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STORAGE AGREEMENT EXECUTED

ON

3RD MARCH 2016

BETWEEN

ODISHA STATE CIVIL SUPPLIES CORPORATION LIMITED

AND

SRI RABI NARAYAN MISHRA

FOR CONSTRUCTION AND UTILISATION OF

A

2500 MTC GODOWN AT KRUSHNAPRASAD (PURI)

UNDER ODISHA PEG-2013 SCHEME

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STORAGE AGREEMENT

This Storage Agreement is executed on this ----- day of March' 2016.

BETWEEN

- (1) **ODISHA STATE CIVIL SUPPLIES CORPORATION LIMITED**, a Government of Odisha undertaking, incorporated under the (Indian) Companies Act, 1956, with its registered office at C/2, Nayapalli, Bhubaneswar-751012, Odisha (hereinafter referred to as **OSCSC**, which expression shall, unless it be repugnant to the context or meaning thereof, include its successors-in-title and permitted assigns);

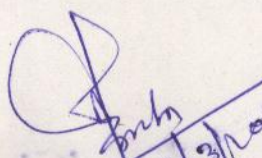
AND

- (2) Sri Rabi Narayan Mishra, S/o Late Harihar Mishra, an individual with his permanent address at EB:-46, Badagada Brit Colony, Bhubaneswar, District:-Khordha-751018 (hereinafter referred to as the **Operator**, which expression shall, unless it be repugnant to the context or meaning thereof, include his successors-in-title and permitted assigns).

OSCSC and the Operator shall collectively be referred to as the **Parties** and individually as the **Party**.

WHEREAS:

- A. OSCSC is seeking to implement and develop scientific rice storage and management facilities across the state of Odisha with an aggregate storage capacity of 150,000 MT, under the Odisha State Private Entrepreneur Guarantee Scheme 2013 (**OSPEG**), with private sector participation on a build-own-operate model.
- B. As part of the OSPEG, OSCSC has decided to engage the Operator to design, construct, finance, own, operate and maintain the Facility on a BOO model in accordance with the Construction Norms, the Operational Norms and Good Industry Practices, such that the Facility is fully equipped with appropriate weighing and testing facilities and arrangements for unloading/loading and for the scientific management and handling of Grain (the **Project**).


General Manager
OSCSC Ltd., Bhubaneswar

Rabi Narayan Mishra



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- C. On 26 February, 2014, OSCSC commenced a competitive bidding process by issuing the Request for Qualification (the **RFQ**), inviting interested parties to submit their qualification proposals to OSCSC. After receiving the qualification proposals, OSCSC issued the Request for Proposal (the **RFP**) to the qualified bidders, including the Operator on 4 February 2015, inviting the qualified bidders to submit their financial proposals.
- D. Pursuant to the terms of the RFP, the Operator submitted its financial proposal for developing the Facility and providing the Services on 10 February 2015 (the **Bid**).
- E. Following a process of evaluation of qualification proposals and financial proposals submitted by the bidders (including the Operator), OSCSC has accepted the Bid on 3 September 2015 for the development of the Facility. OSCSC issued the letter of award on 5 November 2015 to the Operator (the **LOA**).
- F. The Operator accepted the LOA and has agreed to design, finance, develop, construct, operate and manage the Facility and provide the Services to OSCSC during the Term.
- G. The Operator has fulfilled the conditions precedent to the execution of this Agreement that it was required to fulfil in terms of the LOA (unless waived by OSCSC) and OSCSC has accordingly agreed to enter into this Agreement with the Operator for implementation of the Facility on a BOO basis, subject to and on the terms and conditions set out in this Agreement.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires, the following terms have the following meanings:

Acceptance Note cum Analysis Report means the document to be issued by a receiving RRC-cum-DSC to a Custom Miller in triplicate and in the format specified in the Revised Operational Guidelines, upon receipt of the Grain from the Custom Miller.

Acceptance Specifications means the quality specifications for acceptance of the Grain by the Operator for storage and preservation at the Facility, which specifications are set out at Schedule 2.

Acquisition Cost means the acquisition cost of rice grain as notified by the Food Corporation of India for the relevant period.

Affected Party has the meaning given to it in Clause 11.1(a).

Agreement means this agreement together with the Schedules and Annexes, as may be amended, supplemented or modified in accordance with the provisions of this Agreement.

Applicable Laws means the Constitution of India and all laws, brought into force and effect by the GOI, the GOO or any local government having jurisdiction over the Facility, including rules, regulations and notifications made there under, and judgments, decrees, injunctions, writs and orders of any court of record, as may be applicable to the execution of this Agreement and the performance of the respective rights and obligations of the Parties, as may be in force and effect during the subsistence of this Agreement and includes but is not limited to, the Essential Commodities Act, 1955, the Prevention of Black-Marketing and Maintenance of Supplies of Essential Commodities Act, 1980, the Food Safety and Standards Act, 2006, the Warehousing and Development Regulation Act, 2007, the Orissa Warehouses Act, 1956 and any rules or regulations made thereunder.

Applicable Permits means any permissions, clearances, concessions, authorisations, consents, licenses, permits, rulings, exemptions, no objections, resolutions, filings, orders, notarisations, registrations or approvals that are required to be obtained from time to time in connection with the Facility and for performing the obligations contemplated by this Agreement in accordance with the Applicable Laws.

Arbitration Act means the Arbitration and Conciliation Act, 1996.

Bid has the meaning given to it in Recital D.

Bid Security shall mean the bank guarantee no. 02/2015 dtd. 19.02.15, issued by Canara Bank for an amount of Rs. 1,25,000 in the form set out in Annexure B to the RFP and submitted by the Operator to OSCSC along with the Bid.

BIS means the Bureau of Indian Standards.

Business Day means a day on which banks are open for business in Bhubaneswar.

Capital Subsidy means the subsidy of Rs. 56,25,000 that OSCSC shall pay to the Operator in accordance with Clause 8.1 for developing the Facility at the Site and for providing the Services.

CMR Transit Challan means the document to be issued by a Custom Miller to a receiving RRC-cum-DSC in the format specified in the Revised Operational Guidelines, upon delivery of a Lot of Grain to the RRC-cum-DSC.

Completion Certificate has the meaning given to it in Clause 6.3(f).

Completion Date has the meaning given to it in Clause 6.3(g).

Completion Conditions has the meaning given to it in Clause 6.3.

Construction Norms means the construction norms and technical requirements that the Operator and its Contractors must comply with in the design, construction and completion of the Facility, which norms are set out at Schedule 1 and includes the IFC Performance Standards.

Construction Period means the period during which the Operator undertakes the design, construction and completion of the Facility or other related or ancillary works for completion of the Facility, which period shall commence on the date of execution of this Agreement and which shall cease on the Completion Date.

Contractor means any person with whom the Operator has entered into or may enter into any contract for the performance of any or all of the Operator's obligations under this Agreement.

Custom Miller means the owner or other person in charge of a rice mill and includes a person or authority which has the ultimate control over the affairs of such mill and when the said affairs are entrusted to a manager or managing director or managing agent, such manager, managing director or managing agent, as the case may be; and who has been nominated by OSCSC for delivering the Grain to the Facility.

CWC means the Central Warehousing Corporation.

Dealer means any person, firm, association of persons, company, panchayati raj institution, urban local body, co-operative society, women self-help group, forest protection committee, self-help group or any other institution carrying on business on wholesale or retail basis in the purchase, storage, sale and/or distribution of essential commodities meant for distribution under the PDS and includes a wholesaler, H&T Contractor or retailer; and who has been nominated by OSCSC for delivering or taking delivery of the Grain from the Facility.

Delay Event has the meaning given to it in Clause 2.3.

De-stacking and Loading means de-stacking the bags of Grain stored at the Facility and loading the bags of Grain on to the dispatch trucks, as directed by OSCSC or its nominees (including the Facility In-charge).

De-stacking and Loading Charges means the service charges payable to the Operator for De-stacking and Loading, which is to be calculated in accordance with Clause 8.2 and expressed in Rs./Quintal.

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Dispatch Specifications means the minimum quality specifications for dispatch of Grain by the Operator to OSCSC or its nominees, which specifications are set out at Schedule 2.

Dispute has the meaning given to it in Clause 15.2.

Dispute Meeting has the meaning given to it in Clause 15.2

Dispute Notice has the meaning given to it in Clause 15.2.

District Manager means the person appointed by OSCSC as its District Manager for the district in which the Site is located; and in the absence of such person, any other person nominated by OSCSC to be the District Manager.

Emergency means the occurrence of any Force Majeure Event or any other event beyond the reasonable control of OSCSC, which requires the Facility to be available for acceptance and dispatch of Grain on a round-the clock (24x7) basis.

Event of Default has the meaning given to it in Clause 12.

Facility means the agri-storage facility with a storage capacity of 2500 MT for the scientific storage of Grain developed by the Operator at the Site in accordance with the Construction Norms, Applicable Laws, the Applicable Permits and Good Industry Practice; that will include all buildings, plant and machinery, equipment, vehicles, parking spaces within the Site.

Facility In-charge means the OSCSC representative appointed by OSCSC for the Facility to act as RRC-cum-DSC in-charge, in accordance with Revised Operational Guidelines.

Financial Year means each period commencing on 1 April of any calendar year and ending on 31 March of the following calendar year, unless this Agreement is terminated or expires, in which case the period will end on the date of expiry of termination of this Agreement.

FM Notice has the meaning given to it in Clause 11.2(a).

Force Majeure Event has the meaning given to it in Clause 11.1(a).

Gate Pass cum Dispatch Note means the document to be issued by a dispatching RRC-cum-DSC to an H&T Contractor or Dealer in triplicate and in the format specified in the Revised Operational Guidelines, upon dispatch of the Grain through the H&T Contractor or Dealer.

GOI means the Government of India.

GOO means the Government of Odisha.

Good Industry Practice means the exercise of that degree of skill, diligence and prudence, and those practices, methods, specifications and standards of equipment, safety and performance, as may change from time to time and which would reasonably and ordinarily be expected to be used by a skilled and experienced warehouse operator engaged in construction, management, operation and maintenance of facilities, equipment or systems of the type and size similar to the Facility and for the provision of scientific storage services from facilities of the type and size similar to the Facility.

Government Authority means the GOI, the GOO, any local government or any other ministry, governmental department, commission, board, body, bureau, agency, authority, instrumentality, inspectorate, statutory corporation or body corporate over which the GOI or

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the GOO exercises control, court or other judicial or administrative body or official or person, having jurisdiction over the Operator, the Site, the Facility, the Project or any portion thereof and the performance of obligations and exercise of rights of the Parties in accordance with the terms of this Agreement.

Grain means milled rice that is procured by OSCSC for distribution through the PDS or for any other purpose, as OSCSC may deem fit.

Guaranteed Tonnage means 2500MT of Grain in respect of which OSCSC will be liable to pay the Storage Rental in accordance with Clauses 8.2 and 8.3.

H&T Contractor means a contractor engaged by OSCSC for transportation of the Grain to or from the Facility.

Invoice has the meaning given to it in Clause 8.5(a).

IFC means the International Finance Corporation.

IFC Performance Standards means the performance standards set out at Schedule 2, which the Operator must comply with in providing the Services.

Lot means any consignment of bagged Grain delivered to or dispatched from the Facility in accordance with this Agreement.

Material Adverse Effect means the effect of any act or event which materially and adversely affects the ability of either Party to exercise its material rights or perform any of its material obligations under and in accordance with the provisions of this Agreement.

MT means one metric tonne, which is equivalent to 10 Quintals.

Non-Political Force Majeure Event has the meaning assigned to it in Clause 11.1(b) (i).

Notice of Arbitration has the meaning given to it in Clause 15.3.

Notice of Intent to Terminate has the meaning given to it in Clause 13.1.

O&M means the operation and maintenance of the Facility during the Term and includes, all matters connected with or incidental to operations and maintenance of the Facility and provision of Services to OSCSC, in accordance with the terms of this Agreement.

O&M Personnel means the persons employed by the Operator or its Contractor for the performance of the Services.

Operational Norms means the operational norms and performance standards set out at Schedule 2, which are to be met by the Operator in providing the Services to OSCSC and includes the quality specifications for storage and preservation of the Grain at the Facility and the IFC Performance Standards.

Operations Date has the meaning given to it in Clause 6.5.

Operator Event(s) of Default means any or all of the events that are listed at Clause 12.1.

OSCSC Event(s) of Default means any or all of the events that are listed at Clause 12.2.

PDS means public distribution system.

Performance Security has the meaning given to it in Clause 5.1(a).

Political Force Majeure Event has the meaning assigned to it in Clause 11.1(b) (ii).

Preservation Charges means the monthly service charges payable to the Operator for the Preservation Services, which is to be calculated in accordance with Clause 8.2 and expressed in Rs. /Quintal.

Preservation Services means the safe and scientific storage and preservation of the Grain stored at the Facility during the Term.

Project Development Fee has the meaning given to it in Clause 5.2(a).

Quintal means 100 kilograms.

Revised Operational Guidelines means the Revised Operational Guidelines for Departmental Storage Operations with Door Delivery of Food Stock at Retail Points issued by OSCSC on 2 May 2012, as may be amended from time to time.

RRC-cum-DSC means a warehouse facility that is nominated as a rice receiving centre cum departmental storage centre under the Revised Operational Guidelines.

SBAR means State Bank of India Advance Rate or Prime Lending Rate.

Scheduled Bank means a bank as defined under section 2(e) of the Reserve Bank of India Act, 1934.

Security includes any mortgage, pledge, lien, encumbrance, security interest, right of set-off, hypothecation, assignment by way of security, retention of title or ownership or any other charge or encumbrance and any other agreement or arrangement having substantially the same economic effect.

Selected Bidder means Sri Rabi Narayan Mishra.

Service Charges mean collectively, the Storage Rental, the Preservation Charges, Unloading and Stacking Charges and De-stacking and Loading Charges.

Services mean collectively the Storage Services and the Preservation Services to be provided by Operator to OSCSC during the Term.

Shortfall has the meaning given to it in Clause 7.8.

Site means the land admeasuring 1.50 acres situated at Krushnaprasad, Puri, Odisha and the rights in relation thereto, owned or procured by the Operator at its own expense on, under or over which the Facility shall be established and implemented, the approach land to the Site and other areas on, into or through which the Facility or any other construction relating to the Facility will be situated or located.

Storage Rental means the monthly fixed fee payable to the Operator for the Storage Services that is calculated in accordance with Clause 8.2 and expressed in Rs. /Quintal.

Storage Services means the following services to be provided by the Operator to OSCSC during the Term:

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- (a) making available the Guaranteed Tonnage at all times from the Operations Date until the expiry or termination of this Agreement; and
 - (b) weighing of Grain delivered to or dispatched from the Facility, security, protection and maintenance of the Facility and the Grain stored at the Facility, maintaining and updating records and reports of the Grain delivered or dispatched and other Services provided at the Facility as per the monitoring system of OSCSC and obtaining and maintaining insurance for the Facility and the Grain stored at the Facility.

Supplementary Bid Security means the Bank Guarantee No. 03/2015 dtd. 07.04.15 issued by Canara Bank for an amount of Rs.2.50 lakhs in the form set out in Annexure C to the RFP and submitted by Sri Rabi Narayan Mishra to OSCSC along with the Bid.

Target Completion Date means the date of completion of 12 months from the date of signing of this Agreement, as may be extended in accordance with Clause 2.3.

Target Operations Date means the date of completion of 30 days from the Completion Date

Taxes means all taxes, levies, imposts, cesses, duties and other forms of taxation, including (but without limitation) income tax, sales tax, value added tax, service tax, octroi, entry tax, corporation profits tax, advance corporation tax, capital gains tax, residential and property tax, customs and other import and export duties, excise duties, stamp duty or capital duty, and any interest, surcharge, penalty or fine in connection therewith which may be payable by the Operator or the Contractors.

Term means the period commencing on the Operations Date and ending on the earlier of: (i) the tenth anniversary of the Operations Date, as may be extended in accordance with Clause 2.3 or renewed in accordance with Clause 2.2; and (ii) the date of termination of this Agreement. Provided that, if the Completion Date is delayed beyond the Target Completion Date, except for the reasons set out in Clause 2.3, then the Term shall be reduced by the number of days by which the Completion Date is delayed beyond the Target Completion Date.

Unloading and Stacking means unloading the bags of Grain from the delivery trucks and stacking the bags of Grain inside the Facility, as directed by OSCSC or its nominees (including the Facility In-charge).

Unloading and Stacking Charges means the service charges payable to the Operator for Unloading and Stacking, which is to be calculated in accordance with Clause 8.2 and expressed in Rs./Quintal.

Warehouse Manual means the Warehouse Manual For Operationalizing of Warehousing (Development & Regulation) Act, 2007, issued by the Warehousing Development and Regulatory Authority.

Wilful Default means an intentional or reckless breach or disregard by a Party of any of its obligations under this Agreement; but not a breach or disregard of an obligation or failure to remedy a breach resulting from an error of judgment or mistake arising in good faith or from the need to act in accordance with Good Industry Practice.

1.2 Rules of Interpretation

In this Agreement, unless the context otherwise requires:

Rabi Narayan Mishra

- (a) Any reference to a statutory provision shall include such provision as modified or re-enacted or consolidated from time to time.
- (b) The words importing the singular shall mean the plural and vice-versa; and words importing the masculine shall include the feminine and neuter and vice-versa;
- (c) Any reference to **persons** denotes natural persons, partnerships, firms, companies, corporations, limited liability partnerships, joint ventures, trusts, societies, cooperative societies, associations, organizations or other entities (in each case, whether or not incorporated and whether or not having a separate legal entity).
- (d) Headings in this Agreement are for convenience of reference only.
- (e) The references to the word **include** or **including** or to the phrase **in particular**, shall be construed without limitation.
- (f) References to any date or time of day are to Indian Standard Time; any reference to day shall mean a reference to a calendar day; and any reference to a month shall mean a reference to a calendar month.
- (g) The references to any agreement or deed or other instrument shall be construed as a reference to such agreement, deed, or other instrument as the same may, from time to time, be amended, varied, supplemented or novated.
- (h) Unless otherwise provided, any late payment charges to be calculated and payable under this Agreement shall accrue on a daily basis and from the respective due dates as provided for in this Agreement.
- (i) A requirement that a payment be made on a day which is not a Business Day shall be construed as a requirement that the payment be made on the next following Business Day.
- (j) Whenever provision is made for the giving or issuing of any notice, endorsement, consent, approval, permission, certificate or determination by any person, such notice, etc., shall be reasonably given, shall not be unreasonably withheld or delayed and shall be in writing and the words 'notify', 'endorse', 'approve', 'permit', 'certify' or 'determine' shall be construed accordingly. Where any notice, consent or approval is to be given by either of the Parties, the notice, consent or approval shall be given on their behalf only by an authorized person.

The words **written** and **in writing** includes a facsimile transmission and any means of reproducing works in a tangible and visible form.

- (k) If there is a conflict between the requirements of two or more Schedules or Annexes of this Agreement, the provisions of the specific Schedule or Annex relevant to the issue under consideration shall prevail over the more general. If there is a conflict between the requirements specified in the Warehouse Manual or the Revised Operational Guidelines and the requirements of any Schedule or Annex, the requirements of the Schedule or Annex shall prevail over the requirements specified in the Warehouse Manual or, as the case may be, the Revised Operational Guidelines.
- (l) The provisions of the Clauses and the Schedules and Annexes of this Agreement shall be interpreted in such a manner that will ensure that there is no inconsistency in interpretation between the intent expressed in the Clauses and the Schedules or Annexes. In the event of any inconsistency between the Clauses and the Schedules or Annexes, the Clauses shall prevail over the Schedules or Annexes.

- (m) The rule of construction, if any, that an agreement should be interpreted against the Party responsible for the drafting and preparation thereof shall not apply to this Agreement.

1.3 Units of Measurement

Unless otherwise stated:

- (a) All quantities of Grain shall be denominated in Quintals, measured to two decimal places.
- (b) All other units of measurement used in this Agreement shall conform to the metric system.

2. EFFECTIVENESS, TERM AND DELAY EVENTS

- 2.1 This Agreement shall come into effect on the date of execution of this Agreement by the Parties and shall remain in full force and effect during the Term.
- 2.2 No later than 365 days prior to the anticipated expiry of the Term, the Parties may mutually agree on the extension of the Term on the same terms and conditions as under this Agreement. Any extension of the Term shall be confirmed in writing by the Parties and shall be subject to the Operator's satisfactory performance of the Services in accordance with the Operational Norms, the Revised Operational Guidelines and the Warehouse Manual.
- 2.3 Upon the occurrence of any of the events set out below (each a **Delay Event**), the Target Completion Date or, as the case may be, the Term shall stand extended on a day-for-day basis for the period that such Delay Event subsists:
- (a) delay by OSCSC in inspecting the Facility in accordance with Clause 6.3(c);
- (b) subject to Clause 9.4, any Non-Political Force Majeure Event, provided that the requirements of Clause 11.2 have been complied with; or
- (c) delay by the relevant Government Authorities in renewing or granting any Applicable Permit, despite the Operator having applied for such Applicable Permit expeditiously and complied with the requirements of Applicable Laws in making such application or the unlawful revocation of any Applicable Permit.
- 2.4 The Operator shall promptly inform OSCSC in writing upon becoming aware of a Delay Event. Such written communication to OSCSC must include the nature of the Delay Event, the extent of delay suffered or likely to be suffered by the Operator and mitigation measures being taken by the Operator.
- 2.5 If the Operator claims an extension in accordance with Clause 2.3 and OSCSC is of the opinion that:
- (a) such delay was caused or materially contributed to by any concurrent cause or causes of delay not listed in Clause 2.3; or
- (b) such event could reasonably have been avoided or mitigated by the Operator, then the Operator shall not be entitled to any extension of time for the concurrent period of delay.

If two or more of the events listed in Clause 2.3 occur concurrently, then such concurrent period shall not be counted twice in determining an extension under Clause 2.3.

Any Dispute between the Parties with respect to the occurrence, length of subsistence or consequence (including delay caused) of any Delay Event shall be settled in a final and binding manner in accordance with Clause 15.

3. OSCSC's EXCLUSIVE RIGHT TO USE GUARANTEED TONNAGE

3.1 In consideration of the payment of the Storage Rental for the Guaranteed Tonnage, the Operator agrees that:

- (a) OSCSC shall have the sole and exclusive right to use the Facility to the extent of the Guaranteed Tonnage during the Term; and
- (b) the Operator shall not use the Facility to the extent of the Guaranteed Tonnage for the storage of any other commodities, either for itself or for third parties.

3.2 If any part of the Guaranteed Tonnage is not utilised for the storage of Grain during the Term, then OSCSC may utilise the Facility for the storage of any other agricultural commodities, to the extent of the Guaranteed Tonnage. If OSCSC exercises its right to store agricultural commodities (other than Grain) at the Facility, the Parties shall mutually agree on the service charges and operational norms for the handling and/or preservation of such agricultural commodities. For the avoidance of doubt, it is clarified that the Service Charges set out at Clause 8.2 and the Operational Norms set out at **Schedule 2** only apply to Grain stored at the Facility and do not apply to any other agricultural commodities stored by OSCSC at the Facility.

4. ASSET OWNERSHIP

4.1 Site Related Covenants during the Term

(a) The Operator agrees and undertakes that:

- (i) it holds and will continue to hold good freehold or leasehold rights, title and interest in and peaceful possession of and enjoy the benefits and use of the land at the Site, including the land over which the access road to the Facility is constructed; and
- (ii) except as specifically permitted under this Agreement, it will not dispose of any of its rights, title and interest in and to the land at the Site, including the land over which the access road to the Facility is constructed, throughout the Term.

(b) Notwithstanding anything to the contrary in Clause 4.1(a), the Operator agrees that OSCSC or its nominees (including the Facility In-charge) shall have the right to enter upon, access and utilize the, Site and the Facility, to exercise its rights and fulfil its duties under this Agreement, provided that such access does not unreasonably interfere with or hinder the performance of the Operator's obligations under this Agreement.

If any physical damage is caused to the Site or the Facility as a result of any unlawful or illegal acts of OSCSC or any of its nominees, OSCSC shall be responsible for remedying such damage and restoring the Site and the Facility, at its own cost and expense.

4.2 Right, Title and Interest in the Facility and Agreement

- (a) The ownership, rights and title to the Facility, including any equipment provided or procured by the Operator pursuant to this Agreement shall vest with the Operator during the entire Term.

- (b) The Operator shall not, except with the prior written consent of OSCSC:
- (i) sell, transfer or otherwise dispose of or create any charge over the Facility or any part thereof, other than to:
 - (A) create Security over the Facility in favour of the Operator's lenders in order to obtain financial assistance to perform its obligations under this Agreement; or
 - (B) to dispose of any assets for the purpose of normal replacement due to wear and tear or at the end of the economic life of the assets.
 - (ii) transfer, assign or novate any or all of its rights and obligations under this Agreement, other than pursuant to a Security assignment made in favour of its lenders to obtain financial assistance for the performance of its obligations under this Agreement.

4.3 Financing and Bankability Support

The Parties acknowledge that the Operator may obtain financial assistance from its lenders for developing the Facility and to perform the Services. OSCSC shall cooperate with and assist the Operator to achieve financial close for the Facility, including execution of such documents and providing such consents and waivers as may be reasonably required by the Operator's lenders. If required by the Operator's lenders, OSCSC shall enter into an agreement with the Operator and the Operator's lenders, whereby:

- (a) OSCSC shall consent to the assignment of the rights and benefits of the Operator under this Agreement as Security for the grant of financial assistance by the lenders; and
- (b) OSCSC shall grant the lenders certain rights to remedy any default by the Operator by consultation or step-in by the lenders or substitution of the Operator.

Notwithstanding anything contained in this Clause 4.3 or elsewhere in this Agreement, any Security creation in favour of the Operator's lenders shall not result in any increased financial liability for OSCSC.

5. PERFORMANCE SECURITY AND PROJECT DEVELOPMENT FEE

5.1 Performance Security

- (a) If not already submitted on or before the date of this Agreement, the Operator shall, within 7 days of the date of this Agreement, submit to OSCSC an unconditional, irrevocable and on-demand bank guarantee from a Scheduled Bank with a branch in Bhubaneswar and payable at Bhubaneswar, for an amount equivalent to Rs. 5,00,000 and in the form set out at Annex 1 (the **Performance Security**). The Performance Security shall secure the due performance of the Operator's obligations under this Agreement during the Term (**Performance Security**). The cost of procuring the Performance Security shall be borne solely by the Operator.
- (b) The Operator shall maintain the Performance Security in full force and effect until the expiry of 30 Business Days after the end of the Term.
- (c) If the Performance Security is scheduled to expire before the expiry of the period specified in Clause 5.1(b) above, then the Operator shall arrange for an extension or

replacement of the Performance Security at least 30 days prior to such expiry. If the Operator fails to procure such extension or replacement, OSCSC shall be entitled to demand the total amount available for demand under the Performance Security and retain such amount as cash security until such time that the Operator submits an extension or replacement of the Performance Security.

OSCSC shall be entitled to utilize such retained amount in the same manner as it would utilise the Performance Security. Upon extension of the Performance Security or replacement of the Performance Security, OSCSC shall return the unutilized cash security amount to the Operator, without any interest.

The interest earned on any retained amounts or cash security shall be the property of OSCSC.

- (d) OSCSC shall have the right to draw on the Performance Security and claim up to the amount guaranteed on demand upon the Operator's failure to honour any of its obligations, responsibilities or commitments during the Term or in respect of any amount due and payable by the Operator to OSCSC.

OSCSC shall not be required to provide any prior notice to the Operator of its intention to make a demand under the Performance Security. However, OSCSC shall provide the Operator with a copy of any demand notice issued by OSCSC under the Performance Security to the Scheduled Bank that has issued the Performance Security.

- (e) If OSCSC makes a demand under the Performance Security, in part or in full, the Operator shall immediately, within 7 Business Days of such demand, restore the value of the Performance Security to the amount stated in Clause 5.1(a).
- (f) Upon the expiry or the termination of this Agreement for any reason other than the occurrence of an Operator Event of Default, the Performance Security or, as the case may be, the amount retained by OSCSC as cash security under Clause 5.1(c), shall be released to the Operator after the expiry of 30 Business Days from the date of expiry or termination of this Agreement, subject to OSCSC's right to receive any amounts from the Operator before or upon such expiry or termination.

5.2 Project Development Fee

- (a) If the Project Development Fee has not been paid by the Operator on or before the date of this Agreement, the Operator shall pay IFC a fee of Rs. 2,00,000/- (the **Project Development Fee**) within 7 days of the date of this Agreement.
- (b) The Project Development Fee shall be paid by the Operator to IFC in Indian Rupees, in immediately available funds, without any deductions whatsoever for Taxes, charges or other withholdings (all of which shall be borne by the Operator or the Selected Bidder), into the bank account having the following details:

Account Name: International Finance Corporation
Bank Name: Bank of America, N.A.
Address – 748, Anna Salai, Chennai – 110001, (India)
Account Number – 18163021
For Credit: IBRD
IFSC Code: BOFA0CN6215

or into such other bank account as IFC may designate.

It is clarified that the payment of the Project Development Fee will be exempted from any taxes, duties, charges or other withholdings under the International Finance Corporation (Status, Immunities and Privileges) Act, 1958.

(c) **If the Operator fails to pay the Project Development Fee to the IFC in accordance with this Clause 5.2, OSCSC shall be entitled to:**

- (i) **draw upon the Performance Security; and/or**
- (ii) **deduct the amount payable to IFC from any amounts that become due and payable by OSCSC to the Operator,**

and pay the Project Development Fee to IFC out of such proceeds.

If the Operator has not submitted the Performance Security to OSCSC in accordance with Clause 5.1, then OSCSC may draw upon the Bid Security in order to pay the Project Development Fee to IFC.

(d) **If any amount paid by OSCSC to IFC on behalf of the Operator is insufficient to pay the entire Project Development Fee, then the unpaid portion of the Project Development Fee shall constitute a debt due from the Operator to IFC that shall be payable on demand.**

6. THE CONSTRUCTION PERIOD

6.1 Operator's Obligations during Construction Period

- (a) The Operator shall complete the Facility, fulfil the Completion Conditions and achieve the Completion Date on or before the Target Completion Date.
- (b) The Operator shall complete the Facility at its own cost and risk such that the Facility is:
 - (i) in compliance with the Construction Norms, Warehouse Manual, Applicable Laws, the Applicable Permits and Good Industry Practice;
 - (ii) completed using materials, equipment and systems that are new, in good condition and suitable for their intended use within the Facility;
 - (iii) safe, reliable and fit for the purpose of performance of the Services during the Term in accordance with the terms of this Agreement, subject only to normal wear and tear and Force Majeure; and
 - (iv) free from all defects in design and workmanship.
- (c) Before commencement of construction of the Facility, the Operator should prepare and submit the following to OSCSC for their comments.
 - (i) the layout plan showing the layout of all the buildings and structures required to be constructed as per this Agreement within the Facility; and

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- (ii) the structural drawings of all the buildings and structures required to be constructed as per this Agreement within the Facility.

OSCSC will review and provide comments, if any, on the layout plan and the structural drawings to ensure that the Facility and all buildings and structures comprised within the Facility comply with the Construction Norms, Warehouse Manual, Applicable Laws, Applicable Permits and Good Industry Practice and that the Facility when complete shall be safe, reliable and fit for providing the Services during the Term. OSCSC shall have the right to require the Operator to amend or modify the layout plan and/or the structural drawings if OSCSC identifies any deficiencies or shortcomings in the layout plan and/or the structural drawings. If the Operator receives any comments, suggestions or instructions to modify the layout plan and/or the structural drawings from OSCSC, then the Operator shall modify the layout plan and/or structural drawings to address OSCSC's comments and correct any shortcomings or deficiencies identified by OSCSC and submit the revised layout plan and/or the structural drawings to OSCSC for its approval. If OSCSC fails to provide any comments on the layout plan and/or structural drawings within 15 days from the receipt of the layout plan and the structural drawings, then the layout plan and the structural drawings shall be deemed to have been approved by OSCSC.

Notwithstanding any review or approval of the layout plan and/or structural drawings by the OSCSC, the Operator shall bear all risk, responsibility and liability for the suitability, adequacy and reliability of the Facility for providing the Services. The Operator shall not be entitled to any extension of time and/or cost for preparing and rectifying, if required, the layout plan and/or the structural drawings in accordance with this Clause 6.1(c)

- (d) The Operator shall appoint an employee with sufficient skill and expertise as the Operator's representative to supervise the completion of the Facility and to liaise with OSCSC during construction progress.
- (e) The Operator shall procure all necessary personnel, construction equipment, goods, materials, technology, equipment and utilities (including electricity, water, telecommunications, sanitation and fuel) required to complete the Facility in accordance with Clause 6.1(b).
- (f) The Operator shall obtain, maintain and comply with all necessary Applicable Permits (including any necessary environmental consents) for construction and completion of the Facility, at its own cost and risk.

OSCSC shall make reasonable endeavours to assist the Operator in obtaining the Applicable Permits from the relevant Government Authorities, provided that the Operator has complied with all the requirements as per Applicable Laws for applying for such Applicable Permits.

- (g) **The Operator shall be responsible for strictly complying with all Applicable Laws, the Applicable Permits and the IFC Performance Standards relating to the protection of the environment, health and safety at the Site and the Facility.**
- (h) The Operator shall be responsible for all or any risks associated with the Site. **If the Operator encounters any adverse soil conditions or environmental conditions or any environmental damage at, upon or under the Site after the execution of this Agreement, then the Operator shall be responsible for taking all necessary**

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actions to mitigate the impact of such soil conditions or environmental damage, at its own cost, expense and responsibility.

Compliance with this Clause 6.1(h) shall not entitle the Operator to any extension of the Target Completion Date or to any compensation for costs incurred, whether by way of increase of the Service Charges or otherwise.

- (i) Upon a request made by OSCSC, the Operator shall submit progress reports to OSCSC specifying the progress of construction, delays (if any) and steps taken by the Operator to overcome such delay.

6.2 OSCSC's Rights and Obligations during Construction Period

- (a) OSCSC shall have the right to monitor and conduct periodic inspections of the progress of construction of the Facility. During any such periodic inspection, OSCSC or its representative may identify any defect or further work required for the Facility to comply with the Construction Norms, Warehouse Manual and the other requirements of Clause 6.1(b).

Notwithstanding any inspection, approval, review or instructions given by OSCSC or its representative, the Operator shall remain solely responsible for the completion of the Facility and fulfilment of the Completion Conditions.

- (b) The Operator shall:
 - (i) provide OSCSC and its nominees with reasonable access to the Site and the Facility during the Construction Period; and
 - (ii) permit OSCSC and its nominees to inspect construction progress upon reasonable notice being given to the Operator.

6.3 Completion

- (a) The Operator shall fulfil the following conditions prior to the Target Completion Date (collectively, the **Completion Conditions**):
 - (i) if applicable, ensure the construction or expansion of the access road to the Facility, such that the Facility is accessible by an all-weather road with a minimum width of 7.0 meters;
 - (ii) obtain all necessary Applicable Permits required for the O&M of the Facility and to perform the Services during the Term;
 - (iii) obtain and furnish to OSCSC copies of all necessary insurance covers required during the Term in accordance with Clause 10.2; and
 - (iv) submit a written request to OSCSC to nominate the Facility as a Departmental Storage Centre.
- (b) Upon fulfilment of the Completion Conditions and completion of the Facility, the Operator shall issue a notice to OSCSC. Such notice shall state that the Operator has

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fulfilled all the Completion Conditions and that the Facility is ready for inspection. Such notice shall be accompanied by documentary evidence of the fulfilment of the Completion Conditions.

- (c) Upon receipt of the notice, OSCSC and the Operator will mutually agree on a date for inspection of the Facility by OSCSC or a person nominated by OSCSC, provided that such date shall be no later than 15 days from the date of receipt of the notice. The purpose of such inspection shall be to determine that the Facility meets the Construction Norms, the requirements specified in the Warehouse Manual and other conditions required for the commencement of operations and provision of Services by the Operator. If OSCSC fails to inspect the Facility within 15 days from the date of receipt of a notice from the Operator, then the Target Completion Date shall stand extended on a day-for-day basis, for each day of delay in inspection of the Facility beyond the period stipulated in this Clause 6.3(c).
- (d) If OSCSC or the person nominated by OSCSC to inspect the Facility is not reasonably satisfied with the results of the inspection, then the Operator shall remedy any defects or deficiencies in the Facility, identified by OSCSC or the person nominated by OSCSC and the Facility shall be inspected again upon rectification of such defects or deficiencies. This process shall be repeated until such time that OSCSC is satisfied that the Facility has been completed in accordance with the Construction Norms, Warehouse Manual, all Applicable Laws and Applicable Permits and is safe, reliable and fit for the purpose of performance of the Services. The Operator shall bear all costs of remedying the defects and deficiencies in the Facility and shall not be entitled to any extension of time for remedying such defects or deficiencies.
- (e) Notwithstanding the inspection of the Facility by OSCSC or any person nominated by OSCSC to inspect the Facility, the Operator shall bear all risk, loss and liability for compliance with the requirements of this Agreement and for the adequacy, safety and fitness of purpose of the Facility for the performance of the Services.
- (f) Within 7 days of being satisfied that the Facility has been completed to meet the Construction Norms and the other requirements set out in Clause 6.1(b) and that the Operator has fulfilled all Completion Conditions, OSCSC shall issue a certificate to the Operator certifying that all Completion Conditions have been satisfied and that the Facility is fit to commence commercial operations (**Completion Certificate**).

If OSCSC fails to issue the Completion Certificate within the prescribed time period, the Completion Certificate shall be deemed to have been issued upon the expiry of such prescribed time period.

Any Dispute in relation to issuance or deemed issuance of the Completion Certificate shall be resolved in accordance with Clause 15.

- (g) The date of issuance or, as the case may be, deemed issuance of the Completion Certificate shall be the **Completion Date**. If the Completion Date is delayed beyond the Target Completion Date then the Term shall be reduced by the number of days by which the Completion Date is delayed beyond the Target Completion Date.

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6.4 OSCSC Obligations upon Issuance of Completion Certificate

Upon the issuance of the Completion Certificate, OSCSC shall fulfil the following conditions on or before the Target Operations Date:

- (a) procure the execution of the Letter of Comfort from the Food Supplies and Consumer Welfare Department, Government of Odisha in favour of the Operator in the agreed form set out at Annex 2;
- (b) obtain approval from the Director of Agricultural Marketing, Odisha for the Service Charges to be paid under this Agreement;
- (c) nominate the Facility as a Departmental Storage Centre under the Revised Operational Guidelines;
- (d) appoint the Facility in-charge;
- (e) tag Custom Millers and Dealers to the Facility for the proper delivery and dispatch of the Grain from the Facility; and
- (f) pay the Capital Subsidy to the Operator in accordance with Clause 8.1.

6.5 Operations Date

- (a) Upon satisfaction of the conditions set out at Clause 6.4 above, OSCSC shall issue a notice to the Operator stating that all conditions required to be fulfilled after the Completion Date and prior to commencement of operations have been fulfilled and that the Facility can commence commercial operations. The date on which such notice is issued by OSCSC to the Operator shall be deemed to be the commercial operations date for the Facility (the **Operations Date**).
- (b) Upon occurrence of the Operations Date, the obligation of the Operator to provide the Services to OSCSC shall commence and it shall be entitled to receive the Service Charges in accordance with Clause 8.3. If the Operations Date does not occur on the last day of the month, then the Operator shall be entitled to pro-rata Service Charges for the month in which the Operations Date occurs.

7. THE SERVICES PERIOD

7.1 Operator's Undertakings

The Operator undertakes that:

- (a) The Operator shall undertake the O&M of the Facility and provide the Services in compliance with the Operational Norms, the Revised Operational Guidelines, the Warehouse Manual, the Applicable Laws, the Applicable Permits and Good Industry Practice.
- (b) The Operator shall undertake the O&M of the Facility and perform the Services in a professional, timely, safe, reliable and environmentally responsible manner and comply with the safety, health and security regulations in force in India and in the State of Odisha and the IFC Performance Standards.

- (c) The Operator shall ensure that the Facility shall remain fit for purpose and in good working condition (subject only to wear and tear and Force Majeure) during the entire Term.
- (d) The Operator shall:
 - (i) appoint all necessary and suitably trained, skilled and experienced O&M Personnel; and
 - (ii) procure all utilities (including electricity, water, telecommunications, sanitation and fuel) required for the O&M of the Facility and to perform the Services.

The Operator shall discharge all obligations in connection with the O&M Personnel engaged by the Operator to provide the Services, including the payment of wages, salaries, Taxes and provide all amenities and benefits required under the Applicable Laws. OSCSC is not and shall not be treated as the principal employer of or be deemed to have any contractual or other relationship with the O&M Personnel.

The Operator shall also appoint an employee with sufficient skill and expertise as the Operator's representative to supervise and monitor the O&M of the Facility, the performance of the Services and to liaise with OSCSC and the Facility in-charge during the Term.

- (e) The Operator shall, at all times during the Term, ensure that the IT infrastructure, including the computers, printers, internet connection etc., at the Facility remains operational and in good working condition. The Operator shall appoint adequate number of employees with the necessary skill, expertise and know-how to use, operate, maintain and repair, if required, the IT infrastructure at the Facility.
- (f) The Operator shall at all times during the Term:
 - (i) provide OSCSC, the Facility In-charge and its nominees with reasonable access to the Site and the Facility for monitoring the Services and for conducting inspections and audits in accordance with this Agreement; and
 - (ii) provide the Custom Millers and Dealers with access to the Facility and the Site for the purpose of acceptance and dispatch of the Grain at or from the Facility in accordance with this Agreement.
- (g) The Operator shall store, safeguard and preserve the Grain that the Operator holds in its custody in accordance with the Operational Norms, the Warehouse Manual, Applicable Laws and Good Industry Practice.
- (h) During emergencies and upon submission of a written request by OSCSC, the Operator shall undertake Unloading and Stacking and/or De-stacking and Loading in compliance with the Operational Norms, the Revised Operational Guidelines, the Warehouse Manual, the Applicable Laws, the Applicable Permits and Good Industry Practice.

7.2 Delivery and Dispatch of Grain

- (a) OSCSC shall inform the Operator 48 hours in advance of a proposed delivery or dispatch of the Grain to or from the Facility, along with details regarding the quantity of the Grain to be delivered to or dispatched from the Facility, the Custom Millers or

H&T Contractors that will deliver the Grain to the Facility or, as the case may be, the H&T Contractors or other Dealers to whom the Grain will be dispatched from the Facility.

- (b) The Operator agrees that, at all times during the Term, it shall make available the Facility on all days during normal business hours for the delivery and dispatch of the Grain to and from the Facility.
- (c) Notwithstanding anything to the contrary in Clause 7.2(b), the Operator agrees that it shall make available the Facility on a round the clock (24x7) basis upon the occurrence and during the subsistence of an Emergency.
- (d) If at any time the Operator becomes aware that it will fail or has failed to accept or dispatch any quantity of the Grain to OSCSC or its nominees, the Operator shall promptly notify the Facility In-charge of:
 - (i) such anticipated or actual failure, as the case may be;
 - (ii) the reason for such anticipated or actual failure, as the case may be; and
 - (iii) its good-faith best estimate of the likely duration of such actual or anticipated failure and the aggregate quantity of the Grain that it will be unable to accept or dispatch during such period.
- (e) The Operator shall notify OSCSC and the Facility In-charge within 3 hours of the utilisation of the entire Guaranteed Tonnage that the entire Guaranteed Tonnage reserved for OSCSC has been fully utilized.
- (f) If the Operator:
 - (i) fails to notify OSCSC that the entire Guaranteed Tonnage has been fully utilized in accordance with Clause 7.2(e) above, and any Custom Miller or H&T Contractor delivers Grain to the Facility; or
 - (ii) subject to Clause 7.3(e), fails to take delivery of the Grain delivered by any Custom Miller or H&T Contractor to the Facility, although the entire Guaranteed Tonnage reserved for OSCSC has not been fully utilised by OSCSC and there is available capacity (from the Guaranteed Tonnage) at the Facility for storage of the Grain,

then, the Operator shall be liable to compensate OSCSC for all losses, costs and expenses incurred in making alternate arrangements for storage of the Grain, including but not limited to storage rentals payable by OSCSC for storage of the Grain at an alternate storage facility, any additional costs or compensation to be paid to the Custom Miller or H&T Contractor, transportation costs, demurrage payable to the delivery truck operators, and any other incidental costs, losses, claims and expenses incurred by OSCSC as a result of the Operator's failure to accept the Grain for storage at the Facility.

7.3 Acceptance of Grain

- (a) OSCSC shall cause the Custom Millers and the H&T Contractors to transport the Grain to the Facility in Lots. All such Grain shall be packed in bags and shall conform to the Acceptance Specifications.
- (b) The Operator shall weigh the bagged Grain at the weighbridge in accordance with the Revised Operational Guidelines.
- (c) After weighment, the Operator, the Custom Miller and the Facility In-charge or any other person nominated by OSCSC (to act on behalf of OSCSC) shall jointly conduct the sampling and testing of the Lot of Grain brought to the Facility. The procedure for sampling and testing shall be as set out at Schedule 2. The purpose of such sampling and testing is to determine whether each Lot of Grain conforms to the Acceptance Specifications.
- (d) If the Operator, the Facility In-charge (or any other representative nominated by OSCSC) or the nominated Custom Miller disputes the test results, then they shall take 3 joint samples from the Lot to the District Manager for testing, whose decision shall be binding.
- (e) If in accordance with the test report or the decision of the District Manager, the Lot of Grain brought by the Custom Miller or by the H&T Contractor is found:
- (i) not to comply with the Acceptance Specifications, the Operator shall be entitled to reject such Lot of off-specification Grain. If the Operator rejects the Grain, OSCSC shall cause the Custom Miller or the H&T Contractor to promptly remove all the bags of wet or otherwise off-specification Grain from the Site for storage at an alternative storage facility; or
 - (ii) to comply with the Acceptance Specifications, the Operator shall accept the Lot of Grain from the Custom Miller or the H&T Contractor and upon such acceptance, the Custom Miller or the H&T Contractor shall unload the Grain from the delivery trucks and stack the bags of Grain in the Facility.
- (f) Notwithstanding anything to the contrary in this Clause 7.3, if the Operator has notified OSCSC that the Guaranteed Tonnage has been utilized at the Facility in accordance with Clause 7.2(e), the Operator shall not be bound to accept any part of a Lot of Grain.
- (g) If the Operator fails to report any off-specification Grain based on the weighment and test result that render such Lot of Grain unsuitable for storage at the Facility prior to taking custody thereof, such failure shall constitute the Operator's acceptance of the Grain as fit and proper for the purpose of this Agreement.
- (h) Upon acceptance of the quantity and quality of a Lot of Grain, the Operator shall be deemed to have taken custody of that quantity of bagged Grain meeting the Acceptance Specifications, as certified by the weighment and testing report.
- (i) On completion of the weighment and testing and the unloading of the Lot of Grain accepted by the Operator, the Operator shall:

- (i) require: (A) a Custom Miller to deposit the CMR Transit Challan; and (B) an H&T Contractor to deposit the Gate Pass-cum-Dispatch Notice issued by the dispatching RRC-cum-DSC, with the Facility In-charge; and
- (ii) issue the Acceptance Note cum Analysis Report to a Custom Miller or a H&T Contractor, duly endorsed by the Operator, the nominated Custom Miller or H&T Contractor and the Facility In-charge.
- (j) During emergencies and upon submission of a written request by OSCSC, the Operator shall undertake Unloading and Stacking in compliance with the Operational Norms, the Revised Operational Guidelines, the Warehouse Manual, the Applicable Laws, the Applicable Permits and Good Industry Practice.

7.4 Storage and Preservation

- (a) After taking custody of the Grain, the Operator shall be responsible for the storage, fumigation and preservation of the Grain at the Facility in accordance with the Operational Norms, the Revised Operational Guidelines, the Warehouse Manual, Applicable Laws, Applicable Permits and Good Industry Practice.
- (b) The Operator shall maintain proper records of the date of receipt of each Lot of Grain at the Facility in accordance with the Operational Norms and the month in which a particular bag of Grain is accepted at the Facility must be clearly indicated on such bag of Grain.
- (c) The Operator shall maintain the Facility to ensure that the quality of the Grain stored in the Facility will meet the Dispatch Specifications.

7.5 Dispatch

- (a) At all times during the Term, the Operator shall ensure that the Grain stored in the Facility shall conform to the Dispatch Specifications and be in a condition that is ready for dispatch.
- (b) The Grain shall be retrieved from the Facility for dispatch on a "first-in, first-out" basis, so that the Grain quality is maintained optimally.
- (c) Upon informing the Operator 48 hours in advance of a proposed dispatch of the Grain from the Facility, OSCSC shall cause the nominated H&T Contractor or any other Dealer to send sufficient number of empty trucks for loading and dispatch of the Grain from the Facility.

The Operator shall not be responsible for any delay in dispatch due to the unavailability or delay in the provision of trucks by OSCSC or its nominated H&T Contractor or any other Dealer.

- (d) The Operator and the Facility In-charge or any other person nominated by OSCSC (to act on behalf of OSCSC) shall jointly conduct the sampling and testing of the Lot of Grain retrieved from the Facility. The procedure for sampling and testing shall be as set out in Schedule 2. The purpose of such sampling and testing is to determine whether each Lot of Grain conforms to the Dispatch Specifications.

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- (e) The Operator shall weigh the bagged Grain for dispatch at the weighbridge in accordance with the Revised Operational Guidelines.
 - (f) If the Facility In-charge (or any other representative nominated by OSCSC) or the Operator disputes the test results, then they shall take 3 joint samples from the Lot to the District Manager for testing, whose decision shall be binding.
 - (g) If, based on the weighment and test results or the decision of the District Manager, the Lot of Grain retrieved is found:
 - (i) not to comply with the Dispatch Specifications, OSCSC (acting through the Facility In-charge) shall have the right to reject such Lot of off-specification Grain. If OSCSC or the Facility In-charge rejects the Grain, the Operator shall promptly remove such wet or otherwise off-specification Grain from the Site and dispose of it at its own cost and expense; or
 - (ii) to comply with the Dispatch Specifications, OSCSC shall cause the nominated H&T Contractor or any other Dealer to lift the Lot of Grain from the Facility.

If OSCSC rejects the Lot of off-specification Grain retrieved from the Facility pursuant to this Clause 7.5(g), then the Operator shall compensate OSCSC for the rejected off-specification Grain within 7 days from the date of rejection of the Grain, in accordance with Clause 7.9..

- (h) If OSCSC (acting through the Facility In-charge) accepts the weighment and test results in respect of a Lot of Grain, the nominated H&T Contractor or Dealer shall load that Lot of Grain onto the trucks of the H&T Contractor or Dealer and count the number of bags being loaded.
- (i) Once the weighment, testing and loading of the Lot of Grain accepted by OSCSC (acting through the Facility In-charge) is completed, the Operator shall issue to the nominated H&T Contractor or Dealer a Gate Pass-cum-Dispatch Notice in triplicate, duly endorsed by the Operator, the nominated H&T Contractor or Dealer and the Facility In-charge.
- (j) OSCSC (acting through the nominated H&T Contractor or Dealer) shall be responsible for de-stacking and loading the Grain onto the dispatch trucks and for the transportation of such Grain from the Facility.
- (k) During emergencies and upon submission of a written request by OSCSC, the Operator shall undertake De-stacking and Loading in compliance with the Operational Norms, the Revised Operational Guidelines, the Warehouse Manual, the Applicable Laws, the Applicable Permits and Good Industry Practice.

7.6 Weighment and Testing

- (a) For the weighment and testing of the Grain in accordance with Clause 7.3 and Clause 7.5, the Operator shall, at its own cost and risk provide, operate and maintain a weighbridge and a laboratory to test the Grain at the Facility, in accordance with the Operational Norms, Revised Operational Guidelines, Good Industry Practice, Applicable Laws and Applicable Permits.

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- (b) In the absence of manifest error, all the measurements, readings and values taken at the weighbridge and the laboratory to test the Grain and endorsed by the Facility In-charge in a Acceptance Note cum Analysis Report or in a Gate Pass-cum-Dispatch Note shall be deemed to be the final measurements, readings and values.

7.7 Storage Period of Grain

- (a) Notwithstanding anything to the contrary in this Agreement, the Parties agree that the quality of the Grain is likely to deteriorate with time.
- (b) If any Lot of Grain has been continuously stored in the Facility for 11 months from the date that it was accepted by the Operator, the Operator shall issue a notice to OSCSC to lift such Lot of Grain from the Facility within 22 months from the date that such Lot of Grain was accepted at the Facility. The notice should specify the date on which such Lot of Grain was accepted at the Facility. If OSCSC fails to lift such Lot of Grain within 22 months from the date that such Lot of Grain was accepted at the Facility, the Operator shall issue a second notice to OSCSC to remove the Lot of Grain within 60 days from the date of receipt of the second notice. If despite the receipt of the second notice, OSCSC fails to lift the relevant Lot of Grain within 60 days from the date of receipt of the second notice, then the Operator may dispose of such Lot of Grain with no further liability towards OSCSC for such Lot of Grain.
- (c) Subject to Clause 7.7(b) above, if any Lot of Grain has been continuously stored in the Facility for more than 24 months from the time that it was accepted by the Operator, then notwithstanding the relevant weighment and test reports, such Lot of Grain shall not be deemed to be off-specification. OSCSC shall have no right to reject such Lot of Grain in accordance with Clause 7.5(g).

7.8 Storage Loss and Shortfall in Quantity

- (a) Permissible storage losses in a Lot of Grain stored at the Facility shall be calculated in accordance with Schedule 3.
- (b) Subject to the permissible storage losses calculated in accordance with Clause 7.8(a) above, a **Shortfall** will occur if:
- (i) subject to Clause 7.7(b), the Operator fails to dispatch the Grain in accordance with Clause 7.5;
 - (ii) subject to Clause 7.7(b), the aggregate of the Grain dispatched from the Facility belonging to a particular Lot is less than the Grain accepted for storage at the Facility corresponding to that particular Lot; and/or
 - (ii) subject to Clause 7.7(c), the Lot of Grain retrieved for dispatch from the Facility contains moisture in excess of the maximum tolerance threshold specified in the Dispatch Specifications or is off-specification in any other respect.

7.9 **Consequences of a Shortfall**

- (a) If OSCSC suffers a Shortfall, then the Operator shall pay OSCSC the Acquisition Cost of the total quantity of Shortfall within 7 days from the date of occurrence of the Shortfall. If the Operator fails to compensate OSCSC for the Shortfall within 7 days from the date of occurrence of the Shortfall, then the Operator will be liable to pay default interest at SBAR plus 2% per annum on the Acquisition Cost of the total quantity of Shortfall, from the 8th day after the date of occurrence of the Shortfall and until the Operator makes good the Shortfall by paying OSCSC an amount equivalent to the Acquisition Cost of the total quantity of Shortfall, along with the accrued default interest.

The Operator shall not be liable to make good any Shortfall or pay any default interest pursuant to this Clause 7.9, if such Shortfall is caused by:

- (i) the rice having been continuously stored in the Facility for more than 24 months;
 - (ii) a Force Majeure Event; or
 - (iii) the suspension of deliveries of Grain or the performance of Services by the Operator in accordance with Clause 9.
- (b) The Operator shall pay all amounts payable in respect of any Shortfall under this Clause 7.9, without any deductions, charges or other withholdings, into such bank account as OSCSC may designate.

7.10 **Risk In and Title to Grain**

- (a) The Operator shall be responsible for the care, custody and control of Grain from the time that it accepts custody of the Grain in accordance with Clause 7.3 and shall exercise due care thereof, until the Grain is loaded and dispatched to OSCSC in accordance with Clause 7.5.
- (b) Subject to Clause 7.8(a), the Operator shall be responsible for any loss or damage to the Grain during the period in which the Grain is in the Operator's custody for any reason whatsoever, except where such loss or damage is caused due to storage of the Grain at the Facility for more than 24 months, an OSCSC Event of Default, a Force Majeure Event or due to a suspension of the Services in accordance with Clause 9.4. The Operator shall not claim or plead any defence on the basis that standard of care required to be exercised by it under section 151 of the Indian Contract Act, 1872 or under any other Applicable Law is different from that set out in this Agreement.
- (c) The Operator shall be responsible for the Grain as a bailee thereof and shall fulfil its obligations in accordance with the provisions of this Agreement. Accordingly:
- (i) the sole and absolute property in the Grain handled and stored at the Facility shall always remain with OSCSC;
 - (ii) nothing in this Agreement confers title or interest in the Grain or part thereof, in favour of the Operator and the Operator shall make no claim regarding title or interest in the Grain accepted by it and in its custody;

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- (iii) this Agreement does not create any Security over the Grain in favour of the Operator or vest the Operator, the Contractors or any of their representatives with any right of lien in respect of the whole or part of the Grain stored and handled at the Facility;
 - (iv) the Operator shall not permit the modification, sale, disposal, transfer of possession of or creation of any Security over the whole or any part of the Grain, whether in favour of the Operator's lenders or any third persons or permit any of the Grain to be subjected to any attachment, lien, distraint, transfer or hand over custody of the Grain to any officer of a court, receiver or any revenue authority, at any time during which the Operator has custody of the Grain, except upon receipt of instructions from OSCSC to the contrary; and
 - (v) if such a lien or Security is created or attaches to the Grain owing to the failure of the Operator to pay off its indebtedness, the Operator shall immediately release such lien or Security.

7.11 Records, Reporting, Accounts and Audits

- (a) The Operator shall at all times during the Term maintain and update records and registers of quantities and quality of Lots of Grain accepted, stored and dispatched from the Facility in compliance with the Revised Operational Guidelines and Good Industry Practice.
- (b) The Operator shall maintain books of accounts recording all payments received from OSCSC and other revenues derived/collected by it from or on account of the Facility and/or its use, income, expenditure, payments, assets and liabilities, in accordance with this Agreement, Good Industry Practice, the Applicable Laws and the Applicable Permits.
- (c) The Operator shall deliver to OSCSC (with a copy to the Facility In-charge and to the District Manager) all reports and records in accordance with the Revised Operational Guidelines.
- (d) At any time during the Term, the Facility In-charge shall have the right to conduct an audit of the quality of the Grain stored in the Facility in order to determine compliance with the Operational Norms, the Warehouse Manual and the Revised Operational Guidelines.

8. PAYMENTS AND INVOICING

8.1 Capital Subsidy

- (a) OSCSC agrees to provide the Operator with a Capital Subsidy equal to Rs. 56,25,000 in accordance with the provisions of this Clause 8.1.
- (b) OSCSC shall disburse the Capital Subsidy to the Operator in two instalments. The first instalment of 90% of the Capital Subsidy will be disbursed within 30 days from the Completion Date. The second instalment of 10% of the Capital Subsidy will be disbursed within 30 days from the 2nd anniversary of the Operations Date.

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- (c) A failure by OSCSC to release the Capital Subsidy in accordance with the provisions of this Clause 8.1 shall constitute an OSCSC Event of Default.

8.2 Determination of Service Charges

- (a) The Storage Rental and the Preservation Charges for the first Financial Year of the Term (i.e., the Financial Year in which the Operations Date occurs) is as follows:

Service Charge	Rate
Storage Rental	Rs. 6.49 per quintal per month
Preservation Charges	Rs. 1.40 per quintal per month

- (b) For each subsequent Financial Year of the Term:
- (i) the Storage Rental of the immediately preceding Financial Year shall be increased by 7.5%; and
- (ii) OSCSC shall notify the revised Preservation Charges by no later than 30th June of such Financial Year. If OSCSC fails to notify the revised Preservation Charges by 30th June of the relevant Financial Year, then, until the date of notification of the revised Preservation Charges by OSCSC, the Preservation Charges for the relevant Financial Year shall be the Preservation Charges of the immediately preceding Financial Year, as increased by 7.5%.

Provided that, upon the notification of the revised Preservation Charges for the relevant Financial Year by OSCSC, if the revised Preservation Charges are higher than the Preservation Charges of the immediately preceding Financial Year as increased by 7.5%, then OSCSC shall pay the difference to the Operator. It is clarified that this difference shall be payable for the Preservation Charges paid by OSCSC from 1 April of the relevant Financial Year until the date of notification of revised Preservation Charges.

- (c) The Operator shall calculate and notify OSCSC of the revised Storage Rental for each Financial Year, following the Financial Year in which the Operations Date occurs, no later than 15 April of that relevant year. OSCSC shall verify and certify the revision of the Storage Rental within 30 days of receipt of notice of the revised Storage Rental from the Operator. If OSCSC fails to certify or dispute the revision of the Storage Rental within the specified time period, then the revised Storage Rental shall be deemed to have been approved by OSCSC.

For each Financial Year, notwithstanding any delay by OSCSC in approving the revised Storage Rental and/or notifying the revised Preservation Charges, the revised Storage Rental and the revised Preservation Charges shall be applicable from 1 April of that Financial Year.

- (d) Except for the annual revision of the Storage Rental and the Preservation Charges, there shall be no amendment or variation in the Storage Rental or the Preservation Charges.
- (e) The De-stacking and Loading Charges and Unloading and Stacking Charges shall be mutually agreed by OSCSC and the Operator.

8.3 Payment of Service Charges

- (a) Subject to Clause 8.5(d), for each month during a Financial Year, OSCSC shall pay the Operator:
- (i) the Storage Rental in respect of the Guaranteed Tonnage, irrespective of whether the Guaranteed Tonnage has been utilised by OSCSC, other than in case of occurrence of a Non-Political Force Majeure Event or a step-in by OSCSC in accordance with Clause 13.2(e);
 - (ii) the Preservation Charges in respect of the average Quintals of Grain stored at the Facility in that month;
 - (iii) the Unloading and Stacking Charges in respect of the Unloading and Stacking that the Operator undertakes during emergencies, as evidenced by the written request of OSCSC; and
 - (iv) the De-stacking and Loading Charges in respect of De-stacking and Loading that the Operator undertakes during emergencies, as evidenced by the written request of OSCSC.

8.4 Taxes

- (a) The Service Charges are inclusive of all Taxes, other than service tax, if applicable.
- (b) OSCSC may deduct from any amounts due to the Operator, any income tax that OSCSC is liable to deduct at source or any withholding tax that OSCSC is liable to pay directly to the relevant Government Authorities.
- (c) The Operator shall be entitled to reimbursement of any service tax that it is liable to pay under Applicable Laws in respect of the performance of Services, on an actual basis. The Operator shall include such amounts in the Invoice issued by it in accordance with Clause 8.4(a).
- (d) For facilitating availment of any credit, set-off, rebate, draw-back or like facility available to OSCSC, the Operator shall provide all necessary documentary and/or procedural support. In any process of assessment or re-assessment of Taxes payable by OSCSC, each Party will assist the other by providing the necessary documentary or procedural support required.
- (e) The Operator shall provide sufficient information regarding the nature and cost of the performance of Services to enable all the relevant statutory obligations of OSCSC that are dependent upon that information to be satisfied.
- (f) The Operator shall be responsible for all procedural compliances related to the payment of Taxes under this Agreement and shall be solely responsible for any proceedings initiated by any relevant authority, in respect of any non-payment, short-payment, non-compliance, penalty, interest or other such issue, and for all liabilities and expenses related to such proceedings. The Operator shall obtain at its own cost, all permits, licenses and approvals, required by the relevant Government Authorities,

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arising from the performance of Services.

- (g) If any proceedings are initiated against OSCSC by any relevant Government Authority for failure of the Operator to comply with Clause 8.4(f), then the Operator shall fully indemnify and compensate OSCSC for any cost, liability, penalty, interest and legal fees that are incurred or payable as a result of such proceedings.

8.5 Invoicing and Payment

- (a) On or before the 7th day of the month immediately following the Operations Date and on or before the 7th day of each month thereafter during the Term, the Operator shall submit to the relevant District Manager of OSCSC, with a copy to the Facility In-charge, a statement substantially in the format set out at Annex 3 (the **Invoice**).
- (b) Within 5 days of receipt of an Invoice, the relevant District Manager of OSCSC shall verify and certify the amounts due and payable by OSCSC to the Operator and issue a notice of acceptance of the Invoice or a notice disputing the Invoice to OSCSC's head office, with a copy to the Operator.

If the relevant District Manager of OSCSC disputes an invoice, then the notice disputing the Invoice shall set out the specific amounts and the item(s) of the Invoice which are disputed.

If the relevant District Manager of OSCSC does not dispute an Invoice within the time period specified in this Clause 8.5(b), then such Invoice shall be deemed to have been accepted by the District Manager.

- (c) If the relevant District Manager of OSCSC accepts an Invoice, then OSCSC shall, within 5 days of the acceptance or deemed acceptance of the Invoice by the relevant District Manager, issue a statement to the Operator certifying the amount payable to the Operator, after retaining, deducting, withholding or setting-off any amounts in accordance with this Agreement. OSCSC shall pay the Operator the amount specified in the statement within 25 days of the acceptance or deemed acceptance of the Invoice by the relevant District Manager of OSCSC.
- (d) If the relevant District Manager of OSCSC identifies any errors in an Invoice submitted by the Operator, then the Operator shall rectify such errors and resubmit the Invoice to the District Manager and the process set out at Clause 8.5(b) shall follow.

If the relevant District Manager of OSCSC issues a notice disputing an Invoice, in accordance with Clause 8.5(b) above, then OSCSC shall, within 5 days of receiving the notice, issue a statement to the Operator certifying the undisputed amount(s), including the Storage Rental, payable to the Operator. OSCSC shall pay the Operator the undisputed amount, specified in the statement, within 25 days of receipt of the notice under Clause 8.5(b).

For the disputed amount of an Invoice, OSCSC shall, within 5 days of resolution of the dispute in relation to such Invoice, issue a statement to the Operator certifying the amount payable to the Operator. OSCSC shall pay the Operator the amount specified in the statement within 20 days of the issue of such statement to the Operator.

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8.6 Default Interest Rate

Upon the failure of a Party to make a payment due and payable by it on the due date for such payment, the defaulting Party, as the case may be, shall be liable to pay default interest on all such outstanding amounts at SBAR plus 2% per annum or part thereof. This is without prejudice to any Party's right to terminate this Agreement in accordance with Clause 13 or any other right or remedy available to it under this Agreement or Applicable Laws.

8.7 Rights of Set off

- (a) The Operator shall not be entitled to retain or set off any amount due to OSCSC by it, but OSCSC may retain or set off any amount owed to it by the Operator under this Agreement which has fallen due and payable against any amount due to the Operator under this Agreement. OSCSC shall intimate the Operator at the time it exercises its right to set off and shall provide the Operator its reasons for exercising such right to set off.
- (b) If the payment or deduction of any amount referred to in Clause 8.5(b) or 8.5(c) is disputed, then any undisputed element of that amount may be adjusted against any amounts due to the Operator from OSCSC and the disputed element shall be dealt with in accordance with Clause 15.

8.8 Payment Security Mechanism

(a) Letter of Comfort

OSCSC shall procure and deliver to the Operator a letter of comfort duly executed by the Food Supplies and Consumer Welfare Department, Government of Odisha in the form set out in Annex 2. This letter of comfort shall secure the proper and timely performance by OSCSC of its payment obligations under this Agreement. The letter of comfort shall remain valid at all times and shall not be withdrawn during the Term.

If OSCSC fails to pay the monthly Service Charges or part thereof in accordance with Clause 8.5 for 60 days, then the Operator may draw upon the letter of comfort by presenting to the Food Supplies and Consumer Welfare Department, Government of Odisha, the following documents:

- (i) a copy of the Invoice or statement, which has remained uncertified and/or unpaid by OSCSC;
- (ii) a certificate from the Operator to the effect that the Invoice at sub-paragraph (i) above, or specified part thereof, has been issued in accordance with this Agreement and has remained uncertified and/or unpaid in accordance with this Agreement;
- (iii) all records, receipts and other relevant documents in support of its calculations of the outstanding Service Charges due and payable to it along with the applicable default interest.

Pursuant to receipt of the documents listed above, the Food Supplies and Consumer Welfare Department, Government of Odisha, shall pay without any reference or

instructions from OSCSC, an amount equal to the outstanding Service Charges or part thereof plus any default interest in accordance with Clause 8.6

9. SUSPENSION OF SERVICES AND EMERGENCY

9.1 Suspension of Services

- (a) At any time during the Term, the Operator shall have the right to suspend, whether partially or wholly, the performance of the Services in any of the following events or circumstances:
 - (i) if after assessment, the Operator believes that the Grain stored at the Facility has been contaminated and that suspension is necessary and appropriate in the interests of health and safety; or
 - (ii) a Force Majeure Event (provided that the requirements of Clause 11.2 have been complied with).
- (b) The Operator acknowledges that suspension of the performance of the Services on account of the events listed in Clause 9.1(a)(i) and to the extent of a Political Force Majeure Event, in Clause 9.1(a)(ii), shall not entitle the Operator to an extension of the Term. However, the Operator shall be entitled to continue to receive the Storage Rental for the period during which it suspends the performance of the Services pursuant to Clause 9.1(a) (i) and to the extent of a Political Force Majeure Event, during the period of suspension of Services pursuant to Clause 9.1(a) (ii) above.
- (c) Upon the occurrence of any of the foregoing events or circumstances set out in Clause 9.1(a), the Operator shall as soon as reasonably possible, notify OSCSC of such occurrence.
- (d) Upon notification by the Operator in accordance with Clause 9.1(c), if the Parties are unable to agree in good faith on the occurrence or existence of an event set out in Clause 9.1(a), such Dispute shall be finally settled in accordance with the dispute resolution procedure set forth in Clause 15.

9.2 Mitigation and Resumption

The Operator shall make best endeavours to:

- (a) mitigate the effects of any of the events or circumstances listed at Clause 9.1(a);
- (b) mitigate the effects and costs of suspension of performance of the Services; and
- (c) resume performance of the Services as soon as reasonably possible after the occurrence of any of the events or circumstances listed at Clause 9.1(a).

9.3 Costs of Suspension and Resumption

- (a) Where the suspension of the O&M and performance of the Services is caused due to the events or circumstances set out at Clauses 9.1(a) (ii), the reasonable and proper costs incurred by the Operator in suspending and resuming the O&M or the

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performance of the Services shall be borne entirely by OSCSC.

- (b) Where the suspension of the O&M and performance of the Services is caused due to the events or circumstances set out in Clause 9.1(a) (i), the Operator shall bear its own costs for suspending and resuming the performance of the Services.

9.4 Emergency

- (a) Upon occurrence of an Emergency or otherwise in national interest, OSCSC reserves the right to suspend the performance of the Services by the Operator and to step-in and take control of the performance of the Services on a temporary basis. OSCSC may only exercise such right of suspension by issuing a prior written notice of at least 5 days.
- (b) During the suspension of the performance of the Services by the Operator pursuant to Clause 9.4(a) above:
 - (i) OSCSC shall be responsible for bearing all costs and expenses in relation to the performance of the Services; and
 - (ii) the Operator shall be entitled to receive the Storage Rental during the period of such suspension but shall not be entitled to receive the Preservation Charges in relation to the Services performed during such period of suspension.

10. INDEMNITY AND INSURANCE

10.1 Indemnity

- (a) Subject to Clause 10.1(b) below, the Operator shall be responsible for, and release and indemnify OSCSC, the Facility In-charge, the H&T Contractors, the Custom Millers, the Dealers and OSCSC's employees, agents and contractors on demand from and against, all suits, actions, claims, demands, losses, damages, costs or expenses (including costs of legal fees) or liability for:
 - (i) any breach of the Operator's Site related covenants set out at Clause 4.1;
 - (ii) **any adverse Site conditions or environmental damage at the Site (whether pre-existing or caused by or arising from the use of the Facility);**
 - (iii) any lien or Security attaching to or being created over the Grain;
 - (iv) any claims being made against OSCSC in respect of the employment or welfare of the O&M Personnel;
 - (v) death or personal injury of any person;
 - (vi) loss of or damage to property (including the loss of Grain or other property belonging to OSCSC or for which OSCSC is responsible);

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- (vii) non-compliance with Applicable Laws or Applicable Permits; and
 - (viii) any third party losses or claims which may arise out of or in consequence of the performance or non-performance of the Operator's obligations under this Agreement.
- (b) The Operator shall not be responsible or be obliged to indemnify OSCSC for:
- (i) any of the matters referred to in Clause 10.1(a)(vi), Clause 10.1(a)(vii) or Clause 10.1(a)(viii) above which arises as a direct result of the Operator acting on the instructions of OSCSC; or
 - (ii) any injury, loss, damage, cost and expense caused by the negligence or wilful misconduct if OSCSC, the Facility In-charge, H&T Contractors, Custom Millers, Dealers or OSCSC's employees, agents or contractors or by the breach by OSCSC of its obligations under this Agreement.

If however any injury or damage results from the joint or concurrent negligence or intentional acts of the Parties, each Party shall be liable under this Clause 10.1, in proportion to its relative degree of fault.

Provided further that, if any injury, loss, or damage to the Operator, the O&M Personnel and/or the Facility results from the negligent acts of OSCSC, the Facility In-charge, the H&T Contractors, the Custom Millers, the Dealers or any other employees, agents or contractors of OSCSC, then OSCSC shall be liable to indemnify and hold harmless the Operator and the O&M Personnel for and against all such losses, damages, costs or expenses, under this Clause 10.1.

- (c) OSCSC 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 it in respect of, resulting from or arising out of any matter for which it is entitled to be indemnified under this Agreement, and the reasonable costs and expenses thereof shall be subject to the indemnification obligations of the Operator.

If, however, the Operator acknowledges in writing its obligations to indemnify OSCSC in respect of loss to the full extent provided by this Agreement, the Operator shall be entitled, at its option, to assume and control the defence of such claim, action, suit or proceeding at its expense and through counsel of its choice if it gives prompt notice of its intention to do so to OSCSC and reimburses OSCSC for the reasonable costs and expenses incurred by OSCSC prior to the assumption by the Operator of such defence. Neither Party shall settle or compromise any such claim, action, suit or proceeding without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, OSCSC shall 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 OSCSC, as and when incurred.

10.2 Insurance

- (a) The Operator shall, obtain and maintain throughout the Term the policies of insurance set forth below in the minimum coverage amounts set forth therein and during the periods mentioned therein. In addition, the Operator shall obtain any additional

coverage required by Applicable Laws and/or deemed necessary by the Operator.

- (b) The Operator shall take the following insurances in relation to the Grain and the Facility:
- (i) Grain insurance against any loss of Grain at the Facility, including losses caused by pilferage, theft, robbery, fire, burglary, damage, substitution or destruction. The Grain insurance coverage amount shall at a minimum be the Acquisition Cost of the Grain stored at the Facility to the extent of the Guaranteed Tonnage;
 - (ii) loss, damage or destruction of the Facility, at replacement value;
 - (iii) comprehensive third party liability insurance; and
 - (iv) any other insurance that may be required in accordance with Good Industry Practice, under Applicable Laws or required to protect the Operator, its employees and its assets and OSCSC, its employees and agents engaged in or connected to the Facility against loss, damage or destruction, including Force Majeure Events that are insurable and not otherwise covered in items (i), (ii) and (iii) above.
- (c) Each insurance policy shall contain the following endorsements:
- (i) OSCSC shall be additional insured under all policies maintained by the Operator in relation to the protection of the Grain against loss or damage;
 - (ii) the insurance shall be primary with respect to the interest of OSCSC, its directors, officers, and employees and any other insurance maintained by them is excess and not contributory with such policies;
 - (iii) the insurance shall contain a cross liability clause;
 - (iv) the insurers shall waive all rights of subrogation against OSCSC; and
 - (v) the policy may not be cancelled or materially changed by the insurer without giving 45 days prior written notice, except in the case of non-payment, in which case it will be 10 days prior written notice to OSCSC.

Each policy will state that OSCSC shall not be responsible for payment of any insurance premiums.

- (d) The Operator shall not make any changes in the insurances without the prior written consent of OSCSC, which consent shall not be unreasonably withheld.
- (e) OSCSC shall be entitled to receive the proceeds from all insurances maintained by the Operator in relation to the protection of the Grain against loss or damage. Unless otherwise provided for in any financing agreements entered into by the Operator to obtain financial assistance for the Project, any insurance proceeds received from the insurances maintained by the Operator in relation to the Facility, following a partial or total loss of the Facility, shall be used to replace or reinstate the Facility.

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- (f) The Operator shall provide OSCSC with certificates of insurance evidencing the policies and endorsements listed above. Failure by the Operator to obtain the insurance coverage or certificates of insurance required by this Clause shall not relieve the Operator of the insurance requirements set forth herein or in any way relieve or limit the Operator's obligations and liabilities under any other provision of this Agreement. If the Operator fails to procure or maintain any insurance required pursuant to this Clause 10, OSCSC shall have the right to procure such insurance in accordance with the requirements of this Clause 10 and charge the full cost thereof to the Operator.

11. FORCE MAJEURE

11.1 Force Majeure Event

- (a) A **Force Majeure Event** means any act, event or circumstance or a combination of acts, events or circumstances or the consequence(s) thereof occurring after the date of this Agreement, which is/are:
- (i) beyond the reasonable control of either Party (the **Affected Party**);
 - (ii) such that the Affected Party has been unable to overcome or prevent despite exercise of due care and diligence; and
 - (iii) such that it/they has/have a Material Adverse Effect.
- (b) A Force Majeure Event means the following events and circumstances to the extent that they satisfy the conditions set out in Clause 11.1(a):
- (i) **Non-Political Force Majeure Events**
 - (A) Acts of God including storm, tempest, cyclone, hurricane, tsunami, flood, whirlwind, lightning, earthquake, washout, landslide, soil erosion, volcanic eruption, or extreme adverse weather or environmental conditions or actions of the elements;
 - (B) fire or explosion caused by reasons not attributable to the Operator or any of the employees or agents of the Operator, chemical or radioactive contamination or ionising radiation;
 - (C) epidemic, plague or quarantine; or
 - (D) accidents of navigation, air crash, shipwreck, train wreck or other failures of transportation.

Non-Political Force Majeure Event shall expressly not include the following conditions, except to the extent resulting from a Non-Political Force Majeure Event:

- (A) unavailability, late delivery or changes in cost of plant, machinery, equipment, materials, spare parts for the Facility;

- (B) a delay in the performance of any Contractor;
 - (C) non-performance resulting from normal wear and tear;
 - (D) non-performance caused by the non-performing Party's (i) negligent or intentional acts, errors or omissions, (ii) failure to comply with the Applicable Laws or Applicable Permits, or (iii) breach of, or default under, this Agreement, as the case may be; or
 - (E) mechanical or electrical breakdown or failure of the Facility or machinery or plant owned or operated by the Operator.
- (ii) **Political Force Majeure Events**

- (A) hostilities (whether declared as war or not), riot, civil disturbance, revolution, rebellion, insurrection, act of terrorism, in each case involving the GOI or the GOO or occurring in Odisha; or
- (B) invasion, armed conflict, coup d'état, act of foreign enemy, blockade, embargo, revolution, insurgency, nuclear blast/explosion, politically motivated sabotage, religious strife or civil commotion, in each case involving the GOI or the GOO or occurring in Odisha; or
- (C) strikes, lockout, boycotts or other industrial disputes which are not directly attributable to the actions of the Affected Party; or
- (D) any imposition or change in Applicable Law that renders any material right or material obligation of the Operator under this Agreement unenforceable, illegal, invalid or void; or
- (E) any imposition or change in Applicable Law that renders a material part of this Agreement invalid, illegal or unenforceable; or
- (F) expropriation or compulsory acquisition, or seizure of the Facility by a Government Authority; or
- (G) any regulator's decision under Applicable Laws that has the effect of increasing the Operator's cost of performing its obligations or reduces its net profits.

(c) Without prejudice to the provisions of Clauses 11.1(a) or 11.1(b) above, any act, event or circumstance which primarily affects any of the Operator's Contractors, sub-contractors, employees or agents and which prevents, impedes or delays the Operator in the performance of its obligations, shall constitute a Force Majeure Event hereunder if and to the extent that it is of a kind or character that, if it had directly affected the Operator, would have come within the definition of Force Majeure Event within this Clause 11.1.

(d) If the Parties are unable to agree in good faith on the occurrence or existence of a Force Majeure Event, such dispute shall be finally settled in accordance with the Dispute resolution procedure set forth in Clause 15.

11.2 Notice of Force Majeure Event

- (a) The Affected Party shall give notice to the other Party in writing of the occurrence of any Force Majeure Event (the **FM Notice**), as soon as such event arises or as soon as reasonably practicable and in any event within 10 days after the Affected Party knew of its occurrence, the adverse effect it has or is likely to have on the performance of its obligations under this Agreement, the actions being taken in accordance with Clause 13.4 and an estimate of the period of time required to overcome the Force Majeure Event and/or its nature and effects (if it is possible to estimate the same).
- (b) If, following the issue of the FM Notice, the Affected Party receives or becomes aware of any further information relating to the Force Majeure Event, it shall submit such further information to the other Party as soon as reasonably practicable.
- (c) Any party claiming to have been affected by a Force Majeure Event shall not be entitled to any relief unless it has complied with all the provisions of this Clause 11.2.

11.3 Performance Excused

The Affected Party, to the extent rendered unable to perform its obligations or part of the obligation thereof under this Agreement as a consequence of the Force Majeure Event, shall be excused from performance of the affected obligations, provided that the period shall not exceed 120 days for a Non-Political Force Majeure Event and 90 days for a Political Force Majeure Event from the date of issuance of the FM Notice. The Parties may mutually agree to extend the period of excuse from performance, in the event that a Non-Political Force Majeure Event has occurred.

Provided that:

- (a) the excuse from performance shall be of no greater scope and of no longer duration than is reasonably warranted by the Force Majeure Event;
- (b) nothing contained herein shall absolve the Affected Party from any payment obligations accrued prior to the occurrence of the underlying Force Majeure Event; and
- (c) the Operator shall be entitled to receive the Storage Rental for the period of subsistence of a Political Force Majeure Event, provided that the Storage Rental for such period shall be paid to the Operator after the Political Force Majeure Event has ceased to exist and the Parties have resumed the performance of their respective obligations under this Agreement or, as the case may be, this Agreement is terminated in accordance with Clause 11.6 (d).

11.4 No Liability for Other Losses

Save and except as expressly provided in this Clause 11, neither Party shall be liable in any manner whatsoever to the other Party in respect of any loss relating to or arising out of the occurrence or existence of any Force Majeure Event or the exercise by it of any right pursuant to this Clause 11.

11.5 Resumption of Performance

The Affected Party shall in consultation with the other Party, make all reasonable efforts to limit or mitigate the effects of such Force Majeure Event on the performance of its obligations

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under this Agreement. The Affected Party shall also make efforts to resume performance of its obligations under this Agreement as soon as possible and upon resumption, shall notify the other Party of the same in writing. The other Party shall afford all reasonable assistance to the Affected Party in this regard.

11.6 Termination Due to Force Majeure Event

- (a) If, prior to the completion of the 120 day period (or any extended period) commencing from the date of issuance of the FM Notice, the Parties are of the reasonable view that:
- (i) a Non-Political Force Majeure Event is likely to continue beyond such 120 day period or any extended period agreed pursuant to Clause 11.3; or
 - (ii) that it is uneconomic or impractical to restore the affected Facility;

then the Parties may mutually decide to terminate this Agreement, which termination shall take effect from the date on which such decision is taken.

- (b) Without prejudice to the provisions of Clause 11.6(a) above, the Affected Party shall, after the expiry of the period of 120 days after the notification of a Non-Political Force Majeure Event or any other mutually extended period, be entitled to forthwith terminate this Agreement in its sole discretion by issuing a notice to that effect.

On termination of this Agreement pursuant to this Clause 11.6, the consequences of termination that are set out at Clause 13.5 shall apply.

- (c) In the event of a termination of this Agreement as a result of a Non-Political Force Majeure Event in accordance with the provisions of Clause 11.6, the Parties agree that the Operator shall only be entitled:
- (i) to the outstanding Service Charges; and
 - (ii) to retain any or all proceeds received under any insurance policies maintained by it in relation to the Facility (subject to the Operator's lenders' rights in respect of such insurance proceeds).

It is clarified that in the event of a termination of this Agreement as a result of a Non-Political Force Majeure Event, the Operator shall only be entitled to amounts due under this Clause 11.6(c), and to no other termination payments.

- (d) Upon occurrence of a Political Force Majeure Event, the Operator shall, at its discretion, have the right to terminate this Agreement forthwith after the completion of the period of 90 days from the date of the FM Notice.

In the event of termination of this Agreement as a result of a Political Force Majeure Event, the Operator shall not be entitled to receive any compensation from OSCSC, and shall only be entitled to receive the Service Charges outstanding as on the date of termination of this Agreement.

All the other consequences of termination that are set out at Clause 13.5 shall apply.

- (e) Notwithstanding anything to the contrary elsewhere in this Agreement, the Operator shall be entitled to sell, create Security over or otherwise dispose of any or all of the land forming the Site and/or the Facility, on termination of this Agreement due to a Force Majeure Event and utilise the proceeds from such disposal towards discharging any debt due to the its lenders or for any other purpose.

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12. EVENTS OF DEFAULT

Event of Default means an Operator Event of Default or an OSCSC Event of Default or both as the context may admit or require.

12.1 Operator Event of Default

Operator Event of Default means any of the following events arising out of any acts or omissions of the Operator and which have not occurred as a consequence of any OSCSC Event of Default or a Force Majeure Event:

- (a) any abandonment or total cessation by the Operator of the performance of its obligations under this Agreement for a continuous period of 60 days;
- (b) failure of the Operator to complete the Facility, fulfil the Completion Conditions and achieve the Completion Date within 180 days from the Target Completion Date;
- (c) suspension or termination of the Operator's leasehold interest in any parcel of land comprised within the Site;
- (d) failure of the Operator to adhere to the Operational Norms, the Warehouse Manual and/or the Revised Operational Guidelines for a continuous period of 90 days;
- (e) failure of the Operator to make good any Shortfall in accordance with Clause 7.9 within a period of 60 days from the date that such Shortfall occurs;
- (f) any material representation made or warranties given by the Operator under this Agreement being found to be false or misleading;
- (g) failure of the Operator to obtain and maintain a valid Performance Security in accordance with Clause 5.1;
- (h) failure of the Operator to obtain, renew and maintain any Applicable Permit;
- (i) failure of Operator to pay the Project Development Fee in accordance with Clause 5.2;
- (j) failure of the Operator to obtain and maintain insurance cover in accordance with Clause 10.2;
- (k) a detention order against or any criminal action being instituted against the Operator or any director, manager, employee, agent or any other person acting on behalf of the Operator in accordance with Applicable Laws;
- (l) breach of the Operator's obligations under Clauses 4.2(b) or 17.13; or
- (m) the Operator entering into liquidation or similar state or if any order is made for the compulsory winding up or dissolution of the Operator or if the Operator becomes unable to pay its debts or the appointment of a receiver or administrator in respect of the Operator, its business and assets or any re-structuring, re-organisation, amalgamation, arrangement or compromise affecting the Operator's ability to fulfil

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its obligations under this Agreement or that otherwise has or may have a Material Adverse Effect.

12.2 OSCSC Event of Default

OSCSC Event of Default means any of the following events, unless such an event has occurred as a consequence of an Operator Event of Default or a Force Majeure Event:

- (a) a failure by OSCSC to pay any undisputed amounts due and payable for 60 consecutive days to the Operator, notwithstanding service of a formal written demand by the Operator;
- (b) a failure by OSCSC to disburse the Capital Subsidy in accordance with the provisions of Clause 8.1;
- (c) OSCSC enters into liquidation or similar state or if any order is made for the compulsory winding up or dissolution of OSCSC affecting OSCSC's ability to fulfil its obligations under this Agreement or that otherwise has a Material Adverse Effect; or
- (d) the payment security mechanism set out at Clause 8.8 is or becomes unenforceable, illegal or invalid.

13. REMEDY OF DEFAULTS AND TERMINATION PROCEDURE

13.1 Notice of Termination

- (a) Without prejudice to the other provisions of this Agreement, upon the occurrence of an Event of Default, the non-defaulting Party may initiate termination of this Agreement by delivering a notice to the defaulting Party stating its intention to terminate this Agreement (**Notice of Intent to Terminate**). The Notice of Intent to Terminate shall specify with reasonable detail, the grounds on which termination is sought and the cure period for remedying the Event of Default. If the Operator is the defaulting Party, OSCSC shall also send a copy of the Notice of Intent to Terminate to the Operator's lenders, if any.
- (b) Notwithstanding anything to the contrary in Clause 13.1(a) above, in case of occurrence of an Event of Default specified in Clauses 12.1(a), 12.1(m), 12.2(a) or 12.2(c), the non-defaulting Party shall have the right to immediately terminate this Agreement on the provision of the Notice of Intent to Terminate, without any obligation to provide any cure period for remedying the Event of Default.

13.2 Termination Procedure for Operator Event of Default

- (a) Subject to Clause 13.1(b), upon the service of the Notice of Intent to Terminate, the Operator shall have a 30 day cure period in which to cure the Event of Default.
- (b) During the 30 day cure period, the Operator shall continue to undertake efforts to cure the Event of Default, and OSCSC shall not, by any act or omission, impede or

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otherwise interfere with the Operator's endeavours to remedy the Event of Default.

- (c) Upon the issue of a Notice of Intent to Terminate by OSCSC for an Operator Event of Default, the lenders shall be free to exercise their step-in and/or substitution rights, if any under the financing agreements or any agreement entered into between OSCSC, the Operator and the lenders pursuant to Clause 4.3.
- (d) If, during the cure period:
- (i) the Operator rectifies or remedies the Event of Default to the satisfaction of OSCSC or OSCSC is satisfied with steps taken or proposed to be taken by the Operator or the Event of Default has ceased to exist; or
 - (ii) the lenders have exercised their rights to step-in and remedy the Operator Event of Default or substitute the defaulting Operator with another entity with the requisite experience and capability to perform the Operator's obligations under this Agreement and acceptable to OSCSC,

OSCSC shall withdraw the Notice of Intent to Terminate in writing with a copy to the lenders.

- (e) If, following the cure period:
- (i) the breach has not been remedied or the Operator has not taken steps or proposed to take steps to remedy the Event of Default to the satisfaction of OSCSC; and
 - (ii) the lenders have not exercised their rights, if any, to step-in and remedy the Operator Event of Default or substitute the defaulting Operator within the hold period,

OSCSC may (without prejudice to any right or remedy available to it) step-in and take such steps as are reasonably necessary to remedy the Operator Event of Default, or engage others to take those steps, provided that the Operator Event of Default has occurred after the Operations Date. The Operator shall indemnify OSCSC from all losses, costs, liabilities or expenses incurred or claimed against OSCSC in taking such actions. OSCSC may invoke the Performance Security to the extent of the losses, costs, liabilities or expenses suffered by OSCSC as a result of the Operator Event of Default and the costs incurred by it in remedying such Event of Default. OSCSC will not be required to pay the Storage Rental during the period of such step-in. Upon remedy of the Event of Default, OSCSC shall step-out and the Parties shall resume the performance of their respective obligations under this Agreement.

Alternatively, OSCSC may issue a notice of termination to the Operator, with a copy to the lenders, upon which this Agreement shall terminate forthwith.

13.3 Termination Procedure for OSCSC Event of Default

- (a) Subject to Clause 13.1(b), upon the service of the Notice of Intent to Terminate, OSCSC shall have 30 days in which to cure the OSCSC Event of Default.
- (b) During the 30 day cure period, OSCSC shall continue to undertake efforts to cure the

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Event of Default, and the Operator shall not, by any act or omission, impede or otherwise interfere with OSCSC's endeavours to remedy the Event of Default. Both Parties shall continue to perform such of their respective obligations, which are capable of being performed during the cure period.

- (c) If, during the cure period, OSCSC rectifies or remedies the OSCSC Event of Default to the satisfaction of the Operator or the Operator is satisfied with steps taken or proposed to be taken by OSCSC or the OSCSC Event of Default has ceased to exist, then the Operator shall withdraw the Notice of Intent to Terminate in writing.
- (d) If, following the cure period, the breach has not been remedied or OSCSC has not taken steps or proposed to take steps to remedy the OSCSC Event of Default to the satisfaction of the Operator, the Operator shall be entitled to issue a notice of termination to OSCSC, upon which this Agreement shall terminate forthwith. The Operator shall not be entitled to receive any termination compensation upon termination of this Agreement due to an OSCSC Event of Default.

13.4 Accrued Rights and Liabilities

- (a) Notwithstanding anything to the contrary contained in this Agreement, any termination of this Agreement shall be without prejudice to accrued rights of either Party, including its right to claim and recover damages and other rights and remedies which it may have in law or contract. All accrued rights and obligations of either Party under this Agreement shall survive the termination of this Agreement; to the extent such survival is necessary for giving effect to such rights and obligations.
- (b) Nothing in this Clause 13 shall prevent or restrict the right of OSCSC to seek injunctive relief or a decree of specific performance or other discretionary remedies of the court.

13.5 Consequences of Termination

- (a) Upon the termination of this Agreement, the Operator shall forthwith upon receipt or issuance of the notice of termination, as the case may be, take all necessary steps to cease performing the Services under this Agreement in an orderly and prompt manner.
- (b) Upon the issuance or receipt of the notice of termination, as the case may be, the Operator shall hand over all of the Grain that is in the Operator's custody, possession or control and all records, documents, accounts and receipts of the Grain accepted, handled, stored or dispatched by the Operator to OSCSC or its nominee(s). If the Operator fails to do so forthwith, OSCSC shall have the right to enter the Site and take possession and custody of all of its Grain stored in the Facility and all related records and documents.
- (c) Until OSCSC's Grain stored in the Facility is handed over to OSCSC or its nominee pursuant to this Clause 13.5, the Operator shall continue to be responsible for the safety and security of the Grain in its custody, possession or control and bear all risk of loss of or damage to such Grain against payment of the Service Charges.

14. COMPENSATION ON TERMINATION

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14.1 For Operator Event of Default

(a) *Occurring Prior to Completion Date*

Upon termination of this Agreement on account of an Operator Event of Default occurring prior to Completion Date, the Operator shall not be entitled to receive any termination compensation. Further, OSCSC shall be entitled to forfeit the Performance Security as a genuine pre-estimate of and reasonable compensation for the loss and damage caused to OSCSC as a result of termination of this Agreement due to the Operator Event of Default.

(b) *Occurring after Completion Date*

Upon termination of this Agreement on account of an Operator Event of Default after the Completion Date, Operator shall be liable to pay to OSCSC the aggregate of:

- (i) the amount of Capital Subsidy disbursed (if any), adjusted pro-rata in proportion to the unexpired portion of the Term, which amount shall be calculated in accordance with Schedule 4;
- (ii) if applicable, the Acquisition Cost in respect of the total quantity of Shortfall as on the date of termination of this Agreement along with the accrued default interest, if any; and
- (iii) any amounts due or payable to OSCSC under this Agreement,

LESS

- (x) the outstanding Service Charges.

If the outstanding Service Charges due to the Operator from OSCSC are less than the termination payment due to OSCSC, then OSCSC may invoke the Performance Security to recover the termination payment due to OSCSC from the Operator. If the Performance Security is inadequate or not valid, OSCSC shall have a right to recover the balance from the Operator as a debt due under the Orissa Public Demands Recovery Act, 1962.

14.2 For OSCSC Event of Default

Upon termination of this Agreement due to an OSCSC Event of Default, the Operator will only be entitled to receive the Service Charges outstanding as on the date of termination of the Agreement.

14.3 For Political Force Majeure Event

Upon termination of this Agreement for a Political Force Majeure Event, the Operator shall only be entitled to receive the Service Charges outstanding as on the date of termination of this Agreement.

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14.4 **For Non-Political Force Majeure Event**

Upon termination of this Agreement due to a Non-Political Force Majeure Event, the Operator will be entitled to receive the outstanding Service Charges, less any amounts due or payable to OSCSC under this Agreement.

14.5 **Payment of Termination Compensation**

- (a) The termination payments pursuant to this Agreement shall become due and payable to OSCSC within 30 days of a demand being made by OSCSC.
- (b) If, the Operator fails to make the termination payment on the date due, the Operator shall be liable to pay default interest on the termination payment at the rate of SBAR plus 2% per annum or part thereof from such due date until the payment thereof.

15. **GOVERNING LAW, JURISDICTION AND DISPUTE RESOLUTION**

15.1 **Governing Law and Jurisdiction**

- (a) This Agreement shall be governed by and construed in accordance with the laws of India.
- (b) The courts of Odisha shall have exclusive jurisdiction over all Disputes arising out of or in any way relating to this Agreement.

15.2 **Conciliation**

In the event of any dispute, controversy or difference between OSCSC and Operator arising out of or relating to this Agreement (including a dispute relating to the validity or existence of this Agreement and any non-contractual obligations arising out of or in connection with this Agreement) (a **Dispute**), the representatives of the Parties shall, within 10 days of service of a written notice from either Party to the other Party (the **Dispute Notice**) hold a meeting (the **Dispute Meeting**) in an effort to resolve the Dispute in good faith. In the absence of agreement to the contrary, the Dispute Meeting shall be held at the registered office of OSCSC.

15.3 **Arbitration Procedure**

If a Dispute is not resolved within 20 Business Days after the service of a Dispute Notice, whether or not a Dispute Meeting has been held, any party to the Dispute shall be entitled to refer the Dispute to arbitration (**Notice of Arbitration**) to be finally resolved in the manner set out in this Clause 15. This Agreement and the rights and obligations of the Parties shall remain in full force and effect pending the award in such arbitration proceeding.

15.4 **Appointment of Arbitrators**

If a Dispute is referred to arbitration by either Party, such Dispute shall be resolved by a sole arbitrator to be appointed by mutual agreement of the Parties. If Parties fail to appoint an arbitrator within 30 Business Days after service of the Notice of Arbitration, such arbitrator shall be appointed in accordance with provisions of the Arbitration Act.

15.5 Venue, Language and Rules of Arbitration

The venue of the arbitration shall be Bhubaneswar and the language of the arbitration shall be English. The arbitration shall be conducted in accordance with the Arbitration Act.

15.6 Award and Apportionment of costs

- (a) The arbitration award of the arbitrator(s) shall be final and binding on the Parties and shall be enforceable in accordance with its terms. The arbitrator(s) shall state reasons for its findings in writing.
- (b) The costs of arbitration and the manner of bearing such costs shall be determined by the arbitrator(s).

15.7 Law Governing the Arbitration

The arbitration shall be governed by the laws of India.

15.8 Survival

The provisions contained in this Clause 15 shall survive the termination of this Agreement.

16 REPRESENTATIONS AND WARRANTIES

16.1 Mutual Representations and Warranties

Each Party represents and warrants to the other Party that:

- (a) it has full power and authority to execute, deliver and perform its obligations under this Agreement and any other agreement entered into between the Parties in relation to the Project;
- (b) it has taken all necessary action to authorise the execution, delivery and performance of this Agreement and any other agreement entered into between the Parties in relation to the Project; and
- (c) there are no violations, actions, suits or proceedings pending or to its best knowledge, threatened against or affecting it before any court, administrative body or arbitral tribunal which might materially and adversely affect its ability to meet or perform any of its obligations under this Agreement or any agreement entered into between the Parties in relation to the Project.

16.2 Operator's Representations and Warranties

The Operator represents and warrants to OSCSC that:

- (a) it has the financial standing and capacity to construct, operate and maintain the Facility and perform the Services in accordance with the terms of this Agreement;
- (b) 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;

- (c) 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;
- (d) 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;
- (e) the execution, delivery and performance of this Agreement will not conflict with, result in the breach of, constitute a default under any of the terms of 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;
- (f) 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 the GOI or the GOO 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;
- (g) 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; and
- (h) no representation or warranty by it contained herein or in any other document furnished by it to OSCSC or to the GOI or the GOO 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.

16.3 OSCSC's Representations and Warranties

The OSCSC represents and warrants to the Operator that:

- (a) this Agreement constitutes legal, valid and binding obligations enforceable against it in accordance with the terms hereof;
- (b) 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 the GOI or the GOO which may result in any material adverse effect on the OSCSC's ability to perform its obligations under this Agreement;
- (c) it has complied with Applicable Laws in all material respects; and
- (d) all information provided by it in the RFP in connection with the Project is, to the best of its knowledge and belief, true and accurate in all material respects.

16.4 Acknowledgement

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- (a) The Parties acknowledge and confirm that the Parties have relied upon and have entered into this Agreement on the basis of the representations, warranties and undertakings made by the Parties hereunder.
 - (b) If any occurrence or circumstance comes to the attention of a 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 obligation of a party under this Agreement.
 - (c) Neither OSCSC nor any of its agents or employees shall be liable to Operator in contract, tort, including negligence or breach of statutory duty, statute or otherwise as a result of:
 - (i) any inaccuracy, omission, unfitness for any purpose or inadequacy of any kind whatsoever in the information relating to the Project disclosed by OSCSC to Operator; or
 - (ii) any failure to make available to Operator any materials, documents, plans or other information relating to the Project.

17. MISCELLANEOUS PROVISIONS

17.1 Survival of Obligations

Any cause or action which may have occurred in favour of either Party or any right which is vested in either Party under any of the provisions of this Agreement as a result of any act, omission, deed, matter or thing done or omitted to be done by either Party before the expiry of the term of this Agreement by efflux of time or otherwise in accordance with the provisions of this Agreement, shall survive the expiry of this Agreement.

17.2 Entire Agreement

The Parties hereto acknowledge, confirm and undertake that this Agreement constitutes the entire understanding between the Parties regarding the Facility and supersedes all previous written or oral representations and/or arrangements regarding the Facility.

17.3 Clauses to Survive Termination

The provisions of this Agreement, to the fullest extent necessary to give effect thereto, survive the term of this Agreement or the termination of this Agreement and the obligations of Parties to be performed or discharged following the termination of this Agreement, shall accordingly be performed or discharged by the Parties.

17.4 Non-exhaustive Remedies

- (a) Save and except as provided in this Agreement, the remedies available to the Operator under this Agreement are not exhaustive and the Operator and third parties shall be entitled to all other rights and remedies and to take all actions in law and in equity in

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addition to the remedies provided for herein.

- (b) Save and except as provided in this Agreement, the exercise of any rights by either Party under this Agreement, shall not preclude such Party from availing any other rights or remedies that may be available to it under this Agreement or under the other Project Agreements. All remedies available to the Parties shall be cumulative and the exercise or failure thereof of one or more remedies by any Party shall not limit or preclude the exercise of or constitute a waiver of any other remedies by such Party.

17.5 Notices

- (a) Any notice or request in reference to this Agreement shall be written in English language and shall be sent by registered airmail or facsimile and shall be directed to the other Party at the address mentioned below:

OSCSC : Managing Director
Address: Odisha State Civil Supplies Corporation Limited,
C/2 Nayapalli, Bhubaneswar, Odisha 751012 Tel: (0674) 2395391
Fax: (0674) 2395291
Email: mdoscsc@gmail.com

Operator : Sri Rabi Narayan Mishra
Address: EB:-46, Badagada Brit Colony, Bhubaneswar-751018, District:- Khordha
Tel: +91-9937099790
Fax: N/A
Email: rabi.mishra16@gmail.com

Provided that each Party shall, notwithstanding anything to the contrary in this Agreement, have the right to serve verbal notices to the other Party, other than any communication or notice required to be made or given under Clauses 2.2, 2.4, 10.1(c), 11.2(a), 11.5, 8.5, 13.2(d) or 13.3(c), which communication or notices shall always be made or given in writing.

- (b) Any notice or demand served by registered airmail shall be deemed to be duly served 48 hours after posting and a notice or demand sent by facsimile shall be deemed to have been served at the time of its transmission and in proving service of the same it will be sufficient to prove, in the case of a letter, that such letter was sent by registered airmail, addressed and placed in the post and in the case of a facsimile transmission, that such facsimile was duly transmitted to a current facsimile number of the addressee at the address referred above.
- (c) Each Party may change the above address by prior written notice to the other Party.

17.6 Counterparts

This Agreement may be executed in two counterparts, each of which, when executed and delivered, will be an original, and both counterparts together shall constitute one and the same instrument.

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17.7 Language

- (a) The formal text of this Agreement and the Project Agreements shall be in the English language.
- (b) All notices and communications between OSCSC and the Operator, required under this Agreement shall be drawn up in English and all arbitration proceedings undertaken pursuant to this Agreement shall be conducted in English.

17.8 Confidentiality

No recipient Party shall, without the prior written consent of the disclosing Party, at any time divulge or disclose or suffer or permit its representatives to divulge or disclose to any person or use for any purpose unconnected with the Project or the Facility any confidential information during the Term and for a period of 5 years after the expiry or termination of this Agreement, except to its Contractors, representatives officers, directors, advisors, employers, agents, lenders, insurers, and affiliates who have a legitimate need to know the confidential information in order to perform their duties relating to this Agreement or to any Government Authority pursuant to any legal or regulatory requirement.

17.9 Amendments

- (a) Any provision of this Agreement may be amended, supplemented or modified only by an agreement in writing signed by the Parties.
- (b) Either Party may at any time request the other to enter into discussions to review the operation of any part of this Agreement and, but without commitment by either Party, to determine whether it should be amended by mutual agreement provided that, unless there is such mutual agreement, the provisions of this Agreement (as then most recently, if at all, amended) shall continue to apply whatever the outcome of any such discussions or review and whether or not any such discussions or review take place.

17.10 Waivers and Consents

- (a) Any provision or breach of any provision of this Agreement may be waived before or after it occurs only if evidenced by an agreement in writing signed by the Parties.
- (b) Any consent under or pursuant to any provision of this Agreement must also be in writing and given prior to the event, action or omission for which it is sought.
- (c) Any such waiver or consent may be given subject to any conditions thought fit by the person(s) giving it and shall be effective only in the instance and for the purpose for which it is given.

17.11 Severability

- (a) If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any law, the legality, validity or enforceability of the remaining provisions will not, in any way, be affected or impaired.

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- (b) The Parties shall negotiate in good faith with a view to agreeing one or more provisions which may be substituted for any such invalid, illegal or unenforceable provision and which are satisfactory to the Operator and which produce as nearly as is practicable in all the circumstances the appropriate balance of the commercial interests of the Parties.

17.12 Costs and Expenses

- (a) Each Party shall be responsible for paying its own costs and expenses incurred in connection with the negotiation, preparation and execution of this Agreement.
- (b) The Operator shall bear the applicable stamp duty and registration fee (if applicable) in respect of this Agreement.

17.13 Assignment

- (a) The rights and obligations of the Operator under this Agreement shall not be assigned, novated or otherwise transferred to any person, except as otherwise provided in this Agreement.
- (b) The rights and obligations of OSCSC under this Agreement shall not be assigned, novated or otherwise transferred (whether by virtue of any Applicable Law or any scheme pursuant to any Applicable Law or otherwise) to any person other than a public body or a government company or a statutory corporation that:
- (i) is a single entity;
 - (ii) acquires the whole of this Agreement;
 - (iii) has the legal capacity, power and authority to become a party to and to perform the obligations of OSCSC under this Agreement; and
 - (iv) has sufficient financial standing or financial resources to perform the obligations of OSCSC under this Agreement.

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IN WITNESS WHEREOF the Parties hereto have caused these presents to be executed in the manner hereinafter appearing on this 30th day of March' 2016:

Agreed and Accepted by

Sri Rabi Narayan Mishra

Rabi Narayan Mishra

Authorized Signatory

Name: **RABI NARAYAN MISHRA**

Signature: *Rabi Narayan Mishra*

Witnesses: *Madhosh Mishra*

1. Name: *Madhosh Mishra, At/ro. S. D. Pura, Puri*

2. Name: *Manoj Kumar R. S. Sinha*

Agreed and Accepted by

OSCSC Ltd.

Authorized Signatory

Name:

AKL Anand

Signature:

[Signature]
2/3/16

**General Manager (Tech.)
OSCSC Ltd., Bhubaneswar**

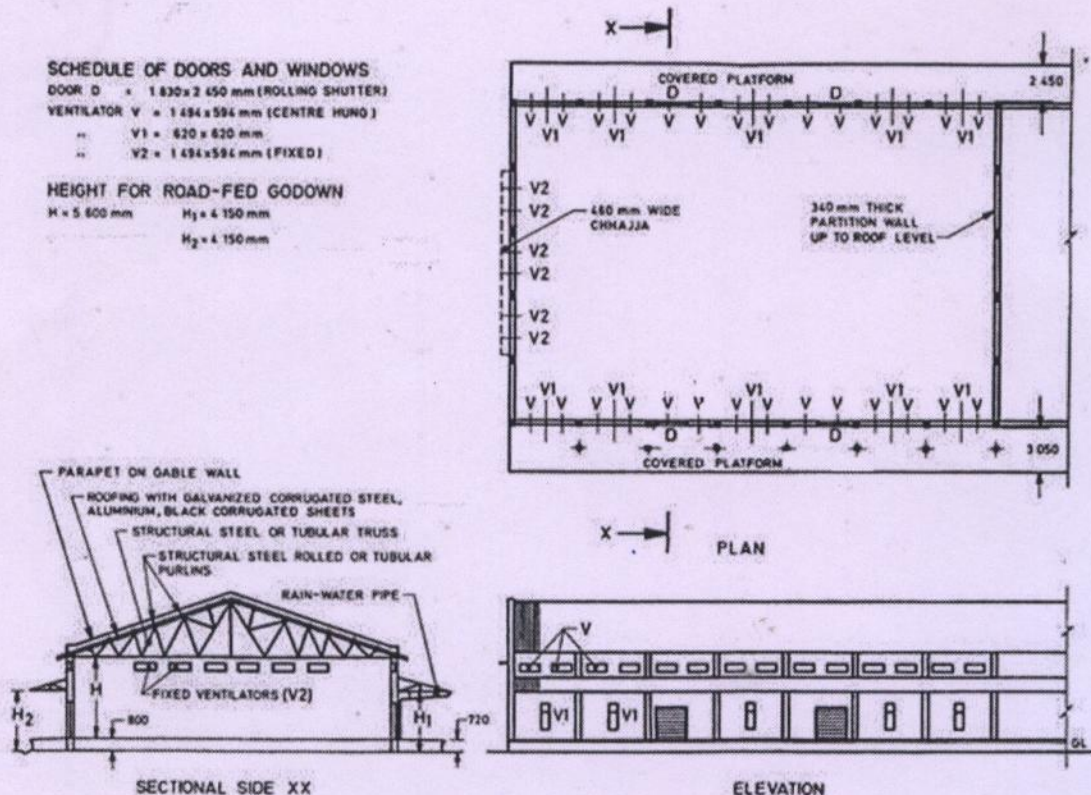
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SCHEDULE 1
CONSTRUCTION NORMS

Part A

Specifications for the Construction of 2500 Metric Tonne Capacity Standard Conventional Type Facilities

Particulars	Dimensions	
	Option 1	Option 2
Facility Width	21.80 meter C/C (Floor width of 21.35 meter)	14.48 meter C/C (Floor width of 14.03 meter)
Facility Length	65.10 meter C/C	97.19 meter C/C
Facility Height	5.46 meter	5.46 meter
Center Height to Roof	8.75 meter	8.75 meter
Number of Chambers	2 Nos.	3 Nos.
Maximum number of Column Spans per Chamber	9 Nos.	9 Nos.
Span of Columns	4.65 meter C/C	4.65 meter C/C
Verandah Width – Front Side of Facility (Platform along the entire length of the Facility)	1.83 meter	1.83 meter
RCC Nosing - Backside of Facility (Platform only at shutter openings)	1.00 meter	1.00 meter
M.S. Gate/Rolling Shutters	8 Nos.(1.83 meter X 2.45 meter)	10 Nos.(1.83 meter X 2.45 meter)
Bottom Ventilators	0.62 meter X 0.62 meter (20 Nos.)	0.62 meter X 0.62s meter (32 Nos.)
Top Ventilators	1.494 meter x 0.594 meter. (56 Nos.)	1.494 meter x 0.594 meter. (84 Nos.)
Verandah Roof Height from the Floor	3.35 meter Up to Truss Level	3.35 meter Up to Truss Level



All dimensions in millimetres

Fig 1 – Typical Storage Structure Design

1. FOUNDATION:

- (a) Suitable foundation depending upon the site conditions may be provided. The type of foundations will depend upon the property of the subsoil and the same may be provided according to relevant Indian Standard Codes.
- (b) The foundation shall, in no case, be less than one meter deep unless hard rock is met at a depth less than one meter, subject to a minimum depth of footing not less than 75 cm. The foundation shall not be less than 120 cm deep under the cement concrete columns
- (c) Wherever rock is met within the foundation depth, it shall be properly dressed, levelled and, if necessary, cut in horizontal steps so as to receive the footings of the foundation
- (d) The foundation, in general, shall consist of the bed of cement concrete not leaner than the mix of 1:5:10 (1 cement: 5 coarse sand: 10 stone aggregate of 40 mm nominal size) for the walls and under the footing of the columns. The Reinforced Cement Concrete (RCC) columns shall be of mix not leaner than 1:1.5: 3 (1 cement : 1.5 coarse sand : 3 stone aggregate 20 mm nominal size) for the nominal mix concrete and M 20 for the controlled concrete as per the requirement of design. The coarse of the lean concrete under the footings of the walls and RCC columns shall not less than be 15 cm and 7.5 cm respectively or otherwise as per the recommendation in the structural designs.

- (e) The foundation shall be carried to hard soil and to a depth at which cracks in the soil do not exist and where the bearing capacity is adequate to withstand the intensity of foundation pressure. The bearing capacity of the soil shall be properly investigated.
- (f) The foundation on both the sides shall be refilled with selected earth suitable for filling and free from salt, organic or other foreign matter or with sand except the seashore and or moorum which shall be compacted and made flush with the ground level.
- (g) To meet the menace of white ants and rodents suitable pesticidal treatment shall be done in the foundations and under floors.

2. PLINTH

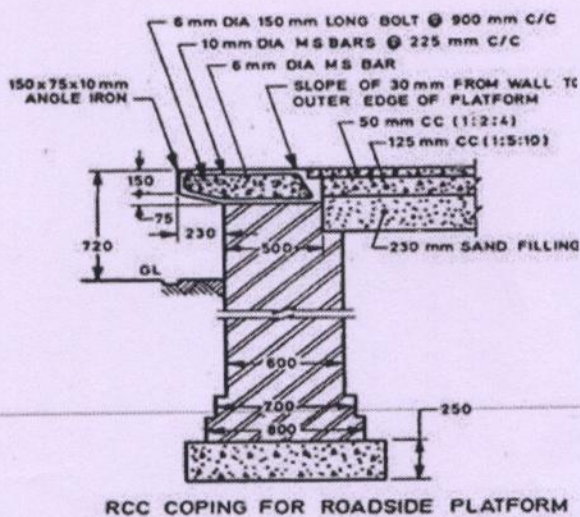
- (a) The plinth shall generally be kept 80 cm above the finished ground level and in exceptional cases, depending upon the topography of the land, the plinth height can be extended up to 90 cm, for the road-fed structures. The minimum width of platform for the road-fed structures shall be 183 cm. To prevent rain water from getting inside the Facility through the doors, the platform shall be provided with a slope of at least 1 in 40 from the wall to its outer edge. In case of the road-fed structures, the platform plinth level of the structure should be fixed taking the highest floor level into account.
- (b) Where platforms are provided, they shall be preferably covered
- (c) The plinth shall be filled with selected earth depending upon the availability, excluding black cotton soils and other unsuitable soils, in layers not exceeding 200 mm with each layer being watered, well rammed and consolidated. When filling reaches the finished level, the surface shall be flooded with water for at least 24 hours, allowed to dry and then rammed and consolidated in order to avoid any settlement at a later stage. The finished level of filling shall be kept in slope intended to be given on the floor. These layers shall be taken up to the formation level for the earth filling.
- (d) The plinth shall be constructed of either stone or brick masonry in cement mortar 1:6 (1 cement : 6 coarse sand) including gable walls. It shall be provided with damp proof course of well graded concrete with waterproofing compound (see IS 2645) to a minimum thickness of 40 mm on brick masonry and 50 mm on stone masonry.

NOTE – These are the usual specifications adopted for such structures. The actual specifications shall be based on proper designs and stresses developed depending upon the strength of raw material and mortar used. In seismic areas suitable precautions may be observed in the construction of building which should be according to IS 1893 and IS 4326. In case of non-availability of bricks and stone for masonry work, cement concrete hollow blocks may be used and jointing etc. may be done with cement mortar 1 : 4 (1 cement : 4 coarse sand).

- (e) The structure shall be provided with plinth protection of at least 900 mm width excluding platform portion around the structure and shall have minimum outward slope of 1 in 48 for satisfactory drainage of rain water. The plinth protection may consist of a layer of 115 mm thick brick or stone ballast, consolidated dry to the

required slope, the surface shall be grouted evenly with fine sand 0.06 m³ /10 m³ and slightly sprinkled with water and rammed. A topping of 50 mm thick cement concrete (1 : 3 : 6) may be laid in alternate panel slabs over a well-rammed brick or stone ballast and finished smooth at top. The finished surface may have a minimum outward slope of 1 in 48. Any other mode of the plinth protection may be adopted depending upon the site condition and economy of the materials for a particular locality. If vehicular traffic is likely to come on the plinth protection, the same should be suitably designed as a pavement in such portions.

- (f) It may be ensured that wherever plinth protection is laid on filled up earth; such filling shall be with selected earth properly consolidated. Black cotton soil shall not be used in such filling.



All dimensions in millimetres

Fig 2 – General Arrangement of Platform Plinth with Coping

FLOORING

- (a) The flooring in the storage structure should be damp proof, rigid, durable and free from any cracks or crevices.
- (b) The following types of flooring may be provided for in the structure:
 - (i) Selected earth filling well consolidated and stabilized to avoid possibility of settlement and cracks;
 - (ii) A layer of sand filling 230 mm thick thoroughly watered and well consolidated; and
 - (iii) A layer of cement concrete (1 : 5 : 10) 150 mm thick

NOTE 1 – In areas which may have water logging, a layer of bitumen maphalt 80/100 or equivalent spread uniformly at the rate of 1.7 kg/m² may be provided in between the layer of cement concrete (1 : 5 : 10) as referred to in point (c) above.

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NOTE 2 – In case, polythene sheet is used in place of maxphalt, a layer of 700 - gauzepolythene sheet sandwiched in between the sand layers as referred to in point (b) shall be laid with necessary overlap of 150 mm at joints; joints hot sealed and ends properly anchored in suitable grooves left in walls for water tightness.

- (c) A top wearing coat of 50 mm thick cement concrete (1: 2: 4) finished with floating coat of neat cement shall be provided. The cement concrete flooring shall be laid in panels not exceeding 3.5 m² in area and 2.5 m and above in any direction. Such panels shall be suitably adjusted so as to avoid transfer of any uneven load at the joints under the stacking bays and alleyways. The panels shown in Fig. 5 may be suitably adopted.

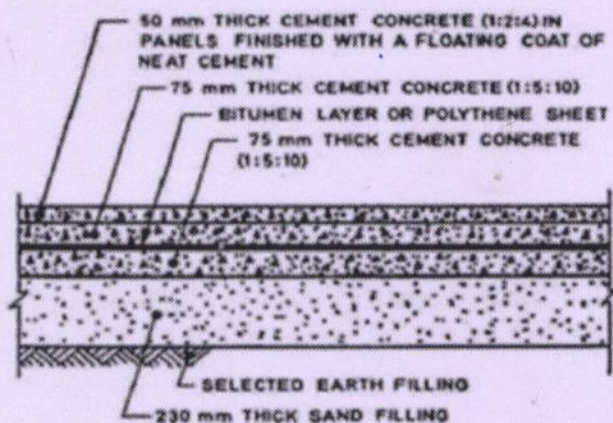


Fig 3 – Details of Flooring in the storage structure of the Facility

Fig 4 – Typical Arrangement of Floor Panels

- (d) Alternatively the flooring and the course of the Water Bound Macadam (WBM) underneath the cement concrete flooring should be provided as under:
- (i) Selected earth in the filling well compacted and stabilized for avoiding possibility of any future settlement and cracks, etc.;
 - (ii) 150 mm thick WBM with stone aggregate of size 63-65 mm (Grade II) with corresponding screening and binding material;
 - (iii) 75 mm thick WBM to be laid with 53-22.4 mm sized stone aggregate (Grade II) with corresponding screening and binding material; and
 - (iv) 50 mm thick cement concrete flooring in the cement concrete mix of 1:2:4 finished with a floating coat of cement.
- (e) Panelling in the cement concrete flooring shall be provided with glass strip having thickness of 4 mm and depth as per the thickness of the floor

(a) The design of the walls shall be in accordance with the general constructional practices (see IS 1905) and care shall be taken that the tensile stresses do not exceed the cracking limit.

- (19)
- (b) The longitudinal walls shall be of brick masonry in cement mortar 1:6 (1 cement : 6 coarse sand) and shall be of at least 5,600 mm high for road-fed structures from the plinth level. They shall be of at least 340 mm in thickness. RCC columns should be provided to support the trusses connected with the beams at the top level and two more beams of RCC in the concrete mix 1 : 1.5 : 3 should be provided at the door level and plinth level in the areas falling under seismic zone IV & V (as per the seismic zoning map, available on the official website of the Indian Meteorological Department). The gable wall and the partition wall should be provided with the same type of masonry being provided in the longitudinal walls in the cement mortar of same ratio / mix. The gable wall shall be at least 460 mm in thickness and the partition wall shall be of at least 340 mm thickness.

The walls shall be flush with the inner surface of the column and shall be plastered in cement mortar 1:6 (1 cement: 6 fine sand). They shall be rendered smooth both on the outer and the inner surfaces. There shall be no offsets or projections in the wall. The inside edges of the wall where they meet the floor, all corner shall be rounded off to a radius of at least 50 mm. Spacing of the RCC columns is recommending ideally as 4650 mm from centre to centre which may also be altered as per the requirement/design/ dimension of the site / plot for optimum utilization. In seismic areas, structural engineer should be consulted for giving the earthquake resistant designs of the structure and criteria for earthquake resistant designs of structures as per IS 1893 and for earthquake resistant construction as per IS 4326 shall be followed.

NOTE – Where modular bricks are used according to IS 1077, thickness of the walls may be kept as 340 mm (nominal) for the longitudinal and intermediate partition walls and 460 mm (nominal) for the gable walls.

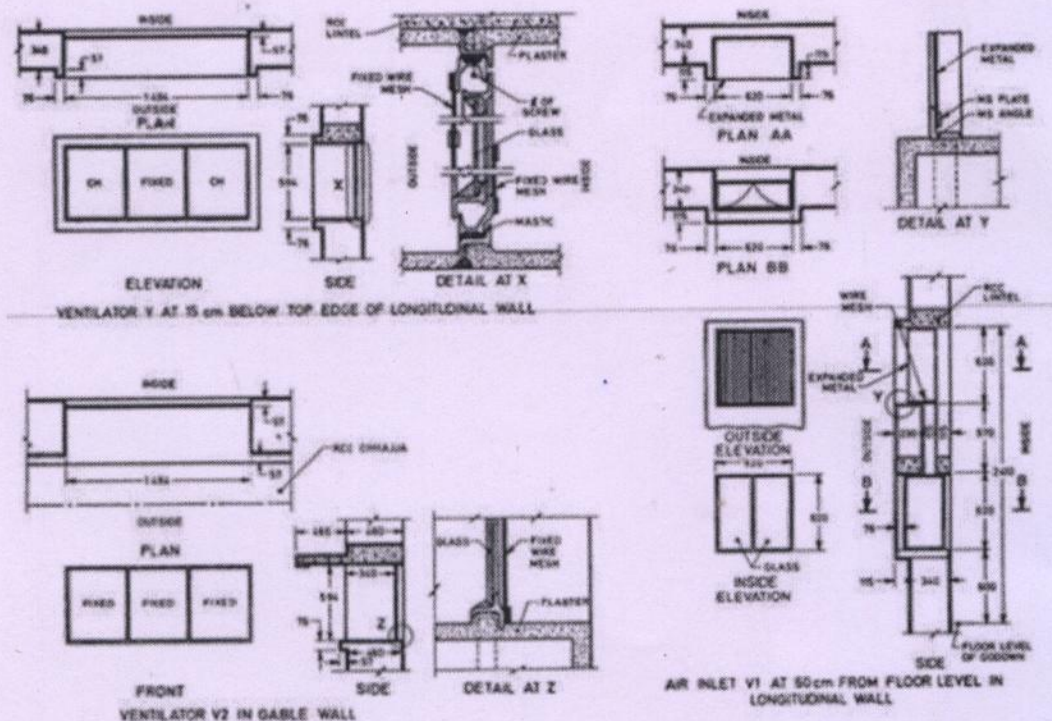
5. DOORS

A door shall be provided preferably opposite each gangway. The doors shall be of rolling shutters/Mild Steel (MS) Gates and fixed into suitable prepared openings. The doors shall be not less than 1830 × 2450 mm. Regular and periodical inspections and maintenance of the rolling shutters/MS Gates should be carried out to avoid defects and damages.

6. VENTILATORS

- (a) In longitudinal walls, two steel ventilator of opening not less than 1494 × 594 mm shall be provided in each bay between RCC columns spaced at 4650 mm from centre to centre. The ventilators shall be fixed 150 mm below the top edge of the tie beam i.e. truss level of the structure. They shall be provided with glazed centre hung with fixed wire-mesh shutters. The frames of the ventilators shall be provided with suitable beading to avoid any chance of air and moisture leakage.
- (b) Air inlets of steel ventilator 620 × 620 mm in each bay shall also be provided at 600 mm above the floor level of the structure except those which have a rolling shutter/MS gate opening or garage door. These shall be protected by expanded metal/hard drawn wire fabric from inside. When closed, the shutter shall fit tight in frame. On gable walls, suitable number of steel ventilators glazed with fixed wire mesh may be provided, if required. These ventilators shall be protected by sunshade

of at least 460 mm projection. Where good local timber is available or in coastal region where steel may be subjected to salt action, timber ventilators may be provided (see IS 1003 (Part II)).



All dimensions in millimetres

Fig 5 – Ventilators and Air Inlet

7. ROOF

- The roof of the structure shall be of single span structural steel or tubular trusses which shall be fixed on the RCC columns of RS joists at a height of 5600 mm from the plinth level to the tie level at the column ends
- The roof of the platforms shall be of a cantilever structural steel or tubular trusses fixed on to RCC columns. Outer edge of the truss should not go beyond the line of the edge / RCC coping of the platform. The width of platforms for roadside shall be 1830 mm, which shall be measured from the face of the columns.
- The trusses shall be connected by suitable sets of wind bracings and longitudinal runners etc. at the level as per the recommendations of the structural designer of the truss
- The design of the trusses shall be in accordance with the general constructional practices and relevant Indian Standard codes for loading standards (IS 875), tubular trusses (IS 806, IS 1161 and IS 800)
- Roofing – Materials may be galvanized corrugated (see IS 277) sheets, steel sheets or corrugated aluminium sheets or black corrugated sheet, not thinner than 0.56 mm.

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The sheets shall project at least 46 cm from the outer face of the longitudinal walls. The sheets shall be well anchored and secured on the purlins by means of galvanized iron J or L hooks sufficiently long to have good grip over sheets and purlins and accommodate nuts and washers. In areas liable to excessive heat, use of a heat reflecting paint may be considered

- (f) Purlins may be of structural steel rolled or tubular sections. The spacing of purlins shall be as given in IS 3307 (Part 1). The design of the purlins shall be in accordance with the general constructional and Indian Standard design practices. Suitable arrangement shall be provided for expansion of purlins and bottom runners. They may be provided preferably at the partition and gable walls
- (g) The trusses need not be provided on the gable and partition walls. The purlins may, however, rest and be deeply anchored on the gable and the partition walls
- (h) Wind ties of MS flat of size 40 x 6 mm may be provided in a minimum of 4 rows in the godown, structure and one row on the platform proofing
- (i) Transparent / translucent sheets of about 2 percent of the total area of the roof and evenly distributed may be provided for natural light
- (j) Polyester coated pre-painted sheets may also be considered in the roofing

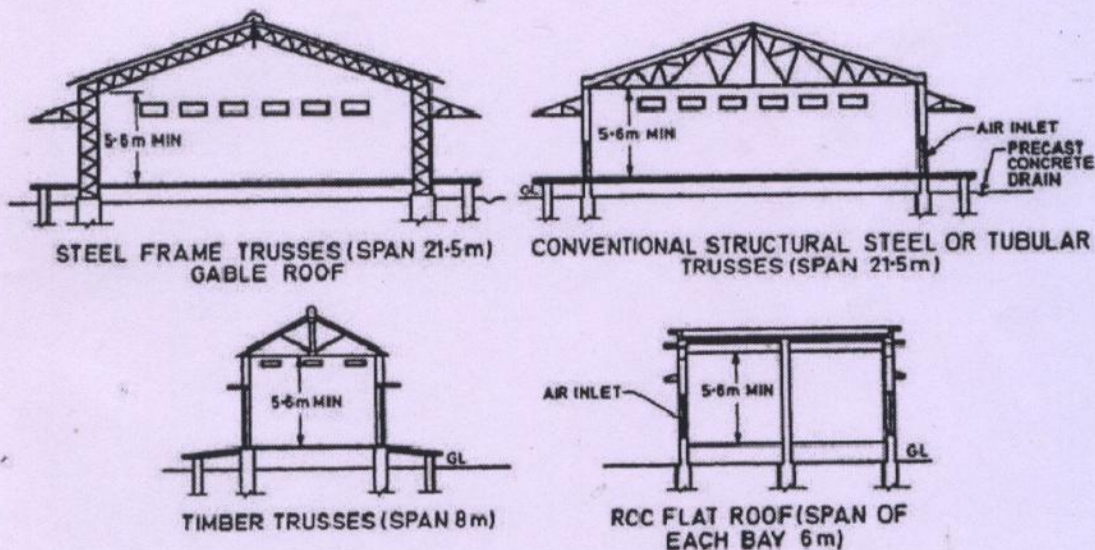


Fig 6 – Different Types of Roofs

8. GABLE AND PARTITION WALLS

A beam may be provided at tie level to truss over gable and partition walls. Where gabled roof is constructed, care should be taken that no hollow space is left between the walls and the roof covering.

9. DRAINAGE

Rain Water Pipes — the rain-water eaves gutter at the outer end of the platform truss of adequate section to receive the rain water both from the main structure roof and platform roof shall be provided and suitably connected to the down take rain water pipes. They shall be of cast iron pipes (see IS 1626), Polyvinyl Chloride (PVC) or Solid, Waste & Rain Water (SWR) pipes of diameter not less than 110 mm. Their diameter shall also be adequate depending on the intensity of the rainfall of the place. The pipes shall be properly secured at the off take and also securely fixed with clamps to the RCC columns or walls at every 1.8 metres. The rain water shall be drained off by suitable open drains fairly away from the main structure. On the road-side platforms, a strip of 90 cm brick paving may be provided along the platform walls to protect the scouring of the road surface from the rain water falling from the roof directly. A suitable saucer drain of 300 mm diameter may also be provided by the side of platform wall to drain away the rain water of the roof. Surface area drain to carry run off may also be provided for disposal of water of the complex.

10. FINISHING

- (a) The internal faces of the walls of structure shall be cement plastered and external faces up to floor level shall be smooth plastered. The internal faces may be whitewashed and external faces provided with colour wash.
- (b) All the steelwork and woodwork shall be provided with two coats of superior quality paint over a coat of primer
- (c) The galvanized iron or aluminium sheets shall be painted with two coats of superior quality paint suitable for Galvanised Iron (GI) or aluminium sheets over a coat of primer suitable for such surfaces. Black corrugated sheets where used shall also be painted with suitable paints which prevent rusting and deterioration of these sheets in addition to the priming and finishing coats
- (d) The paint to be used inside the storage structure for steelwork and steel/aluminium sheets shall resist the adverse effects of fumigants
- (e) In the coastal area, choice of the paint on the steel items / structure should be according to the environmental conditions so as to combat the effect of rusting etc.
- (f) In the heavy Rainfall areas, external surface of walls should be finished with cement water proofing paint.

11. LIGHTING

Sufficient lighting may be provided inside in the alleyways and on the outside of the structure to facilitate loading and unloading operations.

12. ANCILLARY STRUCTURES AND OTHER AMENITIES

12.1 Office Room

An area of 4.5 m X 3.5 m is suggested for the office room. However, the area of the office block would depend upon the staff pattern and shall be modified accordingly.

12.2 Store Room

- (a) An area of 3.5 m X 3.5 m is suggested for the store room. However, the area of the store room would depend upon turnover of work, the quantity of dead stock articles, equipment, etc. that may have to be kept at each centre.
- (b) A separate room with proper aeration may be provided at each facility for storing pesticides.

12.3 Sentry Room

A room, of an area of 4.0 m X 2.5 m, preferably separate with suitable verandah may be provided for watch and ward purpose

12.4 Weighbridge and Cabin Room

Electronic lorry weighbridge of 60 MT capacity with platform size 9 m x 3 m or more of reputed make shall be installed with suitable cabin room.

12.5 Compound Wall

1.83 m high boundary wall in brick/Random Rubble (RR) masonry above ground level with 0.6 m high, 6 rows of barbed wire/concertina coils with angle iron posts 1.02m C/C on top of wall is to be provided. 15mm thick plastering in cement mortar 1:6 on rough side of the wall and 12mm thick plastering with cement mortar 1:6 on plain side of the wall is to be provided.

12.6 Boundary Wall Gate and Wicket Gate

4.90 m wide main steel gate and 0.91m wide wicket gate are provided.

12.7 Electrical Installation

For lights at the back of the Facility, tube lights to be used and for the front side sodium vapour flood lights to be used. Tube light fittings to be used on all the doors on the verandah sides. Outside the Facility, one 3 pin power / power plug point to be provided in each compartment. Suitable tube lights to be provided inside the Facility. All lighting provided in the storage structure shall be flame proof/spark proof.

12.8 Water Supply

Water supply connection to be taken from the local municipality for drinking water purpose, if viable, otherwise submersible pump to be provided at the Facility to meet water requirements.

12.9 Lavatory Block and Sanitary Installation

For labourers and staff working on the premises of the storage structure sufficient number of bathrooms urinals, lavatories and washing places shall be provided. The following is suggested at the Facility:

- (a) WC – 1 Nos.
- (b) Urinals – 2 Nos.
- (c) Washing Place – 1 Nos.
- (d) Drinking Place – 1Nos.

12.10 Fire Fighting

For firefighting purposes, a network of water supply pipe lines with fire hydrants at suitable locations may be provided to ensure supply of water at any time (see IS 3594 and IS 2190).

12.11 Specifications for Ancillary Buildings

(a) Foundation

The depth of foundations in ordinary soils is taken as 0.90 m. 230 mm thick PCC in 1:4:8 (1 cement: 4 coarse sand: 8 stone aggregate of 40 mm nominal size) is provided under the walls. Brick masonry / random rubble stone masonry in cement mortar (1:6) (1 cement: 6 coarse sand) is proposed for foundations. Sand cushion is to be provided depending on type of soils under bed concrete to increase bearing Capacity of soils.

(b) Plinth Beam, Sunshades, Roof Slab and Lintels

RCC work is executed in design mix of M 25 or in nominal mix of 1:1.5:3 (1 cement: 1 1/2 coarse sand: 3 stone aggregate of 20 mm nominal size). Lintels are provided over openings of doors and windows. Slabs are provided of suitable thickness as per length of the span and as per design requirement. In earthquake zone IV & V (as per the seismic zoning map, available on the official website of the Indian Meteorological Department), plinth beam of suitable thickness is provided additionally to withstand the bearing loads and seismic forces.

(c) Super Structure

0.23 m to 0.25 m thick walls to be provided in brick masonry in cement mortar 1:6 (1 cement: 6 coarse sand)

(d) Finishing

12 mm thick cement plaster with cement mortar 1:6 (1 cement: 6 fine sand) on finished side of brick work and 15mm thick cement plaster with cement mortar 1:6 on rough side of brick work to be provided.

(e) *Painting*

Two coats of oil bound distemper over one coat of primer are applied for internal surfaces of walls and two coats of snowcem over one coat of primer are applied on external surfaces of walls.

(f) *Flooring*

40 mm thick flooring in C.C. 1:2:4 with neat cement punning to be laid over 100 mm thick Plain Cement Concrete (PCC) 1:5:10. Glass / stone/asbestos strips to be used in expansion joints.

(g) *Doors & Windows*

Flush doors to be provided in the rooms/toilet. Panel shutters to be provided in the windows/ventilators.

The above specifications are general specifications and are not exhaustive. In addition to the above specifications, the Operator shall comply with the requirements of the Warehouse Manual, all Applicable Laws and Applicable Permits in designing and constructing the Facility.

The structural elements of the warehouse shall be designed and constructed by competent professionals and contractors. The required certification and /or approval shall be obtained from competent authorities or professionals as per applicable legal requirements.

13. Construction Safety and Welfare Practices

13.1 All construction practices (on safety and welfare of workers) shall be compliant with applicable regulatory requirements including the Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act 1996 and Orissa Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Rules 2002.

13.2 Occupational Health and Safety (OHS) risks shall be minimized for employees/workers engaged in project construction and operation. Processes followed during construction shall minimize OHS risks through following (but not limited to):

- (a) OHS training of construction workers;
- (b) Provision of appropriate equipment for various construction operations;
- (c) Specific instructions for hazardous work e.g. working at height, hot work, etc.;
- (d) Wherever mason and others are required to work on the face work, safety nets should be provided;
- (e) Display of safety instructions;
- (f) Barricading of dangerous areas;
- (g) Scaffolding provided to negotiate the height, should be properly designed for superimposed dead and live loads. Erection of the scaffolding should be entrusted to experts in the field and the erected scaffolding should be thoroughly checked by an engineer before put to use;
- (h) Electrical distribution system, switches, etc. should be provided by an experienced and licensed electrician.
- (i) Use of certified and tested lifting equipment

- (j) Wire ropes of hoists, crane elevators etc. should be periodically checked and damaged ropes should be replaced without delay.
- (k) All precautions laid down for blasting operations should be meticulously followed
- (l) Unloading of stone on the masonry surface should not be done by throwing them from height. Apart from damaging the masonry done, such throwing might injure the nearby workmen due to flying pieces
- (m) At the working platform, adequate space should be provided for movement and reversal of trucks and tippers
- (n) Haul and approach roads should be well watered. No hard curves should be there on these roads
- (o) Walking with head load on the rough masonry surfaces might result in sprained legs. Good plank ways should be provided for labour movement on the top of masonry
- (p) When gate erection activity, involving the hoisting of heavy loads is in progress on any block, no masonry or concrete work should be allowed
- (q) Overcrowding of people in the driver's cabin of trucks and tippers should be disallowed
- (r) Movement of trucks and tippers for transportation of labour should not be permitted.
- (s) Labour working within the operating radius of crane should be asked to wear helmets
- (t) Documentation and investigation of accidents, incidents and near misses
- (u) Provision of first-aid, firefighting and emergency equipment
- (v) Regular documented site inspections to minimize safety risks
- (w) Training and communication of processes

13.3 A checklist for safety precautions is provided below, however, please note that the same is not exhaustive:

Checklist for safety precautions		
Sr. No.	Description	Verified
1	Shoes / gumboots are worn by concerned worker?	Yes / no
2	Safety helmets / safety belts worn by workers working at site & at higher level	Yes / no
3	Safety goggles/hand shields/welding helmets/ leather gloves worn by workers doing welding work?	Yes / no
4	Openings, corners & edges are guarded with barriers?	Yes / no
5	Availability of first aid boxes at different sections is checked?	Yes / no
6	All electrical cables are laid underground or overhead on wooden poles? (except - temporary lines)	Yes / no
7	Live joints/cable joints are insulated/protected By insulation tape or chamber?	Yes / no
8	Warning signs as "danger-440 volts", "no smoking" & other safety slogans are displayed?	Yes / no
9	Fire extinguishers & sand buckets are available at the point of storage where inflammable materials are stores?	Yes / no
10	Ladder shall be given an inclination not steeper than 1/4 h to 1 v	Yes / no

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11	Working platforms, gangways and stairways shall be constructed for working heights more than 3.25m as per requirement with safe means of access	Yes / no
12	Crane operators of age more than 21 shall be properly qualified person	Yes / no
13	Excavation trenches more than 1.5 m deep and sewer manholes under construction shall be protected by means of covering temporary plates or fencing	Yes / no
14	Sewer manholes covers to be opened and manholes are to be ventilated for an hour before workers are allowed to enter for sewer lines in use.	Yes / no

13.4 All the construction workers on-site shall be regularly and adequately trained in various processes to ensure safe construction operations on-site.

13.5 Required facilities shall be provided at the construction site in accordance with the applicable legal requirements including:

- (a) Potable drinking water
- (b) Toilets
- (c) Rest areas
- (d) Eating areas
- (e) Crèche should be provided away from the worksite where the children of workmen can be sheltered during working hours. No children should be allowed to loiter in the work zone.

In case a labour camp is provided either by the Operator or contractor engaged by the Operator, it shall have adequately spacious, clean and hygienic living and cooking areas. Also, required number of toilets shall be provided in the camp. Clean potable water shall be provided for various uses.

13.6 The working conditions and terms of employment (including wages, leaves, working hours, overtime compensation, and insurance) for all construction workers shall be in compliance with the applicable legal requirements. The working conditions and terms of employment shall be clearly communicated to the construction workers.

13.7 It shall be ensured that no child labour is used for construction activities by the Operator or any of the contractors engaged by the Operator. Age proofs shall be collected from all construction workers to verify their age and prevent use of child labour.

14. Minimizing Impacts on Environment and Neighboring Communities

- (a) The potential environmental impacts from construction activities (e.g., transport of construction material/fill material and/or disposal of surplus excavated earth, cement concrete making related activities) including: fugitive dusts, noise, waste, spill of hazardous materials, and construction vehicle related traffic disruptions shall be minimized.
- (b) Operator and/or any contractors engaged by the Operator shall control these to acceptable levels through application of standard construction environmental controls and mitigation measures.
- (c) All the construction safety, workers welfare and impact minimization requirements shall be incorporated into the construction contract documents.

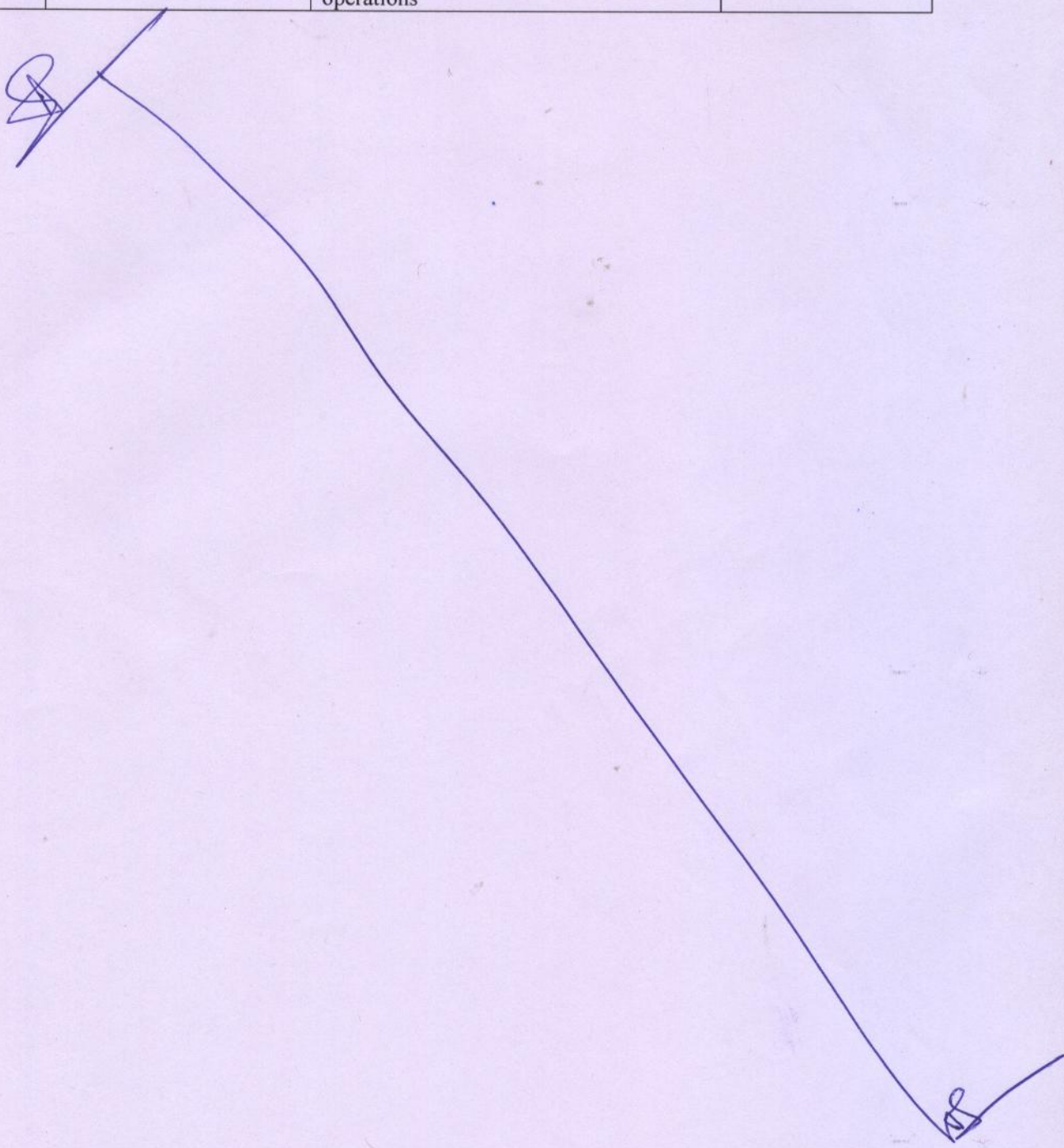
Part B

Indicative Equipment Specifications (For 2500 MT Facility)

Sl. No.	Name of item/article	Specifications	Quantity
A. Dunnage Material			
1.	Wooden Crates	Each crate of 5' x 3' in size	40 crates per stack
2.	Bamboo Mats	A layer on each crate (5' x 3' size)	Same as the number of crates required
B. Quality Control Equipment			
1.	Foot Sprayers		1 Nos.
2.	Power Sprayer		As required
3.	Rat cages		20 Nos.
4.	Multilayer Cross Laminated Polythene Cover (IS 14611:1998)	<ul style="list-style-type: none"> • Size 32'x21'x17' • Average Thickness 1000 gauge • Weight 52 kg 	06 Nos.
5.	Multilayered Tarpaulin		05 Nos.
6.	Sand Snakes	Length 4' with dia of 7"	156 Nos. (26 nos. per stack)
7.	Sample Sieves	For screening	2 Nos.
8.	Weighing Scales	Electronic weighing scales 300 kg. capacity for weightment of 50/100 kg rice packed in gunny bags	1 No.
		Manual weighing scale – 200 kg. capacity for weightment of 50/100 kg. packed rice in case of failure of electronic weighing scale	1 No.
		Weights (500 gms to 50 kgs)	1 set.
9.	Weigh Bridge	Pitless Electronic Lorry Weigh Bridge of 60 MT Capacity of reputed make shall be installed	1 Nos.
C. Safety Equipment			
1.	Gum boots, goggles, aprons, etc.		4 sets each
2.	Phosphine gas detection strips		As required
3.	Dragger type multi gas detector tubes		As required
4.	Phosphine alert personal monitor		As required
5.	Fire Fighting Equipment	Fire extinguisher	4 Nos.
		Fire Buckets	20 Nos.
6.	Specimen tubes		25 Nos.
7.	Gas mask	Face piece, breathing tube and canister	2 each
8.	Halide detector		1 Nos.
9.	Hand gloves		6 Pairs
10.	First Aid Box		1 Nos.
11.	Aluminum Phosphide applicator		1 Nos.
D. Other Equipment			
1.	Godrej Navtal Locks	7 levers with 2 keys	2 locks for each shutter and the required quantity for other building

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2.	Ladder		1 Nos.
3.	Bucket	20 Liters Capacity	1 Nos.
4.	Mug	1 Liter Capacity	1 Nos.
5.	Air gun/Bird scarer		2 Nos.
6.	IT Equipment	Computer	1 Nos.
		Printer	1 Nos.
		Internet related infrastructure to provide 24X7 internet connectivity during operations	As required




General Manager (Tech.),
OSCSC Ltd., Bhubaneswar

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Part C

Quality Testing Equipment

The Operator shall maintain a small physical analysis laboratory for testing the quality of the Grain stored in the warehouse. The list of equipment and other items required in the laboratory are given below. The laboratory shall preserve the healthy samples of commodities stored in the warehouse as long as the commodity is stored in the warehouse. The Operator shall ensure that only designated trained personnel are deployed for the weighment/sampling/inspection/testing/grading activities. Laboratory personnel may be trained from some organization accredited to carry out trainings. The records of the competency of the personnel performing analysis work in the laboratory shall be available within the warehouse. Laboratory shall ensure that the instruments which are not in working condition shall be legibly marked or isolated to avoid any unintended use. Laboratory shall maintain suitable environment for inspection/testing activities as well as for preservation of samples.

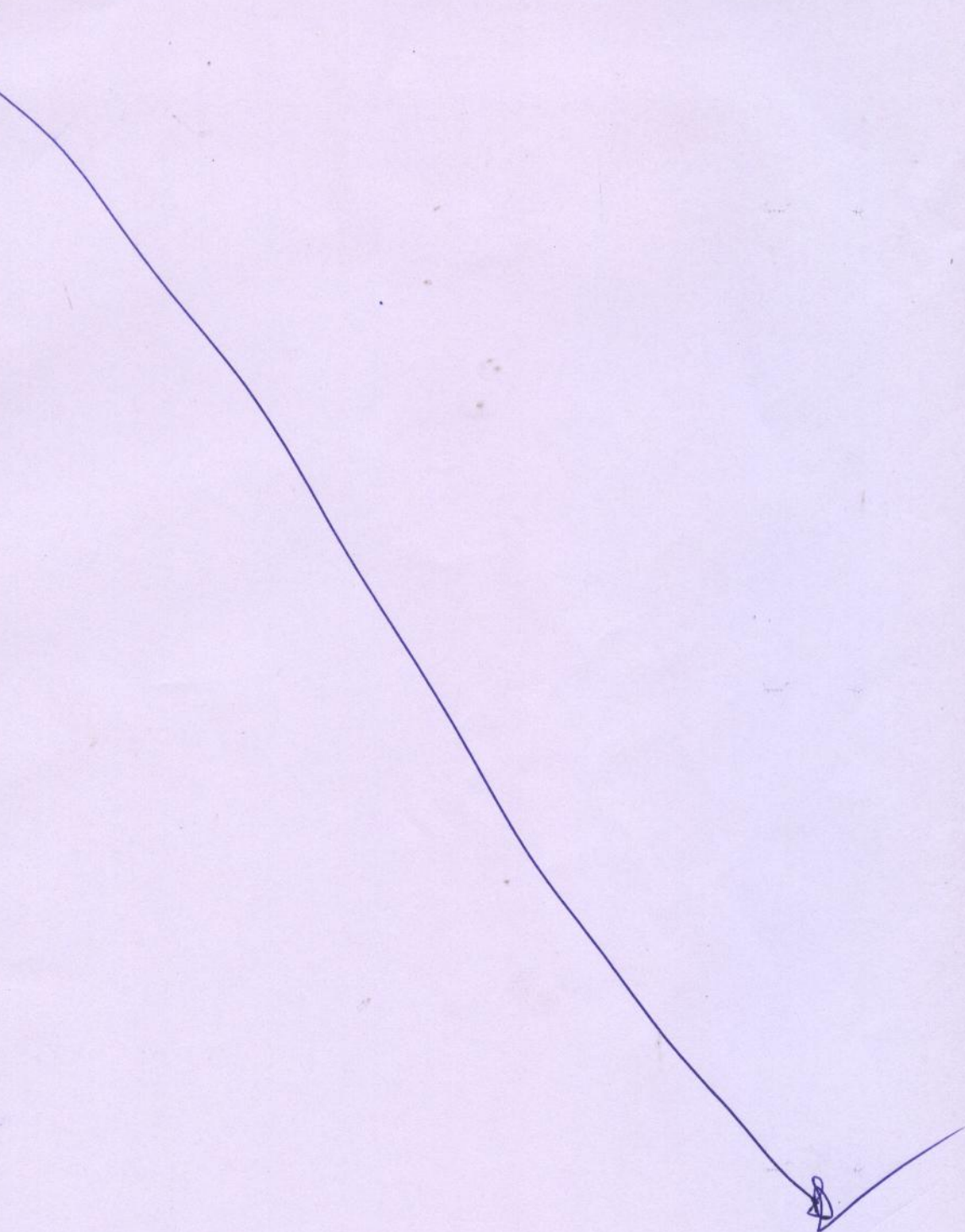
Minimum equipment required for setting up a physical analysis laboratory in the Facility:

Sl. No.	Equipment	Number Required
A	Fixtures/Furniture in Physical Analysis Laboratory	
1.	Analysis table (with drawers)	2 Nos.
2.	Balance table (with drawers)	2 Nos.
3.	Almirah (for storing samples)	2 Nos.
4.	Glass slabs / polished stone e.g. granite slabs	2 Nos.
5.	Laboratory rack (Size 3'X 6' with 6 slabs)	1 Nos.
6.	Stools	4 Nos.
7.	Chairs	5 Nos.
B	Equipment	
1.	Electronic weighing scales 1 kg. capacity for weighment of samples and empty gunny bags	1 Nos.
2.	Manual weighing scales 1 kg. capacity for weighment of samples and empty gunny bags in case failure of electronic weighing scale (including weight box)	1 Nos.
3.	Moisture Meter	1 Nos.
4.	Sieve 3.3 mesh	1 Nos.
5.	Enamel Plates with clean white surface	1 Nos.
6.	Sample bags – Polythene and Cloth	50 each
7.	Parkhi (Bag trier)	2 Nos.
8.	Sample tags	100 Nos.
9.	Sample Seal	1 Nos.
10.	Sealing wax	1 Packet
11.	Calculator	1 Nos.
12.	Magnifying glass – 1.5 inch	3 Nos.
13.	Hygrometer	1 Nos.
14.	Thermometer	1 Nos.
15.	Petri dish	12 Nos.
16.	Measuring cylinder –20 ml	3 each
17.	Slotted tube bag trier, stainless steel	1 Nos.
18.	Borner sample divider (brass or stainless steel)	1 Nos.

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19.	Measuring tape	1 Nos.
20.	Vernier micrometer	2 Nos.
21.	Palm paddy dehusker	1 Nos.
22.	Scoop set	1 Nos.
23.	Forcep	1 Nos.







General Manager (Tech.)
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SCHEDULE 2

OPERATIONAL NORMS

Part A

Acceptance Specification Norms

Grain shall be in good merchantable condition, dry, clean, wholesome, of good food value, uniform in colour and size and free from moulds, weevils, obnoxious smell, admixture of unwholesome poisonous substances, *Argemone mexicana* and *Lathyrus sativus* (Khesari) of any form, or colouring agents and all impurities except to the extent specified in the schedule below. The Grain shall also conform to Food Safety and Standard norms:

Schedule of Specifications

Sl. No.	Refractions		Maximum Limit (%)	
			Grade 'A'	'Common'
1.	Brokens*	Raw	25.0	25.0
		Parboiled/single parboiled rice	16.0	16.0
2.	Foreign Matter**	Raw/ Parboiled/single parboiled rice	0.5	0.5
3.	Damaged#/Slightly Damaged Grains	Raw	3.0	3.0
		Parboiled/single parboiled rice	4.0	4.0
4.	Discoloured Grains	Raw	3.0	3.0
		Parboiled/single parboiled rice	5.0	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
9.	Moisture Content	Raw/ Parboiled/single parboiled rice	15.0	15.0

* 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

Notes Applicable to the Specification of Grade 'A' and 'Common' Varieties of Rice.

1. The method of sampling is to be followed as given in BIS "Method of Sampling of Cereals and Pulses" No IS: 14818-2000 as amended from time to time.
2. For testing the quality of the Grain, the definition of the above refractions and method of analysis as given in BIS "Method of Analysis for Foodgrains" No's IS: 4333 (Part- I):1996 and IS: 4333 (Part- II): 2002, "Terminology for Foodgrains" IS: 2813-1995, as amended from time to time, are to be followed.
3. Dehusked Grains are rice kernels whole or broken which have more than 1/4th of the surface area of the kernel covered with the bran and determined as follows:-

(a) **Analysis Procedure:-**

Take 5 grams of Grain (sound head Grain and broken) in a petri dish (80X70 mm). Dip the Grains in about 20 ml of methylene blue solution (0.05% by weight in distilled water) and allow to stand for about one minute. Decant the methylene blue solution. Give a swirl wash with about 20 ml. of dilute hydrochloric acid (5% solution by volume in distilled water). Give a swirl wash with water and pour about 20 ml of metanil yellow solution (0.05% by weight in distilled water) on the blue stained Grains and allow to stand for about one minute. Decant the effluent and wash with fresh water twice. Keep the stained Grains under fresh water and count the dehusked Grains. Count the total number of Grains in 5 grams of sample under analysis. Three broken are counted as one whole Grain.

(b) **Calculations:-**

$$\text{Percentage of Dehusked Grains} = \frac{N \times 100}{W}$$

Where:

N = Number of dehusked Grains in 5 grams of sample

W = Total grains in 5 grams of sample.

4. Broken less than 1/8th of the size of full kernels will be treated as organic foreign matter. For determination of the size of the broken average length of the principal class of rice should be taken into account.
5. Inorganic foreign matter shall not exceed 0.25% in any lot. Kernels or pieces of kernels having mud sticking on surface of rice shall be treated as inorganic foreign matter.
6. In case of Grain prepared by pressure parboiling technique, it will be ensured that correct process of parboiling is adopted i.e. pressure applied, the time for which pressure is applied, proper gelatinisation, aeration and drying before milling are adequate so that the colour and cooking time of parboiled rice are good and free from encrustation of the grains.

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Part B
Dispatch Specification Norms

Grain shall be in merchantable condition, sweet, dry, clean, wholesome, of good food value, uniform in colour and size of grains and free from moulds, weevils, obnoxious smell, admixture of unwholesome poisonous substances, *Argemone mexicana* and *Lathyrus sativus* (Khesari) of any form, or colouring agents and all impurities except to the extent specified in the schedule below. The Grain shall also conform to Food Safety and Standard norms:

Schedule of Specifications

Sl. No.	Refractions		Maximum Limit (%)	
			Grade 'A'	'Common'
1.	Brokens*	Raw	25.0	25.0
		Parboiled/single parboiled rice	16.0	16.0
2.	Foreign Matter**	Raw/ Parboiled/single parboiled rice	0.5	0.5
3.	Damaged#/Slightly Damaged Grains	Raw	3.0	3.0
		Parboiled/single parboiled rice	4.0	4.0
4.	Discoloured Grains	Raw	3.0	3.0
		Parboiled/single parboiled rice	5.0	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
9.	Moisture Content	Raw/ Parboiled/single parboiled rice	15.0	15.0

* 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

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Notes Applicable to the Specification of Grade 'A' and 'Common' Varieties of Rice.

1. The method of sampling is to be followed as given in BIS "Method of Sampling of Cereals and Pulses" No IS: 14818-2000 as amended from time to time.
2. For testing the quality of the Grain, the definition of the above refractions and method of analysis as given in BIS "Method of Analysis for Foodgrains" No's IS: 4333 (Part- I):1996 and IS: 4333 (Part- II): 2002, "Terminology for Foodgrains" IS: 2813-1995 as amended from time to time are to be followed.
3. Dehusked grains are rice kernels whole or broken which have more than 1/4th of the surface area of the kernel covered with the bran and determined as follows:-

(a) **Analysis Procedure:-**

Take 5 grams of Grain (sound head Grain and broken) in a petri dish (80X70 mm). Dip the Grains in about 20 ml of methylene blue solution (0.05% by weight in distilled water) and allow to stand for about one minute. Decant the methylene blue solution. Give a swirl wash with about 20 ml. of dilute hydrochloric acid (5% solution by volume in distilled water). Give a swirl wash with water and pour about 20 ml of metanil yellow solution (0.05% by weight in distilled water) on the blue stained Grains and allow to stand for about one minute. Decant the effluent and wash with fresh water twice. Keep the stained Grains under fresh water and count the dehusked Grains. Count the total number of Grains in 5 grams of sample under analysis. Three broken are counted as one whole Grain.

(b) **Calculations:-**

$$\text{Percentage of Dehusked Grains} = \frac{N \times 100}{W}$$

Where –

N = Number of dehusked Grains in 5 grams of sample

W= Total grains in 5 grams of sample.

4. Broken less than 1/8th of the size of full kernels will be treated as organic foreign matter. For determination of the size of the broken average length of the principal class of rice should be taken into account.
5. Inorganic foreign matter shall not exceed 0.25% in any lot, if it is more. Kernels or pieces of kernels having mud sticking on surface of rice shall be treated as inorganic foreign matter.
6. In case of Grain prepared by pressure parboiling technique, it will be ensured that correct process of parboiling is adopted i.e. pressure applied, the time for which pressure is applied, proper gelatinisation, aeration and drying before milling are adequate so that the colour and cooking time of parboiled rice are good and free from encrustation of the grains.

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Part C
Indicative Work Plan & Quality Control Guidelines

1. PRE-STORAGE STEPS

An organised work plan is necessary to ensure proper accounting as well as preservation of the Grain. Hence, before new Grain is received at the Facility, the Operator should attend to the following in order to be fully prepared to receive the consignment.

1.1 Check the Facility for Leakages:

- (a) In order to avoid the possibility of damage to the Grain stored in the Facility, the Operator should ensure that there are no leakages from the roof or walls during monsoon and that the Facility's floor does not suffer from seepage. All cracks and crevices should be filled in and cement plastered so that water, especially during monsoon, does not enter the Facility and damage the Grain.
- (b) In case of any rat burrows, aluminium phosphide should be used and holes plugged with clay (wet mud plastering). Subsequently, after 24 hours, the clay (wet mud plastering) should be removed and openings should be plugged with cement mixed with pieces of broken glass.

1.2 Cleanliness and Disinfestation of the Facility:

The Facility should be thoroughly swept and cleaned and in case of any suspicion of an infection, the Facility should be disinfested with aluminium phosphide or malathion spray as deemed appropriate.

1.3 Drawing up a Stack Plan:

The stack plan should be chalked out bearing in mind the following, three points:

- (a) The storage space is effectively used to store maximum quantity of stocks;
- (b) Proper alleyways are left for carrying out handling operation, inspection of Grain and their disinfestation treatment with ease and efficiency; and
- (c) Effectively utilize the aeration and ventilation arrangements that are available in the Facility and as far as possible, the base area of all stacks should be uniform.

1.4 Stack Lines

The floor area may be divided into uniformly sized and serially numbered rectangular stack bases to build stacks. The stacks lines 2 inch broad drawn in white or black paint serves to mark the boundary of the proposed stack. While marking these stack bases care should be taken to leave 2ft. to 2.5 ft. wide alleyways between stack and walls or pillars for ventilation and operational purposes. The main alleyways for the haulage purpose may be 3ft.

1.5 Stack Size

Actual size of the stacks in Facility should not exceed the size of 30 ft. x 20 ft. X 17.6 ft. and the recommended type of stacking is block stacking

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1.6 Dunnage

Use of proper dunnage under the stacks of Grain is of fundamental importance & very critical to protect the Grain from moisture damage. Wooden crates, of the specifications set out in Part B of Schedule 1, is ideal dunnage material as it keeps the stacks about 5 inch high from the floor and provides constant circulation of air under the bags.

1.7 Stack Cards

Transparent natural coloured polythene stack cards, as per the format approved by OSCSC, with covering of proper size should be kept ready for display on each stack.

1.8 Stackwise Register

After completion of stacking, stack wise register, as per the format approved by OSCSC, will be maintained for inspection and disinfestations treatment.

2. CARE DURING STORAGE

2.1 Cleanliness

The Facility should be swept regularly, at least twice a week, and maintained in a neat, tidy and hygienic condition. All cobwebs on the wall roof, alleyway and bags should be removed regularly and the bags should be properly brushed and cleaned. No loose Grains should be lying on the floor of the Facility.

2.2 Sample Bags

Adequate number of sample bags should be provided in the Facility. All the samples drawn from the stacks of Grain for the purpose of inspection should be kept in these sample bags.

2.3 Aeration

The Operator shall ensure that the Facility has adequate aeration, especially during clear/dry/sunny days.

2.4 Spraying

To undertake spraying, the following precautions and norms are suggested:

- (a) Before undertaking spraying, the area for treatment shall be swept, cleaned and spillage collected to avoid contamination.
- (b) The nozzle, delivery pipe etc. of spraying machine shall be checked for blockage, leakage, etc. and mended if required
- (c) Nozzle and lance shall not be blown with mouth.

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- (d) Spraying against the wind shall not be done and movement shall be backward while spraying to avoid body contact with treated area.
 - (e) No chewing, smoking or drinking of water/Tea etc. shall be done while spraying.
 - (f) Spraying shall not be done by an operator alone.
 - (g) The Spray solution shall be prepared by mixing chemical in water as per the prescribed dosage.

Malathion or Delta-methrin shall be mixed with water in the stipulated proportion in a plastic bucket by an operator wearing personal protective equipment (PPEs) like hand gloves, eye shield, respirator and over-coat with the help of a measuring cylinder and a plastic mug as under:

Insecticide	Dilution	Dosage	Frequency
Malathion 50% EC	Dilution: 1:100 (in water)	3 litres/ 100 Sq.mt. for surface treatment on stocks	2 weeks
Deltamethrin (2.5% WP)	120 grams in 3 litres of water	3 litres/ 100 Sq.mt. for surface treatment, walls, etc.	Once in three (3) months

The surface area of a stack should be calculated for its five sides by applying the formula $2 \times H \times (L + B) + (L \times B)$. To this 10% should be added as an allowance for inter bag space.

L is the length of the stack

B is the breadth of the stack

H is the height of the stack

- (h) **Spraying Process:** Spraying shall be carried out by experienced personal by wearing cloth over-coat, protective eye-shield, respirator and hand gloves using spraying machine
- (i) **Post Spraying Activity:**
 - The exit doors shall be closed after spraying.
 - After use, delivery pipe, nozzle etc. to be cleaned with running clean water through it
- (j) Hands & other parts of the body shall be thoroughly washed with soap and water after treatment

2.5 Fumigation

- (a) The alleyways of the stacks to be covered shall be cleaned, spillage collected and put in a spillage bag attached with the stack.
- (b) The trained and authorized personnel shall move the required equipment, i.e. Fumigation cover, sand snakes, PPEs like hand gloves, gas-mask with canister and phosphine alert personal monitor, etc., to the Facility in a wheel barrow. The fumigation cover shall be mounted over the stack with the help of a rubber-pad edged ladder.

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- (c) The trained and authorized personnel shall calculate the quantity of fumigant - Aluminum Phosphide @ 9 gram (3 tablets) per one MT for the stocks stored in the stack to be fumigated and draw the same from the chemical store room against an indent.
- (d) The personnel shall wear PPEs like gas mask with canister and hand gloves and open the tubes of aluminum phosphide in an empty dry container in the open, i.e. sitting near the Facility gate, and shall equally distribute 50% of the tablets on different peripheral bags on all the sides of the stack and 50% spread on the top layer of the stack. Subsequently, spread the cover over the stack and gently slip it down from all corners of the stack to cover all the sides. The edges touching the floor are spread in the alleyway for sealing with sand snakes over-lapping the edges for making them air-tight and ensure that all tubes in the cover are sealed. This activity, starting from opening of aluminum phosphide tubes to sealing of fumigation cover, shall be completed within half an hour as emissions of phosphine gas from the tablets begins after that. The edges of the cover, tubes and repaired patches if any shall be checked with phosphine alert monitor to detect and mend any leakages. The fumigated stack shall be kept sealed for at least 5 days for ensuring 100% kill of all stages of pest in the stocks.
- (e) Fumigation activity is not carried out by a single person, hence, before closing the Facility; ascertain that no living being is left inside.
- (f) At the time of de-gassing the stack, all the doors/gates of the Facility shall be kept open and the personnel, while wearing a gas-mask, shall remove the sand snakes from the edges and lift the cover from the corners and tuck up to the middle of the height of the stack for giving free aeration for 2-3 hours so that the accumulated chemical fumes gets diffused. Sample shall be drawn from all the sides of the stack to ensure that 100% kill of pest is achieved.
- (g) After aeration, the cover shall be lifted and brought down for folding and keeping at the designated space in the Facility over wooden crates safely.
- (h) The fumigated stack shall be brushed and cleaned before giving a post-fumigation spray for protection from any crawling stray insect from adjoining areas.
- (i) The entry of date of fumigation and spray shall be made in the stack-card.
- (j) **Precautions:**
- PPEs like cloth over coat, hand gloves, eye shields, respirator fitted with nose mask, gas-mask with canister, etc. shall be used during handling of chemicals for fumigation and degassing
 - No chewing, smoking or drinking of water/Tea, etc. shall be done while undertaking fumigation and degassing operations

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- Fumigation shall not be done by an operator alone.
 - Hands & other parts of the body shall be thoroughly washed with soap and water after treatment
- (k) Godowns / rooms shall be kept open for a few hours before entry so that accumulated chemical fumes are diffused out.
- (l) In case of giddiness/ headache etc. the affected person shall be carefully taken out in fresh air, given first-aid and a physician called/ shifted to hospital by an ambulance in case of emergency.

2.6 Bag Cleaning

Before stocks are dusted or sprayed, bags should be brushed to remove the collected dust, webs, cocoons, eggs etc. that might be sticking to the bags. After fumigation the bags should also be brushed thoroughly to remove dead pest and fumigant residue.

2.7 Inspection

The Facility and the Grain should be inspected thoroughly at least every fortnight, and at least weekly during rains. During inspection, the following aspects shall at least be ascertained. Please note that this is not an exhaustive list -

- (a) Proper standard of Facility hygiene and cleanliness is being maintained.
- (b) There are no seepages/leakages/cracks and the Facility is regularly repaired.
- (c) There is heating, etc. of stocks. If so, the stocks should be turned over.
- (d) The bags in the bottom layers should be dry else the Grain will be damaged due to moisture.
- (e) The Grain is free from infestation. If any infestation is detected, the kind and magnitude should be ascertained to decide on the necessary future steps to contain and remedy the issue.
- (f) In case of infestation, assess the extent of damage and if necessary dispose infested stock to avoid deterioration of surrounding stocks.
- (g) Requisite information needs to be maintained regarding timely and adequate preservation measures that are being implemented. Further, the necessary actions based on the inspection as well as the status of the same shall also be recorded in the register and a detailed report of the action should also be sent to the District Manager.

2.8 Treatment of Rain Affected Grain

In case the Grain is affected by rain at the time of storage, the Operator shall take necessary salvaging operations and aerate the Grain before stacking to maintain the health of such Grain.

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Part D
Facility Personnel Health, Safety and Welfare System

1. PRECAUTIONS IN THE USE OF STORAGE PESTICIDES, FIRST AID MEASURES AND ANTIDOTES

- (a) A number of pesticides and fumigants such as malathion, aluminium phosphide, methyl bromide and anti-coagulants are used in warehouses for the control of stored grain insect pests and rodents.
- (b) All these pesticides and fumigants are highly poisonous chemicals and toxic to human beings and animals. These pesticides should be used with due care. Their careless handling may cause serious pesticide poisoning. Warehouse shall follow good international industry practices for fumigation and pest management operations to protect employee health and ensure safe storage, handling and use. Some of the important precautions to be taken while purchasing, handling and using these pesticides/fumigants are as follows:
- (c) Do not purchase, store and use products that fall in World Health Organization (WHO) Recommended Classification of Pesticides by Hazard Class Ia (extremely hazardous) or Ib (highly hazardous).
- (d) Consider less toxic substitutes while choosing pesticides and fumigants for use.
- (e) Buy pesticides and fumigants which are packaged in safe containers, be clearly labeled for safe and proper use and manufactured by a company having license by the regulatory agencies.
- (f) Material Safety Data Sheet (MSDS) for all pesticides / fumigant supplied for use by the reputed manufacturers will be maintained at the Facility. Precautions during usage and antidotes shall be displayed at prominent locations and stocks of the same shall be maintained in the First-Aid Box for ready availability to the Physician for usage in case of any emergency.
- (g) Always read the instructions printed on the label and in the MSDSs of the pesticides and fumigants and follow them.
- (h) Do's and Don'ts and safety instructions related to use of pesticides/fumigants shall be displayed in the warehouse.
- (i) Pesticide/Fumigants shall not be purchased and stored in quantities more than the needed quantity in reasonable period of time.
- (j) A separate pesticide/fumigants stock register and a pesticide consumption register should be maintained in the warehouses.

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- (k) The stock shall be rotated using a "first-in, first-out" principle so that pesticides/fumigants do not become obsolete. The use of obsolete pesticides/fumigants shall be avoided under all circumstances.
 - (l) All the pesticides/fumigants should be kept under lock and key in covered areas with adequate secondary containment. All efforts shall be made to avoid accidental spills during transfer, mixing, and storage of pesticides/fumigants in order to prevent contamination of soil, groundwater, or surface water.
 - (m) Pesticides/Fumigants should not be stored with food and feed items.
 - (n) Only trained authorized personnel shall store, handle and use the pesticides/fumigants. In case any external certification is required, such personnel shall obtain the same.
 - (o) Pesticide application equipment shall be maintained and calibrated in accordance with manufacturer's recommendations.
 - (p) Use of pesticides and fumigation shall be based the manufacturer's directions on maximum recommended dosage or treatment as well as published reports on using the reduced rate of pesticide application without loss of effect and the minimum effective dose shall be applied.
 - (q) During the use of pesticides/fumigants in the warehouses, personal protective equipment including hand gloves, aprons, goggles, rubber boots and gas masks should be used.
 - (r) Hands and other parts of body should be thoroughly washed with soap and water after using the pesticides/fumigants.
 - (s) The empty containers of pesticides/fumigants are classified as hazardous wastes and thus shall be stored in a covered secured area under lock and key. The container shall be disposed only through agencies authorized for collection, treatment and disposal of hazardous wastes. Relevant records of storage and disposal of empty containers shall be maintained in accordance with the Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008. The containers shall not be used for any other purpose. Also, protective clothing worn during pesticide application shall be either cleaned or disposed in an environmentally responsible manner as hazardous waste. The rinse water from equipment cleaning shall be collected for reuse (such as for the dilution of identical pesticides to concentrations used for application).
 - (t) Drinking, smoking and eating should be strictly prohibited during the use of pesticides/fumigants.
 - (u) The nozzle of the sprayer should not be cleared and blown with mouth.
 - (v) A first-aid box, spill containment kit and eye and body shower should be provided in the warehouse. Required number of personnel shall be provided first-aid and spill containment training.

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If the Operator takes all these precautions, the poisoning of pesticides/fumigants may be avoided. But sometimes due to accident or some or other reasons, pesticide poisoning may occur. In such cases, first aid measures (as mentioned on the MSDSs of the pesticides/fumigants) should be immediately taken to minimize the toxic effect of poisoning of pesticides. Some of the general important first aid measures are as follows:

- (i) Immediately remove the patient from the Facility to an open place and allow him to rest in the open.
- (ii) The patient should be induced to vomit so that the pesticide may come out from the stomach and may not cause damage to the vital part of the body. For vomiting, common salt or powered mustard seed along with plenty of water may be used.
- (iii) The patient should be rushed to the nearest hospital or doctor.

2. EMERGENCY & FIRST AID

In general, please follow instructions as per MSDSs and the Operator shall ensure availability of appropriate antidotes for exposure to all fumigants/pesticides used at the Facility at all times. Few general guidelines are mentioned:

2.1 Notification & Emergency Response Tree

- (a) **Preventive activities:** All the precautions for undertaking spraying and fumigation mentioned in this document shall be strictly observed.
- (b) **Preparation activities:** Emergency Telephone numbers of nearest Police Station, Fire-Brigade, Ambulance & Hospitals, Manager and Trained Personnel shall be prominently displayed at all the Facility locations for immediate contact in case of any emergency.
- (c) **Response activity:** In case of any pesticide poisoning incident, the affected person shall be gently moved in to open fresh air and given First-Aid treatment as mentioned in this document. The Physician and Ambulance shall be summoned. After arrival of Physician or Ambulance whichever is earlier, the affected person shall be given treatment/shifted to hospital. MSDS of the pesticide shall be shown to the attending Physician for appropriate treatment.
- (d) **Recovery activity:** A close watch shall be kept on the recovery of the affected person and medicines prescribed by the Physician arranged on time. After the satisfaction of the attending physician and complete recovery and discharge, the person shall be comfortably moved

2.2 Symptoms of Chemical Poisoning

- (a) Dizziness and Headache
- (b) Vomiting
- (c) Visual disturbances

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- (d) Fatigue
- (e) Labored breathing
- (f) Suffocation
- (g) Diarrhea

2.3 First Aid Measures

(a) Inhaled Poisoning

- (i) Patient shall be carried out and given fresh air
- (ii) All tight clothing shall be loosened
- (iii) Artificial respiration shall be resorted to if breathing is irregular or stops
- (iv) The patient shall be kept in a semi-dark room if convulsing till arrival of a Physician
- (v) In case of any emergency transfer the patient to a nearby Hospital

(b) Skin Contamination

- (i) The skin shall be drenched with water
- (ii) A stream of water shall be applied while removing the contaminated clothing
- (iii) The skin shall be cleaned rapidly and thoroughly with water

(c) Eye Contamination

- (i) Eye lids shall be opened & washed with a gentle stream of running water until physician arrives
- (ii) No chemical shall be used as they may aggravate the injury

2.4 The operator shall maintain a quarterly register of health and safety incidents and accidents involving pest management operations at the Facility.

3. Facility Security Management:

3.1 The Facility shall have fool proof security arrangements and round the clock security guards. The Operator shall ensure that the security guards are equipped with appropriate paraphernalia required for guarding the Facility. Operator shall make reasonable inquiries to ensure that security guards have not been implicated in past abuses or bad behaviour. The Operator or its subcontractor shall ensure that the security guards are placed on rotational duties as far as possible. The Operator or its subcontractor shall ensure that security guards are adequately trained in terms of the following aspects:

- (a) Adequate patrolling
- (b) Reporting of suspicious activities to the management
- (c) Handling of communication equipment
- (d) Handling of safety equipment
- (e) Details of local police, fire brigade and civic authorities to handle contingency

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- (f) Appropriate behavior/conduct towards Facility workers and neighboring communities; and acting within the law
 - (g) Use of force (and fire arms, if provided) only for preventive and defensive purposes in proportion to the nature and extent of the threat, based on a detailed and specific procedure.
- 3.2 In case the Operator has subcontracted the security services, warehouse official shall ensure the same requirements are fulfilled as per this Schedule.
- 3.3 The Operator shall provide a grievance mechanism for communities to express concerns about the security arrangements and acts of security personnel.
- 3.4 The Operator should register the details of all the vehicles / personnel entering or exiting the premises of the Facility. The Operator shall ensure that all the important keys are kept in a safe custody and only authorized personnel have access to withdraw the keys. The Operator shall ensure that before closure of the office, the number of keys is verified and in case of any deviation, appropriate actions shall be taken.
- 3.5 The Operator shall avoid the occurrence of incidents/injuries and inconvenience to members of the public due to vehicle movement of the warehouse. An appropriate material movement and traffic management plan for the Facility shall be prepared to minimize risk to communities that are resident in the vicinity of the Facility. In case the Operator has any vehicles of its own, the drivers shall be trained in safe driving.

4. Fire Fighting System

- 4.1 The Operator shall ensure that the Facility and the Grain stored therein are well protected from losses due to fire hazards. The Operator or the security agency engaged by the Operator shall ensure that no personnel entering the Facility carry any match box, gas lighter, chemicals and inflammable items which can cause fire. The Operator shall take precautions to avoid any outbreak of fire in the premises. "No Smoking" sign boards shall be displayed at the prominent locations. To determine firefighting facilities required in the Facility, "National Building Code 2005" - Part 4 - fire and life Safety may be referred.
- 4.2 The Facility shall use the following BIS old table and mobile extinguishers in case of different types of fires:

IS 940:1989	Portable Fire Extinguishers Water Type (Gas Cartridge)
IS 2171:1985	Portable Fire Extinguishers Dry Powder Type (Cartridge)
IS 2878:1986	Fire Extinguishers Carbon Dioxide Type (Portable and Trolley - Mounted)
IS 6234:1986	Portable Fire Extinguishers Water Type (Stored Pressure)
IS 10204:1982	Portable Fire Extinguishers Mechanical Foam Type
IS 10658:1983	Higher Capacity Dry Powder Fire Extinguishers (Trolley-Mounted)
IS 11833:1986	Dry Powder Fire Extinguishers for Metal Fires
IS 13385:1992	Fire Extinguishers 50 litre Wheel-Mounted Water type (Gas Cartridge)
IS 13386:1992	Fire Extinguishers 50 litre Mechanical Foam Type
IS 13849:1993	Portable Fire Extinguishers Dry Powder Type (Constant Pressure)

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The Facility shall have adequate number of firefighting extinguishers of appropriate type, fire buckets with sand and water.

- 4.3 The staff of the Facility should get training on the basic principles and general procedure of firefighting in a warehouse. The Operator shall, from time to time, ensure that all the firefighting equipment and devices installed in the Facility are in working condition. A separate register to this effect should be maintained in the Facility. The Operator shall have an emergency response plan and all workers shall be trained in their roles and responsibilities under this plan through regular class room training and mock evacuation and fire-fighting drills at frequent intervals. The addresses and telephone numbers of fire station, police station, relevant personnel shall be displayed at conspicuous places so that in case of emergency, the relevant agencies and authorities may be contacted without any delay.

5. Welfare of Workers

The Operator shall have Human Resource (HR) Policies and Procedures to ensure:

- (a) No child labor is employed in any activity of the Facility. Age proofs shall be collected from all workers to verify their age and prevent use of child labor.
- (b) No practices which amount to forced and bonded labor are followed in the Facility.
- (c) All workers have a written employment contracts in the language understood by them.
- (d) The working conditions and terms of employment (including wages, leaves, working hours, overtime compensation, and benefits) for all workers are in compliance with the applicable legal requirements.
- (e) The working conditions and terms of employment are clearly communicated to the workers.
- (f) Employment decisions shall be based on non-discriminatory principles and there shall be no discrimination on the basis of any personal characteristics (e.g. gender, caste, nationality, ethnicity, religion or belief, disability, age, or sexual orientation).
- (g) Workers have the required freedom to form or join workers' organizations of their choosing without interference and collectively express their grievances and protect their rights regarding working conditions and terms of employment.
- (h) There is a formal documented grievance redressal procedure in place where workers can raise their grievances without fear of retribution and also anonymously (if they desire). The process of grievance redressal shall be clearly communicated to all workers.

The warehouse shall have adequate procedures in place to ensure contractors' (e.g. security guards, loading/unloading contract labour) and temporary labour's (e.g. hired for short term purposes) compliance with applicable labour laws and abovementioned requirements.

6. **Other Environmental, Health and Safety requirements for the Warehouse**

- (a) Obtain all applicable regulatory permits for the Facility operations including all environmental and health & safety permits.
- (b) In case cold storage is provided in the warehouse, the refrigerant gases used in its cold storage equipment shall comply with the ozone depleting substances (ODS) rules (in accordance with the Montreal Protocol requirements) in force in India.
- (c) Undertake acoustic treatment of high noise generating equipment e.g. back-up diesel generator sets in accordance with applicable legal requirements.
- (d) Put in place procedures to: aggregate all hazardous wastes from the various points of generation; store them under segregation and containment; handle them with appropriate care and personal protective equipment; and dispose them off in accordance with applicable regulatory provisions.
- (e) Use energy efficient equipment in the warehouse to minimize energy consumption.

SCHEDULE 3

PERMISSIBLE STORAGE LOSSES

- (a) Full allowance for weight loss for driage of moisture between 15% and 14%
- (b) 0.7% weight loss for driage of 1% moisture and in proportion therof below 14%
- (c) 0.2% for storage period of 365 days on proportionate basis

Total value cut due to moisture = (a) + (b) + (c)

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SCHEDULE 4

RECOVERY OF CAPITAL SUBSIDY ON TERMINATION FOR OPERATOR EVENT OF DEFAULT

Event	Capital Subsidy Recovery Amount (Rs.)	
	If the 10% of the Capital Subsidy is disbursed by OSCSC to the Operator (A)	If the 10% of the Capital Subsidy is <u>NOT</u> disbursed by OSCSC to the Operator (B)
First anniversary of the Operations Date	4,556,250	4,556,250
Second anniversary of the Operations Date	4,612,500	4,050,000
Third anniversary of the Operations Date	4,035,938	3,543,750
Fourth anniversary of the Operations Date	3,459,375	3,037,500
Fifth anniversary of the Operations Date	2,882,813	2,531,250
Sixth anniversary of the Operations Date	2,306,250	2,025,000
Seventh anniversary of the Operations Date	1,729,688	1,518,750
Eight anniversary of the Operations Date	1,153,125	1,012,500
Ninth anniversary of the Operations Date	576,563	506,250
Tenth anniversary of the Operations Date	-	-

If the date of termination of the Agreement falls between two anniversaries, then the Capital Subsidy Recovery Amount shall be calculated as follows:

Capital Subsidy Recovery Amount = Capital Subsidy Recovery Amount as specified for the previous anniversary of the Operations Date – [(the Capital Subsidy Recovery Amount specified for the previous anniversary of the Operations Date - the Capital Subsidy Recovery Amount specified for the subsequent anniversary of the Operations Date) X (n/365)].

Where, 'n' = the total number of days between the previous anniversary of the Operations Date and the date of termination of the Agreement; and

The appropriate Capital Subsidy Recovery Amount to be used for the purpose of the calculation is determined based on whether the 10% of the Capital Subsidy is disbursed by OSCSC to the Operator. At the time of calculating this Capital Subsidy Recover Amount, if OSCSC has disbursed the 10% of the Capital Subsidy to the Operator, then use the amounts specified under column A of the above table. If at

the time of calculating this Capital Subsidy Recover Amount, if OSCSC has **NOT** disbursed the 10% of the Capital Subsidy to the Operator, then use the amounts specified under column B of the above table

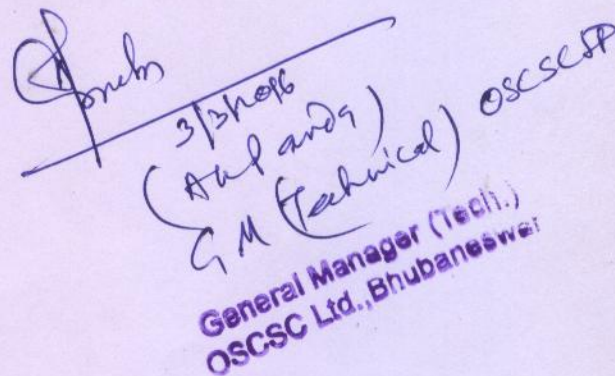
Example: If the Operator Event of Default occurs after 180 days of the third anniversary of the Operations

Date and the 10% of the Capital Subsidy amount is disbursed by OSCSC to the Operator as per the Agreement, the final Capital Subsidy Recovery Amount will be calculated as below.

$$4,035,938 - (4,035,938 - 3,459,375) \times (180/365) = \text{Rs. } 3,751,605/-$$

IN WITNESSES WHEREOF this agreement has been executed by the duly authorized representatives of the parties hereto on the day and year first above written.

Name & Designation of Authorised Signatory of OSCSC Ltd



Witnesses:

1. Ramakant Kanungo, Jr. Acct; OSCSC Ltd, BBSR.

Name & Address of the Operator *Rabi Narayan Mishra*
Rabi Narayan Mishra
EB-46 Bada Gada Brit colony.
BBSR-18

Witnesses:

1. *Imadosh Mishra*
At/ro. Sasan Damodarpur, Puri

2. *Menig Kuroy Rdr*
Simabahal

Rabi Narayan Mishra

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ANNEX 1

FORM OF PERFORMANCE SECURITY

[On Appropriate Stamp Paper]

Bank Guarantee No. [●]

THIS DEED OF GUARANTEE is executed on this [insert date] day of [insert month and year] at [insert place] by [insert name of bank] with its head/registered office at [insert address], (hereinafter referred to as the **Guarantor**, which expression shall unless it is repugnant to the subject or context thereof include successors and assigns)

IN FAVOUR OF:

ODISHA STATE CIVIL SUPPLIES CORPORATION LIMITED, a government company incorporated under the (Indian) Companies Act, 1956, with its registered office at C/2 Nayapalli, Bhubaneswar, Odisha 751012 (hereinafter referred to as **OSCSC**, which expression shall, unless it be repugnant to the context or meaning thereof, include its successors-in-title and permitted assigns);

WHEREAS:

- (A) OSCSC has entered into a storage agreement dated [insert date] (the **Storage Agreement**) with [insert name of Operator], an [individual]/[insert name of the legal entity] [incorporated/registered] under the [insert name of the relevant statute under which the Operator has been incorporated or registered, as the case may be], [with its [registered/principal] office at [●]] (hereinafter referred to as the **Operator**, which expression shall, unless it be repugnant to the context or meaning thereof, include its successors-in-title and permitted assigns).
- (B) In terms of the Storage Agreement, the Operator has agreed to develop, operate and maintain a scientific agri-storage facility at [insert location] (the **Facility**), with a minimum storage capacity of 2500 MT (the **Guaranteed Tonnage**) and provide warehousing, preservation, fumigation and ancillary services to OSCSC in respect of the rice grain stored by OSCSC at the Facility (the **Services**).
- (C) In terms of the letter of award (the **LOA**) dated [insert date] issued by OSCSC to the Operator and Clause 5.1 of the Storage Agreement, the Operator is required to furnish to OSCSC, an unconditional, irrevocable, on demand bank guarantee for an amount equivalent to Rs. 5,00,000 (the **Guaranteed Amount**) as security for the due and punctual performance or discharge of the Operator's obligations and liabilities under the Storage Agreement, including any amounts due and payable by the Operator towards any Shortfall as a condition precedent to signing of the Storage Agreement.
- (D) At the request of the Operator and for sufficient consideration, the Guarantor has agreed to provide an unconditional, irrevocable and on-demand bank guarantee, for the due and punctual performance or discharge by the Operator of its obligations and liabilities under the Storage Agreement.

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NOW THEREFORE THIS DEED WITNESSETH AS FOLLOWS:

1. Capitalised terms used herein but not defined shall have the meaning ascribed to them in the Storage Agreement.
2. The Guarantor hereby irrevocably and unconditionally guarantees and secures, as primary obligor and not merely as guarantor, to OSCSC the payment in full of all amounts at any time that may be due, owing or payable to OSCSC from the Operator for the failure of the Operator to duly and punctually perform all of its obligations under the Storage Agreement during the Term (**Guarantee**), without any demur, reservation, protest or recourse, immediately on receipt of a demand from OSCSC.

The Guarantee is given on consideration received from the Operator (the receipt and sufficiency of which is hereby acknowledged).

The Guarantor agrees that the value of the Guarantee shall at all times be maintained at the amount equivalent to the Guaranteed Amount.

The Guarantor further agrees that this Guarantee does not limit the number of claims that may be made by OSCSC against the Guarantor. Upon a payment being made under this Guarantee, the amount of the Guarantee shall automatically be replenished to the full Guaranteed Amount.

Any payment made hereunder shall be made free and clear of and without deduction for, or on account of, any present or future Taxes, deductions or withholdings of any nature whatsoever and by whomsoever imposed, and where any withholding on a payment is required by any Applicable Law, the Guarantor shall comply with such withholding obligations and shall pay such additional amount in respect of such payment such that OSCSC receives the full amount due hereunder as if no such withholding had occurred.

3. The Guarantor shall not go into the veracity of any breach or failure on the part of the Operator or validity of demand so made by OSCSC and shall pay the amount specified in the demand notwithstanding any direction to the contrary given or any dispute whatsoever raised by the Operator or any other Person. The Guarantor's obligations hereunder shall subsist until all such demands are duly met and discharged in accordance with the provision hereof.
4. The obligations of the Guarantor herein are absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of the Storage Agreement or the insolvency, bankruptcy, re-organisation, dissolution or liquidation of the Operator or any change in ownership of the Operator or any purported assignment by the Operator or any other circumstance whatsoever, which might otherwise constitute a discharge or defence of a guarantor or a surety.

Further, this Guarantee is in no way conditional upon any requirement that OSCSC shall first attempt to procure the Guaranteed Amount from the Operator or any other Person, or resort to any other means of obtaining payment of the Guaranteed Amount.

5. In order to give effect to this Guarantee, OSCSC shall be entitled to treat the Guarantor as the principal debtor. The obligations of the Guarantor under this Guarantee shall not be affected by any act, omission, matter or thing which, but for this provision, would reduce, release or prejudice the Guarantor from any part of the Guaranteed Amount or prejudice or diminish the Guaranteed Amount in whole or in part, including, whether or not known to it, or OSCSC:
- (a) any time or waiver granted to, or composition with, the Operator or any other Person;
 - (b) any incapacity or lack of powers, authority or legal personality of or dissolution or change in the status of the Operator or any other Person;
 - (c) any variation of the Storage Agreement so that references to the Storage Agreement in this Guarantee shall include each variation;
 - (d) any unenforceability, illegality or invalidity of any obligation of any Person under the Storage Agreement or any unenforceability, illegality or invalidity of the obligations of the Guarantor under this Guarantee or the unenforceability, illegality or invalidity of the obligations of any Person under any other document or Guarantee, to the extent that each obligation under this Guarantee shall remain in full force as a separate, continuing and primary obligation, and its obligations be construed accordingly, as if there was no unenforceability, illegality or invalidity;
 - (e) the partial or entire release of any Guarantor or other Person primarily or secondarily liable or responsible for the performance, payment or observance of any of the Operator's obligations during the Term; or by any extension, waiver, or amendment whatsoever which may release a guarantor or the Guarantor, other than performance or indefeasible payment of the Guaranteed Amount; or
 - (f) any part performance of the Storage Agreement by the Operator or by any failure by OSCSC to timely pay or perform any of its obligations under the Storage Agreement.
6. If, and to the extent that for any reason the Operator enters or threatens to enter into any proceedings in bankruptcy or re-organisation or otherwise, or if, for any other reason whatsoever, the performance or payment by the Operator of the Guaranteed Amount becomes or may reasonably be expected to become impossible, then the Guaranteed Amount shall be promptly paid by the Guarantor to OSCSC on demand.
7. So long as any amount is due from the Operator to OSCSC, the Guarantor shall not exercise any right of subrogation or any other rights of a guarantor or enforce any guarantee or other right or claim against the Operator, whether in respect of its liability under this Guarantee or otherwise, or claim in the insolvency or liquidation of the Operator or any such other Person in competition with OSCSC. If the Guarantor receives any payment or benefit in breach of this Clause 7, it shall hold the same upon trust for OSCSC.
8. This Guarantee shall remain in full force and effect from the date hereof until [●].

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Notwithstanding the foregoing, this Guarantee shall continue in effect until the sums payable under this Guarantee have been indefeasibly paid in full and the Guarantor receives written notice thereof from OSCSC, such notice to be issued promptly upon such occurrence.

9. The Guarantor represents and warrants to OSCSC that:

- (a) it has the power to execute, deliver and perform the terms and provisions of this Guarantee and has taken all necessary action to authorise the execution, delivery and performance by it of this Guarantee;
- (b) the Guarantor has duly executed and delivered this Guarantee, and this Guarantee constitutes its legal, valid and binding obligation enforceable in accordance with its terms except as the enforceability thereof may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws affecting the enforcement of creditors' rights generally and by general equitable principles;
- (c) neither the execution, delivery or performance by the Guarantor of this Guarantee, nor compliance by it with the terms and provisions hereof will: (i) contravene any material provision of any Applicable Law; (ii) conflict or be inconsistent with or result in any breach of any of the material terms, covenants, conditions or provisions of, or constitute a default under any agreement, contract or instrument to which the Guarantor is a party or by which it or any of its property or assets is bound; or (iii) violate any provision of the Guarantor's constituent documents;
- (d) no order, consent, approval, license, authorisation or validation of, or filing, recording or registration with, except as have been obtained or made prior to the date hereof, or exemption by, any governmental or public body or authority, or any subdivision thereof, is required to authorise, or is required in connection with: (i) the execution, delivery and performance of this Guarantee; or (ii) the legality, validity, binding effect or enforceability of this Guarantee; and
- (e) this Guarantee will be enforceable when presented for payment to the Guarantor's branch in Bhubaneswar at [●].

10. This Guarantee is a continuing one and all liabilities to which it applies or may apply under the terms hereof shall be conclusively presumed to have been created in reliance hereon. No failure or delay on the part of OSCSC in exercising any right, power or privilege hereunder and no course of dealing between OSCSC and the Guarantor, or the Operator, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. The rights, powers and remedies expressly provided in this Guarantee are cumulative and not exclusive of any rights, powers or remedies which OSCSC would otherwise have. No notice to or demand on the Guarantor in any case shall entitle the Guarantor to any other further notice or demand in similar or other circumstances or constitute a waiver of the rights of OSCSC to any other or further action in any circumstances without notice or demand.

Rabi Manoj Mishra

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12. If any one or more of the provisions contained in this Guarantee are or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and the Guarantor shall enter into good faith negotiations with OSCSC to replace the invalid, illegal or unenforceable provision.
 13. The Guarantor hereby agrees to execute and deliver all such instruments and take all such actions as may be necessary to make effective fully the purposes of this Guarantee.
 14. This Guarantee may be executed in one or more duplicate counterparts, and when executed and delivered by the Guarantor and OSCSC shall constitute a single binding agreement.
 15. OSCSC may assign or transfer all or any part of its interest herein to any other person with prior written notice to the Guarantor. The Guarantor shall not assign or transfer any of its rights or obligations under this Guarantee.
 16. All documents arising out of or in connection with this Guarantee shall be served:
 - (a) upon OSCSC, at *[insert address]*; and
 - (b) upon the Guarantor, at *[insert address]*.
 17. Any demand, notice or communication would have been deemed to have been duly served:
 - (a) if delivered by hand, when left at the proper address of services; and
 - (b) if given or made by pre-paid registered post or facsimile, when received.
 18. Either party may change the above address by prior written notice to the other party.
 19. This Guarantee shall be governed by, and construed in accordance with, the laws of India. The Guarantor irrevocably agrees that any dispute arising out of or relating to this Guarantee may be brought in the courts in Odisha.

IN WITNESS WHEREOF the Guarantor has set its hands hereunto on the day, month and year first hereinabove written.

Signed and delivered by *[insert name of Bank]* Bank, by *[insert name of branch]* Branch by hand

Of *[insert name of signatory]*

It's *[insert designation]* and duly authorized representative

Authorized by [Power of Attorney dated *[insert date]*] OR [Board resolution dated *[insert date]*].

ANNEX 2

FORM OF LETTER OF COMFORT

This letter of comfort (the **Letter of Comfort**) is issued by the Government of Odisha, acting through the Food Supplies and Consumer Welfare Department, represented by [●] on the [insert date] day of [insert month], [2014] (hereinafter referred to as the **GOO**) for the benefit of [insert name of Operator], a an [individual]/[insert name of the legal entity] [incorporated/registered] under the [insert name of the relevant statute under which the Operator has been incorporated or registered, as the case may be], [with its registered/principal office at [●]] (hereinafter referred to as the **Operator**, which expression shall, unless it be repugnant to the context or meaning thereof, include its successors-in-title and permitted assigns).

GOO and the **Operator** are hereinafter individually referred to as a **Party** and collectively referred to as the **Parties**.

WHEREAS:

- (A) The Odisha State Civil Supplies Corporation Limited (**OSCSC**) is a government agency responsible for the procurement, storage, handling and distribution of rice grain and management of the public distribution system (**PDS**) in Odisha.
- (B) **OSCSC** has entered into a storage agreement with the Operator on [●] (the **Storage Agreement**), in terms of which the Operator has agreed to develop, operate and maintain a agri-storage facility at [insert location] (the **Facility**), with a storage capacity of 2500 MT (the **Guaranteed Tonnage**) and provide warehousing, preservation services to **OSCSC** in respect of the rice grain stored by **OSCSC** at the Facility (the **Services**).
- (C) In consideration for the Services to be provided by the Operator under the Storage Agreement, **OSCSC** is required to pay to the Operator the: (a) Storage Rental per Quintal per month in respect of the **Guaranteed Tonnage**; and (b) Preservation Charges per Quintal in respect of the Preservation Services provided by the Operator in a month. The Storage Rental and the Preservation Charges are collectively referred to as the **Service Charges**.
- (D) In terms of Clause 8.8(a) of the Storage Agreement, **OSCSC** is required to procure and deliver to the Operator a letter of comfort from the **GOO**, which shall secure the proper and timely performance by **OSCSC** of its payment obligations under the Storage Agreement.
- (E) In order to secure **OSCSC**'s payment obligations under the Storage Agreement, the **GOO** has agreed to issue and deliver this Letter of Comfort.
- (E) Capitalized words used but not defined in this Letter of Comfort shall have the meaning given to them in the Storage Agreement.

NOW IT IS HEREBY UNDERTAKEN AND AGREED AS FOLLOWS:

1. In consideration of the Operator entering into the Storage Agreement with and providing the Services to OSCSC, the GOO agrees to pay to the Operator the outstanding Service Charges due and payable to the Operator, along with default interest, if any, calculated in accordance with the Storage Agreement, if OSCSC fails to pay the monthly Service Charges or part thereof in accordance with Clause 8.5 of the Storage Agreement within 60 days from the date of receipt of an Invoice from the Operator for such Service Charges.
2. If the GOO's obligation to discharge any payment obligations of OSCSC under the Storage Agreement arises under Clause 1 of this Letter of Comfort, then the Operator shall be entitled to send a notice to the GOO, with a copy to OSCSC, requesting the GOO to pay the outstanding Service Charges and the accrued default interest, if any, along with the following supporting documentation:
 - (a) a copy of the Invoice or statement, which has remained uncertified and/or unpaid by OSCSC;
 - (b) a certificate from the Operator to the effect that the Invoice at sub-paragraph (a) above, or specified part thereof, has been issued in accordance with this Agreement and has remained uncertified and/or unpaid in accordance with this Agreement;
 - (c) all records, receipts and other relevant documents in support of its calculations of the outstanding Service Charges due and payable to it along with the applicable default interest.
3. The GOO shall pay the outstanding Service Charges due and payable to the Operator under the Storage Agreement, along with default interest, if any, within 30 days of the receipt of a notice from the Operator, along with the necessary supporting documentation in accordance with Clause 2 above.
4. This Letter of Comfort shall come into force on the date of execution by the GOO and shall remain valid at all times and shall not be withdrawn until the expiry of the Term or termination of the Storage Agreement and payment of all amounts due and payable to the Operator under the Storage Agreement.
5. This Letter of Comfort shall be governed by and construed in accordance with the laws of India. The courts at Odisha shall have exclusive jurisdiction over all disputes arising out of or in any way relating to this Letter of Comfort.
6. The Operator shall not assign by agreement or otherwise all or any of its rights or interests under this Letter of Comfort without the prior written consent of the GOO.
7. All notices and documents arising out of or in connection with this Letter of Comfort shall be served:

- (i) Upon GOO, at *[please insert address]* marked for the attention of *[please insert name]*; and
- (ii) Upon the Operator, at *[please insert address]*, marked for the attention of *[please insert name]*

The GOO and the Operator may change their respective nominated addresses for service of notices and documents to another address but only by prior written notice to the other party. All demands and notices pursuant to this Letter of Comfort shall be in writing.

- 8. The GOO irrevocably waives, both in respect of itself and its assets, its rights to claim sovereign immunity (in any jurisdiction whatsoever), including but not limited to immunity from jurisdiction, enforcement, injunctions, or other provisional or protective measures and all other legal proceedings and relief.

IN WITNESS WHEREOF, the GOO has caused this Letter of Comfort to be executed by its authorized representative as of the date first written above.

By
Name: []
Designation: []

Rabi Narayan Mishra

ANNEX 3

FORM OF INVOICE

MONTHLY INVOICE STATEMENT		
	Particulars	Units
Storage Rental		
A	Storage rental	Rs. per quintal per month
B	Warehouse Storage capacity	Quintals
C	Total Storage rental (A * B)	Rupees
Handling Charges		
D	Quintals of grain unloaded and stacked during period of invoice	Quintals
E	Quintals of grain de-stacked and loaded during period of invoice	Quintals
F	Total Quintals of grain handled during period of invoice (D+E)	Quintals
G	Handling Charge	Rs. per quintal
H	Total Handling Charges (Rs.) (G * F)	Rupees
Preservation Charge		
I	Average of daily closing stock for the period of invoice	Quintals
J	Preservation Charge	Rs. per quintal per month
K	Total Preservation Charges (I*J)	Rupees
L	<i>Total Charges Due (C + H + K)</i>	<i>Rupees</i>
M	<i>Service Tax @ insert [%]</i>	<i>Rupees</i>
N	<i>Other adjustments [please specify]</i>	<i>Rupees</i>
O	Total Charges Invoiced (L + M + N)	Rupees

NOTE -

Average of daily closing stock for the period of invoice is calculated as the summation of the closing stock at the end each day divided by the total number of days in the period of invoice

Rabi Nanayan Mishra