.18.10. The Concessionaire shall maintain real-time information of the number of consignments of Food Grain entering the gates of Storage Facility, number of consignments which have been subjected to Pre-Acceptance Test, number of consignments accepted, number of consignments rejected, quantity of Food Grain accepted across all parameters of Grain Storage Specifications, average quality of Food Grain accepted and other relevant details. The Concessionaire shall provide consolidated information to the Authority at least once every month. The Concessionaire shall maintain proper consignment-wise record and consolidated reports for inspection on future dates.



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17.18.11. The Concessionaire shall be overall responsible for managing all the activities within the Storage Facility related to receipt and acceptance of Food Grain. The Authority may appoint its representative to witness the Pre-Acceptance Test and counter-sign each Pre-Acceptance Test Report or the consolidated Pre-Acceptance Test Report.

17.19. Pre-storage treatment of Food Grain

17.19.1. The Concessionaire shall carry out Pre-Storage Treatment of Food Grain received and accepted by the Concessionaire at the Acceptance Point. Such Pre-Storage Treatment shall be limited to Cleaning and weighing and is to be carried out at process tower (as specified in Schedule C) (the "Pre-Storage Treatment"). The costs and expenses associated with the Pre-Storage Treatment shall be borne solely by the Concessionaire.

17.19.2. The purpose of Pre-Storage Treatment of Food Grain shall be to clean the Food Grain to bring it in conformance within the acceptable limit of Grain Acceptance Specifications. Such Cleaning operation shall be required only if weighted average quality of the Acceptance Quantity is below the Grain Acceptance Specifications. In such cases where the Cleaning activities leads to release of dust and residue, the same shall be collected, weighed and examined by the Authority's Representative prior to its disposal.

17.20. Storage of Food Grain

17.20.1. After the Pre-Storage Treatment, the Concessionaire shall move the Food Grain to one of the Long Term Storage Silos (as specified in Schedule C), for long term storage. The Concessionaire shall inform the loading plan for each of the Long Term Storage Silo to the Authority and obtain concurrence of the Authority to avoid unwarranted mixing of Food Grain consignments and shall load the Silos accordingly. The Authority shall provide its concurrence or suggest modification within reasonable time of receipt of request from the Concessionaire. The Authority may also inform the same while informing the Concessionaire of the Acceptance Quantity.

17.20.2. The Concessionaire shall carry out preservation activities, including aeration, fumigation, sanitation activities as required and in accordance with the Specifications and Standards.

17.20.3. The Concessionaire shall carry out regular physical inspections of the Food Grain stored in the Storage Facility, at intervals of not more than 15 (fifteen) days, to ascertain the quality of Food Grain stored in the Storage Facility. Such physical inspections shall include drawing samples of Food Grain from the Long Term Storage Silos and carrying out quality checks on the same. The Concessionaire shall also carry out inspection of the Storage Facility to check for any signs of damage, leakage, infestation, contamination of any kind, breakage, malfunctioning and such other aspects which may affect the quality and quantity of the Food Grain stored in the Storage Facility.

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17.20.4. The Concessionaire shall ensure that the quality of the Food Grain is maintained at the same level as it was at the time of acceptance at the Acceptance Point. The required quality of the Food Grain stock stored at any point in time shall be the weighted average quality measure of all the consignments which constitutes the stock as at the time of review. For the purpose of evaluation, the principle of First in First Out (FIFO) shall be applied. The Food Grain should at all times be within the limits prescribed under Grain Acceptance Specifications in Schedule F.

17.20.5. The Concessionaire shall ensure that the quantity of the Food Grain is maintained at the same level as it was at the time of receipt. For the purpose of determining the required quantity of Food Grain stored in the Storage Facility at point in time, shall be estimated as the closing as of the latest stock audit, duly accepted by the Authority, increased by the total quantity of Food Grain received and accepted by the Concessionaire, based on Pre-Acceptance Test Report, since the latest stock audit and reduced by the quantity of Food Grain dispatched by the Concessionaire, based on the Dispatch Reports, since the latest stock audit.

17.20.6. The Concessionaire shall be responsible for storing the Food Grain in compliance with FAQ norms for a maximum period of 3 (three) years from the date of receipt. Beyond this period, the Concessionaire shall take all reasonable effort to maintain the quality of the Food Grain without attracting any liability for loss in quality.

17.21. Dispatch of Food Grains

17.21.1. In the event the Authority wishes to move Food Grain out of the Storage Facility, the Authority shall issue a written notice ("Dispatch Notice") for the same to the Concessionaire at-least 72 (seventy two) hours in advance. The Dispatch Notice shall specify the total quantity to be moved, whether the movement is to be in bulk or bagged form and the associated timelines. The Authority shall take into consideration the Storage Facility and the related capacities and the Maintenance Program prior to issuing any Dispatch Notice.

17.21.2. Based on the Dispatch Notice from the Authority, the Concessionaire shall make the requisite arrangements such that the Food Grain can be dispatched within the timelines stipulated by the Authority. The Concessionaire shall not move out any quantity of Food Grain without the Dispatch Notice from the Authority.

17.21.3. Upon issuance of the Dispatch Notice, the Authority shall ensure that sufficient transportation arrangement, by way of sufficient number of trucks or other mode of transportation, is made available at the Storage Facility as per timelines mentioned in the Dispatch Notice. The cost of such transportation, including demurrage charges within period stipulated under Performance Standards, shall be borne solely by the Authority.

17.21.4. In the event the Food Grain is to be dispatched in bagged form, the Authority shall make available Bags, in proper condition, to the Concessionaire at the Bag Storage Warehouse (as specified in Schedule C), within the Storage Facility at no



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cost to the Concessionaire. The Concessionaire shall be responsible for unloading of Bags brought in Vehicles arranged by the Authority.

- 17.21.5.** In the event the Food Grain is to be dispatched in bagged form, the Concessionaire shall carry out bagging using the Bagging System, as specified in Schedule C, and prepare stack of filled Bags. Prior to filling in a Bag, the Concessionaire shall ensure that the Bag is not damaged in which case the damage should be brought to the notice of the Authority. The Concessionaire shall ensure that the stipulated quantity of Food Grain is filled in each Bag.
- 17.21.6.** In the event the Food Grain is to be dispatched in bulk form by road, the Concessionaire shall move the required quantity, in batches, as per Dispatch Notice to the Bulk Truck Loading System, as specified in Schedule C, for bulk loading of trucks.
- 17.21.7.** Prior to dispatch of Food Grain from the Storage Facility, the Concessionaire shall carry out quality inspection on the Food Grain being dispatched as part of Pre-Dispatch Test. The quality inspection shall be done on random samples drawn during the process of reclaiming Food Grain from the Long Term Storage Silos. The sample shall be drawn at random basis from the conveying system, Pre-Shipping Silos, Bagging System, and filled Bags. A minimum number of 3 (three) samples should be drawn per 10 MT of grain reclaimed from the Long Term Storage Silo. The required quality of the Food Grain stock shall be the weighted average quality measure of all the consignments which constitutes the stock being reclaimed from the Long Term Storage Silo as per Dispatch Notice. For the purpose of evaluation, the principle of First in First Out (FIFO) shall be applied. The Food Grain should at all times be within the limits prescribed under Grain Acceptance Specifications in Schedule F.
- 17.21.8.** In the event the weighted average quality of the consignment at the time of dispatch is less than the required levels as stipulated in Clause 17.21.7, the Concessionaire, with the permission of the Authority, may, at its costs, carry out cleaning activity on the consignment of Food Grain proposed to be dispatch to bring it at par with required levels. Any loss in quantity as a result of this process shall be borne by the Concessionaire.
- 17.21.9.** Prior to dispatch of Food Grain from the Storage Facility, the Concessionaire shall carry out quantity inspection on the Food Grain being dispatched as part of Pre-Dispatch Test. The quantity measurement shall be done as per method specified under clause 17.22.
- 17.21.10.** The Authority shall nominate its representative at the Storage Facility during the time of dispatch to witness the quality and quantity test under the Pre-Dispatch Test.
- 17.21.11.** The Concessionaire shall prepare a consignment-wise report on the Food Grain dispatched ("Dispatch Report"). The Dispatch Report shall specify the consignment wise report on quantity, quality, form of release (bulk or bagged)



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which shall be time stamped at the exit gate of the Storage Facility. The Concessionaire shall send a consolidated Dispatch Report, covering multiple consignments dispatched in a period, such period being not more than 7 days, to the Authority with a copy to the Independent Expert.

17.21.12. The possession of the Food Grain shall be deemed to be transferred to the Authority at the point where the Food Grain is loaded onto the transportation Vehicle, whether in bagged or bulk form; provide the Concessionaire shall be liable to provide security to the transportation Vehicle and the Food Grain loaded thereto till the point the Vehicle leaves the premises of the Storage Facility. The loading point of transportation Vehicle shall be considered as the Dispatch Point (the "Dispatch Point") for the purpose of this Agreement.

17.22. Weighment of Food Grain

17.22.1. In case of consignment received by road, the determination of the quantity for the Pre-Acceptance Test shall be done in two steps, first being measurement of the gross weight of the Vehicle with the consignment fully loaded, and then as second step, measuring the gross weight of the Vehicle after the consignment has been emptied, such that the weight of the Food Grain consignment shall be the difference between the two measurements further reduced for the weight of the Bags based on standard weight in case Food Grain consignment is received in Bags. The Concessionaire shall keep records of the weighments carried at the weighing machines.

17.22.2. In case of reclaiming of Food Grain from the Long Term Storage Silos for dispatch, the weight of the consignment shall be determined using the online weigher as part of the process tower specified in Schedule C or such similar provision. The Concessionaire shall keep records of the weighments carried at the online weighers.

17.23. Damages payable in shortfall in compliance during Operation Period

17.23.1. In the event in providing the Services, the Concessionaire fails to comply with the performance parameters set out in Schedule G, as certified by the Independent Expert, the Concessionaire shall be liable to pay Damages to the Authority at the rates/on the basis of calculations set forth in Schedule L.

17.23.2. In the event the Availability is below the levels of Normative Availability, the same shall be considered as shortfall and the Concessionaire shall be liable to pay Damages to the Authority as stipulated in Schedule L, provided that such shortfall is not due to Force Majeure Event. The shortfall shall be measured as Normative Availability less Availability where the Availability shall be calculated as per methodology prescribed below.

The Availability shall mean the availability as derived in the following manner and expressed in percentage terms:



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Availability in a period = $(1 - (\text{period of Non-Availability})/(\text{Total period})) \times 100$

Where period of Non-Availability is the total number of hours in a time period during which any of the Services is disrupted. It is agreed that such time period here that the disruption is cumulatively for more than an hour in a calendar day shall be considered for the purpose of this calculation.

Total period shall mean the total number of hours in a period when the Storage Services is required to be available and shall be calculated as number of calendar days in a time period multiplied with 20 (twenty) hours per day.

- 17.23.3. Upon withdrawal of stock for dispatch, if it is found that variation in moisture, when compared to the weighted average level of the stock in the relevant Long Term Storage Silo, has led to shortfall in quantity of Food Grain for the Authority, the Concessionaire shall make good the loss on account of such shortfall to the Authority. The shortfall in quantity shall be measured as per the norm prescribed in the Standards and Specifications and shall be recorded for every consignment dispatched. The Damages on such shortfall, based on the records for every consignment, shall be assessed by the Independent Expert through physical audit of the stock and the Damages so calculated, at rates prescribed in Schedule L, shall be payable by the Concessionaire to the Authority.

17.24. Damages payable in the event of lower reliability

The reliability of the Storage Facility in any quarter shall be measured in terms of the number of Forced Closures occurring in the Storage Facility ("the Reliability") but only if it is caused by an event other than Force Majeure, and the Concessionaire shall procure Reliability such that there are no more than 1 (One) Forced Closure in the Storage Facility in each quarter. In the event of a lower Reliability during any quarter the Concessionaire shall pay damages in accordance with the provisions of Schedule L

17.25. Appointment of Contractors

- 17.25.1. In order to carry out the operational and/or maintenance requirements of the Storage Facility, the Concessionaire may appoint any person(s) as Contractor(s), at its own cost and risk, for any works related to the operations and/or maintenance of the Storage Facility; provided that such person(s) are capable for carrying out the required work for and on behalf of the Concessionaire.
- 17.25.2. The Concessionaire shall ensure that its obligations, which are relevant to the scope of work of a Contractor, pursuant to this Agreement are incorporated in the terms and conditions under which any Contractor is retained.
- 17.25.3. Prior to the appointment of a Contractor for any substantial work, the Concessionaire shall inform the Independent Expert of the appointment and the qualification of such Contractors. The Independent Expert shall have the right, but not the obligation, to review the submissions related to the qualification of the



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Contractors. The Concessionaire shall undertake required steps to address the concerns raised by Independent Expert, if any.

- 17.25.4. The appointment of Contractors shall not in any way relieve the Concessionaire of its obligations as set out in this Agreement and the Independent Expert's consent to the appointment of such Contractors shall not impose any obligation or liability whatsoever on the Authority in this respect.

17.26. Handling Losses

The Authority acknowledges that after receipt of Food Grains pursuant to the provisions of Clause 17.18, the Concessionaire shall undertake Cleaning and processing thereof in accordance with the provision of this Agreement. The Parties expressly agree that a reduction of [0.1% (zero point one per cent)] in the weight of Food Grains delivered to the Concessionaire shall be deemed to be a consequence of such Cleaning and processing ("the Handling Losses") and the same shall be deducted from the quantity of Food Grains accepted by the Concessionaire for storage at the Storage Facility and reckoned as such for the purposes of Storage Charges and dispatch of Food Grains. [Provided however that the Parties have expressly agreed not to give effect to the aforesaid reduction of Handling Losses for and in respect of Food Grains received at the Storage Facility prior to the 3rd (third) anniversary of COD, and all Food Grains received at the Storage Facility during such period shall be deemed to have been accepted and stored as if there were no Handling Losses.]

17.27. ISO Certification

- 17.27.1. The Concessionaire shall, within 6 (six) months from COD, achieve and thereafter maintain throughout the Concession Period, the applicable ISO certifications, including ISO /TS 22003:2007, or a substitute thereof for all the facilities at the Storage Facility, and shall provide a certified copy thereof to the Authority forthwith.
- 17.27.2. In the event of default in obtaining the certifications specified in Clause 17.27.1, the Concessionaire shall, within 15 (fifteen) days thereof, submit to the Authority an action plan that sets out the actions proposed to be taken by the Concessionaire for rectifying its deficiencies and obtaining such certifications for all facilities of the Storage Facility.
- 17.27.3. If the period of default in obtaining the ISO certifications under this Clause 17.26 shall exceed a continuous period of 3 (three) months, the Concessionaire shall thereafter pay Damages to the Authority in an amount equal to 0.5% (zero point five per cent) of the Fixed Storage Charge for every 1 (one) month of default beyond the aforesaid period of 3 (three) months.



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ARTICLE 18

18.SAFETY REQUIREMENTS

18.1. Safety Requirements

The Concessionaire shall comply with the provisions of this Agreement, Applicable Laws and Applicable Permits and conform to Good Industry Practice for securing the safety of the Storage Facility, other persons present in the premises and Users. In particular, the Concessionaire shall develop, implement and administer a surveillance and safety programme for providing a safe environment on or about the Storage Facility, and shall comply with the safety requirements set forth in Schedule I (the "Safety Requirements").

18.2. Expenditure on Safety Requirements

All costs and expenses arising out of or relating to Safety Requirements shall be borne by the Concessionaire

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ARTICLE 19

19. MONITORING OF OPERATION AND MAINTENANCE

19.1. Monthly status reports

During Operation Period, the Concessionaire shall, no later than 7 (seven) days after the close of each month, furnish to the Authority and the Independent Expert a monthly report stating in reasonable detail the condition of the Storage Facility including its compliance or otherwise with the Maintenance Requirements, Maintenance Manual, Maintenance Programme and Safety Requirements, and shall promptly give such other relevant information as may be required by the Independent Expert. In particular, such report shall separately identify and state in reasonable detail the defects and deficiencies that require rectification.'

19.2. Inspection

The Independent Expert shall inspect the Storage Facility at least once a quarter. It shall make a report of such inspection (the "O&M Inspection Report") stating in reasonable detail the defects or deficiencies, if any, with particular reference to the Maintenance Requirements, Maintenance Manual, the Maintenance Programme and Safety Requirements, and send a copy thereof to the Authority and the Concessionaire within 7 (seven) days of such inspection.

19.3. Tests

For determining that the Storage Facility conforms to the Maintenance Requirements, the Independent Expert shall require the Concessionaire to carry out, or cause to be carried out, tests specified by it in accordance with Good Industry Practice. The Concessionaire shall, with due diligence, carry out or cause to be carried out all such tests in accordance with the instructions of the Independent Expert and furnish the results of such tests forthwith to the Independent Expert. One half of the costs incurred on such tests, and to the extent certified by the Independent Expert as reasonable, shall be reimbursed by the Authority to the Concessionaire.

19.4. Remedial measures

- 19.4.1. The Concessionaire shall repair or rectify the defects or deficiencies, if any, set forth in the O&M Inspection Report or in the test results referred to in Clause 19.3 and furnish a report in respect thereof to the Independent Expert and the Authority within 15 (fifteen) days of receiving the O&M Inspection Report or the test results, as the case may be; provided that where the remedying of such defects or deficiencies is likely to take more than 15 (fifteen) days, the Concessionaire shall submit progress reports of the repair works once every week until such works are completed in conformity with this Agreement.



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19.4.2. The Independent Expert shall require the Concessionaire to carry out or cause to be carried out tests, at its own cost, to determine that such remedial measures have brought the Storage Facility into compliance with the Maintenance Requirements and the procedure set forth in this Clause 19.4.2 shall be repeated until the Storage Facility conforms to the Maintenance Requirements. In the event that remedial measures are not completed by the Concessionaire in conformity with the provisions of this Agreement, the Authority shall be entitled to recover Damages from the Concessionaire under and in accordance with the provisions of Clause 17.10.

19.5. Reports of unusual occurrence

19.5.1. The Concessionaire shall, prior to the close on each day on which any unusual occurrence as defined in this Clause 19.5 materialises, send to the Authority and the Independent Expert, by facsimile or e-mail, a report stating accidents and unusual occurrences on the Storage Facility relating to the safety and security of Food Grains, the Users or the persons affected by it and the Storage Facility. A monthly summary of such reports shall also be sent within 3 (three) days of the closing of each month. For the purposes of this Clause 19.5, accidents and unusual occurrences on the Storage Facility shall include:

- (a) death or injury to any person;
- (b) damaged or dislodged fixed equipment;
- (c) any obstruction on the Storage Facility, which results in slow down of the services being provided by the Concessionaire;
- (d) disablement of any equipment during operation;
- (e) communication failure affecting the operation of Storage Facility;
- (f) smoke or fire;
- (g) flooding of Storage Facility; and
- (h) such other relevant information as may be required by the Authority or the Independent Expert.

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ARTICLE 20

20. SECURITY OF THE STORAGE FACILITY

20.1. Security

- 20.1.1.** Without prejudice to the obligations of the Concessionaire to obtain insurance for the Storage Facility in accordance with the provisions of this Agreement, the Authority acknowledges and agrees that unless otherwise specified in this Agreement, it shall, at its own cost and expense, procure or cause to be procured security of the Storage Facility for the prevention of terrorism, hijacking, sabotage and/or similar acts or occurrences; provided that the Authority and the Concessionaire may at any time mutually enter into an agreement to jointly provide security services for the Storage Facility and such agreement may inter alia provide for sharing of costs as may be agreed upon.
- 20.1.2.** The Concessionaire shall provide and maintain perimeter fencing or other suitable protection around the Storage Facility and shall be responsible for the security arrangements for the Storage Facility in order to maintain orderly conduct of its business and the security thereof.
- 20.1.3.** The Concessionaire shall abide by and implement any instructions of the Authority for enhancing the security of the Storage Facility. The Concessionaire shall not be entitled to any compensation for disruption of its operations or loss or damage resulting from the Government's actions or the actions of any organization authorized by the Government other than those resulting from wilful or grossly negligent acts or omissions of the Government or of such organisation. The Authority agrees that it shall cause the relevant organisations to take such actions as reasonably deemed necessary by them for the security of the Storage Facility, without unduly or unreasonably disrupting the operations of the Storage Facility or interfering with the exercise of rights or fulfilment of obligations by the Concessionaire under this Agreement. The Concessionaire agrees that it shall extend its full support and cooperation to the Authority and to the other organisations authorised by the Government in the discharge of their obligations for and in respect of the security of the Storage Facility.
- 20.1.4.** The Authority agrees that it shall, at the request of the Concessionaire, cause the Government to procure and provide the services of security forces of the Government on a best effort basis.
- 20.1.5.** The Authority shall ensure and procure that the personnel of the Concessionaire and all its contractors, suppliers, sub-contractors and agents are allowed free access to the Storage Facility without any unreasonable interference by the personnel of the Authority or the Government, including the security personnel employed by or on behalf of the Government.



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20.2. Insurance Premium

The Authority and the Concessionaire shall jointly make best endeavours to ensure that the security of the Storage Facility is maintained such that the level of risk premium under insurance covers (if any) that is to be borne by the Concessionaire shall be at the lowest possible rate. The Parties hereto agree that in the event of a significant rise in such risk premium arising primarily out of a change in the security environment, the Concessionaire shall, notwithstanding anything to the contrary contained in this Agreement, be entitled to pass on 50% (fifty per cent) of such increase to the Authority as and when required subject to submission of necessary proof of payment in this regard.

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ARTICLE 21

21.INDEPENDENT EXPERT

21.1. Appointment of Independent Expert

- 21.1.1. The Authority shall appoint a consulting engineering firm substantially in accordance with the selection criteria set forth in Schedule P, to be the Independent Expert under this Agreement (the "Independent Expert"). The appointment shall be made no later than 90 (ninety) days from the date of this Agreement and shall be for a period of 3 (three) years. On expiry or termination of the aforesaid period, the Authority may in its discretion renew the appointment, or appoint another firm from a fresh panel constituted pursuant to Schedule P to be the Independent Expert for a term of 3 (three) years, and such procedure shall be repeated after expiry of each appointment.

21.2. Duties and functions

- 21.2.1. The Independent Expert shall discharge its duties and functions substantially in accordance with the terms of reference set forth in Schedule P.
- 21.2.2. The Independent Expert shall submit regular periodic reports (at least once every month) to the Authority in respect of its duties and functions set forth in Schedule P
- 21.2.3. A true copy of all communications sent by the Authority to the Independent Expert and by the Independent Expert to the Authority shall be sent forthwith by the Independent Expert to the Concessionaire
- 21.2.4. A true copy of all communications sent by the Independent Expert to the Concessionaire and by the Concessionaire to the Independent Expert shall be sent forthwith by the Independent Expert to the Authority

21.3. Remuneration

The remuneration, cost and expenses of the Independent Expert shall be paid by the Authority and subject to the limits set forth in Schedule P, one-half of such remuneration, cost and expenses shall be reimbursed by the Concessionaire to the Authority within 15 (fifteen) days of receiving a statement of expenditure from the Authority.

21.4. Termination of appointment

- 21.4.1. The Authority may, in its discretion, terminate the appointment of the Independent Expert at any time, but only after appointment of another Independent Expert in accordance with Clause 21.1.



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21.4.2. If the Concessionaire has reason to believe that the Independent Expert 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 Expert. Upon receipt of such representation, the Authority shall hold a tripartite meeting with the Concessionaire and Independent Expert for an amicable resolution of the Dispute, and if any difference or disagreement between the Authority and the Concessionaire remains unresolved, the Dispute shall be settled in accordance with the Dispute Resolution Procedure. In the event that the appointment of the Independent Expert is terminated hereunder, the Authority shall appoint forthwith another Independent Expert in accordance with Clause 21.1.

21.5. Authorised signatories

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

21.6. Dispute resolution

If either Party disputes any advice, instruction, decision, direction or award of the Independent Expert, 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.

21.7. Interim arrangement

In the event that the Authority does not appoint an Independent Expert, or the Independent Expert so appointed has relinquished its functions or defaulted in discharge thereof, the Authority may, in the interim, designate and authorise any person to discharge the functions of the Independent Expert in accordance with the provisions of this Agreement, save an 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 Expert, and such functions shall be discharged as and when an Independent Expert is appointed in accordance with the provisions of this Agreement. Provided, however, that nothing contained in this Clause 21.7 shall in any manner restrict the rights of the Authority to enforce compliance of the provisions of this Agreement.


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Part IV Financial Covenants



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ARTICLE 22

22.FINANCIAL CLOSE

22.1. Financial Close

- 22.1.1.** Concessionaire hereby agrees and undertakes that it shall achieve Financial Close within 180 (one hundred and eighty) days from the date of this Agreement and in the event of delay, it shall be entitled to a further period not exceeding 90 (Ninety) days, subject to payment of Damages to the Authority in a sum calculated at the rate of 0.1% (zero point one per cent) of the Performance Security for each day of delay, or for a further period not exceeding 180 (one hundred and eighty) days, subject to payment of Damages specified in Clause 4.3; provided that the Damages specified herein shall be payable every week in advance and the period beyond the said 180 (one hundred and eighty) days shall be granted only to the extent of Damages so paid; provided further that no Damages shall be payable if such delay in Financial Close has occurred solely as a result of any default or delay by the Authority in procuring satisfaction of the Conditions Precedent specified in Clause 4.1.2 or due to Force Majeure. For the avoidance of doubt, the Damages payable hereunder by the Concessionaire shall be in addition to the Damages, if any, due and payable under the provisions of Clause 4.3.
- 22.1.2.** The Concessionaire 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 Close, 3 (three) true copies of the Financial Package and the Financial Model, duly attested by a Director of the Concessionaire, along with 3 (three) soft copies of the Financial Model in MS Excel version or any substitute thereof, which is acceptable to the Senior Lenders.

22.2. Termination due to failure to achieve Financial Close

- 22.2.1.** Notwithstanding anything to the contrary contained in this Agreement, but subject to Clause 29.6, in the event that Financial Close does not occur, for any reason whatsoever, within the period set forth in Clause 22.1.1 or the extended period provided thereunder, all rights, privileges, claims and entitlements of the Concessionaire under or arising out of this Agreement shall be deemed to have been waived by, and to have ceased with the concurrence of the Concessionaire, and the Concession Agreement shall be deemed to have been terminated by mutual agreement of the Parties. For the avoidance of doubt, it is agreed that in the event the Parties hereto have, by mutual consent, determined the Appointed Date to precede the Financial Close, the provisions of this Clause 22.2.1 shall not apply.
- 22.2.2.** Upon Termination under Clause 22.2.1, the Authority shall be entitled to encash the Bid Security and appropriate the proceeds thereof as Damages; provided, however, that if Financial Close has not occurred solely as a result of the Authority being in default of any of its obligations under Clause 4.2, it shall, upon



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Termination, return the Bid Security forthwith along with the Damages due and payable under Clause 4.2. For the avoidance of doubt, it is expressly agreed that if the Bid Security shall have been substituted by Performance Security, the Authority shall be entitled to en-cash therefrom an amount equal to Bid Security.



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ARTICLE 23

23.GRANT

23.1. Grant

- 23.1.1. The Authority agrees to provide to the Concessionaire cash support by way of an outright Grant equal to the sum set forth in the Bid, namely, Rs. 7,65,00,000/- (Indian Rupees Seven Crore Sixty Five Lakh Only), in accordance with the provisions of this Article 23 (the "Grant").
- 23.1.2. The Grant shall be disbursed to the Concessionaire by way of Equity Support in accordance with the provisions of Clause 23.2,

23.2. Equity Support

- 23.2.1. Subject to the conditions specified in this Clause 23.2, the Grant shall be credited to the Escrow Account and shall be applied by the Concessionaire for meeting the Total Project Cost (the "Equity Support").
- 23.2.2. The Equity Support shall not exceed the sum specified in the Bid and as accepted by the Authority, but shall in no case be greater than the Equity of the Concessionaire, and shall be further restricted to a sum not exceeding 20% (Twenty per cent) of the Total Project Cost. For the avoidance of doubt, the Total Project Cost to be reckoned for the purposes of this Clause 23.2.2 shall include Equity Support.
- 23.2.3. Equity Support shall be due and payable to the Concessionaire after it has expended the Equity, and shall be disbursed proportionately along with the loan funds thereafter remaining to be disbursed by the Senior Lenders under the Financing Agreements. The Authority shall disburse each tranche of the Equity Support as and when due, but no later than 15 (fifteen) days of receiving a request from the Concessionaire along with necessary particulars.
- 23.2.4. In the event of occurrence of a Concessionaire Default, disbursement of Equity Support shall be suspended till such Concessionaire Default has been cured by the Concessionaire.
- 23.2.5. Subject to the provisions of the scheme of financial support to Public Private Partnership in Infrastructure as notified by the Central Government (the "Scheme for Financial Assistance") the Authority shall for funding the Grant specified in Clause 23.1.1 provides best effort assistance to the Concessionaire for obtaining viability gap funding under the Scheme for Financial Assistance. For the avoidance of doubt, it is expressly agreed that in the event of the concessionaire being able to receive such viability gap funding for the project the same shall, for the purposes of this Agreement be deemed to be Grant by the Authority hereunder, to be disbursed in accordance with the provisions of the Scheme for Financial Assistance. It is further agreed that the Authority shall at all times discharge its



obligation to disburse Grant under and in accordance with this Article 23 whether or not funds are disbursed to the Concessionaire under the Scheme of Financial Assistance

23.3. Deleted



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ARTICLE 24

24.LICENSE FEE

24.1. License Fee

- 24.1.1. In consideration of the Grant of Concession under this Agreement, the License Fee payable by the Concessionaire to the Authority for use of land shall be Re.1.00 (Rupee One) per year during the term of this Agreement.
- 24.1.2. The License Fee, for each year, shall be paid in advance within 90 (ninety) days of the commencement of the Accounting Year, for which it is due and payable.

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ARTICLE 25

25.Storage and Handling Charges

25.1. Storage and Handling Charges

- 25.1.1.** Subject to the provisions of this Agreement, the Concessionaire upon achieving COD for the Project and Completion Certificate having been issued, and in consideration of the Concessionaire performing and discharging its obligations in accordance with the terms, conditions and covenants set forth in this Agreement, the Authority shall pay to the Concessionaire the Storage and Handling Charges as per provisions of this Agreement from the COD to the Terminal Date or till Termination Date, whichever is earlier.
- 25.1.2.** In the event, COD is achieved earlier than the Scheduled Completion Date, the Authority may, at its sole discretion, start utilizing the Storage Facility against payment of the Storage and Handling Charges.
- 25.1.3.** The Storage and Handling Charge payable by the Authority to the Concessionaire shall have the following components
- a) Fixed Storage Charge;
 - b) Variable Charge;
 - c) Bag Handling Charges; and
 - d) Service Tax, as applicable under service tax rules and provided the Concessionaire is having a valid service tax registration.
- 25.1.4.** The monthly Fixed Storage Charge for the Accounting Year in which COD occurs shall be the product of Rs. 66.04 (Rupees Sixty Six and Four paise) and the Normative Availability for and in respect of the Normative Availability of Storage Capacity for the relevant month. It is clarified that the Fixed Storage Charge of Rs. 66.04 per MT per month will not be changed/indexed till COD. By way of illustration, it is clarified that if COD occurs in Accounting Year 2018-19, the Fixed Storage Charge of Rs. 66.04 would be payable for Accounting Year 2018-19. However, for second Accounting year from COD (FY 2019-20), the total variation in the price index shall be taken into account from the base index year (2012-13) for which the base Fixed Storage Charge are Rs. 57.50 per MT per month duly factoring the annual escalation over the years as per the Price Index. For the subsequent years, the Fixed Storage Charge shall be revised annually in accordance with the provision of this Article 25. The above benefit or indexation during the period of construction will be available for only a maximum of One and Half years (540 days) from the Appointed date and rates arrived at for the scheduled COD will be frozen till the actual COD and for subsequent years only annual revision will be admissible from the rate which was frozen on the scheduled COD. For the avoidance of doubt, the Parties agree that the Fixed Storage Charge for a part of any month shall be determined on a proportionate basis. By way of illustration, the Parties agree that if the Normative Availability is



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9,800 MT, the Fixed Storage Charge shall be the product of Rs. 66.04 and 9,800 i.e. (Rs. 6,47,145 (Rupees Six lakh Forty Seven thousand and One hundred Forty Five only).

25.1.5. The Variable Charge for storage of Food Grains shall be Rs. 0.57 (Fifty seven paise) per quintal per month [i.e. Rs 5.7 per MT per month] for Food Grains actually stored in the Storage Facility for any month or part thereof in the Accounting Year in which COD occurs. In case of rice storage, following additional charges shall be payable by the Authority to the Concessionaire

- a) An initial chilling charge of Rs. 43 (Rupees Forty three) per ton, for each rice Silo bin, whether fully or partly occupied, when rice is received at the Project Facility
- b) Maintenance chilling charge of Rs. 38 (Rupees Thirty eight) per ton per year, for each rice Silo bin whether fully or partly occupied, for any month or part thereof in the Accounting Year

25.1.6. The payment towards the Bag Handling Charge to be made to the Concessionaire by the Authority is as follows:

- a) Rs. 1.20 (one point two zero) per Bag for number of Bags de-bagged
- b) Rs. 1.75 (one point seven five) per Bag for number of Bags bagged
- c) Rs. 1.83 (one point eight three) per Bag for number of Bags stacked and loaded

The payment towards Bag Handling Charges shall be made on a monthly basis.

25.1.7. At any time if the storage is above the Storage Capacity, as defined in Schedule B, additional storage charge at the rate of 25% of the Fixed Storage Charge for the actual period of storage shall be payable by the Authority to the Concessionaire. The total payment under this clause a) shall be calculated by multiplying (a) the total grain stored over the Storage Capacity, as defined in Schedule B, with (b) 25% of the Fixed Storage Charge further multiplied with (c) the actual days of storage divided by 365. For clarity, the Variable Charge and Bag Handling Charges shall be payable on the actual quantity of Food Grain handled/stored in terms of provisions of the clauses 25.1.5 and 25.1.6

25.1.8. The Fixed Storage Charge, Variable Charge and Bag Handling Charges payable under this Article 25 shall be the only payment made by the Authority to the Concessionaire towards provision of Storage Services as per the terms of the Agreement.

It is clarified that the Fixed Storage Charges, Variable Charges and Bag Handling Charges shall not be charged/index until the COD has been achieved. In the every subsequent year after the COD the charges shall be revised annually.



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25.2. Escalation of Storage and Handling Charge

- 25.2.1. The Fixed Storage Charge for an Accounting year shall be calculated by reducing the Fixed Storage Charge for the previous Accounting year by 2% and then shall be revised annually to reflect the variation in Price Index occurring between the Reference Index Date for January of the year specified in this Clause 25.2.1 and the Reference Index Date for the month of January preceding the Financial Year for which such revision is undertaken. For the avoidance of doubt, the Parties agree that the base Fixed Storage Charge mentioned in Clause 25.1.4 has been fixed with reference to Accounting Year in which COD occurs. The illustration for calculation of Fixed storage charge is provided in Schedule E

For the avoidance of doubt and by way of illustration, the Fixed Storage Charge for the Accounting Year commencing from April 1, 2019 shall be calculated by taking into account the total variation in the price index from the based index year duly factoring the annual escalation over the years as per price Index and the same shall be as per following table for that Accounting Year.

Year	Fixed Storage Charge in Rs per MT per Month
2012-13	57.50
2013-14	62.45
2014-15	66.04
2015-16	67.02
2016-17	67.70
2017-18	71.09
2018-19	74.64
2019-20	78.37

Note: Fixed Storage Charge till Financial Year 2016-17 has been calculated based on the actual variation in Price Index, however from Financial Year 2017-18 onwards, the Fixed Storage Charge has been estimated based on Average Price index of @5% annually.

- 25.2.2. The Fixed Charge for the Accounting Year in which COD occurs shall be the sum specified in Clause 25.1.4, and for each subsequent Accounting Year, the applicable Fixed Charge shall be determined by decreasing the Fixed Charge for the immediately preceding Accounting Year by 2% (two per cent) thereof. For the avoidance of doubt and by way of illustration, the Fixed Charge for the Accounting Year in which COD occurs shall be the amount specified in Clause 25.1.4, and for the second and third Accounting Years it shall be a sum equal to 98% (ninety eight per cent) and 96.04% (ninety six point zero four per cent) respectively of the amount specified in Clause 25.1.4.

For the avoidance of doubt and by way of illustration, Fixed Charges computed for First year of COD, second year of COD and subsequent years are as tabulated below:

Year	Final storage charge after factoring price index and
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खम्बा लेन / 16-20 F. 10.10.20

	reduction @2%
2018-19	66.04
2019-20	78.37
2020-21	80.64
2021-22	82.98
2022-23	85.39

Note: Average Price index is assumed @5% annually. The aforementioned Fixed Charges are indicative for illustration purpose only. For Fixed Charges payable by FCI to the Concessionaire from second year of COD onwards, actual Price index to be derived by FCI as per clause 25.1.4 shall be applicable. The monthly base fixed charge of Rs 66.04 per MT per month has been arrived at for the Accounting Year 2014-15 taking into account annual escalation as per actual variation in the price index from the base index Year 2012-13. For avoidance of doubt, it is hereby clarified that total escalation in base price index shall be applicable as per the aforementioned table for 2nd year of COD subject to maximum permissible construction period of 1.50 years (540 days) as per the terms of DCA. It is further clarified that in case of any delay beyond 540 days, escalation in base price index for corresponding delay shall not be applicable with cumulative effect.

- 25.2.3.** It is clarified that the Variable Charge of Rs. 0.57 per quintal per month (Rs 5.7 per MT per month) will not be changed/indexed till COD (FY 2018-19). By way of illustration, it is clarified that if COD occurs in Accounting Year 2018-19, the Variable Charge of Rs. 0.57 would be payable for Accounting Year 2018-19. However, for second Accounting year from COD (FY 2019-20), the total variation in the price index shall be taken into account from the base index year (2012-13) for which the Variable Charge are Rs. 5.00 per MT per month duly factoring the annual escalation over the years as per the Price Index. For the subsequent years, the Variable Charge shall be revised annually to reflect the variation in Price Index occurring between the Reference Index Date for January of the year specified in this Clause 25.2.3 and the Reference Index Date for the month of January preceding the Accounting Year for which such revision is undertaken. The above benefit or indexation during the period of construction will be available for only a maximum of 1.50 years (540 days) from the Appointed date and rates arrived at for the scheduled COD will be frozen till the actual COD and for subsequent years only annual revision will be admissible from the rate which was frozen on the scheduled COD. For the avoidance of doubt and by way of illustration, the Variable Charge for the Accounting Year commencing from April 1, 2019 shall be calculated by taking into account the total variation in the price index from the based index year duly factoring the annual escalation over the years as per price Index and the same shall be as per following table for that Accounting Year.

Year	Base Variable Charge in Rs per MT per Month
2012-13	5.00
2013-14	5.43
2014-15	5.74



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2015-16	5.83
2016-17	5.89
2017-18	6.18
2018-19	6.49
2019-20	6.82

Note: Variable Charge till Financial Year 2016-17 has been calculated based on the actual variation in Price Index, however from Financial Year 2017-18 onwards, the Variable Charge has been estimated based on Average Price index of @5% annually.

For avoidance of doubt, the Parties agree that the base Variable Charge of Rs 0.50 (Rupees Zero point five zero) per quintal per month here above has been fixed with reference to the Accounting Year [2012-13].

Note: Average Price index is assumed @5% annually. The aforementioned Variable Charge are indicative for illustration purpose only. For Variable Charge payable by FCI to the Concessionaire from second year of COD onwards, actual Price index to be derived by FCI as per clause 25.2.3 shall be applicable. The Variable charge of Rs 5.70 per MT per month has been arrived at for the Accounting Year 2014-15 taking into account annual escalation as per actual variation in the price index from the base index Year 2012-13. For avoidance of doubt, it is hereby clarified that total escalation in base price index shall be applicable as per the aforementioned table for 2nd year of COD subject to maximum permissible construction period of 1.50 years (540 days) as per the terms of DCA. It is further clarified that in case of any delay beyond 540 days, escalation in base price index for corresponding delay shall not be applicable with cumulative effect.

25.2.4. The Bag Handling Charges shall be revised annually to reflect the variation in CPI (IW) to the extent of 80% (eighty per cent) thereof, occurring between the Reference Index Date for January preceding the Accounting Year specified in the Clause 25.2.4 and the Reference Index Date for the month of January preceding the Accounting Year for which such revision is undertaken. For the avoidance of doubt, the Parties agree that the Bag Handling Charges mentioned in Clause 25.1.6 has been fixed with reference to Accounting Year in which COD occurs. The illustration for calculation of Bag Handling Charges is provided in Schedule E

25.2.5. For detailed computation methodology of the Storage and Handling Charges under Clause 25.1.4, 25.1.5, 25.1.6 and 25.2.4, refer to Schedule E

25.3. Invoices

25.3.1. With effect from the COD, at the end of each calendar month, the Concessionaire shall prepare and submit to the designated Bank account with copy to the Authority, an invoice ("Invoice") for Storage and Handling Charges for the Storage



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Facility with supporting calculations in relation to the service with following details:

- a) The opening stock of Food Grain, quantity of the Food Grains received and/or dispatched during that month in accordance with weighment readings for that month and the closing stock of Food Grain;
- b) The Fixed Storage Charges for the month calculated as per Schedule E;
- c) The Variable Charges for the month calculated as per Schedule E;
- d) The Bag Handling Charges for the month calculated as per Schedule E;
- e) adjustment, including adjustments for past period, if any;
- f) arrears, if any; and
- g) Taxes, if any.

25.3.2. The Concessionaire shall maintain, retain and store all relevant information along with the relevant records, bills, invoices and receipts with respect to Storage Services performed under this Agreement. Upon request, the Concessionaire shall provide all such information forthwith to the Authority.

25.4. Mode of Payment

25.4.1. The Concessionaire hereby expressly authorises Authority to pay the Storage and Handling charges, including any reduction or adjustments, Termination Payment and any other payment which becomes payable by the Authority to the Concessionaire under this Agreement directly by credit to the designated Bank account as per mechanism stipulated in Clause 26.1. The Authority shall to the extent of the payment so made be relieved and discharged of all its obligations in respect of such payments under this Agreement.

25.4.2. Unless otherwise provided in this Agreement, the Invoices shall be payable within 30 (thirty) days from the date of submission of the Invoice to the Authority under an acknowledgement ("Payment Due Date").

25.5. Disputed Amounts

25.5.1. If, within 21 (twenty one) days of the submission of an Invoice, the Authority does not raise any dispute, in writing, on the submitted Invoice, the Invoice shall be considered as being accurate, final and binding. In the event, the Authority raises any Dispute on an Invoice, it shall specify the specific parts where it has objections ("Disputed Amounts"). The portion payable as per the Invoice other than the Disputed Amount shall be the undisputed amounts ("Undisputed Amounts"). The Authority shall advise the designated Bank Account of the Disputed Amounts.



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- 25.5.2. The Authority through the Account Bank shall pay the Undisputed Amounts of Invoice on or before the Payment Due Date.
- 25.5.3. If the parties do not, within 30 (thirty) days, of the communication of dispute in writing, resolve any dispute arising under this Clause 25.5 either Party may refer the matter for dispute resolution as set out in Article 39
- 25.5.4. In the event the Disputed Amounts are settled in favour of the Concessionaire, the Authority shall additionally pay interest to the Concessionaire at the rate of interest equal to rate of interest applicable on fixed deposit of 90 (ninety) days offered by the State Bank of India ("Reference Rate"). The interest payable under this clause shall be calculated from the Payment Due Date to actual payment date.

25.6. Delay in Payment

- 25.6.1. If payment of Undisputed Amounts of an Invoice is not made by the Authority and/or Account Bank into the designated Bank account of the Concessionaire on or before the close of business on the Payment Due Date, a delayed payment charge on the unpaid payable amount due, for each day from the Payment Due Date of the Invoice till date of actual payment thereof, shall be payable at the rate of interest equal to rate of interest applicable on fixed deposit of 90 (ninety) days offered by the State Bank of India ("Reference Rate"). Subject to Clause 25.5, Authority's failure to pay full payable amount (other than Disputed Amounts) of an Invoice within 30 (thirty) days of the Payment Due Date, shall constitute, a material breach of this Agreement by the Authority.
- 25.6.2. The non-payment of the Disputed Amount, as per Clause 25.5, shall not amount to a breach by the Authority under this Agreement.

25.7. Right to set-off

The Authority retains the right to set-off any amount owed to it by the Concessionaire under this Agreement which has fallen due and payable against any amount due to the Concessionaire under this Agreement.

25.8. Payment Security Mechanism

- 25.8.1. The Authority shall, no later than 30 (thirty) days prior to the likely date of COD, provide to the Concessionaire, an unconditional, revolving and irrevocable letter of credit for an amount equivalent to 120% (one hundred twenty per cent) of the Storage and Handling Charge payable for the Storage Facility for a period of 1 (one) month (the "Letter of Credit"), which may be drawn upon by the Concessionaire for recovery of payment due against the Monthly Invoice in accordance with the provisions of this Agreement. The Letter of Credit shall be substantially in the form specified in Schedule R and shall come into effect on COD.



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- 25.8.2. The Letter of Credit shall be procured by the Authority from a Bank where at least 40% (forty per cent) of the Authority's total monthly revenues are normally deposited. All costs and expenses relating to opening and maintenance of the Letter of Credit shall be borne by the Authority.
- 25.8.3. In the event of Authority's failure to pay the Monthly Invoice before the 27th (twenty seventh) day of the month in which the relevant Payment Due Date occurs, the Concessionaire may, in its discretion, invoke the Letter of Credit for recovery of the amount due, whereupon the Bank that has issued the Letter of Credit shall, without any reference to the Authority, transfer the amount due to the Escrow Account, upon the Concessionaire presenting the following documents, namely:
- a. a copy of the Monthly Invoice which has remained unpaid; and
 - b. a certificate from the Concessionaire to the effect that the Monthly Invoice is in accordance with this Agreement and that the amount due has remained unpaid.
- 25.8.4. In the event that the amount covered by the Letter of Credit is at any time less than the amount specified in Clause 25.8.1 or is insufficient for recovery of payment due against the Monthly Invoice, the Authority shall, within a period of 7 (seven) days from the date on which such shortfall occurred, cause the Letter of Credit to be replenished and reinstated to the extent specified in Clause 25.8.1.
- 25.8.5. The Parties may, by mutual agreement, substitute the Letter of Credit by an unconditional and irrevocable bank guarantee or any equivalent instrument as may be mutually agreed upon.

25.9. Security Creation by Concessionaire

The Authority hereby acknowledges that the Concessionaire shall, without increasing the financial liabilities as contemplated by the Authority under this Agreement, have the right to undertake and implement such financial engineering, structuring and creation of security in relation to the flow of receivables due from the Authority under this Agreement, as it may consider necessary in order to effectively finance the Project and the provision of Storage Services. The Authority hereby undertake to take, on a best efforts basis, such actions as may be necessary in order for the Concessionaire to create a valid and enforceable obligations, arrangements and security and not to impose or create any restrictions in relation thereto.




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ARTICLE 26

26. ESCROW ACCOUNT

26.1. Escrow Account

- 26.1.1. The Concessionaire shall, prior to the Appointed Date, open and establish an Escrow Account with a Bank (the "Escrow Bank") in accordance with this Agreement
- 26.1.2. The nature and scope of the Escrow Account are fully described in the agreement (the "Escrow Agreement") to be entered into amongst the Concessionaire, the Authority, the Escrow Bank and the Senior Lenders through the Lenders' Representative, which shall be substantially in the form set forth in Schedule Q.

26.2. Deposits into Escrow Account

The Concessionaire shall deposit or cause to be deposited the following inflows and receipts into the Escrow Account:

- a) all funds constituting the Financial Package;
- b) all revenues from the Project, including the proceeds of any rentals, deposits, capital receipts or insurance claims; and
- c) all payments by the Authority, including the Storage and Handling charges

Provided that the Senior Lenders may make direct disbursements to the Contractor in accordance with the express provisions contained in this behalf in the Financing Agreements.

26.3. Withdrawals during Concession Period

- 26.3.1. The Concessionaire shall, at the time of opening the Escrow Account, give irrevocable instructions, by way of an Escrow Agreement, to the Escrow Bank instructing, inter alia, that deposits in the Escrow Account shall be appropriated in the following order every month, or at shorter intervals as necessary, and if not due in a month then appropriated proportionately in such month and retained in the Escrow Account and paid out therefrom in the month when due:
- a) all taxes due and payable by the Concessionaire for and in respect of the Storage Facility;
 - b) all payments relating to construction of the Storage Facility, subject to and in accordance with the conditions, if any, set forth in the Financing Agreements;
 - c) O&M Expenses, subject to the ceiling, if any, set forth in the Financing Agreements;



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- d) O&M Expenses and other costs and expenses incurred by the Authority in accordance with the provisions of this Agreement, and certified by the Authority as due and payable to it;
- e) any other amounts due and payable to the Authority, including revenue share from release of Storage Capacity to the extent not set off in accordance with the provisions of this Agreement
- f) monthly proportionate provision of Debt Service due in an Accounting Year;
- g) Deleted
- h) All payments and Damages certified by the Authority as due and payable to it by the Concessionaire, pursuant to the Storage Agreement;
- i) monthly proportionate provision of debt service payments due in an Accounting Year in respect of Subordinated Debt; any reserve requirements set forth in the Financing Agreements; and
- j) balance, if any, in accordance with the instructions of the Concessionaire.

26.3.2. The Concessionaire shall not in any manner modify the order of payment specified in Clause 26.3.1, except with the prior written approval of the Authority.

26.4. Withdrawals upon Termination

26.4.1. Notwithstanding anything to the contrary contained in this Agreement, all amounts standing to the credit of the Escrow Account shall, upon Termination, be appropriated in the following order:

- a) all taxes due and payable by the Concessionaire for and in respect of the Project;
- b) 90% (ninety per cent) of Debt Due excluding Subordinated Debt;
- c) outstanding revenue share and any other amounts due and payable to the Authority
- d) all payments and Damages certified by the Authority as due and payable to it by the Concessionaire pursuant to this Agreement, including any claims in connection with or arising out of Termination;
- e) retention and payments relating to the liability for defects and deficiencies set forth in Article 34;
- f) outstanding Debt Service Payments including the balance of Debt Due;



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- g) outstanding Subordinated Debt;
- h) incurred or accrued O&M Expenses;
- i) any other payments required to be made under this Agreement; and
- j) balance, if any, in accordance with the instructions of the Concessionaire:

Provided that no appropriations shall be made under Sub-clause (j) of this Clause 26.4.1 until a Vesting Certificate has been issued by the Authority under the provisions of Article 33

26.4.2. The provisions of this Article 26 and the instructions contained in the Escrow Agreement shall remain in full force and effect until the obligations set forth in Clause 26.4.1 have been discharged.



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ARTICLE 27

27.INSURANCE

27.1. Insurance during Concession Period

The Concessionaire shall effect and maintain at its own cost, during the Construction Period and the Operation Period, such insurances for such maximum sums as may be required under the Financing Agreements, and the Applicable Laws, and such insurances as may be necessary or prudent in accordance with Good Industry Practice. The Concessionaire shall also effect and maintain such insurances as may be necessary for mitigating the risks that may devolve on the Authority as a consequence of any act or omission of the Concessionaire during the Construction Period. The Concessionaire shall procure that in each insurance policy, the Authority shall be a co-insured and that the insurer shall pay the proceeds of insurance into the Escrow Account. For the avoidance of doubt, the level of insurance to be maintained by the Concessionaire after repayment of Senior Lenders' dues in full shall be determined on the same principles as applicable for determining the level of insurance prior to such repayment of Senior Lenders' dues.

27.2. Notice to the Authority

No later than 45 (forty-five) days prior to commencement of the Construction Period or the Operation Period, as the case may be, the Concessionaire shall by notice furnish to the Authority, in reasonable detail, information in respect of the insurances that it proposes to effect and maintain in accordance with this Article 27. Within 30 (thirty) days of receipt of such notice, the Authority may require the Concessionaire to effect and maintain such other insurances as may be necessary pursuant hereto, and in the event of any difference or disagreement relating to any such insurance, the Dispute Resolution Procedure shall apply.

27.3. Evidence of Insurance Cover

All insurances obtained by the Concessionaire in accordance with this Article 27 shall be maintained with insurers on terms consistent with Good Industry Practice. Within 15 (fifteen) days of obtaining any insurance cover, the Concessionaire shall furnish to the Authority, notarised true copies of the certificate(s) of insurance, copies of insurance policies and premia payment receipts in respect of such insurance, and no such insurance shall be cancelled, modified, or allowed to expire or lapse until the expiration of at least 45 (forty five) days after notice of such proposed cancellation, modification or non-renewal has been delivered by the Concessionaire to the Authority.

27.4. Remedy for failure to insure

If the Concessionaire shall fail to effect and keep in force all insurances for which it is responsible pursuant hereto, the Authority shall have the option to either



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keep in force any such insurances, and pay such premia and recover the costs thereof from the Concessionaire, or in the event of computation of a Termination Payment, treat an amount equal to the Insurance Cover as deemed to have been received by the Concessionaire.

27.5. Waiver of subrogation

All insurance policies in respect of the insurance obtained by the Concessionaire pursuant to this Article 27 shall include a waiver of any and all rights of subrogation or recovery of the insurers thereunder against, inter alia, the Authority, and its assigns, successors, undertakings and their subsidiaries, affiliates, employees, insurers and underwriters, and of any right of the insurers to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any such person insured under any such policy or in any way connected with any loss, liability or obligation covered by such policies of insurance.

27.6. Concessionaire's waiver

The Concessionaire hereby further releases, assigns and waives any and all rights of subrogation or recovery against, inter alia, the Authority and its assigns, undertakings and their subsidiaries, affiliates, employees, successors, insurers and underwriters, which the Concessionaire may otherwise have or acquire in or from or in any way connected with any loss, liability or obligation covered by policies of insurance maintained or required to be maintained by the Concessionaire pursuant to this Agreement (other than third party liability insurance policies) or because of deductible clauses in or inadequacy of limits of any such policies of insurance.

27.7. Application of insurance proceeds

- 27.7.1. The proceeds from all insurance claims, except life and injury and other than stated in Clause 27.9, shall be paid to the Concessionaire by credit to the Escrow Account and it shall, notwithstanding anything to the contrary contained in Clause 26.1, apply such proceeds for any necessary repair, reconstruction, reinstatement, replacement, improvement, delivery or installation of the Storage Facility, followed by payment of Damages and the balance remaining, if any, shall be applied in accordance with the provisions contained in this behalf in the Financing Agreements.
- 27.7.2. The proceeds from the Insurance of Food Grains as specified in Clause 27.9 shall be paid directly to the Authority and no other claims on this sum shall be entertained



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27.8. Insurance Cover

Without prejudice to the provisions contained in Clause 27.1, the Concessionaire shall, during the Operations Period, procure and maintain Insurance Cover including but not limited to the following:

- a) Loss, damage or destruction of the Project Assets, including assets handed over by the Authority to the Concessionaire, at replacement value;
- b) comprehensive third party liability insurance including injury to or death of personnel of the Authority or others caused by the Storage Facility;
- c) the Concessionaire's general liability arising out of the Concession;
- d) liability to third parties for goods or property damage;
- e) workmen's compensation insurance; and
- f) any other insurance that may be necessary to protect the Concessionaire and its employees, including all Force Majeure events that are insurable at commercially reasonable permits and not otherwise in items (a) to (e) above

27.9. Insurance of food grains

Subject to the provisions of Clause 27.2, the Concessionaire shall effect and maintain, during the Operation Period, such insurances for such maximum sums as may be specified by the Authority to cover any shortfall in or loss of Food Grains and such other insurances as may be necessary or prudent in accordance with Good Industry Practice. The Concessionaire shall also effect and maintain such insurances as may be necessary for mitigating the risks that may devolve on the Authority as a consequence of any act or omission of the Concessionaire during the Operation Period. The Concessionaire shall procure that in each insurance policy, the Authority shall be a co-insured. For the avoidance of doubt, the aforesaid insurances shall include the value of Food Grains stored, calculated with reference to the average procurement cost of such Food Grains.



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28.ACCOUNTS AND AUDIT**28.1. Audited accounts**

- 28.1.1.** The Concessionaire shall maintain books of accounts recording all its receipts (including the revenues from Storage and Handling Charges and all revenues derived/collected by it from or on account of the Storage Facility and/or its use), income, expenditure, payments (including payments from the Escrow Account), assets and liabilities, in accordance with this Agreement, Good Industry Practice, Applicable Laws and Applicable Permits. The Concessionaire shall provide 2 (two) copies of its Balance Sheet, Cash Flow Statement and Profit and Loss Account, along with a report thereon by its Statutory Auditors, within 90 (ninety) days of the close of the Accounting Year to which they pertain and such audited accounts, save and except where expressly provided to the contrary, shall form the basis of payments by either Party under this Agreement. The Authority shall have the right to inspect the records of the Concessionaire during office hours and require copies of relevant extracts of books of accounts, duly certified by the Statutory Auditors, to be provided to the Authority for verification of basis of payments, and in the event of any discrepancy or error being found, the same shall be rectified and such rectified account shall form the basis of payments by either Party under this Agreement.
- 28.1.2.** The Concessionaire shall, within 30 (thirty) days of the close of each quarter of an Accounting Year, furnish to the Authority its unaudited financial results in respect of the preceding quarter, in the manner and form prescribed by the Securities and Exchange Board of India for publication of quarterly results by the companies listed on a stock exchange.
- 28.1.3.** On or before the thirty-first day of May each year, the Concessionaire shall provide to the Authority, for the preceding Accounting Year, a statement duly audited by its Statutory Auditors giving summarised information on (a) receipt on account of Storage and Handling Charges and (c) such other information as the Authority may reasonably require.

28.2. Appointment of auditors

- 28.2.1.** The Concessionaire shall appoint, and have during the subsistence of this Agreement as its Statutory Auditors, a firm chosen by it from the mutually agreed list of 10 (ten) reputable firms of chartered accountants (the "Panel of Chartered Accountants"), such list to be prepared substantially in accordance with the criteria set forth in Schedule S. All fees and expenses of the Statutory Auditors shall be borne by the Concessionaire.
- 28.2.2.** The Concessionaire may terminate the appointment of its Statutory Auditors after a notice of 45 (forty five) days to the Authority, subject to the replacement Statutory Auditors being appointed from the Panel of Chartered Accountants.



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28.2.3. Notwithstanding anything to the contrary contained in this Agreement, the Authority shall have the right, but not the obligation, to appoint at its cost from time to time and at any time, another firm (the “Additional Auditors”) from the Panel of Chartered Accountants to audit and verify all those matters, expenses, costs, realisations and things which the Statutory Auditors are required to do, undertake or certify pursuant to this Agreement.

28.3. Certification of claims by Statutory Auditors

Any claim or document provided by the Concessionaire to the Authority in connection with or relating to receipts, income, payments, costs, expenses, accounts or audit, and any matter incidental thereto shall be valid and effective only if certified by its Statutory Auditors. For the avoidance of doubt, such certification shall not be required for exchange of information in the normal course of business.


28.4. Set-off

In the event any amount is due and payable by the Authority to the Concessionaire, it may set-off any sums payable to it by the Concessionaire and pay the balance remaining. Any exercise by the Authority of its rights under this Clause shall be without prejudice to any other rights or remedies available to it under this Agreement or otherwise.

28.5. Dispute resolution

In the event of there being any difference between the findings of the Additional Auditors and the certification provided by the Statutory Auditors, such Auditors shall meet to resolve the differences and if they are unable to resolve the same, such Dispute shall be resolved by the Authority by recourse to the Dispute Resolution Procedure.




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Part V

Force Majeure and Termination



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ARTICLE 29

29.FORCE MAJEURE

29.1. Force Majeure

As used in this Agreement, the expression "Force Majeure" or "Force Majeure Event" shall mean occurrence in India of any or all of Non-Political Event, Indirect Political Event and Political Event, as defined in Clauses 29.2, 29.3 and 29.4 respectively, if it affects the performance by the Party claiming the benefit of Force Majeure (the "**Affected Party**") of its obligations under this Agreement and which act or event (i) is beyond the reasonable control of the Affected Party, and (ii) the Affected Party could not have prevented or overcome by exercise of due diligence and following Good Industry Practice, and (iii) has Material Adverse Effect on the Affected Party.

29.2. Non-Political Event

A Non-Political Event shall mean one or more of the following acts or events:

- a) act of God, epidemic, extremely adverse weather conditions, lightning, earthquake, landslide, cyclone, flood, volcanic eruption, chemical or radioactive contamination or ionising radiation, fire or explosion (to the extent of contamination or radiation or fire or explosion originating from a source external to the Storage Facility);
- b) strikes or boycotts (other than those involving the Concessionaire, Contractors or their respective employees/representatives, or attributable to any act or omission of any of them) interrupting supplies and services to the Storage Facility for a continuous period of 24 (twenty four) hours and an aggregate period exceeding 7 (seven) days in an Accounting Year, and not being an Indirect Political Event set forth in Clause 29.3;
- c) any failure or delay of a Contractor but only to the extent caused by another Non-Political Event and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor;
- d) any delay or failure of an overseas contractor to deliver any critical equipment required for the Storage Facility and not available in India if such delay or failure is caused outside India by any event specified in Sub-clause (a) above and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such contractor;
- e) any judgement or order of any court of competent jurisdiction or statutory authority made against the Concessionaire in any proceedings for reasons other than (i) failure of the Concessionaire to comply with any Applicable



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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 Agreement, or (iv) exercise of any of its rights under this Agreement by the Authority;

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

29.3. Indirect Political Event

An Indirect Political Event shall mean one or more of the following acts or events:

- a) an act of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, riot, insurrection, terrorist or military action, civil commotion or politically motivated sabotage;
- b) any political or economic upheaval, disturbance, movement, struggle or similar occurrence which could not have been anticipated or foreseen by a prudent person and which causes the construction or operation of the Project to be financially unviable or otherwise not feasible;
- c) industry-wide or State-wide strikes or industrial action for a continuous period of 24 (twenty four) hours and exceeding an aggregate period of 7 (seven) days in an Accounting Year;
- d) any civil commotion, boycott or political agitation which prevents collection of Fee by the Concessionaire for an aggregate period exceeding 7 (seven) days in an Accounting Year;
- e) failure of the Authority to permit the Concessionaire to continue the Construction Works, with or without modifications, in the event of stoppage of such works after discovery of any geological or archaeological finds or for any other reason;
- f) any failure or delay of a Contractor to the extent caused by any Indirect Political Event and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor;
- g) any Indirect Political Event that causes a Non-Political Event; or
- h) any event or circumstances of a nature analogous to any of the foregoing.

29.4. Political Event

A Political Event shall mean one or more of the following acts or events by or on account of any Government Instrumentality:

- a) Change in Law, only if consequences thereof cannot be dealt with under and



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in accordance with the provisions of Article 36 and its effect, in financial terms, exceeds the sum specified in Clause 36.1;

- b) compulsory acquisition in national interest or expropriation of any Project Assets or rights of the Concessionaire or of the Contractors;
- c) unlawful or unauthorised or without jurisdiction revocation of, or refusal to renew or grant without valid cause, any clearance, licence, permit, authorisation, no objection certificate, consent, approval or exemption required by the Concessionaire or any of the Contractors to perform their respective obligations under this Agreement and the Project Agreements; provided that such delay, modification, denial, refusal or revocation did not result from the Concessionaire's or any Contractor's inability or failure to comply with any condition relating to grant, maintenance or renewal of such clearance, licence, authorisation, no objection certificate, exemption, consent, approval or permit;
- d) any failure or delay of a Contractor but only to the extent caused by another Political Event and which does not result in any offsetting compensation being payable to the Concessionaire by or on behalf of such Contractor; or
- e) any event or circumstance of a nature analogous to any of the foregoing.

29.5. Duty to report Force Majeure Event

29.5.1. Upon occurrence of a Force Majeure Event, the Affected Party shall by notice report such occurrence to the other Party forthwith. Any notice pursuant hereto shall include full particulars of:

- a) the nature and extent of each Force Majeure Event which is the subject of any claim for relief under this Article 29 with evidence in support thereof;
- b) the estimated duration and the effect or probable effect which such Force Majeure Event is having or will have on the Affected Party's performance of its obligations under this Agreement;
- c) the measures which the Affected Party is taking or proposes to take for alleviating the impact of such Force Majeure Event; and
- d) any other information relevant to the Affected Party's claim.

29.5.2. The Affected Party shall not be entitled to any relief for or in respect of a Force Majeure Event unless it shall have notified the other Party of the occurrence of the Force Majeure Event as soon as reasonably practicable, and in any event no later than 7 (seven) days after the Affected Party knew, or ought reasonably to have known, of its occurrence, and shall have given particulars of the probable material effect that the Force Majeure Event is likely to have on the performance of its obligations under this Agreement.

29.5.3. For so long as the Affected Party continues to claim to be materially affected by such Force Majeure Event, it shall provide the other Party with regular (and not



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less than weekly) reports containing information as required by Clause 29.5.1, and such other information as the other Party may reasonably request the Affected Party to provide.

29.6. Effect of Force Majeure Event on the Concession

29.6.1. Upon the occurrence of any Force Majeure Event prior to the Appointed Date, the period set forth in Clause 22.1.1 for achieving Financial Close shall be extended by a period equal in length to the duration of the Force Majeure Event.

29.6.2. At any time after the Appointed Date, if any Force Majeure Event occurs:

- a) before COD, the Concession Period and the dates set forth in the Project Completion Schedule shall be extended by a period equal in length to the duration for which such Force Majeure Event subsists; or
- b) after COD, whereupon the Concessionaire is unable to provide the Storage Services despite making best efforts or it is directed by the Authority to suspend the collection thereof during the subsistence of such Force Majeure Event, the Concession Period shall be extended by a period, equal in length to the period during which the Concessionaire was prevented from providing the aforesaid service on account thereof; provided that in the event of reduction in Storage Capacity where the Availability on any day is less than 90% (ninety per cent) of the Average Daily Availability, the Authority shall extend the Concession Period in proportion to the loss of such Availability due to Force Majeure. For the avoidance of doubt, loss of 25% (twenty-five per cent) in Availability for four days as compared to the Average Daily Availability shall entitle the Concessionaire to extension of one day in the Concession Period.

29.7. Allocation of costs arising out of Force Majeure

29.7.1. Upon occurrence of any Force Majeure Event prior to the Appointed Date, the Parties shall bear their respective costs and no Party shall be required to pay to the other Party any costs thereof.

29.7.2. Upon occurrence of a Force Majeure Event after the Appointed Date, the costs incurred and attributable to such event and directly relating to the Project (the "Force Majeure Costs") shall be allocated and paid as follows:

- a) upon occurrence of a Non-Political Event, the Parties shall bear their respective Force Majeure Costs and neither Party shall be required to pay to the other Party any costs thereof;
- b) upon occurrence of an Indirect Political Event, all Force Majeure Costs attributable to such Indirect Political Event, and not exceeding the Insurance Cover for such Indirect Political Event, shall be borne by the Concessionaire,



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and to the extent Force Majeure Costs exceed such Insurance Cover, one half of such excess amount shall be reimbursed by the Authority to the Concessionaire; and

- c) upon occurrence of a Political Event, all Force Majeure Costs attributable to such Political Event shall be reimbursed by the Authority to the Concessionaire.

For the avoidance of doubt, Force Majeure Costs may include interest payments on debt, O&M Expenses, any increase in the cost of Construction Works on account of inflation and all other costs directly attributable to the Force Majeure Event, but shall not include loss of Storage and Handling charges or debt repayment obligations, and for determining such costs, information contained in the Financial Package may be relied upon to the extent that such information is relevant.

- 29.7.3.** Notwithstanding anything contained in this Clause 29.7, if during the occurrence of a Force Majeure Event, the Storage Capacity or part thereof is deemed available for any reason whatsoever, the Authority shall not be liable to make any payments towards Force Majeure Costs in respect thereof to the Concessionaire under this Clause 29.7.

- 29.7.4.** Save and except as expressly provided in this Article 29, neither Party shall be liable in any manner whatsoever to the other Party in respect of any loss, damage, cost, expense, claims, demands and proceedings relating to or arising out of occurrence or existence of any Force Majeure Event or exercise of any right pursuant hereto.

29.8. Termination Notice for Force Majeure Event

If a Force Majeure Event subsists for a period of 180 (one hundred and eighty) days or more within a continuous period of 365 (three hundred and sixty five) days, either Party may in its discretion terminate this Agreement by issuing a Termination Notice to the other Party without being liable in any manner whatsoever, save as provided in this Article 29, and upon issue of such Termination Notice, this Agreement shall, notwithstanding anything to the contrary contained herein, stand terminated forthwith; provided that before issuing such Termination Notice, the Party intending to issue the Termination Notice shall inform the other Party of such intention and grant 15 (fifteen) days' time to make a representation, and may after the expiry of such 15 (fifteen) days period, whether or not it is in receipt of such representation, in its sole discretion issue the Termination Notice.

29.9. Termination Payment for Force Majeure Event

- 29.9.1.** If Termination is on account of a Non-Political Event, the Authority shall make a Termination Payment to the Concessionaire in an amount equal to 90% (ninety per cent) of the Debt Due less Insurance Cover.



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29.9.2. If Termination is on account of an Indirect Political Event, the Authority shall make a Termination Payment to the Concessionaire in an amount equal to:

- a) 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; and
- b) 110% (one hundred and ten per cent) of the Adjusted Equity.

29.9.3. If Termination is on account of a Political Event, the Authority shall make a Termination Payment to the Concessionaire in an amount that would be payable under Clause 32.3.2 as if it were an Authority Default.

29.10. Dispute resolution

In the event that the Parties are unable to agree in good faith about the occurrence or existence of a Force Majeure Event, such Dispute shall be finally settled in accordance with the Dispute Resolution Procedure; provided that the burden of proof as to the occurrence or existence of such Force Majeure Event shall be upon the Party claiming relief and/or excuse on account of such Force Majeure Event.

29.11. Excuse from performance of obligations

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

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

29.12. Compensation for Loss of Food Grain

Where any loss or shortfall of Food Grains occurs due to occurrence of a Force Majeure Event, such loss or shortfall of Food Grains shall be borne and paid as follows:

- a) upon occurrence of a Non-Political Event, any loss or shortfall in Food Grains



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- arising therefrom, but not exceeding the Insurance Cover, shall be borne by the Concessionaire and paid to the Authority;
- b) upon occurrence of an Indirect Political Event, any loss or shortfall in Food Grains arising therefrom, but not exceeding the Insurance Cover, shall be borne by the Concessionaire and paid to the Authority;
 - c) upon occurrence of a Political Event, the Concessionaire shall not be required to bear any loss or shortfall arising therefrom and such loss or shortfall shall be borne by the Authority

29.13. Relief for Unforeseen Events

- 29.13.1. Upon occurrence of an unforeseen event, situation or similar circumstances not contemplated or referred to in this Agreement, and which could not have been foreseen by a prudent and diligent person (the "Unforeseen Event"), any Party may by notice inform the other Party of the occurrence of such Unforeseen Events with the particulars thereof and its effects on the costs, expense and revenues of the Project. Within 15 (fifteen) days of such notice, the Parties shall meet and make efforts in good faith to determine if such Unforeseen Event has occurred, and upon reaching agreement on occurrence thereof, deal with it in accordance with the provisions of this Clause 29.13
- 29.13.2. Upon determination of the occurrence of the Unforeseen Event, the Parties shall make a reference to a conciliation tribunal which shall comprise one member each to be nominated by both Parties from among persons who have been Judges of a High Court and the conciliators so nominated shall choose a chairperson who has been a Judge of the Supreme Court or Chief Justice of a High Court
- 29.13.3. The conciliation tribunal referred to in Clause 29.13.2 shall conduct its proceedings in accordance with the provisions of Article 39 as if it is an arbitration proceeding under that Article, save and except as provided in this Clause 29.13
- 29.13.4. The conciliation tribunal referred to in this Clause 29.13 shall conduct preliminary proceedings to satisfy itself that -
- a) An Unforeseen Event has occurred;
 - b) The effects of such Unforeseen Event cannot be mitigated without a remedy or relief which is not contemplated in the Agreement; and
 - c) The Unforeseen Event or its effects have not been caused by any Party by any act or omission of its part;

and if the conciliation tribunal is satisfied that each of the conciliations specified hereinabove is fulfilled, it shall issue an order to this effect and conduct further proceedings under this Clause 29.13



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29.13.5. Upon completion of the conciliation proceedings referred to in this Clause 29.13, the conciliation tribunal may by a reasoned order make recommendations which shall be:

- a) based on a fair and transparent justification;
- b) no greater in scope than is necessary for mitigating the effects of the Unforeseen Event;
- c) of no greater duration than is necessary for mitigating the effects of the Unforeseen Events; and
- d) quantified and restricted in terms of relief or remedy

29.13.6. Within 15 (fifteen) days of receiving the order referred to in Clause 29.13.5, the Parties shall meet and make efforts in good faith to accept, in whole or in part, the relief or remedy recommended by the conciliation tribunal for mitigating the effects of the Unforeseen Event and to procure implementation of the Project in accordance with the provision of this Agreement. In pursuance hereof, the Parties may enter into a Memorandum of Understanding ("MoU") setting forth the agreement reached hereunder, and the terms of such MoU shall have force and effect as if they form part of the Agreement




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ARTICLE 30

30.COMPENSATION FOR BREACH OF AGREEMENT

30.1. Compensation for default by the Concessionaire


Subject to the provisions of Clause 30.5, in the event of the Concessionaire being in material default or breach of this Agreement, it shall pay to the Authority by way of compensation, all direct costs suffered or incurred by the Authority as a consequence of such material default or breach, within 30 (thirty) days of receipt of the demand supported by necessary particulars thereof; provided that no compensation shall be payable under this Clause 30.1 for any material breach or default in respect of which Damages are expressly specified and payable under this Agreement or for any consequential losses incurred by the Authority.

30.2. Compensation for default by the Authority

Subject to the provisions of Clause 30.5, in the event of the Authority being in material default or breach of this Agreement at any time after the Appointed Date, it shall pay to the Concessionaire by way of compensation, all direct costs suffered or incurred by the Concessionaire as a consequence of such material default or breach within 30 (thirty) days of receipt of the demand supported by necessary particulars thereof; provided that no such compensation shall be payable for any material breach or default in respect of which Damages have been expressly specified in this Agreement. For the avoidance of doubt, compensation payable may include interest payments on debt, O&M Expenses, any increase in capital costs on account of inflation and all other costs directly attributable to such material breach or default but shall not include loss of Storage and Handling Charges, debt repayment obligations or other consequential losses, and for determining such compensation, information contained in the Financial Package and the Financial Model may be relied upon to the extent it is relevant.

30.3. Extension of Concession Period

Subject to the provisions of Clause 30.5, in the event that a material default or breach of this Agreement as set forth in Clause 30.2 causes delay in achieving COD, the Authority shall, in addition to payment of compensation under Clause 30.2, extend the Concession Period, such extension being equal in duration to the period by which COD was delayed.


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30.4. Compensation to be in addition

30.5. Compensation payable under this Article 30 shall be in addition to, and without prejudice to, the other rights and remedies of the Parties under this Agreement including Termination thereof. Mitigation of costs and damage

The Affected Party shall make all reasonable efforts to mitigate or limit the costs and damage arising out of or as a result of breach of Agreement by the other Party.



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ARTICLE 31

31.SUSPENSION OF CONCESSIONAIRE'S RIGHTS

31.1. Suspension upon Concessionaire Default

Upon occurrence of a Concessionaire Default, the Authority shall be entitled, without prejudice to its other rights and remedies under this Agreement including its rights of Termination hereunder, to (i) suspend all rights of the Concessionaire under this Agreement including the Concessionaire's right to Storage and Handling Charges, and other revenues pursuant hereto, and (ii) exercise such rights itself and perform the obligations hereunder or authorise any other person to exercise or perform the same on its behalf during such suspension (the "Suspension"). Suspension hereunder shall be effective forthwith upon issue of notice by the Authority to the Concessionaire and may extend up to a period not exceeding 180 (one hundred and eighty) days from the date of issue of such notice; provided that upon written request from the Concessionaire and the Lenders' Representative, the Authority shall extend the aforesaid period of 180 (one hundred and eighty) days by a further period not exceeding 90 (ninety) days.

31.2. Authority to act on behalf of Concessionaire

31.2.1. During the period of Suspension, the Authority shall, on behalf of the Concessionaire, operate and maintain the Storage Facility under and in accordance with this Agreement and appropriate the same for meeting the O&M Expenses and for remedying and rectifying the cause of Suspension. Any balance remaining after meeting the aforesaid expenditure shall be deposited in a bank account to be designated by the Concessionaire. For the avoidance of doubt, the Authority shall continue to pay the Fixed Storage Charge, Variable Charges and Bag Handling Charges under and in accordance with this Agreement and deposit the same in the aforesaid designated bank account after appropriating the expenses and costs specified hereinabove

31.2.2. During the period of Suspension hereunder, all rights and liabilities vested in the Concessionaire in accordance with the provisions of this Agreement shall continue to vest therein and all things done or actions taken, including expenditure incurred by the Authority for discharging the obligations of the Concessionaire under and in accordance with this Agreement and the Project Agreements, shall be deemed to have been done or taken for and on behalf of the Concessionaire and the Concessionaire undertakes to indemnify the Authority for all costs incurred during such period. The Concessionaire hereby licences and sub-licences respectively, the Authority or any other person authorised by it under Clause 31.1 to use during Suspension, all Intellectual Property belonging to or licensed to the Concessionaire with respect to the Storage Facility and its design, engineering, construction, operation and maintenance, and which is used or created by the Concessionaire in performing its obligations under the Agreement.

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31.3. Revocation of Suspension

- 31.3.1. In the event that the Authority shall have rectified or removed the cause of Suspension within a period not exceeding 90 (ninety) days from the date of Suspension, it shall revoke the Suspension forthwith and restore all rights of the Concessionaire under this Agreement. For the avoidance of doubt, the Parties expressly agree that the Authority may, in its discretion, revoke the Suspension at any time, whether or not the cause of Suspension has been rectified or removed hereunder.
- 31.3.2. Upon the Concessionaire having cured the Concessionaire Default within a period not exceeding 90 (ninety) days from the date of Suspension, the Authority shall revoke the Suspension forthwith and restore all rights of the Concessionaire under this Agreement.

31.4. Substitution of Concessionaire

At any time during the period of Suspension, the Lenders' Representative, on behalf of Senior Lenders, shall be entitled to substitute the Concessionaire under and in accordance with the Substitution Agreement, and upon receipt of notice thereunder from the Lenders' Representative, the Authority shall withhold Termination for a period not exceeding 180 (one hundred and eighty) days from the date of Suspension, and any extension thereof under Clause 31.1, for enabling the Lenders' Representative to exercise its rights of substitution on behalf of Senior Lenders.

31.5. Termination

- 31.5.1. At any time during the period of Suspension under this Article 31, the Concessionaire may by notice require the Authority to revoke the Suspension and 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 31.4, the Authority shall, within 15 (fifteen) days of receipt of such notice, terminate this Agreement under and in accordance with Article 32.
- 31.5.2. Notwithstanding anything to the contrary contained in this Agreement, in the event that Suspension is not revoked within 180 (one hundred and eighty) days from the date of Suspension hereunder or within the extended period, if any, set forth in Clause 31.1, the Concession 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 Agreement shall apply, mutatis mutandis, to such Termination as if a Termination Notice had been issued by the Authority upon occurrence of a Concessionaire Default.



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ARTICLE 32

32.TERMINATION

32.1. Termination for Concessionaire Default

32.1.1. Save as otherwise provided in this Agreement, in the event that any of the defaults specified below shall have occurred, and the Concessionaire 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 Concessionaire shall be deemed to be in default of this Agreement (the "Concessionaire Default"), unless the default has occurred solely as a result of any breach of this Agreement by the Authority or due to Force Majeure. The defaults referred to herein shall include:

- a) the Performance Security has been en-cashed and appropriated in accordance with Clause 9.2 and the Concessionaire fails to replenish or provide fresh Performance Security within a Cure Period of 30 (thirty) days;
- b) subsequent to the replenishment or furnishing of fresh Performance Security in accordance with Clause 9.2, the Concessionaire fails to cure, within a Cure Period of 90 (ninety) days, the Concessionaire Default for which whole or part of the Performance Security was appropriated;
- c) the Concessionaire does not achieve the latest outstanding Project Milestone due in accordance with the provisions of Schedule N and continues to be in default for 120 (one hundred and twenty) days;
- d) the Concessionaire abandons or manifests intention to abandon the construction or operation of the Storage Facility without the prior written consent of the Authority;
- e) Project Completion Date does not occur within the period specified in Clause 12.3.3;
- f) the Punch List items have not been completed within the period set forth in Clause 14.4.1;
- g) the Concessionaire is in breach of the Maintenance Requirements or the Safety Requirements, as the case may be;
- h) the Concessionaire has failed to make any payment to the Authority within the period specified in this Agreement;
- i) an Escrow Default has occurred and the Concessionaire fails to cure the default within a Cure Period of 15 (fifteen) days;
- j) upon occurrence of a Financial Default, the Lenders' Representative has by notice required the Authority to undertake Suspension or Termination, as the case may be, in accordance with the Substitution Agreement and the Concessionaire fails to cure the default within the Cure Period specified hereinabove;
- k) a breach of any of the Project Agreements by the Concessionaire has caused



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- a Material Adverse Effect;
- l) the Concessionaire creates any Encumbrance in breach of this Agreement;
 - m) the Concessionaire repudiates this Agreement or otherwise takes any action or evidences or conveys an intention not to be bound by the Agreement;
 - n) a Change in Ownership has occurred in breach of the provisions of Clause 5.3
 - o) there is a transfer, pursuant to law either of (i) the rights and/or obligations of the Concessionaire under any of the Project Agreements, or of (ii) all or part of the assets or undertaking of the Concessionaire, and such transfer causes a Material Adverse Effect;
 - p) an execution levied on any of the assets of the Concessionaire has caused a Material Adverse Effect
 - q) the Concessionaire is adjudged bankrupt or insolvent, or if a trustee or receiver is appointed for the Concessionaire or for the whole or material part of its assets that has a material bearing on the Project;
 - r) the Concessionaire 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;
 - s) a resolution for winding up of the Concessionaire is passed, or any petition for winding up of the Concessionaire is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 (ninety) days of the date thereof or the Concessionaire is ordered to be wound up by Court except for the purpose of amalgamation or reconstruction; provided that, as part of such amalgamation or reconstruction, the entire property, assets and undertaking of the Concessionaire are transferred to the amalgamated or reconstructed entity and that the amalgamated or reconstructed entity has unconditionally assumed the obligations of the Concessionaire under this Agreement and the Project Agreements; and provided that:
 - i. the amalgamated or reconstructed entity has the capability and operating experience necessary for the performance of its obligations under this Agreement and the Project Agreements;
 - ii. the amalgamated or reconstructed entity has the financial standing to perform its obligations under this Agreement and the Project Agreements and has a credit worthiness at least as good as that of the Concessionaire as at the Appointed Date; and
 - t) each of the Project Agreements remains in full force and effect;
 - u) any representation or warranty of the Concessionaire herein contained which is, as of the date hereof, found to be materially false, incorrect or misleading the Concessionaire is at any time hereafter found to be in breach thereof;

v) the Concessionaire submits to the Authority any statement, notice or other



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document, in written or electronic form, which has a material effect on the Authority's rights, obligations or interests and which is false in material particulars;

- w) the Concessionaire has failed to fulfil any obligation, for which failure Termination has been specified in this Agreement; or
- x) the Concessionaire commits a default in complying with any other provision of this Agreement if such a default causes a Material Adverse Effect on the Authority.
- y) the Concessionaire fails to achieve a monthly Availability of 96% (ninety six cent) for a period of 6 (six) consecutive months or for a cumulative period of 6 (six) months within any continuous period of 18 (eighteen) months, save and except to the extent of Non-Availability caused by (i) a Force Majeure Event, or (ii) an act or omission of the Authority, not occurring due to any default of the Concessionaire;
- z) the entire quantity dispatched pursuant to a Dispatch Notice is found to be Rejected Food Grains on 3 (three) consecutive occasions;

32.1.2. Without prejudice to any other rights or remedies which the Authority may have under this Agreement, upon occurrence of a Concessionaire Default, the Authority shall be entitled to terminate this Agreement by issuing a Termination Notice to the Concessionaire; provided that before issuing the Termination Notice, the Authority shall by a notice inform the Concessionaire of its intention to issue such Termination Notice and grant 15 (fifteen) days to the Concessionaire 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, subject to the provisions of clause 32.1.3.

32.1.3. The Authority shall, if there be Senior Lenders, send a copy of its notice of intention to issue a Termination Notice referred to in Clause 32.1.2 to inform the Lenders' Representative and grant 15 (fifteen) days to the Lenders' Representative, for making a representation on behalf of the Senior Lenders stating the intention to substitute the Concessionaire in accordance with the Substitution Agreement. In the event the Authority receives such representation on behalf of Senior Lenders, it shall, in its discretion, either withhold Termination for a period not exceeding 180 (one hundred and eighty) days from the date of such representation or exercise its right of Suspension, as the case may be, for enabling the Lenders' Representative to exercise the Senior Lenders' right of substitution in accordance with the Substitution Agreement:

32.1.4. Provided that the Lenders' Representative may, instead of exercising the Senior Lenders' right of substitution, procure that the default specified in the notice is cured within the aforesaid period of 180 (one hundred and eighty) days, and upon such curing thereof, the Authority shall withdraw its notice referred to above and restore all the rights of the Concessionaire:



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32.1.5. Provided further that upon written request from the Lenders' Representative and the Concessionaire, the Authority shall extend the aforesaid period of 180 (one hundred and eighty) days by such further period not exceeding 90 (ninety) days, as the Authority may deem appropriate.

32.2. Termination for Authority Default

32.2.1. 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 90 (ninety) days or such longer period as has been expressly provided in this Agreement, the Authority shall be deemed to be in default of this Agreement (the "Authority Default") unless the default has occurred as a result of any breach of this Agreement by the Concessionaire or due to Force Majeure. The defaults referred to herein shall include:

- a) The Authority commits a material default in complying with any of the provisions of this Agreement and such default has a Material Adverse Effect on the Concessionaire;
- b) the Authority has failed to make any payment to the Concessionaire, and the Concessionaire is unable to recover any unpaid amounts through the Default Escrow Account and the Letter of Credit, within the period specified in this Agreement;
- c) the Authority repudiates this Agreement or otherwise takes any action that amounts to or manifests an irrevocable intention not to be bound by this Agreement; or

32.2.2. Without prejudice to any other right or remedy which the Concessionaire may have under this Agreement, upon occurrence of an Authority Default, the Concessionaire shall, subject to the provisions of the Substitution Agreement, be entitled to terminate this Agreement by issuing a Termination Notice to the Authority; provided that before issuing the Termination Notice, the Concessionaire 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.

32.3. Termination Payment

32.3.1. Upon Termination on account of a Concessionaire Default during the Operation Period, the Authority shall pay to the Concessionaire, by way of Termination Payment, an amount equal to 90% (ninety 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 Concessionaire hereby acknowledges that no



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Termination Payment shall be due or payable on account of a Concessionaire Default occurring prior to COD.

32.3.2. Upon Termination on account of an Authority Default, the Authority shall pay to the Concessionaire, by way of Termination Payment, an amount equal to:

- a. Debt Due; and
- b. 150% (one hundred and fifty per cent) of the Adjusted Equity.

32.3.3. Termination Payment shall become due and payable to the Concessionaire within 15 (fifteen) days of a demand being made by the Concessionaire to the Authority with the necessary particulars, and in the event of any delay, the Authority shall pay interest at a rate equal to 3% (three per cent) above the Bank Rate on the amount of Termination Payment remaining unpaid; provided that such delay shall not exceed 90 (ninety) days. For the avoidance of doubt, it is expressly agreed that Termination Payment shall constitute full discharge by the Authority of its payment obligations in respect thereof hereunder.

32.3.4. The Concessionaire expressly agrees that Termination Payment under this Article 32 shall constitute a full and final settlement of all claims of the Concessionaire on account of Termination of this Agreement for any reason whatsoever and that the Concessionaire or any shareholder thereof shall not have any further right or claim under any law, treaty, convention, contract or otherwise.

32.4. 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 Storage Facility forthwith;
- b) take possession and control of all Food Grains, materials, stores, implements, construction plants and equipment on or about the Site;
- c) be entitled to restrain the Concessionaire and any person claiming through or under the Concessionaire from entering upon the Site or any part of the Project;
- d) require the Concessionaire to comply with the Divestment Requirements set forth in Clause 33.1; and
- e) succeed upon election by the Authority, without the necessity of any further action by the Concessionaire, to the interests of the Concessionaire under such of the Project Agreements as the Authority may in its discretion deem appropriate, and shall upon such election be liable to the Contractors only for compensation accruing and becoming due and payable to them under the terms of their respective Project Agreements from and after the date the Authority elects to succeed to the interests of the Concessionaire. For the avoidance of doubt, the Concessionaire acknowledges and agrees that all sums claimed by such Contractors as being due and owing for works and services performed or accruing on account of any act, omission or event prior




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to such date shall constitute debt between the Concessionaire and such Contractors, and the Authority shall not in any manner be liable for such sums. It is further agreed that in the event the Authority elects to cure any outstanding defaults under such Project Agreements, the amount expended by the Authority for this purpose shall be deducted from the Termination Payment.

32.5. Survival of rights

Notwithstanding anything to the contrary contained in this Agreement, but subject to the provisions of Clause 32.3.4, 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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ARTICLE 33

33.DIVESTMENT OF RIGHTS AND INTEREST

33.1. Divestment Requirements

33.1.1. Upon Termination, the Concessionaire shall comply with and conform to the following Divestment Requirements:

- a) notify to the Authority forthwith the location and particulars of all Project Assets;
- b) deliver forthwith the actual or constructive possession of the Storage Facility, free and clear of all Encumbrances, save and except to the extent set forth in the Substitution Agreement;
- c) cure all Project Assets of all defects and deficiencies so that the Storage Facility is compliant with the Maintenance Requirements; provided that in the event of Termination during the Construction Period, all Project Assets 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 licences pertaining to the Storage Facility and its design, engineering, construction, operation and maintenance, including all programmes and manuals pertaining thereto, and complete 'as built' Drawings as on the Transfer Date. For the avoidance of doubt, the Concessionaire represents and warrants that the Intellectual Property delivered hereunder shall be adequate and complete for the design, engineering, construction, operation and maintenance of the Storage Facility, and shall be assigned to the Authority free of any encumbrance;
- e) transfer and/or deliver all Applicable Permits 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 Concessionaire in the Storage Facility including manufacturers' warranties in respect of any plant 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 Concessionaire in the Storage Facility, free from all Encumbrances, absolutely unto the Authority or to its nominee.

33.1.2. 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 Concessionaire, the Parties shall continue to perform their obligations under this Agreement, notwithstanding the giving of any Termination Notice, until the Termination of this Agreement becomes effective in accordance with its terms.



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33.2. Inspection and cure

- 33.2.1. Not earlier than 90 (ninety) days prior to Termination but not later than 15 (fifteen) days prior to the effective date of such Termination, the Independent Expert shall verify, after giving due notice to the Concessionaire of the time, date and venue of such verification, compliance by the Concessionaire with the Maintenance Requirements, and if required, cause appropriate tests to be carried out at the Concessionaire's cost for this purpose. Defaults, if any, in the Maintenance Requirements shall be cured by the Concessionaire at its cost and the provisions of Article 34 shall apply, mutatis mutandis, in relation to curing of defects or deficiencies under this Article 33.
- 33.2.2. Immediately before the Transfer Date, the Independent Expert shall conduct an audit, in the presence of the Authority's Representative and the representative of the Concessionaire, and shall prepare an inventory of the Food Grains stored at the Storage Facility and such inventory shall be signed by the Authority's Representative and the representative of the Concessionaire in verification thereof. Upon completion of the audit, the Authority shall be deemed to have taken possession and control of the Food Grains stored at the Storage Facility.

33.3. Cooperation and assistance on transfer of Project

- The Parties shall cooperate on a best effort basis and take all necessary measures, in good faith, to achieve a smooth transfer of the Project in accordance with the provisions of this Agreement so as to protect the safety of and avoid undue delay or inconvenience to the Users, other members of the public or the lawful occupants of any part of the Site.
- 33.3.2. The Parties shall provide to each other, 9 (nine) months prior to the Transfer Date in the event of Termination by efflux of time and immediately in the event of either Party conveying to the other Party its intent to issue a Termination Notice, as the case may be, as much information and advice as is reasonably practicable regarding the proposed arrangements for operation of the Project following the Transfer Date. The Concessionaire shall further provide such reasonable advice and assistance as the Authority, its concessionaire or agent may reasonably require for operation of the Project until the expiry of 6 (six) months after the Transfer Date.
- 33.3.3. The Authority shall have the option to purchase or hire from the Concessionaire at a fair market value and free from any encumbrance all or any part of the plant and machinery used in connection with the Project but which does not form part of the assets specified in Clause 33.1.1 and is reasonably required in connection with operation of the Project. For the avoidance of doubt, in the event of dispute or difference relating to fair market value, the Dispute Resolution Procedure shall apply.




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33.4. Vesting Certificate

The divestment of all rights, title and interest in the Storage Facility 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 substantially in the form set forth in Schedule T (the "Vesting Certificate"), which will have the effect of constituting evidence of divestment by the Concessionaire of all of its rights, title and interest in the Storage Facility, and their vesting in the Authority pursuant hereto. It is expressly agreed that any defect or deficiency in the Divestment 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 Storage Facility on the footing that all Divestment Requirements have been complied with by the Concessionaire.

33.5. Divestment costs etc.

- 33.5.1. The Concessionaire shall bear and pay all costs incidental to divestment of all of the rights, title and interest of the Concessionaire in the Storage Facility in favour of the Authority upon Termination, save and except that all stamp duties payable on any deeds or Documents executed by the Concessionaire in connection with such divestment shall be borne by the Authority.
- 33.5.2. In the event of any dispute relating to matters covered by and under this Article 33, the Dispute Resolution Procedure shall apply.


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ARTICLE 34

34.DEFECTS LIABILITY AFTER TERMINATION

34.1. Liability for defects after Termination

The Concessionaire shall be responsible for all defects and deficiencies in the Storage Facility for a period of 120 (One hundred and twenty) days after Termination, and it shall have the obligation to repair or rectify, at its own cost, all defects and deficiencies observed by the Independent Expert in the Storage Facility during the aforesaid period. In the event that the Concessionaire fails to repair or rectify such defect or deficiency within a period of 15 (fifteen) days from the date of notice issued by the Authority in this behalf, the Authority shall be entitled to get the same repaired or rectified at the Concessionaire's risk and cost so as to make the Storage Facility conform to the Maintenance Requirements. All costs incurred by the Authority hereunder shall be reimbursed by the Concessionaire to the Authority within 15 (fifteen) days of receipt of demand thereof, and in the event of default in reimbursing such costs, the Authority shall be entitled to recover the same from the Escrow Account.

34.2. Retention of Fixed Storage Charges

- 34.2.1. Notwithstanding anything to the contrary contained in this Agreement, but subject to the provisions of Clause 34.2.3, a sum equal to 5 (five) times the monthly Fixed Storage Charges payable immediately preceding the Transfer Date shall be retained in the Escrow Account for a period of 120 (one hundred and twenty) days after Termination for meeting the liabilities, if any, arising out of or in connection with the provisions of Clause 34.1.
- 34.2.2. Without prejudice to the provisions of Clause 34.2.1, the Independent Expert shall carry out an inspection of the Storage Facility at any time between 210 (two hundred and ten) and 180 (one hundred and eighty) days prior to the Termination and if it recommends that the status of the Storage Facility is such that a sum larger than the amount stipulated in Clause 34.2.1 should be retained in the Escrow Account and for a period longer than the aforesaid 180 (one hundred and eighty) days, the amount recommended by the Independent Expert shall be retained in the Escrow Account for the period specified by it.
- 34.2.3. The Concessionaire may, for the performance of its obligations under this Article 34, provide to the Authority a guarantee from a Bank for a sum equivalent to the amount determined under Clause 34.2.1 or 34.2.2, as the case may be, and for the period specified therein, substantially in the form set forth in Schedule M (the "Performance Guarantee"), to be modified, mutatis mutandis, for this purpose, and the Authority shall, without prejudice to its other rights and remedies hereunder or in law, be entitled to encash and appropriate the required amounts from the Performance Guarantee for undertaking the repairs or rectification at the Concessionaire's risk and cost in accordance with the provisions of this Article 34. Upon furnishing of a Performance Guarantee under this Clause 34.2.3, the



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Part VI

Other Provisions



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ARTICLE 35

35.ASSIGNMENT AND CHARGES

35.1. Restrictions on assignment and charges

- 35.1.1. Subject to Clauses 35.2 and 35.3, this Agreement shall not be assigned by the Concessionaire to any person, save and except with the prior consent in writing of the Authority, which consent the Authority shall be entitled to decline without assigning any reason.
- 35.1.2. Subject to the provisions of Clause 35.2, the Concessionaire shall not create nor permit to subsist any Encumbrance, or otherwise transfer or dispose of all or any of its rights and benefits under this Agreement or any Agreement to which the Concessionaire is a party except with prior consent in writing of the Authority, which consent the Authority shall be entitled to decline without assigning any reason.

35.2. Permitted assignment and charges

The restraints set forth in Clause 35.1 shall not apply to:

- liens arising by operation of law (or by an agreement evidencing the same) in the ordinary course of business of the Storage Facility;
- mortgages/pledges/hypothecation of goods/assets other than Project Assets and their related documents of title, arising or created in the ordinary course of business of the Storage Facility, and as security only for indebtedness to the Senior Lenders under the Financing Agreements and/or for working capital arrangements for the Storage Facility
- assignment of rights, interest and obligations of the Concessionaire to or in favour of the Lenders' Representative as nominee and for the benefit of the Senior Lenders, to the extent covered by and in accordance with the Substitution Agreement as security for financing provided by Senior Lenders under the Financing Agreements; and
- liens or encumbrances required by any Applicable Law.

35.3. Substitution Agreement

- 35.3.1. The Lenders' Representative, on behalf of Senior Lenders, may exercise the right to substitute the Concessionaire pursuant to the agreement for substitution of the Concessionaire (the "Substitution Agreement") to be entered into amongst the Concessionaire, the Authority and the Lenders' Representative, on behalf of Senior Lenders, substantially in the form set forth in Schedule U.
- 35.3.2. Upon substitution of the Concessionaire under and in accordance with the Substitution Agreement, the Nominated Company substituting the



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Concessionaire shall be deemed to be the Concessionaire under this Agreement and shall enjoy all rights and be responsible for all obligations of the Concessionaire under this Agreement as if it were the Concessionaire; provided that where the Concessionaire is in breach of this Agreement on the date of such substitution, the Authority shall by notice grant a Cure Period of 120 (one hundred and twenty) days to the Concessionaire for curing such breach.

35.4. Assignment by the Authority

- 35.4.1. Notwithstanding anything to the contrary contained in this Agreement, the Authority may, after giving 60 (sixty) days' notice to the Concessionaire, assign and/ or transfer any of its rights and benefits and/or obligations under this Agreement to an assignee who is, in the reasonable opinion of the Authority, capable of fulfilling all of the Authority's then outstanding obligations under this Agreement.
- 35.4.2. Any assignment under this Article 35 shall be subject to the approvals and consents required therefor under Applicable Laws. Provided, however, that the grant of any consent or approval under Applicable Laws shall not oblige the Authority to grant its approval to such assignment, save and except as provided herein.



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ARTICLE 36

36.CHANGE IN LAW

36.1. Increase in costs

- 36.1.1. If as a result of Change in Law, the Concessionaire suffers an increase in costs or reduction in net after-tax return or other financial burden, the aggregate financial effect of which exceeds the higher of Rs. 10 Lakh(Rupees ten Lakh) and 0.5% (zero point five percent) of the Fixed Storage Charges in any Accounting Year, the Concessionaire may so notify the Authority and propose amendments to this Agreement so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no such Change in Law resulting in the cost increase, reduction in return or other financial burden as aforesaid. Upon notice by the Concessionaire, the Parties shall meet, as soon as reasonably practicable but no later than 30 (thirty) days from the date of notice, and either agree on amendments to this Agreement or on any other mutually agreed arrangement:
- 36.1.2. Provided that if no agreement is reached within 90 (ninety) days of the aforesaid notice, the Concessionaire may by notice require the Authority to pay an amount that would place the Concessionaire in the same financial position that it would have enjoyed had there been no such Change in Law, and within 15 (fifteen) days of receipt of such notice, along with particulars thereof, the Authority shall pay the amount specified therein; provided that if the Authority shall dispute such claim of the Concessionaire, the same shall be settled in accordance with the Dispute Resolution Procedure. For the avoidance of doubt, it is agreed that this Clause 36.1 shall be restricted to changes in law directly affecting the Concessionaire's costs of performing its obligations under this Agreement.

36.2. Reduction in costs

- 36.2.1. If as a result of Change in Law, the Concessionaire benefits from a reduction in costs or increase in net after-tax return or other financial gains, the aggregate financial effect of which exceeds the higher of Rs. 10 Lakh (Rupees ten Lakh) and 0.5% (zero point five percent) of the Storage and Handling Charges in any Accounting Year, the Authority may so notify the Concessionaire and propose amendments to this Agreement so as to place the Concessionaire in the same financial position as it would have enjoyed had there been no such Change in Law resulting in the decreased costs, increase in return or other financial gains as aforesaid. Upon notice by the Authority, the Parties shall meet, as soon as reasonably practicable but no later than 30 (thirty) days from the date of notice, and either agree on such amendments to this Agreement or on any other mutually agreed arrangement:
- 36.2.2. Provided that if no agreement is reached within 90 (ninety) days of the aforesaid notice, the Authority may by notice require the Concessionaire to pay an amount that would place the Concessionaire in the same financial position that it would have enjoyed had there been no such Change in Law, and within 15 (fifteen) days



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of receipt of such notice, along with particulars thereof, the Concessionaire shall pay the amount specified therein to the Authority; provided that if the Concessionaire shall dispute such claim of the Authority, the same shall be settled in accordance with the Dispute Resolution Procedure. For the avoidance of doubt, it is agreed that this Clause 36.2 shall be restricted to changes in law directly affecting the Concessionaire's costs of performing its obligations under this Agreement.

36.3. Protection of NPV

Pursuant to the provisions of Clauses 36.1 and 36.2 and for the purposes of placing the Concessionaire in the same financial position as it would have enjoyed had there been no Change in Law affecting the costs, returns or other financial burden or gains, the Parties shall rely on the Financial Model to establish a net present value (the "NPV") of the net cash flow and make necessary adjustments in costs, revenues, compensation or other relevant parameters, as the case may be, to procure that the NPV of the net cash flow is the same as it would have been if no Change in Law had occurred.

36.4. Restriction on cash compensation

The Parties acknowledge and agree that the demand for cash compensation under this Article 41 shall be restricted to the effect of Change in Law during the respective Accounting Year and shall be made at any time after commencement of such year, but no later than one year from the close of such Accounting Year. Any demand for cash compensation payable for and in respect of any subsequent Accounting Year shall be made after the commencement of the Accounting Year to which the demand pertains, but no later than 2 (two) years from the close of such Accounting Year

36.5. No claim in the event of recovery from Users

Notwithstanding anything to the contrary contained in this Agreement, the Authority shall not in any manner be liable to reimburse to the Concessionaire any sums on account of a Change in Law if the same are recoverable from the Users.



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ARTICLE 37

37.LIABILITY AND INDEMNITY

37.1. General indemnity

- 37.1.1. The Concessionaire will indemnify, defend, save and hold harmless the Authority and its officers, servants, agents, Government Instrumentalities and Government owned and/or controlled entities/enterprises, (the "**Authority Indemnified Persons**") against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense of whatever kind and nature, whether arising out of any breach by the Concessionaire of any of its obligations under this Agreement or any related agreement or on account of any defect or deficiency in the provision of services by the Concessionaire to any User or from any negligence of the Concessionaire under contract or tort or on any other ground whatsoever, except to the extent that any such suits, proceedings, actions, demands and claims have arisen due to any negligent act or omission, or breach or default of this Agreement on the part of the Authority Indemnified Persons.
- 37.1.2. The Authority will indemnify, defend, save and hold harmless the Concessionaire against any and all suits, proceedings, actions, demands and claims from third parties for any loss, damage, cost and expense of whatever kind and nature arising out of (i) breach by the Authority of any of its obligations under this Agreement or any related agreement, which materially and adversely affect the performance by the Concessionaire of its obligations under this Agreement, save and except that where any such claim, suit, proceeding, action, and/or demand has arisen due to a negligent act or omission, or breach of any of its obligations under any provision of this Agreement or any related agreement and/or breach of its statutory duty on the part of the Concessionaire, its subsidiaries, affiliates, contractors, servants or agents, the same shall be the liability of the Concessionaire.

37.2. Indemnity by the Concessionaire

- 37.2.1. Without limiting the generality of Clause 37.1, the Concessionaire shall fully indemnify, hold harmless and defend the Authority and the Authority Indemnified Persons from and against any and all loss and/or damages arising out of or with respect to:
- failure of the Concessionaire to comply with Applicable Laws and Applicable Permits;
 - payment of taxes required to be made by the Concessionaire in respect of the income or other taxes of the Concessionaire's contractors, suppliers and representatives; or
 - non-payment of amounts due as a result of materials or services furnished to the Concessionaire or any of its contractors which are payable by the




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Concessionaire or any of its contractors

d. any dispute arising due to transfer of the ownership title of the land

37.2.2. Without limiting the generality of the provisions of this Article 37, the Concessionaire shall fully indemnify, hold harmless and defend the Authority Indemnified Persons from and against any and all suits, proceedings, actions, claims, demands, liabilities and damages which the Authority Indemnified Persons may hereafter suffer, or pay by reason of any demands, claims, suits or proceedings arising out of claims of infringement of any domestic or foreign patent rights, copyrights or other Intellectual Property, proprietary or confidentiality rights with respect to any materials, information, design or process used by the Concessionaire or by the Concessionaire's Contractors in performing the Concessionaire's obligations or in any way incorporated in or related to the Project. If in any such suit, action, claim or proceedings, a temporary restraint order or preliminary injunction is granted, the Concessionaire shall make every reasonable effort, by giving a satisfactory bond or otherwise, to secure the revocation or suspension of the injunction or restraint order. If, in any such suit, action, claim or proceedings, the Storage Facility, or any part thereof or comprised therein, is held to constitute an infringement and its use is permanently enjoined, the Concessionaire shall promptly make every reasonable effort to secure for the Authority a licence, at no cost to the Authority, authorising continued use of the infringing work. If the Concessionaire is unable to secure such licence within a reasonable time, the Concessionaire shall, at its own expense, and without impairing the Specifications and Standards, either replace the affected work, or part, or process thereof with non-infringing work or part or process, or modify the same so that it becomes non-infringing.

37.3. Notice and contest of claims

In the event that either Party receives a claim or demand from a third party in respect of which it is entitled to the benefit of an indemnity under this Article 37 (the "Indemnified Party") it shall notify the other Party (the "Indemnifying Party") within 15 (fifteen) days of receipt of the claim or demand and shall not settle or pay the claim without the prior approval of the Indemnifying Party, which approval shall not be unreasonably withheld or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim or demand, it may conduct the proceedings in the name of the Indemnified Party, subject to the Indemnified Party being secured against any costs involved, to its reasonable satisfaction.

37.4. Defence of claims

37.4.1. The Indemnified Party shall have the right, but not the obligation, to contest, defend and litigate any claim, action, suit or proceeding by any third party alleged or asserted against such Party in respect of, resulting from, related to or arising out of any matter for which it is entitled to be indemnified hereunder, and reasonable costs and expenses thereof shall be indemnified by the Indemnifying



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Party. If the Indemnifying Party acknowledges in writing its obligation to indemnify the Indemnified Party in respect of loss to the full extent provided by this Article 37, the Indemnifying Party shall be entitled, at its option, to assume and control the defence of such claim, action, suit or proceeding, liabilities, payments and obligations at its expense and through the counsel of its choice; provided it gives prompt notice of its intention to do so to the Indemnified Party and reimburses the Indemnified Party for the reasonable cost and expenses incurred by the Indemnified Party prior to the assumption by the Indemnifying Party of such defence. The Indemnifying Party shall not be entitled to settle or compromise any claim, demand, action, suit or proceeding without the prior written consent of the Indemnified Party, unless the Indemnifying Party provides such security to the Indemnified Party as shall be reasonably required by the Indemnified Party to secure the loss to be indemnified hereunder to the extent so compromised or settled.

37.4.2. If the Indemnifying Party has exercised its rights under Clause 37.3, the Indemnified Party shall not be entitled to settle or compromise any claim, action, suit or proceeding without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

37.4.3. If the Indemnifying Party exercises its rights under Clause 37.3, the Indemnified Party shall nevertheless have the right to employ its own counsel, and such counsel may participate in such action, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party, when and as incurred, unless:

- a. the employment of counsel by such party has been authorised in writing by the Indemnifying Party; or
- b. the Indemnified Party shall have reasonably concluded that there may be a conflict of interest between the Indemnifying Party and the Indemnified Party in the conduct of the defence of such action; or
- c. the Indemnifying Party shall not, in fact, have employed independent counsel reasonably satisfactory to the Indemnified Party, to assume the defence of such action and shall have been so notified by the Indemnified Party; or
- d. the Indemnified Party shall have reasonably concluded and specifically notified the Indemnifying Party either:
 - i. that there may be specific defences available to it which are different from or additional to those available to the Indemnifying Party; or
 - ii. that such claim, action, suit or proceeding involves or could have a material adverse effect upon it beyond the scope of this Agreement:
- e. Provided that if Sub-clauses (b), (c) or (d) of this Clause 37.4.3 shall be applicable, the counsel for the Indemnified Party shall have the right to direct the defence of such claim, demand, action, suit or proceeding on behalf of the Indemnified Party, and the reasonable fees and disbursements



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of such counsel shall constitute legal or other expenses hereunder.


37.5. No consequential claims

Notwithstanding anything to the contrary contained in this Article 37, the indemnities herein provided shall not include any claim or recovery in respect of any cost, expense, loss or damage of an indirect, incidental or consequential nature, including loss of profit, except as expressly provided in this Agreement.

37.6. Survival on Termination

The provisions of this Article 37 shall survive Termination.




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ARTICLE 38

38. RIGHTS AND TITLE OVER THE SITE

38.1. Licensee rights

For the purpose of this Agreement, the Concessionaire shall have rights to the use of the Site as sole licensee subject to and in accordance with this Agreement, and to this end, it may regulate the entry and use of the Storage Facility by third parties in accordance with and subject to the provisions of this Agreement.

38.2. Access rights of the Authority and others

The Concessionaire shall allow free access to the Site at all times for the authorised representatives and Vehicles of the Authority, Senior Lenders, and the Independent Expert, and for the persons and Vehicles duly authorised by any Government Instrumentality to inspect the Storage Facility or to investigate any matter within their authority, and upon reasonable notice, the Concessionaire shall provide to such persons reasonable assistance necessary to carry out their respective duties and functions.


38.3. Property taxes

All property Taxes on the Site shall be payable by the Authority as owner of the Site; provided, however, that any such Taxes payable by the Concessionaire under Applicable Laws for use of the Site shall not be reimbursed or payable by the Authority.

38.4. Restriction on sub-letting

The Concessionaire shall not sublicense or sublet the whole or any part of the Storage Facility, save and except as may be expressly set forth in this Agreement; provided that nothing contained herein shall be construed or interpreted as restricting the right of the Concessionaire to appoint Contractors for the performance of its obligations hereunder including for operation and maintenance of all or any part of the Storage Facility.




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ARTICLE 39

39.DISPUTE RESOLUTION

39.1. Dispute resolution

- 39.1.1. 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 39.2.
- 39.1.2. 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.

39.2. Conciliation

In the event of any Dispute between the Parties, either Party may call upon the Independent Expert to mediate and assist the Parties in arriving at an amicable settlement thereof. Failing mediation by the Independent Expert or without the intervention of the Independent Expert, either Party may require such Dispute to be referred to the Chairman of the Authority and the Chairman of the Board of Directors of the Concessionaire for amicable settlement, and upon such reference, the said 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 39.1.1 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 39.3.

39.3. Arbitration

- 39.3.1. Any Dispute which is not resolved amicably by conciliation, as provided in Clause 39.2, shall be finally decided by reference to arbitration by a Board of Arbitrators appointed in accordance with Clause 39.3.2. Such arbitration shall be held in accordance with the Rules of Arbitration of the International Centre for Alternative Dispute Resolution, New Delhi (the "Rules"), or such other rules as may be mutually agreed by the Parties, and shall be subject to the provisions of the Arbitration Act. The venue of such arbitration shall be Delhi, and the language of arbitration proceedings shall be English.
- 39.3.2. 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



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in the event of disagreement between the two arbitrators, the appointment shall be made in accordance with the Rules.

- 39.3.3. The arbitrators shall make a reasoned award (the "Award"). Any Award made in any arbitration held pursuant to this Article 39 shall be final and binding on the Parties as from the date it is made, and the Concessionaire and the Authority agree and undertake to carry out such Award without delay.
- 39.3.4. The Concessionaire and the Authority agree that an Award may be enforced against the Concessionaire and/or the Authority, as the case may be, and their respective assets wherever situated.
- 39.3.5. 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.

39.4. Adjudication by Regulatory Authority or Commission

In the event of constitution of a statutory Regulatory Authority or Commission with powers to adjudicate upon disputes between the Concessionaire and the Authority, all Disputes arising after such constitution shall, instead of reference to arbitration under Clause 39.3, 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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ARTICLE 40

40.DISCLOSURE

40.1. Disclosure of Specified Documents

The Concessionaire shall make available for inspection by any person, copies of this Concession Agreement, the Maintenance Manual, the Maintenance Programme and the Maintenance Requirements (hereinafter collectively referred to as the "**Specified Documents**"), free of charge, during normal business hours on all working days at the Storage Facility and Concessionaire's registered office. The Concessionaire shall prominently display at the Storage Facility, public notices stating the availability of the Specified Documents for such inspection, and shall provide copies of the same to any person upon payment of copying charges on a 'no profit no loss' basis.

40.2. Disclosure of Documents relating to safety


The Concessionaire shall make available for inspection by any person copies of all Documents and data relating to safety of the Storage Facility, free of charge, during normal business hours on all working days, at the Concessionaire's registered office. The Concessionaire shall make copies of the same available to any person upon payment of copying charges on a 'no profit no loss' basis.

Notwithstanding the provisions of Clauses 40.1 and 40.2, the Authority shall be entitled to direct the Concessionaire, from time to time, to withhold the disclosure of Protected Documents (as defined hereinbelow) to any person in pursuance of the aforesaid Clauses.

Explanation:

The expression Protected Documents shall mean such of the Specified Documents or documents referred to in Clauses 40.1 and 40.2, or portions thereof, the disclosure of which the Authority is entitled to withhold under the provisions of the Right to Information Act, 2005




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ARTICLE 41

41.MISCELLANEOUS

41.1. 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 Delhi shall have exclusive jurisdiction over matters arising out of or relating to this Agreement.

41.2. 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 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).

41.3. Depreciation and Interest

41.3.1. For the purposes of depreciation under the Applicable Laws, the property representing the capital investment made by the Concessionaire in the Project shall be deemed to be acquired and owned by the Concessionaire. 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 Concessionaire under the Applicable Laws.

41.3.2. 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.



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41.4. Delayed payments

The Parties hereto agree that payments due from one Party to the other Party under the provisions of this Agreement shall be made within the period set forth therein, and if no such period is specified, within 30 (thirty) days of receiving a demand along with the necessary particulars. In the event of delay beyond such period, the defaulting Party shall pay interest for the period of delay calculated at a rate equal to 5% (five per cent) above the Bank Rate, and recovery thereof shall be without prejudice to the rights of the Parties under this Agreement including Termination thereof.

41.5. Waiver

41.5.1. 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 authorised respective representative of the Parties; and
- c. shall not affect the validity or enforceability of this Agreement in any manner.

41.5.2. 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 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.

41.6. Liability for review of Documents and Drawings

Except to the extent expressly provided in this Agreement:

- a. no review, comment or approval by the Authority or the Independent Expert of any Project Agreement, Document or Drawing submitted by the Concessionaire nor any observation or inspection of the construction, operation or maintenance of the Storage Facility nor the failure to review, approve, comment, observe or inspect hereunder shall relieve or absolve the Concessionaire from its obligations, duties and liabilities under this Agreement, the Applicable Laws and Applicable Permits; and
- b. the Authority shall not be liable to the Concessionaire by reason of any review, comment, approval, observation or inspection referred to in Sub-clause (a) above.



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41.7. 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.

41.8. Survival

41.8.1. Termination shall:

- a. not relieve the Concessionaire or the Authority, as the case may be, 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, 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.

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

41.9. 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 hereto 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 Concessionaire arising from the Request for Qualification or Request for Proposals, as the case may be, shall be deemed to form part of this Agreement and treated as such.

41.10. 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



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16-20 बाराकम्पा लेन / 16-20 B. K. Lane
दिल्ली-110001 / New Delhi - 110001

subject to the Dispute Resolution Procedure set forth under this Agreement or otherwise.

41.11. 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.

41.12. Third parties

This Agreement is intended solely for the benefit of the Parties, and their respective successors and permitted assigns, and nothing in this Agreement shall be construed to create any duty to, standard of care with reference to, or any liability to, any person not a Party to this Agreement.

41.13. Successors and assigns

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

41.14. Notices

Any notice or other communication to be given by any Party to the other Party under or in connection with the matters contemplated by this Agreement shall be in writing and shall:

- a. in the case of the Concessionaire, be given by facsimile or e-mail and by letter delivered by hand to the address given and marked for attention of the person set out below or to such other person as the Concessionaire may from time to time designate by notice to the Authority; provided that notices or other communications to be given to an address outside Delhi may, if they are subsequently confirmed by sending a copy thereof by registered acknowledgement due, air mail or by courier, be sent by facsimile or e-mail to the number as the Concessionaire may from time to time designate by notice to the Authority;

Attention: Mr. Niraj Kumar Singh

Designation: Director

Address: NCML KB PRIVATE LIMITED,

IFFCO TOWER-1, B- WING, 5TH FLOOR, PLOT NO.3, SECTOR-29,

Gurgaon, Haryana, India- 122001

Fax No:

Email: niraj.s@ncml.com



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (सिलो) / Genl. Manager (Silo)
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- b. in the case of the Authority, be given by facsimile or e-mail and by letter delivered by hand and be addressed to the Chairman of the Authority with a copy delivered to the Authority Representative or such other person as the Authority may from time to time designate by notice to the Concessionaire; provided that if the Concessionaire does not have an office in Delhi it may send such notice by facsimile or e-mail and by registered acknowledgement due, air mail or by courier.

Name: General Manager (Silos)

Designation: General Manager (Silos)

Address: Food Corporation of India (FCI), 16-20, Barakhamba Lane,
New Delhi-110001

Fax No: 00911143527354

Email: gmsilos.fci@gov.in; and

- c. any notice or communication by a Party to the other Party, given in accordance herewith, shall be deemed to have been delivered when in the normal course of post it ought to have been delivered and in all other cases, it shall be deemed to have been delivered on the actual date and time of delivery; provided that in the case of facsimile or e-mail, it shall be deemed to have been delivered on the working day following the date of its delivery.

41.15. 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.

41.16. Counterparts

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



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ARTICLE 42

42. DEFINITIONS

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

1. **"Accounting Year"** means the financial year commencing from the first day of April of any calendar year and ending on the thirty-first day of March of the next calendar year;
2. **"Acceptance Quantity"** means the total quantity of Food Grain nominated by the Authority, taking into consideration the unused Storage Capacity at the Storage Facility, as the quantity to be received by the Concessionaire for storage at the Storage Facility as per Clause 17.17.1
3. **"Acceptance Point"** means the point at or next to the grain intake system or rake unloading system] at Storage Facility where the Food Grain will be handed over by the Authority or its nominee or farmers to the Concessionaire for storage in the Storage Facility as per provisions of this Agreement
4. **"Additional Auditors"** shall have meaning as set forth in 28.2.3
5. **"Adjusted Equity"** means the Equity funded in Indian Rupees and adjusted on the first day of the current month (the "Reference Date"), in the manner set forth below, to reflect the change in its value on account of depreciation and variations in WPI, and for any Reference Date occurring:
 - a. on or before COD, the Adjusted Equity shall be a sum equal to the Equity funded in Indian Rupees and expended on the Project, revised to the extent of one half of the variation in WPI occurring between the first day of the month of Appointed Date and the Reference Date;
 - b. from COD and until the 4th (fourth) anniversary thereof, an amount equal to the Adjusted Equity as on COD shall be deemed to be the base (the **"Base Adjusted Equity"**) and the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, revised at the commencement of each month following COD to the extent of variation in WPI occurring between COD and the Reference Date; and
 - c. after the 4th (fourth) anniversary of COD, the Adjusted Equity hereunder shall be a sum equal to the Base Adjusted Equity, reduced by 0.3% (zero point three per cent) thereof at the commencement of each month following the 4th (fourth) anniversary of COD and the amount so arrived at shall be revised to the extent of variation in WPI occurring between COD and the Reference Date;

For the avoidance of doubt, the Adjusted Equity shall, in the event of Termination, be computed as on the Reference Date immediately preceding the Transfer Date; provided that no reduction in the Adjusted Equity shall be made for a period equal



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नई दिल्ली-110001 / New Delhi-110001

to the duration, if any, for which the Concession Period is extended, but the revision on account of WPI shall continue to be made;

6. **"Affected Party"** shall have the meaning set forth in Clause 29.1;
7. **"Agreement or Concession Agreement"** means this Agreement, its Recitals, the Schedules hereto and any amendments thereto made in accordance with the provisions contained in this Agreement;
8. **"Applicable Laws"** means all laws, brought into force and effect by GOI or the State Government including rules, regulations and notifications made thereunder, and judgments, decrees, injunctions, writs and orders of any court of record, applicable to this Agreement and the exercise, performance and discharge of the respective rights and obligations of the Parties hereunder, as may be in force and effect during the subsistence of this Agreement;
9. **"Applicable Permits"** means all clearances, licenses, permits, authorisations, no objection certificates, consents, approvals and exemptions required to be obtained or maintained under Applicable Laws in connection with the construction, operation and maintenance of the Storage Facility during the subsistence of this Agreement;
10. **"Appointed Date"** means the date on which the Financial Close is achieved or an earlier/ later date that the Parties may by mutual consent determine. For the avoidance of doubt, every Condition Precedent shall have been satisfied or waived prior to the Appointed Date. In the event all Conditions Precedent are not satisfied or waived, as the case may be and Financial Close has been achieved, the Appointed Date shall be deemed to occur only when each and every Condition Precedent is either satisfied or waived, as the case may be;
11. **"Arbitration Act"** means the Arbitration and Conciliation Act, 1996 and shall include modifications to or any re-enactment thereof, as in force from time to time;
12. **"Associate"** means, in relation to either Party, a person who controls, is controlled by, or is under the common control with such Party (as used in this definition, the expression "control" means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares 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, whether by operation of law or by contract or otherwise);
13. **"Authority"** shall mean the government body granting the Concession to the Concessionaire under this Agreement;
14. **"Authority Default"** shall have the meaning set forth in Clause 32.2.1;
15. **"Authority Indemnified Persons"** shall have the meaning set forth in 37.1.1
16. **"Authority's Representative"** means such person or persons as may be authorised in writing by the Authority to act on its behalf under this Agreement and shall include any person or persons having authority to exercise any rights or perform and fulfill any obligations of the Authority under this Agreement;
17. **"Availability"** means the availability of the facilities for the acceptance, storage and



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- dispatch of Food Grain at the Storage Facility as specified in terms of Clause 5.1.5;
18. **"Average Daily Availability"** means the average daily Availability, in terms of percentage, determined for the month preceding the relevant Force Majeure Event;
 19. **"Average Daily Fixed Storage Charge"** means the amount arrived at by dividing the total Fixed Storage Charge of the immediately preceding Accounting Year by 365 (three hundred and sixty five), and increasing the result thereof by 5% (five per cent); provided that the Average Daily Fixed Storage Charge for any period prior to completion of the first Accounting Year following COD shall be a simple average of the Fixed Storage Charge collected with respect to every day during the period between COD and the last day of the month preceding the date on which the event requiring calculation hereof occurred, and in the event that the Fixed Storage Charge payable for any segment of the Storage Facility has not been realised for any reason, an assessment thereof shall be made by the Independent Expert to form part of the Average Daily Fixed Storage Charge for such period;
 20. **"Award"** shall have meaning set forth in Clause 39.3.3
 21. **"Bag"** means a bag that can carry 50 (fifty) kilogram of Food Grains or such other weight as the Parties may mutually determine. For the avoidance of doubt, Bag Handling Charges under this Agreement shall always be determined as if the Bags have a carrying capacity of 50 (fifty) kilogram of Food Grains;
 22. **"Bag Handling Charge"** shall have the meaning set forth in Clause 25.1.6 and more specifically in Schedule E;
 23. **"Bag Storage Warehouse"** shall have meaning as set forth in Schedule C
 24. **"Bagging System"** shall have the meaning set forth in Schedule C;
 25. **"Bank"** means a bank incorporated in India and having a minimum net worth of Rs. 1,000 crore (Rupees one thousand crore) or any other bank acceptable to Senior Lenders, but does not include a bank in which any Senior Lender has an interest;
 26. **"Bank Rate"** means the rate of interest specified by the Reserve Bank of India from time to time in pursuance of Section 49 of the Reserve Bank of India Act, 1934 or any replacement of such Bank Rate for the time being in effect;
 27. **"Bid"** means the documents entirety comprised in the bid submitted by the selected bidder in response to the Request for Proposals in accordance with the provisions thereof;
 28. **"Bid Security"** means the security provided by the Concessionaire to the Authority along with the Bid in a sum of Rs. ----- (Rupees ----- lakh), in accordance with the Request for Proposals, and which is to remain in force until substituted by the Performance Security;
 29. **"Bulk Truck Loading System"** shall have meaning as specified in Schedule D
 30. **"COD" or "Commercial Operation Date"** shall have the meaning set forth in Clause 15.1.1;
 31. **"Change in Law"** means the occurrence of any of the following after the date of Bid:
 - a. the enactment of any new Indian law as applicable to the State;



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- b. the repeal, modification or re-enactment of any existing Indian law;
 - c. the commencement of any Indian law which has not entered into effect until the date of Bid;
 - d. a change in the interpretation or application of any Indian law by a judgement of a court of record which has become final, conclusive and binding, as compared to such interpretation or application by a court of record prior to the date of Bid; or
 - e. any change in the rates of any of the Taxes that have a direct effect on the Project;
32. **"Change in Ownership"** means a transfer of the direct and/or indirect legal or beneficial ownership of any shares, or securities convertible into shares, that causes the aggregate holding of the existing promoters/selected bidder, **together with its Associates in the total Equity declines below (i) 51% (fifty one per cent) thereof** during Construction Period and two years thereafter, provided that any material variation (as compared to the representations made by the Concessionaire during the bidding process for the purposes of meeting the minimum conditions of eligibility or for evaluation of its application or Bid, as the case may be,) in the proportion of the equity holding of the selected bidder to the total Equity, if it occurs prior to Completion of a period two years after COD, shall constitute Change in Ownership;
33. **"Change of Scope"** shall have the meaning set forth in Article 16 and more specifically Clause 16.1.1;
34. **"Change of Scope Notice"** shall have meaning set forth in Clause 16.2.1
35. **"Change of Scope Order"** shall have meaning set forth in Clause 16.2.3
36. **"Cleaning"** means the process of reduction of foreign material (such as dust, fibre, stones or other foreign particles) from the Food Grains, to be carried out at the Storage Facility, in accordance with the provisions of this Agreement and "Clean" shall be construed accordingly;
37. **"Completion Certificate"** shall have meaning set forth in Clause 14.2
38. **"Concession"** shall have meaning set forth in Clause 3.1.1
39. **"Concessionaire"** shall have the meaning attributed thereto in the array of Parties hereinabove as set forth in the Recitals;
40. **"Concession Period"** means the period starting on and from the Appointed Date and ending on the Transfer Date;
41. **"Concessionaire Default"** shall have the meaning set forth in Clause 32.1.1;
42. **"Conditions Precedent"** shall have the meaning set forth in Clause 4.1;
43. Deleted
44. Deleted
45. **"Construction Period"** means the period beginning from the Appointed Date and ending on COD;
46. **"Construction Works"** means all works and things necessary to construct and complete the Storage Facility in accordance with this Agreement;



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47. **"Contractor"** means the person or persons, as the case may be, with whom the Concessionaire has entered into any of the EPC Contract, the O&M Contract, or any other material agreement or contract for construction, operation and/or maintenance of the Storage Facility or matters incidental thereto, but does not include a person who has entered into an agreement for providing financial assistance to the Concessionaire;

48. **"Covenant"** shall have meaning as set forth in Clause 5.2.4

49. **"Cure Period"** means the period specified in this Agreement for curing any breach or default of any provision of this Agreement by the Party responsible for such breach or default and shall:

- a. commence from the date on which a notice is delivered by one Party to the other Party asking the latter to cure the breach or default specified in such notice;
- b. not relieve any Party from liability to pay Damages or compensation under the provisions of this Agreement; and
- c. not in any way be extended by any period of Suspension under this Agreement;

Provided that if the cure of any breach by the Concessionaire requires any reasonable action by the Concessionaire that must be approved by the Authority or the Independent Expert hereunder, the applicable Cure Period shall be extended by the period taken by the Authority or the Independent Expert to accord their approval;

"Design, Build, Finance, Operate and Transfer" shall have the meaning set forth in Recital (A);

51. **"Damages"** shall have the meaning set forth in Sub-clause w of Clause 1.2;

52. **"Debt Due"** means the aggregate of the following sums expressed in Indian Rupees standing on the Transfer Date:

- a. principal amount of the debt provided by the Senior Lenders under the Financing Agreements for financing the Total Project Cost (the "Principal") but excluding any part of the Principal that had fallen due for repayment two years prior to the Transfer Date;
- b. all accrued interest, financing fees and charges payable under the Financing Agreements on, or in respect of, the debt referred to in Sub-clause (a) above until the Transfer Date but excluding (i) any interest, fees or charges that had fallen due one year prior to the Transfer Date, (ii) any penal interest or charges payable under the Financing Agreements to any Senior Lender, and (iii) any pre-payment charges in relation to accelerated repayment of debt except here such charges have arisen due to Authority Default; and disbursed by lenders for financing the Total Project Cost;

provided that if all or any part of the Debt Due is convertible into Equity at the option of Senior Lenders and/or the Concessionaire, it shall for the



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purposes of this Agreement be deemed to be Debt Due even after such conversion and the principal thereof shall be dealt with as if such conversion had not been undertaken;

53. **"Debt Service Payments"** means the sum of all payments on account of principal, interest, financing fees and charges due and payable in an Accounting Year to the Senior Lenders under the Financing Agreements;
54. **"Development Period"** means the period from the date of this Agreement until the Appointed Date;
55. **"Dispatch Point"** shall have meaning set forth in Clause 17.21.12
56. **"Dispatch Notice"** shall have meaning set forth in Clause 17.21.1
57. **"Dispatch Report"** shall have meaning set forth in Clause 17.21.11
58. **"Dispute"** shall have meaning set forth in Clause 39.1.1
59. **"Disputed Amounts"** shall have meaning set forth in Clause 25.5.1
60. **"Dispute Resolution Procedure"** means the procedure for resolution of Disputes set forth in Article 33;
61. **"Divestment Requirements"** means the obligations of the Concessionaire for and in respect of Termination as set forth in Article 33 and more specifically in Clause 33.1;
62. **"Document" or "Documentation"** means documentation in printed or written form, or in tapes, discs, drawings, computer programmes, writings, reports, photographs, films, cassettes, or expressed in any other written, electronic, audio or visual form;
63. **"Drawings"** means all of the drawings, calculations and documents pertaining to the Storage Facility as set forth in Schedule J, and shall include 'as built' drawings of the storage Facility;
64. **"Drying"** means the process of reduction of moisture content in Food Grains, to be carried out at the Storage Facility in accordance with the provisions of this Agreement, and "Dry" or "Dried" shall be construed accordingly;
65. **"EPC Contract"** means the engineering, procurement and construction contract or contracts entered into by the Concessionaire with one or more Contractors for, inter alia, engineering and construction of the Storage Facility in accordance with the provisions of this Agreement;
66. **"Emergency"** means a condition or situation that is likely to endanger the security of the individuals on or about the Storage Facility, including Users thereof, or which poses an immediate threat of material damage to any of the Project Assets or Food Grains;
67. **"Encumbrances"** means, in relation to the Storage Facility, any encumbrances such as mortgage, charge, pledge, lien, hypothecation, security interest, assignment, privilege or priority of any kind having the effect of security or other such obligations, and shall include any designation of loss payees or beneficiaries or any similar arrangement under any insurance policy pertaining to the Storage Facility, where applicable herein;
68. **"Equity"** means the sum expressed in Indian Rupees representing the paid up equity



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share capital of the Concessionaire for meeting the equity component of the Total Project Cost, and for the purposes of this Agreement shall include convertible instruments or other similar forms of capital, which shall compulsorily convert into equity share capital of the Company, and any interest-free funds advanced by any shareholder of the Company for meeting such equity component, but does not include Equity Support;

69. **"Equity Support"** shall have the meaning set forth in Clause 23.2.1 ;
70. **"Escrow Account"** shall mean an account which the Concessionaire shall open and maintain with a Bank in which all inflows and outflows of cash on account of capital and revenue receipts and expenditures shall be credited and debited, as the case may be, in accordance with the provisions of this Agreement.
71. **"Escrow Agreement"** shall have the meaning ascribed thereto in Clause 26.1.2.
72. **"Escrow Bank"** shall have meaning set forth in Clause 26.1.1
73. **"FAQ"** means the 'Fair Average Quality' norms stipulated by Government of India, including modifications thereof, for wheat grain;
74. **"Financial Close"** means the fulfilment of all Conditions Precedent to the initial availability of funds under the Financing Agreements;
75. **"Financial Default"** shall have the meaning set forth under the Substitution Agreement set forth in Schedule U;
76. **"Financial Model"** means the financial model adopted by Senior Lenders, setting forth the capital and operating costs of the Project and revenues therefrom on the basis of which financial viability of the Project has been determined by the Senior Lenders, and includes a description of the assumptions and parameters used for making calculations and projections therein;
77. **"Financial Package"** means the financing package indicating the Total Project cost of the Storage Facility and the means of financing thereof, as set forth in the Financial Model and approved by the Senior Lenders, and includes Equity, all financial assistance specified in the Financing Agreements, Subordinated Debt and Equity Support, if any;
78. **"Financing Agreements"** means the agreements executed by the Concessionaire in respect of financial assistance to be provided by the Senior Lenders by way of loans, guarantees, subscription to non-convertible debentures and other debt instruments including loan agreements, guarantees, notes, debentures, bonds and other debt instruments, security agreements, and other documents relating to the financing (including refinancing) of the Total Project Cost, and includes amendments or modifications made in accordance with Clause 5.2.2 ;
79. **"First In First Out (FIFO)"** means an accounting technique used in managing inventory, wherein the oldest inventory item are recorded first and the oldest inventory item are also sold first
80. **"Fixed Storage Charge"** shall have the meaning set forth in Clause 25.1.4 and more specifically in Schedule E



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बाराखाना लेन / 16-20 B. K. Lane
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81. **"Food Grains"** means wheat and rice or such other food grains as the Parties may mutually agree upon;
82. **"Force Majeure" or "Force Majeure Event"** shall have the meaning ascribed to it in Clause 29.1;
83. **"Force Majeure Cost"** shall have meaning set forth in Clause 29.7.2;
84. **"Forced Closure"** means a complete or partial shutdown of any Silo of the Storage Facility due to a fault or any other reason, If it reduces Availability by more than 1% (on per cent) of the total Storage Capacity during a continuous period of 24 (twenty four) hours;
85. **"GOI"** means the Government of India;
86. **"Good Industry Practice"** means the practices, methods, techniques, designs, standards, skills, diligence, efficiency, reliability and prudence which are generally and reasonably expected from a reasonably skilled and experienced operator engaged in the same type of undertaking as envisaged under this Agreement and which would be expected to result in the performance of its obligations by the Concessionaire in accordance with this Agreement, Applicable Laws and Applicable Permits in reliable, safe, economical and efficient manner, and includes prudent utility practices generally accepted by Food Grain storage and warehousing utilities for ensuring safe, economic and efficient construction, operation and maintenance of the Storage Facility;
87. **"Government"** means the Government of the State;
88. **"Government Instrumentality"** means any department, division or sub-division of the Government of India or the State Government and includes any commission, board, authority, agency or municipal and other local authority or statutory body including Panchayat under the control of the Government of India or the State Government, as the case may be, and having jurisdiction over all or any part of the Storage Facility or the performance of all or any of the services or obligations of the Concessionaire under or pursuant to this Agreement
89. **"Grant"** shall have the meaning set forth in Clause 23.1;
90. **"Grain Acceptance Specifications"** shall have meaning as specified in Schedule F
91. **"Grain Storage Specifications"** shall have meaning as specified in Schedule F
92. **"Handling Losses"** shall have the meaning as set forth in Clause 17.26
93. **"Harvest Season"** means a continuous period of 45 (forty five) days in a year, to be notified by the Authority to the Concessionaire at least 7 (seven) days before the commencement thereof, and in the absence of such communication, it shall be deemed to commence on the 15th (fifteenth) day of April;
94. **"Indemnified Party"** means the Party entitled to the benefit of an indemnity pursuant to Article 37;
95. **"Indemnifying Party"** means the Party obligated to indemnify the other Party pursuant to Article 37;
96. **"Independent Expert"** shall have the meaning set forth in Article 21;
97. **"Indirect Political Event"** shall have the meaning set forth in Clause 29.3



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98. **"Inspection Report"** shall have meaning as per Clause 13.2
99. **"Insurance Cover"** means the aggregate of the maximum sums insured under the insurances taken out by the Concessionaire pursuant to Article 27, and includes all insurances required to be taken out by the Concessionaire under Clauses 27.1 and 27.2 but not actually taken, and when used in the context of any act or event, it shall mean the aggregate of the maximum sums insured and payable or deemed to be insured and payable in relation to such act or event;
100. **"Intellectual Property"** means all patents, trademarks, service marks, logos, get-up, trade names, internet domain names, rights in designs, blue prints, programmes and manuals, drawings, copyright (including rights in computer software), database rights, semi-conductor, topography rights, utility models, rights in know-how and other intellectual property rights, in each case whether registered or unregistered and including applications for registration, and all rights or forms of protection having equivalent or similar effect anywhere in the world;
101. **"LOA" or "Letter of Award"** means the letter of award referred to in Recital (D);
102. **"Lead Member"** shall have the meaning set forth in Recital (B);
103. **"Lenders' Representative"** means the person duly authorised by the Senior Lenders to act for and on behalf of the Senior Lenders with regard to matters arising out of or in relation to this Agreement, and includes his successors, assigns and substitutes;
104. **"Letter of Credit"** shall have the meaning set forth in Clause 25.8.1;
105. **"License Fee"** shall have the meaning set forth in Article 24 **"Licensed Premises"** shall have the meaning set forth in Clause 10.3.2;
106. **"Long Term Storage Silo"** shall have meaning as specified in Schedule C
107. **"Major Overhaul"** means the complete repair, restoration and renovation of any one or more of the Silo after removal of Food Grains therefrom;
108. **"Maintenance Manual"** shall have the meaning ascribed to it in Clause 17.3.1;
109. **"Maintenance Plan"** shall have meaning as specified in Schedule H
110. **"Maintenance Programme"** shall have the meaning ascribed to it in Clause 17.4.1;
111. **"Maintenance Requirements"** shall have the meaning set forth in Clause 17.2;
112. **"Material Adverse Effect"** means a material adverse effect of any act or event on the ability of either Party to perform any of its obligations under and in accordance with the provisions of this Agreement and which act or event causes a material financial burden or loss to either Party;
113. **"Monthly Invoice"** shall mean the Invoice raised by the Concessionaire for the payment of the Storage and Handling Charges by the Authority;
114. **"NPV"** shall have meaning as specified in Clause 36.3
115. **"Nominated Company"** means a company selected by the Lenders' Representative and proposed to the Authority for substituting the Concessionaire in accordance with the provisions of the Substitution Agreement;
116. **"Non-Availability"** means any partial or total lack of Availability;
117. **"Non-Political Event"** shall have the meaning set forth in Clause 29.2;



आसीम चौधरी / ASEEM CHHABRA
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16-20 बाराकम्बा लेन / 16-20 B. K. Lane
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118. **"Normative Availability"** shall have the meaning set forth in Clause 5.1.5;
119. **"Operating Hours"** mean the period between 8:00 a.m. and 6:00 p.m. on all days other than Sundays and bank holidays;
120. **"O&M"** means the operation and maintenance of the Storage Facility and includes all matters connected with or incidental to such operation and maintenance, and provision of Storage Services and facilities in accordance with the provisions of this Agreement;
121. **"O&M Contract"** means the operation and maintenance contract that may be entered into between the Concessionaire and the O&M Contractor for performance of all or any of the O&M obligations;
122. **"O&M Contractor"** means the person, if any, with whom the Concessionaire has entered into an O&M Contract for discharging O&M obligations for and on behalf of the Concessionaire;
123. **"O&M Expenses"** means expenses incurred by or on behalf of the Concessionaire or by the Authority, as the case may be, for all O&M including (a) cost of salaries and other compensation to employees, (b) cost of materials, supplies, utilities and other services, (c) premia for insurance, (d) all taxes, duties, cess and fees due and payable for O&M, (e) all repair, replacement, reconstruction, reinstatement, improvement and maintenance costs, (f) payments required to be made under the O&M Contract or any other contract in connection with or incidental to O&M, and (g) all other expenditure required to be incurred under Applicable Laws, Applicable Permits or this Agreement;
124. **"O&M Inspection Report"** shall have the meaning set forth in Clause 19.2;
125. **"Operation Period"** means the period commencing from COD and ending on the Transfer Date;
126. **"Panel of Chartered Accountants"** shall have meaning as specified in Clause 28.2.1
127. **"Parties"** means the parties to this Agreement collectively and **"Party"** shall mean any of the parties to this Agreement individually;
128. **"Payment Due Date"** shall have the meaning set forth in Clause 25.4.2;
129. **"Performance Guarantee"** shall the meaning set forth in Clause 34.2.3
130. **"Performance Security"** shall have the meaning set forth in Clause 9.1.1;
131. **"Performance Standards"** shall have meaning as specified in Schedule G
132. **"Political Event"** shall have the meaning set forth in Clause 29.4;
133. **"Pre-Acceptance Test"** means the test of quality and quantity of Food Grain to be carried out by the Concessionaire prior to accepting the Food Grain for storage at the Storage Facility as per procedure described in Clause 17.18.3
134. **"Pre-Acceptance Test report"** shall have the meaning as prescribed in 17.18.3
135. **"Pre-Storage Silos" / "Receiving Silos"** shall have meaning as set forth in Schedule C
136. **"Pre-Storage treatment"** shall have meaning as specified in Clause 17.19.1
137. Deleted
138. **"Price Index"** shall comprise:

- (a) 70% (seventy per cent) of WPI; and



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 महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
 भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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- (b) 30% (thirty per cent) of CPI (IW),
139. Which constituents may be substituted by such alternative index or indices as the Parties may by mutual consent determine;
140. **"Project"** means the construction, operation and maintenance of the Storage Facility in accordance with the provisions of this Agreement, and includes all works, services and equipment relating to or in respect of the Scope of the Project;
141. **"Project Agreements"** means this Agreement, the Financing Agreements, EPC Contract, O&M Contract, and any other material agreements or contracts that may be entered into by the Concessionaire with any person in connection with matters relating to, arising out of or incidental to the Project, but does not include the Substitution Agreement or any agreement for procurement of goods and services involving a consideration of upto Rs.5 (five) crore;
142. **"Project Assets"** means all physical and other assets relating to and forming part of the Project including:
- a. rights over the Site in the form of licence, Right of Way or otherwise;
 - b. tangible assets such as civil works and equipment including foundations, embankments,
 - c. pavements, electrical systems, communication systems, relief centres, administrative offices and loading/ unloading facilities ;
 - d. Project Facility situated on the Site;
 - e. all rights of the Concessionaire under the Project Agreements;
 - f. financial assets, such as receivables, security deposits etc;
 - g. insurance proceeds; and
 - h. Applicable Permits and authorisations relating to or in respect of the Storage Facility;
143. **"Project Completion Date"** means the date on which the Completion Certificate or the Provisional Certificate, as the case may be, is issued under the provisions of Article 12;
144. **"Project Completion Schedule"** means the progressive Project Milestones set forth in Schedule N for completion of the Project on or before the Scheduled Completion Date;
145. **"Project Facilities"** means all the amenities and facilities situated on the Site, as described in Schedule C;
146. **"Project Milestones"** means the project milestones set forth in Schedule N;
- "Protected Documents"** mean such of the Specified Documents or documents, or portions thereof, the disclosure of which the Authority is entitled to withhold under the provisions of the Right to Information Act, 2005.
147. **"Provisional Certificate"** shall have the meaning set forth in Clause 14.3.1;
148. **"Punch List"** shall have the meaning ascribed to it in Clause 14.3.1;
149. **"Re.", "Rs." or "Rupees" or "Indian Rupees"** means the lawful currency of the Republic of India;
150. **"Reference Rate"** shall have meaning as specified in Clause 25.5.4



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आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Cent. Manager (Silo)
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151. **"Reference Exchange Rate"** means, in respect of any one currency that is to be converted into another currency in accordance with the provisions of this Agreement, the exchange rate as of 12.00 (twelve) noon on the relevant date quoted in Delhi by the State Bank of India, and in the absence of such rate, the average of similar rates quoted in Delhi by the Bank of India and the Bank of Baroda;
152. **"Reliability"** shall have the meaning set forth in Clause 17.24
153. **"Request for Proposals" or "RFP"** shall have the meaning set forth in Recital (C);
154. **"Request for Qualification" or "RFQ"** shall have the meaning set forth in Recital (B);
155. **"Revenue share from Unutilized capacity"** shall have the meaning set forth in Clause 3.2.4
156. **"Right of Way"** means the constructive possession of the Licensed Premises, together with all way leaves, easements, unrestricted access and other rights of way, howsoever described, necessary for construction, operation and maintenance of the Storage Facility in accordance with this Agreement;
157. **"Rules"** shall have meaning set forth in Clause 39.3.1
158. **"Safety Requirements"** shall have the meaning set forth in Clause 18.1;
159. **"Scheduled Completion Date"** shall have the meaning set forth in Clause 12.3.1;
160. **"Scheduled Maintenance"** shall have the meaning set forth in Clause 17.4.4;
161. **"Scheme for Financial Assistance"** shall have meaning as set forth in Clause 23.2.5
162. **"Scope of the Project"** shall have the meaning set forth in Clause 2.1;
163. **"Senior Lenders"** means the financial institutions, Banks, multilateral lending agencies, trusts, funds and agents or trustees of debenture holders, including their successors and assignees, who have agreed to guarantee or provide finance to the Concessionaire under any of the Financing Agreements for meeting all or any part of the Total Project Cost and who hold pari passu charge on the assets, rights, title and interests of the Concessionaire;
164. **"Silo"** means a structure, comprising a storage bin, constructed in accordance with the Standards and Specifications for bulk storage of Food Grains at the Storage Facility;
165. **"Site"** shall have the meaning set forth in Clause 10.1;
166. **"Specifications and Standards"** means the specifications and standards relating to the quality, quantity, capacity and other requirements for the Storage Facility, as set forth in Schedule D, and any modifications thereof, or additions thereto, as included in the design and engineering for the Storage Facility submitted by the Concessionaire to, and expressly approved by, the Authority;
167. **"Specified Documents"** shall have the meaning prescribed in 40.1
168. **"State"** means the State of Bihar and **"State Government"** means the government of that State;
169. **"Statutory Auditors"** means a reputable firm of chartered accountants acting as the statutory auditors of the Concessionaire under the provisions of the Companies Act, 1956/Companies Act 2013 including any statutory modification or re-enactment thereof, for the time being in force, and appointed in accordance with Clause 28.1;



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170. **"Storage and Handling Charges"** shall have the meaning set forth in Article 25 and in Schedule E
171. **"Storage Capacity"** shall mean the designed storage capacity 50,000 (fifty thousand) metric tonnes of Food Grains at the Storage Facility for each location;
172. **"Storage Facility"** shall mean the facility created at the Site for the storage of food grains and discharge of services as defined under this agreement;
173. **"Storage Services"** means the provision of all the storage services by the Concessionaire in accordance with the provisions of this Agreement;
174. **"Subordinated Debt"** means the aggregate of the following sums expressed in Indian Rupees or in the currency of debt, as the case may be, outstanding as on the Transfer Date:
- a) the principal amount of debt provided by lenders or the Concessionaire's shareholders for meeting the Total Project Cost and subordinated to the financial assistance provided by the Senior Lenders; and
 - b) all accrued interest on the debt referred to in Sub-clause (a) above but restricted to the lesser of actual interest rate and a rate equal to 5% (five per cent) above the Bank Rate in case of loans expressed in Indian Rupees and lesser of the actual interest rate and six month LIBOR (London Inter-Bank Offer Rate) plus 2% (two per cent) in case of loans expressed in foreign currency, but does not include any interest that had fallen due one year prior to the Transfer Date;
 - c) provided that if all or any part of the Subordinated Debt is convertible into Equity at the option of the lenders and/or the Concessionaire's shareholders, it shall for the purposes of this Agreement be deemed to be Subordinated Debt even after such conversion and the principal thereof shall be dealt with as if such conversion had not been undertaken;
175. **"Substitution Agreement"** shall have the meaning set forth in Clause 35.3.1;
176. **"Suspension"** shall have the meaning set forth in Clause 31.1;
177. **"Taxes"** means any Indian taxes including excise duties, customs duties, value added tax, sales tax, local taxes, cess and any impost or surcharge of like nature (whether Central, State or local) on the goods, materials, equipment and services incorporated in and forming part of the Project/Storage Facility charged, levied or imposed by any Government Instrumentality, but excluding any interest, penalties and other sums in relation thereto imposed on any account whatsoever. For the avoidance of doubt, Taxes shall not include taxes on corporate income;
178. **"Termination"** means the expiry or termination of this Agreement and the Concession hereunder;
179. **"Termination Notice"** means the communication issued in accordance with this Agreement by one Party to the other Party terminating this Agreement;
180. **"Termination Payment"** means the amount payable, under and in accordance with this Agreement, by the Authority to the Concessionaire upon Termination, and includes Additional Termination Payment. For the avoidance of doubt, the Concessionaire expressly



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agreed that the amount payable shall be subject to the limitations specified in Clause 32.3;

181. **"Tests"** means the tests set forth in Schedule K to determine the completion of Storage Facility in accordance with the provisions of this Agreement;

182. **"Total Project Cost"** means the capital cost incurred on construction and financing of the Storage Facility and shall be limited to the lowest of:

- a) the capital cost of the Storage Facility, less Equity Support as set forth in the Financial Package;
- b) the actual capital cost of the Storage Facility upon completion less Equity Support; or
- c) a sum of Rs. 65,28,00,000 (Rupees Sixty Five crore Twenty eight lakhs), less Equity Support;
- d) provided that in the event of Termination, the Total Project Cost shall be deemed to be modified to the extent of variation in WPI or Reference Exchange Rate occurring in respect of Adjusted Equity and Debt Due, as the case may be, in accordance with the provisions of this Agreement; provided further that in the event WPI increases, on an average, by more than 6% (six per cent) per annum for the period between the date hereof and COD, the Parties shall meet, as soon as reasonably practicable, and agree upon revision of the amount hereinbefore specified such that the effect of increase in WPI, in excess of such 6% (six per cent), is reflected in the Total Project Cost.

183. **"Transfer Date"** means the date on which this Agreement and the Concession hereunder expires pursuant to the provisions of this Agreement or is terminated by a Termination Notice;

184. **"Undisputed Amounts"** shall have meaning set forth in Clause 25.5.1

185. **"Unforeseen Events"** shall have the meaning as set forth in Clause 29.13.1

186. **"Unutilised Capacity"** shall have the meaning as set forth in Clause 3.2.1

187. **"Users"** shall mean the third parties using the Storage Facility or any part thereof, in accordance with the provisions of this Agreement and Applicable Laws;

188. **"Unscheduled Maintenance"** shall have the meaning as set forth in Clause 17.9

189. **"Variable Charge"** shall have the meaning set forth in Clause 25.1.5 and more specifically in Schedule E

190. **"Vehicle"** means a 2-axle or 3-axle truck being a goods carrier with a gross vehicle weight of 7,500 (seven thousand five hundred) kilograms or more, but less than 25,000 (twenty five thousand) kilograms;

191. **"Vesting Certificate"** shall have the meaning set forth in Clause 33.4;

192. **"WPI"** means the Wholesale Price Index for all commodities as published by the Ministry of Industry, GOI and shall include any index which substitutes the WPI, and any reference to WPI shall, unless the context otherwise requires, be construed as a reference to the WPI published for the period ending with the preceding month, save and except that for the purposes of annual revision of the Storage and Handling

Charges in accordance with the provisions of this Agreement, the revision due on April 1 of any year shall be computed with reference to WPI as on March 31 of that year.

agreed that the amount payable shall be subject to the limitations specified in Clause 32.3;

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182. **"Total Project Cost"** means the capital cost incurred on construction and financing of the Storage Facility and shall be limited to the lowest of:
- a) the capital cost of the Storage Facility, less Equity Support as set forth in the Financial Package;
 - b) the actual capital cost of the Storage Facility upon completion less Equity Support; or
 - c) a sum of Rs. 65,28,00,000 (Rupees Sixty Five crore Twenty eight lakhs), less Equity Support;
 - d) provided that in the event of Termination, the Total Project Cost shall be deemed to be modified to the extent of variation in WPI or Reference Exchange Rate occurring in respect of Adjusted Equity and Debt Due, as the case may be, in accordance with the provisions of this Agreement; provided further that in the event WPI increases, on an average, by more than 6% (six per cent) per annum for the period between the date hereof and COD, the Parties shall meet, as soon as reasonably practicable, and agree upon revision of the amount hereinbefore specified such that the effect of increase in WPI, in excess of such 6% (six per cent), is reflected in the Total Project Cost.
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192. **"WPI"** means the Wholesale Price Index for all commodities as published by the Ministry of Industry, GOI and shall include any index which substitutes the WPI, and any reference to WPI shall, unless the context otherwise requires, be construed as a reference to the WPI published for the period ending with the preceding month, save and except that for the purposes of annual revision of the Storage and Handling



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Charges in accordance with the provisions of this Agreement, the revision due on April 1 of any year shall be computed with reference to WPI as on March 31 of that year.

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

THE AUTHORIZED OFFICER / **ASHEEM CHHABRA**
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
(Signature) 16-20 बाराखम्बा लेन / 16-20 B. K. Lane
(Name) General Manager (Silos)
(Designation) General Manager (Silos)

(Address) Food Corporation of India (FCI), 16-20,
Barakhamba Lane, New Delhi-110001
(Fax No.) 00911143527354

(e-mail address) gmsilos.fci@gov.in

COUNTERSIGNED, SEALED AND DELIVERED

For and on behalf of

FOOD CORPORATION OF INDIA

(Signature)

(Name)

(Designation)

(Address) Food Corporation of India (FCI), 16-20,
Barakhamba Lane, New Delhi-110001

(Fax No.) 00911143527354

(e-mail address) gmsilos.fci@gov.in

In the presence of:

1. **Kuldip Singh**

2. **Pritika Gupta**

THE COMMON SEAL OF CONCESSIONAIRE has been affixed pursuant to the resolution passed by the Board of Directors of the Concessionaire at its meeting held on the 1st day of September, 2017 hereunto affixed 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) Mr. Niraj Kumar Singh

(Designation) Director*

(Address) M/s NCML KB PRIVATE LIMITED,
IFFCO TOWER-1, B- WING, 5TH FLOOR, PLOT
NO.3, SECTOR-29,
Gurgaon, Haryana, India- 122001

Fax No:

Email: niraj.s@ncml.com

1. **(NIRAJ KUMAR SINGH)**
CGM SILO, F.C.I HQ.
N-Delhi 110001

2. **15/11/2017**
Rajeev Mishra
DGM (Silo) FCI HQ.

1. **Kuldip Singh (SPV - Silo Projects)**


2. **Pritika**
Executive Silos

* To be affixed in accordance with the articles of association of the Concessionaire and the resolution passed by its Board of Directors.

Part VII

Schedule




आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
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A. SCHEDULE A - Description of the Site

- The Site of the Project shall include the Land, building, structures and related Project Facilities.
- An inventory of the Licensed Premises including the Land, buildings, structures, road works, trees and any other immovable property on, or attached to, the Licensed Premises shall be prepared jointly by the Authority's Representative and the Concessionaire.
- Additional land required for ancillary buildings, extension/ addition of Storage Capacity or for construction of works specified in Change of Scope Order issued under Article 16 of this Agreement shall be acquired in accordance with the provisions of this Agreement. Upon acquisition, such land shall form part of the Site and vest in the Authority.



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Annex-I of Schedule A

The details of the land for the Kaimur Site¹ are as follows:

Project Location ²	
Name of the village/town / city where the land (site) is located	
Survey numbers of the land parcel (site)	
Area of land	
Description of topography of the land, boundaries and facilities surrounding the land	
Nearest National / State Highway and distance of the site from the same	
Distance (by road) of the land parcel from the rail head	
Nature of possession of land	<p>Already owned/procured by the bidder (Yes/No):.....; OR</p> <p>Identified by the bidder and not yet procured (Yes/No):</p>

¹ As per details specified by the Bidder during the RFP stage

² As per LOA



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

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The details of the land for the Buxar Site³ are as follows:

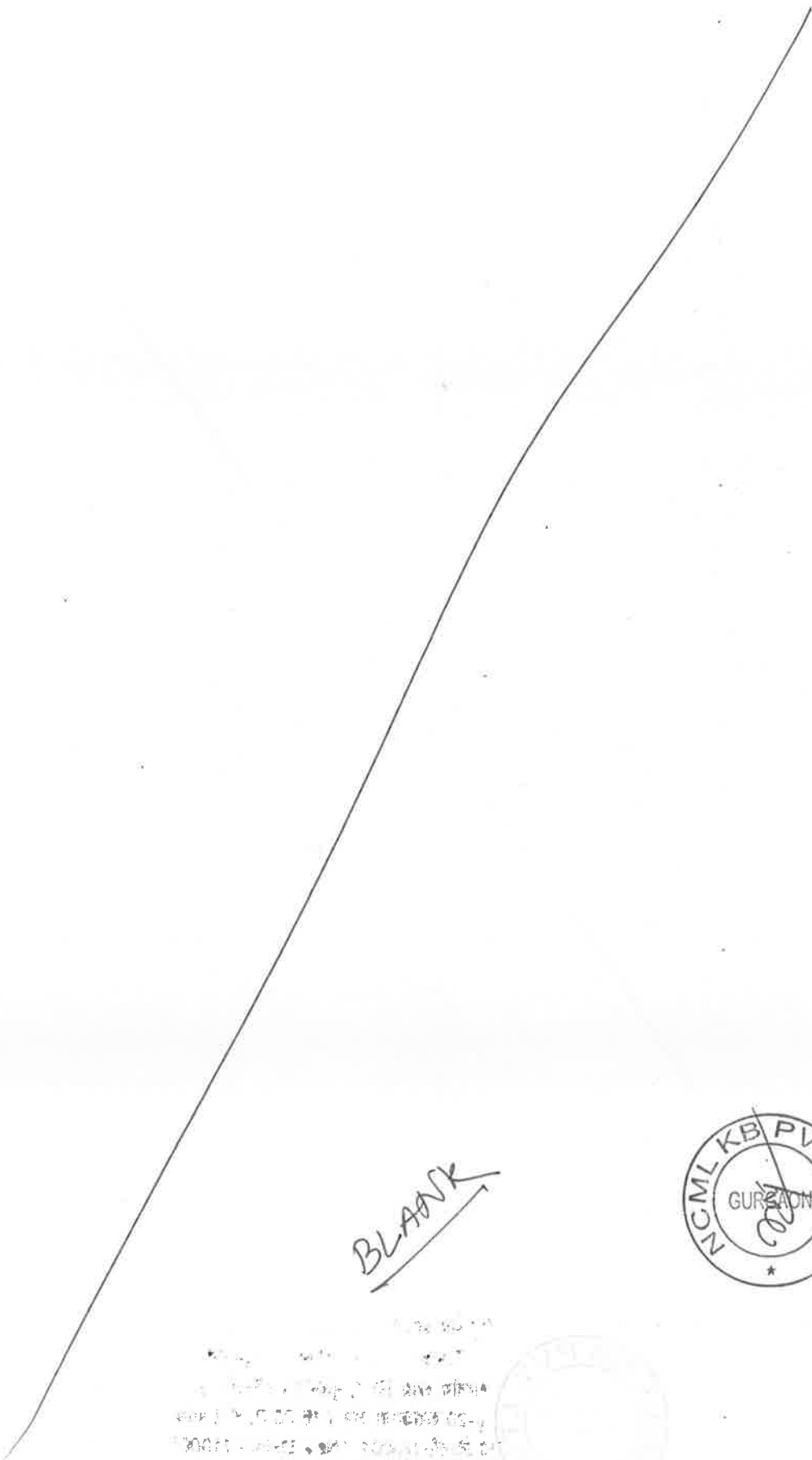
Project Location ⁴	
Name of the village/town / city where the land (site) is located	
Survey numbers of the land parcel (site)	
Area of land	
Description of topography of the land, boundaries and facilities surrounding the land	
Nearest National / State Highway and distance of the site	
Distance (by road) of the land parcel from the railway	
Ownership of land	<p>Already owned/procured by the bidder (Yes/No):.....; OR Identified by the bidder and not yet procured (Yes/No):</p>



आसीम छाबड़ा / ASEEM CHHABRA
 महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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³ As per details specified by the Bidder during the RFP stage

⁴ As per LOA



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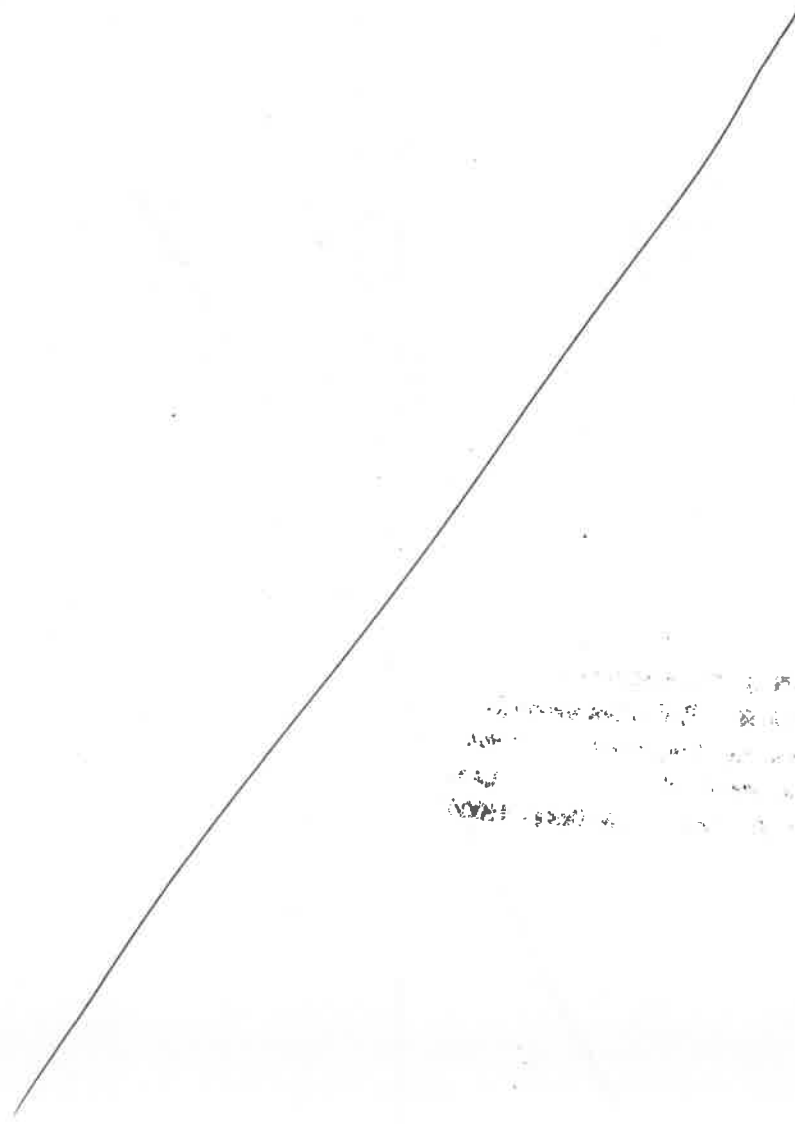


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Annex-II of Schedule A

Layout of the proposed Site



NO. 16-20
K. Lane
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महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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B. SCHEDULE B – Storage Facility

The Storage Facility shall use a combination of three types of Silos - Long Term Storage Silos for wheat, Long Term Storage Silos for milled rice, and Pre-Storage Silo.

All Long Term Storage Silos for wheat will have capacity of 12,500 MT each and for milled rice storage will have capacity of 3,125 MT each. For the proposed Storage Facility, two Pre-Storage Silos of 250 MT each are also recommended. The following table summarises the overall storage capacity requirements for the Storage Facility at one location:

Silo types & capacities	
Long Term Storage Silos	3 silos of 12,500 MT each and 4 silos of 3125 MT each
Pre-storage silos	2 silos of 250 MT each

As noted above, the long term storage capacity at the proposed facility shall aggregate to 50,000 MT. The Storage Facility shall be developed in conformity with the Specifications and Standards as per Schedule D

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C. Schedule C - Project Facilities

The Concessionaire shall construct the Project Facilities in accordance with the provisions of this Agreement.

Project Facilities shall form a part of the Storage Facility and the Concessionaire shall make available the following facilities from the COD:

Truck parking area	Of area sufficient to allow for parking of 50 Vehicles
Lorry Weighbridge	2 numbers electronic weighbridge of weighing capacity 60 MT
Laboratory for quality testing	Laboratory equipped to test at least 40 samples per hour as per the FAQs (Fair Average Quality) parameters Testing facilities including, but not limited to, moisture meter, Dockage testing, Sample divider, sensitive lab scale, sieve sets, a foot long sample probes, four feet long sample probes and oven for moisture calibration
Grain intake system	Grain intake system comprising of unloading station with dump pits arrangement comprising of four hopper bins covered with MS grating suitably connected through a conveyor to Pre-Storage Silos. The unloading station should be at ground level and have minimum dimension of 16 meters by 3 meters. The Food Grains in Bags are to be opened at the unloading station and unloaded into the dump pit while the Food Grain in bulk at to directly unloaded into the dump pit. The unloading area should have at least one hydraulic tippler of dimension 3 meters by 9 meters. The conveying system should comprise of two chain or belt conveyors & should have combined capacity of at least 125 Tons per hour (TPH). The hopper discharge should have regulator valve gate to regulate the discharge of Food Grain. A suitable shed to protect the unloading station from rain to be provided. Dust suppression system to prevent dust from dumping operations to get air borne.
Pre-Storage Silos	2 hopper bottom silos of 250 Metric Tons (MTs) each equipped with stationary vents, aeration fans along with a provision of fumigation. The intake capacity of silos should be minimum 125 Tons Per Hour (TPH) and discharge should be at minimum at 125 Tons Per Hour (TPH).
Process Tower	Comprising of Cleaner and online weigher of minimum 125 Tons Per Hour (TPH) capacity to be sequenced vertically in a tower along with the provision of bag filter in one of the floor and separate dust collection bins on the ground floor
Bulk Truck Loading System	One Silo of minimum 100 MTs to be provided beside the Process Tower having the flow from the online weigher with discharge for loading trucks in bulk
Bagging system	Semiautomatic weigher and bagger mechanism is required which can be two stations of 30 Tons Per Hour (TPH), with individual surge bins of 50 MTs each
Bag Storage	Warehouse should be of minimum 1500 square meter. The Warehouses



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Warehouse	should comply with warehouse related norms of Food Corporation of India / Central Warehousing Corporation. The Warehouse should be have good cross ventilation and have the requisite plinth level and should be rodent and fire proof.
Fumigation system	A closed loop fumigation system, either from the Silos' aeration fans or separate centrifugal fan or a separate phosphine generator



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D. Schedule D - Standards and Specifications

1. Conceptual Plan and Silo Layout

Introduction

This section lays down the development standards and specifications, conceptual plan, components and layout for the Storage Facility for bulk storage. The Storage Facility, including silo storage, handling facility, should be designed and built with the following objectives:

- Ensure safe long term storage of Food Grains with minimum loss in quality of Food Grain
- Efficient handling of Food Grain with minimum losses
- Integration with present collection and distribution systems of FCI
- Optimize capital investment
- Enable efficient operation and maintenance
- Ensure safety and security

Configuration of Silo Storage Complex

- While the Storage Facility will provide facility for safe long term storage for Food Grain in the facilities, the handling requirement will vary depending upon the location of the Silo. The Silo will be located in a) wheat producing cum consuming and b) rice producing cum consuming areas. The Storage Facility is proposed in two locations of Buxar & Kaimur for long term storage of wheat & rice in bulk. Keeping these factors in consideration, the following Silo configuration is recommended.
- The option for Silo facility, to be located in wheat producing cum consuming areas and rice producing cum consuming areas, will have facility for receiving Food Grain in bulk and bagged form by road and off take / issue in bulk or bagged form by road.
- The Silo facility will have long term silo capacity of 37,500 for wheat (12,500 x 3) and 12,500 MT for rice (3125 x 4) in which even wheat can also be stored.
- The salient features of the abovementioned option for Silo configuration are presented in the table below. The conceptual layout plans with major components of each option are discussed in detail in the following sections.

Storage Facility Layout:

The Storage Facility will have the following components:

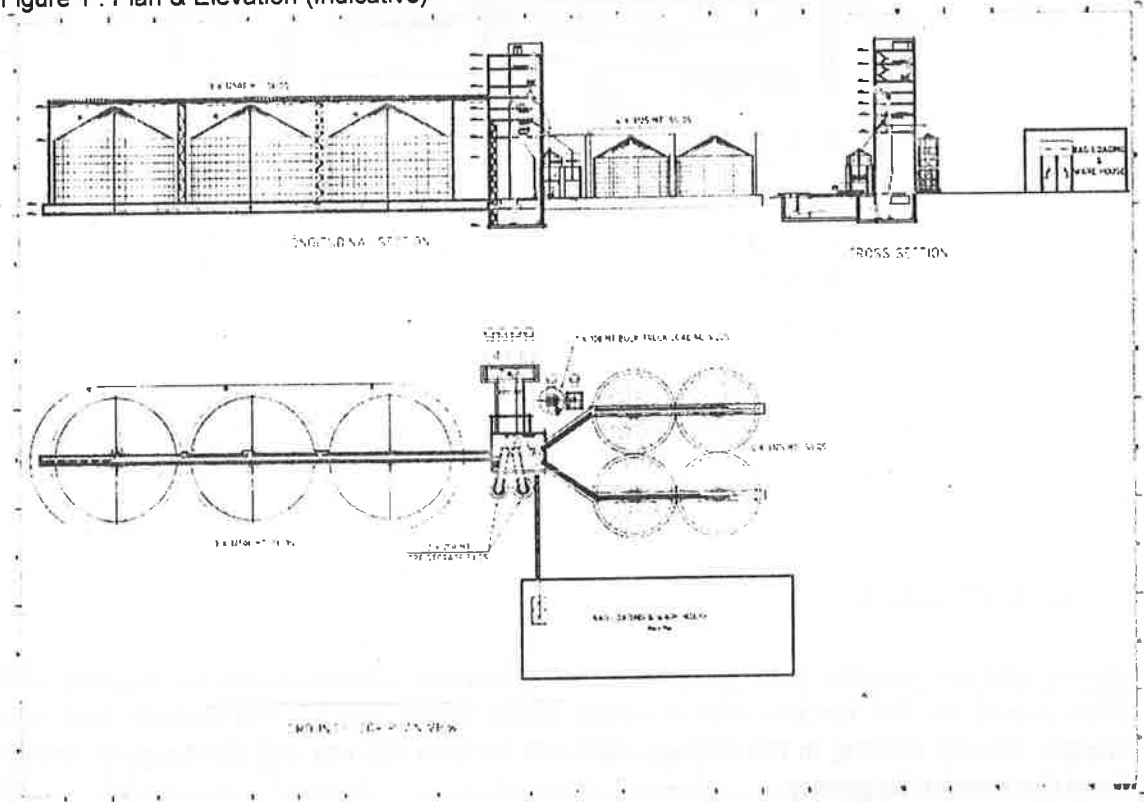
1. Entry and exit gates
2. Electronic Weigh bridges for weighing gross and tare weight
3. Inbound Vehicles parking for about 50 Vehicles like tractor trolleys of about 3 MT or equivalent lesser number for larger Vehicles
4. Administration office within the premise of Silo facility
5. Laboratory for quality testing of Food Grains
6. Unloading station for receiving the bags for bulking or bulk trolleys
7. Pre-Storage silos and its material handling equipment
8. Process tower



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9. Long Term Storage Silos
10. Fumigation system
11. Bulk Truck loading system
12. Chilling of rice by grain chillers
13. Electrical sub station
14. Pump house and work shop
15. Firefighting system
16. Rain water harvesting
17. Provision of power backup to run the plant and equipment
18. Bagging facility and Bag Storage Warehouse.

Figure 1 : Plan & Elevation (Indicative)

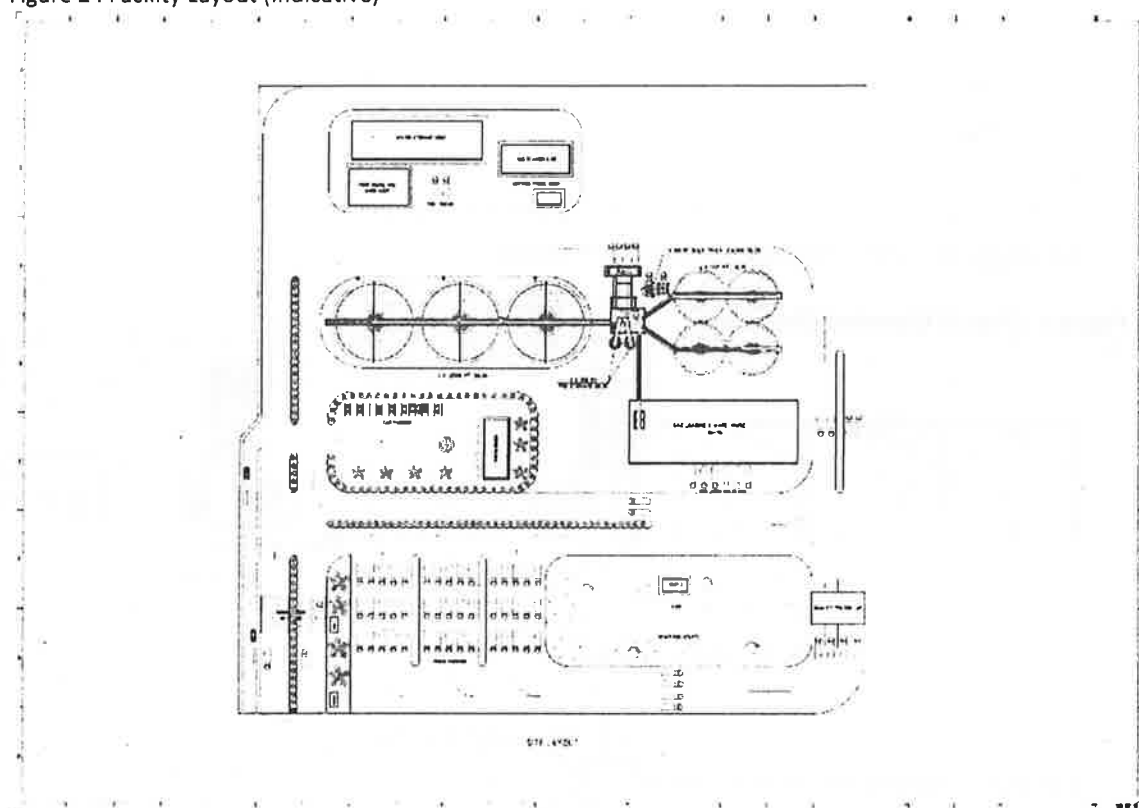


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Figure 2 : Facility Layout (Indicative)



2. Silo specifications

All the silos are required to be galvanized corrugated sheet metal structures. The long term Silos should be flat bottom with a sweep auger, while 250 MT Pre-Storage Silos with hopper bottom loading in Pre-Storage Silos will be from the top and discharge or reclaim from the bottom by gravity.

The Silo facility discussed herein is to be used for storage of wheat & milled rice. These Food Grains are granular, free-flowing; free from larger impurities are supposed to be stored in the Silos. The bulk density for Indian wheat & rice is about 750 Kg per cubic meter having compaction factor of about 5%. The volume of the 12500 MTs Silo will be about 16666 meter cube and the volume of 3125 MTs Silos for storing rice will be around 4200 meter cube. The diameter, eave height and overall height of silos could be decided by the operator around these parameters keeping the hydrostatic pressure on the Food Grains at optimum levels.

3. Components of Silo

Essential Components of Silos Storage	Requirements
Silos	Galvanized, corrugated, bolted sheet metal Silos having Minimum galvanizing of not less than 300 Gms./mtr. Sq.



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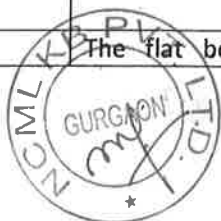
	capable of lasting for 30 years. Civil & mechanical design to suit wind pressure and seismic zone as per prevailing site zone notification Also the Silos should be water-tight and relatively air tight
Aeration fans and aeration floor	Double F or Double H or 100% aeration floor, aeration fans having capacity between 4.5 to 6 meter cube per hour per ton
Chiller for milled rice storage	100% aeration floor and chiller capacity to cool 3125 MT silos in 7 days from ambient temperature to 15 degrees C
Temperature monitoring system	12500 MTs silos should have 13 to 15 temperature cables, having 9 to 11 temperature sensors and 3125 MTs silos should have 9 to 11 temperature cables having 6 to 8 temperature sensors
Stationary vents and mechanical ventilators	Sufficient stationary vents for perpetual ventilation and mechanical ventilators to safeguard the condensation at the head space of the silos
Provision for Fumigation	A close loop fumigation system either from the aeration fans or a separate phosphine generator
Food grain shifting system	Material handling system enabling shifting of Food Grain from one Silo to another in-case it is required to cool the Food Grain to atmospheric temperature
Internal Process Quality Control (IPQC)	Material Handling system should have provision to re circulate the Food Grain for drawing the samples for lab analysis required for IPQC

4. Design basis & Specifications for all disciplines

Sr no	Component	Requirement & Specifications	BIS/International Standard
1	Land Requirement	For Storage Facility minimum 7 acres of land is required. Other specifications as documented in the Request for Proposal Document for the project.	
2	Boundary wall with separate entry and exit gates	1.8 meter high boundary wall made of bricks/stone and mortar having 0.75 meter concertina wire coils to protect from outside intrusion	The guideline for construction should be taken from BIS Hand Book on Masonry Design and Construction section 5.5.2.1 or other relevant section
3	Electronic Weigh Bridges for gross & tare weight	2 nos pit less or pit type having steel platform or concrete platform having steel base with minimum 6 load cells. It should be at least 16 meter long and capable of weighing 60 MT load.	Indian standard IS-1436(1991): weigh bridges specifications and IS - 9281 Part 1 of 4 (1979) for electronic weighing system including load cells. Weighbridges shall conform to Standard of Weight and Measures Act, 1976 and the Standards of Weights and Measures (Packaged Commodities) Rules,



			1977 of India
4	Truck Parking	For parking 50 trucks with minimum 1600 square meter parking area	The construction should be based on standards like IS:15658:2006 on "Precast Concrete Blocks for Paving – Specification," Bureau of Indian Standards. IRC SP: 63-2004 "Guidelines for Use of Interlocking Concrete Block Pavement" Indian Roads Congress
5	Administration Office	Suitably designed office block to accommodate the requisite staff for ease of working	
6	Laboratory for Lab testing	A suitably designed lab to test 40 samples per hour should have a requisite working space	
7	Unloading station for receiving the bags for bulking or bulk trolleys	A dumping station which should have minimum 16X3 meter area with a capability of unloading 8 Vehicles of all type back to back. It should have four dumpits of the size of 2.7X2.7 meter and 5 meter deep covered by MS grating. The unloading capability should be minimum 125 TPH. Provision of one hydraulic tipping of 9X3 meter should be there within the same area of dumping.	For civil construction "BIS hand book on Masonry Design and Construction" and for welding IS:1024 -1979 (1st Rev) should be referred to
8	Pre storage silos & its Material Handling	For the option two hopper bottom pre storage silos of 250 MTs required having intake and out take at minimum 125 TPH with a provision of aeration and fumigation capability. A suitably designed catwalk and supporting structuring. All pre storage silos, catwalk and supporting structure to be hot galvanized. Civil & mechanical design to suit wind pressure and seismic zone as per prevailing site zone notification	The design of the silo should be based on Singapore Standard SS EN 1993-4-1:2011 which is an adaption of the European Standard code EN 1993-4-1: 2007, IDT. This standard has all the references of the individual components of silo. The concrete foundations should be as per EN 1992 and EN 1997. All the steel structure and civil foundations with retaining walls should be based on prevailing seismic zone and wind velocity of the particular site. IS: 5503 (Part – I & Part – II) -1969 and IS: 9178 (Part – II) -1979 could also be referred.
9	Process tower	A suitably designed structure is required to accommodate cleaner and online weigher in a gravity flow at minimum 125 TPH flow. The structure should adhere to the site notification on wind pressure and seismic zone.	The reference codes for the structure designs are IS: 800-1984 Code for practice for general construction in steel, SP6 (1) Handbook for structural steel sections, IS: 875-1987 (2 nd rev) part 1 to 5 Code of practice for design loads for buildings and structures.
10	Long Term	The flat bottom silos should have	The design of the silo should be



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	Storage Silos	components as explained in the above section "Silo specifications". The silos sheets should be hot dip galvanized having galvanization thickness of minimum 350 gm per square meter. The intake material handling capacity should be minimum 125 TPH and the reclaim capacity minimum 100 TPH. Its conveyors, elevators, catwalk, internal & external ladder should be hot dip galvanized. The tunnel should have appropriate ventilation. The volume of 12500 MT silo should be minimum 16666 meter cube and for 3125 MT silo should be minimum 4200 meter cube. The silo floor should be minimum 1.5 meter above ground level. It should have components like sweep augur, temperature monitoring system, stationary vents and mechanical ventilators, aeration floor four aeration fans, inspection windows and level sensors.	based on Singapore Standard SS EN 1993-4-1:2011 which is an adaption of the European Standard code EN 1993-4-1: 2007, IDT. This standard has all the references of the individual components of silo. The concrete foundations are as per EN 1992 and EN 1997. As the steel structure and civil foundations with retaining walls are based on prevailing seismic zone and wind velocity as per norms of the particular site. Seismic design RC columns and wall section IS: 5503 (Part – I & Part – II) -1969 and IS: 9178 (Part – II) -1979 could also be referred
11	Chiller for milled rice chilling	With a provision of 100% aeration floor in 3125 MT silos, one chiller should have a capacity to chill the rice grain to 15 degrees with ambient atmospheric conditions within seven days on continued operations	The construction should be as per code DIN EN 12900
12	Fumigation system	A close loop system either having an external fan of 5000 meter cube or with silos aeration fan or phosphine generator is required for the fumigation of food grains	The phosphine formulation should be as per BIS 1980. Irrespective of formulation used, be it aluminium phosphide or phosphine granules, a system needs to be designed for 1.5 g/meter cube phosphine gas.
12	Weighing and Bagging System	Load cell based a semi-automatic weighing & bagging system along with a stitching machine having single or two machines having combined capacity of 60 TPH and reasonable mechanical system to stack & load bagged wheat and for loading into the trucks for local distribution. The accuracy of the system should be minimum 0.01%.	The electronic weighing system shall conform to IS-1436 (1991)
13	Bags Storage warehouse	1500 square meter warehouse is required which should be fire proof and rodent proof with level and aeration should be as per FCI/CWC specification	As per CWC/FCI specifications



14	Bulk truck Loading system	A 100 MTs hopper bottom silos having discharge height of 4.5 meter above ground level. It should be installed adjacent to the process tower to pre weigh food grains from the online weigher.	
15	Electrical sub station	A substation having a transformer of 750 KVA is required which would have free access to the entry of the State Electricity Board officials.	As per the State Electrical Inspectorate specifications
16	Fire Fighting System	A suitably designed firefighting system is required as per the norms of the local Fire Fighting department which has hydrants, portable fire extinguishers like CO2, dry powder type etc.	As per State Fire department specifications
17	Rain Water Harvesting	A suitably designed rain water harvesting system as per State Government specification is required which works as a storm water drainage as well.	As per local authority norms.
20	Power Back up	250 KVA power back up is required which can be either two 125 KVA gen set or one 125 KVA with two 62.5 KVA combination	As per State Electrical Inspectorate norms

5. Identifying Performance Standards

Refer Schedule G

6. Gain acceptance specifications:

Refer Schedule F

7. Other requirements:

Sr no	Requirements	Compliances
1	Sampling, testing and weightment facility requirement	Sampling for quality testing to be done at the time of intake by bulk trucks, farmer's trolleys, bagged trucks, during long term storage, prior to bagging etc. Proper system for sampling and testing as per prevailing Indian and International norms for accurate results. Weightment should be as per weights and measures act of India.
2	Storage Specifications	The acceptance of quality of Food Grains is as per FAQ standards. The storage parameters are required to be same as been received.
3	Fumigation Requirement	The storage needs to be insect free but still two fumigation cycles are expected once as a preventive



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		fumigation and other as a curative fumigation. Beyond two fumigation a care needs to be taken for phosphine residue as per PFA.
4	Delivery Requirement	For bulk trucks a day notice, for bagged trucks delivery 1000 MTs per day working of 10 hours.
5	Maintenance requirement	The Storage Facility should be available at least 96% of the time per year and any stoppages or maintenance should be informed to FCI well in advance.
6	Operational and Management plan & system which is compatible for ISO certification	A well thought system for operational management conforming all the requirements needs to be written and shared. A PLC/SCADA system is a good enabler for the purpose which serves well for safe operations as well.
7	Testing and commissioning procedures and acceptance certification	FCI's representative will inspect by appointing a third party company to verify the dry run testing of the Silo equipments and thereafter for on load testing for the final acceptance certification. The equipments would be tested for the capacities and dimensions as per the Standards and Specifications.
8	Environment Management plan	Pre post commissioning stages the facility management should conform to the State Environment & Pollution norms. Any deviation would lead to strict action by the Implementing Agency
9	Safety Management plan	A well laid out safety plan as specified by the bidder in the Maintenance Manual should be adhered to avoid any kind of minor or major accidents. High structures like Process tower, the catwalks of the Silos etc. should be provided with the lightening arrester system

8. Moisture –mass equivalence

Gain/loss norm in respect of Food Grain shall be as follows:

- No loss in weight due to drying shall be allowable
- In case of gain the following adjustment in weight shall be done :
 - a 0.7% gain in weight of food grain shall be reduced for every 1% increase in moisture content.


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E. SCHEDULE E - Storage and Handling Charges

The illustration for calculation of Fixed Storage Charge, Variable Charge and Bag Handling Charge, payable by the Authority to the Concessionaire for an Accounting Year is shown below:

1.) Fixed Storage Charges

- i. The base unit rates for Fixed Storage Charge payable by the Authority to the Concessionaire is Rs. 66.04 (Rupees Sixty Six and four paise) per MT per month. This base rate is applicable for the Accounting Year in which the COD is achieved.
- ii. Fixed Storage Charge payable for a month in nth Accounting Year in Rupees =
(Unit rate of Fixed Storage Charges for a year payable in the nth Accounting year) X
(Capacity in Tons X 1/12 X Availability)

Where

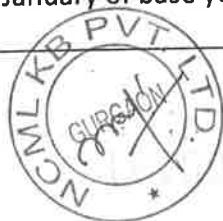
Unit rate of Fixed Storage Charges payable for a year payable in nth Accounting Year in Rupees = (Unit rate for Fixed Storage Charges in Rs per ton per year for (n-1)th Accounting year) X (1-2%) X (1 + variation in Price Index between January of base year and January of nth year)

2.) Variable Charges:

- i. The base unit rate for the Variable Charge payable by the Authority to the Concessionaire is [Rs. 0.57 (fifty seven paise)] per quintal per month. This base rate for the Accounting Year in which COD occurs this is the same year in which the COD is achieved.
- ii. In case of rice storage, initial chilling charge and maintenance chilling charge will be payable by the Authority to the Concessionaire. The base rates for these charges is
a. Initial chilling charges of Rs. 43 (forty three) per ton, payable as per capacity of each rice silo occupied – whether partially or fully; and applicable on the basis of the rice received for storage
b. Maintenance chilling charges of Rs. 38 (thirty eight) per ton per year, payable on pro-rata basis for capacity of rice silos occupied – whether partially or fully
- i. Total Variable Charges payable for a month in the nth Accounting Year in Rupees =
(Unit rate of Variable Charge for the nth Accounting Year) X (quantity of Food Grain stored in the Storage Facility) + (Unit rate of initial chilling charges for the nth Accounting Year) x (No of rice Silos occupied (when rice is received at the Project Facility)) + (Unit rate of maintenance chilling charges for the nth Accounting Year) x (No of rice Silos occupied) x (duration for which the rice is stored in the Silo)

Where

Unit Rate of Variable charge for the nth Accounting Year in Rs per Ton =
(Unit Rate of Variable charge in Rs per Ton for (n-1)th Accounting year) X (1+ variation in Price Index between January of base year and January of nth year)



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Unit Rate of initial chilling charge for the nth Accounting Year in Rs per Ton =
(Unit Rate of initial chilling charge in Rs per Ton for (n-1)th Accounting year) X (1+ variation
in Price Index between January of base year and January of nth year)

Unit Rate of maintenance chilling charge for the nth Accounting Year in Rs per Ton =
(Unit Rate of maintenance chilling charge in Rs per Ton for (n-1)th Accounting year) X (1+
variation in Price Index between January of base year and January of nth year)

3.) Calculation of Bag Handling Charges

The base unit rates for Bag Handling Charges payable by the Authority to the Concessionaire is as follows:

- i. De-bagging charges of Rs. 1.20 (one point two zero) per Bag, payable on the number of Bags de-bagged
- ii. Bagging charges of Rs. 1.75 (one point seven five) per Bag, payable on the number of Bags bagged
- iii. Stacking and Loading charges of Rs. 1.83 (one point eight three) per Bag, payable on the number of Bags stacked and loaded

These base rates for the Bag Handling Charges is applicable for the Accounting Year in which COD occurs

Bag Handling Charges payable in the nth Accounting Year in Rupees = (Unit Rate for Bag Handling Charges for nth Accounting Year in Rs per Bag) X (No of Bags de-bagged/bagged/stacked and loaded, as applicable)

Where

- Unit Rate of Bag Handling Charges for nth Accounting Year in Rs per Bag = (unit rate of Bag Handling Charges in Rs. per Bag for (n-1)th Accounting Year) x (1 + (80% X (variation in CPI_n and CPI_b))
- CPI_n is the annual average of All India Consumer Price Index for Industrial Workers published by Labour Bureau, Government of India for the month of January immediately preceding the date of revision;
- CPI_b is the annual average of All India Consumer Price Index for Industrial Workers published by Labour Bureau, Government of India for month January immediately preceding the start of the base Year mentioned in Clause 25.2.4
- Quantity of Food Grain received in the Storage Facility is to be determined as per Pre-Acceptance Test Reports
- Quantity of Food Grain dispatch in the Storage Facility is to be determined as per Dispatch Reports

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F. Schedule F - Grain Acceptance Specifications

The Schedule shows the maximum permissible limits of different Refractions in Fair Average Quality (FAQ) of Wheat and Rice has been notified in FY2013. The FAQ norms are notified every year. The FAQ for the applicable year needs to be complied with. Current FAQ norms are provided below:

For Wheat:

The acceptable limits are

- Foreign matter: 0.75% maximum
- Other food grains: 2% maximum
- Damaged grains: 2% maximum
- Slightly damaged grains: 6% maximum
- Shriveled and broken grains: 7% maximum

Other conditions:-

- 1) Moisture in excess of 12% to be rejected.
- 2) Within the overall limit specified for foreign matter, the poisonous weed seeds shall not exceed 0.4% of which Dhatura and Akra (Vicia species) shall not be more than 0.025% and 0.2% by weight respectively.
- 3) Kernels with glumes will not be treated as unsound grains. During physical analysis the glumes will be removed and treated as organic foreign matter.
- 4) Within the overall limit specified for damaged grains, ergot affected grains shall not exceed 0.05%.
- 5) In case of stocks having living infestation, a cut at the rate of Rupee one per quintal may be charged as fumigation charges.

For weeviled grains determined by count, following price cuts will be Imposed,

- i. from the beginning of the season till end of August the rate of cut will be Rupee one per quintal, for every 1% or part thereof.
- ii. from 1st September till end of October, no cut will be imposed up to 1% while for any excess, the cut will be @Rs.1/- per quintal., for every 1% or part thereof.
- iii. from 1st November till end of season no cut will be imposed upto 2% while for any excess the cut will be @ Rs.1/- per quintal, for every 1% or part thereof.
- iv. stocks containing weeviled grains in excess of 3% will be rejected.

FAQ For Rice:

Sr. No	Refractions	Maximum Limit %age	
		Grade A	Common
1	Broken* Raw	25	25



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	Parboiled/single parboiled Rice	16	16
2	Foreign Matter** Raw/Parboiled/single Parboiled rice	0.5	0.5
3	Damaged#/Slightly Damaged Grains Raw Parboiled/Single parboiled rice	3.0 4.0	3.0 4.0
4	Discoloured Grains Raw Parboiled/single Parboiled rice	3.0 5.0	3.0 5.0
5	Chalky Grains Raw	5.0	5.0
6	Red grains Raw/Parboiled/Single Parboiled rice	3.0	3.0
7	Admixture of lower class Raw/Parboiled/Single Parboiled rice	6.0	--
8	Dehusked Grains Raw/Parboiled/Single Parboiled rice	12.0	12.0

*Not more than 1% by weight shall be small broken

**Not more than 0.25% by weight shall be mineral matter and not more than 0.10% by weight shall be impurities of animal origin

#Including pin point damaged grains

Rice lot having moisture above 12% to be rejected

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G. Schedule G - Performance Standards

- The Storage Facility and its Operation and Maintenance are required to meet the following specifications:
- The performance standards are for wheat & rice, both of which have same bulk density, are described below. However in case of paddy, which has low bulk density, the performance standards will be 16% lower as compared to wheat & rice.

Sr no	Requirements	Performance Standard
1	Truck Parking	For minimum 50 trucks
2	Service time for Food Grains delivery for unloading	3 MT tractor trolly or equivalent
3	Delivery of bagged wheat and rice	Minimum 1000 MTs per 10 hours during a day's working
4	Quality testing parameter for intake or off take of Food Grains	Intake as per prevailing FAQ of Government of India. The moisture content will not be more than 12%. During offtake if weeviled grain % increases more than 3% from the receiving weighted average then full value cut equivalent to the economic cost will be levied. More than 10 % weeviling the entire lot will be rejected at the economic cost of the year of delivery.
5	Food Grains intake capacity	Minimum 125 TPH and 2500 MTs per day
6	Intake & discharge capacity of Pre-Storage silos	Minimum 125 TPH
7	Cleaner & Online weigher capacity of the process tower	Minimum 125 TPH
8	Intake capacity of Long Term Storage Silos	Minimum 125 TPH
9	Discharge capacity of Long Term Storage Silos	Minimum 100 TPH
10	Bagging capacity	Minimum 60 TPH
11	Truck loading capacity of bagged Food Grain	Minimum 100 TPH
13	Paperless stock auditing and quality audit	Once in a month
14	Physical audit of stocks	Once in a year or once in two year
15	Dust loss In Food Grains	Maximum 0.05% of the intake quantity if the storage is beyond one year
16	Stock and asset insurance	By the concessionaire
17	Intake weight	Weigh bridge receipts
18	Facility/Silos availability per year	96% availability per year. 100% availability during the Harvest Seasons of Food Grains.
19	Interlocking system	A food proof system to avoid mixing of wheat into rice silos and vice versa

- The above specifications of Storage Facility should be read along with the Standards and Specification.



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H. Schedule H - Maintenance Requirement

1. MAINTENANCE REQUIREMENTS

- a. The Concessionaire shall, at all times, operate and maintain the Storage Facility in accordance with the provisions of the Agreement, Applicable Laws and Applicable Permits. In particular, the Concessionaire shall, at all times during the Operation Period, conform to the maintenance requirements set forth in this Schedule H (the "Maintenance Requirements").
- b. The Concessionaire shall repair or rectify any defect or deficiency set forth in Paragraph 2 of this Schedule H within the time limit specified therein and any failure in this behalf shall constitute a breach of the Agreement. Upon occurrence of any breach hereunder, the Authority shall be entitled to recover Damages as set forth in Clause 17.8 of the Agreement, without prejudice to the rights of the Authority under the Agreement, including Termination thereof.

2. REPAIR/RECTIFICATION OF DEFECTS AND DEFICIENCIES

- a. The obligations of the Concessionaire in respect of Maintenance Requirements shall include repair and rectification of the defects and deficiencies specified in Annex - I of this Schedule H within the time limit set forth therein.
- b. The Concessionaire shall at all times maintain an adequate inventory of spares and consumables to meet the Maintenance Requirements.

3. OTHER DEFECTS AND DEFICIENCIES

- a. In respect of any defect or deficiency not specified in Annex - I of this Schedule H, the Concessionaire shall undertake repair or rectification in accordance with Good Industry Practice.
- b. In respect of any defect or deficiency not specified in Annex - I of this Schedule H, the Independent Expert may, in conformity with Good Industry Practice, specify the permissible limit of deviation or deterioration with reference to the Standards and Specifications, and any deviation or deterioration beyond the permissible limit shall be repaired or rectified by the Concessionaire within the time limit specified by the Independent Expert.

4. EXTENSION OF TIME LIMIT

- a. Notwithstanding anything to the contrary specified in this Schedule H, if the nature and extent of any defect or deficiency justifies more time for its repair or rectification than the time specified herein, the Concessionaire shall be entitled to additional time in conformity with Good Industry Practice. Such additional time shall be determined by the Independent Expert and conveyed to the Concessionaire and the Authority with reasons thereof.

5. EMERGENCY REPAIRS/RESTORATION

- a. Notwithstanding anything to the contrary contained in this Schedule H, if any defect, deficiency or deterioration in the Storage Facility poses a hazard to safety or risk of damage to property, the Concessionaire shall promptly take all reasonable measures for eliminating or minimising such danger

6. INSPECTION BY THE CONCESSIONAIRE

- a. The Concessionaire shall, through its engineer, undertake a periodic (at least weekly) visual inspection of the Storage Facility in accordance with the Maintenance Manual and maintain a record thereof in a register to be kept in such form and manner as the Independent Expert may specify. Such record shall be kept in safe custody of the Concessionaire and shall be open to inspection by the Authority and the Independent Expert at any time during office hours.

7. DISPLAY OF SCHEDULE H

The Concessionaire shall display a copy of this Schedule H at the Storage Facility.



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Annex – I of Schedule H

Repair/Rectification of Defects and Deficiencies

The Concessionaire shall repair and rectify the defects and deficiencies specified in this Annex- I of Schedule H to conform to Standards and Specifications and Performance Standards within the time limit set forth herein.

Nature of defect or deficiency	Time limit for repair/ rectification
Breakdown of conveyor	24 hours
Breakdown of elevator	24 hours
Breakdown of DG set	24 hours
Breakdown of, or defect in, silo temperature monitoring system	7 days
Breakdown of, or defect in, weighbridge / online weigher	48 hours
Breakdown of, or defect in, fumigation system	48 days
Breakdown of, or defect in, bagging machines	48 hours
Breakdown of, or defect in, laboratory equipment	48 hours
Breakdown of, or defect in, fire hydrant system	24 hours
Truck parking	48 hours

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I. Schedule I - Safety Requirements

1. GUIDING PRINCIPLES

- a. Safety Requirements aim at reduction in injuries, loss of life and damage to property resulting from accidents at the Project, irrespective of the person(s) at fault.
- b. Safety Requirements apply to all phases of construction, operation and maintenance with emphasis on identification of factors associated with accidents, consideration of the same, and implementation of appropriate remedial measures.
- c. Safety Requirements include measures associated with safe movement, safety management, safety equipment, fire safety, enforcement and emergency response, with particular reference to the Safety Guidelines specified in Annex - I of this Schedule I.

2. OBLIGATIONS OF THE CONCESSIONAIRE

- a. The Concessionaire shall abide by the following: (a) Applicable Laws and Applicable Permits; (b) provisions of this Agreement; (c) relevant Standards/Guidelines contained in internationally accepted codes; and (d) Good Industry Practice.

3. SAFETY MEASURES DURING OPERATION PERIOD

- a. The Concessionaire shall develop, implement and administer a safety programme for the Storage Facility and any persons who may be affected by it, including correction of safety violations and deficiencies and all other actions necessary to provide a safe environment in accordance with this Agreement.
- b. The Concessionaire shall keep a copy of every FIR recorded by the Police with respect to any accident occurring on or about the Storage Facility. In addition, the Concessionaire shall also collect data for all cases of accidents not recorded by the Police. The information so collected shall be summarised and submitted to the Authority at the conclusion of every quarter.
- c. The Concessionaire shall submit to the Authority before the 31st (thirty first) May of each year, an annual report (in three copies) containing, without limitation, a detailed listing and analysis of all accidents of the preceding Financial Year and the measures taken by the Concessionaire pursuant to the provisions of Paragraph 3.a of this Schedule I for averting or minimising such accidents in future.
- d. Once in every Financial Year, the Concessionaire shall, at its costs, cause a safety audit to be carried out for review and analysis of the annual report and accident data of the preceding year. The recommendations of such safety audit shall be communicated to the Authority and the Independent Expert. Within 15 (fifteen) days of receipt of such communication from the Concessionaire,



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the Authority and the Independent Expert shall send their respective comments thereon to the Concessionaire, and no later than 15 (fifteen) days of receiving such comments, the Concessionaire shall review the same and carry out any or all of the recommendations with such modifications as the Authority and Independent Expert may specify.

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J. SCHEDULE J - Drawings

Drawings

In compliance of the obligations set forth in Clause 12.2 of this Agreement, the Concessionaire shall furnish to the Independent Expert, free of cost, all Drawings listed below:

A Functional Block Diagram;


Process Flow Diagram(s);

Process and Instrumentation Diagrams (P & ID);

General Arrangement Drawings (layouts, sections and elevations) for:

- i. Unloading and sampling station;
- ii. dispatch and sampling station;
- iii. weighing system for intake and dispatch of Food Grains;
- iv. Bag unloading and receiving systems;
- v. storage systems including capacity of Silos and their conveying systems; and
- vi. process tower including reject bins, cleaners, dust filters, bucket elevators, chain conveyors, belt conveyors, screw conveyors, spouting and ducting, and gates and diverters;
- vii. Silo bottom discharge arrangement;
- viii. Aeration system and fumigation system;
- ix. Silo temperature monitoring system;
- x. Layout of ancillary buildings including security offices, weighing offices, electrical room and stand-by generator room, administrative office, control room, quality control laboratory, cafeteria and restrooms;
- xi. Fire hydrant system;
- xii. Fumigation system; and
- xiii. Electric system.




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K. SCHEDULE K - Tests

1. Schedule for Tests

- a. The Concessionaire shall, no later than 30 (thirty) days prior to the likely completion of the Storage Facility, notify the Independent Expert and the Authority of its intent to subject the Storage Facility to Tests, and no later than 7 (seven) days prior to the actual date of Tests, furnish to the Independent Expert and the Authority detailed inventory and particulars of all works and equipment forming part of the Storage Facility
- b. The Concessionaire shall notify the Independent Expert of its readiness to subject the Storage Facility to Tests at any time after 7 (seven) days from the date of such notice, and upon receipt of such notice, the Independent Expert shall, in consultation with the Concessionaire, determine the date and time for each Test and notify the same to the Authority who may designate its representative to witness the Tests. The Independent Expert shall thereupon conduct, or cause to be conducted, any of the following Tests in accordance with Clause 13.3 and this Schedule K.

2. Tests

- a. Without prejudice to the provisions of this Schedule K, the Independent Expert shall require the Concessionaire to carry out or cause to be carried out Tests, in accordance with Good Industry Practice, for determining the compliance of the Storage Facility with Specifications and Standards.
- b. Visual and Physical Test
 - i. The Independent Expert shall conduct a visual and physical check of the Storage Facility, in accordance with this paragraph 2.b, to determine that all works and equipment forming part thereof conform to the provisions of this Agreement.
- c. Trial run
 - i. The Independent Expert shall require the Concessionaire to carry out or cause to be carried out a trial run to determine that the Storage Facility is in conformity with the Specifications and Standards, especially with respect to the capacity of each of its systems and equipment.
- d. Tests for equipment
 - i. The Independent Expert shall conduct or cause to be conducted Tests, in accordance with Good Industry Practice, for determining the compliance of all systems and equipment comprising the Storage Facility. Such systems and equipment shall include:
 1. Feeding and extraction systems;
 2. Ventilation systems;
 3. Systems for measurement and control of humidity, heat and light



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- exposure;
4. Systems for handling of Food Grains;
 5. Systems for fumigation;
 6. Aeration systems for cooling and equalising of moisture and temperature; and
 7. Systems for preventing moisture migration.
- e. Tests for weighment and testing facilities:
- i. The Independent Expert shall conduct or cause to be conducted Tests for determining the compliance of weighment and testing facilities with the Specifications and Standards, Applicable Laws, Applicable Permits, Good Industry Practice and the calibration certificate issued by the manufacturers.
- f. Environmental audit:
- i. The Independent Expert shall carry out a check to determine conformity of the Storage Facility with the environmental requirements set forth in Applicable Laws and Applicable Permits.
- g. Safety review:
- i. The Independent Expert shall carry out a safety audit of the Storage Facility to determine its compliance with the provisions of Schedule K and this Agreement.
- h. Air compression and diesel generator sets:
- i. The Independent Expert shall conduct or cause to be conducted Tests to determine that the air compression units of all utilities conform to their rated capacities; and the diesel generator sets are capable of being operated for 48 hours in full load and no load conditions.
- 3. Agency for conducting Tests**
- a. All Tests set forth in this Schedule K shall be conducted by the Independent Expert or such other agency or person as it may specify in consultation with the Authority.
- 4. Tests for Safety Certification**
- a. Tests for determining the conformity of the Storage Facility with the Safety Requirements shall be conducted in accordance with Good Industry Practice and in conformity with Applicable Laws and Applicable Permits.
- 5. Completion/Provisional Certificate**
- a. Upon successful completion of Tests, the Independent Expert shall issue the Completion Certificate or the Provisional Certificate, as the case may be, in accordance with the provisions of Article 14



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L. Schedule L

Damages for shortfall in Storage Services and Non-Conformance on quality and quantity

(Parameters)	Damages payable
Quantity loss at the time of stock taking	Damages payable at Economic Cost. The Economic Cost in the year the loss is reported to be considered
Quality loss at the time of dispatch	Value cut as applicable under FAQ norms If the stock is not in compliance with FAQ norms, Damages payable at Economic Cost
Delay in handling trucks	Damages at the rate of Rs 20 per ton for every hour of delay beyond the stipulated time for handling trucks The deviation is to be calculated on average quarterly basis The rate of penalty shall be revised annually with effect from April 1 every year to reflect 100% of increase in aggregate whole sale price index, as published by Reserve Bank of India
Shortfall in Availability below Normative Availability level	At the rate of Rs 40,000 (Rs Forty Thousand) per day for each day of shortfall in Availability during period other than Harvest Season and Rs 80,000 (Rs Eighty Thousand) per day during Harvest Season. In case of shortfall of less than a day, penalty shall be on pro-rata basis. It is agreed that if such disruption is cumulatively for more than an hour in a calendar day, than such Non-Availability shall be considered for the purpose of this calculation. The rate of penalty shall be revised annually with effect from April 1 every year to reflect 100% of increase in aggregate whole sale price index (WPI), as published by Reserve Bank of India
Lower Reliability	In the event that the Reliability in a quarter exceeds 1 (One) Forced Closure in the Storage Facility, the Concessionaire shall pay to the Authority Damages equal to 2.5% (two point five per cent) of the Fixed Storage Charges payable for the Storage Facility in accordance with the provisions of Clause 25.1.4 for each such Forced Closure in excess of 1 (One)



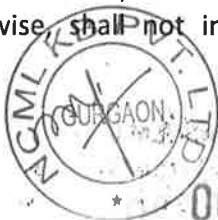
M. SCHEDULE M - PERFORMANCE SECURITY

The Chairman,
Food Corporation of India
New Delhi
WHEREAS:

- (A) (the "Concessionaire") and the Chairman, Food Corporation of India (the "Authority") have entered into a Concession Agreement dated (the "Agreement") whereby the Authority has agreed to the Concessionaire undertaking of CONSTRUCTION, OPERATION & MAINTENANCE OF STORAGE FACILITY UNDER DESIGN, BUILD, FINANCE, OPERATE & TRANSFER (DBFOT) MODEL basis, subject to and in accordance with the provisions of the Agreement.
- (B) The Agreement requires the Concessionaire to furnish a Performance Security to the Authority in a sum of Rs .***** (in words) (the "Guarantee Amount") as security for due and faithful performance of its obligations, under and in accordance with the Agreement, during the Concession Period (as defined in the Agreement).
- (C) We, through our Branch at (the "Bank") have agreed to furnish this Bank Guarantee by way of Performance Security.

NOW, THEREFORE, the Bank hereby, unconditionally and irrevocably, guarantees and affirms as follows:

1. The Bank hereby unconditionally and irrevocably guarantees the due and faithful performance of the Concessionaire's obligations during the Concession Period, under and in accordance with the Agreement, and agrees and undertakes to pay to the Authority, upon its mere first written demand, and without any demur, reservation, recourse, contest or protest, and without any reference to the Concessionaire, such sum or sums upto an aggregate sum of the Guarantee Amount as the Authority shall claim, without the Authority being required to prove or to show grounds or reasons for its demand and/or for the sum specified therein.
2. A letter from the Authority, under the hand of an officer not below the rank of General Manager in the Food Corporation of India that the Concessionaire has committed default in the due and faithful performance of all or any of its obligations under and in accordance with the Agreement shall be conclusive, final and binding on the Bank. The Bank further agrees that the Authority shall be the sole judge as to whether the Concessionaire is in default in due and faithful performance of its obligations during the Concession Period under the Agreement and its decision that the Concessionaire is in default shall be final, and binding on the Bank, notwithstanding any differences between the Authority and the Concessionaire, or any dispute between them pending before any court, tribunal, arbitrators or any other authority or body, or by the discharge of the Concessionaire for any reason whatsoever.
3. In order to give effect to this Guarantee, the Authority shall be entitled to act as if the Bank were the principal debtor and any change in the constitution of the Concessionaire and/or the Bank, whether by their absorption with any other body or corporation or otherwise, shall not in any way or manner affect the liability or



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- obligation of the Bank under this Guarantee.
4. It shall not be necessary, and the Bank hereby waives any necessity, for the Authority to proceed against the Concessionaire before presenting to the Bank its demand under this Guarantee.
 5. The Authority shall have the liberty, without affecting in any manner the liability of the Bank under this Guarantee, to vary at any time, the terms and conditions of the Agreement or to extend the time or period for the compliance with, fulfilment and/ or performance of all or any of the obligations of the Concessionaire contained in the Agreement or to postpone for any time, and from time to time, any of the rights and powers exercisable by the Authority against the Concessionaire, and either to enforce or forbear from enforcing any of the terms and conditions contained in the Agreement and/or the securities available to the Authority, and the Bank shall not be released from its liability and obligation 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 Concessionaire or any other forbearance, indulgence, act or omission on the part of the Authority or of any other matter or thing whatsoever which under any law relating to sureties and guarantors would but for this provision have the effect of releasing the Bank from its liability and obligation under this Guarantee and the Bank hereby waives all of its rights under any such law.
 6. This Guarantee is in addition to and not in substitution of any other guarantee or security now or which may hereafter be held by the Authority in respect of or relating to the Agreement or for the fulfilment, compliance and/or performance of all or any of the obligations of the Concessionaire under the Agreement.
 7. Notwithstanding anything contained hereinbefore, the liability of the Bank under this Guarantee is restricted to the Guarantee Amount and this Guarantee will remain in force until the earlier of the 1st (first) anniversary of the Appointed Date or compliance of the conditions specified in paragraph 8 below and unless a demand or claim in writing is made by the Authority on the Bank under this Guarantee, no later than 6 (six) months from the date of expiry of this Guarantee, all rights of the Authority under this Guarantee shall be forfeited and the Bank shall be relieved from its liabilities hereunder.
 8. The Performance Security submitted by the Concessionaire in accordance with this Agreement shall be released by the Authority 180 (one hundred and eighty) days after the expiry of the Concession Period or Termination of this Agreement. Provided, such release shall be effective only after: (i) issue of a certificate from the Independent Expert mentioning that the Concessionaire is not in default of its obligations under the Agreement; and (ii) concurrence of the Authority to such certificate with respect to performance of such obligations as per the Agreement.
 9. The Bank undertakes not to revoke this Guarantee during its currency, except with the previous express consent of the Authority in writing, and declares and warrants that it has the power to issue this Guarantee and the undersigned has full powers to do so on behalf of the Bank.
 10. Any notice by way of request, demand or otherwise hereunder may be sent by post addressed to the Bank at its above referred Branch, which shall be deemed to have been duly authorised to receive such notice and to effect payment thereof forthwith, and if sent by post it shall be deemed to have been given at the time when it ought to have been delivered in due course of post and in proving such notice, when given by


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post, it shall be sufficient to prove that the envelope containing the notice was posted and a certificate signed by an officer of the Authority that the envelope was so posted shall be conclusive.

11. This Guarantee shall come into force with immediate effect and shall remain in force and effect for a period of one year and six months or until it is released earlier by the Authority pursuant to the provisions of the Agreement.

Signed and sealed this day of, 20..... at

SIGNED, SEALED AND DELIVERED

For and on behalf of
the BANK by:

(Signature)
(Name)
(Designation)
(Code Number)
(Address)

NOTES:

The bank guarantee should contain the name, designation and code number of the officer(s) signing the guarantee.

The address, telephone number and other details of the Head Office of the Bank as well as of issuing Branch should be mentioned on the covering letter of issuing Branch.



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N. Schedule N - PROJECT COMPLETION SCHEDULE

1. PROJECT COMPLETION SCHEDULE

- a. During Construction Period, the Concessionaire shall comply with the requirements set forth in this Schedule N for each of the Project Milestones and the Scheduled Completion Date (the "Project Completion Schedule"). Within 15 (fifteen) days of the date of each Project Milestone, the Concessionaire shall notify the Authority of such compliance along with necessary particulars thereof.

2. PROJECT MILESTONE-I

- a. Project Milestone-I shall occur on the date falling on the 180th (one hundred and eightieth) day from the Appointed Date (the "Project Milestone-I").
- b. Prior to the occurrence of Project Milestone-I, the Concessionaire shall have commenced construction of the Project and expended not less than 30% (thirty per cent) of the total capital cost set forth in the Financial Package.

3. PROJECT MILESTONE-II

- a. Project Milestone-II shall occur on the date falling on the 270th (Two Hundred Seventieth) day from the Appointed Date (the "Project Milestone-II").
- b. Prior to the occurrence of Project Milestone-II, the Concessionaire shall have commenced construction of not less than 50% (Fifty per cent) of the total capital cost set forth in the Financial Package.

4. PROJECT MILESTONE-III

- a. Project Milestone-III shall occur on the date falling on the 400th (Four Hundred) day from the Appointed Date (the "Project Milestone-III").
- b. Prior to the occurrence of Project Milestone-II, the Concessionaire shall have commenced construction of not less than 75% (Seventy Five per cent) of the total capital cost set forth in the Financial Package.

5. SCHEDULED COMPLETION DATE for the STORAGE FACILITY

- a. The Scheduled Completion Date for the Storage Facility shall occur on the 540th (five hundred fortieth) day from the Appointed Date.
- b. On or before the Scheduled Completion Date, the Concessionaire shall have completed the Storage Facility in accordance with this Agreement.

6. EXTENSION OF PERIOD

- a. Upon extension of any or all of the aforesaid Project Milestones or the Scheduled Completion Date, as the case may be, under and in accordance with the provisions of this Agreement, the Schedule Completion Date shall be deemed to have been amended accordingly.



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आरक्षक खाते निदेश, मुख्यालय / FCI Hqs.
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O. SCHEDULE O - COMPLETION CERTIFICATE

I, (Name of the Independent Expert), acting as Independent Expert, under and in accordance with the Concession Agreement dated (the "Agreement"), for.....(the "Project") on design, build, finance, operate and transfer (DBFOT) basis, through (Name of Concessionaire), hereby certify that the Tests specified in Article 14 and Schedule K of the Agreement have been successfully undertaken to determine compliance of the Storage Facility with the provisions of the Agreement, and I am satisfied that the Storage Facility can be safely and reliably placed in commercial service thereof.

It is certified that, in terms of the aforesaid Agreement, all works forming part of Storage Facility have been completed, and the Storage Facility is hereby declared fit for entry into commercial operation on this the day of 20.....

SIGNED, SEALED AND DELIVERED

For and on behalf of the INDEPENDENT EXPERT by:

(Signature)

(Name)

(Designation)

(Address)



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महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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ANNEX – I OF SCHEDULE O

PROVISIONAL CERTIFICATE

(I, (Name of the Independent Expert), acting as Independent Expert, under and in accordance with the Concession Agreement dated (the “Agreement”), for (the “Project”) on design, build, finance, operate and transfer (DBFOT) basis through (Name of Concessionaire), hereby certify that the Tests specified in Article 14 and Schedule K of the Agreement have been undertaken to determine compliance of the Storage Facility with the provisions of the Agreement.

Construction Works that were found to be incomplete and/or deficient have been specified in the Punch List appended hereto, and the Concessionaire has agreed and accepted that it shall complete and/or rectify all such works in the time and manner set forth in the Agreement. (Some of the incomplete works have been delayed as a result of reasons attributable to the Authority or due to Force Majeure and the Provisional Certificate cannot be withheld on this account. Though the remaining incomplete works have been delayed as a result of reasons attributable to the Concessionaire,)[@] I am satisfied that having regard to the nature and extent of such incomplete works, it would not be prudent to withhold commercial operation of the Storage Facility pending completion thereof.

In view of the foregoing, I am satisfied that the Storage Facility can be safely and reliably placed in commercial service, and in terms of the Agreement, the Storage Facility is hereby provisionally declared fit for entry into commercial operation on this the day of 20.....

ACCEPTED, SIGNED, SEALED
AND DELIVERED
For and on behalf of
CONCESSIONAIRE by:

SIGNED, SEALED AND
DELIVERED
For and on behalf of
INDEPENDENT EXPERT by:

(Signature)
(Name and Designation)
(Address)

(Signature)
(Name and Designation)
(Address)

@ Strike out if not applicable.


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P. Schedule P

Selection and Terms of Reference for Independent Expert

Selection of Independent Expert (IE)

1. The provisions of Part II of the Standard Bidding Documents for Consultancy Assignments : Time Base (Volume V) issued by Ministry of Finance, GOI in July, 1997 or any substitute thereof shall apply, *mutates mutandis*, for invitation of bids and evaluation thereof save as otherwise provided herein.
2. The Authority shall invite technical and financial offers from consulting firms or bodies corporate, as single entities or consortia, with expertise in engineering and post-harvest agriculture science to undertake and perform the duties and functions set forth in Part III of this Schedule. All technical bids so received shall be opened and pursuant to the evaluation thereof, the Authority shall open the financial bids of the qualified firms. The Independent Expert shall be selected on the basis of the lowest price bid from among the qualified bidders.
 - a. Fees and expenses of Independent Expert
 - i. The Authority shall ensure that that the payments to the IE on account of fees and expenses does not exceed 0.5 % per annum of the Total Project Cost during the Construction Period and 0.25% per annum, adjusted for All India Consumer Price Index (CPI), of the Total Project Cost during Operation Period. The payments made to the IE shall be borne equally by the Authority and the Concessionaire in accordance with this Agreement.
 - b. Appointment of government entity as Independent Expert
 - i. Notwithstanding anything to the contrary contained in this Schedule, the Authority may in its discretion appoint a government-owned entity as the Independent Expert and Auditor; provided that such entity shall be involved in consulting, advisory and supervisory work for work similar to the Project envisaged in this Agreement; provided further that a government-owned entity which is owned or controlled by the Authority and/or the direct administrative ministry of the Authority shall not be eligible for appointment as Independent Expert.

Terms of Reference for Independent Expert

(A) Duties & Responsibilities

1. The Independent Expert shall perform its duties under the Agreement during the Concession Period starting from the Commencement Date as follows :
 - a. To review and comment all activities associated with Construction Works of the Project to ensure compliance with the terms of the Concession Agreement



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- b. Report to the Authority on technical, operational and financial aspects including progress on at least quarterly basis during the Construction Period
 - c. Carry out duties set out in the Concession Agreement
2. The Independent Expert shall have no powers or authority to relieve the Concessionaire of any of its duties or to impose additional obligations other than those expressly provide for in the Concession Agreement.

(B) Scope of Services

1) During the Construction Period

- i. Review and comment the Construction Plan prepared by the Concessionaire with respect to the requirements for Construction Works as specified in the Concession Agreement;
- ii. Review and comment on the adequacy of engineering investigations including but not limited to geo-technical and topographical aspects;
- iii. Review the proposed quality assurance and quality control procedures for the construction stage of the Projects
- iv. Review the safety measures proposed for the construction of the Project;
- v. Supervise works on sample basis and to oversee the materials and workmanship of the Construction Works
- vi. Review the quality assurance and quality control during the Construction Works
- vii. Review the material testing results, mix designs and order special tests of materials and/or completed works and/or suggest removal and substitution of substandard materials and/or works as required;
- viii. Ensure that the construction, procurement and installation and commissioning work is carried out in accordance with the Standards and Specifications and Good Industry Practice;
- ix. Identify delays in completion and recommend to the Concessionaire the remedial measures to expedite the progress;
- x. Review "as-built" drawings for design parameters and performance of the works prepared by the Concessionaire;
- xi. Supervise and monitor various tests as required for the works
- xii. Issue the Completion Certificate in accordance with the provisions of the Concession Agreement;
- xiii. Review and suggest improvements on the O&M Plan
- xiv. Design a Management Information System (MIS) for monitoring of the Project by the Authority
- xv. If required mediate and assist in resolving disputes between both the Parties to the Concession Agreement

2) During the Operation Period

- i. Carry out audits at the Storage Facility to establish quantity and quality parameters



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 मैनेजिंग डायरेक्टर (ऑपरेशन) / Genl. Manager (S/O)
 सार्वजनिक स्वामित्व विभाग, मुख्यालय / FCI Hqrs.
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- a. may, in the absence of bad faith or gross negligence on its part, rely as to any matters of fact which might reasonably be expected to be within the knowledge of the Concessionaire upon a certificate signed by or on behalf of the Concessionaire;
- b. may, in the absence of bad faith or gross negligence on its part, rely upon the authenticity of any communication or document believed by it to be authentic;
- c. shall, within 5 (five) business days after receipt, deliver a copy to the Lenders' Representative of any notice or document received by it in its capacity as the Escrow Bank from the Concessionaire or any other person hereunder or in connection herewith; and
- d. shall, within 5 (five) business days after receipt, deliver a copy to the Concessionaire of any notice or document received by it from the Lenders' Representative in connection herewith.

D. No set off

- i. The Escrow Bank agrees not to claim or exercise any right of set off, banker's lien or other right or remedy with respect to amounts standing to the credit of the Escrow Account. For the avoidance of doubt, it is hereby acknowledged and agreed by the Escrow Bank that the monies and properties held by the Escrow Bank in the Escrow Account shall not be considered as part of the assets of the Escrow Bank and being trust property, shall in the case of bankruptcy or liquidation of the Escrow Bank, be wholly excluded from the assets of the Escrow Bank in such bankruptcy or liquidation.

E. Regulatory approvals

- i. The Escrow Bank shall use its best efforts to procure, and thereafter maintain and comply with, all regulatory approvals required for it to establish and operate the Escrow Account. The Escrow Bank represents and warrants that it is not aware of any reason why such regulatory approvals will not ordinarily be granted to the Escrow Bank.

6. ESCROW DEFAULT

A. Escrow Default

- i. Following events shall constitute an event of default by the Concessionaire (an "Escrow Default") unless such event of default has occurred as a result of Force Majeure or any act or omission of the Authority or the Lenders' Representative:
 - a. the Concessionaire commits breach of this Agreement by failing to deposit any receipts into the Escrow Account as provided herein and fails to cure such breach by depositing the same into the Escrow Account within a Cure Period of 5 (five) business days;



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- b. the Concessionaire causes the Escrow Bank to transfer funds to any account of the Concessionaire in breach of the terms of this Agreement and fails to cure such breach by depositing the relevant funds into the Escrow Account or any Sub-Account in which such transfer should have been made, within a Cure Period of 5 (five) business days; or
 - c. the Concessionaire commits or causes any other breach of the provisions of this Agreement and fails to cure the same within a Cure Period of 5 (five) business days.
- ii. Upon occurrence of an Escrow Default, the consequences thereof shall be dealt with under and in accordance with the provisions of the Concession Agreement.

7. TERMINATION OF ESCROW AGREEMENT

A. Duration of the Escrow Agreement

- i. This Agreement shall remain in full force and effect so long as any sum remains to be advanced or is outstanding from the Concessionaire in respect of the debt, guarantee or financial assistance received by it from the Senior Lenders, or any of its obligations to the Authority remain to be discharged, unless terminated earlier by consent of all the Parties or otherwise in accordance with the provisions of this Agreement.

B. Substitution of Escrow Bank

- i. The Concessionaire may, by not less than 45 (forty five) days prior notice to the Escrow Bank, the Authority and the Lenders' Representative, terminate this Agreement and appoint a new Escrow Bank, provided that the new Escrow Bank is acceptable to the Lenders' Representative and arrangements are made satisfactory to the Lenders' Representative for transfer of amounts deposited in the Escrow Account to a new Escrow Account established with the successor Escrow Bank. The termination of this Agreement shall take effect only upon coming into force of an Escrow Agreement with the substitute Escrow Bank.

C. Closure of Escrow Account

- i. The Escrow Bank shall, at the request of the Concessionaire and the Lenders' Representative made on or after the payment by the Concessionaire of all outstanding amounts under the Concession Agreement and the Financing Agreements including the payments specified in Clause 4.2, and upon confirmation of receipt of such payments, close the Escrow Account and Sub-Accounts and pay any amount standing to the credit thereof to the Concessionaire. Upon closure of the Escrow Account hereunder, the Escrow Agreement shall be deemed to be terminated.

8. SUPPLEMENTARY ESCROW AGREEMENT

A. Supplementary escrow agreement

- i. The Lenders' Representative and the Concessionaire shall be entitled to enter into a supplementary escrow agreement with the Escrow Bank providing, inter alia, for



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detailed procedures and documentation for withdrawals from Sub-Accounts pursuant to Clause 4.1.1 and for matters not covered under this Agreement such as the rights and obligations of Senior Lenders and lenders of Subordinated Debt, investment of surplus funds, restrictions on withdrawals by the Concessionaire in the event of breach of this Agreement or upon occurrence of an Escrow Default, procedures relating to operation of the Escrow Account and withdrawal therefrom, reporting requirements and any matters incidental thereto; provided that such supplementary escrow agreement shall not contain any provision which is inconsistent with this Agreement and in the event of any conflict or inconsistency between provisions of this Agreement and such supplementary escrow agreement, the provisions of this Agreement shall prevail.

9. INDEMNITY

A. General indemnity

- i. The Concessionaire will indemnify, defend and hold the Authority, Escrow Bank and the Senior Lenders, acting through the Lenders' Representative, harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of any breach by the Concessionaire of any of its obligations under this Agreement or on account of failure of the Concessionaire to comply with Applicable Laws and Applicable Permits.
- ii. The Authority will indemnify, defend and hold the Concessionaire 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 Concessionaire's obligations under the Concession 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.
- iii. The Escrow Bank will indemnify, defend and hold the Concessionaire harmless against any and all proceedings, actions and third party claims for any loss, damage, cost and expense arising out of failure of the Escrow Bank to fulfil its obligations under this Agreement materially and adversely affecting the performance of the Concessionaire's obligations under the Concession Agreement other than any loss, damage, cost and expense, arising out of acts done in discharge of their lawful functions by the Escrow Bank, its officers, servants and agents.

B. Notice and contest of claims

- i. 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 9.1 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, which approval shall not 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



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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.

10. DISPUTE RESOLUTION

A. Dispute resolution

- i. Any dispute, difference or claim arising out of or in connection with this Agreement, which is not resolved amicably, shall be decided finally by reference to arbitration to a Board of Arbitrators comprising one nominee of each Party to the dispute, and where the number of such nominees is an even number, the nominees shall elect another person to such Board. Such arbitration shall be held in accordance with the Rules of Arbitration of the International Centre for Alternative Dispute Resolution, New Delhi (the "Rules") or such other rules as may be mutually agreed by the Parties, and shall be subject to the provisions of the Arbitration and Conciliation Act, 1996.
- ii. The Arbitrators shall issue a reasoned award and such award shall be final and binding on the Parties. The venue of arbitration shall be Delhi and the language of arbitration shall be English.

11. MISCELLANEOUS PROVISIONS

A. Governing law and jurisdiction

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

B. Waiver of sovereign immunity

- i. 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



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08/02/25
महानिदेशक (सिलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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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).

C. Priority of agreements

- i. In the event of any conflict between the Concession Agreement and this Agreement, the provisions contained in the Concession Agreement shall prevail over this Agreement.

D. Alteration of terms

- i. 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.

E. Waiver

- i. 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 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 authorised representative of the Party; and
 - c. shall not affect the validity or enforceability of this Agreement in any manner.
- ii. Neither the failure by any 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 any 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.

F. No third party beneficiaries

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

G. Survival

- i. 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



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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.

- ii. All obligations surviving the cancellation, expiration or termination of this Agreement shall only survive for a period of 3 (three) years following the date of such termination or expiry of this Agreement.

H. Severability

- i. 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 10.1 of this Agreement or otherwise.

I. Successors and assigns

- i. This Agreement shall be binding on and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

J. Notices

- i. All notices or other communications to be given or made under this Agreement shall be in writing and 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 or e-mail 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 5.30 (five thirty) p.m. on a business day, or on a day that is not a business day, the notice shall be deemed to be received on the first business 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.

K. Language

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

L. Authorised representatives



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- i. Each of the Parties shall, by notice in writing, designate their respective authorised 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 authorised representative by similar notice.

M. Original Document

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



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R. SCHEDULE R - Letter Of Credit

DATE:

To:

..... Limited (the "Concessionaire")

From: (Specify the name and address of the bank issuing the Letter of Credit)[§] (the "Bank")
The Bank hereby issues this unconditional, irrevocable and revolving monthly letter of credit (the "Letter of Credit") No..... in favour of the Concessionaire named above, subject to the following terms and conditions:

On the instructions of the Authority, we hereby establish this Letter of Credit in favour of the Concessionaire in the maximum aggregate amount of Rs. *** (Rupees ***)[£] (the "Monthly Payment") payable once every month upon notice received from the Authority to this effect.

The Letter of Credit shall come into force with immediate effect and shall be valid and effective upto the 31st (thirty first) day of March, 20-- (indicate the year falling after the year in which the Letter of Credit is issued) (the "Expiry Date"), and shall be automatically and compulsorily renewed every year by the Bank, 2 (two) months prior to the date of expiry, for the period of the financial year that commences immediately after the Expiry Date, and shall continue to be so renewed until the end of the Concession Period. The date of expiry for the renewed period hereunder shall be deemed to be the Expiry Date for the purposes hereof.

This Letter of Credit provides security to the Concessionaire for the payment obligations of the Authority under the Concession Agreement dated entered into between the Authority and the Concessionaire (the "Concession Agreement") for a Storage Facility at _____ in _____ district in the State of _____ on design, build, finance, operate and transfer basis.

§ As provided in Article 25 of the Concession Agreement, the bank issuing the Letter of Credit should be the bank where at least 40% (forty per cent) of the Authority's total monthly revenues are deposited.

£ As provided in Clause 25.1.1 of the Concession Agreement, this amount shall be equal to 120 % of the Fixed Charge payable by the Authority to the Concessionaire.

Any reference to the Concession Agreement or other agreement is for information only and does not in any way incorporate the terms and conditions of such Concession Agreement or agreement into the terms and conditions of this Letter of Credit.

The Concessionaire may draw upon this Letter of Credit by presenting a written demand for payment (by way of mail, courier or by hand) to the Bank along with the following documents:

- i. a copy of the Monthly Invoice (as defined in the Concession Agreement) issued by the Concessionaire to the Authority, any amounts whereof have remained unpaid; and



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- ii. a certificate from the Concessionaire, under the hand of an officer not below the rank of a Director of the Concessionaire, to the effect that the Monthly Invoice (as defined in the Concession Agreement) is in accordance with the Concession Agreement and that the amount due has remained unpaid and has not been disputed by the Authority.

The Bank shall honour such demand for payment, subject to it being compliant with the terms hereof, without inquiring whether the Concessionaire has a right as between itself and the Authority to make such demand. Payment hereunder shall be made within 2 (two) business days after receipt of the demand for payment.

If a demand for payment or the aforesaid accompanying documents do not conform to the provisions of this Letter of Credit, we shall give immediate notice to the Concessionaire that the demand for payment or the aforesaid documents, as the case may be, were not effected in accordance with the Letter of Credit, stating the reasons thereof and also specifying what the Concessionaire is required to do for making effective its demand for payment in accordance with the Letter of Credit.

The Expiry Date of this Letter of Credit shall be deemed to be automatically extended, 2 (two) months prior to its Expiry Date, without any act or deed for an additional period of 1 (one) financial year from the respective Expiry Date, unless at least 180 (one hundred and eighty) days prior to any Expiry Date, the Bank gives notice in writing to the Concessionaire that the Bank elects not to renew this Letter of Credit for any such additional period.

Partial drawal shall be permitted hereunder, provided that the maximum drawdown in any month shall not exceed the Monthly Payment

The Letter of Credit shall be automatically replenished to the equivalent of Monthly Payment within 7 (seven) days of a drawdown.

All payments made under this Letter of Credit will be free and clear of, and without deduction for, any present or future fees, taxes, restrictions or conditions of any nature, and without setoff or counterclaim for any reason, except as required by law.

All costs and expenses in connection with this Letter of Credit are to be on account of the Authority.

Save and except as otherwise expressly stated, this Letter of Credit is subject to the International Standby Practice, ISP 98, International Chamber of Commerce Publication No. 590

This Letter of Credit is governed by the Laws of India.

All notices, demand for payments and communications in regard to this Letter of Credit are to be given in writing at the addresses below:

To:..... (Name of Authority representative)

..... (Designation)

..... (Address, telephone and fax numbers)

To:..... (Name of the Bank representative)

..... (Designation)

..... (Address, telephone and fax numbers)

To:..... (Name of the Concessionaire representative)

..... (Designation)



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

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..... (Address, telephone and fax numbers)

Signed and sealed this day of, 20... at

SIGNED, SEALED AND DELIVERED

For and on behalf of
the BANK by:

(Signature)

(Name)


(Designation)

(Code Number)

(Address)

NOTES:

- i. The Letter of Credit should contain the name, designation and code number of the officer(s) signing the Letter of Credit
- ii. The address, telephone number and other details of the Head Office of the Bank as well as of issuing Branch should be mentioned on the covering letter of issuing Branch.


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S. Schedule S - Criteria for Chartered Accountants

I. Panel of Chartered Accountants

- Pursuant to the provisions of Clause 28.2.1 of the Agreement, the Authority and the Concessionaire shall prepare a mutually agreed panel of 10 (ten) reputable firms of Chartered Accountants having their registered offices in India (the "Panel of Chartered Accountants"). The criteria for preparing such Panel and the procedure to be adopted in this behalf shall be as set forth in this Schedule S

II. Invitation for empanelment

- The Authority shall invite offers from all reputable firms of Chartered Accountants who fulfil the following eligibility criteria, namely:
 - the firm should have conducted statutory audit of the annual accounts of at least one hundred companies registered under the Companies Act, 1956/Companies Act 2013, of which at least ten should have been public sector undertakings;
 - the firm should have at least 5 (five) practicing Chartered Accountants on its rolls, each with a minimum experience of ten years in the profession;
 - the firm or any of its partners should not have been disqualified or black-listed by the Comptroller and Auditor General of India or the Authority; and
 - the firm should have an office in the State or in an adjacent State with at least 2 (two) practicing Chartered Accountants on its rolls in such State.
- Interested firms meeting the eligibility criteria shall be required to submit a statement of their capability including the bio-data of all the practicing Chartered Accountants on its rolls. In particular, each firm shall be required to furnish year-wise information relating to the names of all the companies with an annual turnover exceeding Rs. 100,00,00,000 (Rs. one hundred crore) whose annual accounts were audited by such firm in any of the preceding 5 (five) Accounting Years.

III. Evaluation and selection

- The information furnished by each firm shall be scrutinized and evaluated by the Authority and 1 (one) point shall be awarded for each annual audit of the companies specified in Paragraph 2.2 above. (For the avoidance of doubt, a firm which has conducted audit of the annual accounts of any such company for five years shall be awarded five points).
- The Authority shall prepare a list of all the eligible firms along with the points scored by each such firm and 10 (ten) firms scoring the highest points shall be identified and included in the draft Panel of Chartered Accountants.

IV. Consultation with the Concessionaire

- The Authority shall convey the aforesaid panel of firms to the Concessionaire for scrutiny and comments, if any. The Concessionaire shall be entitled to scrutinize the relevant records of the Authority to ascertain whether the selection of firms has been undertaken in accordance with the prescribed procedure and it shall send its comments, if any, to the Authority within 15 (fifteen) days of receiving the aforesaid panel.

V. Mutually agreed panel

- The Authority shall, after considering all relevant factors including the comments, if



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- any, of the Concessionaire, finalise and constitute a panel of 10 (ten) firms which shall be deemed to be the mutually agreed Panel of Chartered Accountants.
2. After completion of every five years from the date of preparing the mutually agreed Panel of Chartered Accountants, or such earlier period as may be agreed between the Authority and the Concessionaire, a new panel shall be prepared in accordance with the provisions of this Schedule S

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T. SCHEDULE T - VESTING CERTIFICATE

1. The Chairman, Food Corporation of India (the **"Authority"**) refers to the Concession Agreement dated (the **"Agreement"**) entered into between the Authority and (the **"Concessionaire"**) for CONSTRUCTION, OPERATION & MAINTENANCE OF STORAGE FACILITY (the **"Storage Facility"**) on design, build, finance, operate and transfer (**"DBFOT"**) basis.
2. The Authority hereby acknowledges compliance and fulfilment by the Concessionaire of the Divestment Requirements set forth in Clause 33.4 of the Agreement on the basis that upon issue of this Vesting Certificate, the Authority shall be deemed to have acquired, and all title and interest of the Concessionaire in or about the Storage Facility shall be deemed to have vested unto the Authority, free from any encumbrances, charges and liens whatsoever.
3. Notwithstanding anything to the contrary contained hereinabove, it shall be a condition of this Vesting Certificate that nothing contained herein shall be construed or interpreted as waiving the obligation of the Concessionaire to rectify and remedy any defect or deficiency in any of the Divestment Requirements and/or relieving the Concessionaire in any manner of the same.

Signed this day of, 20..... at Delhi.

AGREED, ACCEPTED AND SIGNED

SIGNED, SEALED AND DELIVERED

For and on behalf of

For and on behalf of

CONCESSIONAIRE by:

FOOD CORPORATION OF INDIA by:-

(Signature)

(Signature)

(Name)

(Name)

(Designation)

(Designation)

(Address)

(Address)

In the presence of:

1.

2.



U. SCHEDULE U - SUBSTITUTION AGREEMENT

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

AMONGST

- 1 The Food Corporation of India, established under the Food Corporation Act 1964, represented by its Chairman and having its principal offices at 16-20, Barakhamba Lane, New Delhi (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/Companies Act 2013 and having its registered office at, (hereinafter referred to as the "Concessionaire" which expression shall unless repugnant to the context or meaning thereof include its successors and permitted assigns and substitutes);
- 3name and particulars of Lenders' Representative and having its registered office at, acting for and on behalf of the Senior Lenders as their duly authorised 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 Concession Agreement dated with the Concessionaire (the "Concession Agreement") for CONSTRUCTION, OPERATION & MAINTENANCE OF STORAGE FACILITY (the "Storage Facility") on design, build, finance, operate and transfer ("DBFOT") 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 Concession to a Nominated Company in accordance with the provisions of this Agreement and the Concession 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 Concession to a Nominated Company in accordance with the terms and conditions set forth in this Agreement and the Concession 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:



आसीम छाबड़ा / **ASEEM CHHABRA**

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

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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 Concessionaire 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/Companies Act 2013, selected by the Lenders' Representative, on behalf of Senior Lenders, and proposed to the Authority for assignment/transfer of the Concession as provided in this Agreement;

"Notice of Financial Default" shall have the meaning ascribed thereto in Clause 3.2.1; 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 Concession Agreement shall, unless repugnant to the context, have the meaning ascribed thereto in the Concession Agreement.

1.2.4 The rules of interpretation stated in Clauses 1.2, 1.3 and 1.4 of the Concession Agreement shall apply, *mutatis mutandis*, to this Agreement.

1.3 ASSIGNMENT

1.3.1 Assignment of rights and title

1.3.1.1 The Concessionaire hereby agrees to assign the rights, title and interest in the Concession to, and in favour of, the Lenders' Representative pursuant to and in accordance with the provisions of this Agreement and the Concession Agreement by way of security in respect of financing by the Senior Lenders under the Financing Agreements.

1.4 SUBSTITUTION OF THE CONCESSIONAIRE

1.4.1 Rights of substitution

1.4.1.1 Pursuant to the rights, title and interest assigned under Clause 2.1, the Lenders'



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Representative shall be entitled to substitute the Concessionaire by a Nominated Company under and in accordance with the provisions of this Agreement and the Concession Agreement.

1.4.1.2 The Authority hereby agrees to substitute the Concessionaire by endorsement on the Concession 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 Storage Facility as Concessionaire either individually or collectively).

1.4.2 Substitution upon occurrence of Financial Default

1.4.2.1 Upon occurrence of a Financial Default, the Lenders' Representative may issue a notice to the Concessionaire (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 Concessionaire for the purposes of this Agreement.

1.4.2.2 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 Concessionaire by a Nominated Company in accordance with the provisions of this Agreement.

1.4.2.3 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 Concessionaire and undertake the operation and maintenance of the Storage Facility in accordance with the provisions of Article 36 of the Concession Agreement, and upon receipt of such notice, the Authority shall undertake Suspension under and in accordance with the provisions of the Concession Agreement. The aforesaid Suspension shall be revoked upon substitution of the Concessionaire 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 Concession Agreement forthwith by issuing a Termination Notice in accordance with the provisions of the Concession Agreement; provided that upon written request from the Lenders' Representative and the Concessionaire, the Authority may extend the aforesaid period of 180 (one hundred and eighty) days by a period not exceeding 90 (ninety) days. For the avoidance of doubt, the Authority expressly agrees and undertakes to terminate the Concession Agreement forthwith, upon receipt of a written request from the Lenders' Representative at any time after 240 (two hundred and forty) days from the date of Suspension hereunder.

1.4.3 Substitution upon occurrence of Concessionaire Default

1.4.3.1 Upon occurrence of a Concessionaire 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 Concessionaire by a



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Nominated Company.

1.4.3.2 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, stating that it intends to substitute the Concessionaire by a Nominated Company, the Lenders' Representative shall be entitled to undertake and complete the substitution of the Concessionaire 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; provided that upon written request from the Lenders' Representative and the Concessionaire, the Authority shall extend the aforesaid period of 180 (one hundred and eighty) days by a period not exceeding 90 (ninety) days.

1.4.4 Procedure for substitution

1.4.4.1 The Authority and the Concessionaire 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 Storage Facility including the Concession to the Nominated Company upon such Nominated Company's assumption of the liabilities and obligations of the Concessionaire towards the Authority under the Concession Agreement and towards the Senior Lenders under the Financing Agreements.

1.4.4.2 To be eligible for substitution in place of the Concessionaire, 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 Concession; 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.

1.4.4.3 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 Storage Facility in accordance with the provisions of the Concession Agreement;
- b) endorse and transfer the Concession to the Nominated Company, on the same terms and conditions, for the residual Concession 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.

1.4.4.4 If the Authority has any objection to the transfer of Concession 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,

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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 Concession 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 whereupon the procedure set forth in this Clause 3.4 shall be followed for substitution of such Nominated Company in place of the Concessionaire.

1.4.5 Selection to be binding

1.4.5.1 The decision of the Lenders' Representative and the Authority in selection of the Nominated Company shall be final and binding on the Concessionaire. The Concessionaire 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 Concession in favour of the Nominated Company. The Concessionaire agrees and confirms that it shall not have any right to seek revaluation of assets of the Project or the Concessionaire'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 Concessionaire 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 Concession as requested by the Lenders' Representative.

1.5 PROJECT AGREEMENT

1.5.1 Substitution of Nominated Company in Project Agreement

1.5.1.1 The Concessionaire 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 Concessionaire in the event of such Nominated Company's assumption of the liabilities and obligations of the Concessionaire under the Concession Agreement.

1.6 TERMINATION OF CONCESSION AGREEMENT

1.6.1 Termination upon occurrence of Financial Default

1.6.1.1 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 Concession Agreement forthwith, and upon receipt of such notice, the Authority shall undertake Termination under and in accordance with the provisions of Article 37 of the Concession Agreement.

1.6.2 Termination when no Nominated Company is selected

1.6.2.1 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 or any extension thereof as set forth in



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Clause 3.3.2, the Authority may terminate the Concession Agreement forthwith in accordance with the provisions thereof.

1.6.3 Realisation of Debt Due

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

1.7 DURATION OF THE AGREEMENT

1.7.1 Duration of the Agreement

1.7.1.1 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.

1.8 INDEMNITY

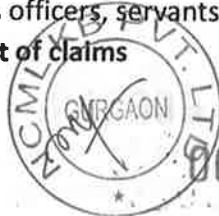
1.8.1 General indemnity

1.8.1.1 The Concessionaire 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 Concessionaire of any of its obligations under this Agreement or on account of failure of the Concessionaire to comply with Applicable Laws and Applicable Permits.

1.8.1.2 The Authority will indemnify, defend and hold the Concessionaire 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 Concessionaire's obligations under the Concession 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.

1.8.1.3 The Lenders' Representative will indemnify, defend and hold the Concessionaire 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 Concessionaire's obligations under the Concession 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.

1.8.2 Notice and contest of claims



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1.8.2.1 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.

1.9 DISPUTE RESOLUTION

1.9.1 Dispute resolution

1.9.1.1 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, Concessionaire and the Lenders' Representative. Such arbitration shall be held in accordance with the Rules of Arbitration of the International Centre for Alternative Dispute Resolution, New Delhi (the "**Rules**") or such other rules as may be mutually agreed by the Parties, and shall be subject to provisions of the Arbitration and Conciliation Act, 1996.

1.9.1.2 The Arbitrators shall issue a reasoned award and such award shall be final and binding on the Parties. The venue of arbitration shall be Delhi and the language of arbitration shall be English.

MISCELLANEOUS PROVISIONS

1.10 Governing law and jurisdiction

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

1.11 Waiver of sovereign immunity

1.11.1 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



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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).

1.12 Priority of agreements

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

1.13 Alteration of terms

1.13.1 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.

1.14 Waiver

1.14.1 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 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 authorised representative of the Party; and
- c) shall not affect the validity or enforceability of this Agreement in any manner.

1.14.2 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

1.15 No third party beneficiaries

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

1.16 Survival

1.16.1 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.

1.16.2 All obligations surviving the cancellation, expiration or termination of this Agreement shall only survive for a period of 3 (three) years following the date of such termination or expiry of this Agreement.

1.17 Severability

1.17.1 If for any reason whatever any provision of this Agreement is or becomes



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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.

1.18 Successors and assigns

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

1.19 Notices

1.19.1 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 e-mail 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 5.30 (five thirty) 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.

1.20 Language

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

1.21 Authorised representatives

1.21.1 Each of the Parties shall by notice in writing designate their respective authorised 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 authorised representative by similar notice.

1.22 Original Document

1.22.1 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 AS OF THE DATE FIRST ABOVE WRITTEN.



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

000243 खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बाराखम्बा लेन / 16-20 B. K. Lane

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THE COMMON SEAL OF
CONCESSIONAIRE has been affixed
pursuant to the resolution passed by the
Board of Directors of the Concessionaire
at its meeting held on the day of
2017 hereunto affixed 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
thereof⁵:

SIGNED, SEALED AND DELIVERED
For and on behalf of
FOOD CORPORATION OF INDIA by:

(Signature)
(Name) General Manager (Silos)
(Designation) General Manager (Silos)
(Address) Food Corporation of India
(FCI), 16-20, Barakhamba Lane, New
Delhi-110001
(Fax No.) 00911143527354
(e-mail address) gmsilos.fci@gov.in

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.



आसीम चहड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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⁵ To be affixed in accordance with the articles of association of the Concessionaire.

V. Schedule V - Procedural Guidelines on movement of Food Grains

The Authority has to follow the following operational guidelines for movement of Food Grains to and from the Storage Facility:

- a. arrange, at its cost and expense, for delivery of the Food Grains for storage to the Storage Facility;
- b. arrange, at its cost and expense, for dispatch of Food Grains from the Storage Facility;
- c. arrange, Bags at its cost and expense, for bagging operation in the Storage Facility;
- d. provide at-least 48 hours' notice to the Concessionaire, in writing, for receipt into the Storage Facility;
- e. provide at-least 72 hours' notice, in writing, to the Concessionaire before placing indent for dispatch of Food Grain from the Storage Facility;
- f. arrange for transportation of empty Bags, as and when required, to and from the Storage Facility;
- g. designate representatives authorised to issue instruction to the Concessionaire relating to operations including acceptance and dispatch of Food Grain;
- h. shift Food Grains consignment not accepted by the Concessionaire as not meeting the Grain Acceptance Specifications within 48 hours from the Storage Facility;



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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W. Schedule W - Statutory Permits and Compliances

The silo operator should comply with all applicable statutory permits and compliances. The applicable permits and compliances are listed below. The list of permits and compliance is indicative and not comprehensive. The operator should do proper due diligence on the requirement and compliances. The following permits will be required by the silo operator:

- a) Change of Land Use (CLU) if the site is under notified area
- b) Permission of panchayat for the land use change if the site is under non notified area and intimation to the State Town and Country Planning
- c) Warehousing license
- d) Inspectorate of Factories for site drawings approval and testing of the pressure vessels
- e) Inspectorate of Labour prior to commencing the installation and post commissioning
- f) Inspectorate of Electrical for electrical installation and DG sets safety
- g) State Electricity Board for power connections
- h) State Environment & Pollution Board clearance
- i) Weights & measures for stamping the weighing scales
- j) Related State Government revenue departments for commercial dealings
- k) Clearance from local airport authorities if there is air traffic around the site for height clearance and from the Air Force if the air base is there
- l) Local fire department for fire safety plans



असीम चवड़ा / ASEEM CHHABRA
महाप्रबन्धक (साईलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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ANNEXURES TO THE AGREEMENT

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1.	Notice Inviting Application vide Letter No. Silos/203/DEA/2016 dated 06 th December 2016	249
2.	Request For Proposal (RFQ)	251
3.	Corrigendum - I - Replies to Pre-bid Query	323
4.	Corrigendum II dated 16 th January 2017	325
5.	Corrigendum III dated 25 th January 2017	327
6.	Documents submitted by National Collateral Management Services Limited along with RFQ Bid	
	i. Copy of Receipt for payment of processing fee of Rs. 5,000/-	329
	ii. Appendix - I - Letter comprising the Application for Pre-qualification	331
	iii. Annex - I - Details of Applicant	335
	iv. Annex - II - Technical Capacity of the Applicant	339
	v. Annex - III - Financial Capacity of the Applicant	341
	vi. Annex - IV - Details of Eligible Projects	349
	vii. Annex - V - Statement of Legal Capacity	361
	viii. Appendix - II - Power of Attorney for signing of Application	363
7.	Letter dated 10 th April 2017 from FCI to Applicant for declaration of result of Technical Evaluation of Application (RFQ)	367
8.	Notice Inviting Bid vide Letter No. Silos/203/DEA/2016 dated 11 th April 2017	369
9.	Request for Proposal (RFP)	371
10.	Corrigendum - I - Replies to Pre-bid Query including Techno - Economic Feasibility Report	423
11.	Corrigendum II dated 23 rd May 2017 - Extension of Bid Due Date	515
12.	Corrigendum III - Replies to Additional Query	517
13.	Documents submitted by National Collateral Management Services Limited along with RFP Bid	
	i. Copy of Receipt for payment of RFP processing fee of Rs. 11,500/-	519
	ii. Appendix - I - Letter comprising the Bid	521
	iii. Appendix - II - Status of land parcels for the Project	527
	iv. Annex - I - Details of Kaimur land Parcel	529
	v. Annex - I - Details of Buxar land Parcel	530
	vi. Annex - II - Additional Bank Guarantee No. OGT0747170012180 dated 06 th June 2017 for Kaimur	531
	vii. Annex - II - Additional Bank Guarantee No. OGT0747170012179 dated 06 th June 2017 for Buxar	535
	viii. Appendix - III - Bank Guarantee for Bid Security - OGT0747170012181 dated 06 th June 2017	539



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An

000247 / ASEEM CHHADRA
 000247 / ASEEM CHHADRA / Genl. Manager (Silos)
 16-20 B. K. Lane
 New Delhi - 110001

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14.	Letter dated 29 th June 2017 from FCI informing the Bidders regarding status of Technical Qualification and date of Financial Opening	551
15.	BOQ of Selected Bidder	553
16.	Letter of Award (LOA) No. SILO/203/DEA/2016/Pt./453 dated 23 rd /28 th August 2017	555
17.	Acceptance of LOA dated 5 th September 2017	557
18.	Documents submitted by the Selected Bidder:-	
	i. Board Resolution dated 01 st Sep 2017 of Selected Bidder for formation of SPV and invest in the equity of proposed SPV	559
	ii. Certified true copy of Memorandum of Association and Articles of Association of SPV	561
	iii. Request letter dated 06 th October 2017 from Selected Bidder to the Authority	589
	iv. Resolutions passed by Board of directors of SPV dated 05 th Oct 2017.	591
	v. Letter dated 06 th October 2017 from the SPV to the Authority for willingness to enter into Concession Agreement with the Authority	593
	vi. Request letter dated 06 th October 2017 from the SPV.	595
	vii. Legal Opinion dated 25 th Oct 2017 from the legal counsel	597
19.	Letter No. SILO/203/DEA/2016/Pt./570 dated 07 th /13 th December 2017	599



आसीम छाबड़ा / ASEEM CHHABRA
 महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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**FOOD CORPORATION OF INDIA
16-20, BARAKHAMBA LANE,
NEW DELHI - 110001**

REQUEST FOR QUALIFICATION (RFQ)

**"SELECTION OF DEVELOPER FOR CONSTRUCTION OF SILOS AT KAIMUR AND BUXAR (BIHAR)
THROUGH PUBLIC PRIVATE PARTNERSHIP (PPP) ON DBFOT BASIS"**

No. Silos/203/DEA/2016

Date: 06th December, 2016

FCI (the "Authority") invites online applications for qualification in the prescribed RFQ Document from interested, experienced and eligible agencies for selection of Developer for construction of Silos on Design, Build, Finance Operate & Transfer (DBFOT) basis for storage of Food Grain under Public Private Partnership (PPP) mode at Kaimur and Buxar (Bihar).

The RFQ Document containing Instructions to Applicants may be viewed and downloaded from <https://eprocure.gov.in> and www.fci.gov.in.

The completed Application/RFQ in the required format containing all the information requested in the RFQ document shall be submitted upto 15:30 hours on 20th January, 2017 on the mentioned website.

The schedule of different activities till opening of the applications is as under:

1.	Issue of Tender Notice	7 th December 2016
2.	Last date of receiving queries regarding RFQ	22 nd December 2016
3.	Pre-Application Conference	15.00 hours on 27 th December 2016
4.	Authority response to queries latest by	3 rd January, 2017
5.	Application (RFQ) Due Date	15:30 hours on 20 th January 2017
6.	Date of opening of RFQ	16:00 hours on 20 th January 2017

Note: Any updation/amendment in the dates will be uploaded on the Authority's website i.e. www.fci.gov.in and on CPP Portal <https://eprocure.gov.in>.



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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Public Private Partnership

REQUEST FOR QUALIFICATION

for

**Selection of Developer for construction of Food Grain Silos at Kaimur
and Buxar through Public Private Partnership (PPP)
on Design, Build, Finance, Operate and Transfer (DBFOT) basis**

Food Corporation of India

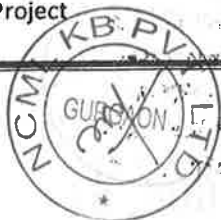
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GLOSSARY

Additional Bank Guarantee	As referred to in Clause 1.1.3
Applicant(s)	As referred in Clause 1.2.1
Application	As referred in Clause 1.1.6
Application Due Date	As referred in Clause 1.1.6
Associate	As referred in Clause 2.2.10
Authority	As referred in Clause 1.1.1
Bid	As referred in Clause 1.2.5
Bidders	As referred in Clause 1.1.1
Bidding Documents	As referred in Clause 1.2.5
Bid Due Date	As referred in Clause 1.2.5
Bidding Process	As referred in Clause 1.2.1
Bid Stage	As referred in Clause 1.2.1
Concessionaire	As referred in Clause 1.1.2
Concession Agreement	As referred in Clause 1.1.2
Conflict of Interest	As referred in Clause 2.2.1
Consortium	As referred in Clause 2.2.1
DBFOT	As referred in Clause 1.1.1
Eligible Experience	As referred in Clause 3.2.1
Eligible Projects	As referred in Clause 3.2.1
EPC	As referred in Clause 3.2.4
Estimated Project Cost	As referred in Clause 1.1.5
{Implementing Agency}	As referred in Clause 1.1.1
Financial Capacity	As referred in Clause 2.2.2
Jt. Bidding Agreement	As referred in Clause 2.2.7
Lead Member	As referred in Clause 2.2.7
LOA / Letter of Award	As referred in Clause 1.2.7
Net Worth	As referred in Clause 2.2.4
PPP Public Private Partnership Project	As referred in Clause 1.1.1

Signature & Stamp of Applicant



असीम अख्तर / ASEEM CHHABRA
 सिलो प्रबंधक / Silo Manager (Silo)
 भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.
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DEA PPP Pilot Initiative – Food Storage Infrastructure

Project	As referred in Clause 1.1.1
Proposed Site	As referred in Clause 1.1.3
Qualification	As referred in Clause 1.2.1
Qualification Stage	As referred in Clause 1.2.1
Re. or Rs. or INR	Indian Rupee
RFP or Request for Proposals	As referred in Clause 1.2.1
RFQ	This Document
Silo Complex	As described in Clause 1.1.4
SPV	As referred in Clause 2.2.6
Schedule of Bidding Process	As referred in Clause 1.3.1
Subject Person	As referred in Clause 2.2.1
Technical Capacity	As referred in Clause 2.2.2
Threshold Technical Capacity	As referred in Clause 2.2.2
Tests of Responsiveness	As referred in Clause 2.19

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto herein.



Signature & Stamp of Applicant

Page 3

आसीम चवड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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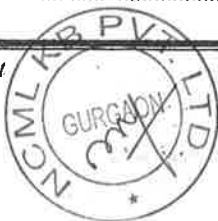
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Signature & Stamp of Applicant



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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आसीम चावड़ा / ASEEM CHYABRA
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Signature & Stamp of Approah New Delhi - 110001

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DISCLAIMER

The information contained in this Request for Qualification document (the "RFQ") or subsequently provided to Applicant(s), whether verbally or in documentary or any other form, by or on behalf of the Authority or any of its employees or advisors, is provided to Applicant(s) on the terms and conditions set out in this RFQ and such other terms and conditions subject to which such information is provided.

This RFQ is not an agreement and is neither an offer nor invitation by the Authority to the prospective Applicants or any other person. The purpose of this RFQ is to provide interested parties with information that may be useful to them in the formulation of their application for qualification pursuant to this RFQ (the "Application"). This RFQ includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant may require. This RFQ may not be appropriate for all persons, and it is not possible for the Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFQ. The assumptions, assessments, statements and information contained in this RFQ may not be complete. Each Applicant should therefore, conduct its own investigations and analysis of the assumptions, assessments, statements and information contained in this RFQ and obtain independent advice from appropriate sources.

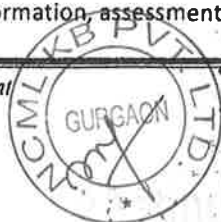
Information provided in this RFQ to the Applicant(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Authority, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or 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 RFQ or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFQ and any assessment, assumption, statement or information contained therein or deemed to form part of this RFQ or arising in any way with pre-qualification of Applicants for participation in the Bidding Process.

The Authority also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Applicant upon the statements contained in this RFQ.

The Authority 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 RFQ.

Signature & Stamp of Applicant



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आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
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DEA PPP Pilot Initiative – Food Storage Infrastructure

The issue of this RFQ does not imply that the Authority is bound to select and shortlist pre-qualified Applications for Bid Stage or to appoint the selected Bidder or Concessionaire, as the case may be, for the Project and the Authority reserves the right to reject all or any of the Applications or Bids without assigning any reasons whatsoever.

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



Signature & Stamp of Applicant

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आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बाराखम्बा लेन, / 16-20 B. K. Lane

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1. INTRODUCTION

1.1 Background

- 1.1.1 The Food Corporation of India (the "Authority") is engaged in the development of modern food storage Infrastructure in India and as part of this endeavour, the Authority has decided to undertake development and operation/ maintenance of the food grain silo project (the "Project") through Public-Private Partnership (the "PPP") on Design, Build, Finance, Operate and Transfer (the "DBFOT") basis, and has decided to carry out the bidding process for selection of a private entity as the bidder to whom the Project may be awarded. Brief particulars of the Project are as follows:

S.No.	Location	Revenue District	State	Rated Capacity	Estimated Project Cost
1	Kaimur & Buxar	Kaimur & Buxar	Bihar	100,000 MT (50,000 MT each at two locations)	~ Rs 65.28cr

The Authority intends to pre-qualify and short-list suitable Applicants (the "Bidders") who will be eligible for participation in the Bid Stage, for awarding the Project through an open competitive bidding process in accordance with the procedure set out herein.

- 1.1.2 The selected Bidder, who is either a company incorporated under the Companies Act, 2013 or undertakes to incorporate as such prior to the execution of the concession agreement, (the "Concessionaire") shall be responsible for procuring land parcels for the Project and for designing, engineering, financing, procurement, installation, construction, operation and maintenance of the Project and provision of services to the Authority under and in accordance with the provisions of a long-term concession agreement (the "Concession Agreement" or "Agreement") to be entered into between the Concessionaire and the Authority in the form provided by the Authority as part of the Bidding Documents pursuant hereto.
- 1.1.3 The selected Bidder shall be required to identify and procure the land parcels for the Project in the two districts and transfer the same to the Authority within [120 (one hundred and twenty)] days from the date of Concession Agreement. In the event the land parcels are not under the ownership of the Bidder at the time of submission of Bid but the Bidder intends to

Signature & Stamp of Applicant

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आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइली) / Genl. Manager (Silo)
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acquire the ownership of or procure the land parcels (such land parcels being referred to as "Proposed Sites") should the Bidder be issued Letter of Award at the end of the Bid Process and is called upon to execute the Concession Agreement, the Bidder can submit the Bid provided that it submits an additional bank guarantee ("Additional Bank Guarantee") for an amount of Rs 35 lacs (Rs. Thirty Five Lacs) per location. The project site should meet the following criteria:

- i. Location: The land parcels should be located within the boundaries of the respective [revenue districts] as specified in Clause 1.1.1.
- ii. Minimum size of land parcel: The land parcel, at each location, should measure a minimum of 7 acres and maximum of 7.5 acres. The land parcel should be a contiguous piece of land. The dimensions of the land parcel should be adequate to meet the requirements of the silo facility as per the standards and specifications prescribed in the Concession Agreement for pilot projects.
- iii. Accessibility: The land parcels should be connected to major highway (national highway / state highway / major district road) by a two-lane paved road. The land parcels should also be within [8 Kms] of road distance from the rail head.
- iv. The land parcels should be free from any encumbrances or encroachments.
- v. The land parcels should be suitable and available for construction and operation of the silo facility.

The Concessionaire shall be required to transfer the title of the land to the Authority as per terms specified in the Bidding Documents at the start of concession period. Prior to transfer, the Concessionaire shall be responsible for obtaining necessary approvals, sanctions and licenses with respect of the land parcels for the construction, operation and maintenance of the Project.

Land Consideration: The Authority shall make a payment to the Concessionaire as a consideration for the land as per the terms that shall be detailed at the RFP stage.

- 1.1.4 The Project, being the construction of the Silo Complex at the two locations together as a cluster, shall comprise of sheet metal silos along with handling facilities comprising of conveying systems, cleaning, weighing and quality testing facilities. The Concessionaire shall provide storage, preservation and handling services in the Silo Complex to the Authority for a period of the concession which shall be 31.5 (Thirty One Years and Six Months) in terms of Concession Agreement.
- 1.1.5 Indicative capital cost of the Project (the "Estimated Project Cost") is set out in clause 1.1.1. The assessment of actual costs, however, will have to be made by the Bidders.

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- 1.1.6 The Authority shall receive applications (the "Applications") pursuant to this RFQ in accordance with the terms set forth herein as modified, altered, amended and clarified from time to time by the Authority, and all Applications shall be prepared and submitted by the Applicant in accordance with such terms on or before the date specified in Clause 1.3 for submission of Applications (the "Application Due Date").
- 1.2 **Brief description of the online bidding process**
- 1.2.1 The Authority has adopted an online two-stage process (collectively referred to as the "Bidding Process") for selection of the bidder for award of the Project. The first stage (the "Qualification Stage") of the process involves qualification (the "Qualification") of interested parties/ consortia who make an Application in accordance with the provisions of this RFQ (the "Applicant", which expression shall, unless repugnant to the context, include the Members of the Consortium). Prior to making an Application, the Applicant shall pay to the Authority a sum of Rs 5,000 (Rupees five thousand) as the cost of the RFQ process through RTGS/NEFT. At the end of this stage, the Authority expects to announce a short-list of up to 7 (seven) suitable pre-qualified Applicants who shall be eligible for participation in the second stage of the Bidding Process (the "Bid Stage") comprising Request for Proposals (the "Request for Proposals" or "RFP").
- 1.2.2 The RFQ can be downloaded from Central Public Procurement Portal (<https://eprocure.gov.in/eprocure/app>). The Applicants should enroll/register before participating through the website <https://eprocure.gov.in/eprocure/app>. The portal enrolment is free of cost. The Applicants are advised to go through instructions provided at Appendix VI regarding 'Instructions for online Bid Submission'. The Applicant shall upload their Application along with scanned copy of supporting documents on the website <https://eprocure.gov.in/eprocure/app> and submit the required documents in physical form as specified in this RFQ. The Applicant shall ensure that the online and physical submissions are as specified in this RFQ. The Applicants shall ensure that no changes are made in the prescribed formats.
- 1.2.3 At the time of submission of Application, the Applicant shall pay to the Authority a processing fees of Rs. 5000/- (Rupees Five Thousand Only) as the cost of the RFQ process through RTGS/NEFT in Authority's bank account. Details of bank account of Food Corporation of India, HQ is CC A/c no. 10220632672, IFSC Code No. SBIN 0005943 (SBI, K.G. Marg, New Delhi). The scanned copy of the RTGS/NEFT transaction confirmation receipt issued by the transferring bank should be uploaded at the time of online submission of the Application at <https://eprocure.gov.in/eprocure/app>.
- 1.2.4 In the Qualification Stage, Applicants would be required to furnish all the information specified in this RFQ. Only those Applicants that are pre-qualified and short-listed by the

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Authority at the RFQ stage shall be invited to submit financial Bids for the Project. The Authority is likely to provide a comparatively short time span for submission of the Bids for the Project. The Applicants are, therefore, advised to visit the Project Area, familiarize themselves with the Project.

- 1.2.5 In the Bid Stage, the Bidders will be called upon to submit their financial offer (the "Bids") online at <https://eprocure.gov.in/eprocure/app> in accordance with the RFP and other documents to be provided by the Authority (collectively the "Bidding Documents"). The Bidding Documents for the Project will be provided to every Bidder on payment of Rs. 10,000 (Rs. ten thousand only). The Bid shall be valid for a period of not less than 120 (one hundred and twenty) days from the date specified in Clause 1.3 for submission of bids (the "Bid Due Date"). The Bid shall also be accompanied by Additional Bank Guarantee, if applicable as per the provision of Clause 1.1.3
- 1.2.6 In terms of the RFP, a Bidder will be required to deposit, along with its Bid, a bid security equivalent to Rs 65,00,000 (Rs Sixty Five lakhs only) (the "Bid Security"), to be returned no later than 90 (ninety) days from the Bid Due Date, except in the case of the selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the Concession Agreement. The Bidders will have an option to provide Bid Security in the form of a bank guarantee acceptable to the Authority¹ and in such event, the validity period of the bank guarantee, shall not be less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended at the sole discretion of the Authority from time to time. Where the Bid Security is not furnished in the form of bank guarantee, the same shall be deposited in the account of the Authority through RTGS/NEFT. Details of bank account of Food Corporation of India, HQ is CC A/c no. 10220632672, IFSC Code No. SBIN 0005943 (SBI, K.G. Marg, New Delhi). The Bid shall be summarily rejected if it is not accompanied by the Bid Security. The original bank guarantee towards Bid Security shall be required to be submitted in hard copy, with scanned copy of the bank guarantee document or RTGS/NEFT transaction confirmation receipt as applicable shall be uploaded on the website <https://eprocure.gov.in/eprocure/app> at the time of Bid submission. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.
- 1.2.7 Generally, the Highest Bidder (defined in Clause 1.2.10) shall be the selected Bidder who shall be issued the Letter of Award ("LOA"). The remaining Bidders shall be kept in reserve and may, in accordance with the process specified in the RFP, 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,

¹ The format for the bank guarantee to be provided along with RFP

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the Authority may, in its discretion, either invite fresh Bids from the remaining Bidders or annul the Bidding Process, as the case may be.

- 1.2.8 During the Bid Stage, the Bidders are invited to examine the Project in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective Bids for award of the concession including implementation of the Project.
- 1.2.9 As part of the Bidding Documents, the Authority will provide a draft concession agreement prepared by the Authority/ its consultants and other information pertaining/ relevant to the Project available with it.
- 1.2.10 Bids will be invited for the Project on the basis of the lowest financial grant (the "Grant") required by a Bidder for implementing the Project. A Bidder may, instead of seeking a Grant, offer to pay a premium upfront payment, as the case may be, (the "Premium") to the Authority for award of the concession. The concession period shall be pre-determined, and will be indicated in the draft Concession Agreement forming part of the Bidding Documents. The Grant/ Premium amount shall constitute the sole criteria for evaluation of Bids. The Project shall be awarded to the Bidder quoting the Highest Premium, and in the event that no Bidder offers a Premium, then to the Bidder seeking the lowest Grant. .

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In this RFQ, the term "Highest Bidder" shall mean the Bidder who is offering the highest Premium, and where no Bidder is offering a Premium, the Bidder seeking the lowest Grant shall be the Highest Bidder.

- 1.2.11 The Concessionaire shall be entitled to levy and charge pre-determined storage and handling charges from the Authority as per the provisions of the Concession Agreement.
- 1.2.12 Further and other details of the process to be followed at the Bid Stage and the terms thereof will be spelt out in the Bidding Documents.
- 1.2.13 Any queries or request for additional information concerning this RFQ shall be submitted in writing or by fax and e-mail to the officer designated in Clauses 2.13.3 below. The envelope / communications shall clearly bear the following identification / title:

"Queries/ Request for Additional Information: RFQ for Selection of developer for construction of silo complex on DBFOT model at Kaimur & Buxar".

1.3 Schedule of bidding process

- 1.3.1 The Authority shall endeavour to adhere to the following schedule:

Event Description	Date
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RFQ Stage	
Issue of notice	
Last date for receiving queries	15 calendar days from Issue of Notice
Pre-Application Conference	15 calendar days from Issue of Notice
Authority response to queries latest by	25 calendar days from Issue of Notice
Application Due Date	45 calendar days from Issue of Notice
Announcement of short-list	60 calendar days from Issue of Notice
Bid (RFP) Stage	
Invitation to shortlisted Applicants	60 calendar days from Issue of Notice
Last date for receiving queries	75 calendar days from Issue of Notice
Pre-bid meeting	75 calendar days from Issue of Notice
Authority response to queries latest by	85 calendar days from Issue of Notice
Proposal Submission	105 calendar days from Issue of Notice
Announcement of RFP results	120 calendar days from Issue of Notice
Letter of Award (LOA) to the selected Bidder	130 calendar days from Issue of Notice
Signing of Agreement	150 calendar days from Issue of Notice

The Authority reserves the right to modify the above schedule at its discretion which will be binding on the Applicant.



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2. INSTRUCTIONS TO BIDDERS

A. General

2.1 Scope of Application

2.1.1 The Authority wishes to receive Applications for Qualification in order to shortlist experienced and capable Applicants for the Bid Stage.

2.1.2 Shortlisted Applicants may be subsequently invited to submit the Bids for the Project

2.2 Eligibility of Applicant

2.2.1 For determining the eligibility of Applicants for their pre-qualification hereunder, the following shall apply:

- (a) The Applicant may be a single entity or a group of entities (the "Consortium"), coming together to implement the Project. However, no applicant applying individually or as a member of a Consortium, as the case may be, can be member of another Applicant. The term Applicant used herein would apply to both a single entity and a Consortium.
- (b) An Applicant may be a natural person, private entity, any combination of them with a formal intent to enter into an agreement or under an existing agreement to form a Consortium. A Consortium shall be eligible for consideration subject to the conditions set out in Clause 2.2.7 below.
- (c) An Applicant shall not have any conflict of interest (the "Conflict of Interest") that affects the Bidding Process. Any Applicant found to have any Conflict of Interest shall be disqualified. An Applicant shall be deemed to have a Conflict of Interest affecting the Bidding Process, if:
 - (i) the Applicant, its Member or Associate (or any constituent thereof) and any other Applicant, its Member, any 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 an Applicant, its Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 5 per cent of the subscribed and paid up and share capital of such Applicant, Member or Associate, as the case may be) in the other Applicant, its Member or Associate is less than 5 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

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public financial institution referred to in sub-section (72) of Section 2 of the Companies Act, 2013. For the purposes of this Clause 2.2.1(c), indirect shareholding held through one or more intermediate persons shall be computed as follows:

(a). 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 Subject Person; and

(b). subject always to sub-clause (a) 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 (b) 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

(ii) a constituent of such Applicant is also a constituent of another Applicant; or

(iii) such Applicant, or any Associate thereof receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Applicant, or any Associate thereof or has provided any such subsidy, grant, concessional loan or subordinated debt to any other Applicant, its Member or any Associate thereof; or

(iv) such Applicant has the same legal representative for purposes of this Application as any other Applicant; or


(v) such Applicant, or any Associate thereof has a relationship with another Applicant, 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 Application of either or each other; or

(vi) such Applicant, 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.

(d) An Applicant shall be liable for disqualification if any legal, financial or technical adviser of the Authority in relation to the Project is engaged by the Applicant, its Member or any Associate thereof, as the case may be, in any manner for matters related to or incidental to the Project. For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Applicant, its Member or Associate in the past but its assignment expired or was terminated 6 (six) months prior to the date of issue of this RFQ.

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Nor will this disqualification apply where such adviser is engaged after a period of 3 (three) years from the date of commercial operation of the Project.

Explanation: In case an Applicant is a Consortium, then the term Applicant as used in this Clause 2.2.1 shall include each Member of such Consortium.

2.2.2 To be eligible for pre-qualification and short-listing, an Applicant shall fulfill the following conditions of eligibility:

A) **Technical Capacity:** For demonstrating technical capacity and experience (the "Technical Capacity"), the Applicant shall, over the past 5 (five) financial years preceding the Application Due Date, have:

- (i) paid for, or received payments for, construction of Eligible Project(s); and/ or.
- (ii) paid for development of Eligible Project(s) in Category 1 and/or Category 2 specified in Clause 3.2.1 and/ or
- (iii) collected and appropriated revenues from Eligible Project(s) in Category 1 and/or Category 2 specified in Clause 3.2.1,

such that the sum total of the above is more than 200% of Estimated Project Cost i.e. Rs. 130 crores (the "Threshold Technical Capacity").

B) **Financial Capacity:** The Applicant shall have a minimum Net Worth (the "Financial Capacity") of 25% of Estimated Project Cost i.e. Rs. 16 crores at the close of the preceding financial year.

In case of a Consortium, the combined technical capacity, net worth of those Members, who have and shall continue to have an equity share of at least 26% (twenty six per cent) each in the SPV, should satisfy the above conditions of eligibility; provided that each such Member shall, for a period of 3 (three) years from the commercial operation date of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity of the SPV and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement.

2.2.3 **O&M Experience:** : In the event that the Applicant does not have the requisite O&M experience, it shall either enter into an agreement, for a period of 5 (five) years from COD, with an entity having the aforesaid experience relating to the performance of O&M obligations, or engage experienced and qualified personnel for discharging its O&M obligations in accordance with the provisions of the Concession Agreement, failing which the Concession Agreement shall be liable to termination..

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2.2.4 The Applicants shall upload/enclose with its application, to be submitted as per the format at Appendix-I, complete with its Annexes, the following:

- (a) certificate(s) from its statutory auditors² or concerned client(s) stating the payments made/ received or works commissioned, as the case may be, during the past 5 (five) years in respect of the projects specified in paragraph as per clause 2.2.2 (A) ; In case a particular job/ contract has been jointly executed by the Applicant (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 the client ; and
- (b) certificate(s) from its statutory auditors specifying the net worth of the Applicant, 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 2.2.4(b). For the purposes of this RFQ, 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 reserves not available for distribution to equity share holders.

The Applicant shall submit online scanned copies of the certificates as specified above along with the Application on or before the Application Due Date, while the original physical document shall be submitted within 72 (seventy two) hours from the Application Due Date, failing which the Application shall be summarily rejected.

2.2.5 The Applicant should submit a Power of Attorney as per the format at Appendix- II, authorising the signatory of the Application to commit the Applicant. In the case of a Consortium, the Members should submit a Power of Attorney in favour of the Lead Member as per format at Appendix-III.

The Applicant shall submit online scanned copy of the original Power(s) of Attorney along with the Application on or before the Application Due Date, while the original physical document shall be submitted within 72 (seventy two) hours from the Application Due Date, failing which the Application shall be summarily rejected

2.2.6 Where the Applicant is a single entity, it will be required to form an appropriate Special Purpose Vehicle, incorporated under the Companies Act, 2013 (the "SPV"), to execute the Concession Agreement and implement the Project.

2.2.7 In case the Applicant is a Consortium, it shall, in addition to forming an SPV registered under the Companies Act 2013, comply with the following additional requirements:

² In jurisdictions that do not have statutory auditors, the firm of auditors (Chartered Accountant) which audits the annual accounts of the Applicant may provide the certificates required under this RFQ.

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- (a) Number of members in a consortium shall not exceed 6 (six), but Information sought in the Application will be restricted to 4 (four) members in the order of their equity contribution;
- (b) Subject to this provision above, the Application should contain the Information required for each member of the Consortium;
- (c) members of the Consortium shall nominate one member as the lead member (the "Lead Member"), who shall have an equity share holding of at least 26% (twenty six per cent) of the paid up and subscribed equity of the SPV. The nomination(s) shall be supported by a Power of Attorney, as per the format at Appendix-III, signed by all the other members of the Consortium;

Application should include a brief description of the roles and responsibilities of individual members, particularly with reference to financial, technical, land and O&M operations;

Individual Applicant cannot at the same time be member of a Consortium applying for pre-qualification. Further, a member of a particular Applicant Consortium cannot be member of any other Applicant Consortium applying for pre-qualification;

- (f) the members of a Consortium shall form an appropriate SPV to execute the Project, if awarded to the Consortium;
- (g) members of the Consortium shall enter into a binding Joint Bidding Agreement, substantially in the form specified at Appendix-IV (the "Joint Bidding Agreement"), for the purpose of making the Application and submitting a Bid in the event of being short-listed. The Joint Bidding Agreement, to be submitted along with the Application, shall, inter alia:

- (i) convey the intent to form an SPV with shareholding/ ownership equity commitment(s) in accordance with this RFQ, which would enter into the Agreement and subsequently perform all the obligations of the Concessionaire in terms of the Agreement, in case the concession to undertake the Project is awarded to the Consortium;

- (ii) clearly outline the proposed roles and responsibilities, if any, of each member;

- (iii) commit the minimum equity stake to be held by each member;

- (iv) commit that each of the members, whose experience will be evaluated for the purposes of this RFQ (except for O&M experience as per clause 2.2.3), shall subscribe to 26% (twenty six per cent) or more of the paid up and subscribed equity of the SPV and shall further commit that each such member shall, for a period of 3 (three) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the

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subscribed and paid up equity share capital of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement;

- (v) members of the Consortium undertake that they shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity of the SPV at all times until the third anniversary of the commercial operation date of the Project
- (vi) include a statement to the effect that all members of the Consortium shall be liable jointly and severally for all obligations of the Concessionaire in relation to the Project until the Financial Close for the Project and satisfaction of all conditions precedent to commencement of concession is achieved in accordance with the Agreement; and
- (h) except as provided under this RFQ and the Bidding Documents, there shall not be any amendment to the Joint Bidding Agreement without the prior written consent of the Authority.

The Applicant, in case it is a Consortium, shall submit online scanned copy of the Power of Attorney and Joint Bidding Agreement along with the Application on or before the Application Due Date, while the original physical document shall be submitted within 72 (seventy two) hours from the Application Due Date failing which the Application shall be summarily rejected.

- 2.2.8 Any entity which has been barred by the Central Government, or any entity controlled by it, from participating in any project (PPP or otherwise), and the bar subsists as on the date of Application, would not be eligible to submit an Application, either individually or as member of a Consortium.
- 2.2.9 An Applicant including any Consortium Member or Associate should, in the last 3 (three) years, 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 against the Applicant, Consortium Member or Associate, as the case may be, nor has been expelled from any project or contract by any public entity nor have had any contract terminated any public entity for breach by such Applicant, Consortium Member or Associate.
- 2.2.10 In computing the Technical, Financial and O & M eligibility under Clauses 2.2.2, 2.2.3 and 3.1 of the Applicant/ Consortium Members, which is a company or a corporation, the Technical Capacity, Financial Capacity and O & M capacity of their respective Associates would also be eligible hereunder.

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For purposes of this RFQ, Associate means, in relation to the Applicant/ Consortium Member, a person who controls, is controlled by, or is under the common control with such Applicant/ Consortium Member (the "Associate"). As used in this definition, the expression "control" means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares 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 by operation of law.

2.2.11 The following conditions shall be adhered to while submitting an Application:

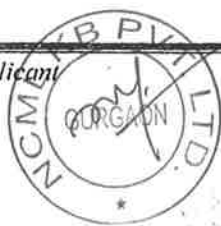
- (a) Applicants should attach clearly marked and referenced continuation sheets in the event that the space provided in the prescribed forms in the Annexes is insufficient. Alternatively, Applicants may format the prescribed forms making due provision for incorporation of the requested information;
- (b) Information supplied by an Applicant (or other constituent Member if the Applicant is a Consortium) must apply to the Applicant, Member or Associate named in the Application and not, unless specifically requested, to other associated companies or firms. Invitation to submit Bids will be issued only to Applicants whose identity and/ or constitution is identical to that at pre-qualification;
- (c) in responding to the pre-qualification submissions, Applicants should demonstrate their capabilities in accordance with Clause 3.1 below; and
- (d) in case the Applicant is a Consortium, each Member should substantially satisfy the pre-qualification requirements to the extent specified herein.

2.2.12 While Qualification is open to persons from any country, the following provisions shall apply:

- (a) Where, on the date of the Application, not less than 15% (fifteen per cent) of the aggregate issued, subscribed and paid up equity share capital in an Applicant or its Member is held by persons resident outside India or where an Applicant or its Member is controlled by persons resident outside India; or
- (b) if at any subsequent stage after the date of the Application, there is an acquisition of not less than 15% (fifteen per cent) of the aggregate issued, subscribed and paid up equity share capital or control, by persons resident outside India, in or of the Applicant or its Member;

then the Qualification of such Applicant or in the event described in sub clause (b) above, the continued Qualification of the Applicant shall be subject to approval of the Authority

Signature & Stamp of Applicant



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from national security and public interest perspective. The decision of the Authority in this behalf shall be final and conclusive and binding on the Applicant.

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

- 2.2.13 Notwithstanding anything to the contrary contained herein, in the event that the Application Due Date falls within three months of the closing of the latest financial year of an Applicant, it shall ignore such financial year for the purposes of its Application and furnish all its information and certification with reference to the 5 (five) years or 1 (one) years, as the case may be, preceding its latest financial year. For the avoidance of doubt, financial year shall, for the purposes of an Application hereunder, mean the accounting year followed by the Applicant in the course of its normal business.

2.3 Change in composition of the Consortium

- 2.3.1 Change in the composition of a Consortium will not be permitted by the Authority during the Qualification Stage.

- 2.3.2 Where the Bidder is a Consortium, change in the composition of a Consortium may be permitted by the Authority during the Bid Stage, only where:

- (a) the application for such change is made no later than 15 (fifteen) days prior to the Bid Due Date;
- (b) the Lead Member continues to be the Lead Member of the Consortium;
- (c) the substitute is at least equal, in terms of Technical Capacity, to the Consortium Member who is sought to be substituted and the modified Consortium shall continue to meet the pre-qualification and short-listing criteria for Applicants; and
- (d) the new Member(s) expressly adopt(s) the Application already made on behalf of the Consortium as if it were a party to it originally, and is not an Applicant/Member/Associate of any other Consortium bidding for this Project.

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- 2.3.3 Approval for change in the composition of a Consortium shall be at the sole discretion of the Authority and must be approved by the Authority in writing.
- 2.3.4 The modified / reconstituted Consortium shall submit a revised Jt. Bidding Agreement before the Bid Due Date.
- 2.3.5 Notwithstanding anything to the contrary contained in sub-clause (c)(i) of Clause 2.2.1, an Applicant may, within 10 (ten) days after the Application Due Date, remove from its Consortium any Member who suffers from a Conflict of Interest, and such removal shall be deemed to cure the Conflict of Interest arising in respect thereof.

2.4 Number of Applications

- 2.4.1 No Applicant shall submit more than one Application. An applicant applying individually or as a member of a Consortium shall not be entitled to submit another application either individually or as a member of any Consortium, as the case may be.
- 2.4.2 The Applicants shall be responsible for all of the costs associated with the preparation of their Applications and their participation in the Bid 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.

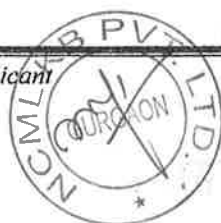
2.5 Site visit and verification of information

- 2.5.1 Applicants are encouraged to submit their respective Applications after visiting the Project locations and ascertaining for themselves the site conditions, traffic, 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.

2.6 Acknowledgement by Applicant

- 2.6.1 It shall be deemed that by submitting the Application, the Applicant has:
- (a) made a complete and careful examination of the RFQ;
 - (b) received all relevant information requested from the Authority;
 - (c) accepted the risk of inadequacy, error or mistake in the information provided in the RFQ or furnished by or on behalf of the Authority relating to any of the matters referred to in this Clause 2.6 above; and
 - (d) agreed to be bound by the undertakings provided by it under and in terms hereof; and

Signature & Stamp of Applicant



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- 2.6.2 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 the RFQ or the Bidding Process, including any error or mistake therein or in any information or data given by the Authority.

2.7 Right to accept or reject any or all Applications/ Bids

- 2.7.1 Notwithstanding anything contained in this RFQ, the Authority reserves the right to accept or reject any Application and to annul the Bidding Process and reject all Applications/ 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.

- 2.7.2 The Authority reserves the right to reject any Application and/or Bid if:

- (a) at any time, a material misrepresentation is discovered or established, or
- (b) the Applicant does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Application, or


If the Applicant/Bidder is a Consortium, then the entire Consortium 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 match the Highest Bidder / submit their Bids in accordance with the RFP; or
- (ii) take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process.

- 2.7.3 In case it is found during the evaluation or at any time before signing of the Agreement or after its execution and during the period of subsistence thereof, including the concession thereby granted by the Authority, that one or more of the pre-qualification conditions have not been met by the Applicant, or the Applicant has made material misrepresentation or has given any materially incorrect or false information, the Applicant shall be disqualified forthwith if not yet appointed as the Concessionaire either by issue of the LOA or entering into of the Agreement, and if the Applicant/SPV has already been issued the LOA or has entered into the Concession Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFQ, be liable to be terminated, by a communication in writing by the Authority to the Applicant, without the Authority being liable in any manner whatsoever to the Applicant and without prejudice to

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any other right or remedy which the Authority may have under this RFQ, the Bidding Documents, the Concession Agreement or under applicable law.

- 2.7.4 The Authority reserves the right to verify all statements, make enquiries thereof from its own or borrowed sources, information and documents submitted by the Applicant in response to the RFQ. Any such verification or lack of such verification by the Authority shall not relieve the Applicant of its obligations or liabilities hereunder nor will it affect any rights of the Authority thereunder.

B. Documents

2.8 Contents of the RFQ

- 2.8.1 This RFQ comprises the disclaimer set forth hereinabove, the contents as listed below, and will additionally include any Addenda issued in accordance with Clause 2.10.

Invitation for Qualification

Section 1. Introduction

Section 2. Instructions to Applicants

Section 3. Criteria for Evaluation

Section 4. Fraud & Corrupt Practices

Section 5. Pre Application Conference

Section 6. Miscellaneous

Appendices

I. Letter comprising the Application

II. Power of Attorney for signing of Application

III. Power of Attorney for Lead Member of Consortium

IV. Joint Bidding Agreement for Consortium

V. Instruction for Online Bid Submission

2.9 Clarifications

- 2.9.1 Applicants requiring any clarification on the RFQ may notify the Authority in writing or by fax and e-mail in accordance with this Clause 2.9.1. They should send in their queries before the date specified in the schedule of Bidding Process contained in Clause 1.3. The Authority shall endeavour to respond to the queries within the period specified therein, but no later than 10 (ten) days prior to the Application Due Date. The responses will be posted on the website of the Authority (www.fci.gov.in) and on the website <https://eprocure.gov.in/eprocure/app>. The Authority will forward all the queries and its responses thereto, to all purchasers of the RFQ without identifying the source of queries.

Signature & Stamp of Applicant

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- 2.9.2 The Authority shall endeavour to respond to the questions raised or clarifications sought by the Applicants. 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 shall be taken or read as compelling or requiring the Authority to respond to any question or to provide any clarification.
- 2.9.3 The Authority may also on its own motion, if deemed necessary, issue interpretations and clarifications to all applicants which shall be posted on the website of the Authority (www.fci.gov.in) and on the website <https://eprocure.gov.in/eprocure/app>. All clarifications and interpretations issued by the Authority shall be deemed to be part of the RFQ. Verbal clarifications and information given by Authority or its employees or representatives shall not in any way or manner be binding on the Authority.
- 2.10 Amendment of RFQ**
- 2.10.1 At any time prior to the deadline for submission of Application, the Authority may, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant, modify the RFQ by the issuance of Corrigendum.
- 2.10.2 Any Corrigendum thus issued will be put up on the website of the Authority (www.fci.gov.in) and Central Public Procurement (CPP) portal (<https://eprocure.gov.in/eprocure/app>)
- 2.10.3 In order to afford the Applicants a reasonable time for taking a Corrigendum into account, or for any other reason, the Authority may, in its sole discretion, extend the Application Due Date

C. Preparation and Submission of Applications

2.11 Language

- 2.11.1 The Application 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 Applicant with the Application may be in any other language provided that they are accompanied by translations of all the pertinent passages in the English language, duly authenticated and certified by the Applicant. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Application, the English language translation shall prevail.



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2.12 Format and signing of Application

2.12.1 The Applicant shall provide all the information sought under this RFQ. The Authority will evaluate only those Applications that are received in the required formats and complete in all respects. Incomplete and /or conditional Applications shall be liable to rejection.

2.12.2 The Application shall be uploaded/submitted in the following manner, as per instruction in this RFQ :

(a) Online on CPP Portal <https://eprocure.gov.in/eprocure/app>, and

(b) Physical submission in sealed envelope.

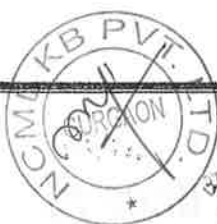
The Applicant shall upload the duly filled in Application on the CPP portal as per prescribed format herein along with scanned copies of all the relevant documents. The original physical copies of certificate(s) from statutory auditor, Power(s) of Attorney, Joint Bidding Agreement, Additional Bank Guarantee(s), copy of the RTGS/NEFT transaction confirmation receipt issued by the transferring bank for Processing Fee and other relevant documents shall be submitted in a sealed envelope at the address provided in Clause 2.13.3. In case of any discrepancy between the original hard copies and scanned copies submitted online, the Application is liable to be rejected. The online submission shall be signed by the authorized signatory, as mentioned in the Power of Attorney, using the digital signature.

2.12.3 The Application and its copy shall be typed or written in Indelible ink and signed by the authorized signatory of the Applicant 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 Application shall be initialed by the person(s) signing the Application. The Application shall **contain page numbers** and shall be **bound together in hard cover**.

2.13 Sealing and marking of Applications

2.13.1 The Applicant shall submit the Application in the format specified at Appendix-I, together with the documents specified in Clause 2.13.2 and upload the Application in PDF format along with scanned copies of all the relevant documents as per instructions at Appendix VI. The original physical copies of certificate(s) from statutory auditor, Power(s) of Attorney, Joint Bidding Agreement, copy of the RTGS/NEFT transaction confirmation receipt issued by the transferring bank for Processing Fee and other relevant document shall be submitted in a sealed envelope to be marked as as "Application for qualification for selection of developer for construction of food grain silos on PPP - DBFOT basis at Kaimur and Buxar". The Applicant shall seal the Application, together with its respective enclosures.

Signature & Stamp of Applicant



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2.13.2 The application shall contain the following, each copy to be scanned & uploaded on or before Application Due Date and original hard copy to be submitted within 72 (seventy two) hours from the Application Due Date :

- (a) Application in the prescribed format (Appendix-I) along with Annexes and supporting documents;
- (b) Power of Attorney for signing the Application as per the format at Appendix-II;
- (c) if applicable, Power of Attorney for Lead Member of Consortium as per the format at Appendix-III;
- (d) if applicable, Joint Bidding Agreement, in case of a Consortium, substantially in the format at Appendix-IV;
- (e) copy of Memorandum and Articles of Association, if the Applicant is a body corporate, and if a partnership then a copy of its registered partnership deed (for each Member in case of Consortium)
- (f) copies of Applicant's (including of member of Consortiums, if Applicant a Consortium) duly audited balance sheet and profit and loss account for the preceding five years
- (g) copy of the RTGS/NEFT transaction confirmation receipt issued by the transferring bank of Rs 5000/- towards cost of the RFQ process fee.

Each of the envelopes shall clearly bear the following identification:

"Application for qualification for selection of developer for construction of food grain silos on PPP - DBFOT basis at Kaimur and Buxar"

and shall clearly indicate the name and address of the Applicant. In addition, the Application Due Date should be indicated on the right hand corner of each of the envelopes.

2.13.3 Each of the envelopes shall be addressed to:

ATTN. OF: Mr. Aseem Chhabra General Manager (Silos)

ADDRESS: Food Corporation of India, Headquarters,
10th Floor, 16-20, Barakhamba Lane New
Delhi-110001

Phone Number: 011-43527348

Email id: gmsilos.fci@gov.in

Signature & Stamp of Applicant



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- 2.13.4 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 Application and consequent losses, if any, suffered by the Applicant.
- 2.13.5 Applications submitted by fax, telex, telegram or e-mail shall not be entertained and shall be rejected.

2.14 Application Due Date

- 2.14.1 Applications should be uploaded online at CPP Portal before 1100 hours IST on the Application Due Date, along with physical submission at the address provided in Clause 2.13.3 2.13.3 in the manner and form as detailed in this RFQ. A receipt thereof should be obtained from the person specified in Clause 2.13.2.
- 2.14.2 The Authority may, in its sole discretion, extend the Application Due Date by issuing an Addendum in accordance with Clause 2.10 uniformly for all applicants.

2.15 Late Applications

- 2.15.1 Applications received by the Authority after the specified time on the Application Due Date shall not be eligible for consideration and shall be summarily rejected.

2.16 Modification / substitution/withdrawal of Applications

- 2.16.1 The Applicant may modify, substitute or withdraw its Application after submission, provided that written notice of the modification, substitution or withdrawal is received by the Authority prior to the Application Due Date. No Application shall be modified, substituted or withdrawn by the Applicant on or after the Application Due Date.
- 2.16.2 The modification, substitution or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clause 2.13, with the envelopes being additionally marked "MODIFICATION", "SUBSTITUTION" or "WITHDRAWAL", as appropriate.
- 2.16.3 Any alteration/ modification in the Application or additional information supplied subsequent to the Application Due Date, unless the same has been expressly sought for by the Authority, shall be disregarded.

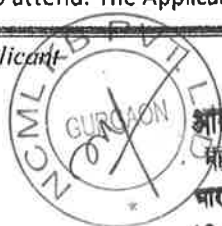
D. Evaluation Process

2.17 Opening and Evaluation of Applications

- 2.17.1 The Authority shall open the Applications online at 1130 hours IST on the Application Due Date, at the place specified in Clause 2.13.3 2.13.3 and in the presence of the Applicants who choose to attend. The Applicants can also check the application opening status online

Signature & Stamp of Applicant

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- 2.17.2 Applications for which a notice of withdrawal has been submitted in accordance with Clause 2.16 shall not be opened.
- 2.17.3 The Authority will subsequently examine and evaluate Applications in accordance with the provisions set out in Section 3.
- 2.17.4 Applicants are advised that pre-qualification of Applicants will be strictly in accordance with the RFQ. Applicants will be deemed to have understood and agreed that no explanation or justification on any aspect of the Bidding Process or selection will be given.
- 2.17.5 Any information contained in the Application shall not in any way be construed as binding on the Authority, its agents, successors or assigns, but shall be binding against the Applicant if the Project is subsequently awarded to it on the basis of such information.
- 2.17.6 The Authority reserves the right not to proceed with the Bidding Process at any time without notice or liability and to reject any or all Application(s) without assigning any reasons.
- 2.17.7 If any information furnished by the Applicant is found to be incomplete, or contained in formats other than those specified herein, the Authority may, at its sole discretion, exclude the relevant project from computation of the Eligible Experience of the Applicant.
- 2.17.8 In the event that an Applicant claims credit for an Eligible Project, and such claim is determined by the Authority as incorrect or erroneous, the Authority shall reject such claim and exclude the same from computation of the Eligible Experience. Where any information is found to be patently false or amounting to a material misrepresentation, the Authority reserves the right to reject the Application and/ or Bid in accordance with the provisions of Clause 2.7.

2.18 Confidentiality

- 2.18.1 Information relating to the examination, clarification, evaluation, and recommendation for the short-listed pre-qualified Applicants 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 Application, 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.

Signature & Stamp of Applicant

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2.19 Tests of responsiveness

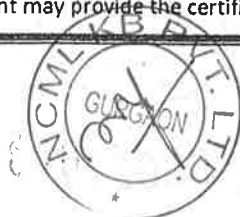
2.19.1 Prior to evaluation of Applications, the Authority shall determine whether each Application is responsive to the requirements of the RFQ. An Application shall be considered responsive only if:

- (a) it is received online and in physical form, as per format at Appendix-I along with all Annexes and supporting documents;
- (b) it is received by the Application Due Date including any extension thereof pursuant to Clause 2.14;
- (c) it is signed, sealed, bound together in hard cover, and marked as stipulated in Clause 2.13.2;
- (d) it is accompanied by the Power of Attorney as specified in Clause 2.2.5, and in the case of a Consortium, the Power of Attorney as specified in Clause 2.2.7(c);
- (e) it contains all the information and documents (complete in all respects) as requested in this RFQ;
- (f) it contains information in formats same as those specified in this RFQ;
- (g) it contains certificates from its statutory auditors³ in the formats specified at Appendix-I of the RFQ for each Eligible Project;
- (h) it contains copy of RTGS/NEFT transaction confirmation receipt issued by the transferring bank of Rs. 5,000 (Rupees five thousand only) to Authority towards the cost of the RFQ document;
- (i) it is accompanied by the Joint Bidding Agreement (for Consortium), specific to the Project, as stipulated in Clause 2.2.7(g);
- (j) it contains a duly signed copy of RFQ document;
- (k) it does not contain any condition or qualification; and
- (l) it is not non-responsive in terms hereof.

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

³. In jurisdictions that do not have statutory auditors, the firm of auditors (Chartered Accountant) which audits the annual accounts of the Applicant may provide the certificates required under this RFQ.

Signature & Stamp of Applicant



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2.20 Clarifications by Authority

- 2.20.1 To facilitate evaluation of Applications, the Authority may, at its sole discretion, seek clarifications from any Applicant regarding its Application. Such clarification(s) shall be provided within the time specified by the Authority for this purpose. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing.
- 2.20.2 If an Applicant does not provide clarifications sought under Clause 2.20.1 above within the prescribed time, its Application shall be liable to be rejected. In case the Application is not rejected, the Authority may proceed to evaluate the Application by construing the particulars requiring clarification to the best of its understanding, and the Applicant shall be barred from subsequently questioning such interpretation of the Authority.

E. Qualification and Bidding

2.21 Short-listing and notification

- 2.21.1 After the evaluation of Applications, the Authority would announce a list of short-listed pre-qualified Applicants (Bidders) who will be eligible for participation in the Bid Stage. At the same time, the Authority would notify the other Applicants that they have not been short-listed. The Authority will not entertain any query or clarification from Applicants who fail to qualify.

2.22 Submission of Bids

- 2.22.1 The Bidders will be requested to submit a Bid in the form and manner to be set out in the Bidding Documents.
- 2.22.2 Only pre-qualified Applicants shall be invited by the Authority to submit their Bids for the Project. The Authority is likely to provide a comparatively short time span for submission of the Bids for the Project. The Applicants are therefore advised to visit the locations and familiarize themselves with the Project by the time of submission of the Application. No extension of time is likely to be considered for submission of Bids pursuant to invitation that may be issued by the Authority.

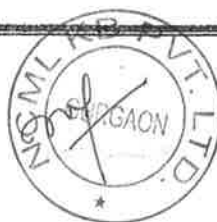
2.23 Proprietary data

- 2.23.1 All documents and other information supplied by the Authority or submitted by an Applicant to the Authority shall remain or become the property of the Authority. Applicants are to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of their Application. The Authority will not return any Application or any information provided along therewith.

Signature & Stamp of Applicant

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2.24 Correspondence with the Applicant

- 2.24.1 Save and except as provided in this RFQ, the Authority shall not entertain any correspondence with any Applicant in relation to the acceptance or rejection of any Application.



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3. CRITERIA FOR EVALUATION

3.1 Evaluation Parameters

- 3.1.1 Only those Applicants who meet the eligibility criteria specified in Clause 2.2.2 and 2.2.3 above shall qualify for evaluation under this Section 3. Applications that do not meet these criteria shall be rejected.
- 3.1.2 The Applicant's competence and capability is proposed to be established by the following parameters:
- (a) Technical Capacity; and
 - (b) Financial Capacity;

3.2 Technical Capacity for purposes of evaluation

- 3.2.1 Subject to the provisions of Clause 2.2, 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 3.2.3 and, 3.2.4 (the "Eligible Projects"):

Category 1: Project experience on Eligible Projects in warehousing sector that qualify under Clause 3.2.3

Category 2: Project experience on Eligible Projects in core sector that qualify under Clause 3.2.3

Category 3: Construction experience on Eligible Projects in warehousing sector that qualify under Clause 3.2.4

Category 4: Construction experience on Eligible Projects in Core sector that qualify under Clause 3.2.4

For the purposes of this RFQ

- i. warehousing/ storage sector would be deemed to include warehousing/storage, whether modern or otherwise, including cold storage, storage for food processing, grain/ paddy/ millets etc.; and
- ii. core sector would be deemed to include roads, highways and bridges, power, telecom, ports, airports, railways, metro rail, industrial parks/ estates, logistic parks, pipelines, irrigation, water supply, sewerage and real estate development.⁵

⁵ Real estate development shall not include residential flats unless they form part of a real estate complex or township which has been built by the Applicant.

Signature & Stamp of Applicant

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- 3.2.2 Eligible Experience in respect of each category shall be measured only for Eligible Projects.
- 3.2.3 For a project to qualify as an Eligible Project under Category 1 & 2:
- 3.2.3.1 The capital cost of the project should be more than 20% of Estimated Project Cost i.e. Rs. 13 crore;
- 3.2.3.2 the entity claiming experience should have held, in the company owning the Eligible Project, a minimum of 26% (twenty six per cent) equity during the entire year for which Eligible Experience is being claimed;
- 3.2.3.3 the entity claiming experience shall, during the last 5 (five) financial years preceding the Application 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 or use of fixed project assets, such as revenues from highways, airports, ports and railway infrastructure, but shall not include revenues from sale or provision of goods or services such as electricity, gas, petroleum products, telecommunications or fare/freight revenues and other incomes of the company owning the Project.
- 3.2.3.4
- 3.2.3.5 It should have been undertaken as a PPP project on BOT, BOLT, BOO, BOOT or other similar basis for providing its output or services to a public sector entity or for providing non-discriminatory access to users in pursuance of its charter, concession or contract, as the case may be. For the avoidance of doubt, a project which constitutes a natural monopoly such as an airport or port should normally be included in this category even if it is not based on a long-term agreement with a public entity;
- 3.2.4 For a project to qualify as an Eligible Project under Category 3 & 4, the Applicant should have paid for execution of its construction works or received payments from its client(s) for construction works executed, fully or partially, during the 5 (five) financial years immediately preceding the Application Due Date, and only the payments (gross) actually made or received, as the case may be, during such 5 (five) financial years shall qualify for purposes of computing the Experience Score. However, payments/receipts of less than Rs 13.0 crore shall not be reckoned as payments/receipts for Eligible Projects. For the avoidance of doubt, construction works shall not include supply of goods or equipment except when such goods or equipment form part of a turnkey construction contract/ EPC contract for the project. Further, the cost of land shall not be included hereunder.

Signature & Stamp of Applicant



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- 3.2.5 The Applicant shall quote experience in respect of a particular Eligible Project under any one category only, even though the Applicant (either individually or along with a member of the Consortium) may have played multiple roles in the cited project. Double counting for a particular Eligible Project shall not be permitted in any form.
- 3.2.6 Subject to the provisions of Clause 3.2.1, an Applicant's experience shall be measured and stated in terms of a score (the "Experience Score"). The Experience Score for an Eligible Project in a given category would be the eligible payments and/or receipts specified in Clause 2.2.2 (A), divided by one crore and then multiplied by the applicable factor in Table 3.2.6 below. In case the Applicant has experience across different categories, the score for each category would be computed as above and then aggregated to arrive at its Experience Score.

Table 3.2.6: Factors for Experience across categories

Categories	Factor
Category I	1.25
Category II	1.00
Category III	0.75
Category IV	0.50

- 3.2.7 Experience for an Eligible Project shall not be claimed by two or more Members of the Consortium. In other words, no double counting by a Consortium in respect of the same experience shall be permitted in any manner whatsoever.

3.3 Details of Experience

- 3.3.1 The Applicant should furnish the details of Eligible Experience for the last 5 (five) financial years immediately preceding the Application Due Date.
- 3.3.2 The Applicants must provide the necessary information relating to Technical Capacity as per format at Annex-II of Appendix-I.
- 3.3.3 The Applicant should furnish the required Project-specific information and evidence in support of its claim of Technical Capacity and O & M Capacity, as per format at Annex-IV of Appendix-I.

3.4 Financial information for purposes of evaluation

- 3.4.1 The Application must be accompanied by the Audited Annual Reports of the Applicant (and of each Member in case of a Consortium) for the last 5 (five) financial years, preceding the year in which the Application is made.

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3.4.2 In case the annual accounts for the latest financial year are not audited and therefore the Applicant cannot make it available, the Applicant shall give an undertaking to this effect and the statutory auditor shall certify the same. In such a case, the Applicant shall provide the Audited Annual Reports for 5 (five years preceding the year for which the Audited Annual Report is not being provided).

3.4.3 The Applicant must establish the minimum Net Worth specified in Clause 2.2.2(B) and provide details as per format at Annex-III of Appendix-I.

3.5 Shortlisting of bidders

3.5.1 The credentials of eligible Applicants shall be measured in terms of their Experience Score. The sum total of the Experience Scores for all Eligible Projects shall be the 'Aggregate Experience Score' of a particular Applicant. In case of a Consortium, the Aggregate Experience Score of each of its Members, who have an equity share of at least 26% in such Consortium, shall be summed up for arriving at the combined Aggregate Experience Score of the Consortium.

3.5.2 The Applicants shall then be ranked on the basis of their respective Aggregate Experience Scores and short-listed for submission of Bids on this basis. The Authority expects to short-list upto 6 (six) pre-qualified Applicants for participation in the Bid Stage. The Authority, however, reserves the right to increase the number of shortlisted pre-qualified Applicants by adding additional Applicant.

3.5.3 The Authority may, in its discretion, maintain a reserve list of pre-qualified Applicants who may be invited to substitute the short-listed Applicants in the event of their withdrawal from the Bid Process or upon their failure to conform to the conditions specified herein; provided that a substituted Applicant shall be given at least 30 (thirty) days to submit its Bid.



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4. FRAUD AND CORRUPT PRACTICES

4.1 Fraud and Corrupt Practices

- 4.1.1 The Applicants and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process. Notwithstanding anything to the contrary contained herein, the Authority may reject an Application without being liable in any manner whatsoever to the Applicant if it determines that the Applicant 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.
- 4.1.2 Without prejudice to the rights of the Authority under Clause 4.1.1 hereinabove, if an Applicant 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, such Applicant shall not be eligible to participate in any tender or RFQ issued by the Authority during a period of 2 (two) years from the date such Applicant 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, as the case may be.
- 4.1.3 For the purposes of this Section 4, 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 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 sub clause (d) of Clause 2.2.1, engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOA or after the execution of the Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the 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;

Signature & Stamp of Applicant

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- (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 Applicants with the objective of restricting or manipulating a full and fair competition in the Bidding Process.




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5. PRE APPLICATION CONFERENCE

5.1 Pre Application Conference

- 5.1.1 A Pre-Application conference of the interested parties shall be convened at the designated date, time and place. Only those persons who have purchased the RFQ document shall be allowed to participate in the Pre-Application conference. Applicants who have downloaded the RFQ document from the Authority's website (www.fci.gov.in) should submit a processing fees of Rs. 5,000 (Rupees five thousand only) through RTGS/NEFT transaction towards the cost of document, through their representative attending the conference. A maximum of three representatives of each Applicant shall be allowed to participate on production of authority letter from the Applicant.
- 5.1.2 During the course of Pre-Application conference, the Applicants will be free to seek clarifications and make suggestions for consideration of the Authority. The Authority shall endeavour 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.


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6. MISCELLANEOUS

6.1 Miscellaneous

- 6.1.1 The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts at New Delhi shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the Bidding Process.
- 6.1.2 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 Applicant in order to receive clarification or further information;
 - (c) pre-qualify or not to pre-qualify any Applicant and/ or to consult with any Applicant in order to receive clarification or further information;
 - (d) retain any information and/ or evidence submitted to the Authority by, on behalf of, and/ or in relation to any Applicant; and/ or
 - (e) independently verify, disqualify, reject and/ or accept any and all submissions or other information and/ or evidence submitted by or on behalf of any Applicant.
- 6.1.3 It shall be deemed that by submitting the Application, the Applicant 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 and the Bidding Documents, pursuant hereto, and/ or in connection with the Bidding Process, to the fullest extent permitted by applicable law, and waives any and all rights and/ or claims it may have in this respect, whether actual or contingent, whether present or in future.



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APPENDIX I

Letter Comprising the Application for Pre-Qualification

(Refer Clause 2.13.2)

(On the letter head of the Applicant / Lead Member of the Consortium)

Dated:

To,

The Secretary,

Sub: Application for pre-qualification for "Selection of Developer for construction of Food Grain Silos at Kalmur and Buxar through Public Private Partnership (PPP) on Design, Build, Finance, Operate and Transfer (DBFOT) basis" Project

Dear Sir,

1. With reference to your RFQ document dated _____⁴, I/we, having examined the RFQ document and understood its contents, hereby submit my/our Application for Qualification for the aforesaid project. The Application is unconditional and unqualified.
2. I/ We acknowledge that the Authority will be relying on the Information provided in the Application and the documents accompanying such Application for pre-qualification of the Applicants for the aforesaid project, and we certify that all information provided in the Application and in Annexes I to IV is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying such Application are true copies of their respective originals.
3. This statement is made for the express purpose of qualifying as a Bidder for the financing, development, construction, operation, and maintenance of the aforesaid Project.
4. I/ We shall make available to the Authority any additional information it may find necessary or required to supplement or authenticate the Qualification statement.
5. I/ We acknowledge the right of the Authority to reject our Application 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.

⁴ All blank spaces shall be suitably filled up by the Applicant to reflect the particulars relating to such Applicant.

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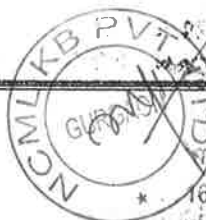


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6. I/ We certify that in the last three years, we/ any of the Consortium Members or our/ their Associates have neither failed to perform on any contract, as evidenced by Imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement 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.
7. I/ We declare that:
- a. I/ We have examined and have no reservations to the RFQ document, including any Addendum issued by the Authority;
 - b. I/ We do not have any conflict of interest in accordance with Clause 2.2.1 of the RFQ document;
 - 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 RFQ document, in respect of any tender or request for proposal 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 RFQ 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.
8. I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Application that you may receive nor to invite the Applicants to Bid for the Project, without incurring any liability to the Applicants, in accordance with Clause 2.7 of the RFQ document.
9. I/ We believe that we/ our Consortium/ proposed Consortium satisfy(s) the Net Worth criteria and meet(s) all the requirements as specified in the RFQ document and are/ is qualified to submit a Bid.
10. I/ We declare that we/ any Member of the Consortium, or our/ its Associates are not a Member of a/ any other Consortium applying for pre-qualification.
11. I/ We certify that in regard to matters other than security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been charge-sheeted or 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.
12. I/ We further certify that in regard to matters relating to security and integrity of the country, we/ any Member of the Consortium or any of our/ their Associates have not been charge-sheeted by any agency of the Government or convicted by a Court of Law.

Signature & Stamp of Applicant



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13. I/ We further certify that no investigation by a regulatory authority is pending either against us/ any Member of the Consortium or against our/ their Associates or against our CEO or any of our directors/ managers/ employees.
14. I/ We further certify that we are qualified to submit a Bid in accordance with the guidelines for qualification of bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment issued by the GOI vide Department of Disinvestment OM No. 6/4/2001-DD-II dated 13th July, 2001 which guidelines apply mutatis mutandis to the Bidding Process..
15. 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 provisions of this RFQ, we shall intimate the Authority of the same immediately.
16. The Statement of Legal Capacity as per format provided at Annex-VI in Appendix-I of the RFQ document, and duly signed, is enclosed. The power of attorney for signing of application and the power of attorney for Lead Member of consortium, as per format provided at Appendix II and III respectively of the RFQ, are also enclosed.
17. I/ We understand that the selected Bidder shall incorporate a Special Purpose Vehicle under the Companies Act, 1956/ Companies Act 2013, prior to execution of the Agreement.
18. I/ We hereby confirm that we are in compliance of/ shall comply with⁵ the O&M requirements specified in Clause 2.2.3.
19. 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 Applicants, selection of the Bidder, or in connection with the selection/ Bidding Process itself, in respect of the above mentioned Project and the terms and implementation thereof.
20. I/ We agree and undertake to abide by all the terms and conditions of the RFQ document.
21. I/ We certify that in terms of the RFQ, my/our Net Worth is Rs. (Rupees) and the Aggregate Experience Score is (in figures) (in words):
22. I/We agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Agreement till the conditions precedent are satisfied in accordance with the Concession Agreement.⁶

⁵ Insert appropriate option

⁶ Omit if the Applicant is not a Consortium

Signature & Stamp of Applicant

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

Yours faithfully,

Date: (Signature, name and designation of the Authorised Signatory)

Place: (Name and seal of the Applicant/ Lead Member)

Note: Paragraphs in square parenthesis may be omitted, if not applicable, or modified as necessary.



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ANNEX I

Details of Applicant

1. Details of the Applicant / member of Consortium

- a. Name:
- b. Country of incorporation:
- c. Type of entity : Individual / Sole Proprietorship / Company / Partnership Firm / Limited Liability partnership
- d. Address of the corporate headquarters and its branch office(s), if any, in India:
- e. Date of incorporation and/or commencement of business:
- f. Incorporation / Registration Number⁷ :

2. Brief description of the Applicant including details of its main lines of business and proposed role and responsibilities in this Project:

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/Mobile No:
- f. E-Mail Address:
- g. Fax Number:

4. Particulars of the Authorised Signatory of the Applicant:

- a. Name:
- b. Designation:



⁷ Where not applicable, PAN Number to be provided

Signature & Stamp of Applicant

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- c. Address:
- d. Phone Number:
- e. Fax Number:

5. In case of Consortium:

- a. The information above (1-4) should be provided for all the Members of the Consortium.
- b. A copy of the Jt. Bidding Agreement, as envisaged in Clause 2.2.7(g) should be attached to the Application
- c. Information regarding the role of each Member should be provided as per table below:

Sl No:	Name of Member	Role* {Refer to clause 2.2.7 (g)} ⁸	Percentage of Equity in the consortium (Refer clause (a), (c) and (g))
1.			
2.			
3.			
4.			
5.			

**The role of each Member, as may be determined by the Applicant, should be indicated in accordance with instruction 4 at Annex IV*

- d. The following information shall also be provided for each Member of the Consortium:

Name of Applicant / member of Consortium: _____

Sno.	Criteria	YES	NO
1	Has the Applicant / constituent of the Consortium been blacklisted / barred by the Central/ State Government, or any entity controlled by it, from participating in any project (BOT or otherwise)?		
2	If the answer to 1 is yes, does the bar subsist as on the date of		

⁸ All provisions contained in curly parenthesis i.e.{ } shall be suitably modified by the Applicant to reflect the particulars relating to such Applicant

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	Application?		
3	Has the Applicant/ constituent of the Consortium paid liquidity damages of more than 5% of the contract value in a contract due of delay or has been penalised due to any other reason in relation to execution of a contract, in the last three years?		

6. A statement by the Applicant and each of the Members of its Consortium (where applicable) or any of their Associates disclosing material non- performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary):

Note

In case of a Consortium:

- The information above (1-4) should be provided for all the Members of the Consortium.
- A copy of the Joint Bidding Agreement, as envisaged in clause 2.2.7(g) is attached to the Application.

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ANNEX II

Technical Capacity of the Applicant[®]

(Refer to Clauses 2.2.2(A) and 3.2 and 3.5 of the RFQ)

Applicant type (1)#	Name of Applicant (2)	Member Code (3)*	Project Code (4)**	Experience [¥] (Equivalent Rs crore) ^{§§}			Experience Score [£] (8)
				Payments made/ received for construction of Eligible Projects in Categories 3 and 4 (5)	Payments made for development of Eligible Projects in Categories 1 and 2 (6)	Revenues appropriated from Eligible Projects in Categories 1 and 2 (7)	
Single entity Applicant			a				
			b				
			c				
			d				
Consortium Member 1			1a				
			1b				
			1c				
			1d				
Consortium Member 2			2a				
			2b				
			2c				

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			2d				
Consortium Member 3			3a				
			3b				
			3c				
			3d				
Consortium Member 4			4a				
			4b				
			4c				
			4d				
Aggregate Experience Score =							

• Provide details of only those projects that have been undertaken by the Applicant under its own name and/ or by an Associate specified in Clause 2.2.10 and/ or by a project company eligible under Clause 3.2.3.2. In case of Categories 1 and 2, include only those projects which have an estimated capital cost exceeding the amount specified in Clause 3.2.3.1 and for Categories 3 and 4, include only those projects where the payments made/received exceed the amount specified in Clause 3.2.4. In case the Application Due Date falls within 3 (three) months of the close of the latest financial year, refer to Clause 2.2.13.

• An Applicant consisting of a single entity should fill in details as per the row titled Single entity Applicant and ignore the rows titled Consortium Member. In case of a Consortium, the row titled Single entity Applicant may be ignored. In case credit is claimed for an Associate, necessary evidence to establish the relationship of the Applicant with such Associate, in terms of Clause 2.2.109, shall be provided.

* Member Code shall indicate NA for Not Applicable in case of a single entity Applicant. For other Members, the following abbreviations are suggested viz. LM means Lead Member, TM means Technical Member, FM means Financial Member, OMM means Operation & Maintenance Member, OM means Other Member.

**Refer Annex-IV of this Appendix-I. Add more rows if necessary.

• In the case of Eligible Projects in Categories 1 and 2, the figures in columns 6 and 7 may be added for computing the Experience Score of the respective projects. In the case of Categories 3 and 4, construction shall not include supply of goods or equipment except when such goods or equipment form part of a turn-key construction contract/ EPC contract for the project. In no case shall the cost of land be included while computing the Experience Score of an Eligible Project.

ssFor conversion of US Dollars to Rupees, the rate of conversion shall be Rupees 50 (fifty) to a US Dollar. 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 Application 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.

• Divide the amount in the Experience column by one crore and then multiply the result thereof by the applicable factor set out in Table 3.2.6 to arrive at the Experience Score for each Eligible Project.

Strike out parts not applicable. Do not Delete

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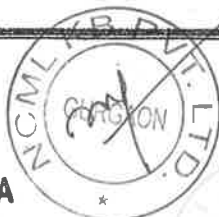
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ANNEX III

Financial Capacity of the Applicant

(Refer to Clauses 2.2.2(B); 2.2.32.2.4(b); and 3.4 of the RFQ)

(In Rs. Crore⁵⁵)

Applicant Type ⁵	Member Code ⁶	Net Cash Accruals					Net Worth ⁶
(1)	(2)	Year 1 (3)	Year 2 (4)	Year 3 (5)	Year 4 (6)	Year 5 (7)	Year 1 (8)
Single entity Applicant							
Consortium Member 1							
Consortium Member 2							
Consortium Member 3							
Consortium Member 4							
TOTAL							

Name & address of Applicant's Bankers:

Signature of Authorised Signatory
Stamp of Applicant / Lead Member

⁵An Applicant consisting of a single entity should fill in details as per the row titled Single entity Applicant and ignore the rows titled Consortium Members. In case of a Consortium, row titled Single entity Applicant may be ignored.

⁶ For Member Code, see instruction 4 at Annex-II of this Appendix-I.

⁶ The Applicant should provide details of its own Financial Capacity or of an Associate specified in Clause 2.2.10.

⁵⁵For conversion of other currencies into rupees, see note below Annex-II of Appendix - I

Appendix-I..

Instructions:

1. The Applicant/ its constituent Consortium Members shall attach copies of the balance sheets, financial statements and Annual Reports for 3 (three) years preceding the Application Due Date. The financial statements shall:

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- a). reflect the financial situation of the Applicant or Consortium Members and its/ their Associates where the Applicant is relying on its Associate's financials;
 - b). be audited by a statutory auditor;
 - c). be complete, including all notes to the financial statements; and
 - d). correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
2. Net Cash Accruals shall mean Profit After Tax + Depreciation.
 3. Net Worth shall mean (Subscribed and Paid-up Equity + Reserves) less (Revaluation reserves + miscellaneous expenditure not written off + reserves not available for distribution to equity shareholders).
 4. Year 1 will be the latest completed financial year, preceding the bidding. Year 2 shall be the year immediately preceding Year 1 and so on. In case the Application Due Date falls within 3 (three) months of the close of the latest financial year, refer to Clause 2.2.13.
 5. In the case of a Consortium, a copy of the Joint Bidding Agreement shall be submitted in accordance with Clause 2.2.7 (g) of the RFQ document.
 6. The applicant shall also provide the name and address of the Bankers to the Applicant. In case of consortium, the required detail shall be provided for the consortium members for which details are provided in this Annex.
 7. The Applicant shall provide Statutory Auditor's Certificate specifying the net worth of the Applicant and also specifying the methodology adopted for calculating such net worth in accordance with Clause 2.2.4(b) of the RFQ document. In case of consortium, such Auditor's Certificate shall be provided for each consortium member mentioned herein.

Strike out parts not applicable. Do not Delete



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ANNEX IV

Details of Eligible Projects

(Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code:

Member Code:

Item (1)	Refer Instructions (2)	Particulars of the project (3)
Title & nature of the project		
Category	5	
Type of project experience ⁹		
Year-wise (a) payments received/ made for warehousing sector projects, (b) payments made for infrastructure projects and/ or (c) revenues appropriated ¹⁰	6	
Entity for which the project was constructed/ developed, including its address, contact person and contact details *	7	
Location		
Project cost, excluding land (Rupees Crores)	8	
Date of commencement of project/ contract		
Date of Completion / Commissioning of Project	9	
Equity shareholding (with period during which equity was held) ¹¹	10	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/	15	

⁹ Please specify if project experience/construction experience/O& M experience

¹⁰ Not applicable in case of projects for showcasing O & M experience

¹¹ Not applicable in case of projects for showcasing O & M experience

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No)		
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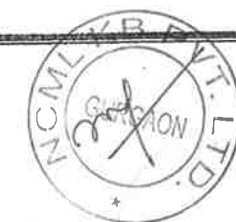
Instructions:

1. Applicants are expected to provide information in respect of each Eligible Projects in this Annex. The projects cited must comply with the eligibility criteria specified in Clause 2.2 of the RFQ, as the case may be. Information provided in this section is intended to serve as a backup for Information provided in the Annex-II of the Application. Applicants should also refer to the Instructions below.
2. For a single entity Applicant, the Project Codes would be a, b, c, d etc. In case the Applicant is a Consortium then for Member 1, the Project Codes would be 1a, 1b, 1c, 1d etc., for Member 2 the Project Codes shall be 2a, 2b, 2c, 2d etc., and so on.
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 Applicant. For other Members, the following abbreviations are suggested viz. LM means Lead Member, TM means Technical Member, FM means Financial Member, OMM means Operation & Maintenance Member; and OM means Other Member. In case the Eligible Project relates to an Associate of the Applicant or its Member, write "Associate" along with Member Code.
5. Refer to Clause 3.2.1 of the RFQ for category number.
6. The total payments received/ made and/or revenues appropriated for each Eligible Project are to be stated in Annex-II of this Appendix-I. The figures to be provided here should indicate the break-up for the past 5 (five) financial years. Year 1 refers to the financial year immediately preceding the Application Due Date; Year 2 refers to the year before Year 1, Year 3 refers to the year before Year 2, and so on (Refer Clause 2.2.13). For Categories 1 and 2, expenditure on development of the project and/or revenues appropriated, as the case may be, should be provided, but only in respect of projects having an estimated capital cost exceeding the amount specified in Clause 3.2.3.1. In case of Categories 3 and 4, payments made/ received only in respect of construction should be provided, but only if the amount paid/received exceeds the minimum specified in Clause 3.2.4. Payment for construction works should only include capital expenditure, and should not include expenditure on repairs and maintenance.
7. In case of projects in Categories 1 and 2, particulars such as name, address and contact details of owner/ Authority/ Agency (i.e. concession grantor, counter party to PPA, etc.) may be provided. In case of projects in Categories 3 and 4, similar particulars of the client need to be provided
8. Provide the estimated capital cost of Eligible Project. Refer to Clauses 3.2.3 and 3.2.4
9. For Categories 1 and 2, the date of commissioning of the project, upon completion, should be indicated. In case of Categories 3 and 4, date of completion of construction should be indicated. In the case of projects under construction, the likely date of completion or commissioning, as the case may be, shall be indicated
10. For Categories 1 and 2, the equity shareholding of the Applicant, in the company owning the Eligible Project, held continuously during the period for which Eligible Experience is claimed, needs to be given (Refer Clause 3.2.3).

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11. Experience for any activity relating to an Eligible Project shall not be claimed by two or more Members of the Consortium. In other words, no double counting by a consortium in respect of the same experience shall be permitted in any manner whatsoever.
12. Certificate from the Applicant's statutory auditor⁵ or its respective clients must be furnished as per specified format below for each Eligible Project. In jurisdictions that do not have statutory auditors, the auditors who audit the annual accounts of the Applicant/ Member/Associate may provide the requisite certification.
13. If the Applicant is claiming experience under Categories 1 & 2⁶, it should provide a certificate from its statutory auditor in the format below:

<p style="text-align: center;">Certificate from the Statutory Auditor regarding project experience [®]</p> <p>Based on its books of accounts and other published information authenticated by it, this is to certify that (name of the Applicant/Member/Associate) is/ was an equity shareholder in (title of the project company) and holds/ held Rs. cr. (Rupees crore) of equity (which constitutes%^c of the total paid up and subscribed equity capital) of the project company from (date) to (date)^e. The project was/is likely to be commissioned on (date of commissioning of the project).</p> <p>We further certify that the total estimated capital cost of the project is Rs. cr. (Rupeescrore), of which Rs. cr. (Rupees crore) of capital expenditure was incurred during the past five financial years as per year wise details noted below:</p> <p>.....</p> <p>.....</p> <p>We also certify that the eligible annual revenues collected and appropriated by the aforesaid project company in terms of Clauses 3.2.1 and 3.2.3.3 of the RFQ during the past five financial years were Rs. cr. as per year-wise details noted below:</p> <p>.....</p> <p>.....</p> <p>Name of the audit firm:</p> <p>Seal of the audit firm: (Signature, name and designation of the authorised signatory)</p> <p>Date:</p>
--

⁵In case duly certified audited annual financial statements containing the requisite details are provided, a separate certification by statutory auditors would not be necessary.

⁶ Refer Clause 3.2.1 and 2.2.3 of the RFQ.

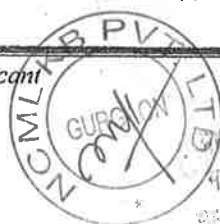
[®] Provide Certificate as per this format only. Attach Explanatory Notes to the Certificate, if necessary. Statutory auditor means the entity that audits and certifies the annual accounts of the company.

^c Refer instruction no. 10 in this Annex-IV.

^e In case the project is owned by the Applicant company, this language may be suitably modified to read: "It is certified that (name of Applicant) constructed and/ or owned the"

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(name of project) from (date) to (date)."

14. If the Applicant is claiming experience under Category 3 & 4*, It should provide a certificate from its statutory auditors or the client in the format below:

Certificate from the Statutory Auditor/ Client regarding construction works *

Based on its books of accounts and other published information authenticated by it, {this is to certify that (name of the Applicant/Member/Associate) was engaged by (title of the project company) to execute (name of project) for (nature of project)}^ψ. The construction of the project commenced on (date) and the project was/ is likely to be commissioned on (date, if any). It is certified that (name of the Applicant/ Member/ Associate) received/paid Rs. cr. (Rupees crore) by way of payment for the aforesaid construction works.

We further certify that the total estimated capital cost of the project is Rs. cr. (Rupeescrore), of which the Applicant/Member/Associate received/paid Rs. cr. (Rupees crore), in terms of Clauses 3.2.1 and 3.2.4 of the RFQ, during the past five financial years as per year-wise details noted below:

6.1.4

6.1.5

6.1.6 (It is further certified that the payments/ receipts indicated above are restricted to the share of the Applicant who undertook these works as a partner or a member of joint venture/ consortium.)^ε

6.1.7 Name of the audit firm:

6.1.8 Seal of the audit firm: (Signature, name and designation of the authorised signatory).

6.1.9 Date:

Refer Clauses 3.2.1 and 3.2.4 of the RFQ.

^φ Provide Certificate as per this format only. Attach Explanatory Notes to the Certificate, if necessary.

Statutory auditor means the entity that audits and certifies the annual accounts of the company.

^ψ In case the Applicant owned the Eligible Project and engaged a contractor for undertaking the construction works, this language may be modified to read: " this is to certify that (name of Applicant/ Member/ Associate) held 26% or more of the paid up and subscribed share capital in the..... (name of Project company) when it undertook construction of the (name of Project) through (name of the contractor).

^ε This certification should only be provided in case of jobs/ contracts, which are executed as part of a partnership/ joint venture/ consortium. The payments indicated in the certificate should be restricted to the share of Applicant in such partnership/ joint venture/ consortium. This portion may be omitted if the contract did not involve a partnership/ joint venture/ consortium. In case where work is not executed by partnership/ joint venture/ consortium, this paragraph may be deleted.

15. In the event that credit is being taken for the Eligible Experience of an Associate, as defined in Clause 2.2.10, the Applicant should also provide a certificate in the format below:

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Certificate from Statutory Auditor/ Company Secretary regarding Associate[§]

Based on the authenticated record of the Company, this is to certify that more than 50% (fifty per cent) of the subscribed and paid up voting equity of _____ (name of the Associate) is held, directly or indirectly[¶], by _____ (name of Applicant/ Consortium Member). By virtue of the aforesaid shareholding, the latter exercises control over the former, who is an Associate in terms of Clause 2.2.10 of the RFQ.

A brief description of the said equity held, directly or indirectly, is given below:

(Describe the share-holding of the Applicant/ Consortium Member and the Associate)

Name of the audit firm:

Seal of the audit firm: (Signature, name and designation of the authorised signatory)

[§] In the event that the Applicant/ Consortium Member exercises control over an Associate by operation of law, this certificate may be suitably modified and copies of the relevant law may be enclosed and referred to.

[¶] In the case of indirect share-holding, the intervening companies in the chain of ownership should also be Associates i.e., the share-holding in each such company should be more than 50% in order to establish that the chain of "control" is not broken.



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16. If the applicant is claiming O & M experience¹² under Category 1 project, the applicant should provide certificates, for each of the project for which such experience is claimed, from its statutory auditor in the format below:

Certificate from Statutory Auditor/ Company Secretary regarding O & M experience [®]

Based on its books of accounts and other published information authenticated by it, this is to certify that (name of the Applicant/Member/Associate) was engaged by (title of the project company) and has over the past 5 (five) financial years collected and appropriated revenues for services for operation and maintenance (O&M) of (name of project and project location)⁵, which is a project of the nature of Category 1, as specified in Clause 3.2.1

Name of the audit firm:

- [®] Provide Certificate as per this format only

⁵ For each project for which O & M experience is claimed, the applicant should also submit appropriate substantiation with respect to aggregate capital cost of each such project, in order to facilitate evaluation with respect to O & M experience as per clause 2.2.3

17. It may be noted that in the absence of any detail in the above certificates, the information would be considered inadequate and could lead to exclusion of the relevant project in computation of Eligibility Score¹³.

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¹² As per provisions of section 2.2.3 of this RFQ

¹³ Refer Clause 3.2.6 of the RFQ.

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ANNEX -V

Statement of Legal Capacity

(To be forwarded on the letterhead of the Applicant/ Each Member of Consortium)

Ref. Date: _____

To,

Dear Sir,

We hereby confirm that we/ our members in the Consortium (constitution of which has been described in the application) satisfy the terms and conditions laid out in the RFQ document.

We have agreed that _____ (insert member's name) will act as the Lead Member of our consortium.*

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

Thanking you,

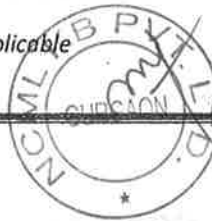
Yours faithfully,

(Signature, name and designation of the authorised signatory)

For and on behalf of _____

*Please strike out whichever is not applicable

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APPENDIX II

Power of Attorney for signing of Application

(Refer Clause 2.2.5)

(To be executed on non judicial stamp paper of the appropriate value in accordance with relevant stamp act. Qualified, the stamp paper to be in the name of the entity who is issuing the power of Attorney)

Know all men by these presents, We _____ (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorise Mr/ Ms (name), _____ son/daughter/wife of _____ and presently residing at _____, who is presently employed with us/ the Lead Member of our Consortium 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 application for pre-qualification and submission of our bid for the "Selection of developer for creation of construction of Silo Complex at Kaimur and Buxar through PPP on Design, Build, Finance, Own, Operate and Transfer (DBFOT) basis " (the "Project (s)") proposed to be developed by the "Food Corporation of India Ltd." (the "Authority") including but not limited to signing and submission of all applications, bids and other documents and writings, participate in Pre-Applications 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 Concession 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 Agreement with the Authority.

AND 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 ____ 2____.


For _____

(Signature, name, designation and address)

Witnesses:

- 1.
- 2.

(Notarised)


Signature & Stamp of Applicant / ASEEM CHHABRA
महाप्रबंधक (साईसो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.
18-20, बाराखवा लेन / 18-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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DEA PPP Pilot Initiative – Food Storage Infrastructure


Accepted

(Signature, Name, Title 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 Applicant 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 Applicant.
- For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Applicants from countries that have signed the Hague Legislation Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Apostille certificate




आसीम छाबड़ा / ASEEM CHHABRA
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Signature & Stamp of Applicant

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APPENDIX III

Power of Attorney for Lead Member of Consortium

(Refer Clause 2.2.5)

(To be executed on non judicial stamp paper of the appropriate value in accordance with relevant stamp act. Qualified, the stamp paper to be in the name of the entity who is issuing the power of Attorney)

Whereas the "Food Corporation of India Ltd." ("the Authority") has invited applications from interested parties for the "Selection of developer for creation of construction of Silo Complex at Kalmur and Buxar through PPP on Design, Build, Finance, Own, Operate and Transfer (DBFOT) basis " (the "Project").

Whereas, _____ and _____ (collectively the "Consortium") being Members of the Consortium are interested in bidding for the Project in accordance with the terms and conditions of the Request for Qualification document (RFQ), Request for Proposal (RFP) and other connected documents in respect of the Project, and


Whereas, it is necessary for the Members of the Consortium to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium's bid for the Project and its execution.

NOW THEREFORE KNOW ALL MEN BY THESE PRESENTS

We, _____ having our registered office at _____ M/s. _____ having our registered office at _____ M/s. _____ having our registered office at _____, and _____ having our registered office at _____, (hereinafter collectively referred to as the "Principals") do hereby irrevocably designate, nominate, constitute, appoint and authorize M/S _____ having its registered office at _____, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the "Attorney"). We hereby irrevocably authorize the Attorney (with power to sub-delegate) to conduct all business for and on behalf of the Consortium and any one of us during the bidding process and, in the event the Consortium is awarded the concession/contract, during the execution of the Project and in this regard, to do on our behalf and on behalf of the Consortium, all or any of such acts, deeds or things as are necessary or required or incidental to the pre-qualification of the Consortium and submission of its bid for the Project, including but not limited to signing and submission of all applications, bids and other documents and writings, 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 Consortium and generally to represent the Consortium 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 Consortium's bid for the Project and/ or upon award thereof till the Agreement is entered into with the Authority.

Signature & Stamp of Applicant

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आसीम छावड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.
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AND 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/ Consortium.

IN WITNESS WHEREOF WE THE PRINCIPALS ABOVE NAMED HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____ DAY OF _____ 2 _____

For _____
(Signature)

(Name & Title)

For _____
(Signature)

(Name & Title)

For _____
(Signature)

(Name & Title)

Witnesses:

1.

Notarised

2.

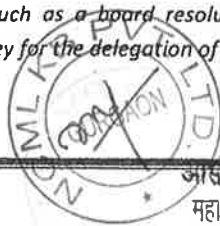
(Accepted)

(To be executed by all the Members of the Consortium)

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.
- Also, wherever required, the Applicant should submit for verification the extract of the charter documents, and documents such as a board resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant.

Signature & Stamp of Applicant



असीम छावड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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- For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by Applicants from countries that have signed the Hague Legislation Convention 1961 are not required to be legalised by the Indian Embassy if it carries a conforming Apostille certificate.



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बायपास लेन / 16-20 B. K. Lane

Signature of Applicant New Delhi - 110001

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APPENDIX IV

Joint Bidding Agreement

(Refer Clause 2.2.7(g))

(To be executed on Stamp paper of appropriate value)

THIS JOINT BIDDING AGREEMENT is entered into on this the ____ day of ____ 20__

AMONGST

1. {..... Limited, a company incorporated under the Companies Act, 1956/ Companies Act 2013} and having its registered office at _____ (hereinafter referred to as the "First Part " which expression shall, unless repugnant to the context include its successors and permitted assigns)

AND

2. _ {..... Limited, a company incorporated under the Companies Act, 1956/ Companies Act 2013} and having its registered office at _____ (hereinafter referred to as the "Second Part" which expression shall, unless repugnant to the context include its successors and permitted assigns)

AND

3. {..... Limited, a company incorporated under the Companies Act, 1956/ Companies Act 2013 and having its registered office at _____ (hereinafter referred to as the "Third Part" which expression shall, unless repugnant to the context include its successors and permitted assigns))

AND

4. {..... Limited, a company incorporated under the Companies Act, 1956/ Companies Act 2013 and having its registered office at (hereinafter referred to as the "Fourth Part" which expression shall, unless repugnant to the context include its successors and permitted assigns))¹⁴

The above mentioned parties of the FIRST, SECOND and {THIRD and FOURTH}PART are collectively referred to as the "Parties" and severally referred to as a "Party"

WHEREAS,

- A) The _____, Food Corporation of India Ltd. (hereinafter referred to as the "Authority" which expression shall, unless repugnant to the context or meaning thereof, include its administrators, successors and assigns) has invited applications (the Applications") by its Request for Qualification No. _____ dated _____ (the "RFQ") for pre-qualification and short-listing of bidders for construction of Silo Complex at Kaimur and Buxar " ("Projects") through public private partnership

¹⁴ The number of Parties will be shown here, as applicable, subject however to a maximum of 6 (six).

Signature & Stamp of Applicant



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बालाखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001



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- B) The Parties are interested in jointly bidding for the Project (as members of a Consortium and in accordance with the terms and conditions of the RFQ document and other bid documents in respect of the Project, and
- C) It is a necessary condition under the RFQ document that the members of the Consortium shall enter into a Joint Bidding Agreement and furnish a copy thereof with the Application.

NOW IT IS HEREBY AGREED as follows:

1. Definitions and Interpretations

In this Agreement, the capitalised terms shall, unless the context otherwise requires, have the meaning ascribed thereto under the RFQ.

2. Consortium

- a) The Parties do hereby irrevocably constitute a consortium (the "Consortium") for the purposes of jointly participating in the Bidding Process for the Project.
- b) The Parties hereby undertake to participate in the Bidding Process only through this Consortium and not individually and/ or through any other consortium constituted for this Project, either directly or indirectly or through any of their Associates.

3. Covenants

The Parties hereby undertake that in the event the Consortium is declared the selected Bidder and awarded the Project, it shall incorporate a special purpose vehicle (the "SPV") under the Indian Companies Act, 1956/ Companies Act 2013 for entering into a Concession Agreement with the Authority and for performing all its obligations as the Concessionaire in terms of the Concession Agreement for the Project.

4. Role of the Parties

The Parties hereby undertake to perform the roles and responsibilities as described below:

- a) Party of the First Part shall be the Lead member of the Consortium and shall have the power of attorney from all Parties for conducting all business for and on behalf of the Consortium during the Bidding Process and until the Appointed Date under the Agreement when all the obligations of the SPV shall become effective;
- b) Party of the Second Part shall be the {Technical Member / Member of the Consortium};
- c) {Party of the Third Part shall be the Financial Member / Member of the Consortium; and}
- d) {Party of the Fourth Part shall be the Operation and Maintenance Member/ Other Member of the Consortium.}

Signature & Stamp of Applicant

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आशिम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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5. Joint and Several Liability

The Parties do hereby undertake to be jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFQ, RFP and the Concession Agreement, till such time as the Financial Close for the Project is achieved under and in accordance with the Concession Agreement.

6. Shareholding In the SPV

- a) The Parties agree that the proportion of shareholding among the Parties in the SPV shall be as follows:

First Party:

Second Party:

{Third Party:}

{Fourth Party :}

- b) The Parties undertake that a minimum of 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV shall; at all times till the second anniversary of the date of commercial operation of the Project, be held by the Parties of the First, {Second and Third} Part whose experience and networth have been reckoned for the purposes of qualification and short-listing of Applicants for the Project in terms of the RFQ.
- c) The Parties undertake that each of the Parties specified in Clause 6(b) above shall, at all times between the commercial operation date of the Project and the second anniversary thereof, hold subscribed and paid up equity share capital of SPV equivalent to at least 5% (five per cent) of the Total Project Cost.
- d) The Parties undertake that they shall collectively hold at least 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV at all times after the second anniversary of the commercial operation date of the Project.
- e) The Parties undertake that they shall comply with all equity lock-in requirements set forth in the Concession Agreement.

7. Representation of the Parties

Each Party represents to the other Parties as of the date of this Agreement that:

- a) Such Party is duly organised, validly existing and in good standing under the laws of its incorporation and has all requisite power and authority to enter into this Agreement;
- b) The execution, delivery and performance by such Party of this Agreement has been authorised by all necessary and appropriate corporate or governmental action and a copy of the extract of the charter documents and board resolution/ power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member is annexed to this Agreement? and will not, to the best of its knowledge:

Signature & Stamp of Applicant

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आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001



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- i. require any consent or approval not already obtained;
 - ii. violate any Applicable Law presently in effect and having applicability to it;
 - iii. violate the memorandum and articles of association, by-laws or other applicable organisational documents thereof;
 - iv. violate any clearance, permit, concession, grant, license or other governmental authorisation, approval, judgement, order or decree or any mortgage agreement, indenture or any other instrument to which such Party is a party or by which such Party or any of its properties or assets are bound or that is otherwise applicable to such Party; or
 - v. create or impose any liens, mortgages, pledges, claims, security interests, charges or Encumbrances or obligations to create a lien, charge, pledge, security interest, encumbrances or mortgage in or on the property of such Party, except for encumbrances that would not, individually or in the aggregate, have a material adverse effect on the financial condition or prospects or business of such Party so as to prevent such Party from fulfilling its obligations under this Agreement;
- c) this Agreement is the legal and binding obligation of such Party, enforceable in accordance with its terms against it; and
- d) there is no litigation pending or, to the best of such Party's knowledge, threatened to which it or any of its Affiliates is a party that presently affects or which would have a material adverse effect on the financial condition or prospects or business of such Party in the fulfillment of its obligations under this Agreement.

8. Termination

This Agreement shall be effective from the date hereof and shall continue in full force and effect until the Financial Close of the Project is achieved under and in accordance with the Concession Agreement, in case the Project is awarded to the Consortium. However, in case the Consortium is either not pre-qualified for the Project or does not get selected for award of the Project, the Agreement will stand terminated in case the Applicant is not pre-qualified or upon return of the Bid Security by the Authority to the Bidder, as the case may be.

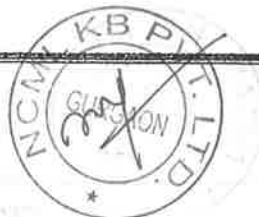
9. Miscellaneous

- a) This Joint Bidding Agreement shall be governed by laws of (India).
- b) The Parties acknowledge and accept that this Agreement shall not be amended by the Parties without the prior written consent of the Authority.

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

Signature & Stamp of Applicant

आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबंधक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.
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नई दिल्ली-110001 / New Delhi - 110001



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DEA PPP Pilot Initiative – Food Storage Infrastructure

SIGNED, SEALED AND DELIVERED

For and on behalf of

LEAD MEMBER by:

(Signature)

(Name)

(Designation)

(Address)

SIGNED, SEALED AND DELIVERED

For and on behalf of

SECOND PART by:

(Signature)

(Name)

(Designation)

(Address)

SIGNED, SEALED AND DELIVERED

For and on behalf of

THIRD PART by:

(Signature)

(Name)

(Designation)

(Address)

SIGNED, SEALED AND DELIVERED

For and on behalf of

FOURTH PART by:

(Signature)

(Name)

(Designation)

(Address)

In the presence of : 1.

2.

Notes:

1. The mode of the execution of the Joint Bidding Agreement 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.
2. Each Joint Bidding Agreement should attach a copy of the extract of the charter documents and documents such as resolution / power of attorney in favour of the person executing this Agreement for the delegation of power and authority to execute this Agreement on behalf of the Consortium Member.
3. For a Joint Bidding Agreement executed and issued overseas, the document shall be legalised by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney has been executed.
4. Where the Party is not a technical member or finance member as the case may be, strike out and retain as member.

Signature & Stamp of Applicant



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबंधक (सादर) / Chief Manager (Sd/-)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बाराखम्बा, लेन / 16-20 B. K. Lane

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APPENDIX V

Instructions for Online Bid Submission

As per the directives of Department of Expenditure, Ministry of Finance, Government of India this Bid document has been published on the Central Public Procurement Portal (CPP) (URL: <http://eprocure.gov.in>). The Applicants / Bidders are required to submit soft copies of their bids electronically on the CPP Portal, using valid Digital Signature Certificates. The instructions given below are meant to assist the bidders in registering on the CPP Portal, prepare their Applications /Bids in accordance with the requirements and submitting their Applications / Bids online on the CPP Portal.

More information useful for submitting online Applications / Bids on the CPP Portal may be obtained at:

<https://eprocure.gov.in/eprocure/app> .

REGISTRATION

- 1) Applicants /Bidders are required to enroll on the e-Procurement module of the Central Public Procurement Portal (URL: <https://eprocure.gov.in/eprocure/app>) by clicking on the link "Click here to Enroll" on the CPP Portal is free of charge.
- 2) As part of the enrolment process, the Applicants / Bidders will be required to choose a unique username and assign a password for their accounts.
- 3) Applicants / Bidders are advised to register their valid email address and mobile numbers as part of the registration process. These would be used for any communication from the CPP Portal.
- 4) Upon enrolment, the Applicants / Bidders will be required to register their valid Digital Signature Certificate (DSC) (Class II or Class III Certificates with signing key usage) issued by any Certifying Authority recognized by CCA India (e.g. Sify / TCS / nCode / eMudhra etc.), with their profile.
- 5) Only one valid DSC should be registered by a bidder. Please note that the Applicants / Bidders are responsible to ensure that they do not lend their DSC's to others which may lead to misuse.
- 6) Bidder then logs in to the site through the secured log-in by entering their user ID / password and the password of the DSC / e-Token.

SEARCHING FOR TENDER DOCUMENTS

- 1) There are various search options built in the CPP Portal, to facilitate Applicants / Bidders to search active tenders by several parameters. These parameters could include Tender ID, organization name, location, date, value, etc. There is also an option of advanced search for tenders, wherein the Applicants / Bidders may combine a number of search parameters such

Signature & Stamp of Applicant

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आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक / साईल / Genl. Manager (S&O)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
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as organization name, form of contract, location, date, other keywords etc. to search for a tender published on the CPP Portal.

- 2) Once the Applicants / Bidders have selected the tenders they are interested in, they may download the required documents / bid schedules. These tenders can be moved to the respective 'My Tenders' folder. This would enable the CPP Portal to intimate the Applicants / Bidders through SMS / e-mail in case there is any corrigendum issued to the tender document.
- 3) The Applicants / Bidders should make a note of the unique Tender ID assigned to each tender, in case they want to obtain any clarification / help from the Helpdesk.

PREPARATION OF APPLICATION /BIDS

- 1) Applicant/ Bidder should take into account any corrigendum published on the tender document before submitting their bids.
- 2) Please go through the tender advertisement and the tender document carefully to understand the documents required to be submitted as part of the bid. Please note the number of covers in which the bid documents have to be submitted, the number of documents - including the names and content of each of the document that need to be submitted. Any deviations from these may lead to rejection of the bid.
- 3) Applicant / Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender document / schedule and generally, they can be in PDF / XLS / RAR / DWF formats. Application / Bid documents may be scanned with 100 dpi with black and white option.
- 4) To avoid the time and effort required in uploading the same set of standard documents which are required to be submitted as a part of every bid, a provision of uploading such standard documents (e.g. PAN card copy, annual reports, auditor certificates etc.) has been provided to the Applicants / Bidders. Applicants / Bidders can use "My Space" area available to them to upload such documents. These documents may be directly submitted from the "My Space" area while submitting a bid, and need not be uploaded again and again. This will lead to a reduction in the time required for application / bid submission process.

SUBMISSION OF APPLICATION / BIDS

- 1) The Applicant / Bidder should log into the site well in advance for bid submission so that he/she upload the bid in time i.e. on or before the bid submission time. Applicant / Bidder will be responsible for any delay due to other issues.
- 2) The Applicant / Bidder has to digitally sign and upload the required bid documents one by one as indicated in the tender document.
- 3) The Applicant / Bidder has to select the payment option as "offline" to pay the tender fee / EMD as applicable and enter details of the instrument.
- 4) The Applicant /Bidder should arrange the Processing Fee & EMD as per the instructions specified in the Bid document. The original should be posted/couriered/given in person to the Tender Processing Section, latest by the last date of bid submission or as specified in the tender documents. The details of the DEMAND DRAFT/PAY ORDER/any other accepted

Signature & Stamp of Applicant



असीम छाबड़ा / ASEEM CHHABRA
महाप्रबंधक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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instrument, physically sent, should tally with the details available in the scanned copy and the data entered during bid submission time. Otherwise the uploaded bid will be rejected.

Applicants / Bidders are requested to note that they should necessarily submit their Applications / Bids in the format provided and no other format is acceptable.

The server time (which is displayed on the Applicants / Bidders' dashboard) will be considered as the standard time for referencing the deadlines for submission of the bids by the Applicants / Bidders, opening of bids etc. The Applicants / Bidders should follow this time during bid submission.

- 5) All the documents being submitted by the Applicants / Bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered cannot be viewed by unauthorized persons until the time of bid opening. The confidentiality of the bids is maintained using the secured Socket Layer 128 bit encryption technology. Data storage encryption of sensitive fields is done.
- 6) The uploaded documents become readable only after the tender opening by the authorized bid openers of the Authority.
- 7) Upon the successful and timely submission of bids, the portal will give a successful bid submission message & a bid summary will be displayed with the bid no. and the date & time of submission of the bid with all other relevant details.
- 8) The bid summary has to be printed and kept as an acknowledgement of the submission of the bid. This acknowledgement may be used as an entry pass for any bid opening meetings.

ASSISTANCE TO APPLICANTS / BIDDERS

- 1) Any queries relating to the tender document and the terms and conditions contained therein should be addressed to the Authority for a bid or the relevant contact person indicated in the tender.

Any queries relating to the process of online bid submission or queries relating to CPP Portal in general may be directed to the 24x7 CPP Portal Helpdesk. The contact number for the helpdesk is 1800 233 7315.



Handwritten signature

आसेम छाबड़ा / ASEEM CHHABRA
महाप्रबंधक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

Signature & Stamp of Applicant
16-20, K. Lane
New Delhi - 110001

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CORRIGENDUM-I

Replies of the Authority to the queries received in respect of selection of Developer for construction of silos at Kaimur & Buxar in Bihar under Public Private Partnership (PPP) on Design, Build, Finance, Operate & Transfer (DBFOT) basis

TENDER ID NO:2016_FCI_150333_1

Sl. No.	Query raised by	Clause No. of Bid Document	Query	Reply of the Authority
1.	Adani Agri Logistics Ltd.	Please refer Clause 1.1.3 of RFQ at page no-8	The time allotted for land procurement and transferring to the Authority is 120 days from date of signing of Agreement. This should be minimum 180 days with an extension of 30 days.	The time allowed for land procurement and transferring to the Authority after obtaining necessary approvals sanctions & license from the date of the Concession Agreement is being extended to 150 days with provision for further extension of 30 days.
2.	Adani Agri Logistics Ltd.	Please refer Clause 1.1.1 of RFQ at page no-8	Estimated Project Cost of Rs. 65.28 Cr. Seems inadequate for 1 Lac MT particularly considering the fact that part of the capacity is to be created for rice storage, wherein we anticipate that Hopper Bottom silos would be required along with Grain Chillers that would cost significantly higher. Could you please share the break-up of Project cost?	The Estimated Project Cost of Rs. 65.28 Cr. is inclusive of the cost of Grain Chiller and provision for small sized Silos for Rice storage. The Developer is allowed to design & select the size of the Silo bins to achieve the desired capacity keeping the output parameters and service level indicator intact.
3.	Adani Agri Logistics Ltd.		This is going to be a prestigious pilot project for FCI as rice storage in silos would happen for the first time in India. Therefore, it is suggested that only those entities should be made eligible to	No change in the Eligibility Criteria is considered.


आसीम छाबड़ा / ASEEM CHHABRA
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			participate who have requisite experience of operating silos.	
4.	Sukhbir Agro Energy Ltd.		Change of Land use (CLU) takes sometimes more than a year so the land payment should not be linked to CLU.	Selected bidder to obtain necessary approvals, sanctions & license with respect to the land parcels for the construction, operation & maintenance of the project prior to the transfer of the title of land to the Authority under terms & conditions of the Bid Document.
5.	Sukhbir Agro Energy Ltd.		The silos location is in procurement area of Bihar so the location should be declared a Mandi	Normally FCI requests concerned State Government to declare Silo complex as Mandis especially in procuring Regions.
6.	Sukhbir Agro Energy Ltd.	Please refer Clause 1.1.3 of RFQ at page no-8	120 days may not be sufficient to procure land so should be extended to an extent of 150 days with two grace periods of 30 days.	As per reply at Sr. No. 1.
7.	Total Group	Please refer Clause 1.1.3 of RFQ at page no-8	This period seems to be very short looking at difficulties in procuring land. We therefore you to increase this period to 180 days with provision of 30 days extension.	As per reply at Sr. No. 1.
8.	Total Group	Please refer Clause 2.2.2 (A) of RFQ at page no-16	Threshold technical capacity is capped at 200% of the cost of project. We request you to reduce this to 100% which was already been done in past tenders floated by FCI.	Threshold technical capacity to be eligible for the project is revised to Rs. 65 Cr. (100% of the estimated project cost).


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 महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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CORRIGENDUM-II

Selection of Developer for construction of silos at Kaimur & Buxar in Bihar under Public Private Partnership (PPP) on Design, Build, Finance, Operate & Transfer (DBFOT) basis

TENDER ID NO:2016_FCI_150333_1

- The date for submission of Request For Qualification (RFQ) in respect of Selection of Developer for construction of Silos has been extended from 20.01.2017 to **31.01.2017** till **15:30 hrs.**
- The date for opening of Request For Qualification (RFQ) is on **01.02.2017** at **16:00 hrs.**
- Short-list upto 6 (Six) pre-qualified Applicants for participation in the Bid Stage under Clause 3.5.2 of RFQ may be read as 7 (Seven) in line with Clause 1.2.1.
- The construction of Foodgrain Silos at Kaimur and Buxar shall use a combination of two type of Silos with 75% storage capacity for Wheat and 25% for Milled Rice at each location.
- Draft Request For Proposal (RFP) and Draft Concession Agreement (DCA) are available on www.fci.gov.in for reference only.

Dated : 16th January, 2017

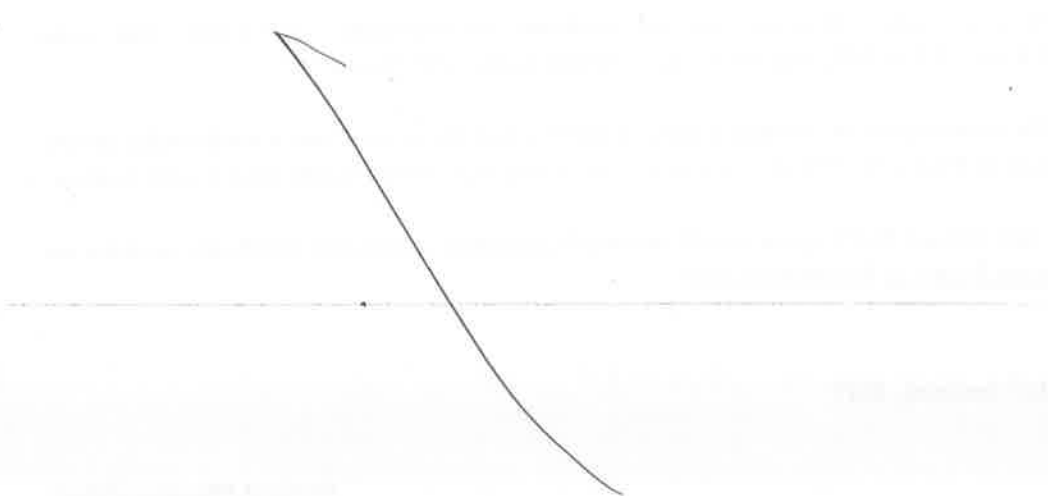
General Manager (Silos)



आसेम छावड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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CORRIGENDUM-III

Selection of Developer for construction of silos at Kaimur & Buxar in Bihar under Public Private Partnership (PPP) on Design, Build, Finance, Operate & Transfer (DBFOT) basis

TENDER ID NO: 2016_FCI_150333_1

Clause No.	Queries	Reply
Clause 3.2.4 (page -34) of RFQ	We request the authority to revise the Clause 3.2.4 (page-34) on Capital Cost for Eligible project under category 3&4 to Rs. 6.5 Cr. (10% of the Estimated Project Cost) from Rs. 13 Cr. (20% of the Estimated Project Cost).	The value of each Eligible project to be counted towards meeting the technical capacity is revised and will be a minimum of 6.5 Cr. under all category in Clause 3.2.3.1 and 3.2.4.

The date for submission of Request for Qualification (RFQ) in respect of selection of Developer for construction of silos has been extended from 31.01.2017 to 09.02.2017 till 15:30 hrs.

The date for opening of Request for Qualification (RFQ) is on 10.02.2017 at 16:00 hrs.

Dated : 25th January, 2017

-sd-

General Manager (Silos)



आसीम छाबड़ा / **ASEEM CHHABRA**

महाप्रबन्धक (साइलो) / **Genl. Manager (Silo)**

भारतीय खाद्य निगम, मुख्यालय / **FCI Hqrs.**

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नई दिल्ली - 110001 / **New Delhi - 110001**



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Untitled

Transaction Details

NEFT OUTWARD BETWEEN 17-JAN-2017 & 18-JAN-2017

Account Number :: 2105223000000110

18-Jan-2017

BI7011813599133 PI7011813599134

KVBL0002105 2105223000000110

NATIONAL COLLATERAL - KARUR VYSYA BANK 5000

TXN ACK N10 RCVD SBIN0005943

Food Corporation of india 10220632672 NEFT NEFT NCML

MUMBAI - - -



Garima.

4/Jan/17/231

आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

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APPENDIX I

Letter Comprising the Application for Pre-Qualification

(Refer Clause 2.13.2)

Dated: 8th February 2017

To,
The General Manager (Silos),
Food Corporation of India 16-20,
Barakhamba Lane, New Delhi -
110001

Sub: Application for pre-qualification for "Selection of Developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) on Design, Build, Finance, Operate and Transfer (DBFOT) basis" Project

Dear Sir,

1. With reference to your RFQ document dated 6th December 2016⁴, #we, having examined the RFQ document and understood its contents, hereby submit ~~my~~our Application for Qualification for the aforesaid project. The Application is unconditional and unqualified.
2. # We acknowledge that the Authority will be relying on the information provided in the Application and the documents accompanying such Application for pre-qualification of the Applicants for the aforesaid project, and we certify that all information provided in the Application and in Annexes I to IV is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying such Application are true copies of their respective originals.
3. This statement is made for the express purpose of qualifying as a Bidder for the financing, development, construction, operation, and maintenance of the aforesaid Project.
4. # We shall make available to the Authority any additional information it may find necessary or required to supplement or authenticate the Qualification statement.
5. # We acknowledge the right of the Authority to reject our Application 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.

⁴ All blank spaces shall be suitably filled up by the Applicant to reflect the particulars relating to such Applicant.

National Collateral Management Services Limited

Iffco Tower, Tower 1, Wing - B, 5th Floor, Sector - 29, Gurgaon - 122001, India.
Tel.: (+91-124) 4338200 Fax: (+91-124) 4338290 Website: www.ncml.com
CIN: U74140MH2004PLC148859



आसेम छावडी / ASEEM CHAVADI
महानिदेशक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqs
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6. ~~✓~~ We certify that in the last three years, we/ ~~any of the Consortium Members~~ or our/ ~~their~~ 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.
7. ~~✓~~ We declare that:
- a. ~~✓~~ We have examined and have no reservations to the RFQ document, including any Addendum issued by the Authority;
 - b. ~~✓~~ We do not have any conflict of interest in accordance with Clause 2.2.1 of the RFQ document;
 - c. ~~✓~~ 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 RFQ document, in respect of any tender or request for proposal issued by or any agreement entered into with the Authority or any other public sector enterprise or any government, Central or State; and
 - d. ~~✓~~ We hereby certify that we have taken steps to ensure that in conformity with the provisions of Section 4 of the RFQ 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.
8. ~~✓~~ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Application that you may receive nor to invite the Applicants to Bid for the Project, without incurring any liability to the Applicants, in accordance with Clause 2.7 of the RFQ document.
9. ~~✓~~ We believe that we/ ~~our Consortium/ proposed Consortium~~ satisfy(s) the Net Worth criteria and meet(s) all the requirements as specified in the RFQ document and are/ is qualified to submit a Bid.
10. ~~✓~~ We declare that we/ ~~any Member of the Consortium~~, or our/ ~~its~~ Associates are not a Member of a/ ~~any other~~ Consortium applying for pre-qualification.
11. ~~✓~~ We certify that in regard to matters other than security and integrity of the country, we/ ~~any Member of the Consortium~~ or any of our/ ~~their~~ Associates have not been charge-sheeted or 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.



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12. # We further certify that in regard to matters relating to security and integrity of the country, we/any Member of the Consortium or any of our/ their Associates have not been charge-sheeted by any agency of the Government or convicted by a Court of Law.
13. # We further certify that no investigation by a regulatory authority is pending either against us/~~any Member of the Consortium~~ or against our/their Associates or against our CEO or any of our directors/ managers/ employees.
14. # We further certify that we are qualified to submit a Bid in accordance with the guidelines for qualification of bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment issued by the GOI vide Department of Disinvestment OM No. 6/4/2001-DD-II dated 13th July, 2001 which guidelines apply mutatis mutandis to the Bidding Process..
15. # 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 provisions of this RFQ, we shall intimate the Authority of the same immediately.
16. The Statement of Legal Capacity as per format provided at Annex-VI in Appendix-I of the RFQ document, and duly signed, is enclosed. The power of attorney for signing of application and the power of attorney for Lead Member of consortium, as per format provided at Appendix II and III respectively of the RFQ, are also enclosed.
17. # We understand that the selected Bidder shall incorporate a Special Purpose Vehicle under the Companies Act, 1956/ Companies Act 2013, prior to execution of the Agreement.
18. # We hereby confirm that we are in compliance of/ shall comply with⁵ the O&M requirements specified in Clause 2.2.3.
19. # 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 Applicants, selection of the Bidder, or in connection with the selection/ Bidding Process itself, in respect of the above mentioned Project and the terms and implementation thereof.
20. I/ We agree and undertake to abide by all the terms and conditions of the RFQ document.
21. # We certify that in terms of the RFQ, my/our Net Worth is Rs. 506.45 cr. (Rupees Five Hundred and Six Crore and Forty Five Lakh only) and the Aggregate Experience Score is 73.33 (Seventy Three Point Three Three).

⁵ Insert appropriate option



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22. ~~I/We agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Agreement till the conditions precedent are satisfied in accordance with the Concession Agreement.}~~"

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

Yours faithfully,



(Kuldip Singh)

(Sr. VP - Silo Project)

Date:

Place:

Note: Paragraphs in square parenthesis may be omitted, if not applicable, or modified as necessary



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⁶ Omit if the Applicant is not a Consortium

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ANNEX I

Details of Applicant

1. Details of the Applicant / member of Consortium

- a. Name: National Collateral Management Services Limited
- b. Country of incorporation: India
- c. Type of entity : ~~Individual / Sole Proprietorship / Company / Partnership Firm / Limited Liability partnership~~
- d. Registered address : Gayatri Towers, 954, Appa Saheb Marathe Marg, Prabhadevi, Mumbai - 400 025
- e. Address of the corporate headquarters and its branch office(s), if any, in India: IFFCO Tower-1, B-wing, 5th Floor, Sector -29, Gurgaon-122001.
- f. Date of incorporation and/or commencement of business: 28/09/2004 and 27/10/2004
- g. Incorporation / Registration Number⁷ : U74140MH2004PLC148859

2. Brief description of the Applicant including details of its main lines of business and proposed role and responsibilities in this Project:

The main lines of business of the Company are as follows:

1. **Storage and Preservation:** We are one of the largest institutions engaged in providing quality storage solutions to farmers and traders in the agro-commodity value chain. Presently, our storage network is spread across the country and we handle about 10 lakh MT of various agro-commodities worth Rs.3200 crores in our custody. Various commodities being handled by us include: Grains (Paddy, Wheat, Maize), Pulses (Tur, Urad, Peas and Chana), Oil Seeds (Soybean, Mustard), Commercial crops (Cotton, Guar Seed, Guar Gum, Sugar), Spices (Chilli, Jeera, Turmeric, Cardamom and Pepper) and Plantation crops (Cashew, Coffee, Rubber and Tea).
2. **Collateral Management:** Our collateral management division is actively engaged in mitigating and controlling risk for commodities and our key strengths include hand-holding of lenders in implementing the suggested risk mitigating collateral management solutions to achieve the targeted objectives. Our pragmatic suggestions will be based on assessment of existing resources, problems and critical evaluation of various alternatives. We have been appointed as collateral managers for risk mitigation by almost 30 banks (Public & Private sector) and several government agencies in almost 18 states and 6 ports. We are operating approximately 3000 godowns at 1100 locations with assets under management of approximately RS.14,000 Crores. Lenders are subject to multiple risks when lending against agricultural or industrial commodities and inventories as collateral. Starting



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भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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New Delhi - 110001



from price risk, the list goes on through quantity risk, quality risk, weight risk, by product conversion risk, insurance risk, legal risk and regulatory risk as well as liquidity risk. Our services under collateral management mitigate these risks and make it safe for lenders to increase their portfolio of lending against commodities.

3. **Procurement and Supply Chain Management:** The Company provides end to end solutions across the entire Agri-value chain and is the first private company to be engaged by the Government of India (GOI) for procuring paddy and wheat under Minimum Support Price (MSP) operations.
4. **Testing and Certification:** Our ISO 17025:2005 & ISO 9001:2000 certified laboratory 'CommGrade' ensures proper testing and assessment of quality of the stored commodities and thus better management of the commodities under custody. Our Central laboratory is located at Hyderabad with satellite laboratories at Unjha&Kandla (Gujrat), Kota & Jodhpur (Rajasthan), Karnal (Haryana) and Kochi (Kerala). Commgrade has got accreditation of NABL, SPICE BOARD, APEDA, AGMARK, AACC, AOAC, AMI and AOFST.
5. **Weather, Market Intelligence& Advisory Services:** The Company is one of the largest data provider for Automatic Weather Stations (AWS) in the country. It also provides Commodity Price perspective for short, medium and long term periods and undertakes assessment of standing crop condition, acreage to forecast yields by using simulation models, remote sensing and GIS technologies.

ROLE AND RESPONSIBILITIES IN THIS PROJECT

The Company will be setting up Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) on Design, Build, Finance, Operate and Transfer (DBFOT) basis.

3. Details of individual(s) who will serve as the point of contact/ communication for the Authority:
 - a. Name: Kuldip Singh
 - b. Designation: Senior VP-Silo Project
 - c. Company: National Collateral Management Services Limited
 - d. Address: IFFCO tower 1, B wing, 5th Floor, Plot No.-3, Sector 29, Gurgaon-122001
 - e. Telephone Number/Mobile No: 07738001275
 - f. E-Mail Address: kuldip.s@ncml.com
 - g. Fax Number: 0124 4338290
4. Particulars of the Authorised Signatory of the Applicant:
 - a. Name: Kuldip Singh
 - b. Designation: Senior VP-Silo Project



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबंधक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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- c. Address: IFFCO tower 1, B wing, 5th Floor, Sector 29, Gurgaon-122001
- d. Phone Number: 07738001275
- e. Fax Number: 0124 4338290

5. In case of Consortium:

- a. ~~The information above (1.4) should be provided for all the Members of the Consortium.~~
- b. ~~A copy of the Jt. Bidding Agreement, as envisaged in Clause 2.2.7(g) should be attached to the Application~~
- c. ~~Information regarding the role of each Member should be provided as per table below:~~

Sl.No:	Name of Member	Role* {Refer to clause 2.2.7 (g)} ⁸	Percentage of Equity in the consortium {Refer clause (a), (c) and (g)}
1-			
2-			
3-			
4-			
5-			

~~*The role of each Member, as may be determined by the Applicant, should be indicated in accordance with instruction 4 at Annex IV~~

- d. The following information shall also be provided for each Member of the Consortium:

Name of Applicant / ~~member of Consortium~~: National Collateral Management Services Limited

Sno.	Criteria	YES	NO
1	Has the Applicant / constituent of the Consortium been blacklisted / barred by the Central/ State Government, or any entity controlled by it, form participating in any project (BOT or otherwise)?		NO
2	If the answer to 1 is yes, does the bar subsist as on the date of Application?		NA



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3	Has the Applicant/ constituent of the Consortium paid liquidity damages of more than 5% of the contract value in a contract due ot delay or has been penalised due to any other reason in relation to execution of a contract, in the last three years?	NA
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6. A statement by the Applicant and each of the Members of its Consortium (where applicable) or any of their Associates disclosing material non- performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration in the recent past is given below (Attach extra sheets, if necessary): There is no material non- performance or contractual non-compliance in past projects, contractual disputes and litigation/ arbitration.

Note

In case of a Consortium:

- The information above (1-4) should be provided for all the Members of the Consortium.
- A copy of the Joint Bidding Agreement, as envisaged in clause 2.2.7(g) is attached to the Application.



आसीम छाबड़ा / ASEEM CHHABRA
 महाप्रबन्धक (साईलो) / Genl. Manager (Silo)
 भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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Annex II

Technical Capacity of National Collateral Management Services Limited *

(Refer Clauses 2.2.2(A) and 3.2 and 3.5 of the RFQ)

Applicant Type (1)#	Name of Applicant (2)	Member Code (3)*	Project Code (4)**	Experience ¹ (Equivalent Rs. Crore) ⁵⁵			Experience Score ⁶ (8)
				Payments made/received for construction of Eligible Projects in Categories 3 and 4 (5)	Payments made for development of Eligible Projects in Categories 1 and 2 (6)	Revenues appropriated from Eligible Projects in Categories 1 and 2 (7)	
Single Entity Applicant	National Collateral Management Services	NA	a	8.22	-	-	
		NA	b	16.05	-	-	
		NA	c	8.36	-	-	
		NA	d	13.04	-	-	
		NA	e	7.41	-	-	
		NA	f	10.23	-	-	
		NA	g	7.29	-	-	
		NA	h	7.07	-	-	
		NA	i	6.64	-	-	
Aggregate Experience Score				97.77			73.33

Notes:

1. This Annexure has been prepared from the audited financials of the Company for the years ended 31 March 2016, 31 March 2015, 31 March 2014, 31 March 2013 and 31 March 2012.
2. The financial statements of the Company for the years ended 31 March 2014, 31 March 2013 and 31 March 2012 have been audited by a firm of chartered accountants other than B S R & Co. LLP.
3. The methodology adopted for computation of the payments made/received for construction of Eligible Projects is in accordance with clause 3.2.4 of the RFQ document. The Company has excluded provisions made/accruals as at 31 March 2016.

For National Collateral Management Services Limited

Mr. Kuldip Singh
SYP - Silo Project

8 February 2017

CERTIFIED AND VERIFIED
For B S R & Co. LLP

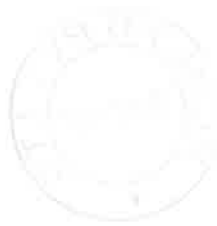
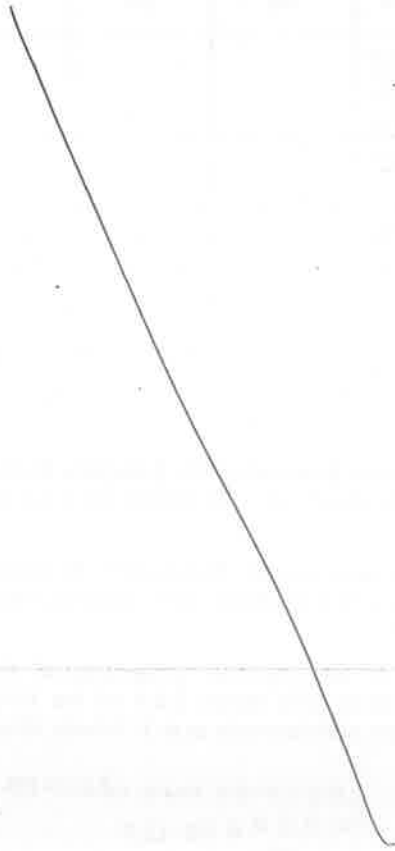
[Signature]



आसीम चौधरी / ASEEM CHAUDHARY
महानिदेशक / साईली / Genl. Manager (SIL)
जातीय खाद्य निगम, गुरुग्राम / FCI HQ
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ई दिल्ली 110001 / New Delhi - 110001



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BSR & Co. LLP

Chartered Accountants

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Private and confidential

The Board of Directors
National Collateral Management Services Limited
Gayatri Towers, 2nd Floor
954, Appasaheb Marathe Marg
Prabhadevi,
MUMBAI 400 025

Independent Auditors' Report on the statement of net worth as at 31 March 2016 and net cash accruals for the preceding five financial years ended 31 March 2012 to 31 March 2016

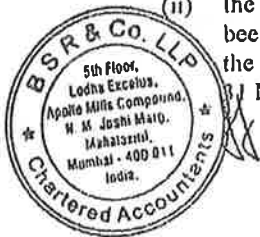
1. This Report is issued in accordance with the terms of our engagement letter dated 17 August 2016.
2. The accompanying Statement of net worth as at 31 March 2016 and net cash accruals for the preceding five financial years ended 31 March 2012 to 31 March 2016 ('the Statement') contains the details as required pursuant to compliance with the terms and conditions contained in Clause 2.2.2(B) (ii) and Instructions of the Annex-III of the Request For Qualification ('RFQ') document issued by Food Corporation of India (FCI) ('the Authority') dated 7 December 2016 ('Tender Document'), which we have initialled for identification purposes only.

Management's Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the management of National Collateral Management Services Limited ('the Company') including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the Tender Document and provides all relevant information to FCI.

Auditors' Responsibility

5. Pursuant to the requirements of the Tender Document, it is our responsibility to provide a reasonable assurance whether:
 - (i) the amounts in the Statement that form part of the net worth computation have been accurately extracted from the audited financial statements of the Company for the year ended 31 March 2016 and the computation of net worth is arithmetically correct;
 - (ii) the amounts in the Statement that form part of the net cash accruals computation have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016; and



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with LLP Registration No. AAB-8181)
with effect from October 14, 2013

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आसीम छाबड़ा / ASEEM CHHABRA

महानियंत्रक (साईलो) / Genl. Manager (Silos)

000341 खाद्य निगम, मुख्यालय / FCI Hqrs.
जवाहरला सेन / 16-20 B. K. Lane

दिल्ली-110001 / New Delhi - 110001

Independent Auditors' Report on the statement of net worth as at 31 March 2016 and net cash accruals for the preceding five financial years ended 31 March 2012 to 31 March 2016 (Continued)

Auditors' Responsibility (Continued)

- (iii) the computation of net worth and net cash accruals in the Statement is in accordance with the method of computation set out in the Clause 2.2.2 (B) (ii) and Instructions of the Annex-III of the Tender Document.
6. The audited financial statements for years ended 31 March 2015 and 31 March 2016, referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our reports dated 19 August, 2015 and 28 May 2016 respectively. Our audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.
- The financial statements of the Company for the years ended 31 March 2012, 31 March 2013 and 31 March 2014 were audited by a firm of chartered accountants other than B S R & Co. LLP, on which the respective auditors issued an unmodified opinion vide their reports dated 15 June 2012, 6 August 2013 and 5 July 2014 respectively.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. Based on our examination, as above, we are of the opinion that:
- (i) the amounts in the Statement that form part of the net worth computation have been accurately extracted from the audited financial statements of the Company for the year ended 31 March 2016 and the computation of net worth is arithmetically correct.
- (ii) the amounts in the Statement that form part of the net cash accruals computation have been accurately extracted from the audited financial statements of the Company for the years ended 31 March 2012, 31 March 2013, 31 March 2014, 31 March 2015 and 31 March 2016; and
- (iii) the computation of net worth and net cash accruals in the Statement is in accordance with the method of computation set out in the Clause 2.2.2 (b) (ii) and Instructions of the Annex-III of the Tender Document.



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
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BSR & Co. LLP

National Collateral Management Services Limited
Page 3 of 3

Independent Auditors' Report on the statement of net worth as at 31 March 2016 and net cash accruals for the preceding five financial years ended 31 March 2012 to 31 March 2016
(Continued)

Restriction on Use

The certificate is addressed and provided to the Board of Directors of the Company solely for the purpose to enable the Company to comply with the requirement of the Tender Document and to submit the accompanying Statement to FCI, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For BSR & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/W-100022


Jayesh Thakkar
Partner

Membership No: 113959

Mumbai
8 February 2017





आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साईली) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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000343

Statement of net worth as at 31 March 2016 and net cash accruals for the preceding five financial years ended 31 March 2012 to 31 March 2016 of National Collateral Management Services Limited ("the Company")

(Refer to Clauses 2.2.2(B); 2.2.32.2.4(b); and 3.4 of the RFQ)

Applicant Type	Name of Applicant	Member Code	Net cash accrual					Net Worth
			As at	As at	As at	As at	As at	
			31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012	
Single entity	National Collateral Management Services Limited	N.A.	40.24	31.97	20.73	18.81	13.37	506.45
Total			40.24	31.97	20.73	18.81	13.37	506.45

Notes:

- 1) Net worth shall mean (Subscribed and Paid-up Equity + Reserves) less (Revaluation reserves + miscellaneous expenditure not written off + reserves not available for distribution to equity shareholders).
- 2) Net cash accruals shall mean Profit after Tax + Depreciation.
- 3) The Employee stock options outstanding account amounting to INR 1.72 crore (Rupees One crore and seventy two lac) has not been considered since it is not available for distribution to equity shareholders.
- 4) The Annexure has been prepared from the audited financial statements of the Company for the years ended 31 March 2016, 31 March 2015, 31 March 2014, 31 March 2013 and 31 March 2012.
- 5) The methodology adopted for calculation of Net worth and Net cash accruals is in accordance with Clause 2.2.4 (b) and Instructions of the Annex-III of the Request For Qualification (RFQ) document respectively.

For National Collateral Management Services Limited

CERTIFIED AND VERIFIED
For B.S.R & Co. LLP

Authorised Signatory
Name: Kuldip Singh
Designation: SVP - Silo Project

8 February 2017



आसेम छाबड़ा / ASEEM CHHABRA
प्रबंधक / साइलो / Genl. Manager (Silo)
राष्ट्रीय खाद्य निगम, नुसराबाद / FCI Hqrs.
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National Collateral Management Services Limited
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 CIN: U74140MH2004PLC148859



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The Board of Directors
National Collateral Management Services Limited
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Independent Auditor's Certificate in respect of the year wise details of project cost incurred (excluding land) from 31 March 2012 to 31 March 2016 and details of technical capacity of National Collateral Management Services Limited

1. This Certificate is issued in accordance with the terms of our engagement letter dated 17 August 2016.
2. The accompanying Annex II and IV prepared by the management of National Collateral Management Services Limited ("the Company") in respect of details of warehouses ("the project") project cost (excluding land) incurred from 31 March 2012 to 31 March 2016 (Annex IV) and details of technical capacity (Annex II) contains the details as required pursuant to compliance with the terms and conditions contained in clauses 2.2.2 and 3.3 of the Request for Qualification issued by the Food Corporation of India dated 7 December 2016 for Public Private Partnership in Food Grain Silos Project (hereinafter referred to as the "RFQ Document"), which we have initialled for identification purposes only.

Management's Responsibility for Annex II and IV

3. The preparation of the Annex II and IV are the responsibility of the management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Annex II and IV and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring that the Company complies with the requirements of the RFQ Document and provides all relevant information to the Food Corporation of India.

Auditor's Responsibility

5. Pursuant to the requirements of the RFQ Document, it is our responsibility to provide a reasonable assurance whether:
 - i) the amounts in the Annex IV of project cost, capacity and commissioning and completion dates of various warehousing projects (excluding land) for the years ended 31 March 2016, 31 March 2015, 31 March 2014, 31 March 2013 and 31 March 2012 have been accurately extracted from the audited books of the Company;



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National Collateral Management Services Limited
Page 2 of 3

Independent Auditor's Certificate in respect of the year wise details of project cost incurred (excluding land) from 31 March 2012 to 31 March 2016 and details of technical capacity of National Collateral Management Services Limited (Continued)

Auditor's Responsibility (Continued)

- ii) the computation of technical capacity and project cost, as referred to in the Annex II is in accordance with the method of computation set out in the clause 3.2.1 and 3.2.4 of the RFQ Document; and
 - iii) based on the Company books of accounts and other published information authenticated by it, the project commissioning dates and project capacity are correct.
6. The audited financial statements of the Company for the years ended 31 March 2016 and 31 March 2015 referred to in paragraph 5 above, have been audited by us, on which we issued an unmodified audit opinion vide our reports dated 28 May 2016 and 19 August 2015 respectively. Our audits of these financial statements were conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The financial statements of the Company for the years ended 31 March 2012, 31 March 2013 and 31 March 2014 were audited by a firm of chartered accountants other than B S R & Co. LLP, on which the respective auditors issued an unmodified opinion vide their reports dated 15 June 2012, 6 August 2013 and 5 July 2014 respectively.

7. We conducted our examination of the Annex II and IV in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

9. Based on the information and explanations and representations received from the Company's management, as set out in Annex II and IV, we have issued a certificate enclosed in Annexure I.

Restriction on Use

10. This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose to enable comply with requirement of RFQ Document and to submit the accompanying Annex II and IV to the Food Corporation of India and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Mumbai
8 February 2017



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साईलो) / Genl. Manager (Silo)
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For B S R & Co. LLP
Chartered Accountants

Firm's Registration No: 101248W/W-100022

Jayesh Thakkar
Partner

Membership No: 113959



Annexure I to our Independent Auditors' Report dated 8 February 2017

Certificate from Statutory Auditor regarding PPP Projects

Based on its books of account and other published information authenticated by it, this is to certify that National Collateral Management Services Limited (the Company') has executed the following warehousing projects. The construction and completion of the projects were on various dates. It is certified that the Company has paid Rs 97.74 crores (Rupees Ninety seven crore seventy four lakhs) by way of construction of the aforesaid construction works.

We further certify that the total capital cost of the projects were Rs 97.74 crores (Rupees Ninety seven crore seventy four lakhs) of which the entire capital cost of Rs 97.74 crores (Rupees Ninety seven crore seventy four lakhs) was paid by the Company in terms of clauses 3.2.1 and 3.2.4 of the RFQ during the past five financial years as per year wise details noted below:

Sl No	Project Name	Year Wise Cost					Project Cost
		2011-12	2012-13	2013-14	2014-15	2015-16	
1	Adilabad	0.02	0.69	3.49	3.98	0.04	8.22
2	Bikaner	0.03	6.00	0.85	2.96	6.20	16.04
3	Guntur Cold Storage	0.00	0.00	0.04	4.14	4.17	8.35
4	Kanpur	-	0.03	1.33	8.88	2.81	13.05
5	Latur	-	-	0.74	5.79	0.88	7.41
6	Purnea	-	0.00	0.06	6.28	3.88	10.22
7	Raisingnagar	-	-	0.69	6.23	0.37	7.29
8	Samastipur	0.00	0.00	0.03	6.70	0.34	7.07
9	Sangli	0.00	-	0.02	1.95	4.66	6.63
10	Sri ganganagar	0.00	0.04	1.62	10.73	1.07	13.46
	Total	0.05	6.76	8.87	57.64	24.42	97.74

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Jayesh Thakkar

Partner

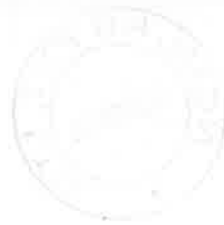
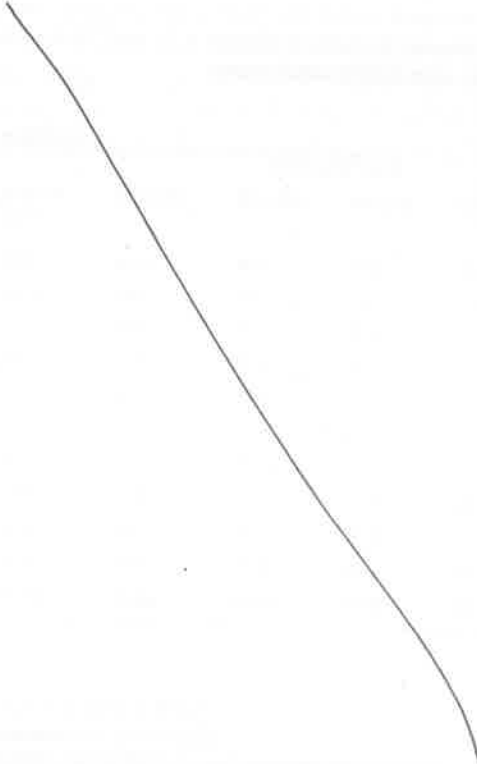
Membership No: 113959

Mumbai
8 February 2017

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Annex IV

Details of Eligible Projects of National Collateral Management Services Limited (Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: a		Member code: NA	
Item		Particulars of the Project	
Title & nature of the project		Adilabad Warehousing Project-18,600 MT	
Category		3	
Type of project experience		construction experience	
Year-wise payments made for construction (Rs)		2011-12	244,706
		2012-13	6,881,783
		2013-14	34,878,950
		2014-15	39,818,221
		2015-16	390,300
Entity for which the project was constructed		National Collateral Management Services Limited	
Location		Adilabad	
Project cost excluding land (Rupees)		82,213,960	
Date of commencement of project		30 October 2012	
Date of completion/ commissioning		1 October 2014	
Equity shareholding (with period during which equity was held)		100%	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)		Not Applicable	

For National Collateral Management Services Limited

Mr. Kuldip Singh
SVP - Silo Project

8 February 2017

CERTIFIED AND VERIFIED
For B S R & Co. LLP



आसीम छाबड़ा / ASEEM CHHABRA
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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited
(Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: b		Member code: NA	
Item	Particulars of the Project		
Title & nature of the project	Bikaner Warehousing Project-43,200 MT		
Category	3		
Type of project experience	construction experience		
Year-wise payments made for construction (Rs)	2011-12	336,261	
	2012-13	60,012,346	
	2013-14	8,479,383	
	2014-15	29,580,913	
	2015-16	62,044,279	
Entity for which the project was constructed	National Collateral Management Services Limited		
Location	Bikaner		
Project cost excluding land (Rupees)	160,453,182		
Date of commencement of project	1 April 2012		
Date of completion/ commissioning	30 September 2015		
Equity shareholding (with period during which equity was held)	100%		
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	Not Applicable		

For National Collateral Management Services Limited

Mr. Kuldip Singh
SVP - Silo Project

8 February 2017

CERTIFIED AND VERIFIED
For BSR & Co. LLP



आसीम छाबड़ा / ASEEM CHHABRA
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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited
(Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: c		Member code: NA	
Item	Particulars of the Project		
Title & nature of the project	Guntur Cold Storage Warehousing Project-5,000 MT		
Category	3		
Type of project experience	construction experience		
Year-wise payments made for construction (Rs)	2011-12		22,313
	2012-13		8,565
	2013-14		381,261
	2014-15		41,442,970
	2015-16		41,718,601
Entity for which the project was constructed	National Collateral Management Services Limited		
Location	Guntur		
Project cost excluding land (Rupees)	83,573,710		
Date of commencement of project	4 January 2014		
Date of completion/ commissioning	30 September 2015		
Equity shareholding (with period during which equity was held)	100%		
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	Not Applicable		

For National Collateral Management Services Limited

Mr. Kuldip Singh
SVP - Silo Project

8 February 2017

CERTIFIED AND VERIFIED
For BSR & Co. LLP

[Signature]



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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited (Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: d

Member code: NA

Item	Particulars of the Project	
Title & nature of the project	Kanpur Warehousing Project-26,400 MT	
Category	3	
Type of project experience	construction experience	
Year-wise payments made for construction (Rs)	2011-12	-
	2012-13	251,971
	2013-14	13,279,928
	2014-15	88,789,135
	2015-16	28,062,900
Entity for which the project was constructed	National Collateral Management Services Limited	
Location	Kanpur	
Project cost excluding land (Rupees)	130,383,934	
Date of commencement of project	26 November 2013	
Date of completion/ commissioning	1 June 2015	
Equity shareholding (with period during which equity was held)	100%	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	Not Applicable	

For National Collateral Management Services Limited

CERTIFIED AND VERIFIED
For BSR & Co. LLP

Mr. Kuldip Singh
SVP - Silo Project

8 February 2017



[Signature]

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आसीस डेपॉजिट / ASSEM CRHADHA
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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited
(Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: e		Member code: NA	
Item	Particulars of the Project		
Title & nature of the project	Latur Warehousing Project-18,900 MT		
Category	3		
Type of project experience	construction experience		
Year-wise payments made for construction (Rs)	2011-12		-
	2012-13		-
	2013-14		7,444,506
	2014-15		57,872,191
	2015-16		8,760,805
Entity for which the project was constructed	National Collateral Management Services Limited		
Location	Latur		
Project cost excluding land (Rupees)	74,077,502		
Date of commencement of project	23 October 2013		
Date of completion/ commissioning	15 January 2016		
Equity shareholding (with period during which equity was held)	100%		
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	Not Applicable		

For National Collateral Management Services Limited

Mr. Kuldip Singh
SVP – Silo Project

8 February 2017

CERTIFIED AND VERIFIED
For BSR & Co. LLP

[Signature]



आसीम छाबड़ा / **ASEEM CHHABRA**
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited (Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: f		Member code: NA	
Item		Particulars of the Project	
Title & nature of the project		Purnea Warehousing Project-19,800 MT	
Category		3	
Type of project experience		construction experience	
Year-wise payments made for construction (Rs)		2011-12	-
		2012-13	31,631
		2013-14	581,648
		2014-15	62,838,020
		2015-16	38,806,452
Entity for which the project was constructed		National Collateral Management Services Limited	
Location		Purnea	
Project cost excluding land (Rupees)		102,257,751	
Date of commencement of project		4 January 2014	
Date of completion/ commissioning		4 May 2015	
Equity shareholding (with period during which equity was held)		100%	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)		Not Applicable	


For National Collateral Management Services Limited

CERTIFIED AND VERIFIED
For BSR & Co. LLP

Mr. Kuldip Singh
SVP – Silo Project

8 February 2017




 आसीम छाबड़ा / ASEEM CHHABRA
 महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
 भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
 16-20 बाराखम्बा लेन / 16-20 B. K. Lane
 नई दिल्ली-110001 / New Delhi - 110001



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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited
(Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: g	Member code: NA	
Item	Particulars of the Project	
Title & nature of the project	Raisingnagar Warehousing Project-17,100 MT	
Category	3	
Type of project experience	construction experience	
Year-wise payments made for construction (Rs)	2011-12	-
	2012-13	-
	2013-14	6,890,015
	2014-15	62,255,724
	2015-16	3,743,356
Entity for which the project was constructed	National Collateral Management Services Limited	
Location	Raisingnagar	
Project cost excluding land (Rupees)	72,889,095	
Date of commencement of project	13 September 2013	
Date of completion/ commissioning	22 January 2015	
Equity shareholding (with period during which equity was held)	100%	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	Not Applicable	

For National Collateral Management Services Limited

Mr. Kuldip Singh
SVP - Silo Project

8 February 2017

CERTIFIED AND VERIFIED
For BSR & Co. LLP

[Signature]



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
अरतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बोरखाना लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited
(Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: h		Member code: NA	
Item		Particulars of the Project	
Title & nature of the project		Samastipur Warehousing Project-16,200 MT	
Category		3	
Type of project experience		construction experience	
Year-wise payments made for construction (Rs)		2011-12	11,243
		2012-13	31,631
		2013-14	277,333
		2014-15	66,964,280
		2015-16	3,441,463
Entity for which the project was constructed		National Collateral Management Services Limited	
Location		Samastipur	
Project cost excluding land (Rupees)		70,725,950	
Date of commencement of project		4 January 2014	
Date of completion/ commissioning		10 December 2014	
Equity shareholding (with period during which equity was held)		100%	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)		Not Applicable	

For National Collateral Management Services Limited

Mr. Kuldip Singh
SFP - Silo Project

8 February 2017

CERTIFIED AND VERIFIED
For B S R & Co. LLP

[Signature]



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराक़ा लाने / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited
(Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: I		Member code: NA	
Item		Particulars of the Project	
Title & nature of the project		Sangli Warehousing Project-15,300 MT	
Category		3	
Type of project experience		construction experience	
Year-wise payments made for construction (Rs)		2011-12	11,243
		2012-13	-
		2013-14	231,103
		2014-15	19,524,792
		2015-16	46,633,127
Entity for which the project was constructed		National Collateral Management Services Limited	
Location		Sangli	
Project cost excluding land (Rupees)		66,400,265	
Date of commencement of project		8 April 2014	
Date of completion/ commissioning		30 September 2015	
Equity shareholding (with period during which equity was held)		100%	
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)		Not Applicable	

For National Collateral Management Services Limited

CERTIFIED AND VERIFIED
For B S R & Co. LLP

Mr. Kuldip Singh
SVP – Silo Project

8 February 2017



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

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Annex IV (Continued)

Details of Eligible Projects of National Collateral Management Services Limited
(Instruction: Refer to Clauses 2.2.2, 2.2.3 and 3.2 of the RFQ)

Project code: j	Member code: NA										
Item	Particulars of the Project										
Title & nature of the project	Sriganganagar Warehousing Project-36,000 MT										
Category	3										
Type of project experience	construction experience										
Year-wise payments made for construction (Rs)	<table> <tr> <td>2011-12</td><td>11,243</td></tr> <tr> <td>2012-13</td><td>403,288</td></tr> <tr> <td>2013-14</td><td>16,222,321</td></tr> <tr> <td>2014-15</td><td>107,342,239</td></tr> <tr> <td>2015-16</td><td>10,665,136</td></tr> </table>	2011-12	11,243	2012-13	403,288	2013-14	16,222,321	2014-15	107,342,239	2015-16	10,665,136
2011-12	11,243										
2012-13	403,288										
2013-14	16,222,321										
2014-15	107,342,239										
2015-16	10,665,136										
Entity for which the project was constructed	National Collateral Management Services Limited										
Location	Sriganganagar										
Project cost excluding land (Rupees)	134,644,227										
Date of commencement of project	13 September 2013										
Date of completion/ commissioning	21 January 2015										
Equity shareholding (with period during which equity was held)	100%										
Whether credit is being taken for the Eligible Experience of an Associate (Yes/ No)	Not Applicable										

For National Collateral Management Services Limited

Mr. Kuldip Singh
SVP -- Silo Project

8 February 2017

CERTIFIED AND VERIFIED
For BSR & Co. LLP



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा रोड / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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National Collateral Management Services limited

Detail of Bank Accounts:

Sr. No.	Bank Name	Branch Address	Account No.	Account Type	IFSC Code
1	Karur Vysya Bank	954, Gayatri Tower, Appasaheb Marathe Marg, Prabhadevi, Mumbai-400025	2105223000000110	Cash Credit	KVBL0002105
2	IDFC Bank	BKC Naman Chambers, C-32, G Block, Mumbai - 400051	10000171073	Cash Credit	IDFB0040101
3	HDFC Bank	Maneckji Wadia Bldg. Ground Floor, Nanik Motwani Marg, Fort, Mumbai - 400023	00600340017824	Current Account	HDFC0000060
4	ICICI Bank	Free Press House, 215 Nariman Point, Mumbai - 400021	000405022397	Current Account	ICIC0000004



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बाराखम्बा लेन / 16-20 B. K. Lane

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ANNEX -V
Statement of Legal Capacity

Ref. Date: 8th February, 2017

To,

The General Manager (Silos),
Food Corporation of India
16-20, Barakhamba Lane,
New Delhi - 110001

Dear Sir,

We hereby confirm that we/ ~~our members in the Consortium~~ (constitution of which has been described in the application) satisfy the terms and conditions laid out in the RFQ document.

We have agreed that _____ (insert member's name) will act as the Lead Member of ~~our consortium.*~~

We have agreed that Kuldip Singh will act as our representative/ ~~will act as the representative of the consortium on its behalf*~~ and has been duly authorized to submit the RFQ. Further, the authorised signatory is vested with requisite powers to furnish such letter and authenticate the same.

Thanking you,



Yours faithfully,

Sanjay Kaul
MD & CEO

For and on behalf of National Collateral Management
Services Limited

आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.

National Collateral Management Services Limited / 16-20 B. K. Lane
Iffco Tower, Tower 1, Wing - B, 5th Floor, Sector -29, Gurgaon - 122001, India
Tel.: (+91-124) 4338200 Fax : (+91-124) 4338290 Website : www.ncml.com
CIN : U74140MH2004PLC148859



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Bond



Indian-Non Judicial Stamp Haryana Government



Date : 19/01/2017

Certificate No. G0S2017A1654



Stamp Duty Paid : ₹ 100

(Rs. Hundred Only)

GRN No. 22941259



Penalty : ₹ 0

(Rs. Zero Only)

Deponent

Name : NcmI

H.No/Floor : Na

Sector/Ward : 29

Landmark : Iffco tower tower i wing b

City/Village : Gurgaon

District : Gurgaon

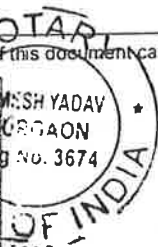
State : Haryana

Phone : 9999926264



Purpose : Power of Attorney to be submitted at Concerned office

The authenticity of this document can be verified by scanning this QRCode Through smart phone or on the website <https://egrashry.nic.in>



Power of Attorney for signing of Application

Know all men by these presents, We NATIONAL COLLATERAL MANAGEMENT SERVICES LIMITED (NCML) having its registered office at 954, Gayatri Towers, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025 and its corporate office at IIFCO Tower, Tower 1, 'B' Wing, 5th Floor, Sector-29, Gurgaon - 122 001, Haryana do hereby irrevocably constitute, nominate, appoint and authorise Mr. Kuldip Singh, son of Jagannath Prasad Singh and presently residing at H no. 8342, Sector C, Pocket 8, Vasant Kunj, NewDelhi-110070 who is presently employed with us and holding the position of Senior VP- Silo Project , 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 application for pre-qualification and submission of our bid for the "Selection of developer for creation of construction of Silo Complex at Kaimur and Buxar through PPP on Design, Build, Finance, Own, Operate and Transfer (DBFOT) basis " (the "Project (s)") proposed to be developed by the "Food Corporation of India Ltd." (the "Authority") including but not limited to signing and submission of all applications, bids and other documents and writings, participate in Pre-Applications 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 Concession 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



आसेम चव्हाड़ा / ASEEM CHHABRA

महाप्रबंधक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बाराखम्बा लेन / 16-20 B. K. Lane

नई दिल्ली-110001 / New Delhi - 110001

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out of our bid for the said Project and/ or upon award thereof to us and/or till the entering into of the Agreement with the Authority.

AND 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, NATIONAL COLLATERAL MANAGEMENT SERVICES LIMITED, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS 19th DAY of JANUARY, 2017

For National Collateral Management Services Limited

Signature

Name : Sanjay Kaul

Designation : Managing Director & CEO

Address : IIFCO Tower, Tower 1, 'B' Wing, 5th Floor,
Sector-29, Gurgaon - 122 001, Haryana



Witnesses:

1. Priya Vaishnav, Senior executive - Legal & Secretarial
2. Ritika Gupta, executive - silos

Accepted

Notarised

Kuldip Singh
Senior VP- Silo Project
IIFCO Tower, Tower 1, 'B' Wing, 5th Floor,
Sector-29, Gurgaon - 122 001, Haryana

ESTE
RAMESH YADAV
ADVOCATE & NOTARY
16-20 B. K. Lane
Gurgaon, Haryana

19 JAN 2017



आसीम छाबड़ा / ASEEM CHHADRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराक लैन / 16-20 B. K. Lane
नई दिल्ली - 110001 / New Delhi - 110001

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Selection of Developer for construction of Silos at Kaimur & Buxar under Public Private Partnership on Design, Build, Finance, Operate & Transfer (DBFOT) basis.

TECHNICAL EVALUATION REPORT

RFP Reference No : **Silos/203/DEA/2016**

Tender ID : **2016_FCI_150333_1**

Report in respect of Technical Evaluation of Application (RFQ) in response to RFQ application floated for Selection of developer for construction of Silos at Kaimur & Buxar under Public Private Partnership on Design, Build, Finance, Operate & Transfer (DBFOT) basis.

As a result of Technical Evaluation, the qualification status of applicants is detailed below:

S. No.	Name of the Bidder	Status on Technical qualification
1.	Adani Agri Logistics Limited	Qualified
2.	Dineshchandra R. Agrawal Infracon Pvt. Ltd.	Qualified
3.	National Collateral Management Services Limited	Qualified
4.	Om Metals Infraprojects Ltd.	Qualified
5.	Oriental Structural Engineers Private Limited	Qualified
6.	PSGG Technologies Private Ltd.	Qualified
7.	Sukhbir Agro Energy Limited	Qualified
8.	Surat Goods Transport Ltd.	Qualified
9.	Techno Electric and Engineering Company Limited	Qualified
10.	Topline Infra Projects Private Limited	Qualified

The Bid documents i.e. Request For Proposal (RFP) and Draft Concession Agreement (DCA) are being uploaded on CPP Portal.

Qualified Applicants are welcome to participate.

Dated : 10th April, 2017



आसीम छावड़ा / ASEEM CHADRA
महाप्रबन्धक (सिलो) / Genl. Manager (Silo)
खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

General Manager (Silos)



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FOOD CORPORATION OF INDIA
16-20, BARAKHAMBHA LANE,
NEW DELHI – 110001

REQUEST FOR PROPOSAL (RFP)

"Selection of Developer for construction of Silos at Kaimur & Buxar under Public Private Partnership on Design, Build, Finance, Operate & Transfer (DBFOT) basis."

No. Silos/203/DEA/2016

Date : 11th April, 2017

FCI (the "Authority") invites Bid Proposal from shortlisted prequalified applicants as intimated separately to the "Bidder" in accordance with the *Request for Proposal (RFP) Document* in order to select the preferred bidder for the above mentioned project.

The RFP Document containing Instructions to Bidders and Draft Concession Agreement (DCA), may be viewed and downloaded from the CPP Portal (www.eprocure.gov.in) and FCI's website (www.fci.gov.in) by shortlisted prequalified applicants. FCI reserves the right to make any alteration/modification in the Tender Document or scrap the tender at any stage without assigning any reason.

The completed Bid Proposal in the required format containing all the information requested in the RFP document shall be submitted before 15:30 hours IST on 24.05.2017 on the CPP Portal i.e. www.eprocure.gov.in.

The schedule of different activities till submission of the Bid are as under :

1.	RFP Documents on website	11th April, 2017
2.	Last date of receiving queries regarding RFP	24th April, 2017
3.	Pre-bid Conference	15:00 hrs. on 24th April, 2017
4.	Authority response to queries latest by	04th May, 2017
5.	Last date of submission of Bids	15:30 hrs. on 24th May, 2017
6.	Date of opening of Bids	15:30 hrs. on 25th May, 2017

The Pre-Bid Conference and opening of Financial bid will be held at the following Venue on the date and time as cited above :

Committee Room, 3rd Floor,
Food Corporation of India, Headquarters,
16-20, Barakhamba Lane, New Delhi – 110001.

The Authority reserves the right to modify the above schedule at its discretion which will be binding on the Applicant/Bidder.



General Manager (Silos)

आरति जोषा / ARATI JOSHI
सहायक (सिलो) / Asst. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली - 110001 / New Delhi - 110001

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FOOD CORPORATION OF INDIA

REQUEST FOR PROPOSAL

For

**Selection of Developer for construction of Food Grain Silos at
Kaimur and Buxar through Public Private Partnership (PPP)
On Design, Build, Finance, Operate and Transfer (DBFOT) basis**



आसीम छाबड़ा / **ASEEM CHHABRA**
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा रोड / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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FOOD CORPORATION OF INDIA
HEADQUARTERS, 16-20, BARAKHAMBA LANE, NEW DELHI-110001

LETTER OF INVITATION

Dated *****

To,

Sub: Request for Proposal (RFP) for Selection of Developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) on Design, Build, Finance, Operate and Transfer (DBFOT) basis

Dear Sir,

Pursuant to your application in response to our Request for Qualification for the aforesaid project (the "RFQ"), you have been short listed as an eligible Bidder as per the list of Technically Qualified bidder uploaded on the CPP Portal. The RFP processing fee of Rs. 10,000 (Rupees Ten Thousand Only) plus Service Tax @ 14%, Swachh Bharat Cess @ 0.5% & Krishi Kalyan Cess @ 0.5% in the Food Corporation of India, HQ, New Delhi, CC Account No.10220632672, IFSC CODE No. SBIN 0005943 (SBI, K.G. Marg, New Delhi) may be deposited through RTGS/NEFT/Other ELECTRONIC MODE and the scanned copy of the RTGS/NEFT transaction confirmation receipt issue by the transferring bank should be uploaded along with other Bid Documents as cost of RFP processing fee.

You are requested to participate in the Bid Stage with the objective of submitting your financial proposal (the "Bid") for the aforesaid project in accordance with the RFP.

Please note that the [Authority] reserves the right to accept or reject all or any of the bids without assigning any reason whatsoever.

Thanking you,

Yours faithfully,

General Manager (Silos)



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बाराखम्बा लेन / 16-20 B. K. Lane

Signature & Stamp of Applicant नई दिल्ली-110001 / New Delhi - 110001



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DISCLAIMER

The information contained in this Request for Proposal document (the "RFP") or subsequently provided to Bidder(s), whether verbally or in documentary or any other form, by or on behalf of the Authority or any of its employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

This RFP includes statements, which reflect various assumptions and assessments arrived at by the Authority in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for the Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFP. The assumptions, assessments, statements and information contained in this RFP may not be complete. Each Bidder should therefore, conduct its own investigations and analysis of the assumptions, assessments, statements and information contained in this RFP and obtain independent advice from appropriate sources.

Information provided in this RFP to the Bidder(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Authority accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The Authority, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Applicant or 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 RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, assumption, statement or information contained therein or deemed to form part of this RFP or arising in any way for participation in this Bid Stage.

The Authority also accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance of any Bidder upon the statements contained in this RFP.

The Authority 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 RFP.

The issue of this RFP does not imply that the Authority is bound to select a Bidder or to appoint the Selected Bidder or Concessionaire, as the case may be, for the Project and the Authority reserves the right to reject all or any of the Bidders or Bids without assigning any reasons 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 Authority 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 Authority 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.



Signature & Stamp of Applicant

असीम छाबड़ा / ASHEEM CHHABRA
मेधाप्रबन्धक (साईली) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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राई दिल्ली 110001 / New Delhi - 110001

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GLOSSARY

Authority	As referred in Clause 1.1.1
Associate	As referred in Clause 2.1.13
Bank Guarantee	As referred in Clause 2.20.1
Bid (s)	As referred in Clause 1.2.2
Bid Due Date	As referred in Clause 1.2.2
Bid Security	As referred in Clause 1.2.4
Bid Stage	As referred in Clause 1.2.1
Bidders	As referred in Clause 1.2.2
Bidding Document	As referred in Clause 1.1.7
Bidding Process	As referred in Clause 1.2.1
Concession	As referred in Clause 1.1.5
Concession Agreement	As referred in Clause 1.1.2
Concessionaire	As referred in Clause 1.1.2
Conflict of Interest	As referred in Clause 2.1.13
Damages	As referred in Clause 2.1.13
DBFOT	As referred in Clause 1.1.1
Estimated Project Cost	As referred in Clause 1.1.4
Financial Offer	As referred in Clause 1.2.7
Government	Government of India
LOA	As referred in Clause 3.3.5
Highest Bidder	As referred in Clause 1.2.7
Member	Member of a Consortium
PPP	Public Private Partnership
Project	As referred in Clause 1.1.1
Proposed Sites	As referred in Clause 1.2.13
RFP or Request for Proposal	As referred in the Disclaimer
RFQ	As referred in Clause 2.1.2
Rs or Re or INR	Indian Rupee
Selected Bidder	As referred in Clause 3.3.1

The words and expressions beginning with capital letters and defined in this document shall, unless repugnant to the context, have the meaning ascribed thereto herein. The words and expressions beginning with capital letters and not defined herein, but defined in the RFQ, shall, unless repugnant to the context, have the meaning ascribed thereto therein.



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

Signature & Stamp of Applicant



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Signature & Stamp of Applicant



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Invitation for Proposal



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1. INTRODUCTION

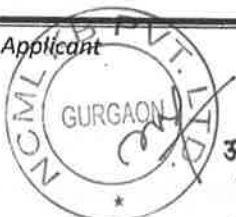
1.1. Background

- 1.1.1. The Food Corporation of India (the "Authority") is engaged in the development of modern food storage infrastructure in India and as part of this endeavour, the Authority has decided to undertake development and operation/ maintenance of the food grain silo project (the "Project") through Public-Private Partnership (the "PPP") on Design, Build, Finance, Operate and Transfer (the "DBFOT") basis, and has decided to carry out the bidding process for selection of a private entity as the bidder to whom the Project may be awarded. Brief particulars of the Project are as follows:

S.No.	Location (Project District)	Revenue District	State	Rated Capacity	Estimated Project Cost
1	Kaimur & Buxar	Kaimur & Buxar	Bihar	100,000 MT (50,000 MT each at two locations)	Rs 65.28cr

- 1.1.2. The selected Bidder, who is either a company incorporated under the Companies Act 2013 or undertakes to incorporate as such prior to the execution of the Concession Agreement, (the "Concessionaire") shall be responsible for procuring land parcels for the Project and for designing, engineering, financing, procurement, installation, construction, operation and maintenance of the Project under and in accordance with the provisions of a long-term Concession Agreement (the "Concession Agreement") to be entered into between the Selected Bidder and the Authority in the form provided by the Authority as part of the Bidding Documents pursuant hereto.
- 1.1.3. The Project, being the construction of the Silo Complex at the two locations together as a cluster on the land parcels procured by the Concessionaire, shall comprise of sheet metal silos for storage of both Wheat & Rice along with handling facilities comprising of conveying systems, cleaning, weighing, quality testing and related facilities. The Concessionaire shall provide storage, preservation and handling services in the Silo Complex, on an exclusive basis to the Authority for a period of the concession which shall be [31.5 (Thirty One and half) years in terms of Concession Agreement.
- 1.1.4. The estimated cost of the Project (the "Estimated Project Cost") has been specified in Clause 1.1.1. The assessment of actual costs, however, will have to be made by the Bidders.
- 1.1.5. The Concession Agreement sets forth the detailed terms and conditions for grant of the Concession to the Concessionaire, including the scope of the Concessionaire's services and obligations (the "Concession").
- 1.1.6. The statements and explanations contained in this RFP are intended to provide a better understanding to the Bidders about the subject matter of this RFP and should not be construed or interpreted as limiting in any way or manner the scope of services and obligations of the Concessionaire set forth in the Concession Agreement or the Authority's rights to amend, alter, change, supplement or clarify the scope of work, the Concession to be awarded pursuant to this RFP or the terms thereof or herein contained. Consequently, any omissions, conflicts or

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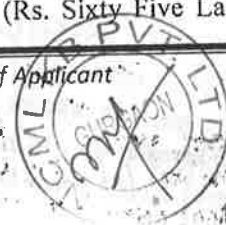
contradictions in the Bidding Documents including this RFP are to be noted, interpreted and applied appropriately to give effect to this intent, and no claims on that account shall be entertained by the Authority.

- 1.1.7. The Authority shall receive Bids pursuant to this RFP in accordance with the terms set forth in this RFP and other documents to be provided by the Authority pursuant to this RFP (collectively the "**Bidding Documents**"), as modified, altered, amended and clarified from time to time by the Authority, and all Bids shall be prepared and submitted in accordance with such terms on or before the date specified in Clause 1.3 for submission of Bids (the "**Bid Due Date**").
- 1.1.8. The Bidder shall be required to identify land parcels for the Project and procure and transfer to the Authority within 120 (one hundred and twenty) days from the date of signing of the Concession Agreement. The land parcels will need to meet the requirements as specified in Clause 1.2.14 of this RFP. Prior to commencement of the concession, the Concessionaire shall be responsible for obtaining necessary approvals, sanctions and licenses in respect of the land parcels for construction, operation and maintenance of the Project. The Concessionaire shall transfer the land parcels to the Authority, and the Authority shall pay a consideration to the concessionaire for these land parcels as per the terms of the Concession Agreement.
- 1.1.9. The Authority shall provide financial assistance to the Concessionaire in form of a grant as per the terms specified in the Bidding Documents.

1.2. Brief description of Bidding Process

- 1.2.1. The Authority has adopted an online two-stage process accessible at <https://eprocure.gov.in/eprocure/app> (collectively referred to as the "**Bidding Process**") for selection of the bidder for award of the Project. The first stage (the "**Qualification Stage**") of the process involved pre-qualification of interested parties/ consortia in accordance with the provisions of the RFQ. At the end of the Qualification stage, the short-listed Applicants, who are eligible for participation in the second stage of the Bidding Process (the "**Bid Stage**") comprising Request for Proposals (the "**Request for Proposals**" or "**RFP**") are invited for the Bid stage.
- 1.2.2. In the Bid Stage, the aforesaid short-listed Applicants, including their successors, (the "**Bidders**", which expression shall, unless repugnant to the context, include the Members of the Consortium) are called upon to submit their Financial Offers online (the "**Bid**") in accordance with the terms specified in the Bidding Documents. Bidders are requested to submit their financial offers online at <https://eprocure.gov.in/eprocure/app> in provided BOQ format. The Bid shall be valid for a period of not less than 120 days from the date specified in Clause 1.3 for submission of bids (the "**Bid Due Date**"). The Financial Bids shall be opened for only such Bidders who qualify as per the terms specified in this RFP.
- 1.2.3. The RFP can be downloaded from Central Public Procurement Portal (<https://eprocure.gov.in/eprocure/app>) by the eligible Bidders. The Bidders are expected to have already enrolled on the website. The Bidder can download the RFP and then upload the Bid along with scanned copy of original signed documents as required under this RFP on or before the stipulated time on the Bid Due Date. The Bidding Documents include the draft Concession Agreement for the Project [which is enclosed]. The aforesaid documents and any 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 deposit, along with its Bid, a bid security of Rs. 65,00,000/- (Rs. Sixty Five Lakhs only) (the "**Bid Security**"), refundable not later

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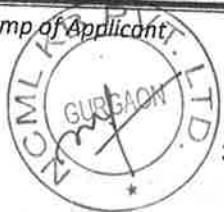
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than 90(ninety)days from the Bid Due Date, except in the case of the Selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the Concession Agreement. The Bidders will have an option to provide Bid Security in the form of a bank guarantee acceptable to the Authority, and in such event, the validity period of the bank guarantee, as the case may be, shall not be less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended at the sole discretion of the Authority from time to time. Where the Bid Security is not furnished in the form of bank guarantee, the same shall be deposited in the account of the Authority through RTGS/NEFT. Details of bank account of Food Corporation of India, HQ is CC A/c no. 10220632672, IFSC Code No. SBIN 0005943 (SBI, K.G. Marg, New Delhi). The Bid shall be summarily rejected if it is not accompanied by the Bid Security. The original bank guarantee towards Bid Security shall be required to be submitted in hard copy with scanned copy of the bank guarantee document or RTGS/NEFT transaction confirmation receipt as applicable shall be uploaded on the website <https://eprocure.gov.in/eprocure/app> at the time of Bid submission. The Bid shall be summarily rejected if it is not accompanied by the Bid Security.

- 1.2.5. Generally, the Highest Bidder shall be the selected Bidder who shall be issued the Letter of Award ("LOA"). The remaining Bidders shall be kept in reserve and may, in accordance with the process specified in the RFP, 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 annual the Bidding Process, as the case may be.
- 1.2.6. During the Bid Stage, Bidders are invited to examine the Project in greater detail, and to carry out, at their cost, such studies as may be required for submitting their respective Bids for award of the Concession including implementation of the Project.
- 1.2.7. Bids are invited for the Project, along with Additional Bank Guarantee if applicable as per the provisions of Clause 1.2.13. The Bid, being the **Financial Offer**, will be the lowest financial grant (the "**Grant**") required by a Bidder for implementing the Project. A Bidder may, instead of seeking a Grant, offer to pay a premium in the form of revenue share and/ or upfront payment, as the case may be, (the "**Premium**") to the Authority for award of the Concession. The concession period is pre-determined, as indicated in the Draft Concession Agreement for pilot projects. The [Grant/ Premium amount] shall constitute the sole criteria for evaluation of Bids for all Bids. Subject to Clause 2.16, the Project will be awarded to the Bidder quoting the [highest Premium, and in the event that no Bidder offers a Premium, then to the Bidder seeking the lowest Grant]. In this RFP, the term "**Highest Bidder**" shall mean the Bidder who is offering the highest Premium, and where no Bidder is offering a Premium, the Bidder seeking the lowest Grant.
- 1.2.8. The Concessionaire shall, in consideration of its investment and services, be entitled to receive pre-determined charges from the Authority for handling and storage (Fixed and Variable) of Foodgrains.
- 1.2.9. Further and other details of the process to be followed at the Bid Stage and the terms thereof will be spelt out in the Bidding Documents.
- 1.2.10. Any queries or request for additional information concerning this RFP shall be submitted in writing or by fax and e-mail to the officer designated in Clauses

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2.11.4below. The envelope / communications shall clearly bear the following identification / title:

"Queries/ Request for Additional Information: RFP for Selection of developer for construction of silo complex on DBFOT model at location Kaimur and Buxar".

- 1.2.11. As part of the Bidding Documents, the Authority will provide a Draft Concession Agreement prepared by the Authority/ its consultants and other information pertaining/ relevant to the Project available with it.
- 1.2.12. The Bidder shall be required to arrange for applicable permits for the construction and operation of the silo facility at the land parcels as per the terms of the Concession Agreement, should the Bidder be the Selected Bidder.
- 1.2.13. In the event the identified land parcels are not under the ownership of the Bidder at the time of submission of Bid but the Bidder intends to procure the identified land parcels (such land parcels being referred herein as **"Proposed Sites"**), should the Bidder be issued Letter of Award at the end of the Bid Process and is called upon to execute the Concession Agreement, the Bidder can submit the Bid provided that it submits an additional bank guarantee (**"Additional Bank Guarantee"**) in the specified format at ANNEX II for an amount of Rs 35 lakhs (Rs Thirty Five Lakhs) per location. The Proposed Sites should meet the stipulated requirements as per Clause 1.2.14. For purpose of clarity, a Bidder who owns site for one location and intends to own site for the other location will be required to submit Additional Bank Guarantee for one location only. The Bidder shall be required to arrange for applicable permits for the construction and operation of the silo facility at the Proposed Sites as per the terms of the Concession Agreement, should the Bidder be the Selected Bidder. The following terms shall apply to the Additional Bank Guarantee :

- i. In the event the Bidder fails to qualify as per the terms of this RFP, the Additional Bank Guarantee shall be returned to the unsuccessful Bidder within 30 (thirty) days of the issue of LOA to the successful bidder;
- ii. In the event the Bidder who has furnished such Additional Bank Guarantee is the selected bidder and is issued LOA for the Project and is not able to arrange the Proposed Sites for the Project within the stipulated period, the Authority shall be entitled to forfeit and appropriate the Additional Bank Guarantee, as damages, notwithstanding anything to the contrary contained in the Concession Agreement and without prejudice to any other right or remedy that may be available to the Authority under the Bidding Documents and/or the Concession Agreement or otherwise
- iii. In the event the selected Bidder who has furnished such Additional Bank Guarantee successfully arranges the Proposed Sites as committed in its Application, the Additional Bank Guarantee shall be returned to the successful Bidder.
- 1.2.14. The Site / Proposed Site should meet the following criteria (**"Threshold Criteria"**):
- i. Location: The land parcels should be located within the boundaries of the respective [revenue districts] as specified in Clause 1.1.1.
- ii. Minimum size of land parcel: The land parcel, at each location, should measure a minimum of 7 acres and maximum of 7.5 acres. The land parcel should be a contiguous piece of land. The dimensions of the land parcel should be adequate to meet the requirements of the silo facility as per the Standards and Specifications prescribed in the Draft Concession Agreement for pilot projects.

Signature & Stamp of Applicant

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- iii. Accessibility: The land parcels should be connected to major highway (national highway / state highway / major district road) by a two-lane paved road. The land parcels should also be within 8 Kms. of road distance from a railway goods shed.
- iv. The land parcels should be free from any encumbrances or encroachments.
- v. The land parcels should be suitable and available for construction and operation of the silo facility.
- vi. Concessionaire should have identified the land parcels and should be able to procure the land parcel at the time of transfer of the sites to the Authority.

1.3. Schedule of bidding process

The Authority shall endeavor to adhere to the following schedule:

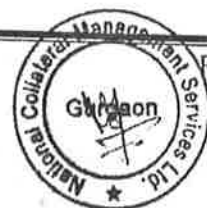
Event Description	Date
Bid (RFP) Stage	
Invitation to shortlisted Applicants	11th April, 2017
Last date for receiving queries	24th April, 2017
Pre-bid meeting	15:00 hrs. on 24th April, 2017
Authority response to queries latest by	04th May, 2017
Bid Due Date	15:30 hrs. on 24th May, 2017
Opening of Bids	15:30 hrs. on 25 th May, 2017
Letter of Award (LOA) to the selected Bidder	70calendar days from the date of RFP
Signing of Concession Agreement	90calendar days from the date of RFP

The Authority reserves the right to modify the above schedule at its discretion which will be binding on the Applicant.



Handwritten signature
आसीम छाबड़ा / ASEEM CHHABRA
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2. INSTRUCTION TO BIDDERS

A. GENERAL

2.1. General terms of Bidding

- 2.1.1. No Bidder shall submit more than one Bid for the Project. A Bidder bidding individually or as a member of a Consortium shall not be entitled to submit another bid for the Project either individually or as a member of any Consortium, as the case may be.
- 2.1.2. Unless the context otherwise requires, the terms not defined in this RFP but defined in the Request for Qualification document for the Projects (the "RFQ") shall have the meaning assigned thereto in the RFQ.
- 2.1.3. Notwithstanding anything to the contrary contained in this RFP, the detailed terms specified in the Draft Concession 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 Concession Agreement.
- 2.1.4. The Additional Bank Guarantee, if applicable, should be submitted in the format specified at ANNEX II in this RFP. The Financial Offer should be furnished online at <https://eprocure.gov.in/eprocure/app> in the provided format, clearly indicating the bid amount in both figures and words, in Indian Rupees, and signed by the Bidder's authorised signatory. In the event of any difference between figures and words, the amount indicated in words shall be taken into account.
- 2.1.5. The Financial Offer shall consist of a Grant or a Premium, as the case may be, to be quoted by the Bidder. [Grant shall be payable by the Authority to the Concessionaire and the Premium shall be payable by the Concessionaire to the Authority, as the case may be,] as per the terms and conditions of this RFP and the provisions of the Concession Agreement.
- 2.1.6. The Bidder shall deposit a Bid Security of Rs 65 (Sixty Five) Lakhs (the "Bid Security") in accordance with the provision of this RFP. The Bidder has to provide the Bid Security either as RTGS/NEFT payment or in the form of a Bank Guarantee acceptable to the Authority, as per format at Appendix-III. The scanned copy of the Bank Guarantee or the scanned copy of the RTGS/NEFT transaction confirmation receipt issued by the transferring bank shall be uploaded along with the online Bid submission and the original Bank Guarantee should be physically submitted within 3 working days after the Bid Due Date at the address specified in Clause 2.11.4.
- 2.1.7. The validity of the Bank Guarantee, shall not be less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended as may be mutually agreed between the Authority and the Bidder. The Bid shall be summarily rejected if it is not accompanied by the Bid Security. The Bid Security shall be refundable no later than 90 (sixty) days from the Bid Due Date except in the case of the Selected Bidder whose Bid Security shall be retained till it has provided a Performance Security under the Concession Agreement.
- 2.1.8. The Bidder should submit a Power of Attorney as per the format at Appendix-IV authorising the signatory of the Bid to commit the Bidder. The signed and scanned copy of the Power of Attorney shall be uploaded along with the online Bid submission and the original Power of Attorney should be physically submitted within 3 working days after the Bid Due Date at the address specified in Clause 2.11.4.
- 2.1.9. In case the Bidder is a Consortium, the Members thereof should furnish a Power of Attorney in favour of the Lead Member in the format at Appendix-V. The

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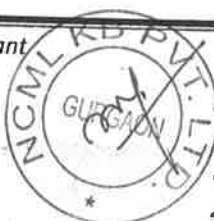
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signed and scanned copy of the Power of Attorney shall be uploaded along with the online Bid submission and the original Power of Attorney should be physically submitted within 3 working days after the Bid Due Date at the address specified in Clause 2.11.5

- 2.1.10. Any condition or qualification or any other stipulation contained in the Bid shall render the Bid liable to rejection as a non-responsive Bid.
- 2.1.11. The Bid and all communications in relation to or concerning the Bidding Documents and the Bid shall be in English language.
- 2.1.12. The documents including this RFP and all attached documents, provided by the Authority are and shall remain or become the properties 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 2.1.12 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.
- 2.1.13. A 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 Concession 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:
- i. the Bidder, its Member or Associate (or any constituent thereof) and any other Bidder, its Member or any 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 Member or an Associate thereof (or any shareholder thereof having a shareholding of more than 5% (five per cent) of the subscribed and paid up and share capital of such Bidder, Member or Associate, as the case may be) in the other Bidder, its Member or 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 sub section (72) of section 2 of Companies Act, 2013. For the purposes of this Clause 2.1.13, indirect shareholding held through one or more intermediate persons shall be computed as follows:
 - a.) 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 Subject Person; and

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- b.) Subject always to sub-clause a.) 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 b.) 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
- ii. a constituent of such Bidder, is also a constituent of another Bidder; or
 - iii. such Bidder, its Member or any Associate thereof receives or has received any direct or indirect subsidy, grant, concessional loan or subordinated debt from any other Bidder, its Member or any Associate or has provided any such subsidy, grant, concessional loan or subordinated debt to any other Bidder, its Member or any Associate thereof; or
 - iv. such Bidder has the same legal representative for purposes of this Bid as any other Bidder; or
 - v. 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 Application of either or each other; or
 - vi. 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 a Consortium, then the term Bidder as used in this Clause 2.1.13 shall include each Member of such Consortium.
For the purpose of this RFP, Associate means, in relation to the Bidder/Consortium Member, a person who controls, is controlled by, or is under the common control with such Bidder/Consortium Member ("the Associate"). As used in this definition, the expression "control" means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares 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 by operation of law.

- 2.1.14. 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 Member or any Associate thereof, as the case may be, in any manner for matters related to or incidental to the Project during the Bidding Process or subsequent to the (i) issue of the LOA or (ii) execution of the Concession Agreement. In the event any such adviser is engaged by the Selected Bidder or the Concessionaire, as the case may be, after issue of the LOA or execution of the Concession Agreement for matters related or incidental to the Project, then notwithstanding anything to the contrary contained herein or in the LOA or the Concession 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 Concession Agreement, as the case may be, shall be liable to be terminated without the Authority being liable in any manner whatsoever

Signature & Stamp of Applicant

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to the Selected Bidder or Concessionaire for the same . For the avoidance of doubt, this disqualification shall not apply where such adviser was engaged by the Bidder, its Member or Associate in the past but its assignment expired or was terminated 6 (six) months prior to the date of issue of this RFQ for the Project. Nor will this disqualification apply where such adviser is engaged after a period of 3 (three) years from the date of commercial operation of the Project.

2.1.15. This RFP is not transferable.

2.1.16. Any award of Concession pursuant to this RFP shall be subject to the terms of Bidding Documents.

2.2. Change in composition of the Consortium

2.2.1. Where the Bidder is a Consortium, change in composition of the Consortium may be permitted by the Authority during the Bid Stage, only where:

- a) the Lead Member continues to be the Lead Member of the Consortium;
- b) the substitute is at least equal, in terms of Technical Capacity or Financial Capacity, to the Consortium Member who is sought to be substituted and the modified Consortium shall continue to meet the pre-qualification and short-listing criteria for Applicants; and
- c) the new Member(s) expressly adopt(s) the Application already made on behalf of the Consortium as if it were a party to it originally, and is not an Applicant Member/ Associate of any other Consortium bidding for this Project.

2.2.2. Approval for change in the composition of a Consortium shall be at the sole discretion of the Authority and must be approved by the Authority in writing. The Bidder must submit its application for change in composition of the Consortium no later than 15 (fifteen) days prior to the Bid Due Date

2.2.3. The modified/ reconstituted Consortium shall submit a revised Joint Bidding Agreement and a Power of Attorney, substantially in the form at Appendix-V, prior to the Bid Due Date.

2.3. Change in Ownership

2.3.1. By submitting the Bid, the Bidder acknowledges that it was pre-qualified and short-listed on the basis of Technical Capacity and Financial Capacity of those of its Consortium Members, who will own at least 26% (twenty six percent) of the equity of the Concessionaire. The Bidder further acknowledges and undertakes that each of such Consortium Members shall continue to hold atleast 26% of the equity of the Concessionaire until the 2nd (second) anniversary of the date of Commercial Operation Date of the Project under and in accordance with the provisions of the Concession Agreement. The Bidder further acknowledges and agrees that the aforesaid obligation shall be minimum, and shall be in addition to such other obligations as may be contained in the Concession Agreement, and a breach hereof shall, notwithstanding anything to the contrary contained in the Concession Agreement, be deemed to be a breach of the Concession Agreement and dealt with as such thereunder. For the avoidance of doubt, the provisions of this Clause 2.3.1 shall apply only when the Bidder is a Consortium.

2.3.2. 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 a Consortium Member or an Associate whose Technical Capacity and / or Financial Capacity was taken into consideration for the purposes of short-listing and pre-qualification under and in accordance with the RFQ, 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

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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 Concession Agreement but prior to Financial Close of the Project, it would, notwithstanding anything to the contrary contained in the Concession Agreement, be deemed to be a breach of the Concession Agreement, and the same shall be liable to be terminated without the Authority being liable in any manner whatsoever to the Concessionaire. In such an event, notwithstanding anything to the contrary contained in the Concession 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 Contract and/ or the Concession Agreement or otherwise.

2.4. Cost of Bidding

2.4.1. The Bidders 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.

2.5. Location /site visit, due diligence and verification of information

2.5.1. Bidders are encouraged to submit their respective Bids after visiting the Project location, carrying out due diligence including on the proposed site and ascertaining for themselves the site conditions, location, surroundings, climate, availability of power, water and other utilities for construction, access to site, handling and storage of materials, weather data, seismic data, applicable laws and regulations, and any other matter considered relevant by them.

2.5.2. It shall be deemed that by submitting a Bid, the Bidder has:

- a. made a complete and careful examination of the Bidding Documents;
- b. received all relevant information requested from the Authority;
- c. 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 2.5.1 above;
- d. satisfied itself about all matters, things and information including matters referred to in Clause 2.5.1 hereinabove 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 thereunder;
- e. 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 2.5.1 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 Concession Agreement by the Concessionaire
- f. agreed to be bound by the undertakings provided by it under and in terms hereof
- g. acknowledged that it does not have any Conflict of Interest; and
- h. carried out proper due diligence

2.5.3. 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, RFQ, the Bidding Documents or the Bidding Process, including any error or mistake therein or in any information or data given by the Authority

2.6. Verification and Disqualification

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- 2.6.1. The Authority reserves the right to verify all statements, information and documents submitted by the Bidder in response to the RFQ, the RFP 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.
- 2.6.2. The Authority reserves the right to reject any Bid and appropriate the Bid Security if:
- (a) at any time, a material misrepresentation is made or uncovered, or
 - (b) the Bidder does not provide, within the time specified by the Authority, the supplemental information sought by the Authority for evaluation of the Bid, or
- Such misrepresentation / improper response shall lead to the disqualification of the Bidder. If the Bidder is a Consortium, then the entire Consortium may be disqualified/ rejected. If such disqualification/ rejection occur after the Bids have been opened and the Lowest Bidder gets disqualified/ rejected, then the Authority reserves the right to:
- (i) invite the remaining Bidders to submit their Bids in accordance with Clause 3.3.3 and 3.3.4; or
 - (ii) take any such measure as may be deemed fit in the sole discretion of the Authority, including annulment of the Bidding Process.
- 2.6.3. In case it is found during the evaluation or at any time before signing of the Agreement or after its execution and during the period of subsistence thereof, including the Concession thereby granted by the Authority, that one or more of the pre-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 Concessionaire either by issue of the LOA or entering into the Agreement, and if the Select Bidder has already been issued the LOA or has entered into the Concession Agreement, as the case may be, the same shall, notwithstanding anything to the contrary contained therein or in this RFP, be liable to be terminated, by a communication in writing by the Authority to the Selected Bidder, or the Concessionaire as the case may be, without the Authority being liable in any manner whatsoever to the Selected Bidder or Concessionaire. 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 Concession Agreement, or otherwise.

B. DOCUMENTS

2.7. Contents of the RFP

- 2.7.1. This RFP comprises the Disclaimer set-forth hereinabove, the contents as listed below, and will additionally include any Addenda issued in accordance with Clause 2.9.

Invitation for Bids

- Section 1. Introduction
- Section 2. Instruction to Bidders
- Section 3. Evaluation of Bids
- Section 4. Fraud and Corrupt Practices
- Section 5. Pre-Bid Conference
- Section 6. Miscellaneous
- Appendices

I. Appendix I: Letter comprising the Bid

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- II. Appendix II: Status of project land; along with Annex 1 and Annex 2 supporting the Appendix
 - III. Appendix III - Bank Guarantee for Bid Security
 - IV. Appendix IV - Power of Attorney for signing of Bid
 - V. Appendix V - Power of Attorney for Lead Member of Consortium
 - VI. Appendix VI - Instructions for Online Bid Submission
- 2.7.2. The draft Concession Agreement provided by the Authority as part of the Bid Documents shall be deemed to be part of this RFP.
- 2.8. Clarifications**
- 2.8.1. Bidders requiring any clarification on the RFP may notify the Authority in writing or by fax and e-mail in accordance with Clause 1.2.10. They should send in their queries on or before the date mentioned in the Schedule of Bidding Process specified in Clause 1.3. 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 sent by fax or email. The Authority will forward all the queries and its responses thereto, to all Bidders without identifying the source of queries.
- 2.8.2. The Authority shall endeavor to respond to the questions raised or clarifications sought by the Bidders by publishing it on its website www.fci.gov.in as well as Central Procurement Portal (CPP) <http://eprocure.gov.in/eprocure/app>. 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 shall be taken or read as compelling or requiring the Authority to respond to any question or to provide any clarification.
- 2.8.3. 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 be binding on the Authority.
- 2.9. Amendment of RFP**
- 2.9.1. 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 by the issuance of Addenda.
- 2.9.2. Any Addendum thus issued will be published on <https://eprocure.gov.in/eprocure/app>.
- 2.9.3. 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 Date¹.

¹ While extending the Bid Due Date on account of an Addendum, the Authority shall ensure that the time required by Bidders to address the amendments specified therein. In the case of significant amendments, at least 15 (fifteen) days shall be provided between the date of amendment and the Bid Due Date, and in the case of minor amendments, at least 7 (seven) days shall be provided.

Signature & Stamp of Applicant

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C. Preparation and Submission of Bids

2.10. Format and Signing of Bid

2.10.1. The Bidder shall provide all the information sought under this RFP. The Authority will evaluate only those Bids that are received in the required formats and complete in all respects.

The Applicant shall upload the Bid (together with the documents required to be submitted pursuant to this RFP) on Central Procurement Portal (CPP) <http://eprocure.gov.in/eprocure/app>. The uploaded copy shall be considered and designated as "ORIGINAL" Bid. Further, the Applicant shall prepare and submit 3 (three) hard copy of such Bid and required documents uploaded, - and undertake to deliver the same to the office of the Authority within 3 working days after the RFP due date. In the event of any discrepancy between the original (uploaded to the web portal on or before RFP due date) and the copy, the original shall prevail. The 3 hard copy submitted shall include 1 set of the "ORIGINAL" Bid (together with the original documents required to be submitted pursuant to this RFP) as uploaded in the web portal of the Authority. The same shall be clearly marked as "ORIGINAL". The other 2 sets of hard copy shall be marked as "COPY".

2.10.2. The hard copy of the Bid which shall be marked as "ORIGINAL" shall have original copies of documents uploaded and shall be typed or written in indelible ink and signed by the authorised signatory of the Bidder who shall also sign each page, in blue ink. In case of printed and published documents, only the cover shall be initialled. All the alteration, omissions, additions or any other amendments made to the Bid shall be counter-signed by the person(s) signing the Bid

2.11. Sealing and Marking of Bids

2.11.1. The Bidder shall submit the Bids in two parts:

- i. Part A: The Bid shall be submitted online only in the prescribed format on or before the stipulated time on Bid Due Date
- ii. Part B: The Part shall consist of
 - a) Appendix-I : Original signed document to be submitted in physical form within 3 working days after the Bid Due Date and signed & scanned copy to be uploaded on or before the stipulated time on Bid Due Date
 - b) APPENDIX – II: Status of project land for the project;
 - c)
 - d)



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ANNEX I or ANNEX II as applicable: Original signed document to be submitted in physical form within 3 working days after the Bid Due Date and signed & scanned copy to be uploaded on or before the stipulated time on Bid Due Date

- d) Bid security in the form of RTGS/NEFT transaction or bank guarantee by a nationalized bank, or a Scheduled Bank in India as per format at Appendix – III: Original document to be submitted in physical form within 3 working days after the Bid Due Date and scanned copy to be uploaded on or before the stipulated time on Bid Due Date
- e) Power of Attorney for signing of Bid in the format at Appendix –IV: Original document to be submitted in physical form within 3 working days after the Bid Due Date and scanned copy to be uploaded on or before the stipulated time on Bid Due Date;
- f) If applicable, the Power of Attorney for Lead Member of Consortium in the format at Appendix –V; Original document to be submitted in physical form within 3 working days after the Bid Due Date and scanned copy to be uploaded on or before the stipulated time on Bid Due Date and
- g) A copy of the Concession Agreement and RFP Document with each page initialled by the person signing the Bid in pursuance of the Power of Attorney referred to in sub-clause e), above.
- h) Scanned copy of Bid Processing Fee of Rs. 10,000 plus Service Tax @ 14%, Swachh Bharat Cess @ 0.5% & Krishi Kalyan Cess @ 0.5% .
- i) All the addenda /corrigendum issued by the Authority.
- j) If applicable, the Additional Bank Guarantee by a nationalised bank as per format at Annex II.

2.11.2. The original documents as required for physical submissions under Part 2 under 2.11.1 (ii) shall be placed in an envelope, which shall be sealed.

2.11.3. The envelopes shall clearly bear the following identification:

Bid for the "Selection of developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) On Design, Build, Finance, Own, Operate and Transfer (DBFOT) basis" Project 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.

2.11.4. Each of the envelope shall be addressed to

ATTN. OF:	Mr. Aseem Chhabra
DESIGNATION:	General Manager (Silos)
ADDRESS:	Food Corporation of India, Headquarters, 10 th Floor, 16-20, Barakhamba Lane New Delhi-110001
PHONE NO:	011-43527643
FAX NO:	011-43527354
E-MAIL ADDRESS:	gmsilos.fci@gov.in

2.11.5. 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.

2.11.6. Bids submitted by fax, telex, telegram or e-mail shall not be entertained and shall be rejected.

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2.12. Bid Due Date

2.12.1. Bid should be submitted on the CPP Portal before 1100 hours IST on the Bid Due Date, with the specified physical submission at the address provided in Clause 2.11.4 before specified time on or before the Bid Due Date in the manner and form as detailed in this RFP. A receipt thereof should be obtained from the person specified at Clause 2.11.4. The Authority may, in its sole discretion, extend the Bid Due Date by issuing an Addendum in accordance with Clause 2.9 uniformly for all Bidders

2.13. Late Bids

2.13.1. 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.

2.14. Contents of the Bid

2.14.1. The Bid shall be furnished in the format at Appendix-I in form of [Grant or Premium, as the case may be,] to be quoted by the Bidder. The Bidder shall specify in Indian Rupees the [Grant or Premium, as the case may be, required by him or offered by him, as the case may be,] to undertake the Project in accordance with this RFP and the provisions of the Concession Agreement.

2.14.2. Generally, the Project will be awarded to the Highest Bidder.

2.14.3. The opening of Bids and acceptance thereof shall be substantially in accordance with this RFP.

2.14.4. The proposed Draft Concession Agreement for pilot projects shall be deemed to be part of the Bid.

2.15. Modifications/ Substitution/ Withdrawal of Bids

2.15.1. 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.

2.15.2. The modification, substitution or withdrawal notice shall be prepared, sealed, marked and delivered in accordance with Clause 2.11, with the envelopes being additionally marked "MODIFICATION", "SUBSTITUTION", or "WITHDRAWAL", as appropriate.

2.15.3. Any alteration/modification in the Bid or additional information supplied subsequent to the Bid Due Date, unless the same has been expressly sought by the Authority, shall be disregarded.

2.16. Rejection of Bids

2.16.1. Notwithstanding anything contained in this RFP, 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 therefore. 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.

2.16.2. 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.

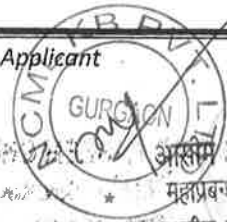
2.17. Validity of Bids

2.17.1. The Bid shall be valid for a period of not less than 120 (one hundred and twenty) days from Bid Due Date. The validity of Bids may be extended by mutual consent of the respective Bidders and the Authority.

2.18. Confidentiality

2.18.1. Information relating to the examination, clarification, evaluation and recommendation for the Bidders shall not be disclosed to any person who is not

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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.

2.19. Correspondence with the Bidder

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

D.BID SECURITY

2.20. Bid Security

- 2.20.1. The Bidder shall furnish as part of its Bid, a Bid Security referred to in Clause 2.1.6 and 2.1.7 hereinabove in the form of a Bank Guarantee by a nationalized bank, or a Scheduled Bank in India in India having a net-worth of at-least Rs. 1000 crore (Rs. One thousand crore), in favour of the Authority in the format at Appendix-III(the "Bank Guarantee") and having a validity period of not less than 180 (one hundred and eighty) days from the Bid Due Date, inclusive of a claim period of 60 (sixty) days, and may be extended at the sole discretion of the Authority from time to time. Where the Bid Security is not furnished in the form of bank guarantee, the same shall be deposited in the account of the Authority through RTGS/NEFT. Details of bank account of Food Corporation of India, HQ is CC A/c no. 10220632672, IFSC Code No. SBIN 0005943 (SBI, K.G. Marg, New Delhi).The Bid shall be summarily rejected if it is not accompanied by the Bid Security. The original bank guarantee towards Bid Security shall be required to be submitted in hard copy with scanned copy of the bank guarantee document or RTGS/NEFT transaction confirmation receipt as applicable shall be uploaded on the website <https://eprocure.gov.in/eprocure/app> at the time of Bid submission. In case the Bank Guarantee is issued by a foreign bank outside India, confirmation of the same by any Nationalised 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.
- 2.20.2. The Authority shall not be liable to pay any interest on the Bid Security deposit so made and the same shall be interest free.
- 2.20.3. Any Bid not accompanied by the Bid Security shall be summarily rejected by the Authority as non-responsive.
- 2.20.4. Save and except as provided in Clauses 1.2.4 and 1.2.5, the Bid Security of unsuccessful Bidders will be returned by the Authority, without any interest, as promptly as possible on acceptance of the Bid of the Selected Bidder or when the Bidding process is cancelled by the Authority, and in any case within 90 (sixty) days from the Bid Due Date. Where Bid Security has been paid by deposit, the refund thereof shall be in the form of an account payee demand draft in favour of the unsuccessful Bidder(s). Bidders may by specific instructions in writing to the Authority give the name and address of the person in whose favour the said demand draft shall be drawn by the Authority for refund, failing which it shall be drawn in the name of the Bidder and shall be mailed to the address given on the Bid.

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- 2.20.5. The Selected Bidder's Bid Security will be returned, without any interest, upon the Successful Bidder signing the Concession Agreement and furnishing the Performance Security in accordance with the provisions thereof. The Authority may, at the Selected Bidder's option, adjust the amount of Bid Security in the amount of Performance Security to be provided by him in accordance with the provisions of the Concession Agreement.
- 2.20.6. The Authority shall be entitled to forfeit and appropriate the Bid Security as damages inter alia in any of the events specified in Clause 2.20.7 herein below. The Bidder, by submitting its Bid pursuant to this RFP, 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. No relaxation of any kind on Bid Security shall be given to any Bidder.
- 2.20.7. 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 Concession Agreement, or otherwise under the following conditions:
- a. If a Bidder submits a non-responsive Bid;
 - b. If a Bidder engages in a corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice as specified in Section 4 of the RFP;
 - c. If a Bidder withdraws its Bid during the period of Bid validity as specified in this RFP and as extended by mutual consent of the respective Bidder(s) and the Authority;
 - d. In the case of Selected Bidder, if it fails within the specified time limit –
 - i. to sign the Concession Agreement; or
 - ii. to furnish the Performance Security within the period prescribed thereof in the Concession Agreement; or
 - iii. to sign and return the duplicate copy of LOA;
 - e. In case the Selected Bidder, having signed the Concession Agreement, commits any breach thereof prior to furnishing the Performance Security.



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आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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3. EVALUATION OF BIDS

3.1. Opening and Evaluation of Bids

- 3.1.1. The Authority shall open on next day falling of the Bid Due Date and at the place specified in Clause 2.11.4 and in the presence of the Bidders who choose to attend.
- 3.1.2. The Authority will subsequently examine and evaluate the Bids in accordance with the provisions set out in this Section 3.
- 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.

3.2. 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. A Bid shall be considered responsive only if:
- It is received online
 - It contains all Appendixes and Annexes as mentioned in the RFP.
 - it is received by the Bid Due Date including any extension thereof pursuant to Clause 2.12;
 - it is signed, sealed bound together and marked as stipulated in Clauses 2.10 and 2.11;
 - it is accompanied by the Bid Security as specified in Clause 2.1.6;
 - it is accompanied by the Power(s) of Attorney as specified in Clauses 2.1.8 and 2.1.9, as the case may be;
 - it contains all the information (complete in all respects) as requested in this RFP and / or Bidding Documents (in formats same as those specified);
 - it does not contain any condition or qualification
 - It is not non-responsive in terms hereof; and
 - it is accompanied by the Additional Bank Guarantee, if applicable, as stipulated in Clause 1.2.13.
- 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. Provided, however, that the Authority may, in its discretion, allow the Bidder to rectify any infirmities or omissions in form of clarification only against the information submitted, if the same do not constitute a material modification of the Bid.

3.3. Selection of Bidder

- 3.3.1. Subject to the provisions of Clause 2.16.1, the Bidder whose Bid is adjudged as responsive in terms of Clause 3.2.1 and who quotes the highest Premium offered to the Authority, and in the event that no Bidder offers a Premium, then the Bidder quoting the lowest Grant to be paid by the Authority shall be declared as the selected Bidder (the "Selected 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 hereunder.
- 3.3.2. In the event that two or more Bidders quote the same amount of [Premium or Grant, as the case may be] (the "Tie Bidders"), all such Bidders being the Lowest Bidder, the Authority shall identify the Selected Bidder by draw of lots, which shall be conducted, with prior notice, in the presence of the Tie Bidders who choose to attend.
- 3.3.3. 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

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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 the 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.

- 3.3.4. In the event that no Bidder offers to match the Highest Bidder in the second round of bidding as specified in Clause 3.3.3, 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 lowest Bidder in the first round of bidding
- 3.3.5. After selection, a Letter of Award (the “**LOA**”) shall be issued, in duplicate, by the Authority to the Selected Bidder and the Selected Bidder shall, within 7 (seven) days of the receipt of the LOA, sign and return the duplicate copy of the LOA in acknowledgement thereof. In the event the duplicate copy of the LOA duly signed by the Selected Bidder is not received by the stipulated date, 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.
- 3.3.6. After acknowledgement of the LOA as aforesaid by the Selected Bidder, it shall cause the Concessionaire to execute the Concession Agreement within a period prescribed in Clause 1.3. The Selected Bidder shall not be entitled to seek any deviation, modification or amendment in the Concession Agreement.
- 3.3.7. The evaluation of Bids shall be undertaken as following::
1. Test of Responsiveness in accordance with Clause 3.2
 2. Evaluation of Envelop 1: Financial Offer
- 3.3.8. **Test of Responsiveness:** Bidders not satisfying the Test of Responsiveness in accordance with Clause 3.2 would not qualify for the evaluation of Financial Offer and their bid will be summarily rejected.
- 3.3.9. **Evaluation of Envelop 1: Financial offer:** The Financial Offer should be provided online only at the required BOQ format.
- 3.3.10. The Bid shall comprise a Grant or a Premium, as the case may be, to be quoted by the Bidder in accordance with the provisions of the Concession Agreement. The bidder who offers the highest premium and in case no Bidder offers a Premium, then the Bidder requiring the lowest Grant shall ordinarily be the Selected Bidder.
- 3.4. Contacts during Bid Evaluation**
- 3.4.1. 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

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Authority and/ or their employees / representatives on matters related to the Bids under consideration.



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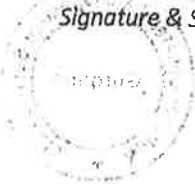
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4. FRAUD AND CORRUPT PRACTICES

- 4.1. 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 Concession Agreement. Notwithstanding anything to the contrary contained herein, or in the LOA or the Concession Agreement, the Authority may reject a Bid, withdraw the LOA, or terminate the Concession Agreement, as the case may be, without being liable in any manner whatsoever to the Bidder or Concessionaire, as the case may be, if it determines that the Bidder or Concessionaire, 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 Concession Agreement, or otherwise.
- 4.2. Without prejudice to the rights of the Authority under Clause 4.1 hereinabove and the rights and remedies which the Authority may have under the LOA or the Concession Agreement, or otherwise if a Bidder or Concessionaire, 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 Concession Agreement, such Bidder or Concessionaire shall not be eligible to participate in any tender or RFP issued by the Authority during a period of 2 (two) years from the date such Bidder or Concessionaire, 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
- 4.3. For the purposes of this Section 4, 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 Concession 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 sub clause (d) of Clause 2.1.14, engaging in any manner whatsoever, whether during the Bidding Process or after the issue of the LOA or after the execution of the Concession Agreement, as the case may be, any person in respect of any matter relating to the Project or the LOA or the 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;

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- (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.



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5. PRE-BID CONFERENCE

- 5.1. Pre-Bid conferences of the Bidders shall be convened at the designated date, time and place. Only those persons who have purchased the RFP document shall be allowed to participate in the Pre-Bid Conferences. A maximum of five representatives of each Bidder shall be allowed to participate on production of authority letter from the Bidder.
- 5.2. 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.



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6. MISCELLANEOUS

- 6.1. The Bidding Process shall be governed by, and construed in accordance with, the laws of India and the Courts at New Delhi shall have exclusive jurisdiction over all disputes arising under, pursuant to and / or in connection with the Bidding Process.
- 6.2. 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.
- 6.3. 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.
- 6.4. The Bidding Documents and RFQ are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this RFP, in the event of any conflict between them the priority shall be in the following order:
- (a) the Bidding Documents;
 - (b) the RFQ.

i.e. the Bidding Documents at (a) above shall prevail over the RFQ at (b) above.



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Appendices



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National Collateral Management Services Ltd.
Delhi - 110
Gurgaon

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APPENDIX - I
Letter comprising the Bid

(Refer Clauses 2.1.4 and 2.14)

Dated:

To,
General Manager (Silos)
Food Corporation of India, Headquarters,
10th Floor, 16-20,
Barakhamba Lane New Delhi-110001

Sub: Bid for " Selection of Developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) On Design, Build, Finance, Operate and Transfer (DBFOT) basis"

Dear Sir,

1. With reference to your Request for Proposal document dated *****², 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.
2. 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 Concessionaire 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.
3. This statement is made for the express purpose of our selection as Concessionaire for the development, construction, operation and maintenance of the aforesaid Project.
4. I / We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the Bid.
5. 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.
6. I / We certify that in the last three years, we/ any of the Consortium Members³ or our/ their 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
7. 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 2.1.13 and 2.1.14 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 4.3 of the RFP document, in respect of any tender or request for proposal issued by or any agreement

आसीम छाबड़ा / **ASEEM CHHABRA**

महाप्रबन्धक (साइलो) / **Genl. Manager (Silo)**

भारतीय खाद्य निगम, मुख्यालय / **FCI Hqs.**

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- entered into with the Authority or any other public sector enterprise or any government, Central or State;
- d) I/We hereby certify that we have taken steps to ensure that in conformity with the provisions of Section 4 of the RFP, 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 Application in response to the RFQ for the Project were true and correct as on the date of making the Application and are also true and correct as on the Bid Due Date and I/we shall continue to abide by them.
8. 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 2.16 of the RFP document.
 9. I / We believe that we / our Consortium satisfy(s) the Net Worth criteria and meet(s) the requirements as specified in the RFQ document
 10. I / We declare that we / any Member of the Consortium, or our / its Associates, are not a Member of a/ any other Consortium submitting a Bid for the Project.
 11. I / We certify that in regard to matters other than security and integrity of the country, we/ any Member of the Consortium or any of our/ their 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.
 12. I / We further certify that in regard to matters relating to security and integrity of the country, we / any Member of the Consortium or any of our / their Associates have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our Associates.
 13. I / We further certify that no investigation by a regulatory authority is pending either against us or against our Associates or against our Managing Director/CEO or any of our Directors / Managers / Employees.
 14. 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.
 15. {I / We acknowledge and undertake that our Consortium was pre-qualified and short-listed on the basis of Technical Capacity and Financial Capacity of those of its Members, who will own at least 26% (twenty six per cent) of the equity of the Concessionaire and undertake that each of such Consortium Members shall continue to hold at least 26% of the equity of the Concessionaire until the 2nd (second) anniversary of the commercial operation date of the Project under and in accordance with the provisions of the Concession Agreement. We further agree and acknowledge that the aforesaid obligation shall be in addition to the obligations contained in the Concession Agreement in respect of Change in Ownership.} ,
 16. I / We acknowledge and agree that in the event of a change in control of an Associate whose Technical Capacity and / or Financial Capacity was taken into consideration for the purposes of short-listing and pre-qualification under and in accordance with the RFQ, I / We shall inform the Authority forthwith along with all relevant particulars and the Authority may, in its sole discretion, disqualify our Consortium or withdraw the Letter of Award, as the case may be. I / We further acknowledge and agree that in the event such change in control occurs after signing

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 भारतीय खाद्य निगम, मुख्यालय / **FCI Hqrs.**
 16-20 बारकम्पा लेन / **16-20 B. K. Lane**
 नई दिल्ली-110001 / **New Delhi - 110001**



of the Concession Agreement but prior to Financial Close of the Project, it would, notwithstanding anything to the contrary contained in the Agreement, be deemed a breach thereof, and the Concession Agreement shall be liable to be terminated without the Authority being liable to be terminated without the Authority being liable to us in any manner whatsoever.

17. I / We understand that the Selected Bidder shall either be an existing Company incorporated under the Indian Companies Act, 1956/Companies Act 2013, or shall incorporate as such prior to execution of the Concession Agreement.
18. 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.
19. In the event of my / our being declared as the Selected Bidder, I / we agree to enter into a Concession Agreement 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.
20. I / We have studied all the Bidding Documents carefully and also surveyed the project location and carried out due diligence. We understand that except to the extent as expressly set forth in the Concession Agreement, 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 Concession.
21. I / We herewith submit a Bid Security of Rs. _____ (Rupees _____ only) to the Authority in accordance with the RFP Document.
22. The Bid Security in the form of a RTGS/NEFT/ Bank Guarantee by a nationalized bank, or a Scheduled Bank in India (strike out whichever is not applicable) is attached.
23. 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 / Concession is not awarded to me / us or our Bid is not opened or rejected.
24. I/We have downloaded the RFP for the captioned Projects from the website <https://eprocure.gov.in/eprocure/app> and are submitting our Bid as per prescribed format without any modifications for undertaking the aforesaid Project in accordance with the Bidding Documents and Concession Agreement
25. I / We shall keep this offer valid for 120 (one hundred and twenty days) from the Bid Due Date specified in the RFP.
26. I / We agree and undertake to abide by all the terms and conditions of the RFP document.
27. The documents accompanying the Bid, as specified in Clause 2.11.1 of the RFP, have been submitted in a separate envelope.
28. I/We commit to develop the Project involving silo facility at the Site / Proposed Site. I/We understand that in the event we fail in acquiring the land as mentioned in our Application, the Additional Bank Guarantee shall be invoked by the Authority.}
29. The [Premium or Grant] has been quoted by me /us after taking into consideration all the terms and conditions stated in the RFP draft Concession Agreement, our own estimates of costs and revenue and after a careful assessment of the site and all the conditions that may affect the project cost and implementation of the project.

आसीम छाबड़ा / ASEEM CHHABRA

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30. {We, the Consortium Members agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till occurrence of Financial Close in accordance with the Concession Agreement.}

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

Yours faithfully,

(Signature, name and designation of the Authorised signatory)
Name and seal of Bidder / Lead Member

Date:

Place:

Note: Paragraphs in curly parenthesis may be omitted by the Bidder, if not applicable to it, or modified as necessary to reflect Bidder-specific particulars.



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APPENDIX – II
Status of land parcels for the Project

To,
General Manager (Silos)
Food Corporation of India, Headquarters,
10th Floor, 16-20,
Barakhamba Lane New Delhi-110001

Sub: Status of land parcels for the project - "Selection of Developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) On Design, Build, Finance, Operate and Transfer (DBFOT) basis"

Dear Sir,


With reference to your Request for Proposal document dated *****, I / we, having examined the Bidding Documents and understood their contents, hereby submit my/our status for land parcels for the aforesaid Project.

1. I/ We have examined the stipulations related to the land parcels in the RFP and have understood the Threshold Criteria.
2. I/We propose the land parcels as detailed in Annex –I to this Appendix as the proposed sites for the Projects.
3. I/We confirm that the specified land parcels at location(s) ***** is/are under my/our registered ownership and comply with requirements as set out in Clause 1.2.14. {Strike out, if not applicable}
4. I/We intend to acquire ownership of land parcels in accordance with Clause 1.2.14 of this document within the time stipulated in the Bidding Documents should I/we be the selected bidder and I/we are called to execute the Concession Agreement for the Project. I/We are submitting Additional Bank Guarantee of Rs _____ lakhs herewith in accordance with ANNEX II. {Strike out, if not applicable}

Yours faithfully,
(Signature, name and designation of the Authorised
signatory)
Name and seal of Bidder / Lead Member

Date:

Place:


आसीम चौबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

⁵360 days from Application Due Date

Signature & Stamp of Applicant

000406



ANNEX I

Details of designated sites (Refer Clause 1.2.12, 1.2.13 and 1.2.14)

To be provided separately for each of the two locations

Details of Kaimur land parcel

Project Location	
Name of the village/town / city where the proposed land (site) is located Name of revenue district where land is located Name of the person(s) / firm(s) that owns/have procured/identified the land	
Survey numbers of the proposed land parcel (s) (Indicate if land owned by the Applicant or its subsidiary or parent company or consortium partner)	
Area of land (in acres)	
Whether following documents furnished along with the Application :	(Pl clearly tick the applicable option)
Copy of title deed (in case Designated land)	Yes / No/NA
Undertaking from Applicant/Member of Consortium to transfer land to Concessionaire's SPV if Bidder is selected bidder	Yes / No/NA
Non-encumbrance certificate in case of Designated land	Yes / No/NA
Sketch plan indicating boundaries, major highways, rail line	Yes / No
Nearest National / State Highway and distance of the site from the same Description of Connectivity to National / State Highway	
Nearest railway goods shed and distance of the site from the same	
Distance (by road) of the land parcel from the rail head	

Signature of Authorised Signatory
Stamp of Applicant / Lead Member



/s/ ASEEM CHHABRA

असेम छाबड़ा / ASEEM CHHABRA

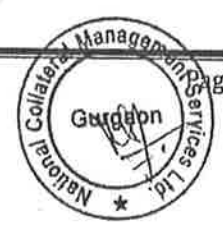
महानगर (साईली) / Genl. Manager (S&O)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.

16-20 बाराखम्बा लेन / 16-20 B. K. Lane

नई दिल्ली-110001 / New Delhi - 110001

Signature & Stamp of Applicant



000407

Details of Buxar land parcel

Project Location	
Name of the village/town / city where the proposed land (site) is located Name of revenue district where land is located Name of the person(s) / firm(s) that own the land	
Survey numbers of the proposed land parcel (s) (Indicate if land owned by the Applicant or its subsidiary or parent company or consortium partner)	
Area of land (in acres)	
Whether following documents furnished along with the Application :	(Pl clearly tick the applicable option)
Copy of title deed (in case Designated land)	Yes / No/NA
Undertaking from Applicant/Member of Consortium to transfer land to Concessionaire's SPV if Bidder is selected bidder	Yes / No/NA
Non-encumbrance certificate in case of Designated land	Yes / No/NA
Sketch plan indicating boundaries, major highways, rail line	Yes / No
Nearest National / State Highway and distance of the site from the same Description of Connectivity to National / State Highway	
Nearest railway goods shed and distance of the site from the same	
Distance (by road) of the land parcel from the rail head	

Signature of Authorised Signatory
Stamp of Applicant / Lead Member



आसेम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराकम्पा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

Signature & Stamp of Applicant

000408



ANNEX II

Format for Additional Bank Guarantee

(Refer to clause 1.2.13)

(Instruction: Signed original physical copy to be submitted in sealed envelope as per Clause 2.11)

Performa of Bank Guarantee to be furnished along with Bid Security as Additional guarantee where land is proposed to be acquired within the stipulated period (Additional Bank Guarantee)
(To be submitted on non-judicial stamp paper of appropriate value purchased in the name of the issuing Bank)

This deed of guarantee made this ____ day of ____ between ____ (Name of Bank) having its registered office at ____ (place) and one of its local offices at ____ (hereinafter referred to as the Surety), and *****, a body corporate, constituted under ----- and having its Head Office at _____.

WHEREAS M/s..... (hereinafter referred to as "Bidder") a Company/Firm registered under ____ (if applicable) and having its registered office at ____ is bound to furnish Additional Guarantee in the form of Bank Guarantee with ***** (the Authority) in connection with submission of tender for construction of silo complex for Storage Requirements to be constructed and managed and operated by the Applicant, if selected in the Bid Process, at Kaimur and Buxar.

WHEREAS the Applicant as per clause no. 1.2.13 of terms and conditions of the Request for Proposal (RFP) No..... dated..... has undertaken to produce necessary documents evidencing acquisition of land by way of ownership in respect thereof as specified in the RFP within 90 (ninety) days from the date of Concession Agreement and has agreed to furnish additional guarantee by way of Bank Guarantee for Rs.....

NOW THIS WITNESSETH:

1. That the Surety in consideration of the above Application made by the Applicant to ***** [Authority] hereby undertakes to guarantee payment on demand without demur to ***** [Authority] and without notice to the Applicant the said amount of Rs (Rupees.....) within one week from the date of receipt of the demand from the Authority on presentation of this deed of guarantee which the Applicant is bound to furnish with Authority towards additional guarantee in connection with his Application.
2. This guarantee shall not be affected/discharged by any infirmity or irregularity on the part of the Applicant and by dissolution or any change in the constitution of the Authority, Applicant or the Surety.
3. The Authority shall be eligible to make any claim under this guarantee if the Applicant after submitting his Application, resigns or modifies his offer before acceptance thereof or fails to produce documents evidencing acquisition of specified land by way of ownership within stipulated period of 90 days or violates any the terms and conditions of the contract after acceptance of the tender. The decision of the Authority in this regard shall be final and binding.
4. The payment so made by the Surety under this Guarantee shall be a valid discharge of its liability for payment there under and the Applicant shall have no claim against Surety for making such payment.
5. The Surety shall not and cannot revoke this guarantee during its currency except with previous consent of the Authority in writing.
6. Notwithstanding anything contained in the foregoing, the Surety's liability under the guarantee is restricted to Rs (Rupees.....).
7. This guarantee shall remain in force and effective up to⁵ and shall expire and become ineffective only on written intimation given to the Surety by the Authority for this purpose and in that case this guarantee shall stand discharged.

⁵360 days from Application Due Date.

Signature & Stamp of Applicant



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001



8. The Surety shall pay to the Authority any money so demanded notwithstanding any dispute or disputes raised by the Applicant against the Authority, Bank or any other person(s) in any suit or proceeding pending before any court or tribunal relating thereto as the surety's liability under this guarantee being absolute and unequivocal.

9. Any forbearance, act or omission on the part of the Authority in enforcing any of the conditions of the said tender or showing of any indulgence by the Authority to the Applicant shall not discharge the Surety in any way and the obligations of the Surety under this guarantee shall be discharged only on the written intimation thereof being given to the Surety by the Authority.

10. Notwithstanding anything contained hereinabove, unless a demand or claim under this guarantee is made on the Surety in writing on or before the Surety shall be discharged from all liabilities under guarantee thereafter.

11. The Surety has the power to issue this guarantee under its constitutional documents and the person who is hereby executing this deed has the necessary powers to do so under the authority conferred on him by the Surety.

SIGNED AND DELIVERED
For and on behalf of above named Bank

For and on behalf of
(Banker's Name and Seal)



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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Signature & Stamp of Applicant

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APPENDIX-III
Bank Guarantee for Bid Security
(Refer Clauses 2.20)

B.G. No. *****

Dated:

1. In consideration of you, *****, having its head office at ***** (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 [a company registered under the Companies Act, 1956/Companies Act 2013] and having its registered office at [and acting on behalf of its Consortium] (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 "Construction of Food Grain Silo at Buxar and Kaimur under Design, Build, Finance, Own Operate and Transfer (DBFOT) basis" (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 concession 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 2.1.6 read with Clause 2.1.7 of the RFP Document, irrevocably, unconditionally and without reservation guarantee the due and faithful fulfillment 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 forthwith to the Authority an amount of **Rs.***** (Rupees _____ in words _____ 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 fulfill 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 fulfillment 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 fulfill 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 whatsoever. 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.*****⁶ (Rupees *****⁷ only)**.
4. This Guarantee shall be irrevocable and remain in full force for a period of 180 (one hundred and eighty) days from the Bid Due Date inclusive of a claim period of 60

⁶ Amount in figure to be filled in

⁷ Amount in words. Should be same as the amount in figure

Signature & Stamp of Applicant

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आशीम खाबड़ा / ASEEM CHHABRA
महोपनिष्यक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

Collateral Manager Page 41

- (sixty) 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 fulfillment 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 Bids or the Bid validity period or the period for conveying acceptance of Letter of Award by the Bidder or the period for fulfillment 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 forbear 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 authorised 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 unrealised.
 11. We, the Bank, further undertake not to revoke this Guarantee during its currency except with the previous express consent of the Authority in writing.
 12. The Bank declares that it has power to issue this Guarantee and discharge the obligations contemplated herein, the undersigned is duly authorised and has full power to execute this Guarantee for and on behalf of the Bank.

Signature & Stamp of Applicant

आसीम छाबड़ा / ASEEM CHHABRA
 महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
 भारतीय खाद्य निधि / FCI Muz.
 16-20 बाराखम्बा रोड / 16-20 B. K. Lane
 नई दिल्ली-110001 / New Delhi - 110001



13. For the avoidance of doubt, the Bank's liability under this Guarantee shall be restricted to **Rs. ***** (Rupees *****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 180 days after the Bid Due Date)].

Signed and Delivered by Bank

By the hand of Mr./Ms., its and authorised official.

(Signature of the Authorised Signatory)

(Official Seal)



Signature & Stamp of Applicant

आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साईलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बाराखम्बा लेन / 16-20 B. K. Lane

नई दिल्ली-110001 / New Delhi - 110001

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APPENDIX-IV
Power of Attorney for signing of Bid
(Refer Clause 2.1.8)

Know all men by these presents, We, (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorise Mr./ Ms (Name), son/daughter/wife of and presently residing at....., who is presently employed with us/ the Lead Member of our Consortium 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 "Selection of developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) On Design, Build, Finance, Own, Operate and Transfer (DBFOT) basis" Project proposed or being developed by the ***** (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 Concession 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 Concession Agreement with the Authority.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully 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

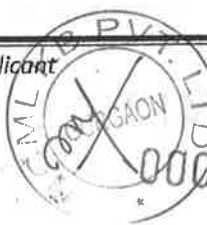
Notarized

(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 legalised by the Indian Embassy and notarised 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 legalised by the Indian Embassy if it carries a conforming Apostille certificate.

Signature & Stamp of Applicant



आसीम छाबड़ा / ASEEN CHHABRA
महाप्रबन्धक (साईली) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001



APPENDIX-V
Power of Attorney for Lead Member of Consortium
(Refer Clause 2.1.9)

Whereas the ***** (the "Authority") has invited bids from pre-qualified and short-listed parties for the "Selection of developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) On Design, Build, Finance, Own, Operate and Transfer (DBFOT) basis" Project (the "Project").

Whereas,and (collectively the "Consortium") being Members of the Consortium are interested in bidding for the Project in accordance with the terms and conditions of the Request for Proposal and other connected documents in respect of the Project, and

Whereas, it is necessary for the Members of the Consortium to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium's bid for the Project and its execution.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS

We, having our registered office at, 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 authorise M/s., having its registered office at, being one of the Members of the Consortium, as the Lead Member and true and lawful attorney of the Consortium (hereinafter referred to as the "Attorney") and hereby irrevocably authorise the Attorney (with power to sub delegate) to conduct all business for and on behalf of the Consortium and any one of us during the bidding process and, in the event the Consortium is awarded the Concession/ Contract, during the execution of the Project, and in this regard, to do on our behalf and on behalf of the Consortium, 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 Consortium and generally to represent the Consortium 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 Consortium's bid for the Project and/ or upon award thereof till the Concession Agreement is entered into with the Authority.

AND 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/ Consortium.

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

For
(Signature, Name & Title)

For
(Signature, Name & Title)

For
(Signature, Name & Title)

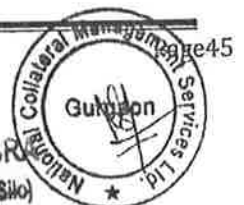
(Executants)

(To be executed by all the Members of the Consortium)

Witnesses:

- 1.
- 2.

Signature & Stamp of Applicant



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

000415

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 legalised by the Indian Embassy and notarised 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 legalised by the Indian Embassy if it carries a conforming Appostille certificate



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

Signature & Stamp of Applicant

COO416



APPENDIX - VI

Instructions for Online Bid Submission

As per the directives of Department of Expenditure, Ministry of Finance, Government of India this Bid document has been published on the Central Public Procurement Portal (CPP) (URL: <http://eprocure.gov.in>). The Applicants / Bidders are required to submit soft copies of their bids electronically on the CPP Portal, using valid Digital Signature Certificates. The instructions given below are meant to assist the bidders in registering on the CPP Portal, prepare their Applications / Bids in accordance with the requirements and submitting their Applications / Bids online on the CPP Portal.

More information useful for submitting online Applications / Bids on the CPP Portal may be obtained at:

<https://eprocure.gov.in/eprocure/app>.

REGISTRATION

- 1) Applicants / Bidders are expected to have already enroll on the e-Procurement module of the Central Public Procurement Portal (URL: <https://eprocure.gov.in/eprocure/app>) by clicking on the link "Click here to Enroll" on the CPP Portal, the enrolment is free of charge.
- 2) As part of the enrolment process, the Applicants / Bidders will be required to choose a unique username and assign a password for their accounts.
- 3) Applicants / Bidders are advised to register their valid email address and mobile numbers as part of the registration process. These would be used for any communication from the CPP Portal.
- 4) Upon enrolment, the Applicants / Bidders will be required to register their valid Digital Signature Certificate (DSC) (Class II or Class III Certificates with signing key usage) issued by any Certifying Authority recognized by CCA India (e.g. Sify / TCS / nCode / eMudhra etc.), with their profile.
- 5) Only one valid DSC should be registered by a bidder. Please note that the Applicants / Bidders are responsible to ensure that they do not lend their DSC's to others which may lead to misuse.
- 6) Bidder then logs in to the site through the secured log-in by entering their user ID / password and the password of the DSC / e-Token.

SEARCHING FOR TENDER DOCUMENTS

- 1) There are various search options built in the CPP Portal, to facilitate Applicants / Bidders to search active tenders by several parameters. These parameters could include Tender ID, organization name, location, date, value, etc. There is also an option of advanced search for tenders, wherein the Applicants / Bidders may combine a number of search parameters such as organization name, form of contract, location, date, other keywords etc. to search for a tender published on the CPP Portal.
- 2) Once the Applicants / Bidders have selected the tenders they are interested in, they may download the required documents / bid schedules. These tenders can be moved to the respective 'My Tenders' folder. This would enable the CPP Portal to intimate the Applicants / Bidders through SMS / e-mail in case there is any corrigendum issued to the tender document.
- 3) The Applicants / Bidders should make a note of the unique Tender ID assigned to each tender, in case they want to obtain any clarification / help from the Helpdesk.

PREPARATION OF APPLICATION /BIDS

- 1) Applicant/ Bidder should take into account any corrigendum published on the tender document before submitting their bids.
- 2) Please go through the tender advertisement and the tender document carefully to understand the documents required to be submitted as part of the bid. Please note the number of covers in which the bid documents have to be submitted, the number of documents - including the names and content of each of the document that need to be submitted. Any deviations from these may lead to rejection of the bid.

Signature & Stamp of Applicant



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- 3) Applicant / Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender document / schedule and generally, they can be in PDF / XLS / RAR / DWF formats. Application / Bid documents may be scanned with 100 dpi with black and white option.
- 4) To avoid the time and effort required in uploading the same set of standard documents which are required to be submitted as a part of every bid, a provision of uploading such standard documents (e.g. PAN card copy, annual reports, auditor certificates etc.) has been provided to the Applicants / Bidders. Applicants / Bidders can use "My Space" area available to them to upload such documents. These documents may be directly submitted from the "My Space" area while submitting a bid, and need not be uploaded again and again. This will lead to a reduction in the time required for application / bid submission process.

SUBMISSION OF APPLICATION / BIDS

- 1) The Applicant / Bidder should log into the site well in advance for bid submission so that he/she upload the bid in time i.e. on or before the bid submission time. Applicant / Bidder will be responsible for any delay due to other issues.
- 2) The Applicant / Bidder has to digitally sign and upload the required bid documents one by one as indicated in the tender document.
- 3) The Applicant / Bidder has to select the payment option as "offline" to pay the tender fee as applicable and enter details of the instrument.
- 4) The Applicant / Bidder should prepare the Processing Fee, as per the instructions specified in the Bid document. The original should be posted/couriered/given in person to the Tender Processing Section, latest by the last date of bid submission or as specified in the tender documents. The details of the DEMAND DRAFT / PAY ORDER/any other accepted instrument, physically sent, should tally with the details available in the scanned copy and the data entered during bid submission time. Otherwise the uploaded bid will be rejected.
- 5) Applicants / Bidders are requested to note that they should necessarily submit their Applications / Bids in the format provided and no other format is acceptable. If the prices bid have been given as a standard BoQ format with the tender document, then the same is to be downloaded and to be filled by all the Applicants / Bidders. Applicants / Bidders are required to download the BoQ file, open it and complete the white coloured (unprotected) Cells with their respective financial quotes and other details (such as name of the bidder). No other cells should be changed. Once the details have been completed, the bidder should save it and submit it online, without changing the filename. If the BoQ file is found to be modified by the bidder, the bid will be rejected.
- 6) The server time (which is displayed on the Applicants / Bidders' dashboard) will be considered as the standard time for referencing the deadlines for submission of the bids by the Applicants / Bidders, opening of bids etc. The Applicants / Bidders should follow this time during bid submission.
- 7) All the documents being submitted by the Applicants / Bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered cannot be viewed by unauthorized persons until the time of bid opening. The confidentiality of the bids is maintained using the secured Socket Layer 128 bit encryption technology. Data storage encryption of sensitive fields is done.
- 8) The uploaded documents become readable only after the tender opening by the authorized bid openers of the Authority.
- 9) Upon the successful and timely submission of bids, the portal will give a successful bid submission message & a bid summary will be displayed with the bid no. and the date & time of submission of the bid with all other relevant details.
- 10) The bid summary has to be printed and kept as an acknowledgement of the submission of the bid. This acknowledgement may be used as an entry pass for any bid opening meetings.

Signature & Stamp of Applicant



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ASSISTANCE TO APPLICANTS / BIDDERS

- 1) Any queries relating to the tender document and the terms and conditions contained therein should be addressed to the Authority for a bid or the relevant contact person indicated in the tender.
- 2) Any queries relating to the process of online bid submission or queries relating to CPP Portal in general may be directed to the 24x7 CPP Portal Helpdesk. The contact number for the helpdesk is 1800 233 7315.



Signature & Stamp of Applicant

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Gate BoQ

Tender Inviting Authority: GM(Silo)

Name of Work: Request for proposal for "Selection of Developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) On Design, Build, Finance, Operate and Transfer (DBFOT) basis"

Contract No: Silos/203/DEA/2016

Bidder Name :			
<p style="text-align: center;">PRICE BID FORMAT</p> <p>(This BOQ (Price Bid) template must not be modified/replaced by the bidder and the same should be uploaded after filling the relevant columns, else the bidder is liable to be rejected for this tender. Bidders are allowed to enter the Bidder Name and Values only) I/ We hereby submit the following Bid for undertaking the aforesaid Project in accordance with the Bidding Documents and the Concession Agreement:</p> <p style="text-align: center;">\$ A Bidder shall fill up only one of the options and shall strike out the remaining option.</p>			
NUMBER	TEXT #	NUMBER #	TEXT #
Sl. No.	Item Description	Amount In Rs.	TOTAL AMOUNT In Words
1	2	13	55
	I/We require a Grant of Rs. (Rupees.....).		INR Zero Only
	OR		
	I/We offer a sum of Rs. ... (Rupees) to be computed with reference to the first year of the Concession Period and payable in accordance with Article - 23 of the RFP.		INR Zero Only
Total in Figures			INR Zero Only
Quoted Rate In Words		INR Zero Only	



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महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, गुडगांव / FCI, Gurgaon

Signature & Stamp of Applicant

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PART 2 :DRAFT CONCESSION AGREEMENT



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**Replies of the Authority to the queries received in respect of the
Selection of Developer for construction of Silos at Kaimur & Buxar under Public Private Partnership on Design, Build, Finance, Operate &
Transfer (DBFOT) basis.**

(RFP Reference No: Silos/203/DEA/2016)

Tender ID: 2017_FCI_193487_1

Corrigendum – I

S. No.	Page No.	Clause No.	Queries	Reply of the Authority
1.	167 of DCA	Schedule –D (point - 4)	Reference to facility layout (page no. 165) 4 nos. truck unloading facility has been called for, whereas in page no. 167 clause no. 7 – unloading station with a capability of unloading of 8 vehicles have been asked. Please confirm the exact number of unloading vehicles.	Facility layout (page no. 165) is indicative. Unloading station for receiving the bags for bulking or bulk trolleys to be provided as per Clause 7 at page no. 167 of DCA.
2.	175 of DCA	Schedule –G (Sr. No. 2)	Reference to SL No. 2 of Schedule G, Service time specified towards food grain delivery for unloading is not clear. Kindly look into.	May be read as Service Speed at unloading point for 3 MT tractor trolley or equivalent to achieve unloading capacity 125 TPH.
3.	175 of DCA	Schedule –G (Sr. No. 5)	Food grain intake capacity in Schedule-G has been indicated as 2500 MT per day towards performance standard. This implies that 20 hours continuous food grain intake is called for. Kindly relook.	As per terms of DCA. No change in the relevant clause is considered.
4.	173 of DCA	Schedule - F	Kindly inform intake rice material quality.	As per Schedule – F of the DCA. As indicated, specifications are notified from time to time.
5.			Bag size may please be indicated for loading food grain to truck.	Bag size for loading food grain to truck will be as per norms being followed by FCI from time to time. At present for Wheat and Rice bags are for capacity 50 Kg. net.
6.			Whether the complex is intended for Wheat & Rice only. Paddy is not considered in this storage complex. Request to confirm.	The complex is intended for storage of Wheat and milled Rice only.
7.			Reference Schedule G, kindly elaborate the fool proof system to avoid mixing of wheat into rice.	The project is on DBFOT basis and the developer is allowed to design the storage complex to achieve the desired capacity keeping the output parameter & service level indicators intact.
8.	10	3.1.2 (vii) of DCA	neither assign, transfer or sublet or create any lien or Encumbrance on this Agreement, or the Concession hereby granted or on the whole or any part of the Storage Facility nor transfer, lease or part possession thereof, save and except as expressly permitted by this Agreement or the Substitution Agreement.	Assignment & charges under Article 35 of Concession Agreement would be applicable.

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9.	11	3.2.2 of DCA	<p>If this clause persist, how the concessionaire will arrange the funds from Banks?</p> <p>In the event that any part of the Storage Capacity is released or de-reserved with mutual consent, the same shall be deemed to be unutilized capacity ("the Unutilized Capacity"); The Concessionaire may, subject to the provisions of this Agreement, let out the Unutilized Capacity for storage of Food Grains belonging to third parties; provided that the revenues from use of Unutilized Capacity hereunder shall be subject to payment of Revenue Share under and in accordance with the provisions of Clause 3.2.4 and 3.2.5</p> <p>In case of de-reserve the capacity, what would be the period of guaranteed tonnage?</p>	It will be governed by clause 3.2. of Concession Agreement.
10.	33	10.2.4 of DCA	<p>The consideration for the land payable by the Authority to the Concessionaire upon transfer shall be calculated in accordance with the prevailing circle rates. The consideration shall be a one-time payment at the time of transfer of land. Payment of all necessary charges and duties applicable to the transfer of land shall be done in accordance with LARR</p> <p>Who will bear the cost of land if actual purchase cost of land increase over prevailing circle rate</p>	Payment of all necessary charges and duties applicable to the transfer of land including cost of land over prevailing circle rate shall be borne by the selected bidder.
		25.1.5 of DCA	<p>The Variable Charge for storage of Food Grains shall be Rs. 0.57 (Fifty seven paise) per quintal per month [i.e. Rs 5.7 per MT per month] for Food Grains actually stored in the Storage Facility for any month or part thereof in the Accounting Year in which COD occurs. In case of rice storage, following additional charges shall be payable by the Authority to the Concessionaire</p> <p>a) An initial chilling charge of Rs. 43 (Rupees Forty three) per ton, for each rice Silo bin, whether fully or partly occupied, when rice is received at the Project Facility</p> <p>b) Maintenance chilling charge of Rs. 38 (Rupees Thirty eight) per ton per year, for each rice Silo bin whether fully or partly occupied, for any month or part thereof in the Accounting Year</p> <p>As per this clause, initial chilling & maintenance chilling charges of Rice paid as Rs. 43/ Rs.38 per ton per year for each Silo Bin whether fully or partially occupied, it means that FCI will pay for whole capacity of Silo reserved for rice storage despite of actual storage.</p>	<p>Initial Chilling Charges @ Rs. 43/- (forty three) per ton shall be payable as per capacity of each Rice silo occupied whether partially or fully payable only for first receipt of Rice when the Silo initial chilling operation is required to commence.</p> <p>The Maintenance Chilling Charges @ Rs. 38/- (thirty eight) per ton/year payable for capacity of Rice Silo occupied whether partially or fully as per Schedule - E of the DCA.</p>
		Schedule B - Storage Facility	<p>The Storage Facility shall use a combination of three types of Silos - Long Term Storage Silos for wheat, Long Term Storage Silos for milled rice, and Pre-Storage Silo. All Long Term Storage Silos for wheat will have capacity</p>	Silos are being developed under DBFOT basis. Concessionaire is free to change the capacity of each bin while complying overall storage capacity for Wheat and

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			of 12,500 MT each and for milled rice storage will have capacity of 3,125 MT each. For the proposed Storage Facility, two Pre-Storage Silos of 250 MT each are also recommended. Silo types & capacities Long Term Storage Silos 3 silos of 12,500 MT each and 4 silos of 3125 MT each Pre-storage silos 2 silos of 250 MT each In case of Silo for Rice Storage, it would be Flat Bottom Silo or Hopper Bottom Silo, Kindly clarify and Is concessionaire free to change the capacity of each bin while complying to overall storage capacity for Wheat or Rice ? It may please be noted that storage of milled rice is not feasible in Flat Bottom Silos because it may lead to breakage & damage of grains therefore it is technically recommended to have hopper bottom silos for rice. Further please note that maximum capacity of hopper bottom silos in India or Abroad is 1500 MT on rice whereas you have asked for 3125 MT so please clarify this curial point.	Rice.
13.	37	Annex-I of RFP	Details of designated Sites Is it necessary to provide the details as per Annex-I along with Bid. Can't the concessionaire provide the same within 120 days from the date of signing of concession agreement. Minimum size of land parcel: The land parcel, at each location, should measure a minimum of 7 acres and maximum of 7.5 acres. The land parcel should be a contiguous piece of land. The dimensions of the land parcel should be adequate to meet the requirements of the silo facility as per the Standards and Specifications prescribed in the Draft Concession Agreement for pilot projects. To get precisely 7.5 acre land practically not possible since the land has to be handed over to authority, it is suggested that a range of land parcel like 7.5 to 9 acres may be asked for.	Details of the proposed land parcel as per Annexure - I of RFP is required to be submitted at the bid stage if the bidder is having land parcel under their registered ownership.
14.	10	1.2.14 (ii) of RFP	In the event the identified land parcels are not under the ownership of the Bidder at the time of submission of Bid but the Bidder intends to procure the identified land parcels (such land parcels being referred herein as "Proposed Sites"), should the Bidder be issued Letter of Award at the end of the Bid Process and is called upon to execute the Concession Agreement, the Bidder can submit the Bid provided that it submits an additional bank guarantee ("Additional Bank Guarantee") in the specified format at ANNEX II for an	No change in the relevant clause of RFP is considered.
15.	10	1.2.13 of RFP		No change in the clause of RFP is considered.

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		amount of Rs 35 lakhs (Rs Thirty Five Lakhs) per location.			
		This requirement of additional bank guarantee can't be shifted after signing of concession agreement instead of along with Bid.			
16.	8	Procure & transfer of land to authority in 120 days The time is too less, minimum time should be 180 days.	1.1.8		The time allowed for land procurement and transferring to the authority after obtaining necessary approvals, sanctions & license from the date of the concession Agreement is being extended to 150 days with provision for further extension of 30 days (As per reply at RFQ level).
17.		Can we make agreement to sell & get registered directly in FCI name to avoid double stamp duty			The identified land parcel needs to be transferred to the authority as per clause 1.1.8 of RFP read with Article 10 of Concession Agreement.
	67	Handling Losses & Moisture Loss in Rice Pls note that grain chilling leads to moisture loss of around 3% in Indian Conditions this has been scientifically proved and the manufacturer of grain chiller validate the same there fore please clarify who will bear this Moisture loss of 3% incase of rice	17.26		No change in terms & condition is considered.
	82	Initial Chilling Charges payable on silo capacity whether fully or partially occupied This is contradictory to statement at Schedule E which mentions Initial chilling charges payable as per capacity of silo occupied -whether partially or fully, on the basis of rice received for storage	25.1.5		Initial Chilling Charges shall be payable per ton for each occupied Rice silo bin whether fully or partially occupied only for first receipt of Rice when the silo initial chilling operation is required to commence as per clause 25.1.5 of DCA.
20.		Maintenance Chilling Charges payable on silo capacity whether fully or partially occupied This is contradictory to statement at Schedule E which mentions that maintenance chilling charges are payable on pro-rata basis for capacity of rice silo occupied			Maintenance Chilling Charges shall be payable at the stipulated rates per ton per year for each occupied Rice silo bin whether fully or partially occupied.
21.		Escalation of Storage & Handling Charges	25.2		Price Index shall be as per item 138 under Article - 42 of Concession Agreement.
22.	152	It mentions price index but does not specify WPI or CPI or combination WPI Annual revision of charges as per WPI on March 31 of that year means WPI for the month of March or average for whole of that Financial Year	192		Annual revision of charges due on April 1 of any year shall be computed with reference to Price Index as on January of that year.
	166	Schedule D Chiller Capacity to cool 3125 MT rice from ambient to 15deg in 7 days			Chiller capacity to cool entire silo storage capacity of rice from ambient to 15° C within specified time to be selected by the selected bidder.
		In Indian Conditions the temperatures that can be achieved are 16-18deg by			

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29.	12	4.1.3 (e) of the DCA	Description- Execution of Financing Agreement Suggestions / Clarification- Is there any time line of the same and also is it mandatory	Execution of Financing Agreement is one of the Condition Precedent required to be satisfied by the Concessionaire as per clause 4.1 of Article - 4 of DCA.
30.	82	25.1.5 of the DCA	Description- Sub Clause (a) indicated chilling charges of Rs. 43 per MT shall be payable when the rice is received at the facility Sub Clause (b) indicated chilling charges of Rs. 38 per MT per year shall be payable for the rest of the year Suggestions / Clarification- Need clarification for the rates mentioned in Sub Clause (a) is of monthly or annual basis. Also is it one time payable to the concessionaire The facility requires monthly maintenance and hence the cost calculation might change depending on the payment scheduled of the Authority	Initial Chilling Charges shall be payable per ton for each occupied Rice silo bin whether fully or partially occupied only for first receipt of Rice when the silo initial chilling operation is required to commence. Maintenance Chilling Charges shall be payable at the stipulated rates per ton per year for each occupied Rice silo bin whether fully or partially occupied.
		Sch-D (4-11) Chiller for milled rice chilling	Description- Provision of 100% aeration floor in 3,125 MT Silo. One chiller should have capacity to chill the rice grain to 150 C with ambient atmospheric conditions within 7 days Suggestions / Clarification- Capacity of Rice storage Silo considered is 3125 MT having Flat Bottom (FBT) with 100% aeration. The storage of rice grain in FBT silo is not advisable as it may result in deterioration of rice stock. Requesting to change it to Hopper Bottom (HBT) Silo to avoid grain deterioration during storage period Grain Cooling capacity considered in the document is 7 days or 450MT/day up to 150 C with ambient atmospheric condition may not be practically possible as the duration of chilling period depends on humidity and temperature of outside condition	As per reply to query at Sl. No. 12.
	168	Sch-D (4-12)	Description- Fumigation system for the project Suggestions / Clarification- Is the Fumigation facility required with Chiller facility for Rice silos	Fumigation facility will be required for Rice Silos as per Schedule - D.

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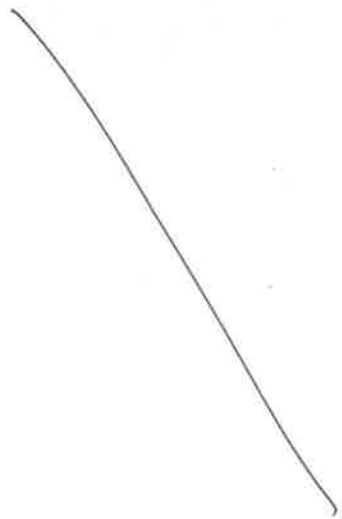
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33.			Uploading of Techno Economic Feasibility Report.	<p>The Report is uploaded with the replies of the Authority.</p> <p>The Feasibility Report of the Project is being provided only as a preliminary reference document by way of assistance to the 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 Feasibility Report shall be binding on the Authority 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 Feasibility Report.</p>
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CRISIL Risk and Infrastructure Solutions Limited

ADB - DEA Pilot Initiatives

PPP Pilot Project Initiative:
Food Storage Infrastructure
Techno Economic Feasibility Report

October 2015

Version 11/10/2015



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Abbreviations

BPL	Below Poverty Line
BSFC	Bihar State Food Corporation
CAP	Cover and Plinth
CMR	Custom Milled Rice
CRIS	Crisil Risk and Infrastructure Solution
CWC	Central Warehousing Corporation
DBFOT	Design Build Finance Operate and Transfer
DCP	Decentralized Procurement Centre
DEA	Department of Economic Affairs (Ministry of Finance)
EGOM	Empowered Group of Ministries
FCI	Food Corporation of India
GOI	Government of India
KMS	Kharif Marketing Season
LMT	Lakh Metric Tons
MOF	Ministry of Finance (Government of India)
MSP	Minimum Support Price
MT	Metric Ton
PDS	Public Distribution System
PPP	Public Private Partnership
RMS	Rabi Marketing Season
SWC	State Warehousing Corporation
VGf	Viability Gap Funding

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PPP Pilot Project Initiative: Food storage Infrastructure
Final Techno-Economic Feasibility report

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Executive Summary

1. *Private sector participation to address the need for modern and efficient food storage facilities in India*

Government of India realizes the need of modern and scientific storage infrastructure for food grains as critical for achieving the objectives of food security for the country. In pursuance of this objective, the Government has decided to create substantial storage capacity through construction of modern silos across the country..

2. *Objective of the Techno-Economic Feasibility Study (TEFS)*

The objective of this TEFS report is to assess the techno-economic feasibility of implementing modern storage infrastructure at Mohania and Buxar in Bihar. The report covers the following aspects:

- Identify the food grain storage requirement in Bihar and in Mohania (Kaimur district) and Buxar
- Assess the appropriate type of storage requirement in Mohania and Buxar
- Assess the feasibility of setting up Silo infrastructure in Mohania and Buxar
- Identify the optimum technical configuration for the Silo complex
- Provide cost estimates – Capital Expenditure and Operating cost and financial viability of the project
- Assess the requirement of financial grant from the government to achieve the financial viability

3. *Substantial gap in grain storage capacity in India can be fulfilled through silo structures*

The total warehousing storage capacity available with various state agencies is not adequate to store the stocks procured in the central pool¹ for distribution through PDS network. As a result, a substantial quantity of food grains is stored in Covered and Plinth (CAP) storage. Government of India estimates need for additional 35 million MT storage capacity² in the form of modern warehousing capacity. Further, with the implementation of National Food Security Act, the need for storage capacity is expected to increase, thus further widening the shortage of adequate infrastructure.

The conventional storage systems (warehouses etc) are still not completely able to address the need for efficient storage systems as losses continue to be high, with estimated post-harvest losses in the range of 5-10%. Therefore, an improved storage infrastructure is an immediate need, which can considerably reduce wastage as well as improve efficiency in the supply chain.

The silo structure offers the benefit of reduced wastage and improved efficiency in handling. The silo structure also enables better monitoring of the stock and more effective fumigation in water-tight enclosed structures, allow for extended period of storage with limited impact on the quality of grains. This period of storage can extend up to 3 years for wheat in Indian conditions. Further, through usage of mechanized handling equipment, the handling losses can be drastically reduced compared to the manual system handling of bags. Through the use of technology, including automated systems, the monitoring of quality and quantity of the stored stock can be more effective, leading to an overall improved quality of service.

4. *Project Concept: Project implementation in DBFOT mode to bring private sector efficiencies while retaining ownership with government*

¹ Total wheat and rice procured in the central pool for PDS distribution as on 2012-13 was 38.75 million MT and 34.04 million MT respectively

² Source: Report of Working Group on Warehousing Development and Regulation for the Twelfth Plan Period 2012-13

The proposed project model envisages the construction, operation, and maintenance of modern and automated silo facilities with provision of storage, preservation, and handling services for food grains. Each project is proposed to comprise two to five standalone silo locations, grouped together to form a cluster with overall storage capacity envisaged at 100,000 MT to 200,000 MT. The project is envisaged to be implemented through PPP mode on the Design Build Finance Operate and Transfer (DBFOT) model with financial support from the Government.

A key salient feature of the model is that land for the project is to be procured by the private sector participant and the title of the land is to be transferred to the Government at the beginning of the Concession Agreement. This structure is likely to significantly reduce the time for land acquisition and bring in private sector efficiency in most complicated stage of any infrastructure project. Other salient features of the project are discussed in detailed in the following sections of the report.

5. Pilot project: Cluster of two silo at Mohania and Buxar

FCI has identified two locations Mohania (in Kaimur district) and Buxar (in Buxar district) in Bihar, which would be piloted for implementing the PPP framework developed for creation of silo facility. FCI estimates a silo capacity of 50,000 MT each for wheat required at the two identified location. In addition to wheat, it is also being proposed that the pilot project also involves storage of rice. This would be first of its kind project for FCI.

The cluster approach leading to two locations being selected is aimed at deriving scale related benefits that would accrue if silos at these locations are developed simultaneously as a single project. This includes the benefits of procurement and consumption centres both being addressed in a single cluster.

6. Substantial production of wheat and rice in Bihar; gap in storage facilities

Bihar predominantly cultivates rice and wheat, which constituted 5% and 2% of the total rice and wheat production in India in the year 2012-13. The area under wheat cultivation in Bihar for the past 15 years has been largely about 21 to 24 lakh hectare, whereas the production of wheat has been in the range of 42 lakh MT to 68 lakh MT. On the other hand, there has been significant variation in area under rice cultivation in Bihar, ranging from 21 lakh hectare to 50 lakh hectare and subsequently significant variations in production levels of rice (around 24 lakh MT being the lowest for three consecutive years 2003-04, 2004-05 and 2005-06 and 85 lakh MT being the highest in 2012-13).

The quantum of wheat and rice procured by state agencies as compare to the corresponding production levels in Bihar are at significant lower levels at 9% and 15% respectively for the year 2012-13. As a result, Bihar has been a net importer of food grains for the purpose of supplying food grains to the Public Distribution System (PDS). The key reasons for low procurement levels are attributable to the following factors:

- Lack of organized mandi system³, which means no designated market place for farmers to sell the produce and get benefits of various government schemes. The lack of mandis also results in improper accounting and poor monitoring of stocks.
- Heavy dependence on Primary Agricultural Credit Societies (PACS)⁴, which lacks adequate infrastructures, thereby procurement operations are not carried out in desired manner
- Low awareness amongst farmers about state government / FCI purchase schemes due to inadequate communication and
- Lower Minimum Support Price (MSP) as compared to market price of grains further discourage farmers to sell their stock

³ Mandi is a designated market place for sale of agriculture produce under respective state government policies.
⁴ Primary agricultural credit society means a co-operative society, the primary object of which is to render assistance, financial or otherwise, to farmers, rural artisans and agricultural labourers and includes farmer service society and multipurpose co-operative society.

- Lack of adequate food grains storage capacity

The total current effective storage capacity in either covered or CAP form, available with FCI and state agencies in Bihar is approximately 6.74 lakh MT and 1.53 lakh MT respectively, as against an annual PDS requirement of approximately 37 lakh MT for the year 2012-13.

The Pilot Project aims to address primarily the issue of lack of adequate storage capacity as noted in the constraints above, given the primary issue in Bihar of a lower level of storage capacity. During the project implementation it is also envisaged that appropriate capacity building program will be developed to increase the level of awareness amongst the farmers about purchase schemes and value addition from using food silos, as well as providing an effective alternative to the disorganized mandi system through formal purchase and sale information system developed at these food silos. Lastly, the well developed food silo infrastructure along with effective and planned procurement strategies will also mitigate to some extent the current dependence on PACS.

7. Buxar and Kaimur have substantial surplus production but very limited storage facilities

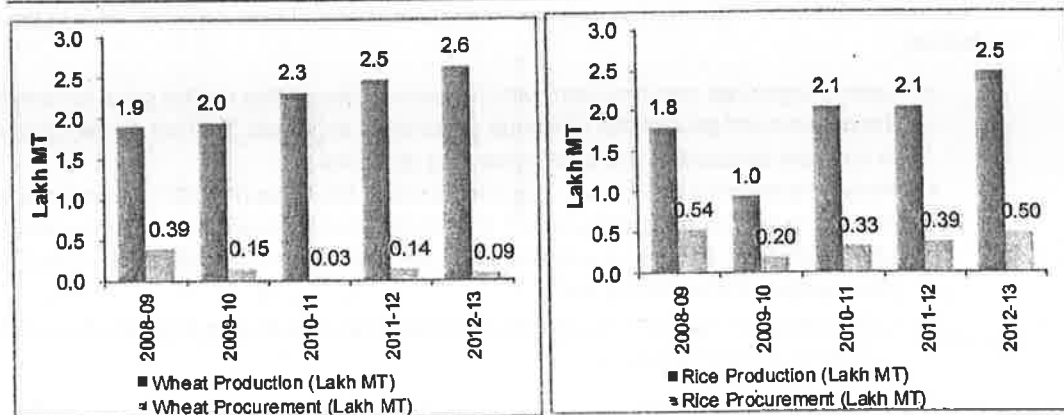
The pilot project is envisaged to be carried out on a cluster basis in the two districts of Kaimur and Buxar in Bihar. Both the district produces substantial amount of wheat and rice. However, due to lack of infrastructure, the procurement is limited to local PDS requirements. The analysis of both districts is provided below.

Buxar

The district is a major agricultural producing area in Bihar and produces rice, wheat, maize and sugar cane. Buxar is well connected with the rest of the country.

The average production of wheat in Buxar over the last five years was around 2.25 lakh MT, whereas the procurement level of wheat was around 0.09 lakh MT (3% of the total wheat produced) in the year 2012-13. Similarly, the average production of rice in Buxar over the last five years was around 1.86 lakh MT, whereas the procurement level of rice was around 0.5 lakh MT (20% of the total rice produced in 2012-13) for the year 2012-13.

Table 1: Wheat and rice - production and procurement in Buxar District



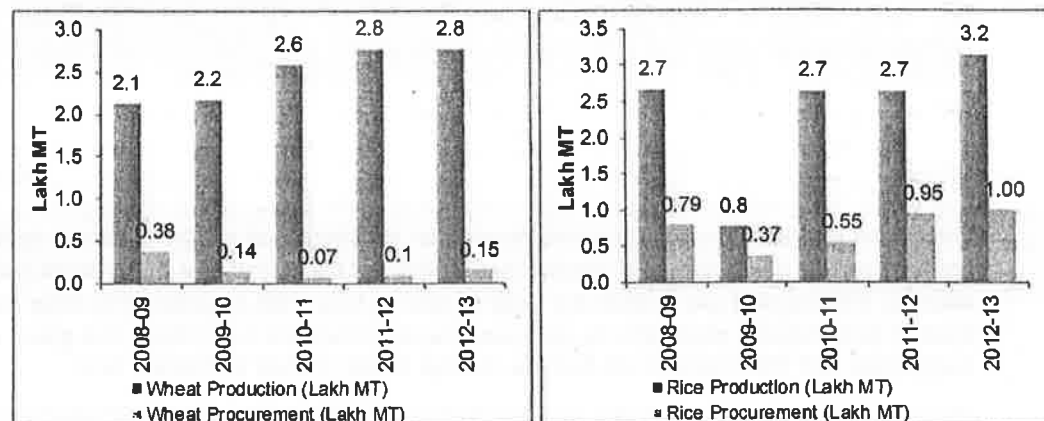
Kaimur

Kaimur district is located in the western part of Bihar and produces rice, wheat, maize and sugar cane.

The average production of wheat in Kaimur over the last five years was around 2.48 lakh MT, whereas the procurement level of wheat was around 0.15 lakh MT (5%) for the year 2012-13. Similarly, the average production of rice in Kaimur over the last five years was around 1.86 lakh MT, whereas the procurement level of rice was around 0.5 lakh MT (20%) for the year 2012-13.

average production of rice in Kaimur over the last five years was around 2.34 lakh MT, whereas the procurement level of rice was around 1 lakh MT (31% of the total rice produced) for the year 2012-13.

Table 2: Wheat and rice - production and procurement in Kaimur District



The total production of wheat and rice in both the districts is around 11 lakh MT. On the other hand the storage capacity is very limited at 0.54 lakh MT. The PDS requirement for both the districts is estimated at 1.3 lakh MT. Further, the PDS requirement is expected to increase to 1.8 lakh MT after the implementation of Food Security Act. On the other hand, the procurement is just about 1.6 lakh MT. Both the districts have potential to procure more and supply the surplus grains to other districts. Currently the procurement is limited by storage capacity in addition to other reasons mentioned before. FCI has identified a storage requirement of 50,000 MT for wheat at each of the two locations. This seems a reasonable capacity.

8. Components of Steel Silo: Optimum configuration require automated handling system along with provision of rice storage

FCI has identified a storage capacity requirement of 50,000 MT for each location for storing only wheat. The capacity is recommended to be divided into four sheet metal silos of 12,500 MT each for optimum utilization. However, given the high level of production and procurement of rice in the two districts, silo bins for storage of rice are also proposed at the two locations. Also, provision for rice will provide flexibility to FCI and ensure maximum utilization of the facility (as wheat and rice have different sowing seasons).

While storing rice in silo for catering to short to medium term requirement would be beneficial, an additional investment and operating cost in form of cooling equipment would have to be incurred. This kind of storage will be first of its kind in the country for FCI as well. Moreover, the stock turnover in the rice silo is expected to be higher. Therefore, a smaller capacity is recommended for rice. It is recommended that one 12,500 MT wheat silo be altered to 4 units of 3125 MT capacity with facilities for rice storage. This facility can also serve to store wheat in case required.

Table 3: Proposed optimum silo configuration for each location

Food grains	Proposed capacity per silo	Number of sheet metal silos	Total capacity
Wheat	12,500 MT	3	37,500

Food grains	Proposed capacity per silo	Number of sheet metal silos	Total capacity
Rice	3,125 MT	4	12,500
Total			50,000 MT

The silo storage system consists of land required for construction of silo bins, storage system, and handling system. Given the overall requirement in Bihar and the potential for procurement in these two districts, the proposed silo facilities are likely to cater to local PDS requirement in Bihar in short to medium term involving distribution by road given the short distance. It is unlikely that grains would be transported from the proposed silo facilities to other states in short to medium term.

The land requirement for the facility depends on the size of the facility and size of storage bins. The land will have to be acquired by the concessionaire. The other parameters for selection of land are:

- **Location:** The identified land parcels should be located within the boundaries of the respective revenue districts / blocks
- **Minimum size of land parcel:** The land parcel, at each location, should be minimum 7 acres. The land parcel should be a contiguous piece of land. The dimensions of the land parcel should be adequate to meet the requirements of the silo facility as per the standards and specifications prescribed in the Concession Agreement for pilot projects.
- **Accessibility by road:** The identified land parcels should be connected to major highway (national highway / state highway / major district road) by a two-lane paved road. If such a road is presently absent, the Concessionaire shall be responsible for construction of such a road at its cost.
- The land parcels should be free from encumbrances and available for construction and operation of the silo facility

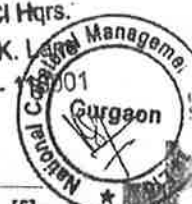
The storage system consists of storage bins and equipment for processing (cleaning, weighing, drying, monitoring, fumigation, aeration). The storage system can be of varying sizes based on the requirements. A larger system offers better economies of scale. The handling system consists of conveyors and bucket elevators, together required for the movement of grains within the silo complex, from the receipt point to the storage bins and then to the discharge point.

The estimate capital expenditure and operating cost for 50,000 MT silo is shown below:

Table 4: Estimated project cost for a 50,000 MT capacity

Stand-alone silo: Item wise costs	Amount (Rs Cr)
Building and Civil	10.26
Silos Structure	8.37
Material Handling Equip.	5.39
Electrical including DG	1.76
Misc. Fixed Assets	2.94
Sub- Total	28.72

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Stand-alone silo: Item wise costs	Amount (Rs Cr)
Land	
Land for stand-alone silos (7 acres at Rs 12 lakh / acre of acquisition cost)	0.84
Others	
Pre-operative Expenses	0.59
IDC	1.74
Contingency	1.59
Sub-Total	3.93
Total cost for a 50,000 MT capacity	33.48
Total project cost for the pilot project (cluster of two 50,000 MT capacities)	66.96

The operating assumptions considered are:

Table 5: Operating Costs

Cost Head	Type	Unit	Cost per ton for wheat (Rs)	Cost per ton for rice (Rs)
De Bagging the 50 Kg bags	Variable	Rs. per ton	20	20
Fumigation and pest management	Fixed	Rs. per ton/year	20	20
Bagging, Stacking, loading cost	Variable	Rs. per ton	95	95
Manpower permanent	Fixed	Rs. per ton/year	85	85
Manpower security	Fixed	Rs. per ton/year	30	30
Electricity consumption	Fixed	Rs. per ton/year	27	27
Electricity consumption	Variable	Rs. per ton	63	63
Repair and maintenance	Fixed	Rs. per ton/year	21	21
Repair and maintenance	Variable	Rs. per ton	49	49
Insurance	Fixed	Rs. per ton/year	15	15
Misc.	Fixed	Rs. per ton/year	20	20
Chilling (electricity consumption each occupied silo*)				

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Cost Head	Type	Unit	Cost per ton for wheat (Rs)	Cost per ton for rice (Rs)
Initial Chilling	Variable	Rs. per ton (of capacity of utilized silos)		43
Maintenance Chilling	Variable	Rs. per ton/year (of capacity of utilized silos)		38
Total			445	525

* The chilling cost will be applicable to the extent of capacity of rice silos that are occupied (weather partially or fully). This is because at a time a full rice silo would be chilled for initial or maintenance chilling purpose (and not the specific quantity of rice stored in case a silo is only partially occupied)

9. Financial Analysis

The project implementation model envisages a structure wherein the private sector concessionaire invests in land, equipment and construction costs operates and maintains the facility for a period of 31.5 years.

A three-part tariff structure earlier proposed for the project is as follows:

- fixed charge, linked to the storage capacity and its availability;
- variable charge, linked to the quantity of food grains actually stored in the Storage facility; and
- bag handling charges for unloading of bags and bagging and loading of bags. The tariff will be subject to revision with change in inflation.

However with inclusion of concept to store rice, given the high level of production and procurement in the two districts, additional cost would be incurred by the developer in form of chilling cost. Additional variable tariff in form of chilling cost for cooling the rice units would have to be provided to the concessionaire.

The concessionaire is also expected to provide handling facility for food grains in lieu of storage and handling charges.

It is expected that with the recommended level of storage and handling charges, the facility will not be commercially viable. In order to make the project commercially viable, a financial grant will be provided by the government. In addition, there is proposal to provide soft loan to concessionaire, up-to 30% of the total project cost, which will reduce cost of finance.

- The financial grant requirement at each location for the project has been estimated at Rs 6.6 crore for the pilot project cluster or 19.62% of the project cost, assuming 16% EIRR, fixed storage charge of Rs. 7.5/quintal/month and storage of rice and wheat both
 - If we consider soft loan of 30% of project cost at interest of 8%, the VGF requirement for pilot project cluster reduces to Rs. 10.2 crore or 15.22% of the total project cost, for storing wheat and rice at fixed storage charge of Rs. 7.50/quintal per month

However given the production of rice and wheat and advantages of storing rice in a silo bin, it is recommended to have storage for both rice and wheat. The increase in capital cost is justified by savings in wastages and handling costs.

The cumulative VGF requirement for the cluster is estimated at Rs. 12.6 crore. The average DSCR of the project at single location is formed to be satisfactory at 1.20 and the payback period for equity is 12.6 years from the commencement of the project.

10. Conclusion

Based on the assessment, it may be concluded that there are significant gaps in storage capacity in the two locations of Mohania (Kaimur) and Buxar. While the production of wheat and rice has been relatively high in the two locations, the procurement by state agencies for PDS system has been low. One of the reasons for the low procurement is gap in storage capacity besides other logistics and infrastructure issues. FCI has assessed a gap of 50,000 MT for wheat in each location based on current and potential procurement in the two locations. This gap seems reasonable in view of the production, PDS demand, the available storage capacity and the potential for additional procurement.

In addition to the storage of wheat, there is requirement for modern storage infrastructure for rice. Therefore, it is proposed to create facility for storage of rice in silos in the proposed pilot project. However, this would require additional investment and operating cost in form of cooling equipment. This will also be first of its kind storage facility for rice. Therefore, a smaller capacity is recommended for rice. Based on the assessment, the capacity can be divided into three silos of 12,500 MT, for wheat storage, and four silos of 3,125 MT silos, for rice storage (with potential for storing wheat as well).

With a cumulative total project cost of Rs. 66.96 crore (excluding land cost) and a financial grant at Rs. 12.6 crore for the whole cluster, the project is feasible at EIRR of 16% (at a fixed storage charge of Rs. 7.50 per quintal per month). With an inclusion of soft loan of up-to 30% of the total project cost, the financial grant requirement is reduced to Rs. 10.2 crore for the cluster and the project is feasible at EIRR of 15.22%, with a fixed storage charge of Rs. 7.50 per quintal per month.

The detailed analysis is presented in the following sections.



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1. Introduction

This chapter introduces the project model, pilot projects and provides the objective and scope of this report.

1.1 Project Introduction

The creation of modern food storage facility across India has been identified by the Government of India as one of the critical focus area to achieve the prime objective of providing food security, reducing food grain wastage, creating buffer stocks while maintaining the quality of food grains. In pursuance of this objective, an empowered group of ministers (EGOM) approved creation of storage capacity of about 2 million tons of modern food grain storage facility in form of silos under Public Private Partnership (PPP), to ensure quality distribution of food grains to the poor through public distribution system.

The Department of Economic Affairs (DEA), Ministry of Finance (MoF), Government of India (GoI), with assistance of Asian Development Bank (ADB) has developed a PPP model framework for food grain silo project. The framework brings in nuances specific to the food storage sector to the PPP models for development of modern food storage infrastructure. DEA intends to pilot a few projects on this model and then scale up the implementation of the model to large number of projects.

As part of the pilot project initiative, DEA along with Department of Food and Public Distribution, Government of India (DoFDP) and Food Corporation of India (FCI) has identified a project comprising of two locations in Bihar – Mohania and Buxar. The pilot project comprising of modern silo storage capacity is expected to be implemented under the proposed PPP model with FCI as the implementation agency.

ADB has appointed CRISIL Infrastructure Advisory to act as a transaction advisory consultant to assist DEA in preparing the model framework, assess feasibility and undertake the transaction for 1-2 pilot projects.

1.2 Proposed project structure

The proposed project model envisages the construction, operation, and maintenance of modern scientific silo facilities in identified regions with provision of storage, preservation, and handling services for food grains to public agencies. Each project is proposed to comprise of two or more standalone silo facilities, grouped together in a cluster with overall storage capacity envisaged at 100,000 MT to 200,000 MT per project. The project is to be developed by a private sector company on the Design Build Finance Operate and Transfer (DBFOT) model with financial support from the Government.

A salient feature of the model is that land for the project is to be procured by the private sector participant in the PPP and the title of the land is to be transferred to the Government at the start of concession period.

Under the proposed project structure, the concessionaire shall procure the land, build, operate and maintain the silo complex, arrange finance and provide storage, handling and preservation services for the grain to the public implementing agency, which shall pay storage and handling charges on pre-determined basis. It is expected that there would not be commercially feasible at the prescribed rates. Therefore, the Government would provide financial assistance to improve the commercial feasibility of the project.

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While the initial project plan intended to create modern storage capacity solely for wheat, in the proposed pilot project it is proposed to extend the storage capacity, with some modification, for storage of rice. This would extend the utilisation of the storage capacity and would provide flexibility to government to store two types of grains. The storage of rice in silos for longer periods would be first of its kind project though the same has been implemented on commercial scales in many countries across the world.

The proposed model is first of its kind in many ways like the land related responsibilities of concessionaire, combined storage facility for wheat and rice and PPP on BOT basis for the implementing agency. It is expected that with experience from the pilot project, the project model can be extended to large number of storage facilities and help reduce wastage in grain storage.

1.3 Objective and structure of this report

The objective of this report is to assess the techno-economic feasibility of implementing modern storage infrastructure in the two identified locations in the state of Bihar – Mohania and Buxar.

This report, inter alia covers the following:

- Identify the food grain storage requirement in Bihar, particularly in Mohania (Kaimur district) and Buxar (Buxar district)
- Assess the appropriate type of storage requirement in Mohania and Buxar
- Assess the feasibility of setting up Silo infrastructure in Mohania and Buxar
- Identify the optimum technical configuration for the Silo complex
- Provide cost estimates – Capital Expenditure and Operating cost and assess financial viability of the project
- Assess the requirement of financial grant from the government to achieve the financial viability

It may be noted that the land parcel for the project is to be identified and arranged by the concessionaire, and subsequently transferred to the government. As such, the study evaluates the project in absence of the identified site and is thus based on certain general assumptions especially for project cost, including for cost of land.

As a part of the study, a visit of the two locations was conducted between December 9 and 13, 2013 by a team of CRISIL Infrastructure Advisory. During the visit, consultant team along with technical experts surveyed both the locations and also met officials at Food Corporation of India (FCI), Bihar State Food Corporation (BSFC), District Magistrates and other key officials responsible for purchase, storage and distribution of grains in these two locations. Further consultations were held with the officials of FCI at their head office in Delhi. The data on production, procurement and consumption were sourced. The report is based on the data sourced from the locations, district offices, state level agencies, FCI and publicly available information.

The report is structured in the following manner:

1. Project background – This chapter sets the background through discussion on the need for modern storage infrastructure and discusses salient features of project model.
2. State level assessment - This chapter gives a brief introduction to food grain logistics in Bihar including production, procurement and PDS requirement of food grains in Bihar and the existing storage capacity in the state

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3. Assessment of project districts - This chapter provides a brief on district level analysis for the two identified location for construction of modern storage facility by understanding district level production and procurement of food grain under PDS network and the existing storage facilities.
4. Project configuration for pilot project - In this chapter, the advantages of modern silo storage for wheat and rice and the optimum configuration for the pilot project are discussed
5. Financial assessment - In this section, the project cost for the pilot project comprising of 50,000 MT capacities each at two locations and the financial grant requirement is assessed.



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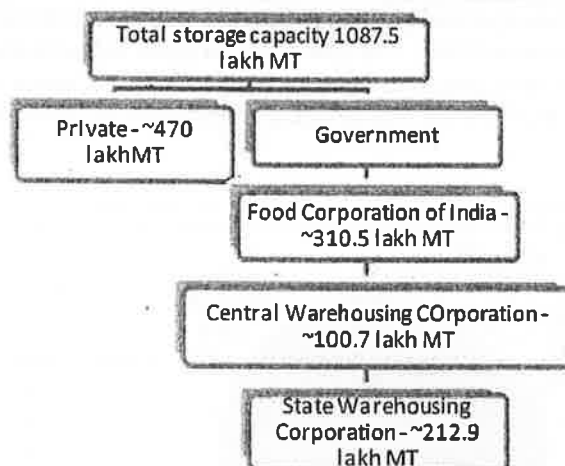
2. Project Background

This section sets a background to the project and the need for modern food grain storage infrastructure in India. It also provides a brief on proposed project implementation structure.

2.1 Need for Storage in India

The present storage capacity for food grain in India largely comprises of conventional facilities of covered warehouses and cover and plinth (CAP) storages for bagged storage, with silo bag storage facility emerging as a new option. The total warehousing capacity available in India for all types of food grains, in public, cooperative, and private sectors is about 108.7.5 lakh MT⁵ against total production of 2593.2 lakh MT in 2011-12. .

Figure 1: Bi-furcation of warehousing Capacity in India



The storage capacity available with FCI (310.5 lakh MT) and a part of the warehousing capacity available with the Central Warehousing Corporation (CWC) (100.7 lakh MT) and state warehousing corporations (212.9 lakh MT) is used for the storage of food grains procured by government agencies. This storage space available in the country is not sufficient to cater to the procured stocks⁶. As a result, a substantial quantity of food grains is stored in CAP storage. Government of India estimates need for additional 350 lakh MT storage capacity in the form of modern warehousing capacity..

2.2 FCI's role in food grain distribution

As a part of food security policy, the government is intricately involved in the food grain distribution chain in the country while providing price support to farmers and distributing food grains to the poor. . To achieve these policy objectives, FCI was established in 1965 with a mandate to implement the objectives of the national food policy, which include:

- Effective price support operations for safeguarding the interests of the farmers

⁵ Source: Report of Working Group on Warehousing Development and Regulation for the Twelfth Plan Period (2012-13)

⁶ Total wheat and rice procured in the central pool as on 2012-13 was 38.15 million MT and 34.04 million MT respectively



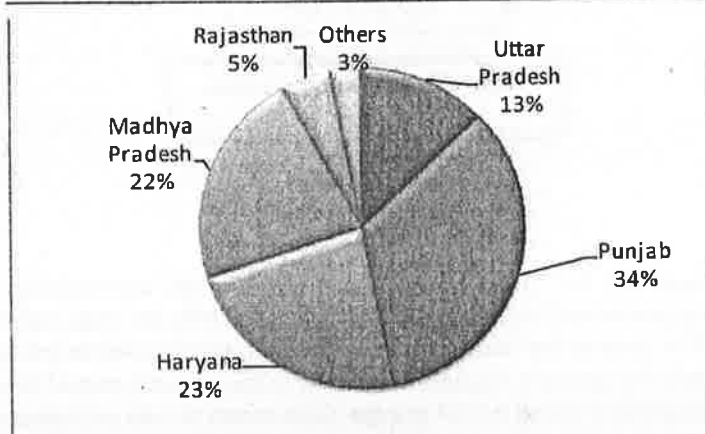
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- Distribution of food grains throughout the country through the public distribution system
- Maintaining of a satisfactory level of operational and buffer stocks of food grains to ensure national food security

FCI procures food grains from farmers and state government agencies, which purchase food grains on behalf of FCI. The food grains are stored in various warehouses of FCI throughout the country and then distributed to the state governments, which subsequently distribute the food grains through the public distribution system. FCI, under instructions from the government, also periodically sells food grains (wheat and rice) at pre-determined prices in the open market. Open market operations are generally undertaken to ensure food grain supply during poor seasons, moderate the influence on open market prices, sell off excess stock and reduce transportation cost of food grains and free storage space for the next season and save food grains from deterioration in quality

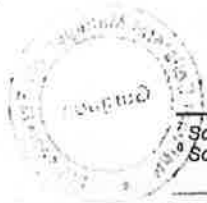
FCI and other state agencies purchase wheat and paddy from farmers at designated mandis at the minimum support price (MSP). The total wheat procured in the central pool was 283.5 lakh MT and 381.5 lakh MT 2011-12 and 2012-13, respectively⁷. The major states contributing wheat to the central pool are Punjab and Haryana. The details of state-wise procurement for the year 2012-13 are shown below.

Figure 2: State-wise procurement of wheat in 2012-13



Source: Ministry of Agriculture, Government of India

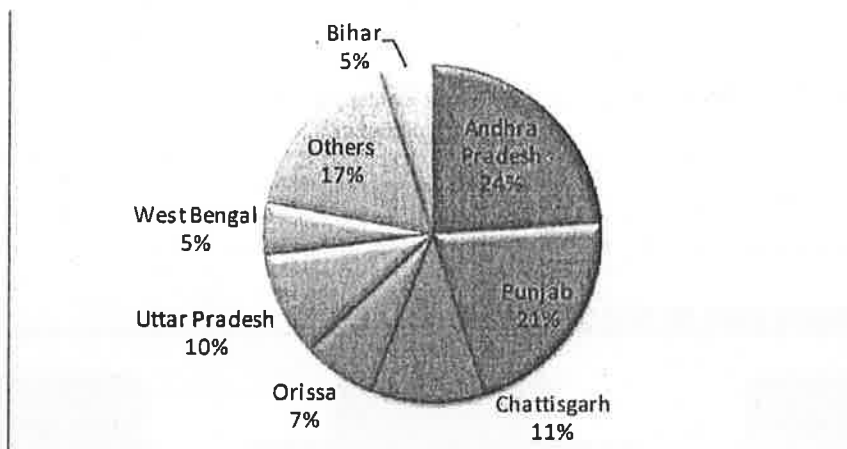
Similarly, the total rice procured in the central pool was 350.4 lakh MT and 340.4 lakh MT in 2011-12 and 2012-13, respectively⁸. The major states contributing rice to the central pool are Punjab and Andhra Pradesh. The details of state-wise procurement for the year 2012-13 estimated are shown below.



Source: Department of Food and Public Distribution
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Figure 3: State-wise procurement of rice in 2012-13 (estimated figures)

Source: Ministry of Agriculture, Government of India

Though the procurement is substantial (around 722 lakh MT of wheat and rice in 2012-13), the storage capacity with Government is very limited at ~620 lakh MT. With the implementation of food security act, the procurement levels and storage requirement is going to increase further (PDS requirement under food security act is more than 600 lakh MT).

Thus, due to lack of enough storage facilities, there are also substantial wastages observed in many states. In many states, substantial quantity of food grains (about 6.0% to 10% of the total production)⁹ is damaged due to moisture, insects, rodents, and fungi at various stages of the food grain supply chain. This further enhances the need to modern food storage facilities on immediate basis.



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Source: Indian Press Service

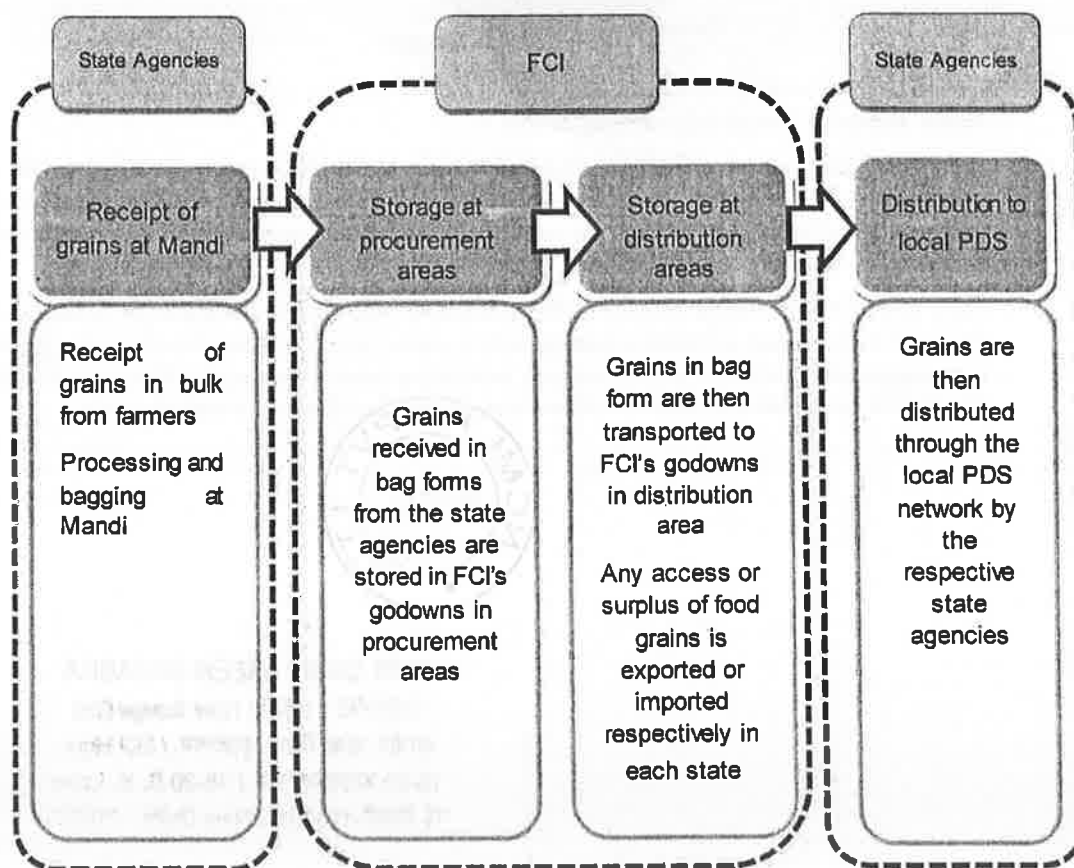
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2.3 Food grain supply chain

The food grain supply chain extends from the 'mandis' (designated market place for sale of agriculture produce under respective state government policies), involves transportation and storage at two levels, and culminates with the supply to the PDS network or to the local administration for other purposes. The food grain supply chain by the government agencies is discussed below.

Figure 4: Supply chain for food grain logistics



The supply chain begins at the mandis where the grain from the farms is received in bulk. The grain so received is inspected, marked, cleaned, weighed, bagged, and stacked for loading. The process at the mandis is carried out by the procurement agencies or its nominees. The minimum quality standards for grains have been specified by the government (fair average quality) and only grain consignments meeting the requirement are purchased by the procurement agencies in quantities as per their requirements. The grain so procured is then moved by road in bagged form to FCI's storage facility in the procurement areas.

Depending on the allocations for different states, the grain is dispatched to various centres. The grain is then transported from the storage facility in procurement areas to storage facility in consuming areas in the form of bagged form. The overall storage period may be up to 12-15 months. The grain stored

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storage facility in consuming areas is released to the public distribution system based on the requisition from the local administration subject to allocations. This movement happens in bagged form by road.

Role of government agencies

In the conventional food grain logistics value chain, role of State agencies is to:

- Receive grains from the farmers
- Process or clean the grains through procurement agencies or its nominees
- Transit food grains to FCI's godowns in procurement areas
- Dispatch to the public distribution system in bagged form

FCI's involvement is primarily in:

- Procurement of grain at the mandis directly from farmers or from State agencies
- Storage at the producing centres in bagged form
- Dispatch to consuming centres
- Storage at consuming centres in bagged form

2.4 Concept of DCP

While the aforementioned food grain supply logistics is applicable in case of non-Decentralized procurement (DCP) states, the procurement and distribution of food grains in DCP states is managed in a different manner.

In states where decentralized procurement occurs (like Madhya Pradesh and Uttar Pradesh), the procurement and consumption areas may largely be the same. A DCP state procures food grain for its own PDS consumption and FCI's role is limited to obtaining excess grains from such state for distribution to other states. Only the surplus from these areas is moved out of the state to the other states, and a second level storage may not be required. In other states with deficit in procurement like Bihar, which is proposed to become a DCP state, FCI imports grain from the other states to meet the deficit requirement for the state.

2.5 Proposed project implementation structure for the pilot project

The proposed project model envisages the construction, operation, and maintenance of modern scientific silo facilities in identified regions and provision of storage, preservation, and handling services for food grains (wheat and rice) to public agencies. Each project is proposed to comprise two or more standalone silo facilities, grouped together in a cluster with overall storage capacity envisaged at 100,000 MT to 200,000 MT. The facilities comprising a cluster may be within a region or spread across different districts in the vicinity. The advantages of a cluster are that, by virtue of size, the cluster will provide benefits of economies of scale. If the project scale and size increases, it can help in reducing costs like pre-operative expenses, procurement costs, and operating expenses. For example, a concessionaire can negotiate better rates on the purchase of silo bins if order is given for more quantity. Similarly, implementation of same procurement and maintenance system at two or more sites will reduce the operating expenses and can bring efficiencies in terms of manpower training and cost of system implementation. Given production and procurement, a state based cluster seems more preferable as proximity along with scale is expected to provide greater opportunities for cost reduction. A possible disadvantage of clusters is lower level of competition as smaller players may not be able to participate due to the larger project size. However, clusters comprising of 2-5 sites are reasonable.

size and can provide a level playing field for large and medium sized concessionaires. The projects are envisioned to be located either in consumption or procurement centre of the state. The project is to be developed by a private sector company on the Design Build Finance Operate and Transfer (DBFOT) model with financial support from the Government.

2.5.1 Salient features of the proposed model

- i. A key salient feature of the model is that land for the project is to be procured by the private sector participant in the PPP and the title of the land is to be transferred to the Government. Other key features of the proposed implementation model are provided below:
- ii. *PPP Mode:* The project is to be developed on DBFOT mode with a proposed concession period of 31.5 years, consisting of operation period of 30 years and construction period of 1.5 years. This would be co-terminus with the expected economic life of the asset.
- iii. *Procurement of land:* The concessionaire is to procure the required land parcels prior to commencement of concession and transfer the title of land to the implementing agency¹⁰ (Concessing authority) at the initial stage of the concession. The consideration for transfer of title is proposed as per the new land acquisition act, to be paid through the financial grant scheme. The Concessionaire is to be simultaneously given the licence to the land parcel to construct and operate the project and seek service charges for the same.
- iv. *Identification & selection of land:* Identification and selection of land is proposed to be done at the RFP stage. At this stage, it not essential that the bidder owns the land at this stage. However, if the land parcel is not owned by the bidder, the bidder shall provide a commitment – backed by a bank guarantee – to procure the identified piece of land should it be the selected bidder.
- v. *Concessionaire obligation:* The concessionaire will be required to finance, construct, operate, and maintain the silo facility and provide storage, preservation, and handling facilities for food grains, during the operation period, for the Implementing Agency. The construction, operation and maintenance of the silo facility are to be carried out as per performance standards and stipulations of the implementing agency with penalties recoverable from the concessionaire for shortfall in performance.
- vi. *Tariff Structure:* A three-part tariff structure is proposed for the project: (a) fixed charge, linked to the storage capacity and its availability; (b) variable charge, linked to the quantity of food grains actually stored in the storage facility; and (c) bag handling charges for unloading of bags and bagging and loading of bags. The tariff will be subject to revision with change in inflation. In addition, if rice is to be stored, a separate charge for cooling related activities will be payable.
- vii. *Transfer:* The concessionaire shall transfer the project to the implementing agency at the end of the concession period.
- viii. *Bid criterion:* The sole bid criterion for the project shall be the quantum of financial grant required/premium offered.
- ix. *Demand risk sharing:* Partial de-reserving of capacity and reduction in fixed charges while allowing the concessionaire to lease the facility to a third party on a revenue sharing basis with the Authority.

The pilot project, comprising of two silo facilities at Mohania and Buxar, is proposed to be implemented on the above model.

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¹⁰ Food Corporation of India (FCI) MoA is proposed as implementing agency for the pilot project discussed in this report

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3. State Level Assessment

This chapter gives a brief introduction to food grain logistics in Bihar including production, procurement and PDS requirement of food grains in Bihar and the existing storage capacity in the state

Food Corporation of India (FCI) has identified two locations Mohania (in Kaimur district of Bihar) and Buxar (Buxar district) in Bihar, which would be piloted for assessing the PPP framework developed for creation of modern storage facility. FCI estimates a silo capacity of 50,000 MT for storage of wheat at each of the two identified locations to cater to the requirement of storage facility.

3.1 Bihar: a background

3.1.1 Introduction

Bihar, India is the 12th largest state in India in terms of geographical area covering about 94.2 thousand square km ¹¹(rural area of 92.26 km (97.9%) and urban area of 1.09 km (1.16%). Bihar is located in the eastern part of the country and lies between West Bengal to the east, the Uttar Pradesh to the west, Jharkhand state in the south and Nepal to the north. The state is divided by river Ganges into two parts, the north Bihar with an area of 53.3 thousand square km and south Bihar having an area of 40.9 thousand square km. The state is administratively divided in to 9 divisions and 38 revenue districts. The climate of Bihar is sub-tropical in nature and it receives an average rainfall of around 120 cm during monsoon season which prevails from June to September.

Figure 5: Map of Bihar state



3.1.2 Population¹²

Bihar with a total population of 103.8 million (as per Census 2011) approximately contributes 8.5% of India's total population. The below poverty line (BPL) population in Bihar constitutes 54.5% ¹³ (56.03 million population) of the total population.

3.1.3 Major food grains produced

Bihar predominantly cultivates rice and wheat, which covers more than 80% ¹⁴ of the total area under field crops. Wheat, paddy and coarse grains like maize, bajra, jowar are the other crops produced in Bihar. Paddy being grown in all the 38 revenue districts is the main crop produced during Kharif season besides maize and bajra. Bifurcation of land available for cultivation of crops is shown below:

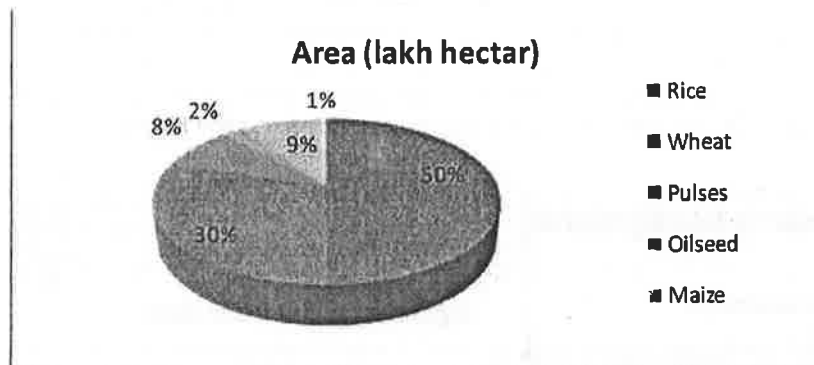
¹¹ Source: Government of Bihar website

¹² Source: Government of Bihar website

¹³ According to Tendulkar Committee report 2009

¹⁴ Source: Ministry of Agriculture, Government of Bihar

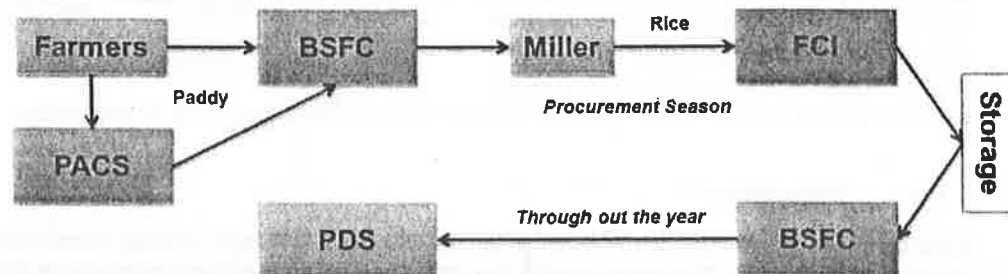


Figure 6: Land availability for cultivation of crop¹⁵

3.2 Current food grain supply chain in Bihar¹⁶

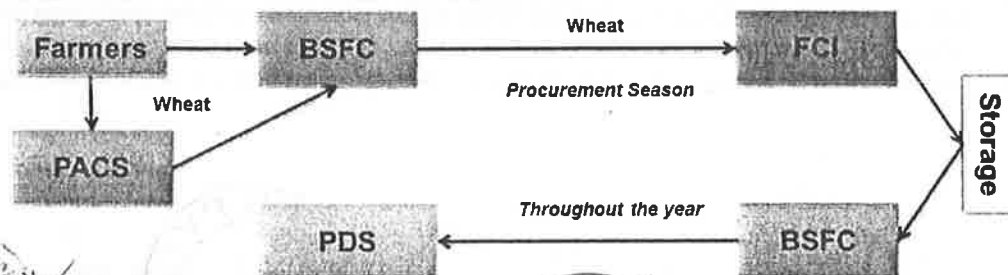
Bihar is presently a non-DCP state with an unorganized mandi system as temporary purchase centers are opened by the state government for receiving food grain from farms. The food grain supply chain in Bihar extends from procuring food grains from farmers, extends to transportation and storage of food grain and finally culminates with supply of food grains to Public Distribution System (PDS). Pictorial representation of wheat and rice supply chain in Bihar is as under:

Figure 7: Food grain supply chain for Paddy/Rice



Source: Based on discussions during the visit to the locations

Figure 8: Food grain supply chain for Wheat



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[19]

Source: Based on discussions during the visit to the locations

It is understood from discussions with FCI officials that the state will soon become a DCP state wherein the responsibilities of procurement, storage and distribution of food grains for the PDS system will become the complete responsibility of the state agencies. In such a situation, the role of FCI is expected to be the supply of food grain to meet the shortfall in procurement and provision of storage facilities owned by it to the state agencies.

3.2.1 Procurement system

Bihar State Food Corporation (BSFC) acts as the nodal agency and BSFC along with Primary Agriculture Credit societies (PACS) act as procuring agencies for the procurement of wheat in Rabi Marketing Season (RMS) and for procurement of rice and paddy in Kharif Marketing Season (KMS).

BSFC procures food grains directly from farmers or through (PACS). The procurement season for paddy commences in the month of December and lasts till April and the procurement for wheat commences in the month of April and lasts till June.

3.2.2 Storage system

The supply chain begins at the mandis where the grain from the farms is received in bulk. The grain so received is inspected, marked, cleaned, weighed, bagged, and stacked for loading. In case of wheat, BSFC directly transfers the purchased wheat to FCI, which stores it in its own godowns, warehouses or in storage facilities hired from SWC and CWC. In case of paddy, BSFC stores the purchased paddy in the state's own warehouses, shades, farmers' own fields, privately hired godown, rice mills or even in open space; paddy is then milled by paddy millers to obtain custom milled rice (CMR) (paddy to rice conversion ratio of 66 % to 67%)¹⁷. Paddy to rice conversion takes place in the month of December to September. Milled rice obtained from millers¹⁸ is stored either in FCI's own godowns, warehouses or in storage facilities hired from State Warehousing Corporation (SWC) and Central Warehousing Corporation (CWC), against which FCI pays charges to BSFC.

3.2.3 Distribution system

Wheat and rice stored by FCI is then transferred to BSFC, which subsequently distributes the food grains in the public distribution system. Supply of food grains from BSFC to public distribution system occurs throughout the year and deficit of food grains, if any, is fulfilled by importing grains from surplus states like Punjab, Haryana and Uttar Pradesh.

3.3 Production, procurement and PDS distribution in Bihar

The proposed storage facilities would potentially cater to the requirements of the state of Bihar and to a limited extent to the other regions. In order to understand the overall requirement of storage capacity in the state, an assessment of the production, procurement and distribution of wheat and rice, is undertaken in this section.

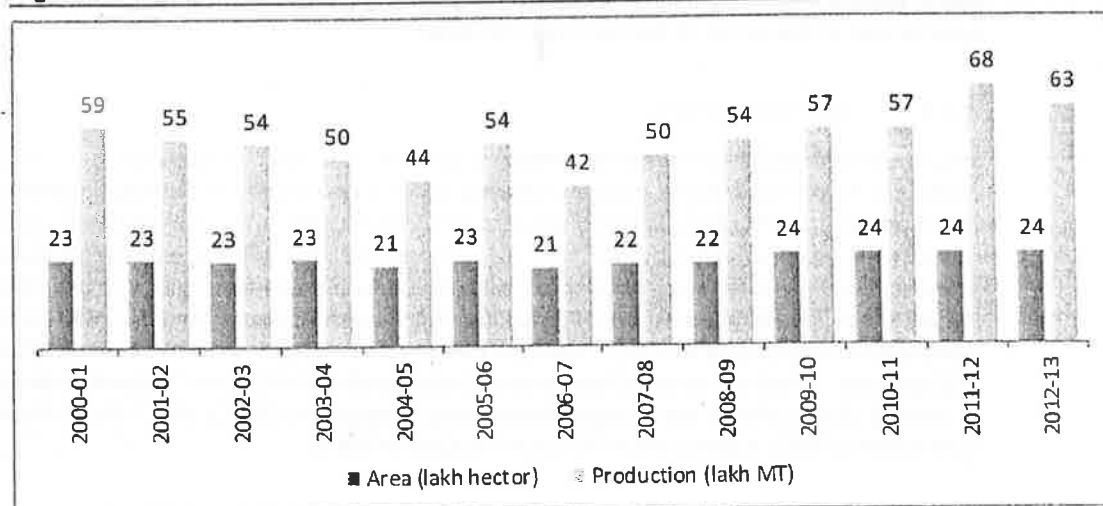
¹⁷ Source: Food Corporation of India: Bihar Region

¹⁸ Bihar has total 579 mills with a total paddy milling capacity of 8137 MT per day, spread across Gaya, Nawadah, Aurangabad, Kaimur, Rohtas, Jehanabad, Arwal, Sitamarhi and Muzaffarpur district in Bihar

3.3.1 Wheat and rice production in Bihar

The average production of wheat vis a vis total area available for wheat production in Bihar for the past three years has been around 63 lakh MT. The production in the last 13 years has been in the range of 42 lakh MT to 68 lakh MT while the area under wheat cultivation has been largely stable between 21-24 lakh hectore. While the area under wheat cultivation is constant in the past 4 to 5 years (24 lakh hectore), the production of wheat has varied by approximately 5 to 10%, depending on the climatic condition. The annual production of wheat and the area under wheat cultivation is presented in the graph below.

Figure 9: Area under wheat cultivation and the production of wheat in Bihar

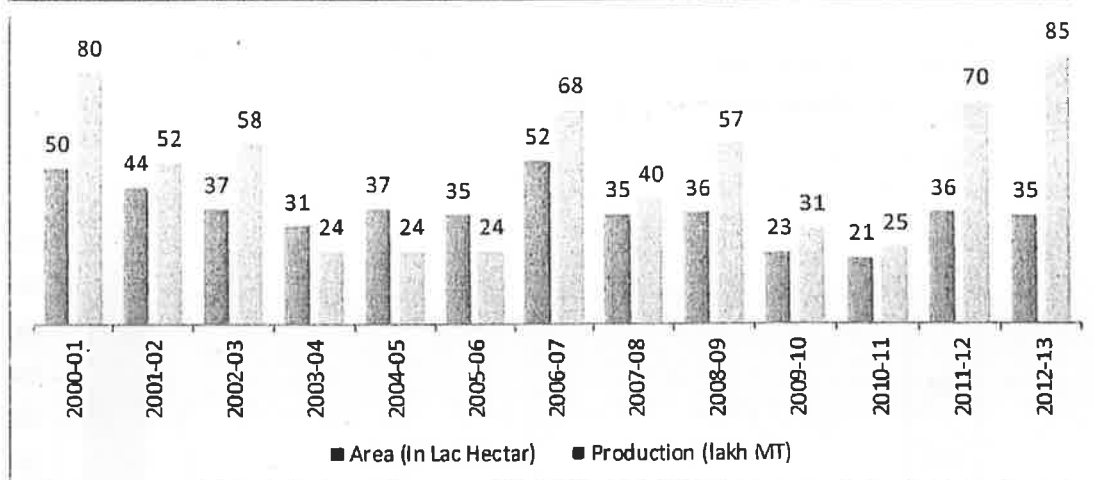


Source : Department of Agriculture, Government of Bihar

The average production of rice vis a vis total area available for rice production in Bihar for the past three years has been around 63 lakh MT. There has been significant variation in the area under rice cultivation for the past thirteen years and subsequently significant variation in rice production level is observed in the range (24 lakh MT being the lowest for three consecutive years 2003-04, 2004-05 and 2005-06 and 85 lakh MT being the highest in 2012-13). The rice production in 2011-12 dropped to 25 lakh MT due to drought in many parts of the state. However with systematic root intensification (SRI)¹⁹ technique in paddy crop and green manuring of paddy field, the production of rice in 2011-12 increased by 180% over 2010-11 and subsequently the area has increased from 23 lakh hectare to 35 lakh hectare.

¹⁹ The System of Rice Intensification, known as SRI – is a System designed to increase the productivity of irrigated rice by changing the management of plants, soil, water and nutrients. SRI originated in Madagascar in the 1980s and is based on the cropping principles of significantly reducing plant density, improving soil conditions, and irrigation methods (water and plant development, and improving plant establishment methods). – Source: System of Rice Intensification website

Figure 10: Area under rice cultivation and the production of rice in Bihar



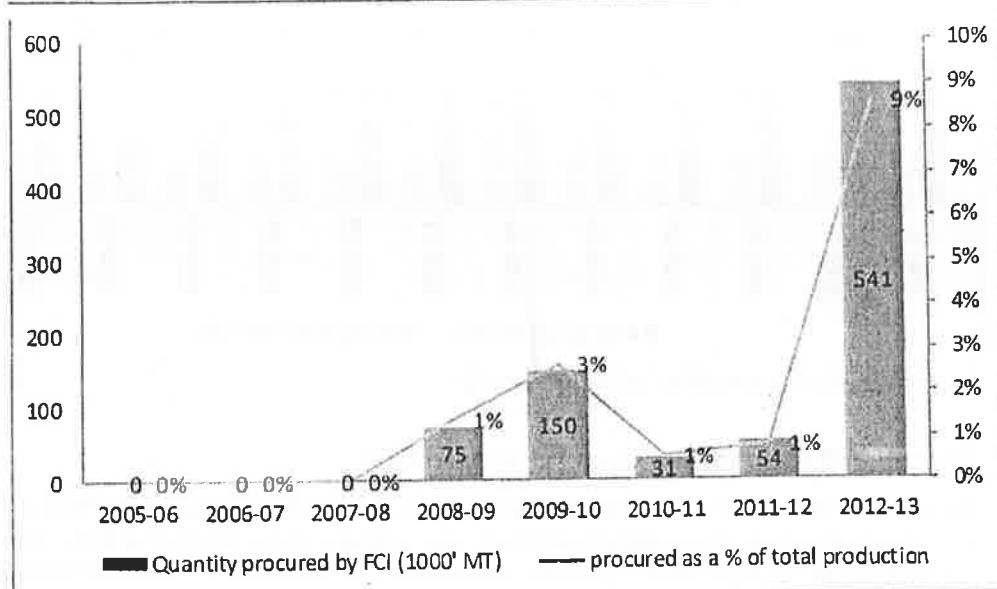
Source: Department of Agriculture, Government of Bihar

3.3.2 Wheat and rice procurement in Bihar

The quantum of wheat and rice procured locally by the government in Bihar for the PDS system has been significantly lower in comparison with the corresponding annual production of wheat and rice. The government has not been able to procure to meet its PDS requirement and hence shortfall is met through imports from other states through FCI. Thus Bihar at overall level remains a deficit state on this parameter.

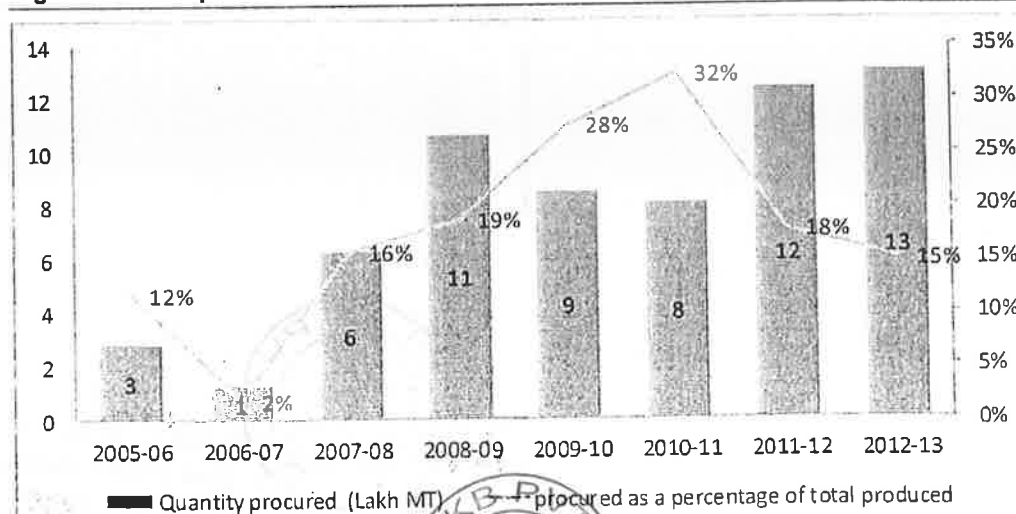
The procurement level of wheat which was almost negligible up-to year 2007-08 gradually increased from the year 2008-09 and formed approximately 9% of the total wheat production in the year 2012-13. However, wheat procurement in 2013-14 was negligible as the market price was higher than the minimum support price, discouraging the farmers to sell their produce to the government. Below is graphical representation of procurement level of wheat in Bihar.



Figure 11: Wheat procured in Bihar

Source: Food Corporation of India: Bihar region

On the other hand, the procurement level of rice is relatively higher in Bihar as compare to procurement level of wheat. The procurement level of rice was approximately 15% of the total rice production in the year 2012-13. The total procurement of rice was in the range of 9-13 lakh MT in last five years. The procurement of rice is relatively easy for the government as the paddy is kept in the fields for few days and directly transferred to millers for milling.

Figure 12: Rice procured in Bihar

Source: Food Corporation of India: Bihar region

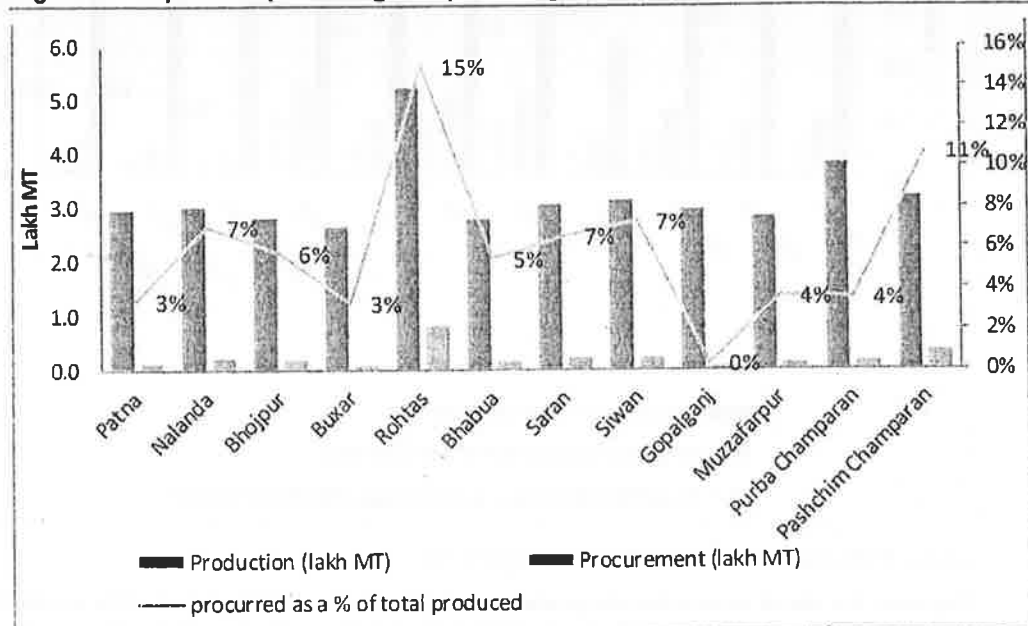
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3.4 Top wheat and rice producing and procuring districts in Bihar:

There are a total 38 districts in Bihar, all of which produces wheat and paddy in substantial quantity. However, procurement, as a percentage of total production, of wheat and paddy by government agencies is generally low. As may be seen in the graph below, the production of wheat in the top 12 districts has been in the range of 2.6 lakh MT to 5.2 lakh MT while the procurement, as a percentage of production, has been in the range of 0-15%. The two project districts, Bhabua (Kaimur) and Buxar are also among the top districts in terms of production and procurement.

Figure 13: Top wheat producing and procuring districts in Bihar – 2012-13



Source: Food Corporation of India: Bihar Region for period 2012-13

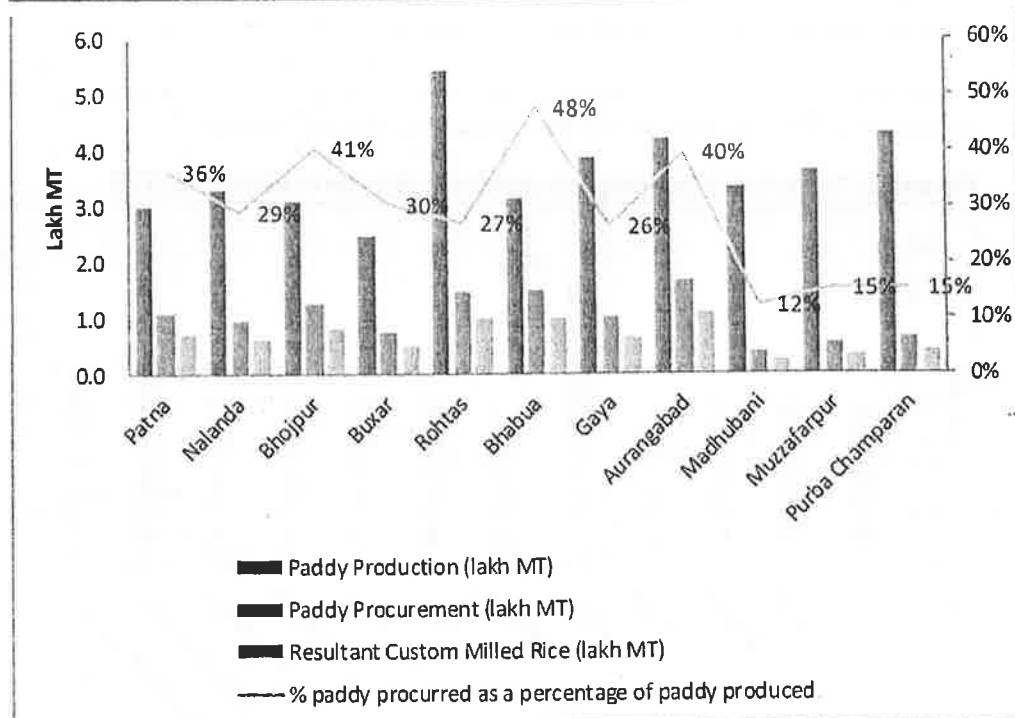
The production of paddy in the top 11 districts of Bihar has been in the range of 2.47 lakh MT to 5.46 lakh MT with procurement of paddy being in the range of 12-48%. The custom milled rice (CMR) refers to the actual output of rice derived by the government procurement agencies from the procured paddy and is equivalent to about 66-67% of the paddy procured. The two project districts, Bhabua (Kaimur) and Buxar are also among the top districts in terms of production and procurement.



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Figure 14: Top paddy producing and procuring districts in Bihar – 2012-13



Source: Food Corporation of India: Bihar Region (2012-13)

Based on the above production and procurement data, it can be inferred that while production in the state, particularly the top districts, is relatively high and the procurement of grains by government agencies is relatively low. While on one hand this may call for review of the procurement plans, it also showcases the potential for higher procurement in the state.

3.4.1 PDS system in Bihar

In states like Bihar, with approximately 54.5%²⁰ of BPL population, a Public Distribution System (PDS) is considered to be a major policy instrument to make essential commodities (wheat, rice, sugar and kerosene oil) available to the economically weaker sections of society at a regulated subsidized price. As on September 2012, Bihar had total 44,483²¹ PDS dealers. The PDS is carried out under three schemes in Bihar:

1. BPL - 25 kgs. of rice and 10 kgs of wheat are provided to each BPL family per month
2. Antyodaya – providing 35 kgs. of food grains per month to extremely poor BPL families, out of which 21 kgs of rice at the rate of Rs 2 per kg and 14 kgs. of wheat at the rate of Rs 3 per kg; and
3. Annapurna – providing homeless senior citizens with 4 kgs. of rice and 6 kgs. of wheat free of cost

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Source: According to Tendulkar Committee report 2009
Source: Economic Survey 2012-13, Government of Bihar

Since there is a shortfall in the supply of food grain from the central government, the state government has decided to provide 25 kgs of food grain to each family, instead of 35 kgs. per family per month.

The annual allocation of rice and wheat in Bihar for the year 2012-13 for the PDS²² system is presented below:

Table 6: Allocation of rice and wheat for 2012-13 PDS requirement

State	Wheat (lakh MT)	Rice (lakh MT)	Monthly allocation (lakh MT)	Annual allocation (lakh MT)
Bihar	1.52	1.57	3.09	37.03

Source: FCI

3.4.2 Prevailing storage facility available in Bihar

The total effective storage capacity in either covered or CAP form available with FCI and State Agencies in the state of Bihar is approximately 6.74²³ lakh MT and 1.53 lakh MT respectively. The below table depicts the bifurcation of storage capacity with FCI and State Agencies in Bihar

Table 7: Storage facility for public utilization in Bihar

Type of storage facility	Available	Food grain Storage Capacity of Warehouses in Bihar lakh MT
Covered	FCI	5.72
	State Agencies	1.52
	FCI	1.02
Open	State Agencies	0.01
Grand Total		8.27

Source: PDS e-portal

3.4.3 Gap in food grain storage in Bihar

While the current annual PDS allocation of Bihar stands at approximately 37 lakh MT of wheat and rice, the procurement levels were significantly low. Total paddy procured by BSFC up to June 2013 was 19.45 lakh MT (with a conversion factor of 67%, 13.03 lakh MT milled rice can be derived from paddy) and total wheat procured by BSFC/PACS stood at 5.42 lakh MT as on June 2013, a cumulative procured quantity of 18.45 lakh MT. The total food grain storage capacity available with FCI and other State Agencies in Bihar is 8.27 lakh MT, which is meager in comparison to Bihar's PDS requirement. Also the

²² Source: Food Corporation of India

²³ Source: PDS e-portal

majority of the storage capacity, available with FCI is concentrated in only a few districts viz. Gaya, Rohtas, Saharsa, Patna, & Buxar, whereas in the districts viz. Lakhi Sarai, Gopalganj, Sheohar, Banka, Jahanabad, Arwal, Darbhanga & Bhabhua there is very limited storage capacity. Thus there is dire need for increasing the procurement level of food grain and subsequently increase the storage capacity in Bihar.

The PDS requirement is likely to increase to 55-60 lakh MT after the implementation of National Food Security Act. This will further enhance the need to modern and efficient procurement, storage and distribution facilities in the state.

3.5 Conclusion:

While there has been significant improvement in the production level of wheat and rice in the recent years (wheat produced at 68 lakh MT and rice at 70 lakh MT) due to good climatic condition and improvement in productivity, the procurement of food grains in Bihar has been lower at 4% and 18% for wheat and rice respectively. Also, the current food grain storage capacity at 8.21 lakh MT in Bihar is inadequate to store the current PDS annual requirement at around 37 lakh MT. Increasing the organized food storage capacity will not only improve the procurement levels but also reduce the wastages significantly and incentivize farmers to sell their produce to state agencies owing to proper system in place. Thus there is ample scope in Bihar for increasing the procurement levels of food grains as well as enhance the food grain storage capacity in Bihar. The following section analyzes the need for storage capacity in the two locations of Mohania and Buxar where the pilot project is proposed.



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4. Assessment of project districts

With the background of food grain logistic in Bihar in the previous section, in this chapter district level analysis for the two identified locations- Mohania and Buxar- with respect to the need for modern storage facility by understanding district level production, procurement and available storage capacity is undertaken

4.1 Introduction

The pilot project is envisaged to be carried out on a cluster basis in the two districts of Kaimur and Buxar in Bihar. The locations are adjacent districts in the western part of Bihar, and share borders with Uttar Pradesh on the western side. The two districts are highlighted in red circles in the adjoining map.

The two districts are major agriculture areas with significant production of paddy and wheat apart from other crops like maize and sugar cane.

The districts are well connected to the rest of the state and other part of the country through road. A brief on the two districts is provided in the following sections.

Figure 15 : District map of Bihar



4.2 Buxar district:

Buxar is a district in the western part of Bihar. The district covers a total area of 1624 sq km and has population of 10.9 lakhs (rural 92%, urban 8%). The district headquarter is Buxar town. The district is divided into two sub-divisions – Buxar and Dumraon. The district lies to the north of Kaimur district.

The district is major agricultural area in Bihar and produces rice, wheat, maize and sugar cane. There are a large number of operational rice and oil mills in the district.

NH-84 connects the district to Patna and this district is well connected with the rest of the country..

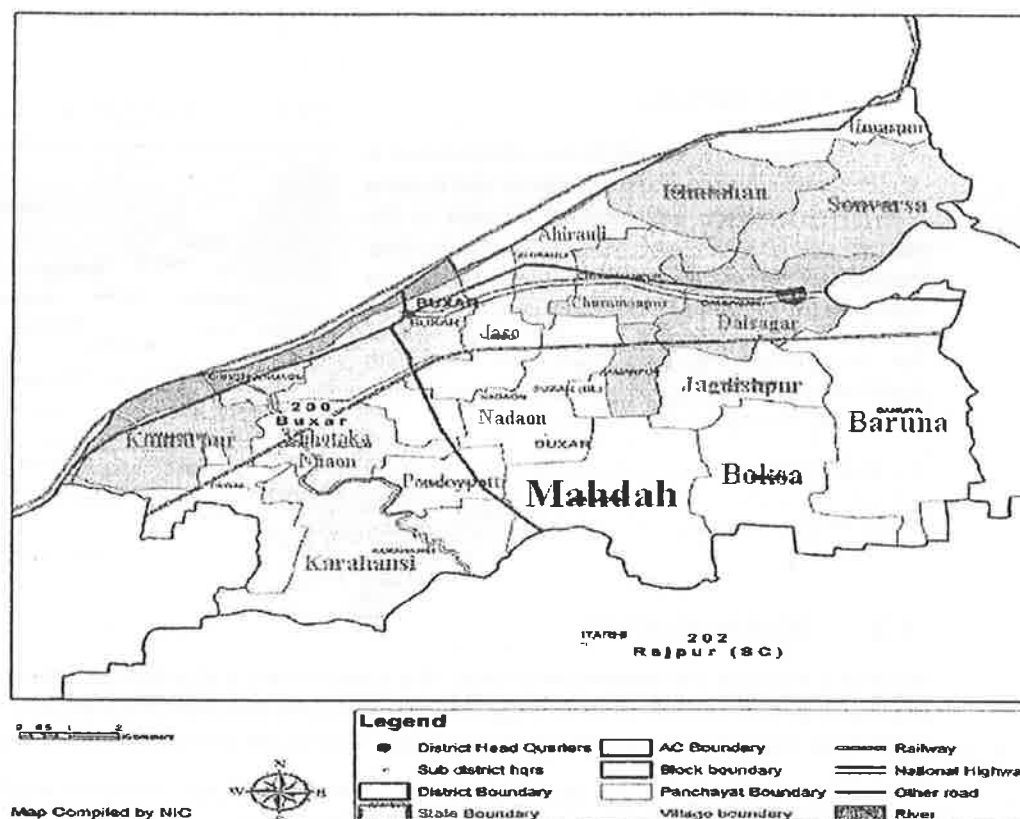
The District map of Buxar is presented below.



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Figure 16: Buxar district map, Bihar



4.2.1 Production and Procurement of wheat and rice in Buxar

Buxar district produce significant quantities of wheat and paddy. The following section provides an understanding of production and procurement level of food grains in Buxar district.

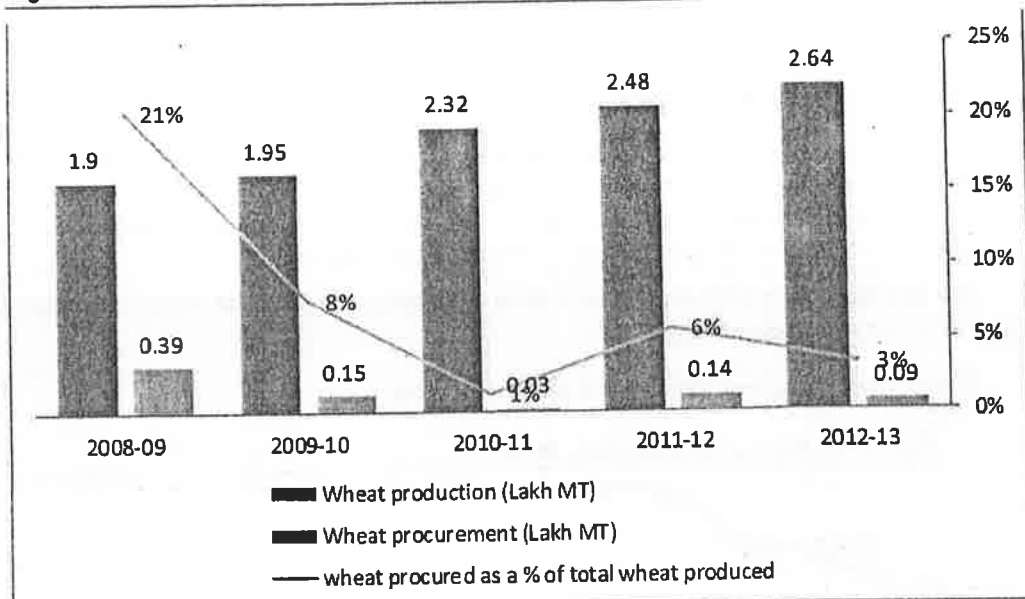
4.2.1.1 Wheat production and procurement in Buxar

The average production of wheat in Buxar in the last five years was 2.2 lakh MT. There has been steady increase in production of wheat in, largely due to increase in productivity. In the last five year, the production in the districts grew at a CAGR of 8.0 %. The procurement of wheat in year 2008-09 was around 21% of the total wheat production for Buxar district. However, the procurement levels gradually decreased to 3% of the total annual wheat production in the year 2012-13. As mentioned before, the procurement in 2013-14 season was nil due to market price being higher than MSP.



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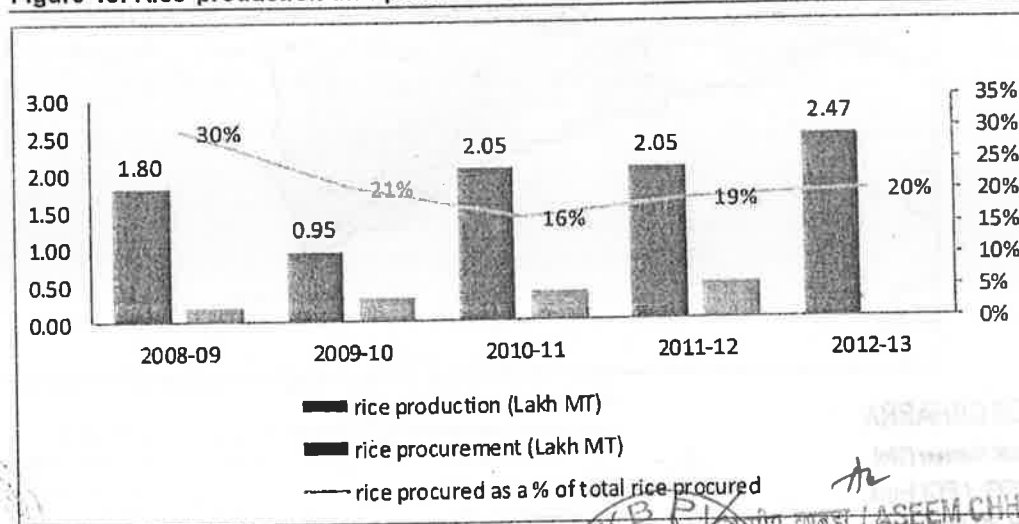


Figure 17: Wheat production and procurement in Buxar district

Source: Food Corporation of India: Bihar Region

4.2.1.2 Rice production and procurement in Buxar

The average production of rice in Buxar in the five years till 2012-13 was 1.86 lakh MT. There has been steady increase in rice production except for in 2008-09, wherein the rice production decreased by around 47%. The procurement of rice in Buxar in 2012-13 was around 0.5 lakh MT, around 20% of the total rice production in the year 2012-13. There has been increase in procurement in the recent years, though with minor fluctuations.

Figure 18: Rice production and procurement in Buxar district

Source: Food Corporation of India: Bihar Region

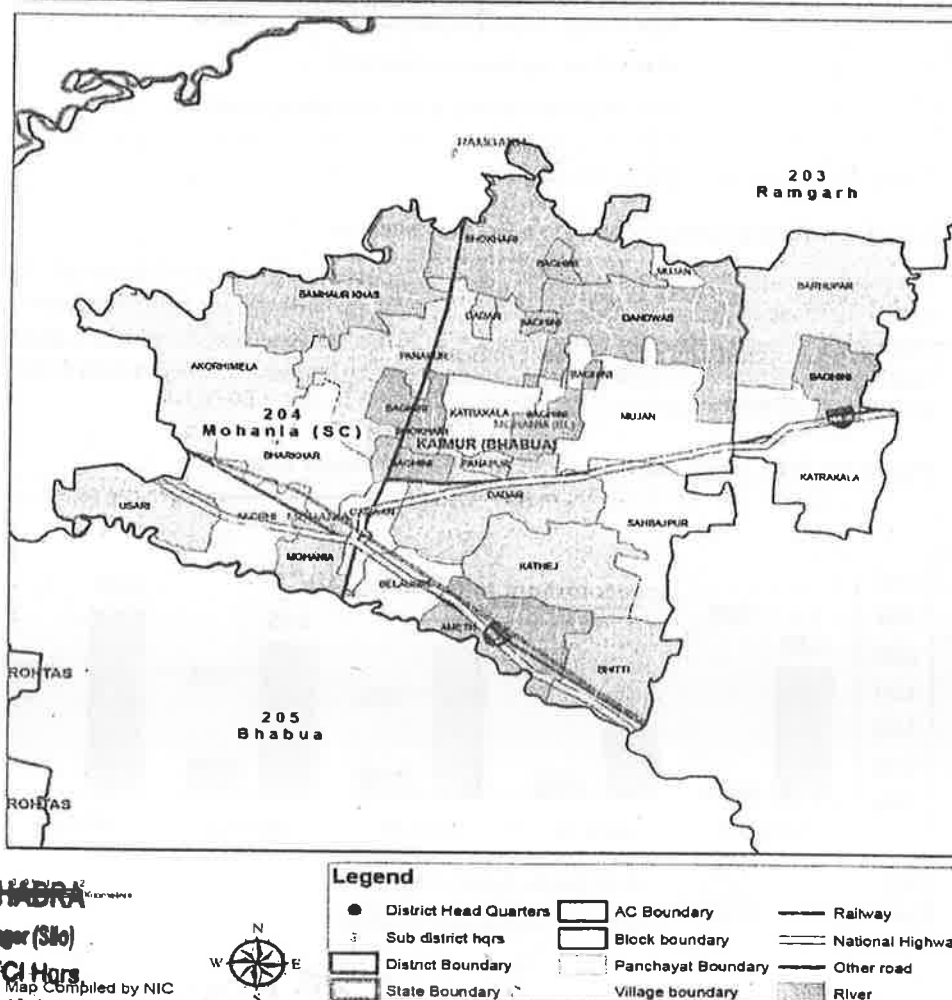
4.3 Kaimur district:

Kaimur district is located in the western part of Bihar, and lies to the south of Buxar district. The district covers an area of 3363 sq km and has a total population of 0.98 million (rural 97%, 3% urban). The district was earlier part of the Rohtas district. The district headquarters is located at Bhabhua. The district is divided into two sub-divisions – Mohania and Bhabhua.

The district is major agricultural area in Bihar and produces rice, wheat, maize and sugar cane.

District map of Kaaimur (Bhabhua) is presented below.

Figure 19: Kaimur district map, Bihar



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Map Compiled by NIC



4.3.1

Production and Procurement of wheat and rice in Kaimur

The following section provides an understanding of production and procurement level of food grains in the Kaimur.



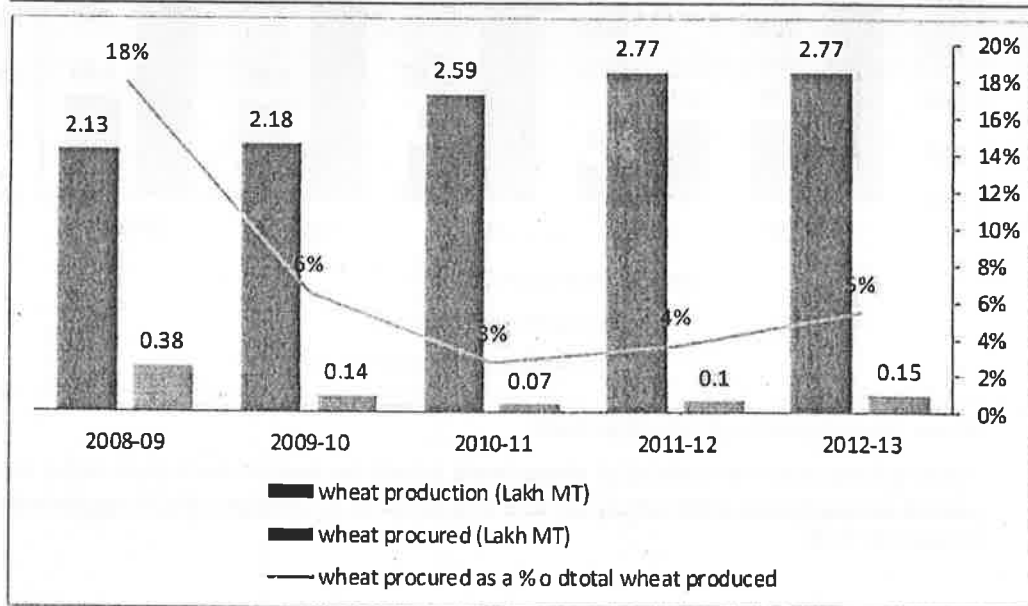
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4.3.1.1 Wheat production and procurement in Kaimur

The average production of wheat in Kaimur district in the last five years was 2.4 lakh MT. The procurement of wheat in year 2008-09 was around 18% and 21% of the total wheat production for Kaimur; however the procurement gradually decreased to 5% in the year 2012-13. In 2013-14 season, the procurement was nil as mentioned earlier.

There has been steady increase in production of wheat, largely due to increase in productivity. The production in Kaimur grew at a CAGR of 6.4% in the last five year. However, the procurement varies between 10,000 MT to 40,000 MT of wheat.

Figure 20: Wheat production and procurement in Kaimur district



Source: Food Corporation of India: Bihar Region

4.3.1.2 Rice production and procurement in Kaimur

There has been steady increase in rice production as well, except for in 2008-09, in the last five years. The average production of rice in Kaimur in the five years till 2012-13 was 2.38 lakh MT.

The procurement level of rice for Kaimur was at 32% of the total rice production in the year 2012-13. There has been increase in procurement in the recent years, where rice procurement has been at an average of 22%. Rice procurement, as compared to wheat procurement, is significantly higher in the range of 40,000-90,000 MT per annum.

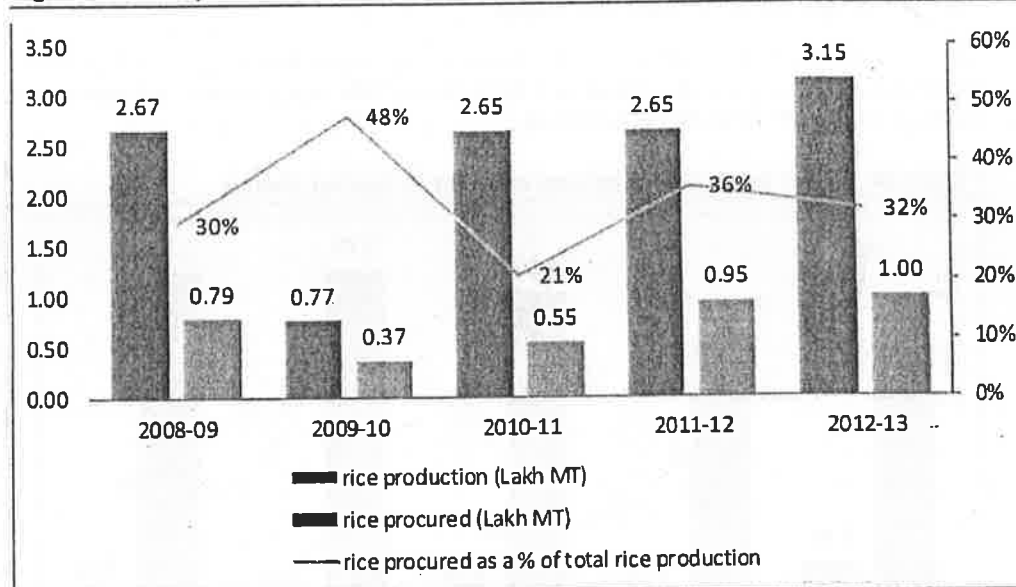


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Figure 21: Rice production and procurement in Kaimur district



Source: Food Corporation of India: Bihar Region

While rice and wheat is produced at similar levels in both the district, rice is produced at an average yield of approximately 2800 tonnes per acre and wheat at an average yield of approximately 3500 tonnes per acre.

4.3.2 PDS requirement in Mohania and Buxar

There are approximately 1.77 lacs and 2.77 lacs BPL families in Buxar and Kaimur district of Bihar, which are entitled to receive food grain at subsidized rates through the PDS network. The PDS requirement for the two districts is likely to increase after the implementation of National Food Security Act. The annual PDS requirement of Kaimur and Buxar district is tabulated below:

Table 8: PDS requirement in Buxar and Kaimur

District	Food grains			
	Monthly targets (MT)			Annual target (Lacs MT)
	Wheat	Rice	Total	
Kaimur	2,205	3,549	5,754	0.69
Buxar	1,809	3,155	4,964	0.60

Source: Food Corporation of India: Regional Office, Patna

4.3.3 Food grain storage capacity in Kaimur and Buxar

The grain production is comparatively higher than the PDS requirements in both the districts. However, the procurement capacity is restrained by limited storage capacity in both the districts. The food grain

storage capacity available with FCI and various state agencies in Kaimur and Buxar district is provided in the table below:

Table 9: Food grain storage capacity available with FCI and State Agencies

Type of storage facility	Owned /Rented	Food grain Storage Capacity of Warehouses in Bihar Thousand MT	Remarks
Kaimur :			
Available with FCI in Kaimur			
Covered	Owned	8.90	-
Available with state Agencies in Kaimur			
Covered	Owned	0.70	
	Hired	1.62	From private players
	Total Covered	2.32	
Total storage capacity in Kaimur		13.54	Equivalent to 0.14 lakh MT
Buxar :			
Available with FCI in Buxar			
Covered	Owned	29.36	
Available with state agencies in Buxar			
Covered	Owned	0.00	
	Hired	3.63	From private party
	Hired	0.50	From Bajar Samiti
	Total Covered	4.13	
Open	Owned	16.65	
Total storage capacity in Buxar		54.27	Equivalent to 0.54 lakh MT

Source: PDS e- portal

4.4 Gap in food grain storage capacity in Kaimur and Buxar

In year 2012-13, the production of wheat in Kaimur and Buxar district was 2.77 lakh MT and 2.64 lakh MT respectively, whereas the procurement level of wheat in Kaimur and Buxar in the same year was lower at 0.15 lakh MT and 0.09 lakh MT respectively. Similarly, in the year 2012-13, the production level of rice in Kaimur and Buxar district was 3.15 lakh MT and 2.47 lakh MT, whereas the procurement level of rice in Kaimur and Buxar district was lower at 1.00 lakh MT and 0.5 lakh MT.

The cumulative storage current storage facility available in covered form with FCI and state agencies in Kaimur and Buxar is 0.68 lakh MT. Though additional 16.65 thousand MT of storage capacity is available with FCI in open form, the same is not desirable as storage in such forms is susceptible to damages from vagaries of nature.

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This storage requirement may even go higher as there is significant potential for increasing the procurement levels of food grains in Kaimur and Buxar.

Based on the current storage requirement for short to medium term (1,30,000 MT of grains for PDS requirement), current storage capacity (~55,000 MT) and considering the future potential, Food Corporation of India has estimated storage requirement of 50,000 MT for each location in Kaimur and Buxar. While the 50,000 MT storage facilities was earlier proposed for storing only wheat, it is also proposed to store rice in silo, given the current procurement levels of rice in these two locations and the advantages of storing rice in Silos (the advantages of storing rice in silo are discussed in details in the following section). A lower capacity is suggested for rice silo given (i) the higher level of capital and operating costs of rice silos, (ii) likely lower period of storage period for rice and (iii) the rice in silo for long term storage will be first of its kind arrangement for the implementing agency. It may be noted that the rice silo capacity can also be used for wheat storage while the storage of rice in wheat silos is not practical. The break-up of recommended optimum silo configuration for storage of wheat and rice is given below:

Table 10: Proposed Optimum silo capacity

Food grains	Proposed Capacity
Wheat	37,500 MT
Rice (capable for wheat storage as well)	12,500 MT
Total capacity	50,000 MT

The modern foodgrain storage proposed in Buxar and Kaimur district is for meeting requirement of local PDS network of Bihar state. Thus, the distribution of food grains is limited to nearby districts (with distance of 20-300 Kms). Also, Bihar being a deficit state in future it is unlikely that Bihar will be exporting grains to other states regularly. Thus the distribution of wheat and rice to cater to the local PDS requirement would be done locally via roads.

4.5 Conclusion

The total production of wheat and rice in both the districts is around 11 lakh MT. On the other hand the storage capacity is very limited at 0.54 lakh MT. The PDS requirement for both the districts is estimated at 1.3 lakh MT. Further, the PDS requirement is expected to increase to 1.8 lakh MT after the implementation of food security act. On the other hand, the procurement is just about 1.6 lakh MT. Both the districts have potential to procure more and supply the surplus grains to other districts in the states, considering that the state is deficit in terms of procurement. Currently the procurement is limited by storage capacity in addition to other reasons mentioned before while there is significant potential for procurement of wheat and rice in the two districts. The analysis shows that there is need for storage capacity in the two districts and the proposed capacities of 50,000 MT will help in meeting the storage requirement and acting as a stimulant for higher level of procurement by state agencies in the two districts. Considering that rice is a significant crop in terms of production and demand, the storage capacity should also cater to rice storage. A relatively smaller capacity for rice silos is suggested for reasons discussed in the section above.

The subsequent chapter discusses the optimum configuration for the proposed storage capacities under the pilot project.



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5. Project configuration for pilot project

In this chapter, the advantages of modern silo storage for wheat and rice and the optimum configuration for the pilot project are discussed.

5.1 Modern storage Infrastructure

The conventional storage systems (warehouses etc.) are not completely able to address the need for efficient storage systems as losses continue to be high, with estimated losses in the range of 5-10%. Therefore, an improved storage infrastructure, which can considerably reduce wastage as well as improve efficiency in the supply chain, is a need. In addition, conventional storage systems are not compatible for bulk handling and transport. In addition, conventional storage systems are not compatible for bulk handling and transport.

5.1.1 Silo as a modern storage infrastructure

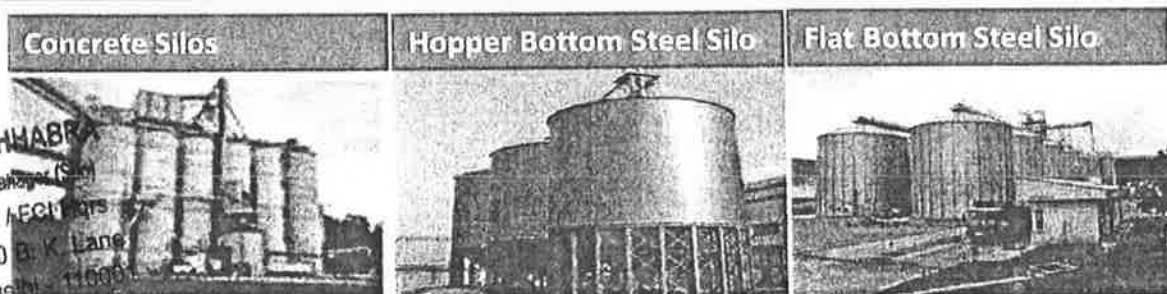
The silo offers the benefit of reduced wastage and improved efficiency in handling. The silo also enables better monitoring of the stock and more effective fumigation in water-tight enclosed structures, allow for extended period of storage with limited impact on the quality of grains. This period of storage can extend up to 3 years for wheat in Indian conditions. Further, through usage of mechanized handling equipment, the handling losses can be drastically reduced compared to the manual handling of bags. Through the use of technology, including automated systems, the monitoring of quality and quantity of the stored stock can be more effective, leading to an overall improved quality of service.

As a result of the benefits of silos, silos are increasingly becoming the preferred storage method. The major grain producing countries like USA, Canada, and Australia use silos for grain storage. Other major wheat producers like China are also shifting towards bulk storage in silos.

Types of silos

Silos are essentially tank like structures and can be made out of concrete or steel. Steel silos are mostly of two types: hopper bottom and flat bottom silos. Concrete silos are mostly flat bottom silos.

Figure 22: Types of silos



Traditionally, concrete silos were considered to be safe and long lasting options for bulk storage. But with improved technology in steel silos allowing for large capacity steel silos, the trend has changed in favour of steel silos.

Benefits of silos

The following table compares various functional parameters of conventional storage and silo storage and highlights the benefits of steel silos.

Table 11: Comparison of conventional and modern storages

Functions	Conventional Storage	Silos Storage
Storage period	Up to 2 years	Up to 3 years
Land required	2.25 acres for 5000 MT	About 1/3 rd of conventional storage
Operations	Labour intensive operations	All operations can largely be mechanized
Food grain quality	Significant deterioration for storage beyond 1 year	Limited deterioration up to 3 years
Effectiveness of fumigation	Moderate effectiveness	High effectiveness
Pilferage	High	Negligible due to enclosed structure and mechanical handling
Capital Cost	Rs. 5500 per MT	Rs. 6500 per MT ²⁴

The capital cost of conventional storage is less than silo storage. However, if the benefits of reduced wastage are considered, the silo offers better economic benefits and hence it is Silos are becoming the preferable mode of food grain storage globally *Comparison of steel and concrete silos*

A silo may be constructed using concrete or steel (sheet metals). Traditionally, concrete silos were preferred. However, steel silos are preferred now because of reduced capital cost and greater flexibility offered by steel silos. A comparison between steel and concrete silos is presented below.

Table 12: Selection criteria for type of silos

Parameter	Concrete Silo	Steel Silo
Capital expenditure	About \$350 per ton of storage capacity	About \$ 120 per ton of storage capacity
Construction time	More than 24 months	15-18 months
Life span	About 50 years	About 30 years

²⁴ Excluding land cost

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Parameter	Concrete Silo	Steel Silo
Maintenance process and its cost	Tedious and costly	Simple and cost effective
Effects of heat	Negligible	Needs ventilation system to counter the effect of heat and cold
Salvage value	Almost nil	More than 20%; Helps in project feasibility

As can be seen above, steel silos offer better advantage in terms of cost and flexibility, while concrete silos offers benefits in terms of longer life. Owing to benefits mentioned above and easy availability of large capacity silo bins, steel silos are being increasingly preferred over concrete silos.

5.2 Storage of rice in steel silo

5.2.1 Concept of bulk storage of rice

In India, paddy has been traditionally stored in bagged storage form with the same being milled as per the requirements. The bulk storage of rice has been a limited practice. However, countries like Thailand and Taiwan are increasingly moving towards bulk storage of rice due to its advantage in terms of better storage efficiency and longer term storage potential. A similar approach of storing rice in silo with cooling facility is being proposed in the pilot project. It is expected that the experience from this form of bulk storage will induce adoption of this practice in the country.

5.2.2 Advantage of bulk storage of rice

The rice stored in paddy form leads to low storage efficiency as about 35% content in paddy form of storage- paddy husk and bran- is of low commercial value. The storage in milled rice form will improve the storage efficiency.

The advantages of bulk storage in form of lower wastage can also be derived in this form. As per Food and Agriculture Organisation (FAO), the post-harvest losses in food grain including storage losses are to the tune of 6%. Modern bulk storage methods like silo can help reduce the storage losses. While the costs of bulk storage rice in silo is costlier, in terms of higher capital costs and additional operating costs in form of chilling, these can be offset by the benefits of reduced losses.

5.2.3 Need for cooling

Rice grain has a starchy endosperm, which gets exposed in the absence of protective layers like husk or rice bran. The milled rice endosperm reacts quickly to high temperature and moisture content during storing conditions, which results in discoloration of rice to yellow, orange or even reddish in color (typically called as Post Harvest Yellowing PHY). Such characteristics of rice endosperm, results in storage losses because of high level of infestations and biological degradation. Thus it is required to store rice grains and maintain conducive storage conditions like low temperature and low humidity.

The cooling of rice also inhibits the growth of mold, fungi, insects, weevils, beetle etc. thus substantially reducing infestation. The reduction in infestation can also be achieved by creating a modified

atmosphere through use of gases like carbon dioxide and nitrogen. However, creating such inert atmosphere requires air tight structure which increases cost and complexity of construction. Therefore, cooling is thought to be better method than creating modified atmosphere.

Thus while cooling can increase cost of storage, the benefits of better quality of storage is significant. Substantial research²⁵ globally has been undertaken to substantiate the fact that rice can be stored under chilling conditions in bulk in humid tropic conditions with very low storage losses.

The refrigerant type of chiller using ozone friendly gases commonly used world over. The refrigerant system used for the storage conditions of rice are either water cooled or air cooled. Water cooled chiller has its own short coming due to sanitation issue and its reduced immobility. Therefore, mobile air cooled chillers are preferable. The capacity of the chiller depends upon atmospheric conditions and the number of days required for achieving requisite chilling conditions. Under humid conditions it is advised to accomplish chilling in shortest possible time and the capacity should be accordingly selected.

5.2.4 Optimised storage capacity

Rice storage in bulk form has greater compaction factor and greater resistance to air flow, relative to wheat. These characteristic reduce the optimum size of silo for rice storage relative to wheat. Further, the silo needs to be optimised for air cooling as well. When chilling is carried in silos, a high moisture zone travels with the air flow. This moisture zone can affect the quality of rice under storage if not removed quickly. Thus taking into consideration the resistance to chilled air flow and the minimization of cooling time, a storage size of 3000 to 3500 could be considered to be an optimum capacity for a rice silo. One large wheat unit of 12,500 MT is being replaced by a capacity of 3125 MT per rice silo.

In order to improve the economic life of storing rice in silo for a longer term a chilling condition at 15 degrees C is required to maintain the moisture level at 12%. The cooling unit should be able to cool 3125 MT silos in less than a week's time (Time required for initial cooling is estimated at 168 hours). With an average energy consumption of about 80 Kwatt per hour and average unit cost estimated at Rs 10 (mix of diesel generated electricity and grid electricity), the initial chilling charge is estimated at Rs. 43 per ton (For clarity, this charge will be applicable each time rice is brought into the silo facility for the purpose of storage). Due to substantial loss of cooling due to higher ambient temperature, additional chilling of 150 hours would be required in a yearlong storage period; this chilling maintenance charge is estimated at Rs. 38 per ton/year. The chilling charges in case of rice shall be based on capacity of rice silos that are occupied (weather partially or fully) and not on the actual quantity of rice handled or stored.

5.3 Components of steel silo

The silo storage system consists of land required for construction of silo bins, storage system and handling system.

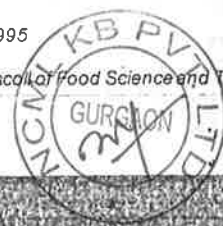
The land requirement for the facility depends on factors such as overall grain storage capacity, size/dimensions of individual storage bins and ancillary handling facility. An area of 7 acres is estimated is required for a 50,000 MT capacity. This estimate is based on the optimal layout..

The storage system consists of storage bins and equipment for processing (cleaning, weighing, drying, monitoring, fumigation, aeration). The storage system can be of varying sizes based on the

²⁵ Chilled Grain Storage in Humid Tropics by Professor Fred W Bakker, 1995

Chilled conditioning of milled rice by Purdue University USA, 1993

Effects of chilled aeration on grain quality by Sezednicki, M. Singh and Driscoll, Food Science and Technology, Australia



requirements. A larger system offers better economies of scale. The handling system consists of conveyors and bucket elevators, together required for the movement of grains within the silo complex, from the receipt point to the storage bins and then to the discharge point.

Figure 23: Physical components of the silo storage system

Land	<ul style="list-style-type: none"> • Land for storage and Handling system • Requirement of about 7 acres for a 50,000 MT facility
Storage system	<ul style="list-style-type: none"> • Comprising of Silos, Aeration, Fumigation, Cleaning, Drying, Conveyor & Monitoring equipments
Handling System	<ul style="list-style-type: none"> • Intake system (Unloading systems, Collecting silos, Conveyors, Weighing & Drying systems) • Dispatch system (Conveyor, Bulk Loading & Bagging system)
Cooling unit (in case of rice silo)	<ul style="list-style-type: none"> • Chillers to cool rice silos at rate of 168 hours for initial cooling • Chillers to cool rice silos at the rate of 150 hours per annum for maintenance cooling

Auxiliary components of a steel silo:

The following auxiliary components would be required for efficient working of the silo unit:

Table 13: Auxiliary component of steel silo

Auxiliary Components of Silos Storage	Requirements
Aeration fans and aeration floor	Double F or Double H or 100% aeration floor, aeration fans having capacity between 4.5 to 6 meter cube per hour per ton
Temperature monitoring system	12500 MTs silos should have 13 to 15 temperature cables having 9 to 11 temperature sensors per cable
Stationary vents and mechanical ventilators	Sufficient stationary vents for perpetual ventilation and mechanical ventilators to safeguard the condensation at the head space of the silos
	A close loop fumigation system either from the aeration fans or a separate phosphine generator
	Material handling system enabling shifting of wheat and rice from one silo to another in case it is required to cool the wheat and rice to atmospheric temperature



Auxiliary Components of Silos Storage	Requirements
Internal Process Quality Control (IPQC)	Material Handling system should have provision to re circulate the wheat for drawing the samples for lab analysis required for IPQC

5.4 Recommended silo configuration

The food grain storage requirement in the Buxar and Kaimu district is expected to largely meet the requirements of PDS network in the district and other parts of Bihar. Given the present requirements and the likely need in the medium term, the storage duration for grains is likely to be short term. However, given the rising trend in agricultural production, the storage period may increase in future. Based on the benefits of quality preservation as well as lower handling losses combined with the possibility of longer term storage, steel silo offers a modern and scientific storage option.

Size of storage capacity: Based on the present procurement levels as well as potential for enhancement in procurement, FCI has identified a storage requirement of 50,000 MT for wheat at each of the two locations. The capacity may be divided into silos of 12, 5000 MT as has been suggested by FCI this size if considered optimum size.

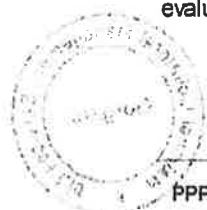
Given the high level of rice production and procurement in the two districts, the silo can also cater to rice storage. However, rice storage will require additional investment in cooling equipment and extra land given the limitations on size of silo bins for rice storage (Max 3500 MT per silo bin for rice storage as compared to 12,500 MT for wheat). Moreover, the turnover in the rice silo is expected to be higher. Therefore, a smaller capacity is recommended for rice. It is recommended that one 12,500 MT wheat silo be altered to 4 units of 3125 MT units with facilities for rice storage. This facility can also serve as wheat storage in case required.

Handling equipment: The silo will receive grains by road from the adjoining areas. While the stored grain in the silo will mostly be drawn to meet the local and state level PDS requirements. This implies movement of grain from silo is up-to 300 km largely. Given the present procurement levels and potential, this situation is likely to remain in the short to medium term. In order to handle such inflow and off take, the silo should capabilities to handle intake by road in bulk or bagged form and off-take by road in bulk or bagged form.

The handling equipment for silo will comprise intake system comprising weighing systems unloading system, belt and bucket conveyors, bulk loading system for trucks and bagging system. A warehouse for temporary storage of bags would also be required.

Cooling units: in order to improve the economic life of storing rice in silo for a longer term a chilling condition at 15 degrees C is required to maintain the moisture level at 12%. The cooling unit under consideration should chill about 3125 MT silos in less than a week's time and should subsequently maintain the desired temperature in rice silos.

In addition, other facilities like laboratory for testing grain, fumigation facility, office space, fire-fighting equipment, parking space for trucks, a power back-up facility is suggested. Based on technical evaluation, the recommended list of facilities at each of location is suggested as follows:



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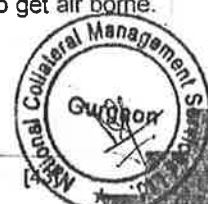


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Table 14: Recommended list of facilities at each location

Particulars	Sub- Particulars
Long Term Storage Silos	<p>3 numbers of flat bottom sheet metal silos, each of 12,500 Metric Ton and 4 numbers of flat bottom sheet metal silo, each of 3,125 Metric ton built as per Standards and Specifications totaling to a Capacity of 50,000 Metric Ton (MT)</p> <p>Each of the Long Term Storage Silo shall be fitted with stationary vents and mechanical ventilators, aeration fans and aeration floors and temperature monitoring system</p> <p>The Long Term Storage Silos are to be top loading and bottom discharge. The intake capacity of the conveying system attached to each of the Long Term Storage Silo should be minimum 125 Tons Per Hour (TPH) and discharges of the silos including the discharge by sweep augur at minimum 100 Tons Per Hour (TPH).</p>
Truck parking area	Of area sufficient to allow for parking of 50 vehicles
Lorry Weighbridge	2 numbers of weighbridge with minimum weighing capacity of 60 MT
Laboratory for quality testing of wheat and rice	<p>Laboratory equipped to test at least 40 samples per hour as per the FAQs (Fair Average Quality) parameters</p> <p>Testing facilities including, but not limited to, moisture meter, Dockage testing, Sample divider, sensitive lab scale, sieve sets, a foot long sample probes, four feet long sample probes and oven for moisture calibration</p>
Grain intake system	<p>Grain intake system comprising of unloading station with dump pits arrangement comprising of four hopper bins covered with MS grating suitably connected through a conveyor to Pre-Storage Silos.</p> <p>The unloading station should be at ground level and have minimum dimension of 16 meters by 3 meters. The Food Grains in bags are to be opened at the unloading station and unloaded into the dump pit while the Food Grain in bulk at to directly unloaded into the dump pit.</p> <p>The unloading area should have at least one hydraulic tippie of dimension 3 meters by 9 meters.</p> <p>The conveying system should comprise of two chain or belt conveyors & should have combined capacity of at least 125 Tons per hour (TPH).</p> <p>The hopper discharge should have regulator valve gate to regulate the discharge of Food Grain.</p> <p>A suitable shed to protect the unloading station from rain to be provided.</p> <p>Dust suppression system to prevent dust from dumping operations to get air borne.</p>


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Particulars	Sub-Particulars
Process Tower	Comprising of Cleaner and online weigher of minimum 125 Tons Per Hour (TPH) capacity to be sequenced vertically in a tower along with the provision of bag filter in one of the floor and separate dust collection bins on the ground floor
Bulk Truck Loading System	One silo of minimum 100 MTs to be provided beside the Process Tower having the flow from the online weigher with discharge for loading trucks in bulk
Bagging system	Semiautomatic weigher and bagger mechanism is required which can be two stations of 30 Tons Per Hour (TPH), with individual surge bins of 50 MTs each
Bag Storage Warehouse	Warehouse with minimum capacity of 3000 MT and minimum area of 1875 square meters and complying with warehouse related norms of Food Corporation of India / Central Warehousing Corporation. The Warehouse should be have good cross ventilation and have the requisite plinth area and should be rodent and fire proof.
Fumigation system	A closed loop fumigation system, either from the Silos' aeration fans or separate centrifugal fan or a separate phosphine generator

A proposed layout of the silo facility is provided in Annexure I.


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6. Financial assessment

In this chapter, the project cost for the pilot project comprising of 50,000 MT capacities at two locations and the financial grant requirement is assessed.

6.1 Financial structure for the project

The project implementation model envisages a structure wherein the private sector concessionaire invests in land, equipment and construction costs operates and maintains the facility for a period of 30 years. The concessionaire is also expected to provide handling facility for food grains in lieu of storage and handling charges. It is expected that with the recommended level of storage and handling charges, the facility will not be commercially viable. In order to make the project commercially viable, a financial grant will be provided by the government. In addition, there is proposal to provide soft loan to concessionaire, up-to 30% of the total project cost, which will reduce cost of finance.

The financial assessment of the project has been carried out based on the recommended project configuration.

6.2 Estimated capital expenditure

As mentioned, the private sector concessionaire is expected to invest in land, equipment and construction of the silo facility initially. The cost for construction of 37,500 MT silo capacity for storage of wheat and 12,500 MT silo capacity for storage of rice is estimated to be around Rs. 33.48 crores at each location and the cumulative project cost for construction of 75,000 MT silo capacity for storage of wheat and 25,000 MT silo capacity for storage of rice at both locations is Rs. 66.96 crores.

The following key inputs have been taken into consideration for estimation of the project costs

- Silo Complex Location
 - Locations for the silo facility are to be identified in areas of significant procurement or consumption or both
 - Location identification needs to keep in consideration the minimizing of logistics cost and capital cost
 - Estimated 7 acres of land is required to construct the aforesaid facility, expected in a non-urban location of Mohania and Buxar.
- Storage Capacity
 - Storage capacity has been determined based on procurement and consumption – current and potential, likely stock turnover, and the storage capacity gap
 - A silo complex of three 12,500 MT silos for storage of wheat and four 3125 MT for storage of rice at each location is optimal in combination on the basis of our assessment
 - As part of the proposed project, Buxar and Mohania, are proposed to be clubbed together to form a cluster. The total storage capacity of the cluster will be 100,000 MT.
- Bagging Facility
 - Bagging facility is required as the dispatch is for distribution in the local area, wherein the grains would be bought by farmers at mandi in bulk form and would be dispatched in bag form
- Chilling equipment:
 - For rice silo bins, additional chilling equipment is required to maintain the moisture level of the grains at the desired level.

Keeping in view the above considerations, the major elements for the project comprises of the following:

1. Storage and handling system: comprising of silos, civil structure, cleaning and aeration, conveyors, chilling equipment (for rice silos only) weighing and monitoring equipment
2. Land: The estimated land requirement for three 12,500 MT capacity wheat silos and four 3,125 MT rice silos is 7 acres.
3. Other project costs: These would include financing cost (interest during construction, pre-operative expenses and contingency).

The total capital expenditure per location for this configuration is estimated at Rs. 28.72 crores excluding land. The break-up of the capital expenditure is presented below. The other project cost elements have been clubbed with the main elements on a pro-rata basis for better comparison.

The break-up of project cost component for construction of three 12,500 MT silos for storing wheat and four 3,125 MT silos for storing rice is shown under:

Table 15: Estimated project cost for 3 12,500 MT silos for storing wheat and 4 3,125 MT silos for storing rice

Stand-alone silo: Item wise costs *	Amount (Rs Cr)
Building and Civil	10.26
Silos Structure	8.37
Material Handling Equip.	5.39
Electrical including DG	1.76
Misc. Fixed Assets	2.94
Sub- Total	28.72
Land	
Land for stand-alone silos (7 acres at Rs 12 lakh / acre of acquisition cost)	0.84
Others	
Pre-operative Expenses	0.59
IDC	1.74
Contingency	1.59
Sub-Total	3.93
Grant Total (for 50,000 MT capacity)	33.48
Grant total for the cluster (100,000 MT)	66.96

The details of each project cost component and the rational for selecting the type of each component is provided in the Annexure I.

Building and Civil construction:

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Building and civil construction cost would consist of cost required for constructing the civil structures for steel silo complex, bag storage godown, administrative office, security office and parking area. A brief break-up of building and civil cost component is given below:

Table 16: Building and civil construction components

Components	Particulars	Area in Square meters	Rate as per civil design expert (per square meter)	Amount in Rs. crore
Silo Foundation Trenches and Elevator pits	A foundation trench for excavating ground of dimension 150 M x 35 M and elevator pit of dimensions 26 M x 26 M for digging the ground to lay the foundation for constructing base of a silo steel component	5915	6000	3.55
Bag storage godown	A godown of the dimension 75M x 25M to store approximately 2500 MT of bags to be constructed in the vicinity of silo bins for efficient operations	1875	8500	1.59
Utilities and maintenance work shop	A utilities and maintenance workshop of the dimension 25M x 25M to be constructed	500	8500	0.43
Administrative office	An administrative office building of the dimension 20M x 20M to take care of administration at the project site is required. The building needs to be constructed with brick wall and should be Reinforced Cement Concrete (RCC) proof	100	12000	0.12
Security room	Security room of the dimension 10M x 6M to ensure project site safety is required. The building needs to be constructed with brick wall and should be RCC proof	60	9000	0.054
Weighbridges	2 weighbridges of the dimension 20 M x 4 M for weighing vehicles with its based RCC pit and RCC proof is required	160	4500	0.072
Access Road	An internal road of approximately 1200M in length and 10 M wide with Water Bound Macadam (WBM) and	12000	2000	

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Components	Particulars	Area in Square meters	Rate as per civil design expert (per square meter)	Amount in Rs. crore
	Bitumen Macadam coating for connecting the site to the main road is required			
Car parking area and truck unloading area	Car parking area of the dimension 15 M x 12 M + Truck unloading area including intake pits area with concrete paved area of 65 M X 60 M	180 + 3900	1800	0.73
Truck unloading area + parking area	Truck parking for empty/loaded trucks with WBM and Bituman top coat of the dimension 45 M x 45 M is required	2025	1500	0.30
Others	Storm water discharge pool/ Rain water harvesting pool with side brick walls and soft soil base of the dimension 15 M x 35 M to soak water	525	1200	0.063
	Boundary walls including gates and barbed wires of dimension 750 M x 3 M	2250	1200	0.27
	Soft landscaped area	1000	1000	0.10
Total				10.26

Detailed civil estimates are provided in Annexure II.

Long term silo structure:

Long term silo structure will consists of 3 flat bottom silos of 12,500 MT and 4 flat bottom silos of 3125 MT with aeration fans, aeration floor, temperature monitoring, vents, ventilators, catwalks and stairs. The break-up of silo structure of Rs. 8.37 cores is provided below:

Table 17: Break-up of silo structure

Components	Equipment	Quantity	Capacity	Total cost (in crore)
Long term silos	Flat bottom silos with	3+4	3 of 12,500 & 4 of 3125 MT	7.92

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Components	Equipment	Quantity	Capacity	Total cost (in crore)
	Auxiliary facilities like aeration fans, temperature monitoring			
Pre-storage silos	Hopper bottom silos	2	250 MT	0.44
Total				8.37

Material handling equipment:

Material handling equipment for handling the intake/out-take, storing and weighing the grain would be required. It would majorly consists of weighbridges, chain conveyors, elevators, bagging machines, and chiller (applicable only in case of silos used for storing rice). The detailed break-up of each component under material handling equipment is provided in Annexure II.

Electrical including DG set:

An electrical set for power connection to the site, inclusive of diesel generator (DG) for emergency power supply would be required. The total cost estimated for setting up an electrical unit along with DG set is Rs. 1.76 crore.

Miscellaneous fixed assets:

Miscellaneous fixed assets will consist of lab equipment for quality testing of grains, compressors and phosphine generator, which would cost approximately Rs. 2.94 crore as per our technical expert estimates.

Land:

The land would be procured by the concessionaire prior to the commencement of the concession and the land would be transferred in the name of the implementing agency at the beginning of the concession. The consideration for transfer of land title in the name of government is proposed as 'the land acquisition cost' and the average of applicable circle rate for the two locations as per the new Land Acquisition and Rehabilitation (LARR) act.

During our visit to the two locations, we assessed the possible locations for the project and availability of land in the two districts. While the cost of land varies from place to place in the two districts, the location of the project site is assumed would be a rural area in the two districts. The approximate land cost for the two identified locations is given below:

Table 18: Approximate land cost at the two identified locations

Type	Land Requirement (acres)	Land cost as per circle rate (Rs/per acre)	Land acquisition cost (Rs Lakhs/Acre)
	7	600,000-2,000,000	12

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Type	Land Requirement (acres)	Land cost as per circle rate (Rs/per acre)	Land acquisition cost (Rs Lakhs/Acre)
Mohania	7	500,000-1,800,000	12

Given the range of land cost as per circle rate,, an average compensation cost of Rs. 12 lakh per acres is considered for the project, thus the total cost of land for stand-alone silos for 7 acres at the rate of Rs. 12 lakh per acres comes to around Rs. 0.84 crore.

Soft costs:

Soft cost for the project would be in form of pre-operative expense, interest during construction (IDC) and contingencies. The preliminary and pre-operative expenses which would consist of project consultant fee, documentation fee etc. is considered to be around 2% of the total project cost and contingencies to incorporate the price-escalation in project component is assumed at 5% of the total project cost.

6.3 Financial Analysis

6.3.1 Tariff structure

A three-part user charge structure based on the type of services provided is recommended for the project. The components are (a) fixed charge, linked to capacity (availability based payment), (b) variable charges (linked to food grains stored in the facility), and (c) bag handling charges.

The services to be provided against the charges are presented below.

Table 19: Basis of storage charges

Charge	Basis of charge	Services to be provided
Fixed charge	Linked to long-term storage capacity and availability	<ul style="list-style-type: none"> • Availability of silos for storage • Preservation of grains stored inside the silos
Variable charge	Linked to the quantity of food grains actually stored in the storage facility	<ul style="list-style-type: none"> • Receipt of grains • Weighing, quality testing, cleaning of grains • Moving grain from receipt point to long-term storage silos • Moving grain from long-term storage silos to dispatch point • Chilling cost applicable for rice storage in silo
Handling charge	Linked to the number of bags handled	<ul style="list-style-type: none"> • Unloading of bags and debagging at receipt point of the silos • Bagging • Bagging and loading of bags onto trucks/wagons at dispatch point

The guiding principles for the determination of user charges were as follows:

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- The estimated user charges should adequately compensate the concessionaire for its investments.
- The estimated user charges should optimize the financial grant requirement.
- The estimated user charges should be comparable with rates for similar services paid by the Implementing Agency.

The user charges have been determined based on the project and operating costs. While the costs may differ from project to project and location to location, indicative figures have been used to arrive at the appropriate level of tariff. Based on the assessment, the recommended level of user charges are as follows

Table 20: Recommended level of user charges

Charge	Amount (FY14 level)
Fixed Charge	Rs. 7.5 per quintal per month
Variable Charge	Rs. 0.5 per quintal per month for wheat and rice handling Chilling charge for each occupied silo (in case of rice only) <ul style="list-style-type: none"> ▪ Rs. 43 per ton for initial chilling (applicable on the basis of the rice received for storage) ▪ Rs. 38 per ton/year for maintenance chilling (periodic and pro-rata charge)
Bag Handling Charge	<ul style="list-style-type: none"> ▪ Rs. 1.20 per bag for de-bagging ▪ Rs. 1.75 per bag for bagging ▪ Rs. 1.83 per bag for stacking and loading of bags

The user charges are envisaged to be indexed to inflation and revised with the change in inflation. The following indexation is proposed:

- **Fixed storage charges:** Unit rate of Fixed Storage Charges payable for a year payable in nth Accounting Year in Rupees = (Unit rate for Fixed Storage Charges in Rs per ton per year for (n-1)th Accounting year) X (1-2%) X (1 + variation in Price Index between January of base year and January of nth year)
- **Variable charges:** Unit Rate of Variable charge for the nth Accounting Year in Rs per Ton = (Unit Rate of Variable charge in Rs per Ton for (n-1)th Accounting year) X (1+ variation in Price Index between January of base year and January of nth year)
- **Bag handling charge:** Unit Rate of Bag Handling Charges for nth Accounting Year in Rs per Bag = (unit rate of Bag Handling Charges in Rs. per Bag for (n-1)th Accounting Year) x (1 + (80% X (variation in CPI_n and CPI_b), where:

Where;

- CPI_n is the annual average of All India Consumer Price Index for Industrial Workers published by Labour Bureau, Government of India for the month of January immediately preceding the date of revision;
- CPI_b is the annual average of All India Consumer Price Index for Industrial Workers published by Labour Bureau, Government of India for month January immediately preceding the start of the base year

Base year is considered to be the year of concession agreement signing

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In case of rice storage, an initial chilling charge at Rs. 43 per ton and a maintenance chilling charge of Rs. 38 per ton/year for maintaining the temperature in rice silos at desired levels would be provided to the developer. The chilling charge will be applicable to the extent of capacity of rice silos that are occupied (weather partially or fully). This is because at a time a full rice silo would be chilled for initial or maintenance chilling purpose (and not the specific quantity of rice stored in case a silo is only partially occupied).

Based on our interactions with relevant people storing wheat and rice in Bihar, we learnt the labour and handling charges for rice and wheat is in the range of Rs. 7 to 10 per quintal. The handling cost of grains is expected to reduce significantly due to mechanized handling of grains at silos, in addition to reduction in the wastage. The variable charges (handling) are estimated at Rs 0.5 per quintal per month in the proposed silo complex.

6.3.2 Identifying key components of Operating Expense

The operating costs for a silo related operations may be broadly classified as manpower, electricity, preservation costs, repairs and maintenance and in case bag is being handled, bagging and /or debagging and/or bagging and related costs (in case bag is being handled). Some of these costs would be variable in nature and depend directly proportionate to on the volume of grains handled (turnover of stock). For storage of rice, in silo separate chilling equipment is required to maintain the desired moisture level of the grain. The cost for operating the chilling equipment is on monthly basis mostly related to electricity.

The operations cost estimates for project of 37,500 MT capacity of wheat silo and 12,500 MT capacity of rice silo is presented below.

Table 21: Operating Costs

Cost Head	Type	Unit	Cost per ton for wheat (Rs)	Cost per ton for rice (Rs)
De Bagging the 50 Kg bags	Variable	Rs. per ton	20	20
Fumigation and pest management	Fixed	Rs. per ton/year	20	20
Bagging, Stacking, loading cost	Variable	Rs. per ton	35	35
Manpower permanent	Fixed	Rs. per ton/year	85	85
Manpower security	Fixed	Rs. per ton/year	30	30
Electricity consumption	Fixed	Rs. per ton/year	27	27
Electricity consumption	Variable	Rs. per ton	63	
Repair and maintenance	Fixed	Rs. per ton/year	21	
Repair and maintenance	Variable	Rs. per ton	49	

Cost Head	Type	Unit	Cost per ton for wheat (Rs)	Cost per ton for rice (Rs)
Insurance	Fixed	Rs. per ton/year	15	15
Misc.	Fixed	Rs. per ton/year	20	20
Chilling (electricity consumption - each occupied silo*)				
Initial Chilling	Variable	Rs. per ton (of capacity of utilized silos)		43
Maintenance Chilling	Variable	Rs. per ton/year (of capacity of utilized silos)		38
Total			385	466

* The chilling cost will be applicable to the extent of capacity of rice silos that are occupied (weather partially or fully). This is because at a time a full rice silo would be chilled for initial or maintenance chilling purpose (and not the specific quantity of rice stored in case a silo is only partially occupied)

The de-bagging and bagging, stacking & loading costs would be applicable where grain in bags is being received at the silo and grain in bags in being dispatched from the silo. It is assumed for the purpose of this calculation that such activities will be part of the project and that the concessionaire will have to bear these costs.

6.3.3 Other Assumptions

The other assumptions considered for the financial analysis are presented below.

Table 22: Other assumptions

	Other assumptions	Units
WPI	5%	
Escalation in service charge	At 70% of WPI	
Cost of Debt	12%	
Debt Equity Ratio	70%	
Loan Tenure	8	Years
Moratorium on Principal	36	Months from COD
Corporate Tax (%)	33.99%	
MAT (%)	19.10%	
Depreciation	As per Companies Act. As per Income Tax Act for tax calculation	

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	Other assumptions	Units
Concession Period	31.5 years	Including 1.5 years of construction & 30 years of operations

Based on the above estimates, a financial model was created and financial assessment carried out to calculate the total project cost and assess the need for financial grant. The key indicators of the financial assessment are presented below.


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6.3.4 Key financial indicators

A snapshot of the key financial indicators is provided in the table below (Rs. Crore):

Table 23: Key financial indicators

Particulars	FY1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10	FY11	FY12	FY13	FY14	FY15
Total Income	-	-	5	5	5	6	6	6	6	6	7	7	7	7	8
Total operating cost	-	-	2	1	1	2	2	2	2	2	2	2	2	2	2
EBIDTA	-	-	3	4	4	4	4	4	4	4	5	5	5	5	5
PBT	-	-	1	1	2	2	2	2	3	3	3	4	4	4	4
PAT	-	-	1	1	1	1	2	2	2	2	3	3	3	3	3
Capital and VGF	2	9	9	9	9	9	9	9	9	9	9	9	9	9	9
Secured loans	3	12	12	12	11	10	8	6	4	2	0	0	0	0	0
Net block	4	21	20	18	17	16	15	14	13	12	10	10	9	8	7



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Particulars	FY1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10	FY11	FY12	FY13	FY14	FY15
Net current assets	-	-	2	3	5	6	8	9	10	12	14	17	21	25	30
DSCR			2.38	1.91	1.83	1.69	1.68	1.69	1.73	1.78	2.03				
Average DSCR	2.09														
Equity IRR	16%														

FY1 & FY2 are assumed to be the construction period and the operation period of silos is assumed to start from FY 2017. While the project is operation from FY 2017, the project has is capable of generating profit from FY 2020. The average DSCR at 1.36 and Equity IRR at 16% is above satisfactory levels.

Detailed income statement and balance sheet is given in Annexure III.



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6.3.5 Estimation of financial grant requirement

The financial grant of the project has been proposed as below:

- The VGF requirement at each location for the project has been estimated at Rs 6.6 crore or 19.62% of the project cost, assuming 16% EIRR, fixed storage charge of Rs. 7.5/quintal/month and storage of rice and wheat both
 - If we consider soft loan of 30% of project cost at interest of 8%, the VGF requirement at each location reduces to Rs. 5.1 crore or 15.22% of the total project cost, for storing wheat and rice at fixed storage charge of Rs. 7.50/quintal per month

However given the production of rice and wheat and advantages of storing rice in a silo bin, it is recommended to have storage for both rice and wheat. The increase in capital cost is justified by savings in wastages and handling costs.

The cumulative VGF requirement for the cluster is estimated at Rs. 12.6 crore

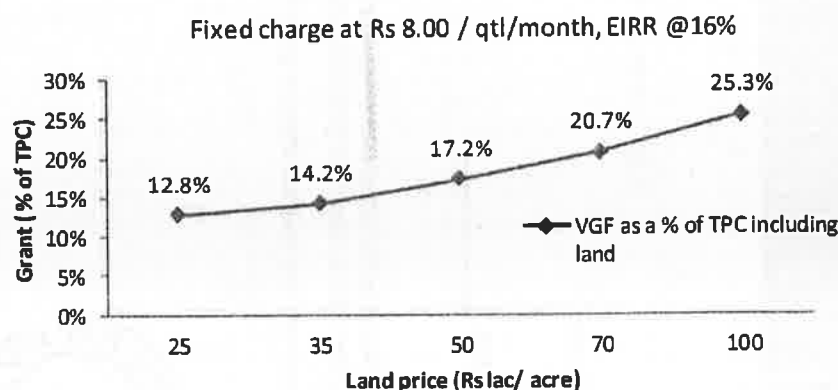
6.3.6 Sensitivity analysis

The sensitivity of the financial grant to different inputs have been analysed and presented below.

Financial grant vs. land cost

The level of financial grant increases with the cost of land. In the base case of Rs. 12 lakh per acre, the level of financial grant required is at 19.62 %, while the same increases to 21.78 % with the doubling of the land price.

Figure 24: Financial grant vs. land cost



Financial grant vs. project cost

The level of financial grant increases as the total project cost increases. A 5% increase in total project cost leads to increase in financial grant at about 3.50% (at EIRR of 16%, fixed charges at R. 8.00 per quintal per month)



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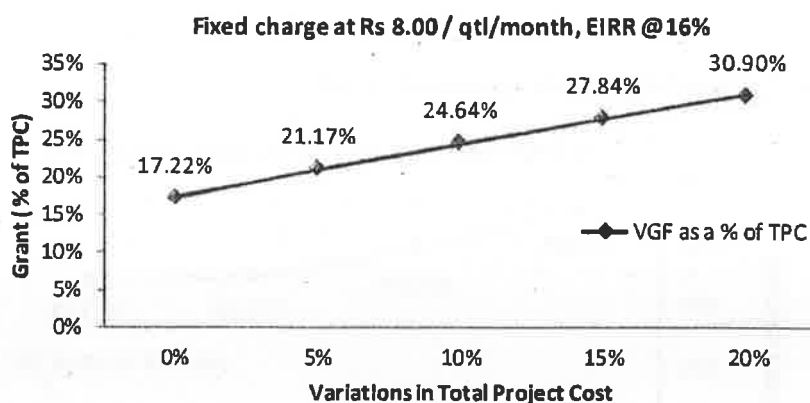
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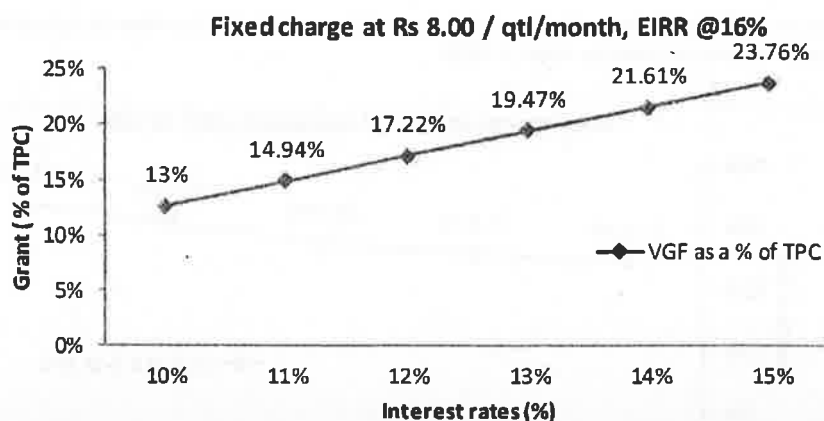
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Figure 25: Financial grant vs. project cost**Financial grant vs. interest rates**

The financial grant increases with increase in the average cost of debt. On an average, a 1% increase in interest rate leads to 1.94% increase in financial grant requirement. The base case interest rate is assumed at 12%.

Figure 26: Financial grant vs. interest rates**Financial grant vs. concession period**

The level of financial grant decreases as the concession period (in years) increase; however, as the concession period exceeds 40 years, the level of financial grant required is observed to be stable. In our base case scenario, the concession period is considered at 32 years.

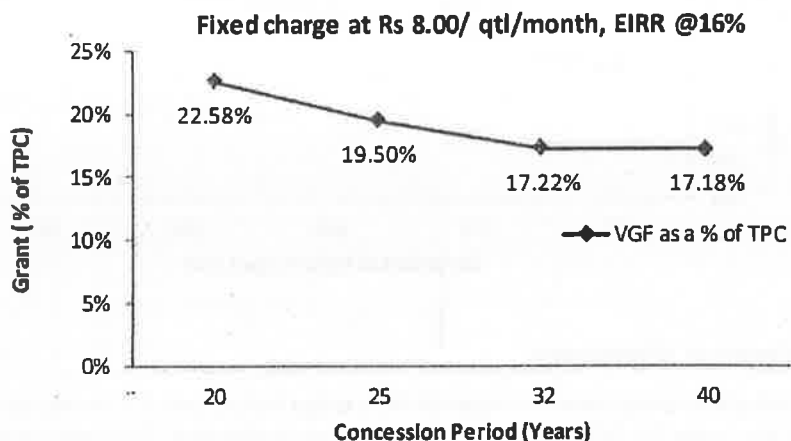
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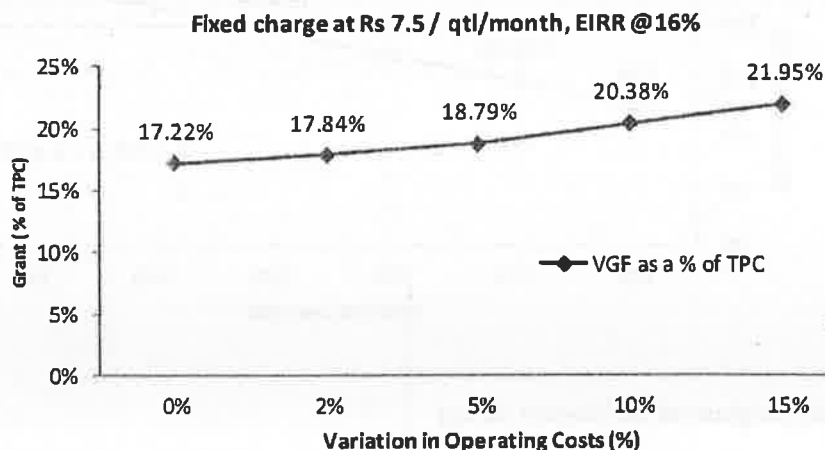
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Figure 27: Financial grants vs. concession period



Financial grant vs. operating cost

The financial grant increases with increase in operating cost. A 1% increase in operating costs results in increase in financial grant by about 0.62%.



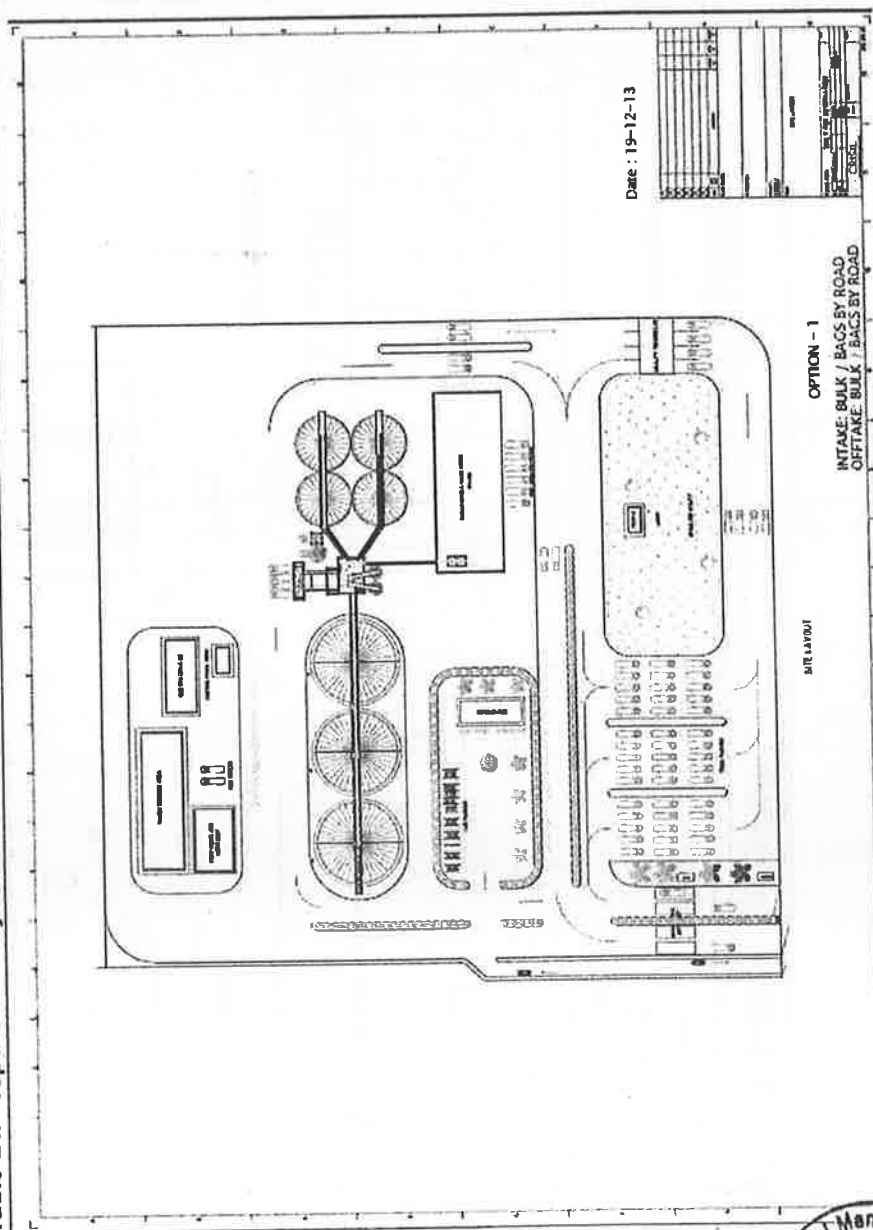
6.4 Conclusion

There is a substantial increase in the project cost due to addition chilling equipment for rice silo and due to requirement of additional handling system for rice silos. With a cumulative total project cost of Rs. 13.2 crore (including land cost) and a viability fund at Rs. 13.2 crore for the whole cluster, the project is feasible at EIRR of 16% (at a fixed storage charge of Rs. 7.50 per quintal per month). With an inclusion of soft loan of up-to 30% of the total project cost, the VGF requirement is Rs. 10.2 crores for the cluster and the project is feasible at EIRR of 16%, with a fixed storage charge of Rs. 7.50 per quintal per month.

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Annexure I

Table 24: Proposed site layout



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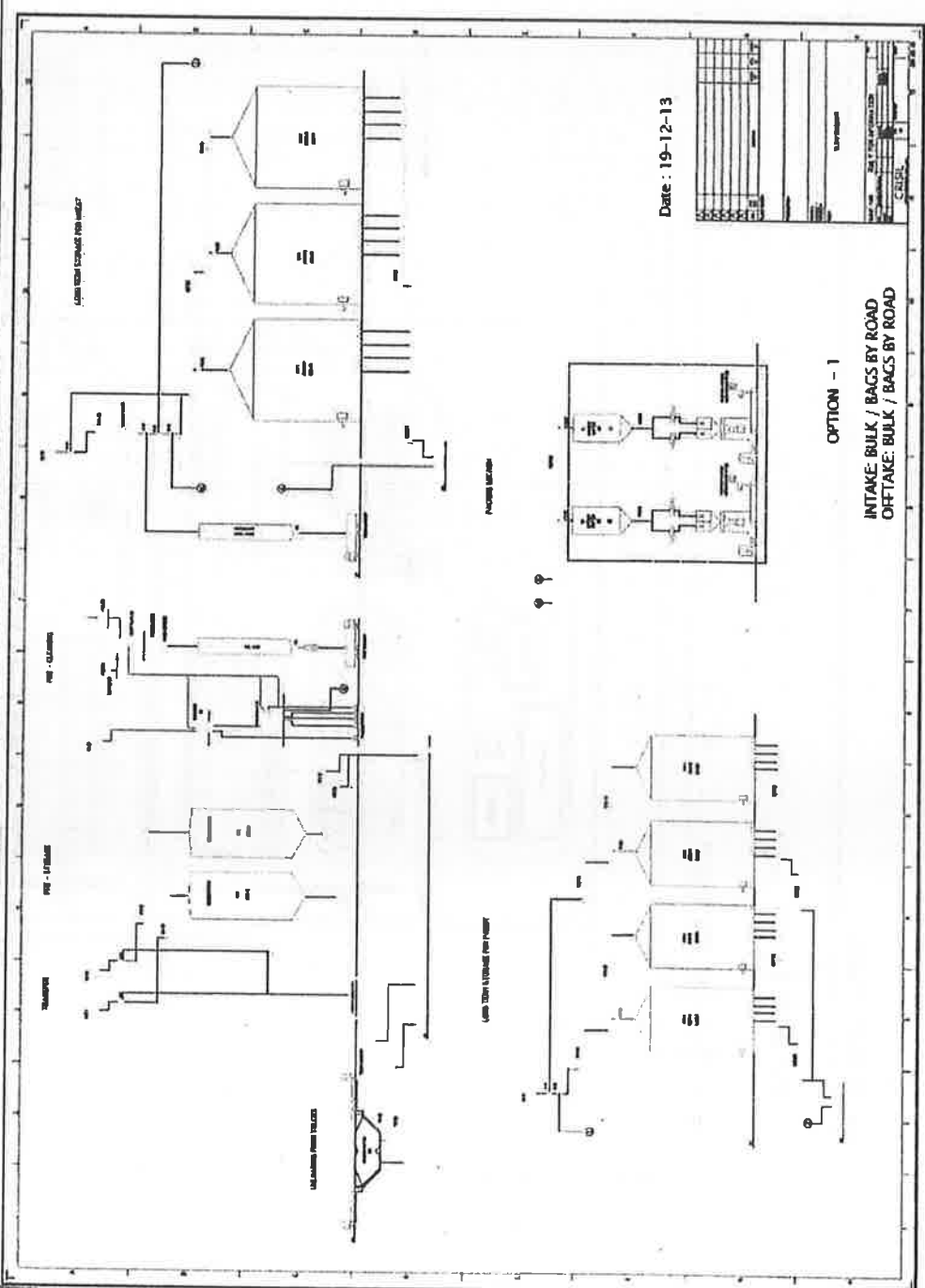
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Table 25: Proposed flow diagram of the silo complex

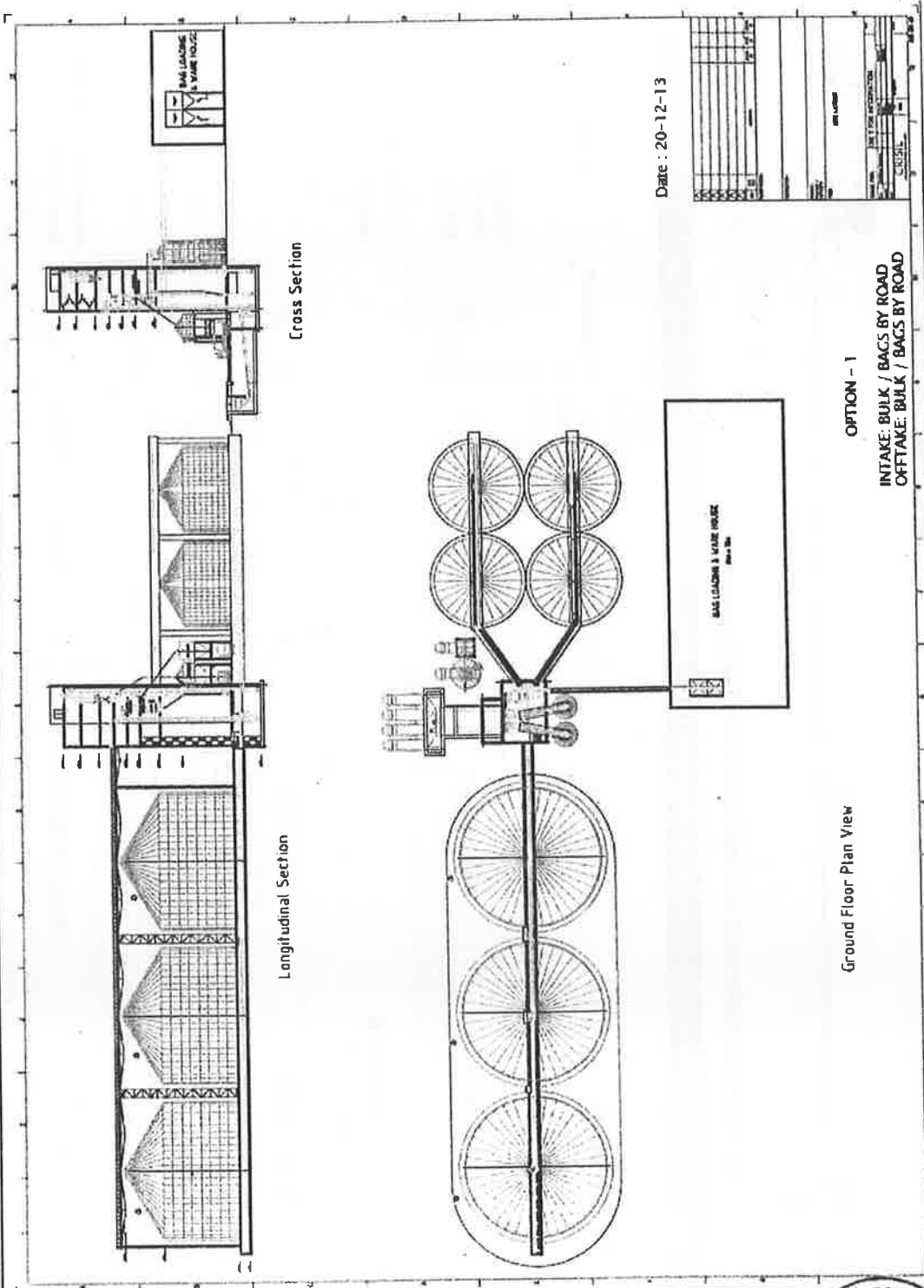


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Annexure II

Break – up of Material Handling equipment and miscellaneous fixed assets:

Costing for 3X12500 MT silos for wheat/Paddy and 4X3125 MT silos for Milled rice (figures in Rs. Lakh)

Sr. No	Components	Equipment	Quantity	Capacity	Unit Cost as per supplier quote	Total Cost	Remarks
1	Gross and Tare Weightment	Weigh Bridges	2	60 feet and 60 MT	15	30	Large lorry having 40 feet long carrying 50 MT load is taken into consideration
2	Dump pit hoppers, Conveyors & Elevators	2.7MX2.7M Chain Conveyor Bucket Elevator Hydraulic Tippler	4 2 2	125 TPH 62.5 TPH 62.5 TPH	6 9.72 10.8	24 19.44 21.6	Peak Wheat season procurement of 2500 MT per day is considered
3	Dust Suppression system	Online dust extraction system	1		25	25	
	Pre Storage Silos				10	10	
	Silos	Hopper Bottom silos	2	250 MT	22.14	44.28	As per the continuous flow requirement for the food grains
	Top Conveyors	Chain Conveyor	2	62.5 TPH	7.56	15.12	
	Bottom Conveyors	Chain Conveyor	2	62.5 TPH	7.56	15.12	
	Elevator	Bucket Elevator	1	125 TPH	15.12	15.12	

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4	Process Tower								
	Elevator	Bucket Elevator	1	125 TPH	15.12	15.12			
	Cleaner	Pre Cleaner	1	125 TPH	30	30			
	Online weigher	Automatic On Line Weigher with self-calibration system	1	125 TPH	25	25			
5	Pulse Jet filter, fan, ducting etc.	For Cleaner aspiration system, dust suppression of M&H	1 set		35	35			
	Accessories	Tower structure about 30 meter high and 8MX8M	1 set		58	58			12500 MT silos size is the most economical for steel silos for wheat & paddy and its civil cost. For rice the best optimized size is 3150 MTs
	Long Term silos	12500 MT flat bottom wheat silos 3 nos & 3125 MT flat bottom rice silos		50000 MT			792.5		
	Silos with aeration fans, aeration floor, temperature monitoring, vents, ventilators, catwalks, stairs etc.								
6	Top Loading conveyors		3	125 TPH		81.5			
	Bottom reclaim conveyors		3	100 TPH		53.6			
	Pre shipping/Shipping silos	Flat Bottom silos with aeration fans, aeration floor, vents, ventilators etc.	1	4000 MT	65.88				
	Discharge Conveyors	Chain Conveyor	2	350 TPH	20.52				
	Elevators	Bucket Elevator	2	350 TPH	33.48				

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Costing for 3X12500 MT silos for wheat/Paddy and 4X3125 MT silos for Milled rice (figures in Rs. Lakh)

	Rake Loading system	Rake loading system with integrated online weigher and structure	1 set	1400 TPH	
	Rake Weigh Bridge	Static Wagon weighing system	1	100 MT	35
	Bagging Plant				
7	Bagging Machines	Weigher & bagger with slat conveyor, stack loading conveyor and sewing head	2	30 TPH	11
					28
	Surge Bins	For feeding the bagging system	3	50 MT	3
					9
8	Bulk loading bin for trucks	Direct truck loading in bulk	1 set	100 MT	15
9	Installation Cost				70
		Chillers with ducting, Lab equipment, compressor, PLC SCADA, Phosphine Generator, office automation, truck loading system etc.			238
10	Miscellaneous				
	Total				1670.375



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Design parameter:

Sr no	Parameter	Unit	Remark
1	Bulk density in Kg per meter cube		
	Paddy	650	
	Wheat	750	
	Rice	750	
2	Storage moisture level		
	Paddy/Rice/Wheat	Below 12%	
3	Siesmic Zone	Zone III	
4	Wind velocity in Kmph	140	
5	Soil bearing capacity	Normal at 10 T per meter square	Only normal soil foundations taken into consideration
5	Paddy delivery	100% in bulk to the local rice mills	
6	Rice Delivery	Only in bagged form	Bulk delivery of rice is not tested so far
6	Costing of chilling the rice	Per ton per annum is a cost of a batch which is stored for about a 6 months	Two lots in a year will double the cost of chilling

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Detailed civil estimates:

Civil Estimate for 50 K MT silo complex Option 1 & 2						
Sr no	Section/Component of Silo complex	Dimensions	Area in Sq Meters	Rate	Unit	Amount in Rs lakh
1	Silos Foundations Trenches and Elevator Pits	192 M X 35 M+ 26 M X 26 M	7402.5	6000	Sq M	444
2	Bag Storage Godown	75 M X 25 M	1500	8500	Sq M	128
4	Utility & maintenance workshop	25 M X 20 M	500	8500	Sq M	43
5	Administrative Office Building RCC frame with brick wall RCC roof	20 M X 20 M	100	12000	Sq M	12
6	Security Room RCC Frame work with RCC roof	10 M X 6 M	60	9000	Sq M	5.4
7	Weighbridge 1 RCC base RCC pit and RCC roof	20 M X 4 M	80	4500	Sq M	3.6
8	Weighbridge 1 RCC base RCC pit and RCC roof	20 M X 4 M	80	4500	Sq M	3.6
9	Roads internal 10 M wide with WBM and Bituman wearing coat	1200 M X 10 M	12000	2000	Sq M	240
10	Car Parking area with concrete paved area	15 M X 12 M	180	1800	Sq M	3.24
11	Truck unloading area including intake pits area with concrete paved area	65 M X 60 M	3900	1800	Sq M	70.2
12	Truck parking for empty/loaded trucks with WBM and Bituman top coat	45 M X 45 M	2025	1500	Sq M	30

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Civil Estimate for 50 K MT silo complex Option 1 & 2					
13	Storm water discharge pool/ Rain water harvesting pool with side brick walls and soft soil base to soak water	15 M X 35 M	525	1200	Sq M
14	Boundary walls including gates and barbed wires	750 M X 3 M	2250	1200	Sq M
15	Soft land Scalped area	Approximate	1000	1000	Sq M
					1026

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Annexure III

Project – Income statement (figures in Rs. Crore)

Year	FY1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	21	FY22
Operating Income	-	-	5	5	5	5	6	6	6	6	6	7	7	7	7	8	8	8	8	9	9	9
Other Income	-	-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1
Total Operating Income	-	-	5	5	5	6	6	6	6	6	7	7	7	7	8	8	8	9	9	9	10	10
Operating Costs	-	-	2	1	1	2	2	2	2	2	2	2	2	2	2	3	3	3	3	3	3	4
Other Operating Costs (Extra siding)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land license fee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Costs	-	-	2	1	1	2	2	2	2	2	2	2	2	2	2	3	3	3	3	3	3	4



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Year	FY1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	21	FY22
EBITDA	-	-	3	4	4	4	4	4	4	5	5	5	5	5	5	5	6	6	6	6	6	6
Depreciation	-	-	2	2	2	2	2	2	2	2	2	2	1	1	1	1	1	1	1	1	1	1
Amortization SLM																						
Depreciation	-	-	4	4	3	3	2	2	2	2	1	1	1	1	1	1	1	1	0	0	0	0
Amortization WDV																						
Interest	-	-	2	2	2	2	2	1	1	1	0	-	-	-	-	-	-	-	-	-	-	-
PBT	-	-	(0)	0	0	1	1	1	2	2	3	3	4	4	4	4	4	4	4	5	5	6
Tax	-	-	-	0	0	0	0	0	0	0	1	1	1	1	1	2	2	2	2	2	2	2

आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (सिलो) / Genl. Manager (Silo)
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DEA-ADB Pilot Initiative



Year	FY1	FY2	FY3	FY4	FY5	FY6	FY7	FY8	FY9	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	21	FY22
PAT	-	-	(0)	0	0	1	1	1	2	2	2	3	3	3	3	2	2	2	3	3	3	3

आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
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PPP Pilot Project initiative: Food storage Infrastructure -
Final Techno-Economic Feasibility report

DEA-ADB Pilot Initiative

Project- Balance sheet (figures in Rs. Crore)

Sources of Funds	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22
Year No	0	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Shareholder's funds																						
Capital + VGF (if any)	4	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15	15
Reserves & Surplus	-	-	-	0	0	1	2	3	4	6	9	11	14	17	20	22	24	27	29	32	35	38
Infusion of Special Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings																						
Secured Loans	8	19	19	18	17	15	12	10	7	3	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax																						
Total Funds	12	33	33	33	32	30	29	27	26	24	23	26	29	32	34	37	39	42	44	47	49	53
Fixed Assets																						
Net Block	11	33	31	29	28	26	24	23	21	20	18	17	16	14	13	12	10	9	7	6	4	5
Capital Work in Progress																						

आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.

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Sources of Funds	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22
Losses From P&L	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land Acquisition	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Investments, Current Assets, Loans & Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debtors	-	-	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1	1	1
Accrued Cash	-	-	1	2	2	3	3	3	3	3	4	7	11	16	20	24	27	31	35	39	44	47
Less: Current Liabilities & Provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Creditors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Current Assets	-	-	2	2	3	3	3	3	4	4	4	8	12	16	20	24	28	32	36	40	44	48
Total Assets	12	33	33	33	32	30	29	27	26	24	23	26	29	32	34	37	39	42	44	47	49	53





आसीम छावड़ा / ASHEM CHHABRA
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भारतीय खाद्य निगम
मुख्यालय, एन.ए. रोड, दिल्ली
आसीम छावड़ा, महाप्रबन्धक (सिलो)
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000514



Selection of Developer for construction of Silos at Kaimur & Buxar under Public Private Partnership on Design, Build, Finance, Operate & Transfer (DBFOT) basis.

**(RFP Reference No: Silos/203/DEA/2016)
Tender ID: 2017_FCI_193487_1**

Corrigendum – II

The timelines in respect of the RFP are revised as follows :

Last date of submission of Bids	15:30 hrs. on 7th June, 2017
Date of opening of Bids	15:30 hrs. on 8th June, 2017

Dated : 23rd May, 2017



**General Manager (Silos)
Food Corporation of India,
Headquarters, New Delhi -110001**

**असिम घोष / ASEEM GHOSHA
महानिदेशक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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000515



आसीम छावड़ा / ASEEM CHHABRA
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000516

Replies of the Authority to the additional queries received in respect of the Bid Document for Selection of Developer for construction of Silos at Kaimur & Buxar under Public Private Partnership on Design, Build, Finance, Operate & Transfer (DBFOT) basis

(RFP Reference No: Silos/203/DEA/2016)

Tender ID: 2017_FCI_193487_1

Corrigendum – III

Sl.No.	Queries	Reply of the Authority
1.	<p>Rice Silos must be Hopper Bottom Silos with a maximum capacity of 1500 MT each silo as Milled Rice Grain is very fragile in nature. A little bit of mechanized handling would lead to crack / breakage of rice that would eventually exceed the acceptance limits set by Govt. of India for the PDS.</p> <p>The RFP document and the Concession Agreement do not mention of having Hopper Bottom Silos. It says any Silo having Capacity of 3125 MT. If it is not clearly amended as Hopper Bottom Silo of maximum 1500 MT, the bidders who do not have much knowledge of Rice Storage in Silos, would consider that Bottom Silos because of their much cheaper Capital Cost. Silo manufacturers generally know that Hopper Bottom Silos are the best suited for Rice, but they would not suggest because their aim is to sell the equipment. They are least bothered about the quality of grain while in storage. The problem with Flat Bottom Silos of 3125 MT is:</p> <p>a). Sweep Auger Operation will break the rice. b). Grain pressure at 3125 MT will be too high that would also lead to breakage of Rice.</p> <p>There is no facility worldwide that stores Rice in flat Bottom Silos. They may store Paddy or even Brown Rice but not Milled White Rice. All Rice producing countries like Thailand, Bangladesh, China store Rice in Hopper Bottom Silos of maximum 1500 MT. It would be prudent that the Authority amends the requirement in RFP and specifically ask the bidders to provide Hopper Bottom Silos of maximum 1500 MT so that all bidders keep the specifications at par and bid accordingly.</p>	<p>No change is considered in the provision of RFP/ DCA. It has already been clarified in Replies of the Authority to the queries received through Corrigendum – I that Silos are being developed under DBFOT basis. The Concessionaire is free to change the capacity of each bin while complying overall storage capacity for wheat and rice. Moreover, besides capacity and size, they may choose nature of silos i.e. flat bottom or hopper bottom with equipment suitable for handling the type of grain to be stored.</p> <p>It is reiterated that maintenance of quality of foodgrains stored in these silos has to be as per the terms and conditions of RFP/Concession Agreement and failure to meet the conditions specified in terms and conditions of bid document including Concession Agreement will invite action as per laid down terms and conditions.</p> <p>Further, bidders are advised to bid with clear understanding of requirements contained in the bid document.</p>
2.	<p>Rice Silos must be insulated all around outside including Roof.</p> <p>Indian ambient conditions particularly Bihar have extremely high temperature in summer that goes to 45⁰-46⁰C. If the silos are not insulated, the heat dissipation would cause cracks/fissures in the milled rice that would eventually break in handling.</p> <p>The RFP document is missing on this aspect.</p>	<p>The concessionaire is required to choose the size, nature of silos walls and chilling unit to maintain the stipulated parameters as per Concession Agreement.</p>

आसीम छाबड़ा / **ASHEEM CHHABRA**
 महाप्रबन्धक (साइलो) / **Genl. Manager (Silo)**
 भारतीय खाद्य निगम, मुख्यालय / **FCI Head Office**
 16-20 बाराखम्बा लेन / **16-20 B. K. Lane**
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3.	Rice Silos must be covered by a shed. In the absence of shed, the steel silos would be exposed to sun and hence the insulation or Grain Chilling would not be effective. The RFP document misses to include this requirement.	No change is considered in the provision of RFP/ DCA. Developer shall decide whether steel silos are required to be put under shed to make the insulation or grain chilling unit effective.
4.	Number of Grain Chillers are not mentioned in the RFP document. Technically, each facility needs two Grain Chillers of Suitable capacity. Since chilling is the most essential component in Rice, number of Grain Chillers must be specified in RFP so that all bidders quote at par.	Number and capacity of the grain chilling unit requirement to be assessed by the developer, being part of design aspect of the plant & equipment.
5.	As per DCA and RFP for construction of 50,000 MT containing 3 nos. of flat bottom silos for wheat for capacity of 12,500 MT each and 4 nos. of flat bottoms silos of 3,125 MT for rice storages. But after gather information from leading manufacturer of silos, only hopper bottom insulated silos fit for rice storage under shade. One thing also noted that hopper bottom silos made only capacity containing 500 MT each. If we go through as advice by manufacturer for safe storage of rice, we have no other option to be construct 25 nos. hopper bottom silos for the same. Resultant cost of construction come of around double in respect of presently estimated cost for rice storage. Please look in the matter seriously in the benefit of corporation as well as safe grain storage.	As per reply at Sl. No. 1 & 2.
6.	As per DCA, this is a pilot project for FCI. FCI can provide necessary additional support for storage of rice.	Support by way of Grant shall be admissible as per Article 23 of Concession Agreement.
7.	One of the project come at Kathihar one year back, where FCI provide fixed storage charges RS 100 per MT only where ever only railway siding added in kathihar project cost around RS 8.00 crore extra. but in the above noted proposed project for kaimur and buxar, FCI provide RS 66.04 per MT as fixed storage charge which is very low as a applicable price inflation on BID date and create big confusion. Please rectify accordingly for viability of project.	Silo projects at Kaimur & Buxar are Road fed (requiring no railway siding). No change in Storage Charges is considered.
8.	In the both location land cost is very high as per market value and big difference from circle rate please provide at least market value which is very much lower as per government land acquisition act.	No change in the provision is considered.
9.	We are requested that please rectify accordingly in RFP and extend BID Date accordingly	The timelines in respect of RFP have been revised vide Corrigendum -II dated 23 rd May, 2017 as under. Last date of submission of Bids – 15:30 hrs. on 7 th June, 2017 Date of Opening of Bids – 15:30 hrs. on 8 th June, 2017

आसीम चौधरी / ASEEM CHAUDHARY
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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NEFT Transaction Details

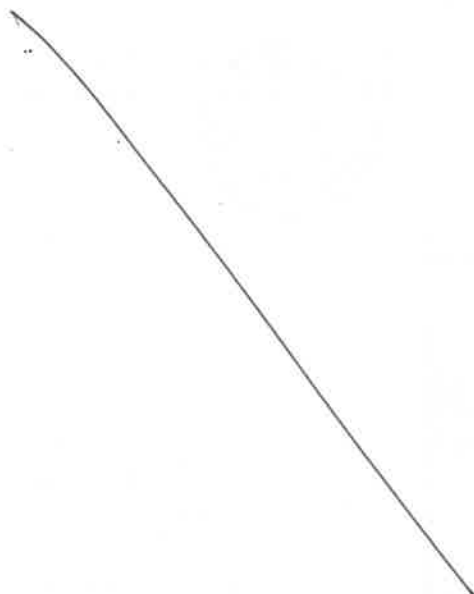
NEFT OUTWARD BETWEEN 23-MAY-2017 & 23-MAY-2017

Account Number :: 2105223000000110

Value Date	Batch No	Txn Ref.No	Ord_Inst	Dr. Acct.No	Account Name	Txn.Amount	Txn.Status	Rejection Reason	Benef.Inst.	Rel.Ref.No	Beneficiary Customer Name	Beneficiary Account	Narrative_1	Narrative_2	Narrative
23-May-2017	B17052347792690	P17052347795106	KVBL0002105	2105223000000110	NATIONAL COLLATERAL - NATIONAL COLLATERAL MANAGEMENT SERV (GAYATHRI TOWERS 954 APPASAHAB MARATHE PRABHADEVI Mumbai Maharashtra India 400025	11500	TXN ACK IN10 RCVD				FOOD CORPORATION OF INDIA	10220632672	NEFT FROM NATIONAL COLLATERAL		



आशीष चव्हाण / ASHEEM CHHABRA
 महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
 राष्ट्रीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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APPENDIX I

(Refer Clause 2.1.4 and 2.14)

Dated: 6th June 2017

To,
The General Manager (Silos)
FOOD CORPORATION OF INDIA
16-20, Barakhamba Lane,
New Delhi-110001

Sub: Application for pre-qualification for "Selection of Developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) on Design, Build, Finance, Operate and Transfer (DBFOT) basis" Project

Dear Sir,

1. With reference to your Request for Proposal document dated 11th April, 2017, 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.
2. 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 Concessionaire 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.
3. This statement is made for the express purpose of our selection as Concessionaire for the development, construction, operation and maintenance of the aforesaid Project.
4. I/ We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the Bid.
5. 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.
6. I/ We certify that in the last three years, we/ ~~any of the Consortium Members~~ or our/ ~~their~~ 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.

National Collateral Management Services Limited

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Tel.: (+91-124) 4338200 Fax : (+91-124) 4338290 Website : www.ncml.com
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आसीम चवड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुंबई
16-20 बारखम्बा लेन / 16-20 B. K. Lane
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7. I/ We declare that:

- a. I/ We have examined and have no reservations to the Bidding document, including any Addendum issued by the Authority;
- b. I/ We do not have any conflict of interest in accordance with Clauses 2.2.13 and 2.2.14 of the RFP document;
- 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 4.3 of the RFP document, in respect of any tender or request for proposal 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.
- e. the undertakings given by us along with the Application in response to the RFQ for the Project were true and correct as on the date of making the Application and are also true and correct as on the Bid Due Date and I/we shall continue to abide by them.

8. I/ We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Application 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 2.16 of the RFP document.

9. I/ We believe that we/ ~~our Consortium/ proposed Consortium~~ satisfy(s) the Net Worth criteria and meet(s) all the requirements as specified in the RFP document.

10. I/ We declare that we/ ~~any Member of the Consortium~~, or our/ its Associates are not a Member of a/ ~~any other Consortium~~ submitting a Bid for the Project.

11. I/ We certify that in regard to matters other than security and integrity of the country, we/ ~~any Member of the Consortium~~ or any of our/ ~~their~~ Associates have not been charge-sheeted or 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.



आसीम छाबड़ा / ASSEM CHHABRA
महाप्रबन्धक (सिलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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10/

12. I/ We further certify that in regard to matters relating to security and integrity of the country, we/ ~~any Member of the Consortium~~ or any of our/ ~~their~~ Associates have not been charge-sheeted by any agency of the Government or convicted by a Court of Law.
13. I/ We further certify that no investigation by a regulatory authority is pending either against us/ ~~any Member of the Consortium~~ or against our/ ~~their~~ Associates or against our CEO or any of our directors/ managers/ employees.
14. 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.
15. ~~{I / We acknowledge and undertake that our Consortium was pre-qualified and short-listed on the basis of Technical Capacity and Financial Capacity of those of its Members, who will own at least 26% (twenty six per cent) of the equity of the Concessionaire and undertake that each of such Consortium Members shall continue to hold at least 26% of the equity of the Concessionaire until the 2nd (second) anniversary of the commercial operation date of the Project under and in accordance with the provisions of the Concession Agreement. We further agree and acknowledge that the aforesaid obligation shall be in addition to the obligations contained in the Concession Agreement in respect of Change in Ownership.}~~
16. I / We acknowledge and agree that in the event of a change in control of an Associate whose Technical Capacity and / or Financial Capacity was taken into consideration for the purposes of short-listing and pre-qualification under and in accordance with the RFQ, I / We shall inform the Authority forthwith along with all relevant particulars and the Authority may, in its sole discretion, disqualify our Consortium or withdraw the Letter of Award, as the case may be. I / We further acknowledge and agree that in the event such change in control occurs after signing of the Concession Agreement but prior to Financial Close of the Project, it would, notwithstanding anything to the contrary contained in the Agreement, be deemed a breach thereof, and the Concession Agreement shall be liable to be terminated without the Authority being liable to be terminated without the Authority being liable to us in any manner whatsoever.
17. I / We understand that the Selected Bidder shall either be an existing Company incorporated under the Indian Companies Act, 1956/Companies Act 2013, or shall incorporate as such prior to execution of the Concession Agreement.



आसीम खन्ना / ASEEM KHANNA
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नई दिल्ली-110001 / New Delhi - 110001

000523

18. 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.
19. In the event of my / our being declared as the Selected Bidder, I / we agree to enter into a Concession Agreement 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.
20. I / We have studied all the Bidding Documents carefully and also surveyed the project location and carried out due diligence. We understand that except to the extent as expressly set forth in the Concession Agreement, 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 Concession.
21. I / We herewith submit a Bid Security of Rs. 65,00,000/- (Rupees Sixty Five Lakhs only) to the Authority in accordance with the RFP Document.
22. The Bid Security in the form of a RTGS/NEFT/ Bank Guarantee by a nationalized bank, or a Scheduled Bank in India (strike out whichever is not applicable) is attached.
23. 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 / Concession is not awarded to me / us or our Bid is not opened or rejected.
24. I/We have downloaded the RFP for the captioned Projects from the website <https://eprocure.gov.in/eprocure/app> and are submitting our Bid as per prescribed format without any modifications for undertaking the aforesaid Project in accordance with the Bidding Documents and Concession Agreement.
25. I / We shall keep this offer valid for 120 (one hundred and twenty days) from the Bid Due Date specified in the RFP.
26. I / We agree and undertake to abide by all the terms and conditions of the RFP document.
27. The documents accompanying the Bid, as specified in Clause 2.11.1 of the RFP, have been submitted in a separate envelope.



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साईली) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI

16-20 बाराखम्बा रोड / 16-20 B. K. Lane

नई दिल्ली-110001 / New Delhi - 110001

880524

28. I/We commit to develop the Project involving silo facility at the Site / Proposed Site. ~~We understand commodities~~
I/We understand that in the event we fail in acquiring the land as mentioned in our Application, the Additional Bank Guarantee shall be invoked by the Authority.}
29. The [Premium or Grant] has been quoted by me /us after taking into consideration all the terms and conditions stated in the RFP draft Concession Agreement, our own estimates of costs and revenue and after a careful assessment of the site and all the conditions that may affect the project cost and implementation of the project.
30. ~~{We, the Consortium Members agree and undertake to be jointly and severally liable for all the obligations of the Concessionaire under the Concession Agreement till occurrence of Financial Close in accordance with the Concession Agreement.}~~

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

Yours faithfully,


Date: 6th June 2017

Place: Gurugram

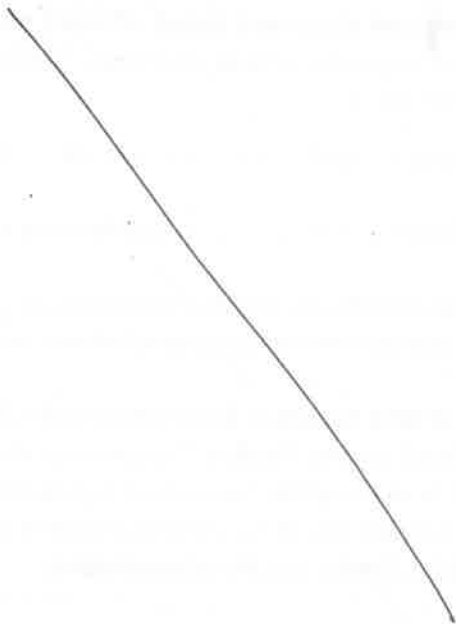


Kuldip Singh
Senior VP – Silo Project
(National Collateral Management Services Limited)

Note: Paragraphs in curly parenthesis may be omitted by the Bidder, if not applicable to it, or modified as necessary to reflect Bidder-specific particulars.


आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली - 110001 / New Delhi - 110001





000528

ANNEX I

Details of designated sites (Refer Clause 1.2.12, 1.2.13 and 1.2.14)

Details of Kaimur Land Parcel

Project Location	
Name of the village/town / city where the proposed land (site) is located	Kaimur
Name of revenue district where land is located	
Name of the person(s) / firm(s) that owns/have procured/identified the land	
Survey numbers of the proposed land parcel (s) (Indicate if land owned by the Applicant or its subsidiary or parent company or consortium partner)	
Area of land (in acres)	7 - 7.5
Whether following documents furnished along with the Application :	(Pl clearly tick the applicable option)
Copy of title deed (in case Designated land)	Yes / No / NA
Undertaking from Applicant / Member of Consortium to transfer land to Concessionaire's SPV if Bidder is selected bidder	Yes / No / NA
Non-encumbrance certificate in case of Designated land	Yes / No / NA
Sketch plan indicating boundaries, major highways, rail line	Yes / No
Nearest National / State Highway and distance of the site from the same Description of Connectivity to National / State Highway	NH - 5 (GT Road)
Nearest railway goods shed and distance of the site from the same	Bhabua Road Railway Station
Distance (by road) of the land parcel from the rail head	7.2 Kms

Kuldip Singh

Senior VP-Silo Project

(National Collateral Management Services Limited)



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बरखम्बा लेन / 16-20 B. K. Lane

नई दिल्ली - 110001 / New Delhi - 110001

000529

Details of Buxar Land Parcel

Project Location	
Name of the village/town / city where the proposed land (site) is located Name of revenue district where land is located Name of the person(s) / firm(s) that owns/have procured/identified the land	Buxar
Survey numbers of the proposed land parcel (s) (Indicate if land owned by the Applicant or its subsidiary or parent company or consortium partner)	
Area of land (in acres)	7 - 7.5
Whether following documents furnished along with the Application : Copy of title deed (in case Designated land) Undertaking from Applicant / Member of Consortium to transfer land to Concessionaire's SPV if Bidder is selected bidder Non-encumbrance certificate in case of Designated land Sketch plan indicating boundaries, major highways, rail line	(Pl clearly tick the applicable option) Yes / No / NA Yes / No / NA Yes / No / NA Yes / No
Nearest National / State Highway and distance of the site from the same Description of Connectivity to National / State Highway	SH
Nearest railway goods shed and distance of the site from the same	Buxar Station
Distance (by road) of the land parcel from the rail head	7.8 kms

19

Kuldip Singh
Senior VP-Silo Project
(National Collateral Management Services Limited)



आसीम खन्ना / ASEEM KHANNA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य नियंत्रण, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा रोड / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001
000530

IFFCO Chowk Branch Shop No 9, Ground Floor, Haryana
SWIFT Code: INDB IN BB DEP

To

Food Corporation of India
Headquarters, 10th floor, 1620
Barakhamba lane, New Delhi-110001

Date: Jun 06, 2017

Dear Sir/ Madam,

At the request of NATIONAL COLLATERAL MANAGEMENT., We have issued guarantee as per following details.

Bank Guarantee No & Date of Issue	OGT0747170012180 Jun 06, 2017
Amount	INR 3,500,000.00
Expiry Date	Dec 05, 2017
Claim Date	Dec 05, 2017

We confirm that the officials who have signed the above bank guarantee are authorized to sign the same on behalf of IndusInd Bank Ltd. You may verify the genuineness of issuance of said Bank Guarantee by writing to Head, Bank Guarantee Operations, at the following address

CGMO - Central Processing Centre
1001/1002, Solitaire Corporate Park,
167, Guru Hargovindji Marg, Andheri (East),
Mumbai - 400 093, Maharashtra



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

THIS IS A COMPUTER GENERATED ADVICE. NO SIGNATURE REQUIRED.

SERVICE TAX REGISTRATION NO: AAAC1314GST001. SERVICE TAX CATEGORY: BANKING & FINANCIAL SERVICES

000531

For INDUSIND BANK LIMITED

AUTHORISED SIGNATORY

Indusind Bank Limited
Shop No. 2, Gr. Floor, Atlanta,
Narimanpoint, MUMBAI - 400 021

D-5/STP(V)/C.R.1030/10/05/351-354

भारत 86161
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R.0000100/- PB5223

STAMP DUTY MAHARASHTRA

This forms an integral part of BG no 06T0747170012180
(Issuance/Amendment) Dated: 06/06/17 of Rs. 3500000/-
on behalf of M/s National Collateral Management Services Ltd.

Place: Mumbai

Date: 06/06/17

For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

ANUSMRIT NAWANKUR
CHIEF MANAGER
SS NO. 9487



For IndusInd Bank Limited
CGMO Andheri (East) Branch

Authorised Signatory

TUSHAR BHOSALE
MANAGER
SS NO. 8328



आशीष छाबड़ा / ASEEM CHHABRA
महाराष्ट्र (महिला) / Genl Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखाना रोड / 16-20 B. K. Lane
नई दिल्ली - 110001

BANK GUARANTEE

BANK GUARANTEE NO: OGT0747170012180

DATE: 06.06.2017

To,

Food Corporation of India
Headquarters, 10th floor, 1620
Barakhamba lane, New Delhi-110001

This deed of guarantee made this 06th day of June 2017 between We INDUSIND BANK LIMITED, a banking company incorporated and registered under Companies Act 1956 and having license to carry on banking business under the Banking Regulation Act, 1949 having its registered office at 2401, General Thimmayya Road, Cantonment, Pune- 411001 and its Corporate Office at 8th Floor, tower-1, One India bulls Centre, 841, S.B.Marg, Elphinstone Road, Mumbai - 400 013 and its one of branch office at IndusInd Bank at Dr. Gopal Das Bhavan 28, Barakhamba Road, New Delhi-110001 (hereinafter referred to as the Bank), and Food Corporation of India, a body corporate, constituted under and having its registered Office at Headquarters, 10th Floor, 1620, Barakhamba Lane New Delhi-110001.

WHEREAS M/s National Collateral Management Services Ltd (hereinafter referred to as "Bidder"/Applicant) a Company/Firm registered under Companies Act 1956 (if applicable) and having its registered office at Unit No.505 to 509, 5th Floor, Lodha Supremus, Off JVLR, Opp. Kanjurmarg Station Kanjurmarg East, Mumbai-400042 is bound to furnish Additional Guarantee in the form of Bank Guarantee with Food Corporation of India (the Authority) in connection with submission of tender for construction of silo complex for Storage Requirements to be constructed and managed and operated by the Applicant, if selected in the Bid Process, at Kaimur.

WHEREAS the Applicant as per clause no. 1.2.13 of terms and conditions of the Request for Proposal (RFP) No. 2017_FCI_193487_1 dated 11th April 2017 has undertaken to produce necessary documents evidencing acquisition of land by way of ownership in respect thereof as specified in the RFP within 90 (ninety) days from the date of Concession Agreement and has agreed to furnish additional guarantee by way of Bank Guarantee for Rs.35,00,000/- (Rupees Thirty Five Lakh Only)

NOW THIS WITNESSETH:

1. That the Bank in consideration of the above Application made by the Applicant to Food Corporation of India [Authority] hereby undertakes to guarantee payment on written demand without demur to Food Corporation of India [Authority] and without notice to the Applicant the said amount of Rs.35,00,000/- (Rupees Thirty Five Lakh Only) within one week from the date of receipt of the written demand from the Authority on presentation of this deed of guarantee which the Applicant is bound to furnish with Authority towards additional guarantee in connection with his Application.
2. This guarantee shall not be affected/discharge by any infirmity or irregularity on the part of the Applicant and by dissolution or any change in the constitution of the Authority, Applicant or the Bank.
3. The Authority shall be eligible to make any claim under this guarantee if the Applicant after submitting his Application, resigns or modifies his offer before acceptance thereof or fails to

Page 1 of 2

For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

ANUSMrit NAWANKUR
CHIEF MANAGER
SS NO. 9487



For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory
TUSHAR BHOSALE
MANAGER
SS NO. 8328

ANUSMrit NAWANKUR / ANUSMrit NAWANKUR
CHIEF MANAGER (Silo)
600538 / FCI Hqs.
16-20 Barakhamba Lane / 16-20 B. K. Lane
New Delhi-110001 / New Delhi-110001

BANK GUARANTEE NO: OGT0747170012180

DATE: 06.06.2017

- produce documents evidencing acquisition of specified land by way of ownership within stipulated period of 90 days or violates any the terms and conditions of the contract after acceptance of the tender. The decision of the Authority in this regard shall be final and binding.
4. The payment so made by the Bank under this Guarantee shall be a valid discharge of its liability for payment there under and the Applicant shall have no claim against Bank for making such payment.
 5. The Bank shall not and cannot revoke this guarantee during its currency except with previous consent of the Authority in writing.
 6. Notwithstanding anything contained in the foregoing, the Bank's liability under the guarantee is restricted to Rs.35,00,000/- (Rupees Thirty Five Lakh Only).
 7. This guarantee shall remain in force and effective up to 05.12.2017 and shall expire and become ineffective only on written intimation given to the Bank by the Authority for this purpose and in that case this guarantee shall stand discharged.
 8. The Bank shall pay to the Authority any money so demanded not exceeding Rs.35,00,000/- (Rupees Thirty Five Lakh Only) notwithstanding any dispute or disputes raised by the Applicant against the Authority, Bank or any other person(s) in any suit or proceeding pending before any court or tribunal relating thereto as the Bank's liability under this guarantee being absolute and unequivocal.
 9. Any forbearance, act or omission on the part of the Authority in enforcing any of the conditions of the said tender or showing of any indulgence by the Authority to the Applicant shall not discharge the Bank in any way and the obligations of the Bank under this guarantee shall be discharged only on the written intimation thereof being given to the Bank by the Authority.
 10. Notwithstanding anything contained hereinabove, unless a demand or claim under this guarantee is made on the Bank in writing on or before 05.12.2017 the Bank shall be discharged from all liabilities under guarantee thereafter.
 11. The Bank has the power to issue this guarantee under its constitutional documents and the person who is hereby executing this deed has the necessary powers to do so under the authority conferred on him by the Bank.

Date: 06.06.2017

Place: New Delhi

For IndusInd Bank Limited

For IndusInd Bank Limited

(Authorised Signatory)

(Authorised Signatory)

(Name and Designation /SS NO)

(Name and Designation /SS NO)

ANUSMRIT NAWANKUR
CHIEF MANAGER
SS NO. 9487



TUSHAR BHOSALE
MANAGER
SS NO. 8328

Page 2 of 2



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक / साइडो / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बरकला लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / No. 110001

IndusInd Bank

IFFCO:Chowk Branch Shop No 9, Ground Floor, Haryana
SWIFT Code: INDB-IN BB DEP

To
National Collateral Management Services Limited
Gayatri towers 954 Appasaheb Marathe Marg,Prabhadevi
Mumbai India
400025

Date: Jun 06, 2017

We have issued following Bank Guarantee as per your request:

Bank Guarantee No	OGT0747170012179	Issue Date	Jun 06, 2017
Guarantee Amount	INR 3,500,000.00	Expiry Date	Dec 05, 2017
Liability	INR 3,500,000.00	Claim Date	Dec 05, 2017
Favouring	Food Corporation of India Headquarters, 10th floor, 1620 Barakhamba lane, New Delhi-110001		

Charge Details	
Guarantee commission	INR 11,374.98
Service Tax	INR 1592.5
Swachh Bharat Cess	INR 56.88
Krishi Kalyan Cess	INR 56.88
Total	INR 13,081.23

Debited to your a/c 200999356328

Please find the enclosed copy of the Guarantee and confirm that it is as per your request.



असीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
आर.डी.ए. निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली - 110001 / New Delhi - 110001

THIS IS A COMPUTER GENERATED ADVICE. NO SIGNATURE REQUIRED.

SERVICE TAX REGISTRATION NO: AAAC1314GST001. SERVICE TAX CATEGORY: BANKING & FINANCIAL SERVICES

000535

(For INDUSIND BANK LIMITED

AUTHORISED SIGNATORY

Indusind Bank Limited
Shop No. 2, Gr. Floor, Atlanta,
Narimanpoint, MUMBAI - 400 021

D-5/STP(V)/C.R.1030/10/05/351-354

भारत 86189
119212



INDIA

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MAHARASHTRA
MAY 20 2017

11:51

R.0000100/- P85223

STAMP DUTY MAHARASHTRA

This forms an integral part of BG no. 09T0747170012179
(Issuance/Amendment) Dated: 06/06/2017 of Rs. 3500,000/-
on behalf of National Collateral Management Services Ltd.

Place: Mumbai

Date: 06/06/2017

For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

ANUSMRIT NAWANKUR
CHIEF MANAGER
SS NO. 9487



For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

TUSHAR BHOSALE
MANAGER
SS NO. 8328



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली / New Delhi - 110001

BANK GUARANTEE

BANK GUARANTEE NO: OGT0747170012179

DATE: 06.06.2017

To,

Food Corporation of India
Headquarters, 10th floor, 1620
Barakhamba lane, New Delhi-110001

This deed of guarantee made this 06th day of June 2017 between We INDUSIND BANK LIMITED, a banking company incorporated and registered under Companies Act 1956 and having license to carry on banking business under the Banking Regulation Act, 1949 having its registered office at 2401, General Thimmayya Road, Cantonment, Pune- 411001 and its Corporate Office at 8th Floor, tower-1, One India Bulls Centre, 841, S.B.Marg, Elphinstone Road, Mumbai - 400 013 and its one of branch office at Indusind Bank at Dr. Gopal Das Bhavan 28, Barakhamba Road, New Delhi-110001 (hereinafter referred to as the Bank), and Food Corporation of India, a body corporate, constituted under and having its registered Office at Headquarters, 10th Floor, 1620, Barakhamba Lane New Delhi-110001.

WHEREAS M/s National Collateral Management Services Ltd (hereinafter referred to as "Bidder"/Applicant) a Company/Firm registered under Companies Act 1956 (If applicable) and having its registered office at Unit No.505 to 509, 5th Floor, Lodha Supremus, Off JVLR, Opp. Kanjurmarg Station Kanjurmarg East, Mumbai-400042 is bound to furnish Additional Guarantee in the form of Bank Guarantee with Food Corporation of India (the Authority) in connection with submission of tender for construction of silo complex for Storage Requirements to be constructed and managed and operated by the Applicant, if selected in the Bid Process, at Buxar.

WHEREAS the Applicant as per clause no. 1.2.13 of terms and conditions of the Request for Proposal (RFP) No. 2017_FCI_193487_1 dated 11th April 2017 has undertaken to produce necessary documents evidencing acquisition of land by way of ownership in respect thereof as specified in the RFP within 90 (ninety) days from the date of Concession Agreement and has agreed to furnish additional guarantee by way of Bank Guarantee for Rs.35,00,000/- (Rupees Thirty Five Lakh Only)

NOW THIS WITNESSETH:

1. That the Bank in consideration of the above Application made by the Applicant to Food Corporation of India [Authority] hereby undertakes to guarantee payment on written demand without demur to Food Corporation of India [Authority] and without notice to the Applicant the said amount of Rs.35,00,000/- (Rupees Thirty Five Lakh Only) within one week from the date of receipt of the written demand from the Authority on presentation of this deed of guarantee which the Applicant is bound to furnish with Authority towards additional guarantee in connection with his Application.
2. This guarantee shall not be affected/discharged by any infirmity or irregularity on the part of the Applicant and by dissolution or any change in the constitution of the Authority, Applicant or the Bank.
3. The Authority shall be eligible to make any claim under this guarantee if the Applicant after submitting his Application, resigns or modifies his offer before acceptance thereof or fails to

Page 1 of 2

For Indusind Bank Limited
CGMO, Andheri (East) Branch

ANUSMRIT NAWANKUR
CHIEF MANAGER
SS NO. 9487

16-20 Barakhamba Lane / 16-20 B. K. Lane
New Delhi - 110001

For Indusind Bank Limited
CGMO, Andheri (East) Branch

TUSHAR BHOSAL
MANAGER
SS NO. 8328

000537

BANK GUARANTEE NO: OGT0747170012179

DATE: 06.06.2017

- produce documents evidencing acquisition of specified land by way of ownership within stipulated period of 90 days or violates any the terms and conditions of the contract after acceptance of the tender. The decision of the Authority in this regard shall be final and binding.
4. The payment so made by the Bank under this Guarantee shall be a valid discharge of its liability for payment there under and the Applicant shall have no claim against Bank for making such payment.
 5. The Bank shall not and cannot revoke this guarantee during its currency except with previous consent of the Authority in writing.
 6. Notwithstanding anything contained in the foregoing, the Bank's liability under the guarantee is restricted to Rs.35,00,000/- (Rupees Thirty Five Lakh Only).
 7. This guarantee shall remain in force and effective up to 05.12.2017 and shall expire and become ineffective only on written intimation given to the Bank by the Authority for this purpose and in that case this guarantee shall stand discharged.
 8. The Bank shall pay to the Authority any money so demanded not exceeding Rs.35,00,000/- (Rupees Thirty Five Lakh Only) notwithstanding any dispute or disputes raised by the Applicant against the Authority, Bank or any other person(s) in any suit or proceeding pending before any court or tribunal relating thereto as the Bank's liability under this guarantee being absolute and unequivocal.
 9. Any forbearance, act or omission on the part of the Authority in enforcing any of the conditions of the said tender or showing of any indulgence by the Authority to the Applicant shall not discharge the Bank in any way and the obligations of the Bank under this guarantee shall be discharged only on the written intimation thereof being given to the Bank by the Authority.
 10. Notwithstanding anything contained hereinabove, unless a demand or claim under this guarantee is made on the Bank in writing on or before 05.12.2017 the Bank shall be discharged from all liabilities under guarantee thereafter.
 11. The Bank has the power to issue this guarantee under its constitutional documents and the person who is hereby executing this deed has the necessary powers to do so under the authority conferred on him by the Bank.

Date: 06.06.2017

Place: New Delhi

For IndusInd Bank Limited

For IndusInd Bank Limited

(Authorised Signatory)

(Authorised Signatory)

(Name and Designation /SS NO)

(Name and Designation /SS NO)

ANUSMRIT NAWANKUR
CHIEF MANAGER
SS NO. 9487



TUSHAR BHOSALE
MANAGER
SS NO. 8328



आसीम छाबड़ा / ASEEM CHHABRA
महानिर्देशक (साइलो) / Genl. Manager (Silo)
पारसी क्लब निगम, मुख्यालय / FCI Hqrs.
16-20 बालकृष्ण लाने / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

IndusInd Bank

IFFCO Chowk Branch Shop No 9, Ground Floor, Haryana
SWIFT Code: INDB IN BB DEP

To

Food Corporation of India
Headquarters, 10th Floor, 1620, Barakhamba Lane New
Delhi-110001

Date: Jun 06, 2017

Dear Sir/ Madam,

At the request of NATIONAL COLLATERAL MANAGEMENT, We have issued guarantee as per following details.

Bank Guarantee No & Date of Issue	OGT0747170012181 Jun 06, 2017
Amount	INR 6,500,000.00
Expiry Date	Dec 05, 2017
Claim Date	Dec 05, 2017

We confirm that the officials who have signed the above bank guarantee are authorized to sign the same on behalf of IndusInd Bank Ltd. You may verify the genuineness of issuance of said Bank Guarantee by writing to Head, Bank Guarantee Operations, at the following address

CGMO - Central Processing Centre
1001/1002, Solitaire Corporate Park,
167, Guru Hargovindji Marg, Andheri (East),
Mumbai - 400 093, Maharashtra



आसीम छाबड़ा / ASEEM CHHABRA

THIS IS A COMPUTER GENERATED ADVICE, NO SIGNATURE REQUIRED.
होमिंगर (सिलो) / Genl. Manager (Silo)

SERVICE TAX REGISTRATION NO. AAACN143100101001 SERVICE TAX CATEGORY: BANKING & FINANCIAL SERVICES

15-20 बाराखम्बा लेन / 16-20 B. K. Lane

नई दिल्ली-110001 / New Delhi - 110001

000539

For INDUSIND BANK LIMITED

AUTHORISED SIGNATORY

Indusind Bank Limited
Shop No. 2, Gr. Floor, Atlanta,
Nanmanpoint, MUMBAI - 400 021

D-5/STP(V)/C.R.1030/10/05/351-354

भारत 86188
112211



INDIA

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महाराष्ट्र
MAY 20 2017

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Rs.0000100/- PB5223

STAMP DUTY MAHARASHTRA

This forms an integral part of BG no OGT0747170012181
(Issuance/Amendment) Dated: 06/06/2017 of Rs. 6500,000/-
on behalf of National Collateral Management Services PFD.

Place: Mumbai

Date: 06/06/2017

For Indusind Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

ANUSMRIT NAWANKUR
CHIEF MANAGER
SS NO. 9487



For Indusind Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

TUSHAR BHOSALE
MANAGER
SS NO. 8328



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

Bank Guarantee for Bid Security

Bank Guarantee: OGT0747170012181

Date: 06/06/2017

To,
Food Corporation of India
Headquarters, 10th Floor, 1620,
Barakhamba Lane New Delhi-110001

1. In consideration of you, Food Corporation of India, having its head office at 16-20, Barakhamba Lane, New Delhi 110 001, India (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 National Collateral Management Services Limited [a company registered under the Companies Act, 1956/Companies Act 2013] and having its registered office at Unit No.505 to 509, 5th Floor, Lodha Supremus, Off JVL Road, Opp. Kanjurmarg Station Kanjurmarg East, Mumbai-400042 (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 "Construction of Food Grain Silo at Buxar and Kaimur under Design, Build, Finance, Own Operate and Transfer (DBFOT) basis" (hereinafter referred to as "the Project") pursuant to the RFP 2017_FCI_193487_1 Document dated 11th April 2017, Dr. Gopal Das Bhawan 28, Barakhamba Road, New Delhi - 110 001, issued in respect of the Project and other related documents including without limitation the draft concession agreement (hereinafter collectively referred to as "Bidding Documents"), we INDUSIND BANK LIMITED, a banking company incorporated and registered under Companies Act 1956 and having license to carry on banking business under the Banking Regulation Act, 1949 having its registered office at 2401, General Thimmayya Road, Cantonment, Pune- 411001 and its Corporate Office at 8th Floor, tower-1, One India Bulls Centre, 841, S.B. Marg, Elphinstone Road, Mumbai - 400 013 and its one of branch office at IndusInd Bank Ltd at Dr. Gopal Das Bhawan 28, Barakhamba Road, New Delhi-110001 (hereinafter referred to as the "Bank"), at the request of the Bidder, do hereby in terms of Clause 2.1.6 read with Clause 2.1.7 of the RFP Document, irrevocably, unconditionally and without reservation guarantee the due and faithful fulfillment 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 forthwith to the Authority an amount of Rs.65,00,000/- (Rupees Sixty Five Lakh 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 fulfill 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 fulfillment 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

Page 1 of 3

For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

ANUSMRIT NAWANKUR

CHIEF MANAGER

SS NO. 9487

ASEEM CHHABRA

For IndusInd Bank Limited (Silo)

CGMO, Andheri (East) Branch

Authorised Signatory

ANUSMRIT NAWANKUR

CHIEF MANAGER

SS NO. 9487

For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

TUSHAR BHOSALE

MANAGER

SS NO. 8328

000541

Bank Guarantee: OGT0747170012181

Date: 06/06/2017

is disputed by the Bidder or not, merely on the first written demand from the Authority stating that the amount claimed is due to the Authority by reason of failure of the Bidder to fulfill 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 whatsoever. Any such written 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.65,00,000/- (Rupees Sixty Five Lakh only)**.

4. This Guarantee shall be irrevocable and remain in full force till 05/12/2017 (for a period of 180 (one hundred and eighty) days from the Bid Due Date inclusive of a claim period of 60 (sixty) days i.e. 05/12/2017) or for such extended period, if extended, 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 or until the expiry of the guarantee, 05/12/2017, whichever is earlier.

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 fulfillment 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 Bids or the Bid validity period or the period for conveying acceptance of Letter of Award by the Bidder or the period for fulfillment 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 forbear 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 Guarantee would but for this provision have the effect of releasing the Bank from its such liability.

Page 2 of 3



For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

ANUSMRIT NAWANKUR
CHIEF MANAGER
SS NO. 9487



For IndusInd Bank Limited
CGMO, Andheri (East) Branch

Authorised Signatory

ASEEM CHHABRA
Genl. Manager (S&C)
TUSHAR BHOSALE
MANAGER
भारतीय खाद्य निगम, मुख्यलय / FCI
16-20 बाराखम्बा रोड / 16-20 B. K. Lane
नई दिल्ली 110004 New Delhi - 110001

Bank Guarantee: OGT0747170012181

Date:06/06/2017

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 IndusInd Bank, Dr. Gopal Das Bhawan28, Barakhamba Road, New Delhi - 110 001. [name of Bank along with branch address] and delivered at our above branch which shall be deemed to have been duly authorised 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 unrealised.

11. We, the Bank, further undertake not to revoke this Guarantee during its currency except with the previous express consent of the Authority in writing.

12. The Bank declares that it has power to issue this Guarantee and discharge the obligations contemplated herein, the undersigned is duly authorised 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.65,00,000/- (Rupees Sixty Five Lakh 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 05/12/2017**.

Date:06/06/2017

Place:New Delhi

For IndusInd Bank Limited

For IndusInd Bank Limited

(Authorised Signatory)
(Name and Designation /SS NO)

ANUSMRIT NAWANKUR
CHIEF MANAGER
SS NO. 9487



(Authorised Signatory)
(Name and Designation /SS NO)

TUSHAR BHOSALE
MANAGER
SS NO. 8328

Tushar Bhosale

Page 3 of 3

आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबंधक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001



000543



000544



Indian-Non Judicial Stamp Haryana Government



Date :25/04/2017

Certificate No. G0Y2017D6460

GRN No. 26708576

Stamp Duty Paid : ₹ 100
(Rs. Hundred Only)Penalty : ₹ 0
(Rs. Zero Only)

Deponent

Name: Ncml

H.No/Floor : Na

Sector/Ward : Na

Landmark : Na

City/Village : Gurugram

District : Gurugram

State : Haryana

Phone : 9999926264



Purpose : GENERAL AGREEMENT to be submitted at Gurugram



Power of Attorney for signing of Bid

Know all men by these presents, We, **NATIONAL COLLATERAL MANAGEMENT SERVICES LIMITED (NCML)** having its registered office at Lodha Supremus, 5th Floor, Off JVLR, Kanjurmarg (East), Mumbai -400042, Maharashtra and its corporate office at IIFCO Tower, Tower 1, 'B' Wing, 5th Floor, Sector-29, Gurgaon - 122001, Haryana do hereby irrevocably constitute, nominate, appoint and authorise Mr. Kuldip Singh, son of Jagannath Prasad Singh and presently residing at H no. 6358, Sector C, Pocket 6, Vasant Kunj, NewDelhi-110070, who is presently employed with us and holding the position of Senior VP- Silo Project, 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 "Selection of developer for construction of Food Grain Silos at Kaimur and Buxar through Public Private Partnership (PPP) On Design, Build, Finance, Own, Operate and Transfer (DBFOT) basis" Project proposed or being developed by the **Food Corporation of India** (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 Concession 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



आशीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.
16-20 बाराकम्पा लेन / 16-20 B. K. Lane
न्यू-दिल्ली-110001 / New Delhi - 110001

00545

into of the Concession Agreement with the Authority.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully 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, NATIONAL COLLATERAL MANAGEMENT SERVICES LIMITED, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS 23rd DAY OF May, 2017

For National Collateral Management Services Limited

Signature

Name : Sanjay Kaul

Designation : Managing Director & CEO

Address : IIFCO Tower, Tower 1, 'B' Wing, 5th Floor,
Sector-29, Gurgaon - 122 001, Haryana

Witnesses:

1. Priya Vaishnav, Senior Executive - Legal & Secretarial
2. Poulami Samra, Executive Assistant - MD & CEO's Office

Accepted

Notarised

Kuldip Singh

Senior VP- Silo Project

IIFCO Tower, Tower 1, 'B' Wing, 5th Floor,
Sector-29, Gurgaon - 122 001, Haryana



ATTESTED



000546

आशीष छाबड़ा / ASEEM CHHADRA
साईलो / साईलो / Gent. Manager (Silo)
ADVOCATE & NOTARY
DISTT GURGAON (Haryana) India
110001 / New Delhi - 110071

23 MAY 2017



True Extracts authenticated as per Section 21 of the Companies Act, 2013 of the Minutes of the 57th Meeting of the Board of Directors of National Collateral Management Services Limited was held in the Conference Room, NCML Office, Gayatri Towers, 2nd Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025 on Monday, September 14, 2015 from 12.00 noon onwards, wherein the requisite quorum was present.

Vesting of Powers and authorizations consequent upon re-appointment of Mr. Sanjay Kaul as MD & CEO

After reappointment of Mr. Sanjay Kaul as MD & CEO for a period of 5 (Five) years with effect from 15th September, 2015, the Board passed the following resolutions to enable the Managing Director & CEO to effectively discharge his responsibilities:

RESOLVED THAT in terms of Article 178(27) of the Articles of Association (Articles) of the Company, Shri Sanjay Kaul, be and is hereby vested with powers, authorities and discretion as contained in Articles 175 to 178 of the Articles and to carry out any of the activities that could be performed by the Board, save and except those that would require specific approval of the shareholders or the Board of Directors.

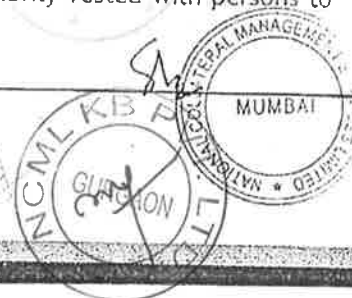
RESOLVED FURTHER THAT Mr. Sanjay Kaul, be and is hereby authorized, on behalf of the Company, to sign all applications, submissions, documents, letters, notifications, forms including various forms and returns to be signed under the Companies Act, 2013, the Income-tax Act, 1961, under any order of competent court/tribunals and various enactments of Central Governments, state governments or local, town, municipal, or any other legal, statutory and regulatory authorities, banks, financial institutions, self regulating bodies, or any other body corporate or any Firms AND to sign statements of all kinds (including agreements/contracts, tender documents, indemnities, undertakings, declarations, affidavits, counter guarantees, power of attorneys), as may be required by any governmental department(s) or any other authority, including competent courts/tribunals, income tax, sales tax, or any other taxes, and with any other person, firm, company, body corporate, banks, financial institutions as the occasion may require.

RESOLVED FURTHER THAT in terms of Article 178(28) of the Articles, Mr. Sanjay Kaul, be and is hereby vested with powers to further sub-delegate, by executing Office Orders and/or power of attorney(ies) and/or by any other means, all or any of the powers, authorities and discretion for the time being vested in him to any other delegate, vary any such delegated powers and/or revoke any delegated authority vested with persons to whom further delegation was effected.

National Collateral Management Services Limited

Gayatri Towers, 954 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.
Tel.: (+91-22) 40419191 Fax: (+91-22) 40419193 Website: www.ncml.com
CIN: U74140MH2004PLC148859

महोदय (साइल) / Genl. Manager (FCI)
महोदय निगम, मुख्यालय / FCI Hqs.
16-20 बालकृष्ण लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi-110001





RESOLVED FURTHER THAT the Managing Director and Chief Executive Officer and / or Company Secretary be and are hereby individually authorised to sign, execute and deliver on behalf of the Company, all necessary notices, forms, applications, returns, etc., and to do all such other acts, deeds, matters and things, in as they may be considered necessary in this regard.

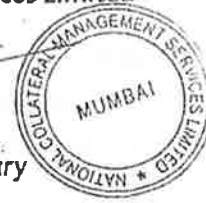
Certified True Copy

For National Collateral Management Services Limited

Sanjay Khare

Sanjay Khare

Head – Legal & Company Secretary



ASEEM CHHABRA
आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

000548

National Collateral Management Services Limited

Gayatri Towers, 954 Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India.
Tel.: (+91-22) 40419191 Fax: (+91-22) 40419193 Website: www.ncml.com
CIN: U74140MH2004PLC148859



000550



TECHNICAL EVALUATION REPORT

1.	National Collateral Management Services Limited
2.	
3.	Topline Infra Projects Private Limited

The Financial Proposal shall be opened on **30.06.2017** at **4:00 PM** in Committee Room at **Private Partnership on Design, Build, Finance, Operate & Transfer (DBFOT) basis**.
3rd Floor, FCI Hqrs, 16-20, Barakhamba Lane, New Delhi- 110001.

Qualified Bidders are welcome to participate.

RFP Reference No : **Silos/203/DEA/2016**

Tender ID : **2017_FCI_193487_1**



आसीम चवड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बारखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

Signature Not Verified

Digitally signed by DEVENDRA
KULSHRESHTHA
Date: 2017.06.29 15:56:26 IST
Location: eProcure



000552

eProcurement System Government of India
Created By: DEVENDRA KULSHRESHTHA
Created Date/Time: 22-Sep-2017 09:12 AM
Tender Title: Selection of Developer for construction of Silos at Kaimur and Buxar under Public Private Partnership on Design, Build, Finance, Operate and Transfer DBFOT basis
Tender Id: 2017_FCI_193487_1

Tender Inviting Authority: GM(Silo)

Name of Work: Request for proposal for "Selection of Developer for construction of Food Grain Silos at Kaimur and Buxar through Public

Contract No: Silos/203/DEA/2016

SCHEDULE OF WORK / ITEM(S)					
Sl.No	Description of Work / Item(s)	No. of Qty	Units	Estimated Rate	National Collateral Management Services Limited Amount
1.00	I/We require a Grant of Rs. (Rupees.....).	1.00	Nos	100.00	76500000.00
2.00 or 3.00	I/We offer a sum of Rs. (Rupees) to be computed with reference to the first year of the Concession Period and payable in accordance with Clause 26.4 of the Concession Agreement.	1.00	Nos	10.00	0.00

L1 Amount	L1 Vendor
76500000.00	National Collateral Management Services Limited

0.00	Topline Infra Projects Private Limited, National Collateral Management Services Limited, PSGG TECHNOLOGIES PRIVATE LIMITED
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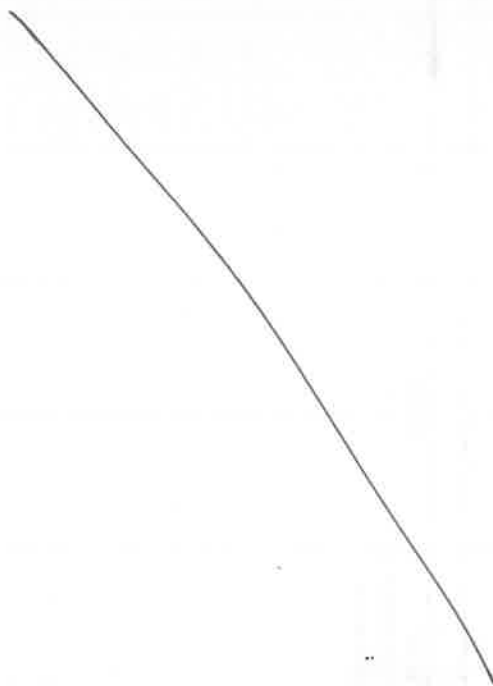
76500000.00

Total in Figures

Lowest Amount Quoted BY: National Collateral Management Services Limited(76500000.00)

आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलोज) / GenL Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराकम्पा लेन / 16-20 Barakampana Lane
नई दिल्ली-110001 / New Delhi - 110001





000554

No. SILO/203/DEA/2016/Pt./453

Dated: 23.08.2017

LETTER OF AWARD

To,

✓ Mr. Kuldeep Singh

Senior Vice President,

National Collateral Management Services Limited

IIFCO tower 1, B wing, 5th Floor, Plot No.3,

Sector – 29, Gurgaon - 122001

Email: kuldeep.s@ncml.com

Mob. No. – 7738001275

Fax:- 0124- 4338290

Sub: - Development of Silo of 50,000 MT capacity for storage of foodgrain each at Kaimur & Buxar in Bihar on Design Build, Finance, Operate and Transfer (DBFOT) basis under Public Private Partnership (PPP) mode.

Dear Sir,

With reference to your price bid submitted on 08.06.2017, it is hereby informed that your financial offer for Grant of Rs. 7,65,00,000 (Rs. Seven Crore Sixty Five Lakhs only) for the work of Development of Silo of 50,000 MT capacity for Storage of Wheat and Rice each at Kaimur and Buxar in Bihar on Design Build, Finance, Operate and Transfer (DBFOT) basis under Public Private Partnership (PPP) mode has been accepted by the High Level Committee (HLC).

Food Corporation of India is pleased to issue this Letter of Award (in duplicate) as per the terms and conditions stipulated in the bid documents for the aforesaid work.

As per Clause 3.3.5, Section 3 of RFP, you are requested to sign and return the duplicate copy to this LOA within 7 days of receipt of this letter in acknowledgement thereof. Failure on your part to comply with this requirement shall constitute sufficient grounds for annulment of the LOA and forfeiture of the entire amount of the submitted Bank Guarantee towards Bid Security as per Clause 2.20.7 of the RFP document.

Further you are requested to make necessary arrangements for signing & sealing of Concession Agreement and associated documents as per the terms and conditions of bid documents for the captioned project within 30 days of the issuance of this letter, pursuant to Clause 1.3 of the RFP document.

Please note, as per the clause 2.2.6, Section 2 of the RFQ, the Applicant cum selected bidder (Single entity/ consortium) shall form the Special Purpose Vehicle, incorporated under the Indian Companies Act 2013 (the SPV), to execute the concession agreement and implementation of the project.

You are requested to kindly acknowledge receipt of the Letter of Award.

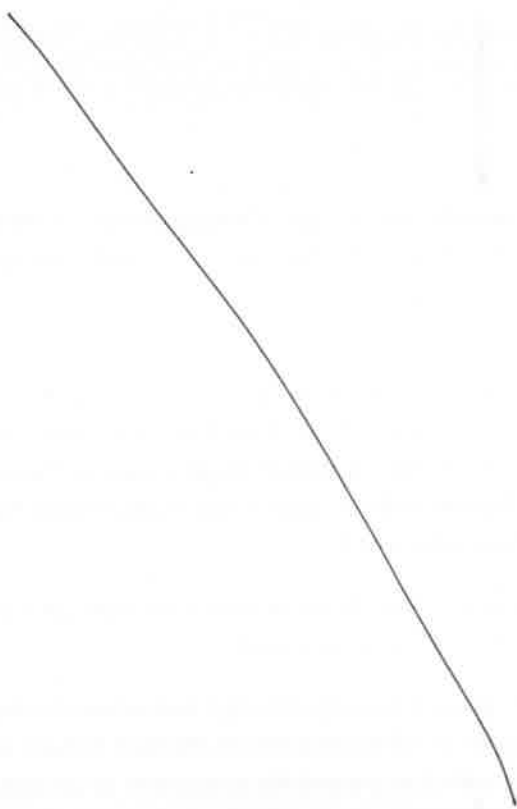
Signature valid

Digitally signed by DEVENDRA KULSHRESHTHA
Date: 2017.09.21 17:15:52 IST
Location: eProcure

(S.P. Kar)
24.8.17

आसेम चवड़ा / ASEEM CHHABRA
महानिदेशक (आवेदक) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqs
16-20 बाराखम्बा रोड / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi-110001





000556

No. SRO/203/DLA/2016/11

Dated: 23.08.2017

LETTER OF AWARD

To,

Mr. Kuldeep Singh

Senior Vice President,

National Collateral Management Services Limited

HFCO tower 1, B wing, 5th Floor, Plot No. 3

Sector - 29, Gurgaon - 122001

Email: kuldeep.s@ncml.com

Mob. No. - 7738001275

Fax: 0124-4338290

Sub: - Development of Silo of 50,000 MT capacity for storage of foodgrain each at Kaimur & Buxar in Bihar on Design Build, Finance, Operate and Transfer (DBFOT) basis under Public Private Partnership (PPP) mode.

Dear Sir,

With reference to your price bid submitted on 08.06.2017, it is hereby informed that your financial offer for Grant of Rs. 7,65,00,000 (Rs. Seven Crore Sixty Five Lakhs only) for the work of Development of Silo of 50,000 MT capacity for Storage of Wheat and Rice each at Kaimur and Buxar in Bihar on Design Build, Finance, Operate and Transfer (DBFOT) basis under Public Private Partnership (PPP) mode has been accepted by the High Level Committee (HLC).

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As per Clause 3.3.5, Section 3 of RFP, you are requested to sign and return the duplicate copy to this LOA within 7 days of receipt of this letter in acknowledgement thereof. Failure on your part to comply with this requirement shall constitute sufficient grounds for annulment of the LOA and forfeiture of the entire amount of the submitted Bank Guarantee towards Bid Security as per Clause 2.20.7 of the RFP document.

Further you are requested to make necessary arrangements for signing & sealing of Concession Agreement and associated documents as per the terms and conditions of bid documents for the captioned project within 30 days of the issuance of this letter, pursuant to Clause 1.3 of the RFP document.

Please note, as per the clause 2.2.6, Section 2 of the RFQ, the Applicant cum selected bidder (Single entity/ consortium) shall form the Special Purpose Vehicle, incorporated under the Indian Companies Act 2013 (the SPV), to execute the concession agreement and implementation of the project.

You are requested to kindly acknowledge receipt of the Letter of Award.

Received
10/08/2017

आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साईलो) / Genl. Manager (Silos)

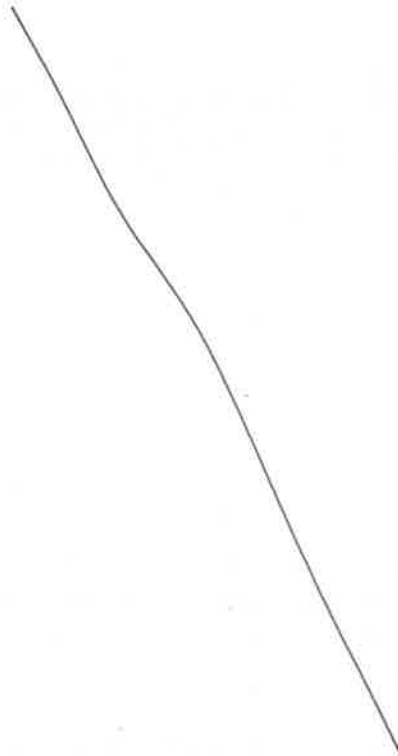
प्रमुख निगम, मुख्यालय / FCI Hqrs.

16-20 बाराकम्पा लेम / 16-20 B. K. Lane

नई दिल्ली-110001 / New Delhi - 110001



8-17
(S.P. Kar)
Executive Director (Silos)



000558

Certified True copy of the Resolution passed at the meeting of the Board of Directors of National Collateral Management Services Limited held on Friday, September 1, 2017 at C, 6th Floor, Cnery Appasaheb Marathe Marg, Opp. Tata Motors, Prabhadevi Mumbai-400025, wherein the requisite quorum was present

Participation in the FCI Silo Project

"RESOLVED THAT the draft Concession Agreement by the Food Corporation of India (FCI) for construction, operation and maintenance of Silo Complex for Storage of food grain under Design, Build, Finance, Operate and Transfer (DBFOT) model for locations Buxar and Kaimur (Bihar), be and is hereby approved and the Company shall at all times adhere to the terms and conditions of the Concession Agreement.

RESOLVED FURTHER THAT approval of the Board be and is hereby accorded to form Special Purpose Vehicle (SPV) for the location Buxar and Kaimur and Mr. Niraj Kumar Singh or Mr. Avinash Gupta of the Company, be and are hereby severally authorized to take necessary steps for formation of SPV as per the terms of the Concession Agreement.

RESOLVED FURTHER THAT approval of the Board be and is hereby accorded to invest in the equity of the proposed SPVs as per the terms of the Concession Agreement.

RESOLVED FURTHER THAT the Company undertakes to maintain its equity participation in the SPV as per the terms of the Concession Agreement."

Certified True copy

For National Collateral Management Services Limited



Unupom Kausik
Director



National Collateral Management Services Limited

Office Tower, Tower 1, Wing - B, 5th Floor, Sector-29, Gurgaon - 122002
Tcl: (+91 124) 4338200 Fax: (+91 124) 4338290 Website: www.ncml.com
CIN : U74110MH2002PLC145555

आसीम छाबड़ा / ASEEM CHHABRA

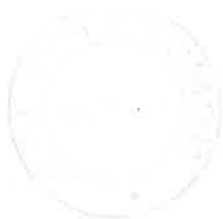
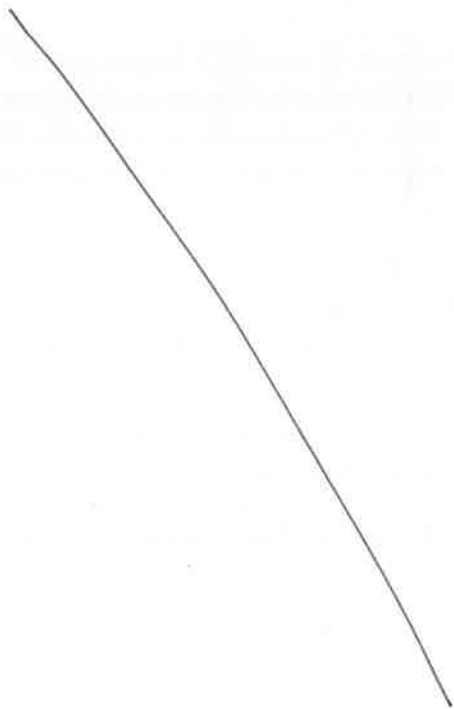
महाप्रबन्धक (सिलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

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(THE COMPANIES ACT 2013)

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

NCML KB PRIVATE LIMITED

CIN : U01110HR2017PTC070944

(COMPANY LIMITED BY SHARES)

आशीम छाबड़ा / ASEEM CHHABRA
नवाप्रबन्धक (साइलो) / Gent. Manager (Silo)
भारतीय खाद्य निगम / FCI Hqrs.
16-20 ब्रासवुड लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001



000561



सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Central Registration Centre

Certificate of Incorporation

[Pursuant to sub-section (2) of section 7 of the Companies Act, 2013 (18 of 2013) and rule 18 of the Companies (Incorporation) Rules, 2014]

Whereby certify that NCML KB PRIVATE LIMITED is incorporated on this Twenty eighth day of September Two thousand seventeen under the Companies Act, 2013 (18 of 2013) and that the company is limited by shares.

The Corporate Identity Number of the company is U01110HR2017PTC070944.

The Permanent Account Number (PAN) of the company is AAFCN7948E *

Given under my hand at Manesar this Twenty eighth day of September Two thousand seventeen.

DS MINISTRY OF
CORPORATE AFFAIRS 01

Digital Signature Certificate
MUKESH KUMAR

For and on behalf of the Jurisdictional Registrar of Companies
Registrar of Companies
Central Registration Centre

Disclaimer: This certificate only evidences incorporation of the company on the basis of documents and declarations of the applicant(s). This certificate is neither a license nor permission to conduct business or solicit deposits or funds from public. Permission of sector regulator is necessary wherever required. Registration status and other details of the company can be verified on www.mca.gov.in

Mailing Address as per record available in Registrar of Companies office:

NCML KB PRIVATE LIMITED

FCO TOWER-1, B- WING,, 5TH FLOOR, PLOT NO.3, SECTOR-29,,

GURGAON, Gurgaon, Haryana, India, 122001

Issued by the Income Tax Department



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
घरतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा रोड / 16-20 B. K. Road
नई दिल्ली-110001 / New Delhi - 110001

(THE COMPANIES ACT, 2013)
COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

NCML KB PRIVATE LIMITED

- I. The name of the Company is NCML KB PRIVATE LIMITED
- II. The Registered Office of the Company will be situated in the State of Haryana-HR
- III. The objects for which the Company is established are:

A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

To develop the "Project" (Project means construction, operation and maintenance of Silo Complex for Storage of food grain at Kaimur and Buxar, in the state of Bihar, under Design, Build, Finance, Operate and Transfer (DBFOT) model) through Public Private Partnership (PPP) as per the Draft Concession Agreement issued by the Authority i.e. Food Corporation of India for identifying and procuring Land Parcels for the Project in both the districts and transferring to the Authority including designing, engineering, financing, procurement, transportation, installation, construction, operation and maintenance and to act as storage facility including storage, handling, preservation and transportation of food grains in bulk, bagged, in warehouse and containerized form on land.

B. MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE:

1. To provide services as per the permissible activities defined in the draft concession agreement issued by the Authority i.e. the Food Corporation of India for the "Project" (Project means construction, operation and maintenance of Silo Complex for Storage of food grain at Kaimur and Buxar, in the state of Bihar, under Design, Build, Finance, Operate and Transfer (DBFOT) model) and would provide other services subject to prior written approval from the Food Corporation of India (FCI).
2. To establish and maintain and operate road and rail transport services and all ancillary services either public and/or private or both and for these purposes.



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आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साईल) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

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3. To acquire real or leasehold estate and to purchase, lease or otherwise acquire or provide in any place in which any part of the business of the Company may from time to time be carried on, all such offices, warehouses, workshops, buildings, houses for employees and Directors, Machineries, Engines, plant and appliances as may be considered requisite for the purpose of carrying on the business of the Company or any part thereof.
4. To form, constitute, float, lend money to assist and control similar associations or undertakings whatsoever.
5. To hold, use, work, manage, improve, carry on, develop the undertaking, lands and movable estate or property and assets of any kind of the Company or any part thereof.
6. To dispose of any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as may be thought fit and to accept payment or satisfaction for the same in cash or otherwise.
7. To subscribe for, take or otherwise acquire and hold shares, stocks debentures or other securities of any other Company having objects altogether or in part similar to those of the Company or carrying on any business capable of being conducted so as directly to benefit of the Company.
8. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, or any other useful institutions in their objects or purposes or for any exhibitions but not for political objects.
9. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donation, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of Company or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are/were at any time Director or officers of the Company or of any such other company as aforesaid and the wives, widows, families and dependants of any such persons and also to establish and subsidise and subscribe to any institutions, associations, club or funds calculated to be for the benefit of or to advance the interest and well being of the Company or of any such other company as aforesaid and make payment to or towards the insurance of any such persons as aforesaid and to any matters aforesaid either alone or in conjunction with any such other company as aforesaid.
10. To provide for the welfare of Directors, employees, or ex-employees of the Company and the wives, widows and families of the dependents or connections of such persons by building or contributing for the building, houses, dwelling or quarters, or by grants of money, pensions, gratuities, allowance, bonus, profit sharing bonus or



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (आसि) / Genl. Manager (Silo)
भारतीय खाद्य नियंत्रण, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा रोड / 16-20 Barakhamba Road
नई दिल्ली-110001 / New Delhi - 110001

benefits or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds profit sharing or other scheme or trust and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendants, and other assistances as the Company shall think fit.

11. To establish, provide, maintain and conduct or otherwise subsidise, research, laboratories and experimental workshop for scientific and technical research and experiments and undertake and carry on with all scientific and technical research experiments and tests of all kinds and to promote studies and research both scientific and technical investigation and invention by providing subsidising or assisting laboratories workshops, libraries, lectures, meeting and conferences and by providing the remunerations of scientific or technical professor or teachers and by providing for the award or exhibition, scholarship prizes and grants to students or otherwise and generally to encourage promote and reward studies, researches, investigation, experiment, tests and invention of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.
12. To aid peculiarly or otherwise, any association, body or movement having similar object, the solution, settlement or labour problems or the promotion of industry or trade.
13. To acquire and undertake all or any part of the business property and liabilities of any person, company carrying on or proposing to carry on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of the Company which can be capable of being conducted so as directly to benefit the Company and to subsidise or assist any such persons or company financially or otherwise.
14. To vest any movable or immovable property rights or interests acquired by or belonging to the Company in any person or Company on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
15. To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealing with Company and to guarantee the performance of any contract or obligation and the payment of money to any such person or companies and generally to give guarantee and indemnities.
16. To guarantee the payment of money secured or unsecured by or payable under the respect of promissory notes, bonds, debentures, debenture-stock, contracts, mortgages charges, obligations, instruments of any person whatsoever, whether incorporated or not and generally to guarantee or become surety for the performance of any contracts or obligations.



असिम चन्द्रा / ASEEM CHANDRA

महोदय (साहसी) / Genl. Manager (Sdho)

भारतीय रक्षा निगम, मुख्यालय / FCJ Hqrs.

16-20 बाराक रोड / 16-20 B. K. Lane

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17. To undertake and execute and trust, the undertaking of which may seem to the Company desirable either gratuitously or otherwise.
18. To pay all preliminary expenses of any company promoted by the Company or any company in which this Company is or may contemplate being interested including in such preliminary expenses all or any part of the cost and expenses of owners of any business or property acquired by the Company.
19. To create any depreciation fund, reserve fund, sinking fund, insurance fund, educational fund or any other special fund or reserves whether for depreciation or for repairing improving, extending or maintaining any of the properties of the Company or for redemption of debentures or redeemable preference shares or for any other purposes conducive to the interest of the Company.
20. Subject to the provisions of the Companies Act, 2013 to place to reserve or to distribute as dividends or bonus shares among the members or otherwise to apply any money received by way of premium on shares or debentures issued at a premium by the Company and any money received in respect of dividends accrued on or arising from the sale of forfeited shares.
21. To pay out of the funds of the Company all costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital including any undertaking or other commissions, broker's fees and charges in connection therewith and to remuneration (by cash or other assets or by the allotment of fully or partly paid shares) or by a call or option on shares, debentures, debenture-stocks, or securities of this or any other company or in any other manner whether out of the Company's capital or profits or otherwise to any person or persons for services rendered in introducing any property or business to the Company, in placing or assisting to place or guaranteeing the subscription of any shares, debentures, debenture-stocks, or other securities of the Company as the Directors may think proper.
22. To draw, make, accept, endorse, discount, issue, negotiate, assign and otherwise deal with cheques, drafts, bills of exchange, promissory notes, hundies, debentures, bonds, warrants and all other negotiable or transferable instruments.
23. To insure with any other company or person against losses, damages, risks and liabilities of all kinds which may affect this Company.
24. To open account or accounts with any firm or Company or with any bank or banks or bankers or shroff to pay into, withdraw money from such account or accounts.
25. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertakings having similar objects and generally of any assets, property or rights.



आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साइलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

16-20 बाराकम्पा लेन / 16-20 B. K. Lane

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26. Subject to the provisions of the Act, to pay for any properties, rights or privileges acquired by the Company either in shares of the Company or partly in shares and partly in cash or otherwise.
27. To amalgamate, enter into partnership or into any arrangement for sharing or pooling of profits, amalgamation, union of interest, cooperation, joint venture, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on any business or transaction which may seem capable of being carried on or conducted so as, directly or indirectly to benefit the Company.
28. To lend, invest or otherwise employ or deal with money belonging to or entrusted to the Company in securities and shares or other movable or immovable property or without security upon such terms and in such manner as may be thought proper from time to time, to vary such transactions and investment in such manner as the Directors may think fit subject to the provisions of the Companies Act, 2013.
29. To purchase or otherwise acquire, protect, prolong and renew any patents, rights, inventions, licences, protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account the same and to grant licence or privileges in respect of the same.
30. To pay or satisfy the consideration for any property, rights, shares, securities or assets whatsoever which the Company is authorised to purchase, or otherwise acquire either by payment in cash or by the issue of shares, or other securities of the Company, or in such other manner as the Company may agree to partly in one mode and partly in another.
31. To search for and to purchase, protect, prolong, renew or otherwise acquire from any Government, state or authority any patents, protections, licences, concessions, grants, decrees, rights, powers and privileges whatsoever which may seem to the Company capable of being turned to account, to work develop, carry out, exercise and turn to account the same.
32. To furtherance of the aforesaid objects of the Company:
 - [a] To enter into negotiations with and enter into arrangements and contracts and conclude the same with foreign and/or Indian parties and other persons for obtaining by grant, licence, and/or on other terms, formulate and other rights and benefits, and to obtain technical and engineering information assistance and service know-how and expert advice for installation of plant and machinery, production and manufacture of any products, and
 - [b] To pay for technical know-how, technical and engineering assistance and information and/or service rights or privileges acquired by the Company either in shares of the Company or partly in cash or otherwise.



[c]To pay to promoters such remuneration and fees and otherwise re compensate them for their time and for the service rendered by them.

33. To do above things as may be incidental or conducive to the attainment of above objects, as principals and as or through agents, brokers, trustees, contractors, either alone or in partnership or in conjunction with others.
34. Subject to the provisions of the Companies Act, 2013 and the Rules made thereunder and the directives of the Reserve Bank of India, to borrow or raise or secure the payments of money or to receive money on deposit at interest for any of the purposes of the Company and at such time and from time to time and in such manner as may be thought fit and in particular by the issue of debenture or debenture-stock convertible into shares of this or any other company or perpetual annuities and as security for any such money so borrowed, raised or received or for any such debentures or debenture-stocks so issued to mortgage, pledge or charge the whole or any part of the property, assets, or revenue and profits of the Company present or future including its uncalled capital by special assignments or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities and also by a mortgage, charger or lien to secure and guarantee the performance by the Company or any other person or company as the case may be provided that the Company shall not carry on banking business as defined in the Banking Regulation Act, 1949.
35. To enter into any agreements and to take all necessary or proper steps with Governments or with other authorities imperial, supreme, national, local, municipal or otherwise of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of carrying out the objects of the Company directly or indirectly or effecting any modifications in the constitution of the Company or furthering interests of its members and to oppose any such steps taken by any other Company, firm or person which may be considered likely directly or indirectly to prejudice the interest of the Company or its members and to promote or assist the promotion, whether directly or indirectly of any legislation which may appear to be in the interests of the Company and to oppose and resist, whether directly or indirectly, any legislation which may seem disadvantageous to the Company.
36. To apply for, promote and obtain any Act or Parliament or legislature, charter, privilege, concession, licence or authorisation of Government State or Municipality provisional order or licence of the Board of Trade or other authority for enabling the Company to carry out any of the objects into effect or for extending any of the powers of the Company for effecting any modification of the constitution of the



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (सिटी) / Cent. Manager (City)
परमेश्वर खाद्य निगम, मुख्यालय / FCI Hqrs.
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Company for any other purpose which may seem calculated, directly or indirectly to prejudice the interests of the Company.

37. To make and/or receive donations, gifts or income to or from such persons: institution or trusts and in such cases and whether of cash or any other assets as may be thought directly or indirectly to benefit the Company or any of the objects of the Company and also to remunerate any person or corporation introducing or assisting in any manner the business of the Company.
38. To establish and support or aid in the establishment of and support associations, institutions, companies, societies, funds, trusts and conveniences for the benefit of the employees or ex-employees or of persons having dealing with the Company or the dependents, relatives or connections of such persons and in particular friendly or other benefit societies and to grant pensions, allowances and bonuses either by way of annual payments or by way of lumpsum and to make payments towards insurance to form and contribute to provident and benefit funds, or to such persons.
39. To indemnify members, officers, directors, agents and employees of the Company against proceedings cost, damages, claims and demands in respect of anything done or ordered to be done by them and in the interest of the Company or any loss, damage or misfortune whatsoever which shall happen in the execution of the duties of their offices or in relation thereto.
40. Subject to the provisions of the Act, the company shall have power to borrow any sum or sums of money for the purpose of the Company on such terms and conditions and from such person or persons, firms, bank or any financial, industrial, institutions or any government or semi-government corporation as the Company may deem fit.

IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

V. The Authorised Share Capital of the Company is Rs. 1,000,000/- (Rupees Ten Lakhs only) divided into 1,00,000 (One Lakh) Equity Shares of Rs. 10/- each.



श्री अशोक कुमार असेम चौधरी
महानिदेशक (साईली) / Gen. Manager (Silo)
वस्तु निर्यात निगम, मुंबई / FCI Hons.
16-20 बरहमा रोड / 16-20 B. K. Road
नई दिल्ली-110001 / New Delhi - 110001

We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company set against our respective names:

S. No.	Name, address, description and occupation of subscribers	No. of shares taken by each subscriber	Signature of subscriber	Signature, name, address, description and occupation of Witness
1.	National Collateral Management Services Limited having registered office at 5th Floor, LodhaSupremus, Units Nos. 505-509, Kanjurmarg (East), Mumbai – 400042 through Its Director Mr. Sanjay Kaul s/o Mr. Victor Kaul, residing at Flat 5A, Tower G, The IVY Sushant Lok-1 A Block, Sector-28, Gurgaon, Haryana-122001, E. Mail ID-sanjay.kaul@ncml.com, Occupation-Service.	99,990 (Ninety nine thousand nine hundred and ninety nine) Equity Shares	Sd/-	Sd/- Signed before me ACS Santosh Kumar Singh B-303, Sai Enclave-1, Shree Vinayak Nagar, Pleasant Park, Mira Road (E), Thane, Mumbai - 401107. E.Mail-sksacs@gmail.com, Occ: Company Secretary in Practice Membership No. 15964
2.	Mr. Niraj Kumar Singh [Nominee of National Collateral Management Services Limited having registered office at 5th Floor, LodhaSupremus, Units Nos. 505-509, Kanjurmarg (East), Mumbai – 400042] s/o Mr. Balbhadra Singh, residing at Ward No. 14, Azad Chauk Akaltara(m), Janjgirchampa, Chhatisgrah-495552 E. Mail ID- niraj.s@ncml.com, Occupation: Service.	10 (Ten) Equity Shares	Sd/-	
	TOTAL	100,000 (One lakhs) Equity Shares		

Date: 27/08/17

Place: Gurgaon



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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**ARTICLES OF ASSOCIATION
OF
NCML KB PRIVATE LIMITED
(A COMPANY LIMITED BY SHARES)**

Description

Subject to anything contrary provided hereinafter, the Regulations contained in Table "F" in the first schedule to the companies Act, 2013 shall apply to the company.

I **INTERPRETATION**

1. In these Regulations:-
 - a) "Company" means **NCML KB PRIVATE LIMITED**.
 - b) "Office" means the Registered Office of the Company.
 - c) "Act" means the Companies Act, 2013 and any statutory modification thereof.
 - d) "Seal" means the Common Seal of the Company.
 - e) "Directors" means the Directors of the Company and includes persons occupying the position of the Directors by whatever names called.
2. Unless the context otherwise requires words or expressions contained in these Articles shall be the same meaning as in the Act, or any statutory modification thereof in force at the date at which these Articles become binding on the Company.
3. The Company is a Private Company within the meaning of Section 2(68) of the Companies Act, 2013 and accordingly:-
 - (i) Restricts the right to transfer its shares;
 - (ii) Limits the number of its members to two hundred:
Provided that where two or more persons hold one or more shares in a company jointly, they shall, for the purposes of this clause, be treated as a single member:
Provided further that-
 - (a) persons who are in the employment of the company; and
 - (b) persons who, having been formerly in the employment of the company, were members of the company while in the employment and have continued to be members after the employment ceased, shall not be included in the number of members; and
 - (iii) Prohibits any invitation to the public to subscribe for any securities of the company;

II **SHARE CAPITAL AND VARIATION OF RIGHTS**

1. The Authorised Share Capital of the Company shall be such amounts and be divided into such shares or classes of shares as may, from time to time, be



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आसेम छावड़ा / ASEEM CHHADRA

महप्रिबन्धक (साईली) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqs.

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provided in Clause V of the Memorandum of Association with power to increase or reduce the capital in accordance with the Company's regulations and legislative provisions for the time being in force in that behalf with the powers to divide the share capital, whether original increased or decreased into several classes and attach thereto respectively such ordinary, preferential or special rights and conditions in such a manner as may for the time being be provided by the Regulations of the Company and allowed by law. The provisions of Section 43 and 47 of the Act shall not apply to the Company.

2. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons resident in India as well as outside India, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
3. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid up or at par or at premium in consideration of any property sold or goods transferred or machinery supplied or loans provided or for services rendered to the Company in the conduct of its business.
4. Subject to the provisions of section 68, 69, and 70 of the Companies Act, 2013 and any statutory amendments or re-enactments thereof and compliance of the provisions thereof by the Company, the Company is authorized to purchase its own shares or other specified securities.
5. The Company in general meeting may decide to issue fully paid up bonus share to the members if so recommended by the Board of Directors.
6. . Each fully paid up share shall carry one vote unless otherwise specifically provided in the terms of issue of such share.

2

(i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall prescribe.

be provided, --

- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.



आसीम छाबरा / ASEEM CHHABRA

महाप्रबन्धक (साइल) / Cent. Manager (Sil)

भारतीय खाद्य निगम, मुख्यालय / PCV Hqrs.

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नई दिल्ली 110001 / New Delhi -

- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 3 (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
- 4 Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- 5 (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- 6 (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.



7 The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking paripassu therewith.

8 Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

9 (i) The company shall have a first and paramount lien --
(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10 The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made --

(a) unless a sum in respect of which the lien exists is presently payable; or
(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11 (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12 (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the



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date of the sale.

CALLS ON SHARES

- 13 (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:
Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
(iii) A call may be revoked or postponed at the discretion of the Board.
- 14 A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
- 15 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 16 (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 17 (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 18 The Board --
(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may



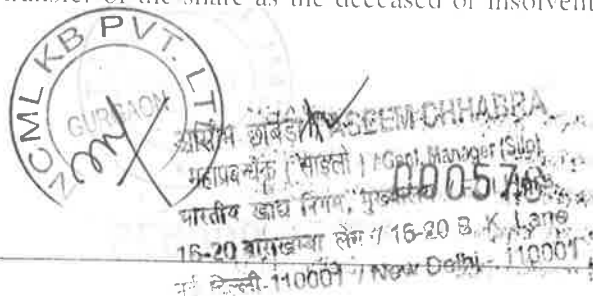
be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

- 19 (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 20 The Board may, subject to the right of appeal conferred by section 58 decline to register:
(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
(b) any transfer of shares on which the company has a lien.
- 21 The Board may decline to recognise any instrument of transfer unless --
(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
(c) the instrument of transfer is in respect of only one class of shares.
- 22 On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:
Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

TRANSMISSION OF SHARES

- 23 (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares
(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- 24 (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --
(a) to be registered himself as holder of the share; or
(b) to make such transfer of the share as the deceased or insolvent member could have made.



(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25 (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26 A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

27 If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28 The notice aforesaid shall --

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29 If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the



payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

- 30 (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 31 (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 32 (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
(iii) The transferee shall thereupon be registered as the holder of the share; and
(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 33 The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

- 34 The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- 35 Subject to the provisions of section 61, the company may, by ordinary resolution, --
(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into

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fully paid-up shares of any denomination:

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36 Where shares are converted into stock, --

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37 The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law. --

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

CAPITALISATION OF PROFITS ..

38 (i) The company in general meeting may, upon the recommendation of the Board, resolve --

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

- 39 (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall --
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
- (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power --
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARES

- 40 Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

- 41 All general meetings other than annual general meeting shall be called extraordinary general meeting.



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- 42 (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

- 43 (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- 44 The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 45 If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- 46 If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

- 47 (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

- 48 Subject to any rights or restrictions for the time being attached to any class or classes of shares, --
(a) on a show of hands, every member present in person shall have one vote; and



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(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

- 49 A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 50 (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 51 A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 52 Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 53 No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 54 (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

- 55 The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 56 An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105



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- 57 A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given;
Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

- 58 1. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.
2. The number of Directors of the Company shall not be less than 2 (Two) and not more than 7 (seven).
3. The present hereinafter named are the first Directors of the Company
1. NIRAJ KUMAR SINGH (DIN-07911695)
2. AVINASH GUPTA (DIN-07911684)
- 59 (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them --
(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
(b) in connection with the business of the company.
- 60 The Board may pay all expenses incurred in getting up and registering the company.
- 61 The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 62 All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine
- 63 Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.



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- 64 (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
(iii) The Board of Directors may also appoint alternate directors as per the provisions of Section 161 of (2) the Act

PROCEEDINGS OF THE BOARD

- 65 (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 66 (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 67 The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- 68 (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.
- 69 (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
- 70 (i) A committee may elect a Chairperson of its meetings.
(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members



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present may choose one of their members to be Chairperson of the meeting.

- 71 (i) A committee may meet and adjourn as it thinks fit.
(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

- 72 All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

- 73 Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

- 74 Subject to the provisions of the Act, --

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

- 75 A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

- 76 (i) The Board shall provide for the safe custody of the seal.
(ii) The seal of the company shall be affixed to any instrument as per the provisions of the Companies Act, 2013.



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आसीम छाबड़ा / ASEEM CHHABRA

महाप्रबन्धक (साईलो) / Genl. Manager (Silo)

भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.

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DIVIDENDS AND RESERVE

- 77 The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 78 Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- 79 (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 80 (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 81 The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 82 (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 83 Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- 84 Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.



असिम चक्रवर्ती / ASEEM CHAKRABARTY
महोदय / साहसी, Genl. Manager (Shop)
महोदय, मुख्य कार्यकारी अधिकारी / FCMHRS.
16-20 बाराखम्बा रोड, K. Lane
नई दिल्ली-110001 / New Delhi - 110001

85 No dividend shall bear interest against the company.

ACCOUNTS

- 86 (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

WINDING UP

- 87 Subject to the provisions of Chapter XX of the Act and rules made thereunder -
(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

- 88 Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

OTHERS

- 89 Notwithstanding anything contained herein, the Company shall be entitled to dematerialise its shares, debentures and other securities pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for subscription in a dematerialised form.



आसीम छबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बारकम्पा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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We, the several persons, whose names and addresses are subscribed, are desirous of being formed into a company in pursuance of these articles of association:

Sl. No.	Name, address, description and occupation of subscribers	DIN/PAN/ Passport Number	Signature of subscriber	Signature, name, address, description and occupation of Witness
1.	National Collateral Management Services Limited having registered office at 5th Floor, LodhaSupremus, Units Nos. 505-509, Kanjurmarg (East), Mumbai - 400042 through Its Director Mr. Sanjay Kaul S/o Mr. Victor Kaul, residing at Flat 5A, Tower G, The IVY Sushant Lok-I A Block, Sector-28, Gurgaon, Haryana-122001, E. Mail ID- sanjay.kaul@ncml.com, Occupation-Service	AARPK2177P	Sd/-	Signed Before me Sd/- ACS Santosh Kumar Singh, B-304, Hilton Center, Plot No. 66, Sector-II CBD Belapur, Navi Mumbai - 400614, E-Mail-sksacs@gmail.com, Occ: Company Secretary in Practice Membership No. 15964
2.	Mr. Niraj Kumar Singh [Nominee of National Collateral Management Services Limited having registered office at 5th Floor, LodhaSupremus, Units Nos. 505-509, Kanjurmarg (East), Mumbai - 400042] S/o Mr. Balbhadra Singh, residing at Ward No. 14, Azad Chauk Akaltara (m) Janjirchampa, Chhatisgrah-495552 E. Mail ID- niraj.s@ncml.com, Occupation: Service.	07911695	Sd/-	

Date: 27-Aug-2017

Place: Gurgaon



आसीम छबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
राष्ट्रीय खाद्य निगम, मुख्यालय / R.C. M
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / N
110001

Dated: 6th October, 2017

To,
The General Manager (Silos),
Food Corporation of India,
16-20, Barakhamba Lane,
New Delhi - 110001

Dear Sir,

I, Kuldip Singh, Authorised Signatory of National Collateral Management Services Limited (NCML) hereby states that as per the terms of the "Letter of Award" (LOA) dated 28.08.2017, issued by Food Corporation of India (Authority), the National Collateral Management Services Limited (NCML) has incorporated a designed Special Purpose Vehicle viz "NCML KB Private Limited with equity share capital of Rs. 10,00,000/-, to carry out the project for "Development of Silo 50,000 MT capacity for storage of foodgrain each at Kaimur and Buxar in Bihar on Design, Build, Finance, Operate and Transfer (DBFOT) basis under Private Public Partnership mode."

In accordance with terms and conditions stated in the LOA, the Company authorizes NCML KB Private Limited (SPV) to enter into and sign the Concession Agreement with Food Corporation of India (Authority) and to complete all such formalities deemed necessary in the same regards. The Company shall at all times maintain equity participation in NCML KB Private Limited as per the terms of the Concession Agreement.

Further, I request Authority to accept the Concessionaire as the entity which shall undertake and perform the obligations and exercise the rights of the National Collateral Management Services Limited including the obligation to enter into this Concession Agreement pursuant to the LOA for undertaking the Project

For National Collateral Management Services Limited


Kuldip Singh
Sr. Vice President




आसीम छाबड़ा / ASEEM CHHABRA

महानिदेशक (साईलो) / Genl. Manager (Silos)

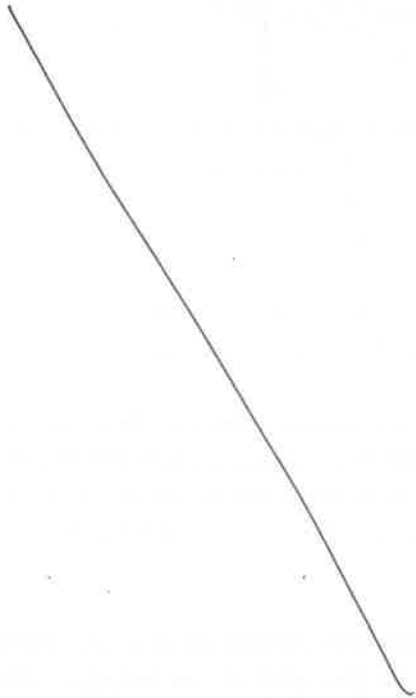
राष्ट्रीय खाद्य निधि, गुरुगढ़ / National Hqrs.

16-20 बाराखम्बा लान / 16-20 B. K. Lane

नई दिल्ली-110001 / New Delhi - 110001

National Collateral Management Services Limited
Office Tower, Tower 1, Wing - B, 5th Floor, Sector 29, Gurgaon - 122001, India
Tel: (+91124) 4358200 Fax: (+91124) 4358201
CIN : U74140MH2003PLC148955

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NCML KB PRIVATE LIMITED


Registered Office: IFFCO tower-1, B- wing, 5th floor, Plot no.3, Sector-29, Gurgaon, Haryana- 122001
CIN: Uo1110HR2017PTC070944
Email id: kuldip.s@ncml.com

CERTIFIED TRUE COPY OF THE EXTRACTS OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF NCML KB PRIVATE LIMITED HELD ON 5TH OCTOBER, 2017 AT THE REGISTERED OFFICE OF THE COMPANY


"RESOLVED THAT the Company undertakes the Project for construction, operation and maintenance of Silo Complex for Storage of food grain at Buxar and Kaimur, in the state of Bihar, under Design, Build, Finance, Operate and Transfer (DBFOT) model."

RESOLVED FURTHER THAT the directors of the Company be and are hereby authorized to furnish the copy of resolution to the Food Corporation of India (FCI)"

Certified True Copy
For NCML KB PRIVATE LIMITED


Niraj Kumar Singh
Director
07911695




असीम चव्हा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराकम्पा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

NCML KB PRIVATE LIMITED

Registered Office: IFFCO tower-1, B- wing, 5th floor, Plot no.3, Sector-29, Gurgaon, Haryana- 122001
CIN: U01110HR2017PTC070944
Email id: kuldip.s@ncml.com

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF NCML KB PRIVATE LIMITED HELD ON 5TH OCTOBER, 2017 AT THE REGISTERED OFFICE OF THE COMPANY

"RESOLVED THAT the Board of Directors of the Company hereby confirms that the Company has been constituted by National Collateral Management Services Limited for the execution of the Concession Agreement with Food Corporation of India and shall undertake the Project, as per the Letter of Award.

RESOLVED FURTHER THAT the consent of Board of Directors of the Company be and is hereby accorded for entering into Concession Agreement or any other agreement/document with Food Corporation of India (FCI) for undertaking "construction, operation and maintenance of Silo Complex for Storage of food grain at Buxar and Kaimur, in the state of Bihar, under Design, Build, Finance, Operate and Transfer (DBFOT) model" project.

RESOLVED FURTHER THAT Mr. Niraj Kumar Singh and Mr. Avinash Gupta, directors of the Company be and are hereby severally authorized to take necessary steps to give effect to this resolution and to approve, finalize, execute the Concession Agreement or any such agreements and documents as may be necessary on behalf of the Company with FCI."

Certified True Copy
For NCML KB PRIVATE LIMITED

Niraj Kumar Singh
Director
07911695

असीम खन्ना / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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NCML KB PRIVATE LIMITED

Registered Office: IFFCO tower-1, B-wing, 5th floor, Plot no.3, Sector-29, Gurgaon, Haryana- 122001
CIN: U01110HR2017PTC070944
Email id: kuldip.s@ncml.com

Dated: 6th October, 2017

To,
The General Manager (Silos),
Food Corporation of India
16-20, Barakhamba Lane,
New Delhi – 110001
Respected Sirs,

Sub: Consent to act as Concessionaire for the project" Development of Silo 50,000 MT capacity for storage of foodgrain each at Kaimur and Buxar in Bihar on Design, Build, Finance, Operate and Transfer (DBFOT) basis under Private Public Partnership mode".

With reference to the above we hereby give our consent to act as Concessionaire of the subject project and accept to undertake and perform the obligations and to exercise the rights of National Collateral Management Services Limited (NCML) including the obligations to enter in to Concession Agreement pursuant to LOA issued to National Collateral Management Services Limited (NCML).

We hereby request to the Authority to accept us as the entity which shall undertake and perform the obligations and exercise the rights of the selected bidder including the obligation to enter into this Concession Agreement pursuant to the LOA.

We further represent to the effect that NCML KB Private Limited has been promoted by the selected bidder for the purposes hereof and we have also delivered to the Authority a legal opinion with respect to our authority to enter into the Concession Agreement and the enforceability of the provisions thereof.

For NCML KB Private Limited



Niraj Kumar Singh
Director/Authorised Signatory



असीम छाबड़ा / ASEEM CHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silos)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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NCML KB PRIVATE LIMITED

Registered Office: IFFCO tower-1, B-wing, 5th floor, Plot no.3, Sector-29, Gurgaon, Haryana- 122001

CIN: U01110HR2017PTC070944

Email id: kuldip.s@ncml.com

Dated: 6th October, 2017

To,
The General Manager (Silos),
Food Corporation of India
16-20, Barakhamba Lane,
New Delhi – 110001

Dear Sir,

We, NCML KB Private Limited undertake not to engage in any business other than the business mentioned in the main objects of the Memorandum of Association of the company during the entire concession period.

Thanking you,
Yours faithfully,

Niraj Kumar Singh
Director/Authorised Signatory
For and on behalf of NCML KB Private Limited

आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराखम्बा लेन / 16-20 B. K. Lane
नई दिल्ली-110001 / New Delhi - 110001

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Sushma Yadav

Advocate (Registration No. P/2894/2016)
Seat No. 10, Hall No. 7 &
Lawyers Chamber # 14, Block C,
District Courts Complex, Gurgaon

Office-cum-Residence

House No. 9, Masjid Wali Gali,
Hans Enclave, Near Rajiv Chowk,
Gurugram -122001
Mobile # 8860828285

November 01, 2017

**The General Manager (Silos),
Food Corporation of India
16-20, Barakhamba Lane,
New Delhi - 110001**

**SUB : LEGAL OPINION IN ACCORDANCE WITH THE DRAFT
CONCESSION AGREEMENT**

Sir,

I have been asked by NCML KB Private Limited, hereinafter referred to in as "**Company**", to render a legal opinion with the transaction governed by the Draft Concession Agreement proposed to be executed between the Company and the Authority in relation to the project for Storage of food grain at Buxar and Kaimur, in the State of Bihar under Design, Build, Finance, Operate and Transfer (DBFOT) model, hereinafter referred to in as the "**Project**", for which Food Corporation of India (Authority) has issued a LOA Ref. No. SILO/203/DEA/2016/453 dated 23.08.2017.

Capitalized term used but not expressly defined herein shall have the meaning ascribed to such terms in Concession Agreement.

1. For the purpose of this opinion, we have reviewed the following:
 - (a) Copy of Draft Concession Agreement
 - (b) Board Resolutions of Company dated 5th October, 2017
 - (c) The Certificate of Incorporation of the Company
 - (d) Memorandum of Articles and Articles of Association of Company, collectively referred to in as the "**Documents**"
2. In providing the opinion, I have also assumed that the concession Agreement when executed, would constitute the

Sushma Yadav

SUSHMA YADAV

Advocate

Gurgaon

नरसिंह धीवड़ा / ASLAM CHAND

महाप्रबन्धक (सीलो) / Genl. Manager (Silos)

भारतीय खाद्य नियम, गुरुग्राम / FCI Hqs.

16-20 बरखम्बा लेन / 16-20 B. K. Lane

नई दिल्ली-110001




Legal, valid and binding obligations of any party to the Concession Agreement, enforceable against each such other party, in accordance with their terms.

3. Having considered the Documents and having regard to the relevant laws of India, we opine and state as under.

- (a) The Company is duly incorporated and validly existing under Applicable Laws and is competent to execute the Concession Agreement;
- (b) The Company has been formed solely for the purpose of domiciling the project; and
- (c) The company has been validly authorized to enter into the Concession Agreement and such authorization is not in breach of any Applicable laws or Documents.
- (d) The draft Concession Agreement when duly executed by Mr. Niraj Kumar Singh, Director of the Company shall constitute valid and legally binding obligations of the Company enforceable in accordance with the terms thereof.

Yours Sincerely,


SUSHMA YADAV
Sushma Yadav Advocate
Advocate, Gurugram

Encls:

- 1. Copy of the Board resolutions dated 5th October, 2017;
- 2. Copy of the Certificate of Incorporation
- 3. MOA & AOA



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Genl. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
16-20 बाराकम्पा लेन / 16-20 B. K. Lane
दिल्ली-110001 / New Delhi-110001

No. SILO/203/IDEA/2016/Pt./1173

Dated: 07.12.2017

Mr. Kuldeep Singh
Senior Vice President.
National Collateral Management Services Limited
IFCO tower 1, B wing, 5th Floor. Plot No.3.
Sector - 29, Gurgaon - 122001
Email: kuldip.s@ncml.com
Mob. No. - 7738001275
Fax:- 0124- 4338290

Sub: Acceptance of SPV- Development of Silo of 50,000 MT capacity for storage of foodgrain each at Kaimur & Buxar in Bihar on Design Build, Finance, Operate and Transfer (DBFOT) basis under Public Private Partnership (PPP) mode.

Sir,

Kindly refer to your email dated 03.10.17 and letter no. NCML/FCI-Silo/KB/EY 2017-18/222 dated 17.10.17 vide which the formation of SPV and other related documents for Kaimur & Buxar locations was communicated to this office. In this regard, it is informed that the SPV formation has been accepted by the Authority.

This is for your information please.

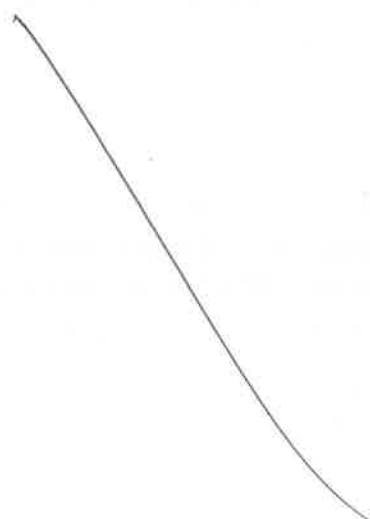
Yours faithfully,

(Aseem Chhabra)
General Manager (Silos)



आसीम छाबड़ा / ASEEM CHHABRA
महाप्रबन्धक (साइलो) / Gent. Manager (Silo)
भारतीय खाद्य निगम, मुख्यालय / FCI Hqrs.
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