



## **ODISHA STATE ROAD TRANSPORT CORPORATION, BHUBANESWAR**

**No. 1332/ IM(TR)-03/2023/ OSRTC**

**Date: 04.05.2023**

### **Request For Proposal (RFP)**

The Chairman-Cum-Managing Director, Odisha State Road Transport Corporation (OSRTC), Bhubaneswar has invited a Request for Proposal (RFP) on the Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model for OSRTC through the transparent bidding process.

The interested firms/ agencies should submit their proposals from Dt. 06.05.2023 to Dt 13.06.2023 up to 3:00 PM and the same will be opened on Dt. 13.06.2023 at 4:00 PM at OSRTC conference hall.

For any doubt, agencies/ firms may contact Mr. Rashmi Pani on 9937567240 to address the issue during office hours.

The details of the terms & conditions are available on the web site [www.osrtc.in](http://www.osrtc.in).

The Authority reserves the right to accept or reject any or all proposals without assigning any reason thereof.

By order of the Chairman-cum-Managing Director,

04.05.23  
General Manager(A),  
OSRTC, Bhubaneswar



**Odisha State Road Transport Corporation**

**Request for Proposal (RFP)**

**For**

**Selection of Bus Operator for Supply, Operation and  
Maintenance of Buses for Managing Public Transport  
across the Cluster-I routes under LAccMI Scheme on  
Gross Cost Contract (GCC) Model**

**(Volume-I: Project Information Memorandum)**

**[RFP No 1332 Date: 04/05/2023]**

**Issued By**

**Odisha State Road Transport Corporation (OSRTC)  
Paribahan Bhavan, Sachivalaya Marg, Unit-II Bhubaneswar-  
751001, Odisha**

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## Disclaimer

The information contained in this Request for Proposal document (the "RFP") or subsequently provided to Bidder(s), whether verbally or in documentary or any other form, by or on behalf of Odisha State Road Transport Corporation (OSRTC) or any of its employees or advisors, are provided to Bidder(s) on the terms and conditions set out in this document and such other terms and conditions subject to which such information is provided.

This document is not an agreement and is neither an offer nor invitation by OSRTC to the prospective Bidder or any other person. The purpose of this document is to provide interested parties with information that may be useful to them in the formulation of their bids for qualification pursuant to this RFP. This tender includes statements, which reflect various assumptions and assessments arrived at by OSRTC in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for OSRTC, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this document. The assumptions, assessments, statements, and information contained in this document may not be complete, accurate, adequate, or correct. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements, and information contained in this document and obtain independent advice from appropriate sources.

The information provided in this document to the Bidder(s) is on a wide range of matters, some of which may depend upon interpretation of law. The information given is not intended to be an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. OSRTC accepts no responsibility for the accuracy or otherwise for any interpretation or opinion of the law expressed herein.

OSRTC, its employees and advisors make no representation or warranty and shall have no liability to any person, including any Bidder or Bidders, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this document or otherwise, including the accuracy, adequacy, correctness, completeness or reliability and any assessment, assumption, statement or information contained therein or deemed to form part of this document or arising in any way with prequalification of Bidder for participation in the Bidding Process. OSRTC also accepts no liability of any nature whether resulting from negligence or otherwise caused arising from reliance of any Bidder upon the statements contained in this document. OSRTC may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this document.

The issue of this document does not imply that OSRTC is bound to select the prequalified Bidder at RFP stage to appoint the Successful Bidder (Agency), for the Project and OSRTC reserves the right to reject all or any of the Bids or Tenders without assigning any reasons whatsoever.

The Bidder shall bear all its costs associated with or relating to the preparation and submission of its bid including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by OSRTC, or any other costs incurred in connection with or relating to its Bid. All such costs and expenses will remain with the Bidder and OSRTC shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the bid, regardless of the conduct or outcome of the Bidding Process.

## **1. Introduction**

Odisha is a state located in eastern India, with a coastline along the Bay of Bengal. It is the 9th largest state in terms of area and 11th largest in terms of population, with a population of approximately 45 million people. The public bus transport in Odisha is managed by Odisha State Road Transport Corporation which looks after the roadways transportation of the state and aims at providing quality and time bound services to the passengers. OSRTC plies various categories of buses like VOLVO Coach, AC Delux Rajdhani Coach, Non-AC Delux Coach, Express Coach, Hi-Tech Coach, Hi-Comf Coach, Lynx Coach, Marcopolo Coach, Ordinary Coach ensuring safety and comport of the traveller. The buses are well maintained. OSRTC not only connects to cities, but it is also well connected with the remote and tribal areas. Like other states, it also provides fare concession to students, handicapped persons, Freedom fighters, rural journalists.

OSRTC is engaged in public transportation operation in 324 routes with 638 fleet size and at present OSRTC has 19 Depots (which serve as Bus Stand for passengers) in its own land and 4 Depots in rental/ lease basis. Furthermore, 56 new Bus Stands across 22 Districts are in the development stage and 4 Bus Stands are in the finishing stage at Aska, Athagarh, Jeypore, Motu and Odogaon respectively. As a sole State Transport Undertaking (STU), Odisha State Road Transport Corporation (OSRTC) sworn to provide a well-functioning, attractive, competitive, integrated, and safe public transport system with superior civic amenities with passenger facilities for all users along with preservation of good order and safety for public. Public transport by bus is an essential need in almost all areas of the State. However, public conveniences can be difficult to organize because of the dispersed nature of populations and the potential trade-off between maintaining accessibility and achieving competitive in designing services.

As the State Government is working efficiently towards attaining various SDG Goals, public transport is one of the major SDG Goal as on date. Moreover, considering the present scenario of the State below are the major scope defined to comply the necessary SDG Goals. For a better public convenience OSRTC under Commerce and Transport Department launched a new Scheme LaccMI(LOCATION ACCESSIBLE MULTI-MODAL INITIATIVE) which aims to connect all Gram Panchayat with an integrated public transport system.

- Connecting all Gram Panchayat with an integrated public transport system.
- Increasing the Service Level Benchmark of the Bus transport system in the State.

The future road map for an efficient and reliable mode of Bus system in the rural pockets of the State by OSRTC

## 2. Schedule Bidding Process

#	Particulars	Details
1	Publication of RFP Notice	06/05/2023
2	Uploading of RFP document in OSRTC website	06/05/2023
3	Last date & time for Submission of Queries / Clarification	17/05/2023
4	Date and Time for Pre-Bid Meeting	20/05/2023 at 04:30 PM Virtual mode
4	Response to Queries / Clarification	23/05/2023
5	Last date for Bid Submission	13/06/2023 (03:00 PM)
6	Place of submission of proposals:	General Manager (Admin) Odisha State Road Transport Corporation Paribahan Bhavan, Sachivalaya Marg, Unit-II, Bhubaneswar-751001, Odisha
7	Date and time for opening of technical bids	13/06/2023 (05:00 PM)
8	Date and time for opening of financial bids	<b>-To be intimated-</b>

### 2.1 RFP in three Volumes

The Request for Proposal (RFP) shall be in three Volumes as follows:

**Volume I:** Project Information Memorandum (PIM)

**Volume II:** Instruction to Bidders (ITB)

**Volume III:** Bus Operator Agreements

This Volume I: Project Information Memorandum (PIM) issued to bidders must be read in conjunction with the other two Volumes mentioned above.

Brief information in respect of the project details, eligibility criteria, bidding mechanism and duties & responsibilities of the bidders, etc. are detailed in subsequent sections of the Project Information Memorandum. The Selected Bidder(s)/Operator(s) will be responsible operate the bus service as per these parameters and provisions of Bus Operator Agreement.

## 3. Project Details

OSRTC is planning to introduce new buses in and around across the state. The Contracted Buses has been categorized into one package of bus operation:

Package 1: **175** Conventional Diesel Buses (BS-VI) –Non-AC 9m Midi Buses and AC 9m Midi Buses

**175 New Buses:** The selected Operator shall provide services of provision, own, operate and maintain new buses of following type and quantity.

SI No	Bus Type	No of Buses	Floor Height(mm)	Transmission	Emission Norms	Ac/Non-Ac
1	Midi bus as per Specifications in the RFP	140	900	Manual	BS VI	Non-AC
2		35	900	Manual	BS VI	AC
Total		175				

Detailed specifications of the above new buses are provided in Volume-III of the RFP.

## 4. Operator's Responsibility:

### 4.1 New Buses (Package 1):

The Authority shall enter in to separate Bus Operator Agreement for this package.

Agreement period for the New Buses shall be **Eight Years (8 Years)** from Commercial Operations Date (COD). The authority shall have the right to extend the Agreement period for New Buses by additional **two (2) years** at its sole discretion and based on performance and condition of the buses, subject to the Terms and conditions specified in the Bus Operator Agreement.

**Bus Procurement and Ownership:** The selected Bus Operator is expected to procure the fully built buses from the established Bus Manufacturers as per Specifications provided in the Part C of Volume-III of this RFP.

The ownership of the procured Buses shall remain with the Operator throughout the contract period. All the Contracted Buses shall be registered in the name of Operator.

### 4.2 Bus Operation:

During the agreement period, the selected Bus Operator(s) shall operate and maintain the buses on the specified routes on Gross Cost Contract (GCC) model.

Under this Package, the Operator is expected to make available "Annual Assured Fleet" (a particular proportion of the fleet in good condition for operations) at all times. The balance of the fleet is to be used for regular maintenance. The no. of buses in such Annual Assured Fleet shall get reduced year to year due to enhanced maintenance needs of an aging fleet. The details of the Annual Assured Fleet are given in the RFP of this Volume-I (Bus Operation during the Agreement Period).

The Operator shall provide duly licensed drivers, trained staff and personnel to ensure the continued and uninterrupted Bus Service in accordance with the terms contained herein and as per Applicable Law.

The Operator shall maintain the Contracted Buses in good operable conditions in accordance with Good Industry Practices and Operation and Maintenance Requirements set forth in the Operator agreement.

The Operator shall develop Depot Infrastructure for Bus operation and maintenance. OSRTC shall provide adequate land with boundary wall, Space for Maintenance, Washing area, Space for Office and store, upstream electricity and water provision. The Operator shall construct necessary infrastructure at its own cost.



The Operator shall ensure that safety and security of passengers and any third person on the Contracted Buses is maintained at all times.

The Operator shall ensure any equipment installed on the Contracted Buses or within the Bus Depot/ Parking Space including any monitoring device or equipment that is installed by the Authority is not tampered with in any manner; and that the Authority and its authorized personnel, are allowed to inspect the equipment installed on the Contracted Buses and the Bus Depots/ Parking Space at any time without any notice in this regard.

The Operator shall submit regular monthly reports to the Authority as per the format that may be instructed by the Authority from time to time; (vi). Clearances, Approvals and Payment of Fees, Charges & Taxes:

The Operator shall be liable to procure all Operator Clearances in accordance with Annexure given to the Operator Agreement at his own cost and expenses for the purposes of providing Bus Services as per the terms of Operator Agreement.

The Operator shall be liable to pay RTO registration charges, fitness and pollution Certificate charges, insurance charges and any other applicable charges/permits/licenses/approvals at the time of Bus registration and thereafter shall bear all charges for remaining years of Agreement.

The Operator shall be liable to bear all taxes as may be levied under Applicable Law in relation to the Bus Services, save and except those taxes which are the responsibility of the Authority as per the terms of Operator Agreement and Applicable Law.

## **5. Special Condition for New Bus Operator (Package 1)**

### **5.1 New Bus Procurement:**

The Buses will be purchased by the Operator on his own through negotiations with the Bus manufacturers.

The final selected Bus will be required to be approved by the Authority along with the specifications, price and payment terms.

At all stages the Operator will keep the Authority informed about the progress of Bus Purchase, bus building and delivery.

The Operator will satisfy the Authority regarding the terms of the purchase and particularly the price being the most competitive offer as also being comparable to market price for same bus sold to other customers.

Authority or authorized representative of the Authority may carry out inspection of Prototype Bus and other buses to be supplied as part of Operator Agreement at any of stages before pre-dispatch stage at Bus operator's/ Bus Manufacturer's premises.

Operator shall deliver buses at the place/ places as shall be specified by the Authority within state of Odisha, not later than the dates/schedule specified in Bus Delivery Schedule.

In case of any delay in delivery of bus from dates/schedule specified in Bus Delivery Schedule, Operator(s) need to pay delay liquidated damages as specified in the Operator Agreement.

On receipt of fully built Contracted Buses at across the State, these shall be jointly inspected by the Operator and the Authority for completeness and satisfactory condition of all equipment/ components. Damages, defects and deficiencies, if any, shall be noted and the Operator shall initiate

immediate action for making good the same under advice from Authority within mutually agreed time period.

Authority shall issue Provisional Receipt Certificate within three working days of receipt of Contracted Bus (es) in good conditions along with valid required documents at across the State.

On Receipt of Contracted Buses on Authority's Designated Premise (es), Authority or representatives of the Authority shall carry out final inspection of the Buses at Authority's premises jointly with the Bus Operator, within 7 working days of such receipt. If any further Damages, defects and deficiencies shall be found, the Operator shall initiate immediate action for making good the same within a period of 7 days or within mutually agreed time period.

A Final Acceptance Certificate shall be issued within 7 working days by Authority from the day of receipt of Contracted Bus (es) in good conditions.

## **5.2 Soft Loan for New Bus Procurement:**

For purchase of Buses, OSRTC shall provide Soft Loan to Operators of an amount equal to 75% of the Cost of the Bus. The soft loan has to be paid back by the Operator over the contract period of 8 (eight) years in equated monthly instalments at a simple interest of 8% per annum.

The Operator shall sign a Lender's Agreement as provided in the RFP with OSRTC for the disbursement of the loan and shall abide by the terms and conditions of the Lender's Agreement.

The above Soft Loan provided will be secured through a Hypothecation Agreement between the Authority and the Operator whereby the Buses will be hypothecated to the Authority during the Agreement Period.

The Hypothecation Agreement will also include an Indemnity Bond in favor of the Authority given by the Operator whereby it will indemnify the Authority against any losses arising to the Authority owing to loss, damages, theft, neglect and poor maintenance of the Contracted Buses during the currency of the Hypothecation and Operator Agreements.

While the Operator is free to raise financial resources for balance amount required for purchase of Buses other than Soft Loan, any hypothecation/lien/charge or encumbrance from such fund raising will rank junior/subordinate to the obligations resulting from the Hypothecation Agreement with the Authority mentioned above.

*However, the Operator is free to raise financial resources for the entire cost required for purchase of buses from any other financial institution or from his own funding.*

## **6. Project Timelines:**

### **6.1 New Buses (Package 1):**

The Bidder selected through the transparent Bid Process shall be issued an LOA by OSRTC.

Within 15 (fifteen) days from the issuance of the LOA, the Selected Bidder shall accept the LOA and deposit the Performance Security. On completion of these activities, the Operator shall execute the Bus Operator Agreement with OSRTC. This date of execution of the Bus Operator Agreements will be referred to as the Appointed Date.

The Commercial Operations Date (COD) shall be the date of deployment of Contracted Buses as per the bus delivery schedule. The Deployment shall be considered achieved after the completion of Training Period as defined in the Operator Agreement.

The operator needs to Procure the buses during this period as per the following schedule ("Bus Delivery Schedule").

Bus Delivery Schedule	
Time	Delivery of fully built Buses (no.)- Package-1
Within 20 days from date of Appointed Date	Prototype Bus
Within 20 days of approval of prototype	First Lot of 80 Non-Ac Buses & 20 AC Buses
Within 20 days of approval of prototype	Second Lot of 60 Non-Ac Buses & 15 AC Buses

The “Operations Period” shall begin from COD and end in Eight (8) years from the COD (“Contract Period/ Agreement Period”), provided that the Authority, at its sole discretion, may extend the Operations Period by two (2) additional year based on operator performance and condition of the Buses.

## 7. Payment Mechanism

Operated Kilometre for a Bus: The Operated Kilometre for a contracted bus shall include:

Distance travelled by the Contracted Bus assigned on given Route(s) as per the Operating Plan.

Distance travelled by a Contracted Bus, which is outside the Operating Plan but approved by the Authority for specific and special requirements.

Distance travelled by the Contracted Bus from the Bus Depot to the first point of loading passengers at the commencement of its service on a day and Distance travelled by the Contracted Bus from its last passenger stop as per the Operating Plan to the Bus Depot at the end of the day’s service.

**Provide the fuelling area in depot premises ( The fuelling arrangement and infrastructure will be operators responsibility)**

But excluding.

Any kilometres travelled by the Contracted Bus to a maintenance facility other than that set up by the Operator at the Bus Depot provided for by Authority or for any travel not authorized by Authority.

The base year Applicable Per-Kilometre Charge for Contracted Bus shall be as per the financial proposal submitted by the Operator during the bidding process.

The payment for Bus Kilometres up to Assured Bus Kilometres per each Contracted Bus deployed shall be calculated as

**Payment = Applicable Per Kilometre Charge for Contracted Bus x [Operated Upto assured KM] (Where Operated KM is Bus Kilometres Operated by the contracted buses as part of the Operating Plan during the relevant Payment Period)**

For each Contracted Bus that has been put into regular operations from the date of COD, the Operator shall submit an invoice at the end of every **15 (Fifteen) days** in a month ("Payment Period") specifying registration number of each Contracted Bus and the type of bus, Bus Kilometres travelled by each Contracted Bus, Applicable Kilometre Charge for the period for the particular type of Contracted Bus, GST and any applicable surcharge or cess along with Copy of daily fuel price and purchase bills indicating source, quantity and rate per fuel purchased.

The Authority shall, within a period of 10 (ten) days of the receipt of invoice, make part payment of 80% of the total invoiced amount for each payment cycle of 15 days. Balance 20% of the amount of each invoice shall be released by the Authority in first 15 days of the next month of after the month of invoicing (starting from COD) after verifying the records.

Half Yearly Assured Bus Kilometres:

The Authority shall assure that the average number of Bus Kilometres travelled by each of the Contracted Buses, in a continuous period of 6 (Six) months, commencing from COD of Contracted Buses, and then onwards on Half Yearly basis, shall be no fewer than **36,000 kms** / Contracted Bus (Thirty-six Thousand Kilo meters per contracted bus) for new buses (Package 1)

This above number of Bus Kilometres shall be known as ["Half Yearly Assured Bus Kilometres"]. The average number of kilometres operated per Contracted Bus is less than the Half Yearly Assured Bus Kilometres, Authority will pay to the Operator, in addition to the full payments made for Bus km operated based on invoices presented by the Operator, an amount which shall be determined as follows:

Half Yearly Assured Payment Amount for Unutilised Kms = (Payment Proportion for Unutilised Kms ) x  $(T_m - T_a)$  x Applicable Kilometre Charge

Where, Payment Proportion for Unutilised Kms shall be 0.35 for new buses (Package 1)

$T_m$  = Half Yearly Assured Bus Kilometres X Available fleet

$T_a$  = Actual Bus Kilometres Operated by all Contracted Buses comprising the Available Fleet during the relevant period of 6 (Six) calendar months that has triggered this provision

If the average number of kilometres operated per Contracted Buses exceed the Half Yearly Assured Bus Kilometres, then the Kilometre Charge payable applicable for such additional kilometres in excess of the Half Yearly Assured Bus Kilometres shall be calculated as follows.

Half Yearly Assured Payment Amount for Excess Kms = (Payment

Proportion for Excess Kms) x  $(T_a - T_m)$  x Applicable Kilometre Charge Where,

Payment Proportion for Excess Kms shall be 0.65 for new buses (Package 1),

$T_a$  = Actual Bus Kilometres Operated by all Contracted Buses comprising the Available Fleet during the relevant period of 6 (Six) calendar months that has triggered this provision

$T_m$  = Half Yearly Assured Bus Kilometres X Available fleet

The Applicable Kilometre Charge for the purpose of the Payment of Unutilised or Excess Km shall be the weighted average of the applicable Kilometre Charge used in payment periods during the relevant year.

Basis of Revision of Kilometre Charge:

- a) The Kilometer Charge shall be reviewed and (if applicable) revised for:

Fuel cost shall be revised on monthly basis and the Average of daily fuel price at the end of the month shall be used as an indicator.

Cost of consumables shall be revised annually using the Wholesale.

Price Index,

Manpower Cost shall be revised annually using change in Minimum Wages for relevant skill category for manpower deployed (drivers) as per periodic Gazette Notifications, Labour and Employment Dept., Govt. of Odisha.

b) The Kilometer charge shall be revised based on following formula:

$$RL = [RL\text{-base}] + [RL\text{-base} \times 0.40 \times (F - F\text{-base})/F\text{-base}] + [RL\text{-base} \times 0.15 \times [(W - W\text{-base})/W\text{-base}]] + [RL\text{-base} \times 0.20 \times [(L - L\text{-base})/L\text{-base}]]$$

Where.

RL is the Kilometre charge for each Lot.

R-base is the Base Kilometre Charge

F is present Price of Fuel/unit

F-base is the Base Year Price of Fuel/unit.

W is the Present Year Wholesale Price Index

W-base is the Base Year Wholesale Price Index (Latest Financial year or Calendar Year WPI whichever is nearer to the Proposal Due Date)

L is the Present Applicable Minimum Wages for the relevant skill category for drivers

L-base is the applicable Base Year Minimum Wages for the relevant skill category for drivers.

## **8. Bus Operation During the Agreement Period**

### **8.1 Operation Plan:**

- i. The Authority shall develop a plan which shall contain details including but not limited to number of Contracted Buses, details of the Annual Assured Fleet Availability, Fleet Deployment Plan and any other relevant details required for Operation of Contracted Buses ("Operation Plan").
- ii. The Fleet Deployment Plan, to be prepared as part of Operation Plan, shall include Routes, Frequency, Stoppage plan, and table of Schedule providing bus headways based on peak and off-peak hour requirements ("Fleet Deployment Plan").
- iii. The Authority may develop the Operation Plan in consultation with the Operator provided however, the suggestions made by the Operator shall not be binding on the Authority.
- iv. The operator needs to operate the Contracted Buses in accordance with this operation Plan.

## **8.2 Routes and Schedules:**

- i. Authority shall have the exclusive discretionary power to determine Routes, frequency and schedules of the Contracted Buses as a part of the Fleet Deployment Plan throughout the Contract Period.
- ii. The Operator shall ensure that the Contracted Buses are operated on the said Routes, frequency and schedules and other requirements as specified in the Fleet Deployment Plan and as specified by the Authority from time to time in accordance with the operation and maintenance standards specified herein.

## **8.3 Annual Assured Fleet Availability:**

- i. The Operator is expected to make available “Annual Assured Fleet” (a particular proportion of the fleet in good condition for operations) at all times during the Agreement Period.
- ii. This proportion (“Annual Assured Fleet Availability”) shall be as follows:

Type of Buses	Year 1	Year 2	Year 3	Rest of the Contract Period
New Buses (Package 1 )	93%	92%	91%	90%

- iii. In case the Operator is unable to make available the “Annual Assured Fleet”, it shall attract Liquidated damages as defined in the Operator Agreement.

## **9. Fare and Fare Collection:**

- i. The Authority shall determine the quantum of passenger fare that will be charged from the users/passengers of the Contracted Buses or persons who avail the Bus Service.
- ii. The Authority retains the right to collect Passenger Fare either by itself or through a third party using any technology or methodology it deems appropriate.
- iii. The Operator shall not directly or indirectly collect Passenger Fare or any portion thereof. The Operator shall not in any way cause any interference in the process of collection of Passenger Fare and shall fully co-operate and facilitate the process of Passenger Fare collection undertaken by the Authority.

### **9.1 Advertisement on the Buses**

- i. The Authority shall reserve the right to display advertisements of all types of media on the Contracted Buses as well as to collect and retain revenue generated from the above activity.
- ii. The Operator shall be responsible for security and cleanliness of advertisement material and equipment.

### **9.2 Operation and Maintenance Standards:**

- i. The Operator shall maintain the minimum service standards for operations and maintenance of Contracted Buses as provided in the Operator Agreement.
- ii. The Operator shall operate and maintain the Contracted Buses in accordance with the

Fleet Deployment Plan and shall at all times ensure that the frequency is maintained as specified under the Fleet Deployment Plan or as per the instructions of the Authority from time to time.

## **10. Performance Monitoring and Assessment System for New Buses**

- i. The Operator for this Package-1 shall follow the Performance Indicators provided in the Performance Appraisal System (PAS) placed as an Annexure to the Operator Agreement new buses. The parameters in the in the Performance Appraisal System (PAS) generally cover aspects of Regulatory Compliance, Passenger Experience, Safety and Vehicle upkeep.
- ii. The Operator shall pay Liquidated damages or Receive Incentive as a result of the evaluation of daily, weekly and Monthly parameters for Bus Operation and Maintenance as defined in the Performance Appraisal System (PAS). In case Aggregate Damages payable by the Operator for any particular Payment Period exceeds the 10% of total invoice amount for that Payment Period for consecutive 5 (five) Payment periods, it shall be considered as breach of obligation by the Operator and shall entitle the Authority to terminate the Agreement.

## **11. Condition In Case of Default**

### **11.1 Authority's Default:**

- i. Any of the following events shall constitute an Event of Default by the Authority (Authority's Event of Default) unless such event has occurred as a result of a Force Majeure Event:
- ii. The Authority is in Material Breach of any of its obligations under this Agreement and has failed to cure such breach within 60 (sixty) days of occurrence thereof.
- iii. The Authority has unlawfully repudiated this Agreement or otherwise expressed its intention not to be bound by this Agreement (for example: Authority fails to renew stage carriage license/permit, demands withdrawal of the Contracted Buses etc.)

### **11.2 Operator's Default:**

- i. Any of the following events shall constitute an Event of Default by the Operator ("Operator's Event of Default") unless such event has occurred as a result of a Force Majeure Event.
- ii. Operator is in breach of any of its obligations under this Agreement and the same has not been remedied for more than [60 (sixty)] days.
- iii. Operator stands incapable of supply of single fully built bus as per the specifications and fails to adhere to the timelines set forth in the Agreement.
- iv. Operator suspends or abandons the operations of Contracted Buses without the prior consent of Authority.
- v. The Operator failed to make any payments/damages/damages due to Authority within the period specified in this Agreement or indicated by Authority without any valid reason.
- vi. The Operator fails to pay back the monthly instalment of the soft loan given for four consecutive quarters.



- vii. Operator fails to maintain the Performance security as per the terms of this Agreement.
- viii. Any representation made or warranties given by the Operator under this Agreement or under the RFP document is found to be false or misleading.
- ix. The operator creates an Encumbrance over the Contracted Buses, Bus Depot, Terminals or Parking Spaces.
- x. The Operator fails to repay any debt / loan raised by the Operator for the purpose of financing the Bus Body Building from institutional Lenders such as Banks.
- xi. The Operator repudiates this Agreement or otherwise evidences an intention not to be bound by this Agreement.
- xii. Operator fails to comply with the Applicable laws, rules and regulations Any act of winding up of Operator by its Shareholder or Court of competent jurisdiction or any relevant Authority.

## **12. Termination Due to Default:**

- i. Pay any sum due and payable as the Operation Payment by the Authority till date of such termination.
- ii. Takeover peaceful possession without any Encumbrance of all Bus Depots, Computer software, electronic hardware or any Intellectual Property, pertaining to Bus Operation and maintenance, provided to the Operator.
- iii. Refund/ release of performance security in full provided there are no outstanding dues of the Authority on the Operator.
- iv. Release bus(es) under operation from the duty in case of Package 1 provided there are no outstanding dues off the Authority on the Operator.
- v. In the event of termination for an Operator Event of Default, the Authority shall: In case such termination occurs due to non-supply of buses as per agreement for Package 1
- vi. In case such an event occurs after COD. Takeover peaceful possession without any Encumbrance of Bus Depots, Computer software, electronic hardware or any Intellectual Property, pertaining to Bus Operation and maintenance, provided to the Operator.
- vii. Be entitled to invoke and retain the Performance Security amount in full Release bus(es) under operation from the duty in case of Package 1
- viii. Upon Termination of this Agreement on account of Authority's Event of Default, the Authority shall:
  - release the performance security.
  - Pay any sum due and payable as the Operation Payment by the Authority
  - pay 3 Month's Kilometer Charges (average of last 4 invoice amounts) from the date of termination, to the Operator.



### 13. Eligibility Criteria

Sl.No.	Basic Requirement	Specific Requirement	Documents required
1	Tender Document fees	Tender fee in shape of Banker's Cheque / Demand Draft to be made from any Nationalized Bank or Scheduled Commercial Bank in favour of Accounts Officer OSRTC, Bhubaneswar	Bank/Demand Draft
2	EMD	EMD in shape of Banker's Cheque / Demand Draft to be made from any Nationalized Bank or Scheduled Commercial Bank in favour of Accounts Officer OSRTC, Bhubaneswar	Bank/Demand Draft
3	Legal Entity	The Bidder should be a company registered as a Company/LLP under Companies Act, 1956/2013 .	<ul style="list-style-type: none"> <li>• Copy of Certificate of Incorporation/ Registration/ Partnership deed signed by Authorized Signatory of the Bidder.</li> <li>• Copy of PAN/ TIN/ TAN</li> <li>• Valid GSTIN and copy of GST Registration Certificate.</li> </ul>
4	Annual Turnover	Minimum <b>average annual turnover</b> of the organization must be <b>INR 100 Crores</b> from the last three (3) financial years (FY 20-21, FY 21-22, FY 22-23)	<p>Audited balance Sheet and Profit &amp; Loss account statement of the bidder for each of the last 3 audited financial years.</p> <p>Certificate duly signed by Statutory Auditor of the Bidder for total turnover.</p>
5	Net worth	The Bidder should have average annual positive net worth at <b>least ₹25 Crore</b> for last three (3) years. (FY 20-21, FY 21-22, FY 22-23)	Certificate from the Statutory Auditor clearly stating Positive Net worth as defined in this RFP in the stipulated format under <b>Annexure-V</b>
6	IT Return	The Bidder should have positively submitted IT returns last three (3) years. (FY 20-21, FY 21-22, FY 22-23)	Certificate from the Statutory Auditor clearly stating of statement.

*RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model*

Sl.No.	Basic Requirement	Specific Requirement	Documents required
7	Blacklisting	The Bidder should not be debarred/blacklisted by any State Government/ Central Government/ PSU Organization in India for Unsatisfactory performance, corrupt or fraudulent practices or any other unethical conduct either indefinitely or for a period as on date of submission bid.	A self-certified letter signed by the Authorized Signatory of the Bidder. <b>(Annexure-IX)</b>
8	Relevant Experience	Bidders bidding as Consortium, such information may be furnished for each member of the Consortium as applicable along with documentary ownership/operational experience.	Bidders Undertaking on letter head <b>(Annexure VI)</b>
9	Statement of Deviation	Statement of Deviation from Technical Specifications	Bidders Undertaking on letter head <b>(Annexure VII)</b>
10	Authorized Representative from Bidder	A power of attorney / board resolution in the name of the person signing the bid.	Original Power of attorney on legal paper/ Board resolution copy. <b>(Annexure III)</b>
11	Non-performance Declaration	A Bidder should, in the last 3 (three) years, have neither failed to perform on any contract, as evidenced by imposition of a penalty by an arbitral or judicial authority or a judicial pronouncement or arbitration award against the Bidder, as the case may be, nor has been expelled from any project or contract by any public entity nor have had any contract terminated any public entity for breach by such Bidder.	A self-certified letter signed by the Authorized Signatory of the Bidder in the stipulated format under <b>(Annexure-X)</b> in letterhead.
12	Manufacture Authorization Form (MAF)	Manufacture Authorization Form to be submitted by bidder who is participating <b>individually</b> other than OEM	MoU annexed <b>(Annexure VIII)</b>
13	The Bidder should have Ownership and/or Operation and/or Aggregation Experience of Buses in India or in foreign country over the past <b>3 years</b> immediately preceding the Bid due date.		

Sl.No.	Basic Requirement	Specific Requirement	Documents required
	<p>1 X (Weightage given to such Experience) X (No. of Buses for which the Ownership and/or Operation and/or Aggregation Experience demonstrated)</p> <p align="center">+</p> <p>(1/3) X (Weightage given to such Experience) X (No. of buses for which the Ownership and/or Operation and/or Aggregation Experience demonstrated) must be equal to or greater than the values 100 buses</p>		
14	<p>The Authority is in Material Breach of any of its obligations under this Agreement and has failed to cure such breach within 60 (sixty) days of occurrence thereof. The Weightage given to various types of experience shall be as follows:</p> <p>The Weightage given to various types of experience shall be as follows:</p> <ul style="list-style-type: none"> <li>➤ Ownership Experience: 1</li> <li>➤ Operation Experience: 0.5</li> <li>➤ Aggregation Experience: 0.25</li> </ul>		
15	<p>In case the bidder is showcasing combined experience for Operational/ Ownership / Aggregation, then overlaps shall not be permitted. That means, if the experience of ownership is taken into account for x buses, then the experience of operations for the same will not be counted and so on.</p>		
16	<p>Operation/Aggregation Experience must include Planning, managing and monitoring of day-to-day bus/Passenger vehicle operations and/or maintenance</p>		
17	<p>Operation experience, must be demonstrated through an explicit contract/concession Agreement of operations with a <b>public sector entity/Government or semi-Government Department or a private sector organization</b> of repute and which has been in successful operation for a period on at least one year.</p>		
18	<p>Aggregation Experience must be demonstrated through Agreements with Operators of Buses/. and MIS of daily vehicle availability / ridership data that demonstrates the operation of number of required buses/. over a period of at least one year.</p>		
19	<p>Ownership experience of buses and/or . by the Bidder shall have to be demonstrated through RTO books/RTO vehicle Ownership certificate or other verifiable proof of ownership for all the required no. of Buses and ., clearly showing ownership of the Bidder in case Bidder and its Associate is an Indian firm.</p>		
20	<p>In case ownership / operation experience is demonstrated through an ownership/ contract held jointly with another partner/consortium, the percentage of ownership/investment / profit sharing in that partnership/consortium shall govern and the credit would be given in proportion to the ownership/investment/profit sharing proportion only.</p>		
21	<p>In case bidder is or its Associate is a foreign firm, then it shall have to demonstrate Ownership experience of buses through equivalent statutory registration of RTO book/RTO</p>		

Sl.No.	Basic Requirement	Specific Requirement	Documents required
	ownership Certificate from their respective foreign countries. If documents/evidence as specified above are other than English language, then it should be accompanied by a notarized translation to English language only.		
22	Aggregating the Ownership and or Operational Experience of any Associate of Bidder for the purpose of meeting the Technical Capability Criteria shall be permitted.		

## 14. Details of Bidding Process

- The bidding process shall be a **Single Stage Two Envelope Proposal** system (i.e., Technical Proposal & Financial Proposal).
- Proposal shall remain valid for a period of 180 days after the Proposal Due Date.
- The bidding parameter shall be “Aggregate Bus Operation Cost for Year One” for this package of bus operation. The bidder quoting the lowest “Aggregate Bus Operation Cost for Year one” for this package of bus operation and fulfilling the eligibility criteria and responsiveness check shall be the “Preferred Bidder” for this package.

## 15. Fees and Charges.

### 15.1 Cost of RFP document (Non-refundable):

The bidders are required to submit a non-refundable sum of INR 10,000/- (Rupees Ten Thousand only) + GST (18%) in shape of Banker's cheque / demand draft in favor of Accounts Officer OSRTC, Bhubaneswar.

### 15.2 Earnest Money Deposit (EMD):

- The Proposal needs to be accompanied by bid security. The Bid Security shall be kept valid throughout the Proposal Validity Period and would need to be extended, if so, required by OSRTC, for any extension in the Proposal Validity period.
- The Bidder shall furnish as part of its Bid, Earnest Money Deposit (EMD) amount to the sum of **INR 35,000/-** per Bus (Rupees Thirty-Five thousand per bus) in shape of Banker's cheque / demand draft / Bank Guarantee to be made from any Nationalized or Scheduled Commercial Bank in favor of Accounts Officer OSRTC, Bhubaneswar.
- The Bank Guarantee should have been issued by a Scheduled Nationalized Bank or Commercial Bank in India. For the avoidance of doubt, Scheduled Bank shall mean a bank as defined under Section 2(e) of the Reserve Bank of India Act, 1934.
- OSRTC shall not be liable to pay any interest on the Earnest Money Deposit (EMD) so made and the same shall be interest free. EMD shall be non-transferable. Any Bid not accompanied by the Earnest Money Deposit (EMD) & Tender processing fee shall be rejected by OSRTC as non-responsive\*.
- The Bid Security shall stand forfeited in the following cases:
  - If any bidder withdraws his bid before the expiry of the validity period, or before the issue of letter of acceptance, whichever is earlier, or makes any modification in the

terms and conditions of the bid which are not acceptable to OSRTC.

- If a bidder engages in corrupt, fraudulent, coercive, or undesirable practice or restrictive practice.
- If bidder fails to comply the provisions of the LOA within the specified time and fails to sign the Agreement in the Terms and Conditions of this RFP
- If the bidder fails to furnish the prescribed performance security within the prescribed period the bid security is absolutely forfeited to the OSRTC automatically without any notice.
- In case of forfeiture of bid security as prescribed in “a” to “d” above, the bidder shall not be allowed to participate in the re-bidding process of the work.

## **16. Performance Security:**

- OSRTC shall issue a letter of award (LOA) to the selected Bidder within 15 days from the opening of the financial proposals. Within 30 days of such issuance, the selected firm/agency is required to submit a Performance Security in the form of Bank Guarantee from Scheduled Commercial Bank for an amount equivalent to 10% of the contract value in favor of Accounts Officer OSRTC, Bhubaneswar and enter into the contract agreement with OSRTC. The Performance Security shall be valid throughout the entire Contract period.
- This bank guarantee shall be returned by OSRTC within 60 days after successful completion of the contract or early termination of the contract.

### **16.1 Other Terms and Conditions:**

- Further, the Authority, at its sole discretion, during the course of the agreement, may ask the Operator to provide additional buses equivalent to 25% of the total quantity of buses required under the Agreement. The Agreement period of such additional buses shall be decided in consultation with the Operator at the time of issuing the request for Additional buses by Authority. However, the Agreement Period for the additional buses shall not be higher than the agreement of period mentioned in this agreement.
- In the event the Operator, within bus delivery period fails to deliver required number of buses and obtain Certificate of Acceptance from the Authority, then, the Authority shall have right to reduce the number of Contracted Buses which are to form part of the Contracted Buses by the number of buses remaining undelivered /unaccepted and it shall attract Liquidated damages as defined in the Operator Agreement.



**Odisha State Road Transport Corporation**

**Request for Proposal (RFP)**

**For**

**Selection of Bus Operator for Supply Operation and  
maintenance of LAccMI Buses for Managing Public  
Transport across the State on Gross Cost Contract  
(GCC) Model**

**(Volume-II: Instruction to Bidders)**

**Issued By**

**Odisha State Road Transport Corporation (OSRTC)  
Paribahan Bhavan, Sachivalaya Marg, Unit-II Bhubaneswar-  
751001, Odisha**

## Definitions and Interpretation

In this Volume II of the RFP, unless the context otherwise requires, capitalized terms shall have the meaning given below. Capitalized terms not defined below shall have the meaning given to them in the Bus Operator Agreement.

Term	Definition
“Addendum or Addenda”	means an addendum or addenda to the RFP.
“Annexure”	means an annexure to this Volume II of the RFP.
“Authority”	Means the <b>Odisha State Road Transport (OSRTC)</b> or its authorized representatives who has invited Proposals from competent and interested parties for Bus provision, operation, and maintenance of Buses on gross cost contract basis.
“Applicable Law”	Means all the laws, acts, ordinances, rules, regulations, notifications, guidelines, or byelaws, in force and effect, as of the date hereof and which may be promulgated or brought into force and effect hereinafter in India, including judgments, decrees, injunctions, writs or orders of any court of record, as may be in force and effect during the subsistence of this Contract, and applicable to the Project.
“Appointed Date”	Means the date of execution of the Bus Operation Agreement.
“Associates”	Means, in relation to a Bidder, a person who Controls, or is Controlled by, or is under the common Control of such Bidder, specified in this RFP
“Authorized Signatory”	Means the Person Authorized by the Bidding firm to sign the bid, correspond with the Authority, make representation to the Authority as part of bidding process and sign the contract on behalf of the bidding firm through valid Authorization document in his/her favor.
“Bus”	Means a passenger New Bus unit to be provided by the operator and that meets the Technical Specification. In relation to this, “ <b>Contracted Buses</b> ” shall mean all the Buses for the Provision and operation and maintenance of which the Operator has been contracted
“Bus Kilometre”	Means a Kilometre travelled by a Contracted Bus as part of its operations as per the terms and Conditions of Bidding Documents

<b>“Bus Service”</b>	Means the service of provision, operating and maintaining the Buses as part of the Semi urban Bus Service inside and between semi-urban areas across the State on Gross Cost Contract (GCC) model, in accordance with this RFP and Bus Operator Agreement, including providing public carriage in accordance with the performance standards stipulated by Authority.
<b>“Bid / RFP Documents”</b>	Means document comprising <b>Volume- I, II &amp; III</b> ( PIM, RFP, Bus Operator Agreement), its annexure and schedule, Addendum /corrigendum published thereof.
<b>“Bid Process/ Selection Process”</b>	Means the single-stage bidding process adopted by OSRTC to award the Project to the Selected Bidder on the terms and conditions set out in the RFP, which has commenced with the issuance of the RFP, and which will end on the date that the Bus Operator Agreement is executed for the Project.
<b>“Bid Security” or “Earnest Money Deposit (EMD)”</b>	Means Security to be furnished by the Bidder at RFP stage in accordance with provisions of RFP.
<b>“Bus Operator Agreement”</b>	Means the Agreement including, without limitation, any and all Annexure/Schedule thereto which will be entered into between Authority and the Successful Bidder through which Authority shall grant the rights to the Successful Bidder for provision, operate and maintain the Buses during the Contract Period against payment of consideration.
<b>“Clause”</b>	Means a clause of this Volume II of the RFP.
<b>“Commercial Operations Date”/ “COD”</b>	Shall be the Commercial Operation Date as defined in the Clause 3 of Volume III of this RFP
<b>“Conflict of Interest”</b>	Shall have a meaning specified in this RFP.
<b>“Companies Act”</b>	Means the (Indian) Companies Act, 1956 and/or the (Indian) Companies Act, 2013, as amended from time to time, as the context may require.
<b>“Fleet”</b>	Means the total number of Buses that are contracted to Operator for Bus provision , operation and maintenance in accordance with the provisions of Bidding Documents.



<b>“Kilometre Charge”</b>	Refers collectively to the Base Kilometre Charge for Buses.
<b>“Letter of Acceptance” or “LOA”</b>	Means the letter issued by Authority to the Successful Bidder to provide its services as per Bus Operator Agreement in conformity with the terms and conditions set forth in the Bidding Documents.
<b>“Operator”</b>	Means the successful Bidder(s) selected under pursuant to competitive Bidding Process with whom Authority has entered into a Bus Operator Agreement
<b>“Package”</b>	Means the New Buses into a particular size of fleet.
<b>“Proposal” or “Bid”</b>	Means the Pre bid qualification, Technical, Financial Bid, EMD and any other document submitted by the Bidder(s) in response to RFP issued.
<b>“Proposer” or “Bidder”</b>	Means any firm, including a partnership firm or a company, who submits a Bid/ eligibility and qualification submission along with RFP document fees under this RFP within the stipulated Due Date and Time of submission.
<b>“Preferred Proposer / Bidder”</b>	Shall mean the Bidder who qualifies the RFP (meeting eligibility and qualification criteria and whose Proposal is responsive as per RFP and Financial Proposal turned out to be Lowest and responsive as per the provisions of RFP.
<b>“Routes”</b>	Means the routes within the Bus service area determined exclusively and notified by the Authority from time to time, and the Contracted Buses under Bus Operator Agreement shall operate only on such Routes.
<b>“RTO/RTA”</b>	Means the Regional Transport Authority of concerned region / area.
<b>“Scope of Project/Work”</b>	Shall have a meaning specified in volume-III, Bus Operator Agreement
<b>“Website”</b>	means the web portal of OSRTC available at the url: <a href="http://www.osrtc.in/">http://www.osrtc.in/</a>

## 17. Interpretation

In case of any discrepancy between the main body of the Information to Bidders and the formats set out in the Annexures of the ITB, the formats will prevail.

## 18. General Information & Instructions

- The "**Instructions to Bidders (ITB)**" and the bidding formats are being issued to Bidders as Volume II of the RFP.
- This volume of the RFP sets out the bidding and evaluation process and provides necessary formats for Bidders to prepare their Pre bid Proposal, Technical Proposals and Financial Proposals for implementation of the Project – "**Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model**" in a single Package.
- The prescribed formats for the submission of Proposals are annexed to this Volume II.
- The Bidders are advised to submit their Proposals complying with the requirements stipulated in this Volume II. Proposals may be disqualified in case the Proposals received are incomplete or are non-responsive or if the information is not submitted as per the suggested formats.

### 18.1 Conflict of interest:

- A. A Bidder shall not have a conflict of interest (the "Conflict of Interest") that affects the Bidding Process. Any Bidder found to have a Conflict of Interest shall be disqualified. A Bidder may be considered to have a Conflict of Interest that affects the Bidding Process, if the relationship between two Bidders is established through common holding, either directly or through Associates, of at least 25% holding of equity/profit sharing in another company/firm, or in each other.
- B. The Bidder, its member or Associate (or any constituent thereof) and any other Bidder, its member or Associate (or any constituent thereof) have common controlling ownership interest. Common controlling ownership interest for Company and Partnership Firm is defined as follows.
  - i. If **Bidder is a Company**: In such case, the Bidder (including its member or Associate or any share holder thereof of Bidder and/or its Associates) possessing over 25% of the paid up and subscribed capital in its own company, Member or Associate as the case may be, also holds.
    - more than 25% of the paid up and subscribed equity capital in the other Bidder, its member or Associate of such other Bidder, its member or Associates is Company; and/or
    - more than 25% of profit sharing in other Bidder, its member or associates such other Bidder, its member or Associates is a Partnership firm. and/or Other Bidder, its member or Associates which is a Proprietorship Firm.
  - ii. If Bidder is a **Partnership Firm**: In such case, the Bidder or its Partners or Associate having a profit sharing of more than 25% of such Bidder or its Partners or Associate as the case may be also holds:
    - more than 25% of the paid up and subscribed equity capital in the other

Bidder, its member or Associate of such other Bidder, its member or Associates is Company; and/or

- more than 25% of profit sharing in other Bidder, its member or associates such other Bidder, its member or Associates is a Partnership firm, and/or Other Bidder, its member or Associates which is a Proprietorship Firm.
- iii. It is to be noted that this disqualification shall not apply to any ownership by a bank, insurance company, pension fund or a public financial institution referred to in section 2 of the Companies Act 2013.
  - iv. a constituent of such Bidder is also a constituent of another Bidder; or.
  - v. Such Bidders receives or has received any direct or indirect subsidy from any other Bidder/s, or has provided any such subsidy to any other Bidders; or
  - vi. such Bidders has the same legal representative for purposes of this Proposal as any other Bidders; or
  - vii. such Bidders has a relationship with another Bidders, directly or through common third parties, that puts them in a position to have access to each other's information about, or to influence the Proposal of either or each of the other Bidders.

## **18.2 Fraud and Corrupt Practices:**

- i. Bidders and their respective officers, employees, agents, and advisors are required to observe the highest standards of ethics during the Bid Process. Notwithstanding anything to the contrary contained in the RFP, Authority may reject a Proposal without being liable in any manner whatsoever to the Bidder, if it determines that a Bidder has, directly or indirectly or through an agent, engaged in a corrupt, fraudulent, coercive, undesirable, or restrictive practice in or affecting the Bid Process.
- ii. Without prejudice to the rights of Authority under Clause 2.3(i) above, in the event that a Bidder is found by Authority to have directly or indirectly or through an officer, employee, agent or advisor engaged or indulged in any corrupt, fraudulent, coercive, undesirable or restrictive practice during the Bid Process, such Bidder will not be eligible to participate in any tender or request for proposal issued by Authority either indefinitely or for a period of time specified by Authority, from the date such Bidder is found by Authority to have directly or indirectly or through an officer, employee, agent or advisor engaged or indulged in any of the activities mentioned above.
- iii. For the purposes of this RFP, the following terms will have the meaning given to them below:
  - a. **corrupt practice means:**

offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bid Process (for the avoidance of doubt, offering of employment to, or employing, or engaging in any manner whatsoever, directly or indirectly, any official of Authority who is or has been associated in any manner, directly or indirectly, with the Bid Process or has dealt with matters concerning the Bus Operator Agreement or arising from it, before or after its execution, at any time prior to the expiry of 1 (one) year from the date that such official resigns or retires from or otherwise ceases to be in the service of Authority, will be deemed to constitute influencing the actions of a person connected with the Bid Process); or

appointing or engaging in any manner whatsoever, without Authority's prior approval, whether during or after the Bid Process or after the execution of the Bus Operator Agreement, as the case may be, any person in respect of any matter relating to the Project, the Bid Process or the Bus Operator Agreement, who at any time has been or is a legal, financial or technical advisor of Authority on any matter concerning the Project. For the avoidance of doubt, this restriction shall not apply where such adviser was engaged by the Bidder or any of its Associates in the past, but his assignment expired or was terminated at least 18(eighteen) months prior to the date of issue of the RFP, nor will this restriction apply where such adviser is engaged after the expiry of the term of the Bus Operator Agreement.

- b. Fraudulent practice means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a person to obtain a financial or any other benefit or to avoid an obligation.
- c. Coercive practice means impairing or harming, or threatening to impair or harm, directly or indirectly, any person or the property of the person to influence improperly the actions of a person.
- d. undesirable practice means: (A) establishing contact with any person connected or employed or engaged by Authority with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bid Process; or (B) having a Conflict of Interest (as set out in RFP); and
- e. Restrictive practice means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating full and fair competition in the Bid Process.

### **18.3 Other Eligibility Criteria:**

- a) If any company/partnership/ proprietary firm has or its Associates have been barred by any government or government instrumentality in India or in any other jurisdiction to which such entity or its Associates belong or in which they conduct their business, from participating in any project or being awarded any contract and the bar subsists on the Proposal Due Date, such company/partnership/ proprietary firm will not be eligible to submit a Proposal. If the Authority subsequently finds that abider is so barred, then Authority may disqualify the Bidder and reject its Proposal.
- b) If any company/partnership/ proprietary firm has or its Associates have, in the 3 (three) years immediately preceding the Proposal Due Date:
  - been expelled from any project or contract by any government or government instrumentality; or
  - had any contract terminated by any government or government instrumentality for breach by such Bidder or its Associates, as the case maybe,then such company/partnership/ proprietary firm will not be eligible to submit their Proposal.
- c) If any company/partnership/ proprietary firm is affected by and has been affected by any of the following events, conditions or circumstances in the 3 (three) financial years immediately preceding the Proposal Due Date:
  - i. the Bidder being subject to proceedings for declaration of or being declared bankrupt, being wound up, or having its affairs administered or conducted by any court,

administrator, receiver.

- ii. the Bidder having been declared by a court or other competent authority as being unable to pay its debts, or having made any composition or arrangements with creditors or having had the repayment of its debts suspended; or
- iii. the Bidder being convicted or otherwise being found responsible (or having any of its directors, partners, trustees, officers or managers convicted or being found responsible) by any court, tribunal, regulatory, public or other competent authority for a breach of any laws or regulations which:
  - 1. related to any act of fraud or dishonesty for which a fine, penalty, damages, compensation, or other payment was levied against the Bidder or any of its directors, partners, trustees, officers or managers; or
  - 2. resulted in the permanent or temporary suspension of the rights of the Bidder to provide any service or carry on any type of business or operations.

then such company/partnership/ proprietary firm will not be eligible to submit their Proposal.

- d) The authority shall review the details of the litigation disclosed by a Bidder as per **Annexure IV** to determine if such litigation, in the Authority's opinion, presently affects or which could have a material adverse effect on the eligibility of such Bidder. If the Bidder is party to any litigation (required to be disclosed as per Annexure IV), which, in Authority's opinion, presently affects or which could have a material adverse effect on the financial condition or prospects or business of such Bidder or Member in the fulfilment of its obligations under the Bus Operator Agreement, then the Proposal of such Bidder shall not be considered for further evaluation.

#### **18.4 Associate(s):**

- i. In evaluating the Financial Capability Criteria and Technical Capability Criteria of the Bidder under sub-clauses herein above, aggregating the Financial Capability and Technical Capability of any Associates of the Bidder for the purpose of meeting the Financial Capability Criteria and Technical Capability Criteria shall **NOT** permitted.
- ii. For the purpose hereof, the word "**Associate**" shall mean, in relation to the Bidder, a firm which controls the Bidder (i.e., Parent) or is controlled by the Bidder (i.e., subsidiary), or is under the common control with the Bidder (i.e., sister concern).
- iii. As used here, the expression "control" means, with respect to bidding firm, which is a company, the ownership of common shareholders, directly or indirectly, of at least 50% of the voting shares / share holding of the firm in question.
- iv. As used here, the expression "control" means, with respect to bidding firm, which is a partnership, the rights of common partners to at least 50% of the profits of the firm in question.
- v. Any claims of credit from Associate firm must be accompanied by a certificate by a registered chartered accountant clearly explaining how the Associate firm meets the above definition of the Associate firm.

## **19. Clarifications and Pre-Bid Meeting**

- Any Bidder seeking clarification with regard to the RFP may address the request in writing to the Authority, at [pmc@osrtc.org](mailto:pmc@osrtc.org) or raise its queries during the Pre-Bid Meeting. All e-mail queries or clarification requests should be received on or before the last date for receiving queries, as specified in the Bid Schedule.
- The authority shall make reasonable efforts to respond to the queries or requests for clarifications on or before the date mentioned in the Bid Schedule. Authority's responses (including an explanation of the query but not identification of its source) will be made available to all the Bidders and shall be uploaded on Authority's Website. It shall be the responsibility of the Bidders to check Authority's Website for the responses to the queries or requests for clarifications. The authority may, but shall not be obliged to, communicate with the Bidders by e-mail, notice or any other means it may deem fit about the issuance of the clarifications.
- The authority shall make reasonable efforts to respond to the queries or requests for clarifications on or before the date mentioned in the Bid Schedule. Authority's responses (including an explanation of the query but not identification of its source) will be made available to all the Bidders and shall be uploaded on Authority's Website. It shall be the responsibility of the Bidders to check Authority's Website for the responses to the queries or requests for clarifications. The authority may, but shall not be obliged to, communicate with the Bidders by e-mail, notice or any other means it may deem fit about the issuance of the clarifications.
- Authority reserves the right not to respond to any query or provide any clarification, in its sole discretion, and nothing in this Clause shall be taken to be or read as compelling or requiring Authority to respond to any query or to provide any clarification. The authority may, of its own initiative, if deemed necessary, issue clarifications to all the Bidders. Verbal clarifications and information given by the Authority or any other person for or on its behalf shall not in any way or manner be binding on the Authority.
- A Pre-Bid Meeting shall be held on 20/05/2023 at 04:30 hours to clarify any queries that the Bidders may have. Queries in writing should be sent to the Authority by 17/05/2023 at the address given below. The queries shall also be mailed to [pmc@osrtc.org](mailto:pmc@osrtc.org). The Prebid Meeting will be conducted virtually and the link for the meeting will be shared with the email addresses of the respondents.
- The reply to pre-bid queries shall be uploaded to the OSRTC Website on 23/05/2023.

## **20. Amendment of RFP**

- Authority, at its sole discretion, whether on its own initiative or in response to a query raised or clarifications requested by a Bidder in writing or at the Pre-Bid Meeting, may choose to modify the RFP and the draft Bus Operator Agreement by issuing an addendum before the Proposal Due Date.
- Any modification to the RFP or the draft Bus Operator Agreement following the Pre-Bid Meeting will be made by the Authority only by issuing an Addendum.
- Any Addendum issued before the Proposal Due Date shall form part of the RFP and shall be published on <http://www.osrtc.in/>.
- Each Addendum shall be binding on the Bidders, whether or not the Bidders convey their acceptance of the Addendum and Authority will assume no responsibility for non-receipt of the Addendum by any Bidder.
- To give prospective Bidders reasonable time in which to take any Addendum into account in preparing their Proposals, Authority may, at its sole discretion, extend the Proposal Due Date.
- Any oral statements made by Authority or its advisors regarding the Bid Process, the RFP,



the draft Operator Agreement or on any other matter, including oral clarifications or information provided by or on behalf of Authority at the Pre-Bid Meeting or the minutes of the Pre-Bid Meeting shall not be considered as amending the RFP or the draft Bus Operator Agreement.

- Authority may, but shall not be obliged to, issue the revised RFP (including the revised draft Bus Operator Agreement) reflecting all the amendments and changes agreed to by Authority on or before the date that is mentioned in the Bid Schedule. If issued by the Authority, the revised RFP shall be definitive, and binding and Authority shall not entertain any deviations from the revised RFP at the time of submission of the Proposal or thereafter.
- Authorities will assume that the information contained in or provisions of the revised RFP ,if issued, will have been taken into account by the Bidder in its Proposal. Authority assumes no responsibility for the failure of a Bidder to submit the Proposal in accordance with the terms of the revised RFP or for any consequent losses suffered by the Bidder.

## 21. Form of Bid and Details of Proposal

- The authorities have adopted a **single stage Bid Process** for award of the Project. The Bidders are required to submit a single Proposal which will consist of two parts:
  - the Technical Proposal
  - the Financial Proposal

### 21.1 Technical Proposals

The Technical Proposal submitted by a Bidder shall comprise the following:

Annexures (A)	Description
Annexure I	Covering letter
Annexure II	Description of the Bidding entity
Annexure III	Power of attorney for appointing the signatory
Annexure IV	Information on Litigation
Annexure V	Format of Average Turnover and Average Net worth Certificate
Annexure VI	Vehicle Ownership or Operational Experience
Annexure VII	Statement of Deviation from Technical Specifications
Annexure VIII	Manufacture Authorization Form (MAF)
Annexure IX	Non-Blacklisting declaration
Annexure X	Self-declaration for Non-Performance

- It is clarified that all certificates to be issued by the statutory auditor of the Bidder/Member/Associate shall be issued on the letterhead of such statutory auditor.
- The Technical Proposals are un-priced proposals to establish the eligibility and qualifications of Bidders and will contain no references to the Financial Proposals of Bidders or method for developing the Project. Technical Proposals containing such financial or other technical or commercial information will be rejected as non-responsive.

## **21.2 Financial Proposals**

The Bidder shall submit its Financial Proposals in the format set out at **Annexure-B**. The format must be completed as instructed in the RFP.

Financial Proposal to be placed in separate sealed envelope.

## **22. Validity Of the Proposal:**

- i. Each Proposal shall indicate that it is a firm and irrevocable offer and shall remain valid for a period of not less than 180 (one hundred and eighty) days from the Proposal Due Date. Nonadherence to this requirement may be a ground for declaring a Proposal as non-responsive.
- ii. In exceptional circumstances, prior to the expiry of the Proposal validity period, Authority may request the Bidders in writing to extend the Proposal validity period. Bidders who agree to extend the Proposal validity period shall also extend the validity of the Bid Security for an equivalent period. A Bidder may refuse to extend the Proposal validity period without forfeiture of its Bid Security. An extension of the Proposal validity period will not entitle a Bidder to modify its Proposal.

## **23. Preparation of Proposal / Bid**

- i. Proposal / BID must be typed or written in indelible ink and should be physically signed by the **Authorized Signatory**. The name and position held by the person signing the Proposal must be typed or printed below the signature.
- ii. All pages of Technical Proposal and Financial Proposal must be physically initialed by an authorized signatory of the Bidder. If any printed and published documents are being submitted, only the cover and the last page shall be initialed.
- iii. The Proposals shall contain no alterations, omissions or additions, unless such alterations, omissions or additions are signed by the authorized signatory of the Bidder. Any interlineations, erasures, or overwriting will be valid only if they are signed by the authorized signatory of the Bidder.
- iv. While submitting the Proposals, if the space provided in the prescribed forms in the Annexures is insufficient, the Bidders may format the prescribed forms for making due provision for incorporation of the requested information.
- v. The Bidder shall be responsible for all the data provided in the Technical Proposal and Financial Proposal. The Proposals should be prepared in reasonable detail to enable the Authority or its nominated agencies/advisors to evaluate the Proposals for selection of the Bidder.
- vi. Each Bidder is advised to carry out necessary technical surveys, site visits, field investigations, market and demand assessment, etc. at its own cost and risk, before submitting its Proposal.



## **24. Submission of Proposal**

- The Bidders are required to submit the Technical Proposal and the Financial Proposal in separate sealed envelopes, clearly marked as follows:

### **Envelope A**

#### **Technical Proposal for**

Request for **Proposal “For Selection of Bus Operator for Supply Operation and maintenance of LAccMI Buses for Managing Public Transport across the State on Gross Cost Contract (GCC) Model.” (One Original + One Copy)**

**DO NOT OPEN BEFORE SPECIFIED TIME ON PROPOSAL DUE DATE**

**Submitted By: (Name of the bidder)**

**AND**

### **Envelope B**

#### **Financial Proposal for**

Request for **Proposal “For Selection of Bus Operator for Supply Operation and maintenance of LAccMI Buses for Managing Public Transport across the State on Gross Cost Contract (GCC) Model.” (One Original + One Copy)**

**DO NOT OPEN BEFORE COMPLETION OF EVALUATION OF TECHNICAL PROPOSALS**

**Submitted By: (Name of the bidder)**

(Bidders have to submit separate envelopes for each financial proposal for each package)

- Financial bids for each package should be placed in separate sealed envelope(s) inside Envelope B (Financial Proposal) and marked as follows.

Envelope – B1– Financial Proposal for Package – 01

- The separate sealed envelopes containing the Technical Proposal and the Financial Proposal shall be placed in a sealed outer envelope, clearly marked as follows:

*Proposal for*

Request for **Proposal “For Selection of Bus Operator for Supply Operation and maintenance of LAccMI Buses for Managing Public Transport across the State on Gross Cost Contract (GCC) Model.**

**Submitted By: (Name of the bidder)**

Each of the sealed envelopes (i.e., the envelope containing the Technical Proposal, the envelope containing the Financial Proposal and the outer envelope) shall clearly indicate the name, address and contact details of the Bidder.

- If the envelopes are not sealed, marked and submitted as instructed above, Authority assumes no responsibility for the misplacement or premature opening of the contents of the Proposals and consequent losses, if any, suffered by the Bidder.
- Each Bidder shall submit as part of its Proposal:

- a) the original Technical Proposal and 1 (one) copy of the Technical Proposal. The original shall be labelled "ORIGINAL" and the copy shall be labelled "COPY"; and,
- b) the original Financial Proposal.

In the event of any discrepancy between the original and the copy, the original will prevail.

The Proposals shall be submitted to the following address:

**The General Manager (Admin.)**

**Odisha State Road Transport Corporation,  
Paribahan Bhavan, Sachivalaya Marg, Unit-II,  
Bhubaneswar-751001, Odisha**

- A Proposal submitted by a Bidder to any address other than the above-mentioned address will not be considered for evaluation.
- Each Bidder shall be permitted to submit only 1 (one) bid for the Project. A Bidder who submits or participates in more than one Bid for the Project shall cause all the Bids with the Bidder's participation to be disqualified.
- The Bids shall be received at the above address until **1500 hours on 20/06/2023**. Bidders shall submit their Proposals by registered post/speed post/courier only so as to reach the designated address by the Proposal Due Date. For submission of Proposals, there will be no drop box facility available and hand delivery is not allowed. Proposals submitted by fax or e-mail shall not be entertained and shall be rejected. Further, if any Proposal is received after the specified time on the Proposal Due Date, it shall be rejected and shall be returned unopened to the Bidder.
- Authority or any of its agencies/consultants/advisors shall not be responsible for any delay in receipt of the Proposals. Any Proposal received after the Proposal Due Date shall not be opened or evaluated and shall be deemed to be rejected for all purposes.
- Bidders may be required to periodically update, at any time as may be notified by Authority, the information submitted in their proposals as regards the following:
  - evidence of access to project funding and its sources; and
  - complete balance sheet of the Bidders.
- The Bidder shall bear all costs associated with the preparation and submission of its Technical Proposal and Financial Proposal, including data collection, analysis, design, etc. Neither Authority nor any of its agencies/consultants/advisors will be responsible or liable for all such costs, regardless of the conduct or outcome of the Bid Process.

## **25. Acknowledgement by the Bidder**

A. It shall be deemed that by submitting the Proposal, the Bidder has:

- made a complete and careful examination of the information provided in the RFP.
- received all relevant information requested from the Authority.
- accept the risk of inadequacy, error or mistake in the information provided in the RFP or furnished by or on behalf of Authority.

- satisfied itself about all things, matters and information, necessary and required for submitting an informed Proposal, development of the Project in accordance with the RFP and performance of its obligations thereunder.
  - acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the RFP or ignorance of any matter in relation to the Project shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations or loss of profits or revenue from Authority, or a ground for termination of the Bus Operator Agreement; and
  - agreed to be bound by the undertakings provided by it under and in terms of the RFP and the Bus Operator Agreement.
- B. Authority shall not be liable for any omission, mistake, or error in respect of any of the above or on account of any matter or issue arising out of or concerning or relating to the RFP or the Bid Process, including any error or mistake therein or in any information or data given by Authority.
- C. It will be deemed that by submitting the Proposal, a Bidder agrees and releases Authority and its employees, agents and advisors, irrevocably, unconditionally, fully and finally from any and all liability for any claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/or performance of any obligations under the RFP and/or in connection with the Bid Process, to the fullest extent permitted by Applicable Law and waives any and all rights and/or claims it may have in this respect, whether actual or contingent, whether present or in the future.

## **26. Modifications or Withdrawals of Proposals**

- Any Bidder may modify or withdraw its Proposal after submission but prior to the Proposal Due Date, provided that Authority receives a written notice of the modification or withdrawal prior to the Proposal Due Date. The responsibility of submitting the modified Proposal, if any, by the Proposal Due Date, will rest solely with the Bidder.
- No Bidder shall be allowed to modify its Proposal after the Proposal Due Date.
- Any additional information supplied subsequent to the Proposal Due Date, unless the same has been expressly sought for by Authority, shall be disregarded.
- The modification or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with the provisions of the RFP with the envelopes being additionally marked "MODIFICATION" or "WITHDRAWAL", as appropriate.
- If Authority receives a withdrawal notice before the specified time on the Proposal Due Date, then Authority shall return the Proposal to such Bidder unopened, and the Bid Security, if any, submitted by the Bidder.
- If Authority receives a substitution notice from a Bidder before the specified time on the Proposal Due Date, then the Bidder will be allowed to substitute its original Proposal, which shall be returned unopened.

## **27. Miscellaneous Instructions to Bidders**

All Bidders should note the following:

- Strict adherence to formats, wherever specified, is required. Non-adherence to formats shall be a ground for declaring a Proposal non-responsive.

- All communication and information should be provided in writing and in English language.
- All financial data shall be in Indian Rupees.
- The metric system, except for description of land, shall be followed for units. All land-related information will be provided in Acres.
- All communication and information provided should be legible, and wherever the information is given in figures, the same should also be mentioned in words. In case of conflict between amounts stated in figures and words, the amount stated in words will be taken as correct.
- No change in or supplementary information to a Proposal shall be accepted once submitted. However, Authority or any of its agencies/consultants/advisors reserve the right to seek additional information from the Bidders, if found necessary, during the course of evaluation of the Proposal. Non-submission, incomplete submission or delayed submission of such additional information or clarifications sought by Authority or any of its agencies/consultants/advisors, within the time specified in the request, can be a ground for rejecting the Proposal. In case the Proposal is not rejected, Authority may proceed to evaluate the Proposal by construing the particulars requiring clarification to the best of its understanding, and the Bidder shall be barred from subsequently questioning such interpretation of Authority.
- Any request for clarification(s) and all clarification(s) in response thereto shall be in writing. Any clarification submitted by a Bidder that is not in response to a request by Authority will not be considered. No change in the quoted Aggregate Bus Operator Cost will be sought, offered, or permitted.
- If any claim made or information provided by the Bidder in the Proposal or any information provided by the Bidder in response to any subsequent query by Authority or any of its agencies/consultants/advisors, is found to be incorrect or is a material misrepresentation of facts, then the Proposal will be liable for rejection. Mere clerical errors or Bonafede mistakes may be treated as an exception at the sole discretion of Authority or any of its agencies/consultants/advisors, and if Authority or any of its agencies/ consultants/ advisors, is adequately satisfied.

## **28. Bid Security**

- The bidders are required to submit an Earnest Money Deposit (**Bid Security**) separately for each package as per the amount given below along with its Technical Proposal:

SI No	Package	Amount of EMD/Bid Security (In INR)
1	Package 1	INR 35,000 per Bus

- Any Proposal not accompanied by an acceptable Bid Security, in the manner stated above, shall be summarily rejected by Authority as non-responsive.
- Unless forfeited in accordance with the RFP, the Bid Security of the unsuccessful Bidders will be returned by Authority no later than 30 (thirty) days from the date of execution of the Bus Operator Agreement with the Selected Bidder.
- The Bid Security of the Selected Bidder shall be returned upon the Selected Bidder or the Operator, as the case may be, furnishing the Performance Security (in the form of an unconditional and irrevocable bank guarantee) prior to signing the Bus Operator Agreement.
- The Bidder, by submitting its Proposal pursuant to the RFP, shall be deemed to have acknowledged and confirmed that Authority will suffer loss and damage on account of withdrawal of its Proposal or for any default by the Bidder during the Proposal validity period as set out in the Bid Schedule.
- The Bid Security shall be forfeited and appropriated by Authority as mutually agreed genuine pre-estimated compensation and liquids payable to Authority for, inter alia, time, cost and effort of Authority without prejudice to any other right or remedy that maybe available to Authority hereunder or otherwise, under the following conditions:
  - Proposal is withdrawn during the Proposal validity period.
  - if a Bidder engages in corrupt, fraudulent, coercive or undesirable practice or restrictive practice as specified in the RFP.
  - if a Bidder is disqualified in accordance with Clause 7.1 (Number of Proposals), Clause 2.2 (Conflict of interest), Clause 2.4 (Other Eligibility Criteria) and Clause 21 (Rights of OSRTC).
  - if a Bidder is selected as the Selected Bidder and it fails, within the specified time limit, to:
    - sign and return, as acknowledgement, the duplicate copy of the LOA.
    - furnish the Performance Security in accordance with Clause 20.
    - fulfil any other condition precedent to the execution of the Bus Operator Agreement; or
    - execute the Bus Operator Agreement.

## **29. Opening and Evaluation of Proposals**

### **29.1 Opening of Proposals**

- Authority shall open only those Proposals that are submitted on or before the specified time on the Proposal Due Date.
- Authority shall open the Proposals at the time and on the date specified in Bid Schedule at the following address:

**The General Manager (Admin.)**

**Odisha State Road Transport Corporation,  
Paribahan Bhavan, Sachivalaya Marg, Unit-II,  
Bhubaneswar-751001, Odisha**

- The Proposals shall be opened in the presence of the Bidders whose designated representatives choose to be present.
- The names of all Bidders who have submitted Proposals will be read out, and such other details that Authority, at its sole discretion, may consider appropriate, will be announced at the opening of Proposals.
- The outer envelopes of the Proposals and the Technical Proposals will be opened on the date mentioned in the Bid Schedule and at the time and place specified in Clause -04 above. Authority will prepare a record of the opening of each part of the Proposals that will include, at a minimum, the names of the Bidders whose Proposals have been received. The Bidders' representatives who are present will be requested to sign the record. The omission of a Bidder's representative's signature on the record will not invalidate the contents and effect of the record.
- Once all the Technical Proposals have been opened, they will be evaluated for responsiveness and to determine whether the Bidders are qualified to undertake the Project. The procedure for evaluation of the Technical Proposals is set out in the RFP.
- The eligible Bidders (which meet the Qualification Criteria and the eligibility criteria) for the Project will be informed of a date, time and place for opening of their Financial Proposals.
- The Financial Proposals of only the eligible Bidders for the Project will be considered for evaluation on the date intimated by Authority. The Financial Proposals will be opened in the presence of the representatives of the eligible Bidders that choose to be present. The procedure for evaluation of the Financial Proposals is set out in the RFP.
- Bidders are advised that the qualification of Bidders and evaluation of the Financial Proposals will be entirely at the discretion of Authority. Bidders will be deemed to have understood and agreed that no explanation or justification on any aspect of the Bid Process or selection will be given.
- Any information contained in a Proposal will not in any manner be construed as binding on Authority, its agents, successors or assigns; but will be binding on the Bidder, in the event that the Bus Operator Agreement is subsequently awarded to it on the basis of such information.

## **29.2 General Conditions of Evaluation**

- To assist in the examination and evaluation of Proposals, Authority or any of its agencies/consultants/advisors may utilize the services of any consultant or other advisor to assist in the examination, evaluation and comparison of Proposals.
- Authority or any of its agencies/consultants/advisors reserve the right to verify any information submitted by the Bidders. Authority's decision regarding any Bidder's eligibility or otherwise shall be final and binding and Authority and/or any of its agencies/consultants/advisors would be under no obligation and/or responsibility to inform any Bidder of the



grounds of such decision/rejection.

- Bidders shall provide evidence of their continued eligibility, in accordance with their Proposals in a manner that is satisfactory to Authority and as Authority may reasonably request till signing of the Bus Operator Agreement. Specifically, Bidders may be required to update, at Authority's request, information in relation to evidence of access to project funding and its sources; and updated consolidated accounts. A Bidder may be disqualified, if it is determined by Authority at any stage of the Bid Process that the Bidder will be unable to fulfil the requirements of the Project or fails to continue to satisfy the qualification criteria.
- Information relating to the examination, clarification, evaluation and comparison of Proposals and recommendations for the award of the Project shall not be disclosed to Bidders or any other persons not officially concerned with such process until the award to the Selected Bidder has been announced. Any effort by a Bidder to influence Authority or any of its agencies/consultants/advisors processing of the Proposals for award shall result in the rejection of the Proposal of such Bidder.

### **29.3 Evaluation Stages**

The evaluation of the Proposals will be carried out in two sub-stages:

- The first sub-stage will involve qualification of Bidders based on the evaluation of their Technical Proposals to determine compliance with the Qualification Criteria and the eligibility criteria in accordance with the RFP. Only those Bidders who are found to meet the eligibility criteria and the Qualification Criteria will be qualified for the next sub-stage.
- In the second and final sub-stage, the Financial Proposals of the eligible Bidders (as determined in accordance with (a) above) will be evaluated for identifying the Selected Bidder for the Project.
- The Bidders meeting the Qualification criteria specified in the RFP and quoting the Lowest Aggregate Bus Operation Cost (for 1st year) as per the Financial Proposal format shall be considered Preferred Bidder for respective Package.
- In case of the Proposal of the preferred Bidder (i.e., Lowest Bidder) is found seriously unbalanced by Authority in relation to the Market Rate or its Internal Estimate or Good Industry Practice, the Authority shall be entitled to solicit, at its sole discretion, detailed price analysis for any or all items specified in Financial Proposal, from the Preferred Bidder and/or all Bidder to demonstrate the internal consistency of those prices.
- "Market Rate" shall mean prevailing Per Km rate for the Semi Urban buses with similar quality and specifications anywhere in India.
- "Internal Estimate" shall mean per km rate prepared by Authority through its internal estimates.
- "Good Industry Practice" shall mean the use of cost that would reasonably and ordinarily be expected from a skilled and experienced bus operator engaged in city bus operations anywhere in India.
- In case of the Financial Proposal of the Preferred Bidder, which is unrealistically lower or unrealistically higher than internal estimate or market rate or Good Industry Practice and which could not be substantiated satisfactorily by the Bidder, may be rejected as non-



responsive. In the RFP, the term **Preferred Bidder** shall mean the Bidder who (a) meets the Qualification Criteria and the eligibility criteria; and (b) quotes the Lowest Aggregate Bus Operation Cost in line with the provision of this RFP.

## **29.4 Evaluation of Proposals**

### **Determination of Responsiveness and Evaluation of Technical Proposals**

- The Technical Proposals will first be evaluated to determine responsiveness to the RFP. A Technical Proposal shall be considered responsive only if:
  - the Technical Proposal and all documents specified in the RFP are received in the prescribed format.
  - the Proposal is received by the Proposal Due Date, including any extension thereof.
  - it is signed, sealed and marked in accordance with the provisions of the RFP, including specifically, as per RFP.
  - it contains all the information and documents (complete in all respects) as requested in the RFP; and
  - it does not contain any condition or qualification.
- The authorities shall evaluate and determine whether the Bidders who have submitted responsive Technical Proposals satisfy the eligibility criteria and the Qualification Criteria.
- If any Bidder is found to be disqualified in accordance with the terms of the RFP or the Technical Proposal is found to be non-responsive or the Bidder does not meet the Qualification Criteria and the eligibility criteria, then the Proposal submitted by such Bidder will be rejected.
- The authority or any of its agencies/consultants/advisors may ask for additional information from the Bidders, if found necessary, during the course of evaluation of the Proposal. Non-submission, incomplete submission or delayed submission of such additional information or clarifications sought by Authority or any of its agencies/consultants/advisors, within the time specified in the request, can be a ground for rejecting the Proposal. In case the Proposal is not rejected, Authority may proceed to evaluate the Proposal by construing the particulars requiring clarification to the best of its understanding, and the Bidder shall be barred from subsequently questioning such interpretation of Authority. Any request for clarification(s) and all clarification(s) in response thereto shall be in writing. Any clarification submitted by a Bidder that is not in response to a request by Authority will not be considered.
- In order to determine whether the Bidder satisfies the eligibility criteria and the Qualification Criteria, Authority will examine the documentary evidence of the Bidder's eligibility and qualification submitted by the Bidder and any additional information which Authority receives from the Bidder upon request by Authority.
- Where any information provided by a Bidder is found to be patently false or amounting to a material misrepresentation, the Authority reserves the right to reject the Proposal.
- Upon completion of evaluation of the Technical Proposals, the Authority will notify all Bidders as to whether they are qualified and eligible for evaluation of their Financial Proposals. The Financial Proposals of those Bidders who do not qualify will not be opened.
- The eligible Bidders (which meet the Qualification Criteria and the eligibility criteria) for the

Project will be informed of a date, time and place for opening of their Financial Proposals.

## **29.5 Evaluation of Financial Proposals**

- The bidding parameter for selection of the Bidder, subject to other Qualification Criteria and eligibility criteria being met, would be the Lowest Aggregate Bus Operation Cost to be quoted by the Bidder in INR, that the Selected Bidder requires from Authority to undertake the Project.
- At the Financial Proposal Opening meeting, in the presence of representatives of the qualified Bidders that choose to be present, Authority shall open each Financial Proposal and announce Aggregate Bus Operation Cost quoted by each Bidder:
- Following the opening of the Financial Proposal,
  - A. The authority shall determine the responsiveness of each Financial Proposal. If any Financial Proposal is found
    - i. not to be complete in all respects; or
    - ii. not duly signed by the authorized signatory of the Bidder; or
    - iii. not to be in the prescribed format; or
    - iv. to contain alterations, conditions, deviations or omissions in the quoted Aggregate Bus Operation Cost ; or
    - v. not signed by the Bidder or its authorized signatory in case of any Alterations, omissions or additions in any part of Financial Proposal other than the quoted Aggregate Bus Operating Cost.

then such Financial Proposal shall be deemed to be substantially nonresponsive.

- B. The authority shall announce the names of those qualified Bidder whose Financial Proposal is found to be substantially non-responsive and, therefore, such qualified Bidder's Financial Proposal shall not be considered for award of the Project.
- C. In the course of evaluation, if the Authority finds a discrepancy between words and figures quoted, then the amount written in words shall prevail.
- D. The Bidders meeting the Qualification criteria specified in RFP and quoting the Lowest Aggregate Bus Operation Cost as per the Financial Proposal format shall be considered Preferred Bidder.
- E. If 2 (two) or more qualified Bidders quoted same amount (Aggregate Bus Operation Cost) in Financial Proposal, then Authority, in its sole discretion, may take any measures as it deems fit, including inviting fresh Financial Proposals or selecting the Bidder with the higher Net Worth.

If the Preferred Bidder is disqualified or rejected for any reason whatsoever, then the procedure set out in the RFP shall follow.

## **30. Award of Project and Other Miscellaneous Details**

### **30.1 Award of Project**

- After completing the evaluation of the Financial Proposals and identifying the Selected Bidder, Authority shall issue the Letter of Award (LOA) to Selected Bidder for this Package, indicating its intention for signing the Bus Operator Agreement.
- The Selected Bidder shall execute the Bus Operator Agreement in the revised draft form issues by Authority, with minimal changes or amendments being made to reflect facts or to correct minor errors. The authority shall, within 7 (seven) days of the acceptance of the LOA by the Selected Bidder, provide the Selected Bidder with the final execution draft of the Bus Operator Agreement.
- Unless specified otherwise, within 15 (fifteen) days upon issuance of such LOA to the Selected Bidder, the Selected Bidder shall be required to:
  - submit the Performance Security in accordance with the RFP; and
  - sign and stamp the LOA and send it to the Authority as acknowledgement of the LOA.

In the acknowledged copy of the LOA, the Selected Bidder shall indicate the date on which it proposes to execute the Bus Operator Agreement, which shall not be later than 15 (fifteen) days of the date of acknowledgement of the LOA. Authority and the Selected Bidder, as the case may be, shall execute the Bus Operator Agreement on the date specified by the Selected Bidder in the acknowledged copy of the LOA.

- The authority shall not entertain any request from the Selected Bidder for negotiations of or deviations to the final execution draft of the Bus Operator Agreement provided by Authority under RFP.
- If the Selected Bidder seeks to materially negotiate or seeks any material deviations from the final execution draft of the Bus Operator Agreement, Authority may elect to disqualify the Selected Bidder and revoke the LOA issued to the Selected Bidder. If the Authority elects to disqualify such Bidder and revoke the LOA, then the procedure set out in RFP shall follow.
- If the Selected Bidder fails to satisfy the conditions specified in the RFP above or fails to execute the Bus Operator Agreement on or before the date stipulated in the LOA, Authority may, unless it consents to an extension, without prejudice to any of its rights under the RFP or law, disqualify the Selected Bidder, revoke the LOA and forfeit the Bid Security. If the Authority elects to disqualify such Bidder and revoke the LOA, then the procedure set out in RFP shall follow.

### **30.2 RFP Document Fee and Performance Security**

#### **Cost of RFP Document:**

- The bidders are required to submit **INR 11,800/-** (non-refundable) including GST @18% to be payable in the form of Account payee Demand Draft / Pay Order / Banker's Cheque in favour of "Accounts Officer OSRTC, Bhubaneswar" along with the Proposal as non-refundable cost of RFP document.
- It is further clarified that a bidder needs to submit the Cost of RFP document.
- The cost of RFP Document shall be submitted as Part of Technical Bid in a separate sealed

cover. Any Proposal not accompanied with RFP Fees in the acceptable amount and form will be summarily rejected by the Authority as being non-responsive and Proposals of such Bidder shall not be evaluated further.

**Performance Security:**

- OSRTC shall issue a letter of award (LOA) to the selected Bidder within 15 days from the opening of the financial proposals. Within 15 days of such issuance, the selected firm/agency is required to submit a Performance Security in the form of Bank Guarantee from Scheduled Commercial Bank for an amount equivalent to **10% of the contract value** in favour of OSRTC and enter into the contract agreement with OSRTC. The Performance Security shall be valid throughout the entire Contract period.
- The Successful Bidder shall be required to furnish additional performance security, in proportion to the additional quantity of buses ordered by the Authority pursuant to the provisions of the RFP.
- If the Bidder, fails to furnish the Performance Security in the stipulated time limit, it shall be lawful for Authority to forfeit the EMD and cancel the Agreement or any part thereof.
- Authority shall be entitled to forfeit the amount of the Performance security in whole or in part in the event of any default, failure or neglect on the part of the Operator in the fulfilment or performance and obligation in all respects of the Operator as per the provision set forth in the Bus Operator Agreement.
- if the contract is terminated for reasons other than which can be attributable to the Operator, the Performance Security, shall, subject to the Authority's right to receive amounts, if any, due from the Operator under this contract, be duly discharged and released to the Operator.
- The Performance Security shall remain in full force and effect during the Contract period and 60 days thereof that would be taken for satisfactory performance and fulfilment in all respects of the contract. If required, the Performance Security may be extended on mutual agreed period. On the performance and completion of the contract in all respects, the Performance Security will be returned to the Operator without any interest.

### **30.3 Rights of Authority / OSRTC**

Authority, in its sole discretion and without incurring any obligation or liability, reserves the right, at any time, to:

- Suspend the Bid Process and/or amend and/or supplement the Bid Process or modify the dates or other terms and conditions relating thereto prior to the issuance of the LOA to the Selected Bidder.
- Consult with any Bidder in order to receive clarification or further information.
- Retain any information, documents and/or evidence submitted to Authority by and/or on behalf of any Bidder.
- Independently verify, disqualify, reject and/or accept any and all documents, information and/or evidence submitted by or on behalf of any Bidder, provided that any such verification or lack of such verification by Authority shall not relieve the Bidder of its obligations or liabilities, or affect any of the rights of Authority.

- reject a Proposal, if:
  - at any time, a material misrepresentation is made or uncovered; or
  - The Bidder in question does not provide, within the time specified by Authority, the supplemental information sought by Authority for evaluation of the Proposal.
- Accept or reject a Proposal, annul the Bid Process and reject all Proposals, at any time prior to the issuance of the LOA to the Selected Bidder, without any liability or any obligation for such acceptance, rejection or annulment, without assigning any reasons whatsoever to any person, including the Bidders and without any obligation to inform the affected Bidders.

In the event that the Authority annuls the Bid Process and rejects all Proposals, it may, in its sole discretion, invite fresh Proposals from all Bidders.

- If Authority exercises its right under the RFP to reject a Proposal and consequently, the Preferred Bidder for the Project gets disqualified or rejected, then Authority reserves the right to:
  - select the second Preferred Bidder as the Selected Bidder for the Project; or
  - take any such measure as may be deemed to fit in the sole discretion of the Authority, including inviting fresh Financial Proposals from the qualified Bidders or annulling the entire Bid Process.
- If it is found during the Bid Process, at any time before signing the Bus Operator Agreement or after its execution and while it is in force, that one or more of the Qualification Criteria and/or the eligibility criteria have not been met by a Bidder, or a Bidder has made material misrepresentations or has given any materially incorrect or false information to Authority, then:
  - the Bidder will be disqualified if not declared as the Selected Bidder by the issuance of the LOA; and
  - The LOA shall be cancelled if the Bidder has been declared as the Selected Bidder and if the Bus Operator Agreement has been executed with the Selected Bidder, then the Bus Operator Agreement shall be liable to be terminated forthwith.
- Upon any disqualification, cancellation, or termination in accordance with this Clause, Authority will not be liable in any manner whatsoever to the Bidder. Additionally, Authority will have the right to forfeit and appropriate the Bid Security or, as the case may be, the Performance Security if the Operator Agreement has been executed, as a mutually agreed genuine pre-estimate of the loss suffered by Authority for, amongst others, Authority 's time, cost and efforts in conducting the Bid Process. Such forfeiture will be without prejudice to any other right or remedy that Authority may have under the RFP or Applicable Law.

### **30.4 Miscellaneous**

- The Bid Process, the RFP and the Proposals shall be governed by, and construed in accordance with, the laws of India.
- The competent courts at Bhubaneswar shall have exclusive jurisdiction over all disputes arising under, pursuant to and/or in connection with the Bid Process and the RFP.
- All documents and other information provided by the Authority or submitted by a Bidder to Authority will remain or become the property of Authority, as the case may be. Bidders are required to treat all information provided by Authority in the RFP as strictly confidential and will not use them for any purpose other than for preparation and submission of their Proposals.

- Authority will treat all information, submitted as part of a Proposal in confidence and will require all those have access to such material to treat it in confidence. Authority may not divulge any such information or any information relating to the evaluation of the Proposals or the Bid Process unless:
  - such publication is contemplated under these RFP; or
  - such publication or disclosure is made to any person who is officially involved or concerned with the Bid Process or is a retained professional advisor advising Authority or the Bidders on matters arising out of or concerning the Bid Process; or
  - it is directed to do so by any statutory authority that has the power under law to require its disclosure; or
  - such publication is to enforce or assert any right or privilege of the statutory authority and/or Authority or as may be required by law (including under the Right to Information Act, 2005); or
  - in connection with any legal process.
- Authority shall not be required to return any Proposal or part thereof or any information provided along with the Proposal to the bidders, other than in accordance with provisions of the RFP.

## **Formats For Technical Proposal**

(Enclosed in Envelope A)

Contents:

<b>Annexures(A)</b>	<b>Description</b>
Annexure I	Covering letter
Annexure II	Description of the Bidding entity
Annexure III	Power of attorney for appointing the signatory
Annexure IV	Information on Litigation
Annexure V	Format of Average Turnover and Average Net worth Certificate
Annexure VI	Vehicle Ownership or Operational Experience
Annexure VII	Statement of Deviation from Technical Specifications
Annexure VIII	Manufacture Authorization Form (MAF)
Annexure IX	Non-Blacklisting declaration
Annexure X	Self-declaration for Non-Performance



## **Annexure I: Covering Letter (On the Letterhead of the applicant)**

To

Date: \_\_\_\_\_

The General Manager (Admin.)  
Odisha State Road Transport Corporation (OSRTC)  
Paribahan Bhavan, Sachivalaya Marg, Unit-II,  
Bhubaneswar-751001, Odisha

Ref: **Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model.**

Sir,

1. The Proposal is being submitted by M/s. (name of the Bidding company/partnership/ proprietary firm), who is the bidding company/partnership/ proprietary firm, in accordance with the terms and conditions stipulated in the RFP.
2. Having examined the 'Instructions to Bidder', Scope of Services, terms and conditions, Annexure and Content of the RFP, we undersigned, hereby submit our unconditional Proposal with regard to the captioned RFP.
3. We understand that our Financial Proposal would be opened only if we are able to demonstrate that we meet the qualifications for the package we have applied for.
4. We acknowledge that the Authority will be relying on the information provided in the Proposal and the documents accompanying such Proposal for pre-qualification of the Bidder for the aforesaid project, and we certify that all information provided in the Bid/Eligibility and Qualification Submission is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying such Proposal are true copies of their respective originals.
5. We shall make available to the Authority any additional information it may find necessary or require to supplement or authenticate the Qualification statement.
6. We acknowledge the right of the Authority to reject our Proposal without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.
7. We understand that you may cancel the Bidding Process at any time and that you are neither bound to accept any Proposal that you may receive nor to invite the bidders to bid for the Project, without incurring any liability to the Bidders.
8. We undertake that in case due to any change in facts or circumstances during the Bidding Process, we are attracted by the provisions of disqualification in terms of the provisions of this RFP, we shall intimate the Authority of the same immediately.
9. We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the Authority in connection with the selection of the Bidder, or in connection with the selection/ Bidding Process itself, in respect of the above-mentioned Project and the terms and implementation thereof.
10. We acknowledge the right of OSRTC not to award the Project without assigning any reason or otherwise and we hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.

11. We certify that in the last 3 (three) years, we or our Associates have neither been expelled from any project or contract by any government or government instrumentality or have had any contract terminated by any government or government instrumentality for breach on our part.
12. We certify that we or our Associates have not been barred by any government or government instrumentality in India or in any other jurisdiction to which such entity or its Associates belong or in which they conduct their business, from participating in any project or being awarded any contract and no such bar subsists on the Proposal Due Date.
13. We understand that OSRTC may cancel the Bid Process at any time and that you are neither bound to accept any Proposal that you may receive nor to invite the Bidders to submit a Proposal for the Project, without incurring any liability to the Bidders, in accordance with the RFP.
14. In the event of us being declared as the Selected Bidder for the Project, will enter into a Bus Operator Agreement in the draft form set out at Volume III of the RFP, as may be revised in accordance with the RFP. We agree not to seek any changes in or deviations from the aforesaid draft and agree to abide by the same.
15. We have studied all the RFP and all the information carefully. We understand that except to the extent expressly set forth in the Bus Operator Agreement, we shall have no claim, right or title arising out of any documents or information provided to us by OSRTC or in respect of any matter arising out of or concerning or relating to the Bid Process including the award of the Project.
16. A Power of Attorney from the Bidder authorizing the undersigned as the authorized representative, signatory and contact person who is authorized to perform all tasks including, but not limited to providing information, responding to enquiries, entering into contractual commitments on behalf of the Bidder etc., in respect of the Project is included as a part of the Proposal.
17. We have enclosed a Demand Draft/ Pay Order of INR 10,000 (non-refundable) plus GST @18% in favour of "OSRTC" payable at Bhubaneswar (DD No. drawn on \_ , Bank) as cost of the RFP document.
18. We agree and understand that the Proposal is subject to the provisions of the RFP. In no case we shall have any claim or right against OSRTC if the Project is not awarded to us or our Proposal is not opened.
19. We agree and undertake to abide by all the terms and conditions of the RFP document. Our Proposal shall remain valid for a period of not less than 180 (one hundred and eighty) days from the Proposal Due Date.

For and on behalf of:

Signature

*(Authorized Representative and Signatory)*

Name of the person :

Designation :

Enclosures: EMD, Power of Attorneys, RFP Document cost & other information as per RFP requirements

**Annexure II: Description of the Bidder**

SI No	Subject	Details
1	Name and address of the Bidding Entity	
2	Address of the Bidding entity, contact person, Phone/Fax Nos., E-Mail Address	
3	Main lines of business of the Bidding entity	
4	Details of the Authorized Signatory/Point of Contact Name – Designation – Email Address – Address for Communication – Mobile No. -	

Signature :

*(Authorized Representative and Signatory)*

Name of the person :

Designation :

### **Annexure III: Format of Power of Attorney for Appointing Signatory**

(On Requisite Stamp Paper)

KNOW ALL MEN by these presents that we, [name of the company/partnership/ proprietary firm], a company/partnership/ proprietary firm incorporated under the [Insert relevant act], having its Registered Office

at.....(hereinafter referred to as “company/partnership/ proprietary firm ”):

WHEREAS in response to the Request for Proposal (RFP) for” **Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model**” (“Project”), the company/partnership/ proprietary firm is submitting its Proposal for the Project issued by the OSRTC and is desirous of appointing an attorney for the purpose thereof.

Whereas the company/partnership/ proprietary firm deems it expedient to appoint

Ms./Mr. ----- Daughter/son of -----  
-----resident of ----- , holding the post of  
-----as the Attorney of the Company.

NOW KNOW ALL MEN BY THESE PRESENTS, that -----  
----- [name of the Company] do hereby nominate, constitute and appoint [name & designation of the person] son/daughter/wife of -----as its true and lawful Attorney so long as she/ He is in the employment of the company/partnership/ proprietary firm to do and execute all or any of the following acts, deed and things for the company/partnership/ proprietary firm in its name and on its behalf, that is to say:

- to act as the company/partnership/ proprietary firm official representative for submitting the Technical Proposal and Financial Proposal for the Project and other relevant documents in connection with the RFP
- to sign all documents in relation to the Proposal (including clarifications and queries to the RFP) and participate in bidders and other conferences, respond to queries, submit information/documents, sign and execute contracts and undertakings consequent to acceptance of the Proposal.
- to submit documents, receive and make inquiries, make the necessary corrections and clarifications to the Project documents, as may be necessary.
- to sign and execute contracts relating to the Project, including any variations and modifications thereto.
- to represent the company/partnership/ proprietary firm at meetings, discussions, negotiations and presentations with Authority, Government Authorities, Independent Engineer and any other Project related entity.

**RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model**

- to receive notices, instructions and information for and on behalf of the company/partnership firm;
- to execute all necessary agreements or documents for implementation of the Project, including the Bus Operator Agreement for and on behalf of the company/partnership/proprietary firm ; and
- to do all such acts, deeds and things in the name and on behalf of the company/partnership/proprietary firm as necessary for the purpose aforesaid.

And we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the power hereby conferred shall always be deemed to have been done by us.

<p>The common seal of [name of the company/partnership/ proprietary firm] was here unto affixed pursuant to a resolution passed at the meeting of Committee of Directors held on the day of -----,23.</p> <p>in the presence of [name &amp; designation of the person] and countersigned by [name &amp; designation of the person] of the company/partnership/ proprietary firm of [name of the company/partnership/ proprietary firm]</p>	<p>-----</p> <p>[name &amp; designation of the person]</p> <p>-----</p> <p>[name &amp; designation of the person]</p>
--	---

**Instructions:**

- The mode of execution of the power of attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.*
- Wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution/ power of attorney in favour of the person executing this power of attorney for the delegation of power hereunder on behalf of the Bidder.*
- For a power of attorney executed and issued overseas, the document will also have to be legalized by the Indian Embassy and notarized in the jurisdiction where the power of attorney is being issued. However, the power of attorney provided by Bidders from countries that have signed the Hague Legislation Convention, 1961 are not required to be legalized by the Indian Embassy if it carries a conforming Apostille certificate.*

## Annexure IV: Format of Information on Litigation

*(To be provided by the Bidder)*

Sl. No.	Name	Forum and Counterparty	Brief Description of the matter	Estimated financial liability	Current Status of Litigation	Orders passed against the Bidder

Signature :

*(Authorized Representative and Signatory)*

Name of the person :

Designation :

## **Annexure V: Format of Average Turnover Certificate and Average Net worth Certificate**

Date:

(The average Net worth Certificate and Average Annual Turnover Certificate should be certified by Statutory Auditor)

<b>Sl. No.</b>	<b>Financial Year</b>	<b>Average Annual Turnover (INR Crores)</b>	<b>Net worth (in INR Crores)</b>
1	2020-21		
2	2021-22		
3	2022-23		
4	<b>Average</b>		

### **Instructions:**

- The Bidder should provide details of its own Financial Capacity specified in the Tender.
- The Bidder shall attach copies of the financial statements and Annual Reports for 3 (three) years preceding the Bid Due Date. The financial statements shall:
  - Reflect the financial position and turnover of the Bidder.
  - Be audited by a statutory auditor.
  - Be complete, including all notes to the financial statements; and
  - Correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).

Dated this .....day of 2023.

-----  
**Name of the CA:**

-----  
**Signature of Certifying CA:**

**Membership No**

**UDIN-**



## Annexure VI: Vehicle Ownership or Operational Experience

{On Bidder's letterhead}

We hereby declare that our company/firm has experience of operation of following no of Buses /. through ownership or contractual right.

### FOR OWNERSHIP EXPERIENCE FOR REQUIRED NO OF BUSES/. FOR LAST THREE YEARS:

Period of Ownership (Year to Year)	No. of Passenger Buses/. owned by the Bidder	No. of Passenger Buses/. owned by the Associate	Total	Relationship with the Associate as per the definition provided in the RFP

- ❖ Copy of RC books for owned vehicles are to be attached here with.
- ❖ RTO ownership certificate.
- ❖ Document showing relationship of Bidder with the Associate.

### FOR OPERATION EXPERIENCE FOR REQUIRED NO OF BUSES/. FOR LAST THREE YEARS:

No. of Bus/. operated through contract by the Bidder	No. of Bus/. operated through contract by the Associate	Total	Relationship with the Associate as per the definition provided in the RFP
<i>Details to be submitted in the table.</i>  1. No. of buses/. contracted. 2. Contract period 3. Contract Date and number 4. Name of the client	<i>Details to be submitted in the table.</i>  1. No. of buses/. contracted. 2. Contract period 3. Contract Date and number 4. Name of the client		

- ❖ The copy of contract document/Letter of Award / Letter of Intent
- ❖ Completion certificate / Interim Satisfaction Certificate from the client for respective contract if available
- ❖ Document showing relationship with the Associate as per the definition given in the Technical Qualification criteria.

**RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model**

- ❖ In case operation contract is held in partnership, the partnership agreement copy specifying the share of each partner must be submitted.

**FOR AGGREGATION EXPERIENCE FOR REQUIRED NO OF BUSES/. FOR LAST THREE YEARS:**

<b>No. of Bus/. operated through aggregation by the Bidder</b>	<b>No. of Bus/. aggregated through by the Associate</b>	<b>Total</b>	<b>Relationship with the Associate as per the definition provided in the RFP</b>
<i>Details to be submitted in the table.</i>  1. No. of buses/. aggregated. 2. Contract period 3. Location vehicle rides details 4. App details	<i>Details to be submitted in the table.</i>  1. No. of buses/. aggregated. 2. Contract period 3. Location vehicle rides details 4. App details		

- Copies of contract documents /Letter of Association with vehicle owners / operators for aggregation
- Vehicle Ride/ridership data in verifiable MIS formats
- Document showing relationship with the Associate as per the definition given in the Technical Qualification criteria.
- In case operations are in partnership firm, the partnership agreement copy specifying the share of each partner must be submitted.

**(Signature and name of Authorized Representative)**

Designation: -

Date:-

## **Annexure VII: Statement of Deviation from Technical Specifications**

We hereby state the deviations from the Technical Specifications in our offer. We understand that the OSRTC has the right to discuss these deviations with us before finalization of Technical Bid and before final bid aware. We understand and accept that in the event of material deviation, our bid is likely to be rejected.

<b>SI No</b>	<b>Technical Specification Clause Reference and Provision</b>	<b>Deviation proposed</b>	<b>Rationale thereof</b>

Signature and Seal of the Bidder

## **Annexure VIII: Manufacture Authorization Form (MAF)**

(To be submitted by bidder who is participating individually other than OEM)

### **MEMORANDUM OF UNDERSTANDING**

M/s. \_\_\_\_\_, having CIN : \_\_\_\_\_, a company incorporated under the Companies Act 1956, and having its registered office at \_\_\_\_\_, (which expression shall unless repugnant to the context or meaning thereof, mean and include its successors, executors, administrators, legal representatives, and permitted assigns, of First part;

AND

M/s. \_\_\_\_\_, having CIN : \_\_\_\_\_, a company incorporated under the Companies Act 1956, and having its registered office at \_\_\_\_\_ India, (which expression shall unless repugnant to the context or meaning thereof, mean and include its successors, executors, administrators, legal representatives, and permitted assigns, of Second part.

### **WHEREAS**

- A. The party of First part is in the business of \_\_\_\_\_ and meeting the eligibility criteria as mentioned in the Tender Document Issued by Odisha State Road Transport Corporation (OSRTC), to act as an “Fleet Provider/Operator” and shall abide by the terms & conditions of said Contract during the entire Contract period.
- B. The party of Second part is in the business of \_\_\_\_\_ and meeting the eligibility criteria as mentioned in the Tender Document Issued by OSRTC, to act as an “OEM” and shall abide by the terms & conditions of said Contract during the entire Contract period.
- C. OSRTC intends to deploy AC / Non-AC Midi 9m Buses across the State of Odisha and accordingly, it invited the bids for hiring of 175 AC/Non-AC Buses on Gross Cost Contract Model for facilitating public transport on the specified routes in the state of Odisha (herein after called as Contract) for 8 (Eight) Years (Contract Period).
- D. The party of First part is in desirous to participate in the bid Individually/Lead Member of Consortium] floated by OSRTC and shall act as Fleet Provider, Operator for the said Contract and shall procure the midi Buses from the party of Second part, acting as an “OEM”, if it succeeds in the bid and upon award of the Letter of Award (LOA) for the said Contract.
- E. The party of Second part, shown their interest to supply AC/Non-AC Midi 900mm Buses [its related equipment and compact sub-stations] as an “OEM” to the Fleet Provider/Operator for the said Contract.

The party of First part and Second part are hereinafter individually referred as to the “Party” and collectively “Parties”.

Now therefore on the term that the Party of First part shall act as “Fleet Provider/Operator” and party of Second part to act as an “OEM” for the entire Contract Period floated by OSRTC for hiring of \_\_\_\_ AC/Non-AC Midi 900mm (“Buses”) on Gross Cost Contract Model under LAccMI Scheme for facilitating public transport on the specified routes in the state of Odisha, the Parties are desirous to execute this Memorandum of Understanding (MOU) with the intention of both being legally bound, and accept the following terms and conditions: .

## **1) PURPOSE:**

The parties to this MOU mutually agreed for the following:

- A. The party of First part shall act as Fleet Provider/Operator for the entire Contract and shall abide by the following:
  1. Be responsible for Buses Operation/Fleet deployment as per Contract.
  2. Finance the project and be responsible for arranging the required debt funding for execution of the contract and also provide the Subsidy Bank Guarantees (BG's), Performance Security Bank Guarantees (PS) and any other Bank Guarantee under the Concession Agreement to be entered between OSRTC & Fleet Provider/Operator wherever required in respect of execution of contract.
  3. Be responsible for all approvals, permissions, registrations under MV Acts.
  4. Be responsible for obtaining all statutory approvals and comply with all other applicable laws.
  5. Be responsible for manpower arrangement and comply with various statutory Acts.
  6. Be responsible for day-to-day operations and management of contracts as per the RFP requirements.
  7. Be responsible for all other things as may be required to meet contractual obligations except obligations provided under **Clause No. 1.b below. B)**
- B. The party of Second part shall act as an OEM during entire contract period, as per the Concession Agreement to be entered in between OSRTC & the party of First part and shall abide by the following:
  1. Shall be responsible for manufacture and Supply of 900mm Ac/Non-Ac Buses [its related equipment and compact sub-stations] as per the specifications offered in the Bid against the RFP.
  2. Shall be responsible for all Type Approvals related to the Bus [compact sub-stations]
  3. Shall be responsible for fulfilling the guidelines of Government .
  4. Shall be responsible for technical support, supply of materials/ spare parts/ units/ aggregates related to the buses supplied.
  5. Shall be responsible for providing maintenance throughout the Contract.
  6. [In case of suspension/termination of the party of first part, shall continue its obligations under this sub-clause to the new Fleet Provider/Operator who shall have obligation provided under clause 1.A.]

<b><u>FIRST PARTY:</u></b>	<b><u>SECOND PARTY:</u></b>
<b><u>Name of the Company:</u></b>	<b><u>Name of the Company</u></b>
Office Address:	Office Address:
Email id :	Email id :

In witness whereof, the Members hereto have executed this MOU in (\_\_\_\_ copies) identical counter parts each of which shall be deemed as original.

For & on behalf of \_\_\_\_\_ (First Party)

WITNESS 1

Name:

Designation:

Date:

Seal:

For & On behalf of \_\_\_\_\_ (Second Party)

WITNESS 2

Name:

Designation:

Date:

Seal:



## Annexure VI: Non-Blacklisting declaration

*{Company Letter head}*

Format of self-certificate stating that the Entity/Promoter/s / Director/s of Entity are not blacklisted.  
Anti-Blacklisting Certificate

M/s.....(Name of the bidder), (the names and addresses of the registered office) hereby certify and confirm that we or any of our promoter(s)/ director(s) are not barred by State Government / any other Government entity or blacklisted by any state government or central government / department / Local Government / agency in India or from abroad from participating in Project/s, either individually or as member of a Consortium/JV as on the\_\_\_\_(Last date of submission of bid).

We further confirm that we are aware that our application for the '**Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model**' would be liable for rejection in case any material misrepresentation is made or discovered with regard to the requirements of this RFP at any stage of the bidding process or thereafter during the agreement period. Dated this .... Day of..... 2023.

---

Name of the bidder

---

Signature of the Authorized person

---

Name of the Authorized Person

**Annexure VII: Self-declaration for Non-Performance**

I/ We ..... hereby declare that my / our firm M/S ..... have successfully executed the work order assigned by the State Government / any other Government entity or any state government or central government / department / Local Government / agency in India. There is no remark of non- performance or non-compliance in any of our past projects, or any contractual dispute / litigation / arbitration in the recent past. Dated this ..... Day of .... 20.....

\_\_\_\_\_  
Name of the bidder

\_\_\_\_\_  
Signature of the Authorized person

\_\_\_\_\_  
Name of the Authorized Person

## **ANNEXURE-B**

### **Formats for Financial Proposal**

(Enclosed in Envelope B)

Date: -----

(On the letter head of Bidder)

Place: -----

To

The General Manager (Admin.)  
Odisha State Road Transport Corporation (OSRTC)  
Paribahan Bhavan, Sachivalaya Marg, Unit-II,  
Bhubaneswar-751001, Odisha

Ref: Submission of Financial proposal for Package-I **“Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model.”**

Dear Sir,

[Being duly authorized to represent and act on behalf of (name of the Bidder)], having reviewed and fully understood all the requirements of the Request for Proposal dated [ ..... ] (RFP) issued by OSRTC for Package-1:- “Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model”, we hereby provide our Financial Proposal.

1. We understand that the services shall be provided as per the terms and conditions specified in the Bus Operator Agreement and Applicable Laws.
2. The Financial proposal for the Project has been quoted by us after taking into consideration all the terms and conditions stated in the RFP, the draft Bus Operator Agreement, our own estimates of costs and after a careful assessment of all the conditions that may affect the Proposal.
3. It is a firm and irrevocable offer and shall remain valid and open for a period of not less than 180 days from the Proposal Due Date. We acknowledge and agree to the submission of an unconditional proposal.
4. We acknowledge that, Authority takes no responsibility for ensuring such an exemption and the operator will have to deal with the GST issue by itself.
5. We acknowledge that, the Authority shall not be liable to make any payment to our vendors providing supporting services for LaccMI Scheme Bus Operations.
6. The authority retains the right to explore tax-friendly options and arrangements with us as permitted under law.
7. We have quoted the Aggregate Bus Operating Cost for 1st year after through reading of this RFP document, Draft Bus Operator Agreement and Response to Queries/Amendment documents, breakup between variable and fixed cost, detailed due diligence of the site, GPs,

Blocks, District conditions, passenger load and likely wear and tear of the buses.

8. **Our Financial Proposal for the package 1**, as part of the Bidding Option that we have selected, is as follows:

**Financial Proposal for Package 1 (175 nos New 900mm Midi Buses- 35 Nos. AC, 140 Nos. non-AC)**

**A. AGGREGATE BUS OPERATING COST**

SI No	Item	Rate (Rs per KM) (Non-AC Buses)	Rate (Rs per KM) (AC Buses)
1	Capital Cost (Bus Provision /Depot equipment's and other upfront investments)		
2	Labour		
2(A)	Driver Salary		
2(B)	Other Admin staff		
2(C)	Maintenance Staff		
3	Fuel and Lubricants		
4	Tyre Tubes		
5	Battery		
6	Repair and Maintenance except AC		
7	Repair and Maintenance of AC		
8	Insurance		
9	Cleaning		
10	Financing/Interest Cost		
11	Other Cost (Water, Electricity and other overhead cost etc pl specify)		
12	Profit		
13	<b>Any other (please indicate )</b>		
14	<b>Base Rate (Total of 1 to 13)</b>		
15	GST, if any (It will not be considered for price comparison between different bids)		
16	<b>No. of Bus (Quantity)</b>	<b>140</b>	<b>35</b>
17	Assured Km Per annum per bus		
18	Total Value of Payment for First year of Operation (before GST, if any) (14 x 16 x 17)		

19	Total Value of Payment in Year 1 (Sum of both values in Row 18) (In figures) <b>(Aggregate Bus Operating Cost)</b>		
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**Note:**

*For the purposes of evaluation, only the Aggregate Bus Operating Cost in Year 1 as per Row 19 above based on Base Rate shall be considered. GST, if applicable will be payable at applicable rate over the above price per km but will not be part of financial Evaluation for comparison of Proposal purposes.*

**B. COST OF BUS PROVISION:**

Bidder must submit estimated cost of Bus in the following manner for information purposes. This will not be used in Price comparison of different bids.

Bus Provision Cost	
<b>Rs. Per Standard Bus (Inclusive of all taxes) (A/C buses) (In Figures)</b>	<b>Rs. Per Bus (Inclusive of all taxes) (A/C buses) (In Words)</b>
<b>Rs. Per Standard Bus (Inclusive of all taxes) (Non-A/C buses) (In Figures)</b>	<b>Rs. Per Bus (Inclusive of all taxes) (Non-A/C buses) (In Words)</b>

**(Signature and name of Authorized Representative)**

Designation: -

Date:



**Odisha State Road Transport Corporation**

**Request for Proposal (RFP)**

**For**

**Selection of Bus Operator for Supply, Operation and  
Maintenance of Buses for Managing Public Transport  
across the Cluster-I routes under LAccMI Scheme on  
Gross Cost Contract (GCC) Model**

**(Volume-III: Draft Bus Operator Agreement)**

**Issued By**

**Odisha State Road Transport Corporation (OSRTC)  
Paribahan Bhavan, Sachivalaya Marg, Unit-II Bhubaneswar-  
751001, Odisha**

## **BUS OPERATOR AGREEMENT (LAccMI Scheme)**

This Bus Operator Agreement (**Agreement**) is executed on this .....day of ..... 2023 at Bhubaneswar.

### **BETWEEN**

**M/s. Odisha State Road Transport Corporation (OSRTC)**, enacted under the R.T.C act (Act No.64 of 1950) in 1950 having its Headquarter office at **Paribahan Bhavan, Sachivalaya Marg, Unit-II, Bhubaneswar - 751001 Odisha, India**. (hereinafter referred to as the “**Authority/OSRTC**”, which expression shall include its successors and permitted assigns);

### **AND**

**M/s. -----**, a company incorporated under the [Companies Act, 1956]/[Companies Act, 2013]/ Registered Partnership firm/ LLP having its registered office at [ ] [insert address](hereinafter referred to as the “**Operator**”, which expression shall include its successors and permitted assigns);

The Authority and the Operator are hereinafter individually referred to as “**Party**” and collectively as “**Parties.**”

### **WHEREAS**

- A. The authority is legally empowered and mandated to plan, schedule, own, manage, operate and maintain the Bus Service in Odisha under LaccMI Scheme. The Authority is planning to upgrade and expand the Semi Urban Transport Bus System. As part of this plan, the Authority is deploying 175 numbers of 900mm Midi buses (**Bharat Stage VI Diesel buses**)(AC and Non-AC) under **LaccMI Scheme** comprising one package through the Gross Cost Contract with private operators selected through open competitive bidding.
- B. This Agreement is for [Package 1 comprising **35 Midi size AC and 139 Midi size Non-AC** Bharat Stage-VI Diesel buses with the Operator for Procurement, Operation and Maintenance of these buses with responsibilities better defined in the accompanying clauses in this Agreement and other volumes of this RFP document.
- C. The Authority had issued an RFP in xx/xx/2023 for selection of Private Bus Operator for aforementioned work. **M/s. ....** had submitted its proposal which was duly evaluated and accepted by the Authority vide Letter of Acceptance dated .....(hereinafter called the “**LOA**”) for **35 Midi size AC and 139 Midi size Non-AC** Bharat Stage-VI Diesel buses (Contracted Buses). The LOA requires, inter alia, the execution of this Agreement.
- D. By its letter dated ..... **M/s. ....** (Operator) has accordingly agreed to enter into this Agreement with the Authority for execution of his rights and responsibilities, subject to and on the terms and conditions set forth hereinafter.



- E. The Operator has submitted Performance Security of Rs. .... (in words) in the form of Bank Guarantee, with Number .....Dt ..... from ..... Bank in favour of the Authority encashable in Bhubaneswar as prerequisite for signing of this Agreement.
- F. The Authority and the Operator are hereby entering into this Operator Agreement to implement the Project of Procurement, operation and maintenance of the LAccMI Bus Service System in the semi urban area of Odisha.

**NOW, THEREFORE, the Parties hereto hereby agree as follows:**

## **1. DEFINITIONS AND INTERPRETATION**

**1.1.** In the Agreement, unless the context otherwise requires, the following terms and expressions, whenever used, shall have the following meanings hereinafter respectively ascribed to them:

**1.1.1. “Agreement”** means this agreement executed between the Authority and the Operator together with its annexure and any further correspondence, notices, and conditions, in the RFP or otherwise, that the Parties signatory to this Agreement have expressly agreed to include as part of this Agreement.

**1.1.2. “Applicable Clearances”** means all clearances, permits, no-objection certifications, exemptions, authorizations, consents and approvals required to be obtained or maintained under Applicable Law, in connection with the Project, during the subsistence of this Agreement.

**1.1.3. “Applicable Law”** means all the laws, acts, ordinances, rules, regulations, notifications, guidelines or byelaws, in force and effect, as of the date hereof and which may be promulgated or brought into force and effect hereinafter in India, including judgments, decrees, injunctions, writs or orders of any court of record, as may be in force and effect during the subsistence of this Agreement, and applicable to the Project.

**1.1.4. “Appointed Date”** shall mean and refer to the date of signing of this Agreement.

**1.1.5. “Assured Fleet Availability”** shall have the meaning as ascribed thereto in Clause 4.1(i) of the Agreement.

**1.1.6. “Available Fleet”** means the Buses made available by the Operator to Authority for operations to meet the Assured Fleet Availability Clause 4.1(i) of the Agreement.

**1.1.7. “Authority”** means OSRTC or its authorized representatives.

**1.1.8. “Authority Clearances”** means the clearances, which are required to be procured by the Authority in accordance with Applicable Law, and which have been provided

in detail in Annexure PA11 to this Agreement.

- 1.1.9. “Authority’s Event of Default”** shall have the meaning as ascribed thereto in Clause 32.2 of the Agreement.
- 1.1.10. “Bus Deployment Schedule”** shall have the meaning as ascribed thereto in Clause 11.1 of the Agreement.
- 1.1.11. “Bus Kilometer”** means a kilometer travelled by a Contracted Bus as per this Agreement or as directed by the Authority.
- 1.1.12. “Base Kilometer Charge” or “Kilometer Charge”** means the rate of the Kilometer Charge payable by the Authority to the Operator for travel by a Bus up to the Annual Assured Bus Kilometers.
- 1.1.13. “Bus Permit”** means the permit for operating the Contracted Buses as required under the Motor Vehicles Act, 1988 or any other Applicable Law from time to time.
- 1.1.14. “Bus Specification/Technical Specifications”** shall mean the specifications of the Contracted Buses including but not limited to design, power, GRPS, GPS and PIS and other IT equipment and other details stipulated by the Authority during the purchase of such buses.
- 1.1.15. “Bus Stop”** means designated points as determined by the Authority, from time to time and notified to the Operator in writing, and such Bus Stops are where the Buses may stop for a short duration for passengers to embark onto the Bus or disembark from the Bus.
- 1.1.16. “Bus Depot Area” or “Depot Area”** means the area provided by the Authority to Operator for Parking, Repair and Maintenance of Contracted Buses.
- 1.1.17. “Central Control Centre”** means computerized central monitoring unit setup, audited and supervised by the Authority for supervision, monitoring and control of the Bus Service.
- 1.1.18. “Commercial Operations Date”/ “COD”** for each Lot of Contracted Buses, be the date of deployment on the roads for operations of Last Lot of Contracted Buses by the Operator after submission of the requisite Performance Security and shall have the meaning specified in Clause 16.1 of this Agreement.
- 1.1.19. “Contracted Bus(es)”** means one or more of the passenger bus units procured by the Operator for the purposes of operation and maintenance in the Bus Service Area in accordance with the terms of this Agreement, and which shall include but not be limited to including GRPS, GSPS and PIS and other IT equipment, and the details of such Buses such as the type, category registration number shall be

provided in detail in Annexure PA8 to this Agreement at later stage.

**1.1.20. “Dispute”** shall have the meaning ascribed to it in Clause 37 of this Agreement.

**1.1.21. “Encumbrances”** means any encumbrance such as mortgage, charge, pledge, line, hypothecation, security interest or other obligations and shall also include physical encumbrances, including utilities both under and above the ground and encroachments.

**1.1.22. “Appointed Date”** shall mean and refer to the date of signing of this Agreement.

**1.1.23. “Fines”** shall have the meaning as ascribed thereto in the Agreement.

**1.1.24. “Fleet”** shall refer to the total number of Contracted Buses having achieved COD pursuant to this Agreement.

**1.1.25. “Operation Plan”** means the detailed plan as developed and finalized by the Authority from time to time in accordance with Clause 19.

**1.1.26. “Global Positioning System (GPS)”** means the equipment installed on the bus to monitor its movement on the specified route during the Agreement Period.

**1.1.27. “Government”** means the “Government of Odisha or “Government of India (GOI)” as is relevant in the context.

**1.1.28. “Good Industry Practice”** shall mean the exercise of that degree of skill, diligence, prudence and foresight in compliance with the undertakings and obligations under this Agreement which would reasonably and ordinarily be expected of a skilled and an experienced person engaged in the implementation, operation and maintenance or supervision or monitoring thereof of any of them of a project similar to that of the Project.

**1.1.29. “Invoice Amount”** shall have the meaning specified in Clause 23.5(23.5.1) of this Agreement.

**1.1.30. “Half Yearly Assured Bus Km”** shall have the meaning as ascribed thereto in Clause 23.5 of the Agreement

**1.1.31. “LED Display”** shall mean the light emitting diode display installed on the bus which would show the name and number of the designated Route of the respective Contracted Buses and which shall be used for the public information system.

**1.1.32. “Letter of Award”** means the letter of award dated / /2022 issued by the Authority to the Selected Bidder to

**1.1.33. “Lot of Contracted Buses”** or “Lot” means Lot of Contracted Buses and details of which have been/shall be provided in the Annexure PA8 to this Agreement.

- 1.1.34. “Manufacturer”** means the bus manufacturer supplier of the Contracted Buses to the Authority.
- 1.1.35. “Material Breach”** means a breach of the terms and conditions of this Agreement, which has a material adverse effect on any act or event, or on the ability of either Party to perform any of its obligations under and in accordance with the provisions of this Agreement, which include but are not limited to an act or event which causes a material financial burden or loss to either Party.
- 1.1.36. “Operation and Maintenance Standards”** means the operation and maintenance requirements which are required to be undertaken by the Operator throughout the Agreement Period and have been provided at different places in the agreement.
- 1.1.37. “Operations Manager”** shall have the meaning ascribed to it in Clause 25.1.11.
- 1.1.38. “Operating Plan” or “Operation Plan”** means the detailed Route plan and trip schedule for the Bus Service, which is developed and finalized by the Authority.
- 1.1.39. “Operator”** shall have the meaning as ascribed thereto in the array of Parties in the Recitals above.
- 1.1.40. “Operator Clearances”** means the clearances which are required to be procured by the Operator in accordance with Applicable Law and which have been provided in detail in Annexure to this Agreement.
- 1.1.41. “Operator’s Event of Default”** shall have the meaning as ascribed thereto in Clause 32.1 of the Agreement.
- 1.1.42. “Operator’s Payment”** means payment given to the Operator for providing operating and maintenance services in accordance with Clause 23 of this Agreement.
- 1.1.43. “Passenger Fare”** shall have the meaning ascribed to it in Clause 21.1 of this Agreement.
- 1.1.44. “Payment Period”** shall have the meaning as ascribed thereto in Clause 23.5 of this Agreement.
- 1.1.45. “Performance Security”** shall have the meaning as ascribed thereto in Clause 7.1 of this Agreement.
- 1.1.46. “Project”** means maintenance service of the Contracted Buses being provided by the Operator for Bus Services in and around the State of Odisha in accordance with the terms of this Agreement.
- 1.1.47. “RTO”** means the Regional Transport Office of Odisha.

**1.1.48. “Remedial Period”** shall have the meaning specified in Clause 33.1 and 33.2 of this Agreement.

**1.1.49. “Routes”** means the routes within the Bus Service Area determined exclusively and notified by the Authority from time to time, and the Contracted Buses under this Agreement shall operate only on such Routes.

**1.1.50. “Selected Bidder”** means the Bidder to whom the Authority issues the Letter of Award for undertaking the Project.

**1.1.51. . “Soft Loan”** shall have meaning ascribed in the Clause 6 of this agreement.

**1.1.52. “Third Party”** means any person other than the Authority and the Operator

**1.1.53. “Contract Period/ Agreement Period”** shall mean the term as defined in Clause 3.1

**1.1.54. “Training Period”** shall have the meaning as ascribed thereto in Clause 16.4 of this Agreement.

**1.1.55. “Semi Urban Bus Service” or “Bus Service”** means Bus Services Provided by OSRTC for which it possesses stage carriage license for approved routes in the semi urban area of the State of Odisha.

**1.1.56. “Validity Period”** means the period for which the Performance Security has to be maintained in accordance with Clause 7 of this Agreement.

**1.1.57. “Vandalism”** shall have meaning specified in Clause 29 of this Agreement.

**1.1.58. “Vehicle Tracking System”** is the satellite and or other communication system or any other procedure or device which allows locate/track the position of the vehicles at all/any times.

## **1.2. Interpretation**

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

- a) words denoting the singular shall include the plural and vice versa.
- b) words denoting a person shall include an individual, corporation, company, partnership, trust or other entity.
- c) heading and bold type face are only for convenience and shall be ignored for the purposes of interpretation.
- d) reference to any legislation or law or to any provision thereof shall include references to any such law as it may, after the date of this Agreement, from time to time be amended, supplemented or re-enacted.
- e) references to the word “include” or “including” shall be construed without limitation.

- f) references to this Agreement or to any other 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 innovated; and
- g) the Annexure to this Agreement form part of this Agreement and will be in full force and effect as though they were expressly set out in the body of this Agreement.
- h) terms and expression not herein defined shall have the meanings assigned to them in the Indian Sale of Goods Act, 1930 (as amended) or the Indian Contract Act, 1872 (as amended) or the General Clauses Act, 1897 (as amended) as the case may be.

**1.2.2.** The following documents attached hereto shall be deemed to form an integral part of this Agreement:

- a) This Agreement along with all Annexure hereto.
- b) Request for Proposal (RFP) in its entirety including all its Volumes, Sections, Annexure, Corrigendum and Addendums thereto.
- c) Letter of Award (LOA) no. ----- issued to the Operator on xx/xx/2023
- d) Performance Security in the form of Bank Guarantee no -----
- e) Any relevant correspondence between the two Parties that the signatories have agreed to include as a part of the Agreement for validating and clarifying any points in the Agreement or by way of revised or improved understanding of any terms of the Agreement as appended herein. In the event of any conflict of difference between the above documents, the position reflected in the document signed last shall prevail.

In the event of any conflict of difference between the above documents, the position reflected in the document signed last shall prevail.

## **2. APPOINTMENT OF THE OPERATOR**

### **2.1 Appointment of the Operator**

Subject to and in accordance with the provisions of this Agreement, the Authority hereby appoints, on a non-exclusive and non-transferable basis, the Operator, and the Operator hereby accepts its appointment to procure, operate and maintain Package-1 comprising 35 Midi AC and 140 Midi Non AC BS VI Diesel buses as per the specifications provided in the Volume III of the RFP, for Bus Service in accordance with the terms of this Agreement and subject to the Applicable Laws and Applicable Clearances.

### **2.2 Variation in Number of Buses to be Contracted.**

The Authority, at its sole discretion, during the course of the Agreement, may ask the Operator to provide additional buses equivalent to 25% of the total quantity of buses required under the Agreement. The Agreement period of such additional buses shall be decided in consultation with the Operator at the time of issuing the request for such additional buses by Authority. However, the Agreement Period for the additional buses

shall not be higher than the agreement period mentioned in this Agreement. The buses shall be procured, operated and maintained by the Operator in accordance with the provisions of this Agreement.

### **2.3 Undertaking**

In consideration of the rights, privileges and benefits conferred upon the Operator, and other good and valuable consideration expressed herein, the Operator hereby accepts this Agreement and agrees and undertakes to perform/discharge all of its obligations in accordance with the provisions hereof, and bear and pay all costs, expenses and charges in connection with, or incidental to the performance of its obligations in accordance with the terms contained herein.

## **3. TERM OF THE AGREEMENT**

**3.1** The term of this Agreement shall be a contiguous period comprising the (a) The “Bus Procurement Period” beginning on the Appointed Date and ending on the Commercial Operations Date (COD) and (b) the “Operations Period” beginning from COD and ending Eight (8) years from the COD (“Contract Period/ Agreement Period”), provided that the Authority, at its sole discretion, may extend the Operations Period by two (2) additional year based on operator performance and condition of the Buses.

**3.2** The Commercial Operations Date (COD) shall be the date of deployment of Contracted Buses as per the bus delivery schedule. The Deployment shall be considered achieved after the completion of the Training Period as defined in the Operator Agreement.

**3.3** In the event of termination, the Agreement Period shall be limited to the period commencing from the Appointed Date and ending on the date on which this Agreement is terminated in accordance with the provisions contained herein.

## **4. SCOPE OF WORK**

### **4.1 Responsibilities during “Bus Procurement “**

The Operator shall, before the deployment of buses, undertake and complete the following tasks.

- a) Procuring the Contracted Buses as per technical specification included in RFP. The Operator is required to procure fully built buses meeting the bus specifications provided in the RFP from reputed bus manufacturers.
- b) Procure Buses as per “Good Industry Practices” and as per the specifications provided as part of the RFP. The Operator shall not be permitted to make any changes to the Specifications unless specifically authorized by the Authority in writing.
- c) Showcase prototype and adhere to the Bus Delivery Schedule specified in clause 11.1 of



this Agreement and obtain approval of prototype from the Authority.

- d) Facilitate the Authority or representatives of the Authority, for inspections and testing with regards to the structure and bus body building quality as prescribed in Clause 9 of the agreement.
- e) Incorporate changes/modifications/alternations suggested in the bus body by the Authority or representatives of the Authority during and after Inspection and testing and before obtaining the final acceptance certificate from the Authority as per Clause 12 of this agreement.
- f) Deploy buses pursuant to Clause 16 and provide training to the manpower as per Clause 16.4 of the agreement.
- g) Provide duly licensed drivers to ensure the continued and uninterrupted Bus Service in accordance with the terms contained herein and as per Applicable Law.
- h) Ensure that all drivers, staff and personnel are provided the required training on driving, maintenance, safety, behavior and hygiene aspects.
- i) At his own cost and expenses procure all Operator Clearances in accordance with Annexure PA11 for the purposes of providing Bus Services as per the terms of this Agreement.
- j) Establish maintenance facility and equipment at Bus Depot Area for preventive and routine maintenance of buses and for periodic overhaul at its own cost and expense, and staff it with trained professionals for the purposes of maintenance of Contracted Buses.
- k) Shall set up a Branch office in each district of Odisha. The Branch office of each District shall be sufficiently empowered by the Operator to take all decisions related to day-to-day operations.

#### **4.2 Responsibilities during ‘Operations Period’**

The Operator, on and after COD, and during the Operations Period shall undertake the following responsibilities:

- a) Operate the Contracted Buses in compliance with terms contained herein including but not limited to the routes, frequency and schedules as may be specified by the Authority from time to time on the Bus Service corridor.
- b) Ensure availability of duly licensed drivers, maintenance staff and other personnel through pro-active human resource management for continued and uninterrupted Bus Service in accordance with the terms of this agreement.
- c) Develop a training program driving, maintenance, safety, behavior and hygiene aspects,

which ensures training to newly recruited drivers, staff and personnel and refresher training to the existing staff already deployed in the operations.

- d) At his own cost and expenses maintain all Operator Clearances in accordance with Annexure PA11 for the purposes of providing Bus Services as per the terms of this Agreement.
- e) Maintain the Contracted Buses in good operable condition in accordance with Good Industry Practices and Operation and Maintenance Requirements set forth in the agreement.
- f) Ensure that safety and security of passengers and any third person on the Contracted Buses is maintained at all times.
- g) Bear all taxes as may be levied under Applicable Law in relation to the Bus Services, save and except those taxes which are the responsibility of the Authority as per the terms of this Agreement and Applicable Law.
- h) Ensure any equipment installed on the Contracted Buses or within the Bus Depot Area including any monitoring device or equipment that is installed by the Authority is not tampered with in any manner; and that the Authority and its authorized personnel, are allowed to inspect the equipment installed on the Contracted Buses and the Bus Depot Area at any time without any notice in this regard.
- i) Make available to the Authority a fixed proportion of the Contracted Buses throughout the Agreement Period, for maintaining continued and uninterrupted operations of BUS SERVICE as per the terms of this Agreement. This proportion shall be as per the proportion given in the Clause 9.3(ii) of PIM of this RFP throughout the Agreement Period for each Lot of Contracted Buses. (**“Assured Fleet Availability”**).
- j) Provided that the Authority in its sole discretion may allow the Operator to change the requirement of the Assured Fleet Availability for a particular Lot of Contracted Buses required for the first three months following COD for that Lot of Contracted Buses in writing.

Provided however, in determining compliance with the Assured Fleet Availability:

- i. services during Sundays shall not be considered.
- ii. seizure of the Contracted Buses by police authorities shall not be considered.
- k) Adverse operating conditions shall not affect Contractual obligations and parameters of performance under the Agreement. Wear and tear of the bus due to bad road conditions, rains, flooding of roads, heavy traffic etc. shall not be considered an adequate defense on the part of the Operator for not fulfilling his Contractual obligations as per the

Agreement.

- l) Ensure that all Applicable Laws including but not limited to the Minimum Wages Act, 1948 are complied with in relation to appointment, hire, recruitment, of any personnel (whether on temporary, contractual or permanent basis by the operator) required in relation to the operation and maintenance of Bus Service.
- m) Submit regular monthly reports to the Authority as per the format that may be instructed by the Authority from time to time; and
- n) Carry out all activities necessary for the effective implementation of the provisions of the agreement.

*Calculation of fleet availability is provided as follows for further clarity: Fleet availability (in percent) = (Fleet made available for operation / Total Fleet of Contracted Buses) x 100 A Bus to be considered as being available should complete at least 90% of its planned schedule. Further the Authority, at its discretion, may relax this clause for the first few months after COD to provide for a ramp up and sort out teething issues for new buses.*

## **5. AGREEMENT**

**5.1** The whole Agreement is to be executed in the approved, substantial and workmanlike manner, to the entire satisfaction of the Authority, who both personally and by his deputies, shall have full power, at every stage of progress, to inspect the buses at such times as he may deem fit which he may disapprove. The Authority will depute a team of monitoring personnel who shall have full powers to check, monitor, and demand any records from any of the Operator personnel.

**5.2** The Operator shall not be allowed to subcontract any part of the awarded Buses.

**5.3** Any Modification, alternation, addition and detection of the provisions/clauses of this Agreement shall be made with the mutual consent of both parties.

## **6. PROVISION OF LOAN BY THE AUTHORITY FOR PROCUREMENT OF BUSES**

**6.1** In order to facilitate the procurement of fully built buses by the Operator in a timely manner as well to keep the overall costs of bus operations low, the Authority hereby agrees to provide a Loan to Bus Operator for Procurement the New Buses at fixed concessional interest rate of 8% per annum for the tenure of 8 years as provided in the clause 3.1 above. The amount of such a Loan shall be equal to 75% of the Total Bus Procurement Cost.

**6.2** The Bus Operator hereby agrees to enter into a separate Loan Agreement with the Authority to formalize the process of loan transaction. The Loan Agreement shall be considered as an independent Agreement on its own accord and shall be attached for purposes of clarity to this agreement as Annexure PA3. In the event of Termination of this

Agreement, the terms of the Loan Agreement shall remain unaffected and vice versa.

- 6.3** The Loan Agreement shall be signed after execution of this Agreement at the time of placing of Bus Purchase order to Bus Manufacturer by the Bus Operator.
- 6.4** The Buses will be purchased by the Operator on his own through negotiations with the Bus Manufacturers. The final selected Bus will be required to be approved by the Authority along with the specifications, price and payment terms. At all stages the Operator will keep the Authority informed about the progress of Bus Purchase, bus building and delivery. The Operator will satisfy the Authority regarding the terms of the purchase and particularly the price being the most competitive offer as also being comparable to the market price for the same bus sold to other Customers.
- 6.5** The amount of Soft Loan shall be disbursed directly to Bus Manufacturer(s) by the Authority after showing proof of payment of 25% of the Bus Procurement Cost by the Operator to the Bus manufacturer. The Loan amount will be disbursed by the Authority in accordance and in proportion to the payment terms agreed by Bus Manufacturer(s) and Bus Operator.
- 6.6** The Operator, during the currency of the Loan Agreement, shall 'hypothecate' all the Buses with Authority as per the provisions of the Loan Agreement. At the time of hypothecation of the buses, the Authority shall be entitled to First charge on all the buses.
- 6.7** The Operator is free to raise financial resources for balance amount required for purchase of Buses other than Soft Loan. However, any hypothecation/lien/charge/assignment or encumbrance from such fund raising will rank junior to the obligations resulting from the Loan Agreement with the Authority mentioned above.
- 6.8** In case the Operator raises additional financial resources from other sources by creating any further security (mortgage charge) on the buses procured under the Project ( as mentioned above), it shall make a request in writing to the Authority for approval/NOC and will raise such additional resources, only after receiving approval/ NOC from the Authority.
- 6.9** The Operator will also sign an Indemnity Bond in favour of the Authority whereby it will indemnify the Authority against any losses arising to the Authority owing to loss, damages, theft, neglect and poor maintenance of the Contracted Buses during the currency of the Soft Loan Tenure and Operator Agreements.
- 6.10** Bus Operator shall repay the disbursed amount of Soft Loan in Equated Monthly Instalments (EMIs) including portion of Principal repayment and Interest payment. The amount to be paid as EMI shall be decided based on the formula applicable to the Commercial Vehicle Loans issued by Scheduled Banks. Interest on soft loans will be recovered on monthly rest which will be calculated on reduced outstanding amount only.

- 6.11** The Authority shall deduct the EMI every month from COD of the respective lot buses vide the Invoices submitted by the Bus Operator for Bus Operations before releasing the payment for the Bus Operations.
- 6.12** The Operator shall have liberty to make pre-payment of the Soft Loan at any point of time during the Loan repayment period without any penal interest.
- 6.13** The Authority, upon satisfactory pre-payment or Repayment of loan amount along with due interest, shall discharge the Hypothecation created on the Buses in its favour.
- 6.14** All above terms shall be repeated in the Loan Agreement and in case of any differences, the terms of the Agreement signed at a later date shall prevail.

## **7. PERFORMANCE SECURITY**

- 7.1** For securing the due and faithful performance of the obligations of the Operator under this Agreement, the Operator, has handed over to the Authority, Performance Security of Rs. -----/- (in words Rs ----- Only) in form of Bank Guarantee with the number -----, Dt ----- from the -----Bank for a Validity Period of ----- in favour of through scheduled bank, payable/encashable, admissible and extendable at Bhubaneswar only. (**"Performance Security"**).
- 7.2** The Operator shall maintain a valid and binding Performance Security for a period of 60 days after the expiry of the Total Agreement Period ("Validity Period").
- 7.3** The Authority shall be entitled to forfeit and appropriate the amount of the Performance Security in whole or in part:
- a) in the event the Authority requires to recover any sum due and payable to it by the Operator including but not limited to Damages; and which the Operator has failed to pay in relation thereof; and
  - b) in relation to Operator's Event of Default in accordance with the terms contained herein.
- 7.4** At any time during the Validity Period, the Performance Security has either been partially or completely been encashed by the Authority in accordance with the provisions of this Agreement, the Operator shall within [15 (fifteen) days] of such encashment either replenish, or provide a fresh performance security, as the case may be, failing which shall be considered as Operators Event of Default as per Clause 32.1.
- 7.5** On the performance and completion of the Agreement by expiry of its term in all respects the Performance Security shall be returned to the Operator without any interest, provided the Operator is not in default of the terms hereof and there are no outstanding dues of

the Authority with the Operator.

## **8. BUS PROCUREMENT**

- 8.1** Upon submission of requisite Performance Security and Signing of this Agreement, the operator shall procure specified number of Buses as per the Bus specifications attached as part of Vol. III of the RFP. The Operator shall obtain adequate insurance as mentioned in the clause pertaining to Insurance in this Agreement.
- 8.2** The Buses will be purchased by the Operator on his own through negotiations with the Bus manufacturers. **It Should be ensured that, State GST accrues to the Govt. of Odisha only.**
- 8.3** The final selected Bus will be required to be approved by the Authority along with the specifications, price and payment terms.
- 8.4** At all stages of Bus Procurement, the Operator will keep the Authority informed about the progress of Bus Purchase, bus building and delivery.
- 8.5** The Operator will satisfy the Authority regarding the terms of the purchase and particularly the price being the most competitive offer as also being comparable to market price for same bus sold to other customers.

## **9. QUALITY ASSURANCE**

### **9.1 Quality of Materials**

- 9.1.1 The Bus Manufacturer appointed by the operator shall procure material which is as per Standards set in India. Wherever, Indian Standards are not available, internationally acceptable Standards may be referred/ indicated such as ECE, JIS, DIN, ASTM, ISO etc. for quality assurance of material.
- 9.1.2 The Bus Manufacturer can use any material out of the lots, which have been approved by an Authorized laboratory. A certificate to that effect along with copies of the latest Laboratory Test Report (as per specification of this Agreement from CIRT, Pune/ ARAI, Pune/ BIS approved Labs) shall be submitted to Authority at the time of inspection.
- 9.1.3 The Bus Manufacturer shall obtain type approval of all safety critical items/ materials from the authorized testing agencies before use. Bus Body builder would provide a list of such items along with their Certificates to the Authority.
- 9.1.4 Cost of all tests, analysis, and patent rights would be borne by the Bus Manufacturer.

## **9.2 Purchase of Material:**

- 9.2.1 Material purchase orders of The Bus Manufacturer must be specifying quality, Standards, grade etc. of supplied material. Inspecting official(s) of Authority would carry out random checks and satisfy itself of these details vis-à-vis those specified in the Agreement.
- 9.2.2 In addition, copies of invoices of respective Manufacturers from whom this material had been purchased, be enclosed and these should also have details of quality & grade etc. Authority shall also satisfy itself of these details as above before permitting usage on the Bus.
- 9.2.3 For items/ materials to be used as per BIS/ AIS/ASRTU Standards, The Bus Manufacturers shall show & furnish a copy of Laboratory Test Certificate from BIS approved Laboratories near the location of Bus Bodybuilder in respect of material proposed to be used in the body building of the Bus. 'ISI' or 'E' marked items of concerned country used in manufacturing of bus need no testing.
- 9.2.4 The Operator shall conform in all respect to provisions in this behalf as contained in the Central Motor Vehicle Act, 1988 (or latest) as amended up to date and Central Motor Vehicle Rules, 1989 (or latest) / Odisha Motor Vehicle Rules currently in force in Rourkela or to any other statutory modifications or enactment thereof in such Act & Rules from time to time.

## **10. INSPECTION AND TESTING OF PROTOTYPE BUS AND OTHER BUSES BEFORE DELIVERY:**

- 10.1 Authority or representative authorized by the Authority may carry out inspection of Prototype Bus and other buses to be supplied as part of this Agreement at any of the following stages before redispach stage at Bus operator's/ Bus Manufacturer's premises. This inspection shall include,
- Structural Inspection: Structural assembly stage before paneling in prototype and all buses
  - Final Inspection: After completion after paneling, and equipping of prototype and all buses (Fully built buses)
- 10.2 For any Deficiency noted by the Authority during any stage of the inspection, the Operator shall initiate immediate remedial actions for the same as advised by the Authority.
- 10.3 The Operator shall provide free of charge all facilities at the Bus Manufacturer's premises viz. Working space, equipment, tools, labour, gauges, drawings and



specifications required for this purpose without extra charge to the inspecting officer for proper performance of his work on inspecting and testing of work under this Agreement.

- 10.4 The Authority shall not conduct any laboratory tests if the material procurement certificates are submitted by the Operator at the time of inspection of buses. Notwithstanding with above, if found necessary, the Authority may conduct material tests at any stage for prototype or any other buses, at its own cost. If the material fails the test, entire cost of testing shall have to be borne by the Operator. The Authority might conduct lab testing mostly for following material.

SI No	Item to be used	Specifications
1	CR Tubular sections	BIS:4923-1997 (or latest) of Grade Yst.-240
2	Phosphating / Galvanizing	BIS:3618-1966 (or latest) Class A-2 for Phosphating & BIS:277-2003 or latest - 120 gsm for Galvanizing (Zinc Coating) and two weeks (336 hours) Salt Spray Test for both in accordance with ASTM procedure B117 with no structural detrimental effect to normally visible surfaces & no weight loss of over 1%.
3	EPDM Rubber	As per AIS 085
4	Glasses Laminated	BIS: 2553 (Part-2)-1992 (or latest) Float Glass, Front 'AA' Grade Glass, PVB Film in Laminated Glass.
5	Aluminum Parts	IS:733-1974 (or latest) for Solid Part, IS:1285-1975 or latest for Extruded Round Tube & Hallow Part and IS:738-1977 or latest for Drawn Tubes, Alloy 63400, tempering WP.



6	Paint	IS:733-1974 (or latest) for Solid Part, IS:1285-1975 or latest for Extruded Round Tube & Hollow Part and IS:738-1977 or latest for Drawn Tubes, Alloy 63400, tempering WP
7	LT Wire	BIS: 2465-1984(or latest). DIN 72551- Dimensional Test JIS C3406- Spark, Immersion & Conductor Resistance Test' SAE recommended J 1127 & J 1128
8	Aluminum Sheet	BIS:737-1986(or latest), Aluminum Alloy H-2/31000
9	CR sheets	BIS:513-2008(or latest)
10	GI Sheets	BIS:277-2003 (or latest) Class-VIII Medium Coating of Zinc Nominal Weight 120 grams/M2.
11	Passenger Seat Assembly	As per AIS-023, Bus Code & BIS Standards. For MS components two weeks (336 hours) Salt Spray test for both in accordance with ASTM procedure B117 with no structural detrimental effect to normally visible surfaces & no weight loss of over 1%.
12	Marine Board / other floor material	BIS: 710-1976 (or latest) IS:5509-2000 (or latest) for Flammability.

10.5 The Authority shall convey the Approval of the Prototype bus, if found satisfactory, within 15 days of date of Approval.

10.6 In case of Buses other than Prototype, Authority shall issue Pre-Despatch Inspection Certificate within seven days of satisfactory inspection of Fully Built buses. Operator shall despatch buses only after attending defects/ deficiencies observed during Pre-Dispatch Inspection.

## **11. DELIVERY OF CONTRACTED BUSES**

11.1 Delivery Period: Delivery of prototype Bus and thereafter other Contracted buses shall be as per the following “**Bus Delivery Schedule**”

<b>Bus Delivery Schedule</b>	
<b>Time</b>	<b>Delivery of fully built Buses (no.)- Package-1</b>
Within 20 days from date of Appointed Date	Prototype Bus
Within 20 days of approval of prototype	First Lot of 80 Non-Ac Buses & 20 AC Buses
Within 20 days of approval of prototype	Second Lot of 60 Non-Ac Buses & 15 AC Buses

11.2 Operator shall deliver buses at the place/ places as shall be specified by the Authority within Rourkela Municipal Limits, not later than the dates/schedule specified in the Agreement.

11.3 Failure to comply with stipulated delivery schedule shall attract pre-defined liquidated damages as per Clause 14, risk purchase & other provisions of the Agreement.

11.4 Operator shall intimate Authority at least 15 days prior to any inspection at Bus Manufacturer’s premises failing which Authority shall not be liable for delay in inspection and supplies of buses. Authority shall conduct inspections within 15 days from the day of receipt of request for inspection from Operator.

11.5 Delay in delivery of buses on account of late inspection and delay in submission of inspection report by the Authority for the affected quantity shall be entirely attributable to the Authority.

## **12. INSPECTION OF CONTRACTED BUSES AFTER DELIVERY**

### **12.1 Inspection of the Contracted Buses Received at Each Locations of Odisha:**

12.1.1 On receipt of fully built Contracted Buses at Each District of Odisha, these shall be jointly inspected by the Operator and the Authority for completeness and satisfactory condition of all equipment/ components.

12.1.2 Damages, defects and deficiencies, if any, shall be noted and the Operator

shall initiate immediate action for making good the same under advice from Authority within mutually agreed time period.

12.1.3 Any delay in the commissioning of these buses due to any such reason shall be to Operator's account and shall be dealt with by the Authority as per Conditions of the Agreement.

## **12.2 Provisional Receipt Certificate**

12.2.1 Authority shall issue Provisional Receipt Certificate within three working days of receipt of Contracted Bus (es) in good condition along with valid required documents at Concern delivery location or State Headquarters.

12.2.2 The Provisional Receipt Certificate issued by the Authority shall not be considered the Acceptance of the Buses for deployment for operations as per the conditions of the Agreement.

## **12.3 Inspection of the Buses Received at Authority's Premises**

12.3.1 Authority or representatives of the Authority shall carry out inspection of the Buses at its premises jointly with the Bus Operator, within 7 working days, to check any damage/deficiencies that may have occurred in the received buses during transit from Bus Manufacturer's Facility.

12.3.2 Authority shall communicate about such damage/deficiencies, if any, to the Operator on immediate basis to which the Operator shall start the remedial process at the earliest.

## **12.4 Final Acceptance Certificate**

12.4.1 The Operator shall inform about rectification/ removal of defects/ deficiencies observed during Joint Inspection within 7 days from date of inspection.

12.4.2 If the rectification/ removal is found to be satisfactory, Final Acceptance Certificate shall be issued by Authority. Thereafter, the Operator shall initiate the process of deployment of buses for BUS SERVICE in accordance with clauses of this agreement.

## **12.5 Removal and Replacement of Rejected Buses**

12.5.1 On rejection of any Bus, subjected to inspection or assessment of performance during commissioning at Authority's premises, such buses shall be removed, within 21 days of the date of intimation of such rejection.

12.5.2 The Operator shall immediately transport such rejected buses back to the Bus Manufacturer's premises at its own cost and risk.

### **13. COST OF INSPECTION**

All the costs associated with the inspection of prototype bus and other buses at Bus Operator's premises and at Rourkela, including travelling and conveyance expenses of representatives of the Authority shall be borne by the Bus Operator.

### **14. LIQUIDATED DAMAGES FOR DELAY IN SUPPLY OF FULLY BUILT CONTRACTED BUSES**

14.1 If the Operator fails to deliver the Contracted Buses as per the Month wise delivery schedule specified in the Clause 11.1 above and if the Operators is not able to cure such default (delay in buses) within any additional time permitted by the Authority, the Authority shall, without prejudice to other remedies under the Agreement, levy/deduct pre-estimated liquidated damages of Rs. 2,000/- (Rupees Two Thousand only) or part thereof, per bus per day of delay for additional 30 days from the expiry of the respective Milestone for delivery.

14.2 The amount of pre estimated liquidated damages to be charged under the Agreement, in terms of Clause 14 of Agreement Conditions shall not exceed Rs.1, 20,000 per contracted Bus.

14.3 In the event the delivery of any number of Buses is delayed beyond the stipulated Delivery Schedule as per clause 11.1 plus an additional period of 30 days, the Authority, at its sole discretion may not accept the delivery of such delayed number of Buses unless such occurrence is not attributable to Force Majeure Events.

### **15. CONSEQUENCES OF NON-ADHERENCE TO THE DELIVERY OBLIGATIONS**

15.1 In case of the Operator fails to deliver any Buses as per stipulated schedules and timelines and as specified in sub clause 11.1, read with Clause 14 above, after exercising all remedial measures provided in elsewhere in this agreement, it may be considered an Operator's Event of Default at the Authority.

15.2 Notwithstanding above, if the event of Default of the Operator pursuant to clause above does not result into termination, the number of Buses which form part of the contracted Bus shall be reduced by only the number of buses accepted by the Authority.

15.3 With pursuant to clause 15.2 above, in case of reduction in size of the Agreement, the Operator shall replace the amount of Performance Security calculated as per the revised Agreement size.

## **16. DEPLOYMENT OF CONTRACTED BUSES**

16.1 Subject to issuance of Final Acceptance Certificate from the Authority, the Operator shall commence Bus Service for each Lot of such accepted Contracted Buses no later than 15 (Fifteen) days from the date of Final Acceptance Certificate, or any extended period as may be agreed upon the Parties in writing. However, the date of deployment of last lot of Contracted Buses shall be considered as COD as per the Agreement. ("Commercial Operations Date for Bus Lot" or "Code for Bus Lot"). The Operator shall achieve COD for the first lot of Contracted buses immediately after completion of Training Period as specified in the Clause 16.4 below.

16.2 In the event the Operator is not able to start operations of particular Lot of Contracted Buses within 195 days from the date of Execution of the Agreement as per abovementioned clauses for reasons not attributable to the Authority or to a Force Majeure Event, and which in the opinion of the Authority can be attributable to the Operator, the Operator shall pay liquidated damages of Rs.500/per bus per day for additional 30 days after completion abovementioned timeline. Amount of liquidated damages shall not exceed Rs. 15,000 per Bus. In case the Operator fails to Start operation of Lot of contracted buses within extended period of 30 days then it shall be constructed as Operators event of default.

16.3 It is hereby clarified that non-compliance of any bus specifications and design shall not be acceptable as a reason for delayed or non-deployment of the Contracted Buses by the Operator.

16.4 The Operator shall deploy entire Staff for operation and maintenance of the Contracted buses for provision of training for 15 days prior to COD. ("**Training Period**").

16.4.1 During the Training Period, The Operator's staff shall be educated about the intricacies of BUS SERVICE and skill set required for efficient operations.

16.4.2 Cost of Damage to Project Asset or any other third-party property including fatalities, injuries of employee of Authority, Operator or third party due to negligence of the Operator's staff employed for the purpose of the training shall be the liability of Operator.

## **17. OWNERSHIP OF CONTRACTED BUSES**

17.1 The ownership of the Buses shall remain fully with the Operator during the entire term of the Agreement. All the Contracted Buses shall be registered in the name of Operator.

## **18. OPERATION AND MAINTENANCE OF DEPOT**

18.1 Authority acknowledges the requirement of Bus Depot for the purposes of maintenance, cleaning and parking of Contracted Buses. Hence the Authority shall provide adequate land for development of Bus Depot by the Operator to carry out operation and maintenance activities for the contracted buses in accordance with the terms contained herein.

### **18.2 Covenant with reference to Bus Depot Operation and Maintenance**

18.2.1 The possession of the land shall be handed over to the Operator who in turn shall enter into Lease Agreement (Annexure PA6) with the Authority.

18.2.2 The Operator shall at his own cost and expenses bring any such moveable equipment and/or machinery and appoint skilled personnel and supervisor for regular upkeep, maintenance, cleaning and safekeeping of the Contracted Buses in accordance with the terms contained herein.

18.2.3 It is hereby clarified that the ownership of the Bus Depot Area shall remain vested solely with the Authority at all times. The Operator shall only be provided the right to use the Bus Depot Area and on Termination or Expiry of this Agreement, whichever is earlier, the Operator shall vacate and hand back such Depot Area as per the terms contained herein. Upon termination or Expiry of this Agreement, the Operator shall not remove any permanent structure created by him to fulfil the obligations as per the terms of this Agreement.

18.2.4 The Operator shall not have any right to display advertisement in the Bus Depot, Parking Spaces and/or Terminals or any part thereof.

18.2.5 The Operator shall:

- a) at his own cost and expense develop and maintain the area of the Bus Depot Area provided to it under the terms of the license agreement and the terms contained herein in good working condition.
- b) not cause any damage in the area of the Bus Depot Area provided to it under the terms of the license agreement and the terms contained herein or do any act which will in any way be prejudicial to the rights of Authority or other users/occupants of the same.
- c) only be responsible to develop/construct and maintain the area of the Bus Depot Area which has been specifically allocated and handed

over to him by the Authority under the relevant license agreement.

18.2.6 The Operator shall also be liable to pay bills for utilities such as electricity, water, gas etc. on actual basis in relation to the area of the Bus Depot, Terminal and Parking Space allotted to the Operator.

18.2.7 It shall be the obligation of the Operator to whom a land is allotted to allow buses of other Bus Operators for Bus Services of Authority to park and share the facilities developed at the Bus Depot by the Operator. It is likely that Authority may ask multiple Operators to share Depot Facilities to optimize Bus Schedules. In such case different Operators may decide the terms if any between them which are most suitable in their opinion.

18.2.8 It is hereby clarified that the Operator shall only have a limited right to way and right to use the Project Site for Construction of Bus Depot and Operation and maintenance of it subject to the terms contained in the Depot Construction Agreement and Depot Lease Agreement.

## **19. OPERATION PLAN**

19.1 The Authority shall develop a plan which shall contain details including but not limited to number of Contracted Buses, details of the Annual Assured Fleet Availability, Fleet Deployment Plan and any other relevant details required for Operation of Contracted Buses (**“Operation Plan”**).

19.2 The Fleet Deployment Plan, to be prepared as part of Operation Plan, shall include Routes, Frequency, Stoppage plan, and table of Schedule providing bus headways based on peak and off-peak hour requirements (**“Fleet Deployment Plan”**).

19.3 The Authority may develop the Operation Plan in consultation with the Operator provided however, the suggestions made by the Operator shall not be binding on the Authority.

19.4 The operator needs to operate the Contracted Buses in accordance with this Operation Plan.

19.5 The Authority reserves the right at its own sole discretion to make changes to the Operation Plan from time to time and shall notify the same to the Operator.

## **20. ROUTES AND SCHEDULES**

20.1 The Authority shall have the exclusive discretionary power to determine Routes, frequency and schedules of the Contracted Buses as a part of the Fleet Deployment Plan throughout the Agreement Period.

- 20.2 The Operator shall ensure that the Contracted Buses are operated on the said Routes, frequency and schedules and other requirements as specified in the Fleet Deployment Plan and as specified by the Authority from time to time in accordance with the operation and maintenance standards specified herein.
- 20.3 The Authority may at any time make changes to the Routes, frequency, schedules of Contracted Buses due to any reason whatsoever including but not limited to special circumstances, festivals, and seasonal requirements.
- 20.4 In the event the Authority makes changes as specified in above Clause, it shall notify the Operator in writing [seven (7) days] prior to the date of implementation of such change.
- 20.5 In the event the Operator makes any unscheduled or unauthorized trip outside operation hours and beyond the Routes or in violation of any requirement of the Fleet Deployment Plan or without specific instructions notified by the Authority in relation thereof, it shall be liable for the penalty set forth in this Agreement.

## **21. FARE AND FARE COLLECTION**

- 21.1 **Passenger Fare Determination:** The Authority shall determine the quantum of passenger fare that will be charged from the users/passengers of the Contracted Buses or persons who avail of the Bus Service ("**Passenger Fare**").

### **21.2 Passenger Fare Collection:**

- 21.2.1 The Authority retains the right to collect Passenger Fare either by itself or through a third party using any technology or methodology it deems appropriate to it.
- 21.2.2 The Operator shall not directly or indirectly collect Passenger Fare or any portion thereof.
- 21.2.3 The Operator shall not in any way cause any interference in the process of collection of Passenger Fare and shall fully co-operate and facilitate the process of Passenger Fare collection undertaken by the Authority through itself or a third party including allowing any personnel such as a conductor to collect such Passenger Fares on the Contracted Buses.

## **22. ADVERTISEMENT ON THE BUSES**

- 22.1 The Authority shall reserve rights to display advertisement of all types of media on the Contracted Buses as well as to collect and retain revenue generated from above activity.
- 22.2 The Operator shall be responsible for security and cleanliness of advertisement



material and equipment. In case of theft or any malfunction of advertisement material/equipment the Operator shall be report to the Authority on immediate basis.

- 22.3 In case any damage occurs to the Contracted Buses while mounting or dismounting of advertisement material or equipment, the Operator shall immediately make good of such damages at its own cost. The Authority shall not make any compensation to the Operator in this regard.

## **23. PAYMENTS TO THE OPERATOR FOR KILOMETER CHARGE**

- 23.1 Bus Kilometers for any particular Contracted Bus of a particular type shall comprise of the following:

- a) Distance travelled by the Contracted Bus assigned on given Route(s) as per the Operating Plan
- b) Distance travelled by a Contracted Bus, which is outside the Operating Plan but approved by the Authority for specific and special requirements.
- c) Distance travelled by the Contracted Bus from the Bus Depot to the first point of loading passengers at the commencement of its service on a day and Distance travelled by the Contracted Bus from its last passenger stop as per the Operating Plan to the Bus Depot at the end of the day's service.
- d) Distance travelled by a Contracted Bus for fuel refilling (two ways) not exceeding the 5KM of nearest fuel station from the Depot Area.

- 23.2 Bus Kilometers shall not constitute the following.

- a) Any kilometers travelled by the Contracted Bus to a maintenance facility other than that set up by the Operator at the Bus Depot provided for by Authority or for any travel not authorized by Authority.

- 23.3 The Authority shall compute and provide to the Operator, for every Payment Period, from when the first of the Contracted Buses commences service, the total number of kilometers that the Contracted Buses have travelled for the aforesaid period. Such calculations shall be made using Global Positioning System (GPS) and in case of absence of GPS, manually with the supervision of the Authority staff. The Operator shall be paid based on the Bus Kilometers logged and verified in this manner according to the Kilometer Charge fixed.

- 23.4 **Basis for Payments:** The Base Kilometer Charge Payment to the Operator by the Authority for the Bus Services rendered shall be as per the provisions described hereinafter (**"Operator Payment"**)

The Base Per Kilometer Charge quoted by the Operator in the Price Proposal for the Contracted Buses and accepted by the Authority in the LOA s as follows:

SL No	Package	Quantity of Buses (Nos)	Quoted Rate Rs / Km (Exclusive of GST )
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1	1	35 AC and 140 Non-AC 900 mm Buses	XXXX
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The base Year Price of Fuel per Unit, Base Year Wholesale Price Index (WPI) and Applicable Minimum Wages/CPI-IW which shall be used for determining the Applicable Kilometer Charge throughout the agreement period are as follows:

- Base Year Price of Fuel/Unit : Rs [ ----- ] per Liter, being the prevailing price of fuel as available from the cheapest legal source in the vicinity of the Bus Depot Area being prices of a week immediately prior to the last date of submission of the RFP on[ ----- ].
- Base Year Wholesale Price Index for all commodities:[ ----- ]for Year2022].Source: Office of the Economic Adviser to the Government of India, Ministry of Commerce and Industry: Website: <http://www.eaindustry.nic.in>.
- Minimum Wages for relevant Category Manpower Deployed of Rs.[ ----- ] for time period of ----- . Source: Office of Labour Commissioner, Govt of Odisha. <http://labour.odisha.gov.in>.

## 23.5 Payment Terms

**23.5.1 Invoicing Period:** For each Contracted Bus that has been put into regular operations from the date of COD, the Operator shall submit an invoice at the end of every 15 (Ten) days in a month (**“Payment Period”**) specifying:

- registration number of each Contracted Bus and the type of bus that has travelled as part of the Bus Service,
- Bus Kilometers travelled by each Contracted Bus as part of the Bus Service in the relevant payment period (clearly identifying the Contracted Bus)
- Applicable Kilometer Charge for the period for the particular type of Contracted Bus.
- GST, if applicable, if any, payable on the amount; and
- Copy of daily fuel price and purchase bills indicating source, quantity and rate per fuel purchased.

(here-in-after together referred as **“Invoice Amount”**)

The Operator shall submit invoice strictly for the route wise scheduled kms for the payment period provided by Authority.

**23.5.2 Payment Period:**

- a) The Authority shall, within a period of 10 (ten) days of the receipt of invoice, make part payment of 80% of the total invoiced amount for each payment cycle of 15 days.
- b) Balance 20% of the amount of each invoice shall be released by the Authority in first 15 days of the next month of after the month of invoicing (starting from COD) after verifying the records that it has on the Bus operations and evidence of salary paid to employee and making adjustment against or damages or other adjustments as may be applicable against the invoice under the terms of the Agreement.
- c) In case of expiry the agreement in the normal course of time, complete payment of last month of operation shall be made by the last day of the Agreement.
- d) All payments shall be made by the Authority to the Operator after making any tax deductions at source under Applicable Law.

**23.5.3 Method for Calculation of Aggregate Payment**

- a) The payment for Bus Kilometers up to Assured Bus Kilometers per each Contracted Bus deployed shall be calculated as

$\text{Payment} = \text{Applicable Kilometer Charge for Contracted Bus} \times [\text{Operated KM}]$

*(Where Operated KM is Bus Kilometers Operated by the contracted buses as part of the Operating Plan during the relevant Payment Period)*

- b) Any Fines levied shall be adjusted from the Aggregate Payment subject provisions of this Agreement.
- c) GST, if any, shall be levied and billed over and above the payment amount based on the number of operated kilometers in the given period multiplied by the Applicable Kilometer Charge. The Authority is liable to pay GST if applicable on the Invoice Amount, provided that the Operator is able to furnish satisfactory evidence as to its applicability.
- d) The Toll Tax needs to be paid by the Operator.

**23.5.4** Guarantee to operate particular number of kilometers: The Authority hereby assures the Operator that the Operating Plan will be formulated so as to ensure that the average number of Bus Kilometers travelled by each of the Contracted Buses, in a continuous period of 6 (Six) months, commencing from COD of Contracted Buses, and then onwards on Half Yearly basis, shall be no fewer than 31,500 kms / Contracted Bus (Thirty One Thousand Five Hundred Kilo meters per contracted bus) [**“Half Yearly Assured Bus Kilometers”**]

### **23.5.5 Half Yearly Assured Payment after reconciliation**

- a) **Payment for Unutilized Kilometers:** In the event that the Authority is unable to demand from the Operator the operations of the Contracted Bus trips such that the average number of kilometers operated per Contracted Bus is not equal to the Half Yearly Assured Bus Kilometers, Authority will pay to the Operator, in addition to the full payments made for Bus km operated based on invoices presented by the Operator, an amount which shall be determined as follows:

Half Yearly Assured Payment Amount for Unutilized Kms =  $0.35 \times (T_m - T_a) \times \text{Applicable Kilometer Charge}$

Where

$T_m$  = Half Yearly Assured Bus Kilometers x Available fleet

$T_a$  = Actual Bus Kilometers Operated by all Contracted Buses comprising the Available Fleet during the relevant period of 6 (Six) calendar months that has triggered this provision

It should be noted that the Half Yearly Assured Payment Amount will not be payable for any shortfall in Kilometers of the Fleet that arises due to:

- i. Default of the Operator under this Agreement
- ii. Non-availability of Contracted Buses for reasons attributable to maintenance or accidents
- iii. Breach of law by the Operator
- iv. Occurrence of a Force Majeure Event

- b) **Payment for Excess Kilometers:** If the Contracted Buses operated under this Agreement exceed the Half Yearly Assured Bus Kilometers, then the Kilometer Charge payable applicable for such additional kilometers in excess of the Half Yearly Assured Bus Kilometers shall be calculated as follows;

Half Yearly Assured Payment Amount for Excess Kms =  $0.65 \times (T_a - T_m) \times \text{Applicable Kilometer Charge}$

Where

$T_a$  = Actual Bus Kilometers Operated by all Contracted Buses comprising the Available Fleet during the relevant period of 6 (Six)

calendar months that has triggered this provision  $T_m = \text{Half Yearly Assured Bus Kilometers} \times \text{Available fleet}$

- c) The Applicable Kilometer Charge for the purpose of the Payment of Unutilized or Excess Km shall be the weighted average of the applicable Kilometer Charge used in payment periods during the relevant year.
- d) The determination of whether Half Yearly Assured Payment Amount is due shall be done at the end of a period of 6 (Six) consecutive calendar months. The Authority shall provide the Operator with a notice of the calculation with the supporting data (the kilometers travelled by each of the Contracted Buses comprising the Available Fleet)
- e) The Authority shall have right to compute on its own and verify the Half Yearly Assured Kilometers. The Authority shall compute and provide to the Operator, every quarter from the COD of Contracted buses, The total number of Kilometers that the Available Fleet has travelled for the aforesaid period. Such calculations shall be made using GPS and in case of absence of GPS, with the help of Authority staff or its authorized agency.

## **23.6 Basis of Revision of Kilometer Charge**

**23.6.1** The Kilometer Charge shall be reviewed and (if applicable) revised. Kilometer charge for any given payment period shall be called the Applicable Kilometer Charge. It shall be revised;

- a) For Fuel cost, Average of daily fuel price at the end of the month shall be used as an indicator. Fuel costs shall be revised on a monthly basis. The fuel price must reflect a legal source such as IOCL website or quotations of supply of fuel for bus operations across the State.
- b) For change in cost of consumables, using the Wholesale Price Index, annually.
- c) For Manpower Cost, using change in Minimum Wages for relevant skill category for manpower deployed on Annual Basis/ using change in CPI-IW annually.

The Kilometer charge shall be revised based on following formula;

$$RL = [RL\text{-base}] + [RL\text{-base} \times 0.40 \times (F - F\text{-base})/F\text{-base}] + [RL\text{-base} \times 0.15 \times [(W - W\text{-base})/W\text{-base}]] + [RL\text{-base} \times 0.20 \times [(L - L\text{-base})/L\text{-base}]]$$

## **Where**

**RL** is the Kilometer charge for each Lot R-base is the Base Kilometer Charge  
F is present Price of Fuel/unit.

**F-base** is the Base Year Price of Fuel/unit.

**W** -is the Present Year Wholesale Price Index

**W-base** is the Base Year Wholesale Price Index (Latest Financial year or Calendar Year WPI whichever is nearer to the Proposal Due Date)

**L** is the Present applicable Minimum Wages for the relevant skill category for drivers

**L-base** is the applicable Base Year Minimum Wages for the relevant skill category for drivers.

**23.7 Limitations to Liability of Authority for Operations and Maintenance:** The Authority shall not be liable to make any other payments other than the payments described in this Clause 23.5

**23.8 Liabilities arising from negligent driving and accidents:** Any damages arising due to negligent driving, or accidents of the Contracted Buses on the street shall be the liability of the Operator.

**23.9 Fines and Compensation:** Any fines levied by traffic police or any competent Authority will be borne solely and directly by the Operator. The Authority shall have no liability in relation thereof.

## **24. TAXES AND STATUTORY LEVIES**

**24.1** The responsibility to pay taxes and statutory charges related to Bus Services would be divided between the Authority and the Operator as mentioned in the responsibility matrix provided in the table below:

<b>SI No</b>	<b>Taxes and Charges</b>	<b>Parties responsible for Payment</b>
1	Roadworthiness/Vehicle Fitness certificate	Operator
2	Vehicle Registration Charges	Operator
3	Insurance premium for the Buses and other assets owned by the Authority	Operator
4	Motor Vehicle tax of Odisha	Operator

5	MV Tax and Additional MV Tax	Authority
6	Stage Carriage Permit	Authority
7	GST (if any)	Payable by the Operator and Authority as applicable

## **25. ROLES, RESPONSIBILITIES AND OBLIGATIONS OF THE OPERATOR AND THE AUTHORITY**

### **25.1 Obligations of the Operator**

In addition to the terms and conditions of this Agreement, the Operator shall perform the following obligations.

25.1.1 Operator shall Procure the buses in accordance with terms and condition set forth in this Agreement.

25.1.2 Operator shall maintain the depot as per the provisions of this agreement.

25.1.3 **Operation and Maintenance of Contracted Buses:** The Operator shall carry out the following activities with respect to the Operation and Maintenance of Contracted Buses.

- a. Operate and maintain the Contracted Buses in accordance with Specifications, maintenance manual and other information provided in Annexure to the Agreement.
- b. Provide and install monitoring devices on the contracted Buses to enable real time tracking (including but not limited to CCTV camera or Vehicle Tracking System)
- c. Use the Contracted Buses only for the purpose of providing Bus Services in accordance with this Agreement and shall not use the Contracted Buses for any other purposes.
- d. Allow access to the Contracted Buses to all members of the public without any prejudice or discrimination.
- e. Ensure that all recruited drivers shall hold commercial heavy duty vehicle license valid since the last three years. Licenses of drivers shall be submitted to Authority for verification before deployment. In addition, before deployment of any driver/s, the Operator shall arrange to verify, through appropriate tests, the knowledge, skills and expertise of the proposed drivers and obtain an acceptance certificate from

Authority for deployment of each driver. When on duty, the driver shall always carry this certificate. No driver without the said certificate shall ever be deployed on the Buses provided for the City Bus Service operation of the Authority. Further, if any driver is found to be wanting in the requisite skills, knowledge, and responsibility, Authority reserves the right to ask for replacement of such a driver by a duly qualified driver and the Operator shall forthwith comply with this requirement immediately.

- f. Make drivers and technicians for undergo orientation / familiarization training programme at Rourkela. Operator would also arrange for space, the training bus, fuel etc. for said training programme at his cost.
- g. The training program shall be organized by the Operator on periodic basis as an ongoing activity of providing primary training to newly recruited drivers and technicians as well as updation training to existing manpower.
- h. Ensure the highest standards of cleanliness both inside and outside the Contracted Bus at the time of reporting for the first shift of operations of the bus service of the day.
- i. Ensure safety and security of the passengers, personnel and any third party using the Contracted Buses. The Authority may impose penalties/damages for breach of safety, maintenance and operating requirements.
- j. Ensure safety and security of the Contracted Buses against theft or other forms of damage.
- k. Submit invoices in a timely manner in accordance with the terms contained herein.
- l. Maintain working capital equivalent to at least 1 (one) month's Operator Payment receivable from the Authority.
- m. Pay all amount due and payable including but not limited to damages and/or fines to the Authority as per terms of Agreement without any delays.
- n. Ensure that the Contracted Buses stop to pick up and allow the passengers to get off at the nominated bus stations.



- o. Provide and maintain (and keep up to date) first aid box in each Contracted Bus during Agreement Period.
- p. Keep available any and all equipment, fuel, consumable, machine or material that is required for the uninterrupted and continuous operation, management and maintenance of the Fleet at all times and places during the Agreement Period.
- q. Make adequate arrangements either in-house or outsourced for overhauling of bus aggregates, repair and retreading of tyres, repair of bus bodies, repair of accidental buses, etc. to the satisfaction of the Authority.
- r. Make adequate arrangements either in-house or outsourced for attending to road calls on-line, towing of failed vehicles if required, clearance of bus ways, etc. in least possible time.
- s. Shall not tamper or interfere with any equipment, instrument or system including the GPS tracking facilities and CCTV surveillance and any other IT and Contracted Bus monitoring devices provided in the Contracted Buses and the Project to enable provision of safer Bus Services to the passengers.
- t. Shall ensure the air conditioners provided in the Contracted Buses are operated and maintained in good working condition as per the design capacity, failing which the Authority shall have the right to impose fines in relation thereof.
- u. All provisions of this document would be applicable, mutatis mutandis, for providing buses for operation during night shift if so required and or full complement of buses required on festival days / special occasions etc. as decided by Authority.
- v. Ensure at its own cost and expense and keep available at all times, any and all equipment, fuel, consumable, machine or material that is required for the uninterrupted and continuous operation, management and maintenance of the Bus Service and the implementation of this Agreement. It is clarified that all the costs, including costs relating to the equipment, material and consumables shall be solely borne by the Operator.
- w. Submit the copy of the Employee State Insurance and Provident Fund challans to the Authority every month; and

- x. Agree to comply with all Applicable Laws including labour and local laws, pertaining to the employment of labour, staff and personnel engaged by it for implementing the Project, that are now or may in the future become applicable to Operator's management, operation and maintenance of the Project, and personnel/ drivers, engaged in such operations covered by this Agreement or accruing out of the performance of Bus Services and operations contemplated hereunder. The Operator shall be solely responsible and liable for compliance with all Applicable Laws, including labour and local laws, pertaining to the employment of labour, staff and personnel engaged by it for implementing the Project.

**25.1.4 Co-operation with the Authority:** The Operator shall

- a. cooperate with the Authority and/or any third party appointed by Authority for the purposes of establishing or operating any equipment, instruments or systems in the Contracted Buses or Bus Depots, Terminals and/or Parking Spaces.
- b. make adequate communication arrangements / develop communication facilities / center for effective and efficient, timely communication of all incidents/accidents/ breakdowns etc. to relevant authorities / persons / officials.
- c. cooperate with the Authority and/or any third party appointed by the Authority for the purpose of collection of Passenger Fare.
- d. co-operate with the Authority or any third party appointed by the Authority in relation to the installation, operation, and maintenance of the ticket vending and validation machines and collection of fare through handheld machines if required. The Authority, its personnel, and authorized contractors shall have complete access to such ticket vending and validation machines and shall not be in any manner obstructed by the Operator, its personnel, or contractors, and the said machines shall in no manner be tampered with or damaged by the Operator or its personnel.
- e. Cooperate with the Authority for the purposes of monitoring and supervision of the quality, efficiency and adherence of the Operator to other contractual arrangements pertaining to Project.
- f. Maintain logbooks, bus wise, and all maintenance work / activities

pertaining to each bus shall be entered there-in on regular basis. Authority shall be free to inspect logbooks at all times and the Operator shall make logbooks available to Authority or its representative and answer all queries to its satisfaction.

- g. respond to all notices letters communications received from Authority within the given time frame.
- h. provide all information, data, records, documents or information as may be required by Authority or Project Management Consultant , from time to time; and
- i. Participate in all the meetings and discussions as directed by the Authority from time to time.

**25.1.5 Compliance with the terms of the Warranty and Good Industry Practice:**

The Operator shall

- a. shall comply with all terms of Warranty and instructions that are provided as a part of the purchase order with each Contracted Bus.
- b. undertake all preventive and corrective maintenance in compliance with terms of the Warranty as provided by the bus manufacturer, standards and instructions as may be notified by the Authority from time to time and in accordance with Good Industry Practice.
- c. carry out major overhauls of the Contracted Buses according to the number of kilometers travelled as per terms of the warranty/purchase order as provided by the bus manufacturer, Engine overhaul agency, AC system provider agency standards and instructions as may be notified by the Authority from time to time and in accordance with Good Industry Practice.
- d. shall comply with all the literature provided by bus manufacturer in terms of manuals, operating, and maintenance and safety instructions/manual to the Operator. The Operator shall be responsible for understanding the working of Contracted Buses allotted to it in all aspects specified above including safety features. Operator shall abide by the instructions specified in the operating, and maintenance and safety instructions/manual at all times during the Contract Period. The inspection procedures for the frequency and type of the inspection for each technical condition criteria as specified therein for Contracted Buses shall be complied with by the Operator.

- e. notify defects of any bus component or equipment and/or monitoring device that may be within the scope of the warranty/purchase to the order within [1 (one) day] of noting such defect, to the Authority and take prompt and immediate action as per the instructions of the Authority to remedy or rectify the defects. In the event that the Operator does not notify the Authority within the stipulated time period then it shall be liable to repair or remedy at its own cost and expense such defect, as per the instructions issued by the Authority.

**25.1.6 Annual Maintenance Contract:** In case of the operator does not have or does not develop in-house capacity for adequate maintenance of Contracted Buses, the Operator shall procure and maintain, at its own cost, an Annual Maintenance Contract with the manufacturer of the Contracted Bus or his authorized dealer and with the Bus Bodybuilder for the purpose of ensuring regular servicing and preventive maintenance activities for the Contracted Buses.

**25.1.7 Record and Reporting Requirements:** The Operator shall

- a. maintain record of all preventive maintenance activities shall be kept in the bus maintenance logbook and duly authenticated by the person in charge of carrying out Contracted Bus maintenance. The Operator shall submit the logbooks for inspection by Authority staff as and when demanded.
- b. submit to the Authority in a format as specified by the Authority from time to time:
  - i. a monthly report which shall include but not be limited to:
    - Progress reports
    - Status of all risks and issues
    - Status of readiness the skilled staff to operate Contracted Buses and supervise Contracted Bus operation.
    - Status of Contracted Buses with regards to roadworthiness and compliance with highest maintenance standards/manufacturer's manual or instruction.
  - ii. report on an immediate basis reporting incidents requiring urgent attention of the Authority such as accidents, theft, etc.
  - iii. submit a summary of all the complaints on a monthly basis to

Authority.

- iv. submit copy of certificate of road worthiness of the Contracted Buses periodically every quarter.

**25.1.8 Inspection:** The Operator shall make available Contracted Buses to the Authority or its authorized personnel for inspection as and when required/instructed by Authority for assessment of compliance with maintenance and roadworthiness.

Upon such inspections any suggestions/instruction received from the Authority with regards to corrective actions, maintenance requirement, part replacement requirement, shall be implemented by the Operator at its own cost within [15 (fifteen)] days or a reasonable time period as specified by the Authority. In case of non-rectification/non-action of such instruction within stipulated time period, the Authority may replace or rectify such defect at its own cost and such expenses borne by the Authority shall be reimbursed by the Operator on an immediate basis.

It is hereby clarified that the Authority at its sole discretion, if it determines that such events are occurring on regular basis or are causing undue interference with the Bus Services, may:

- (i) impose fines and/or damages in accordance with the terms contained herein; and/or
- (ii) terminate this Agreement.

**25.1.9 Repair and Replacement:** Subject to obtaining prior written permission of the Authority and any instructions/specifications issued by the Authority, the Operator may if need so arises, replace or install any equipment or accessory for beyond the specifications inside or on the outside of the Contracted Buses. In the event the Operator replaces or installs any equipment or accessory in accordance with this provision, it shall ensure that such additional equipment or accessory is compatible with the existing bus components, parts, software, accessories, or equipment.

**25.1.10 Appointment of Drivers and Staff:** The Operator shall appoint-

- (i) drivers holding a valid license for a period of [3 (three)] years before the Appointed Date in accordance with the Motor Vehicles Act, 1988; and submit the license of all appointed drivers to the Authority before deployment of the Contracted Buses; and

- (ii) appoint either on a temporary, permanent or contractual basis trained and skilled staff for operation, maintenance, and supervision of the Contracted Buses and other facilities related thereto at his cost for services as per the Agreement.

Provided however, the Authority may require the Operator, to remove any person employed for the Bus Services, who in the opinion of the Authority:

- persists in any misconduct.
  - is incompetent or negligent in the performance of his duties,
  - fails to conform with any provisions of this Agreement, or
  - persists in any conduct which is prejudicial to safety, health, or the protection of the general public / environment.
- a. be solely and exclusively responsible for all drivers, employees, workmen, personnel and staff employed for the purposes of implementing the Agreement. The Operator shall ensure that all personnel and staff are under its supervision so as to provide the Bus Service in a safe and efficient manner to the public.
- Provided, however the Authority shall not be liable for any payment or claim or compensation (including but not limited to compensation on account of death/injury/termination) of any nature to such foregoing persons at any point of time during tenure of this Agreement or thereafter and the Operator shall keep the Authority indemnified in this regard.
- b. ensure that all drivers, personnel and staff shall wear uniform as approved by Authority and are well behaved with passengers and officials of Authority. The Operator shall at its own cost and expense provide uniforms and shall ensure that clean uniforms shall be worn by drivers and any other personnel and staff employed at all times when they are on duty and doing any act in relation to providing the Bus Service under this Agreement.
- c. hold periodic training sessions for drivers, staff and all personnel (temporary or on contractual or permanent basis) so as to ensure to implementation of Bus Services efficiently.
- d. ensure that the drivers and other personnel engaged by the Operator do not get involved in any subversive activities, disruption in normal services and inconvenience or/and harassment to the commuters/users. The

drivers and other personnel engaged by the Operator are required to be police verified.

- e. be responsible for all the costs and expenses of maintenance, operation, employment of drivers and other personnel including but not limited to travel, training of its employees, and vendors engaged by the Operator in connection with the implementation of this Agreement.
- f. make efforts to maintain harmony and good industrial relations among the labor and personnel employed in connection with the performance of the Operator's obligations under this Agreement and shall at all times be the principal employer in respect of such labor and personnel.

**25.1.11 Appointment of Operator's Manager:** The Operator shall appoint qualified personnel to supervise and manage day to day operations and maintenance of the contracted buses and to act as a single point contact to manage all the communications and correspondence with Authority ("**Operations Manager**").

**25.1.12 Payment of Taxes and Duties:** Subject to Clause 23, the Operator shall make timely payment of all taxes and duties due and payable under Applicable Law.

**25.1.13 Payment of Fines:** The Operator shall ensure that it promptly pays any fines or damages that may be imposed for any defaults in compliance with traffic rules or other Applicable Laws in relation to the operation of the Bus Service.

**25.1.14 No Alterations or Modifications of the Contracted Buses:** The Operator shall

- a. ensure that there are no alterations in the Contracted Buses or any part thereof made at any point of time including the Colour of such Contracted Buses without the prior written approval of the Authority.
- b. ensure that no additional or new equipment, hardware or software is installed or used in the Contracted Buses without prior approval of Authority.
- c. shall not tamper or interfere with any equipment, instrument or system including the GPS tracking facilities and CCTV surveillance and any other equipment or monitoring devices provided in the Contracted Buses.

**25.1.15 Complaints Redressal:** The Operator shall

- a. maintain complaints register on every Contracted Bus, and shall ensure

that the Complaint Register is not tampered with in any manner at any point of time.

- b. take appropriate action as per the instructions notified by the Authority in relation to any complaint made by the passenger or user of the Contracted Bus or any third person in relation to the Bus Service.

**25.2 Rights of the Operator:** The Operator shall have right to:

- 25.2.1 receive Operator Payment from the Authority as per the terms mentioned in this Agreement.
- 25.2.2 receive support for obtaining required permits and sanctions from the government, or local body and to obtain assistance and support in dutifully carrying out the obligations as provided for in this Agreement as may be within the purview and general jurisdiction of the Authority.
- 25.2.3 use Bus Depot subject to the terms and conditions provided by the Authority herein; and
- 25.2.4 Operate and maintain the Contracted Buses on the Routes as per conditions set forth in the Agreement.
- 25.2.5 Exercise option to Buy contracted buses after successful completion of Agreement Period as per the terms specified in Clause 36 of the Agreement.

**25.3 Authority's Rights and Responsibilities:** In addition to the terms and conditions of this Agreement, the Authority shall:

- Provide adequate land for Bus Depot
  - Space for Bus operation related infrastructure development.
  - Upstream water and electric source to the Depot during the Agreement Period.
- 25.3.2 Provide Bus Depot right to use the space in accordance with the terms of this Agreement and Depot Lease Agreement.
  - 25.3.3 Obtain, at its own cost, Route licenses (stage carriage permits) from the RTO and allow the Operator to operate the buses on its behalf under these Licenses; 25.3.4. provide and install monitoring devices on the Contracted Buses to enable real time tracking (including but not limited to CCTV camera or Vehicle Tracking System);
  - 25.3.4 establish and operate a Central Control Centre to:



- (i) register complaints, public grievances in relation to the Bus Services being undertaken by the Operator under this Agreement; and
- (ii) monitor and supervise the functioning of the Operator.
- (iii) maintain records and reports in relation to the implementation of the Project.

25.3.5 provide assistance, on a best effort basis, in obtaining the Operator Clearances, provided the Operator has made the applications for such permits/ clearances to the concerned government authorities and is otherwise in compliance with the terms applicable for grant of the same.

25.3.6 conduct regular inspections of Contracted Buses and the Project at any time during the Agreement Period. The Authority may penalize travelers commuting without ticket in cash as determined by the Authority.

25.3.7 provide the right of use and right of way to the Operator, in respect of the space for parking of Contracted Buses, maintenance together with the right to use and right of way for such space only for the purposes set forth in this Agreement.

25.3.8 have the right to levy damages and or fines as provided in this Agreement and in the event the Operator fails to make payments of such fines, the Authority shall have the right to deduct the same from the payments for Km charge and / or Performance Security

25.3.9 have the right to issue operating instructions and any other advisory or instruction as deemed necessary to maintain highest standards of Bus Services including safety, functionality and operability of the Bus Services.

## **26. INSURANCE**

### **26.1 Insurance During the Agreement Period**

**26.1.1** The Operator shall, from day one from the date of signing of Agreement at its cost and expense, purchase and maintain insurances, as per law of India and as per prudent market practices starting from COD and handover of Depot / Premises up to the end of the Agreement Period such, including but not limited to the following.

**26.1.2** Insurance of Contracted Buses and payment of RTO registration charges as per Motor Vehicle Act for required for registration of Buses in name of Authority and insurance / RTO charges if any for all subsequent years of

Agreement.

- 26.1.3 100% replacement cost for any loss and damage to Authority's Property/Project Asset/Premises with Authority as beneficiary. Shortfall in insurance cover, if any, shall be borne by the Operator.
- 26.1.4 Operator's all risk insurance with the Authority as co-beneficiary; 26.1.5. Comprehensive third-party liability insurance.
- 26.1.5 Comprehensive third-party liability insurance.
- 26.1.6 100% insurance of employee compensation and other liability as per Workmen's Compensation Act 1923.
- 26.1.7 Any other insurance that may be necessary to protect the Operator, its employees and the Project Asset against loss, damage or destruction at replacement value including all Force Majeure Events that are insurable and not otherwise covered in items (1) to (6) with the Authority as beneficiary/co-beneficiary.
- 26.1.8 The Operator shall be responsible to pay the premium regularly and maintaining the insurance policies specified above at all time during the Agreement Period. Operator shall be solely responsible in case of failure of its renewal.
- 26.1.9 Apart from above, any liabilities arising out of or incidental to accidents in which Contracted Buses are involved shall be on account of the Operator and shall have to borne by the Operator including any compensation payable, whether such compensation payments become claimed, or paid during or after the currency of the Agreement. Authority shall not be responsible for payment of any such compensation to aggrieved parties on account of accidents of any kind involving the Contracted Buses.

## **26.2 Evidence of Insurance Cover**

- 26.2.1 The Operator shall, from time to time, provide to Authority copies of all insurance policies (or appropriate endorsements, certifications or other satisfactory evidence of insurance) obtained by it in accordance with the Agreement.
- 26.2.2 If Operator shall fail to effect and keep in force the insurance for which it is responsible pursuant hereto, Authority shall have the option to take or keep in force any such insurance and pay such premium and recover all costs thereof from Operator.

### **26.3 Application of Insurance Proceeds**

- 26.3.1 Subject to the provisions of this Agreement, all moneys received under insurance policies shall be promptly applied by the Operator towards repair or renovation or restoration or substitution of the Project Asset or any equipment/part thereof or Third-party Property which may have been damaged or required repair/modification.
- 26.3.2 The Operator shall carry out such repair or renovation or restoration or substitution to the extent possible in such manner that Project Asset, or any part thereof, shall, after such repair or renovation or restoration or substitution be as far as possible in the same condition as they were before such damage or destruction, normal wear and tear excepted.
- 26.3.3 For insurance policies where the Authority is the beneficiary and where it received the insurance proceeds, only such sums as are required from the insurance proceeds for restoration, repair and renovation of the Project Asset.

### **26.4 Validity of Insurance Cover**

- 26.4.1 The Operator shall pay the premium payable on such insurance Policy/Policies so as to keep the insurance in force and valid throughout the Agreement Period and furnish copies of the same to the Authority for each year/policy period. If at any time the Operator fails to purchase, renew and maintain in full force and effect, any and all of the Insurances required under this Agreement, Authority may at its option purchase and maintain such insurance and all sums incurred by the Authority therefore shall be reimbursed by the Operator forthwith on demand, failing which the same shall be recovered by the Authority by encashment of Performance Security, exercising right of set off or otherwise.

## **27. OPERATION AND MAINTENANCE STANDARDS**

- 27.1 The Operator shall observe the minimum service standards for operations and maintenance of Contracted Buses as provided in the Agreement.
- 27.2 The Operator shall operate and maintain the Contracted Buses in accordance with the Fleet Deployment Plan and shall at all times ensure that the frequency is maintained as specified under the Fleet Deployment Plan or as per the instructions of the Authority from time to time.
- 27.3 The Operator shall ensure that the following activities are undertaken as part of the maintenance activity of the Contracted Buses without any causing disruption to the

frequency or the availability of the Contracted Buses in accordance with the terms contained herein:

- a. Fuelling
- b. Water topping of radiators.
- c. Checking and topping of engine oils
- d. Checking of tyres
- e. Cleaning, sweeping and washing of buses including soap washing every week.
- f. Attending to defects reported by drivers.

27.4 In addition to the Operator Clearances, the Operator shall ensure that he procures and maintains a valid certificate of fitness and a pollution control certificate from the relevant authorities for all the Contracted Buses from time to time.

27.5 In the event the Operator fails to maintain the security of the Contracted Buses and there is any theft or damage of bus component / spare parts / hardware / software / instrument, then the Operators shall reinstall/reinstall such bus component/spare parts/hardware/software/instrument of the same or equivalent quality and specification after giving prior written notice to the Authority.

27.6 The Authority or representative of the Authority shall monitor the replacement or re-installation done by the Operator and shall determine whether the replaced or re-installed bus component/spare parts/hardware/software/instrument is the same or equivalent quality as originally provided or installed in the Contracted Bus. In the event that the Authority or representative of the Authority determines that the replaced or re-installed bus component/spare parts/hardware/software/instrument is of an inferior quality then the Authority shall consider this an Operators Event of Default.

27.7 In the event of such breach in security, the Operator shall extend all co-operation to the Authority including but not limited to filing complaints to the police and or any other investigation undertaken in relation thereof.

## **28. DAMAGE TO CONTRACTED BUSES DUE TO VANDALISM**

28.1 In the event that any damages or need for repairs or complete replacement to the Contracted Buses and repair of Bus Depot or any other asset provided by the Authority arises during the Agreement Period on account of Vandalism, the Operator shall be required to make good the damages and repair the Contracted Buses to the original conditions at the cost of Operator.

28.2 Authority shall re-imburse the cost of to the operator for any such damage or loss,

including for loss of full bus after deducting the insurance proceeds. In case of loss of full bus, operator shall replace the lost bus with another bus of broadly similar configuration, specifications, make and vintage. In all cases, the repair, servicing and rectification Service or replacement shall be undertaken by the Operator at its own cost to the satisfaction of Authority.

28.3 For the purpose of this clause, "Vandalism" is defined as destroying or damaging Contracted Buses, deliberately and/or for no reasons attributable to omission of act or breach of obligation of the Operator by the persons other than the employee or sub-contractor of the Operator.

## **29. PERFORMANCE APPRAISAL SYSTEM**

- 29.1 Without prejudice to and notwithstanding any other provision of this Agreement pursuant to which the Operator shall follow the Performance Indicators provided in the Performance Appraisal System (PAS) placed as Annexure
- 29.2 PA7. The Operator shall pay Liquidated damages or Receive Incentive as a resultant of the evaluation of daily, weekly and Monthly parameters for Bus Operation and Maintenance as defined in the PAS in detail. The parameters generally covers aspects of 1) Regulatory Compliance 2) Passenger Experience 3) Safety and 4) Vehicle upkeep.
- 29.3 The Authority, in consultation with the Operator, reserves the right to make modification in the frequency, nature and quantum of the Performance evaluation parameters during the course of the Agreement based on the experience gained in implementation of PAS.
- 29.4 The total damages payable to the Authority in any Payment Period in terms of this clause in respect of all the categories of buses shall be computed by arriving at the arithmetic sum computed for each such category ("**Aggregate Damages**").
- 29.5 No damages or incentives shall be payable for first 3 months of Operations Period for purposes of fine tuning the operations.
- 29.6 In case Aggregate Damages payable by the Operator exceeds the 10% of invoice value prescribed above for consecutive 5 (five) Payment Period, it shall be considered as breach of obligation by the Operator and shall entitle the Authority to consider it an Operator Event of Default in accordance with the provisions hereof.
- 29.7 The Authority may add/delete/change/modify the parameters on which Fines can be applied in consultation with Operator(s). At least [30 (thirty) days] prior notice shall be given to the Operator before such additional fines can be applied. Fines levied shall be supported by reports of inspection done by the Authority or its authorized representatives including the reports maintained by the Central Control Centre.

### **30. CONFIDENTIALITY OBLIGATIONS OF OPERATOR**

30.1 Protection of Confidential Information: The Operator shall not without Authority's prior written consent use, copy or remove any Confidential Information from Authority's premises, except to the extent necessary to carry out Operator's obligations hereunder. Upon completion or termination of each assignment hereunder, Operator shall return to Authority all documents or other materials containing Authority's Confidential Information and shall destroy all copies thereof.

For the purpose of this Clause, the term "Confidential Information" means the information or document which is specifically marked by the issuer/provider of information as confidential or otherwise clearly marked as confidential or proprietary and shall include any proprietary or confidential information of Authority relating to the Bus Services provided under the Agreement in relation thereto and information relating to Authority's business or operations.

30.2 **Confidential Information shall not include information which:**

- a. Is or becomes generally available to the public without any act or omission of Operator.
- b. Was in Operator's possession prior to the time it was received from Authority or came into Operator's possession thereafter, in each case lawfully obtained from a source other than Authority and not subject to any obligation of confidentiality or restriction on use.
- c. Is required to be disclosed by court order or operation of law; in such event, Operators shall so notify Authority before such disclosure; and
- d. Is independently developed by or for Operator by persons not having exposure to Authority's Confidential Information.

30.3 The Operator is under an obligation to protect Confidential Information under this Clause for a period of three (3) years after the expiry or termination of this Agreement.

30.4 **Intellectual Property Rights:**

30.4.1 Operator shall acknowledge and agree that any and all hardware, software, and / or firmware developed by Authority in relation to the BUS SERVICE Project and any modifications thereto or works derived there-from shall be the exclusive property of Authority at all times and Authority shall retain all right, title and interest in and to the same. Provided however that the Operator shall have the right to possess and use the same during the Agreement Period for purposes of effective implementation, operation and maintenance of the BUS SERVICE Project on specific approval of the same by Authority.

30.4.2 After the expiry or termination of the Agreement Operator shall have no right, title or interest in or to any work including without limitation the designs,

software, modifications or facilities developed at the allotted sites by Operator for Authority under the BUS SERVICE Project for any purpose whatsoever.

30.4.3 For purposes of the Agreement the terms “software”, “software programs” shall include without limitation the specifications, documentation, technical information, and all corrections, modifications, additions, improvements and enhancements to any of the foregoing provided at the sites by the Operator in relation to the BUS SERVICE Project pursuant to the Agreement.

30.4.4 Authority may in its sole discretion allow the use of any and all Buses used specifically for Authority in relation to the BUS SERVICE Project by Operator to a third party for the purpose of advertisements etc. inside/outside the Buses.

### **31. EVENT OF DEFAULT AND TERMINATION**

**31.1 Operator’s Event of Default:** Any of the following events shall constitute an Event of Default by the Operator (“**Operator’s Event of Default**”) unless such event has occurred as a result of a Force Majeure Event:

31.1.1 Operator is in breach of any of its obligations under this Agreement and the same has not been remedied for more than [60 (sixty)] days.

31.1.2 A resolution for voluntary winding up has been passed by the shareholders of the Operator.

31.1.3 Any petition for winding up of Operator has been admitted and liquidator or provisional liquidator has been appointed or Operator has been ordered to be wound up by Court of competent jurisdiction, except for the purpose of amalgamation or reconstruction, provided that, as part of such amalgamation or reconstruction the amalgamated or reconstructed entity has unconditionally assumed all surviving obligations of the Operator under this Agreement.

31.1.4 Operator fails to comply with the Applicable laws, rules and regulations.

31.1.5 Any representation made or warranties given by the Operator under this Agreement or under the RFP document is found to be false or misleading.

31.1.6 Operator fails to maintain/ refurbish/ replenish the Performance security as per terms of this Agreement.

31.1.7 Operator is unable to supply Buses beyond the 60-day permitted delay period



and beyond any additional period granted by the Authority in accordance with Clause 15

- 31.1.8 Operator suspends or abandons the operations of Contracted Buses without the prior consent of Authority, provided that the Operator shall be deemed not to have suspended/ abandoned operation if such suspension/ abandonment was (i) as a result of Force Majeure Event and is only for the period such Force Majeure is continuing, or (ii) is on account of a breach of its obligations under this Agreement by the Authority.
- 31.1.9 The Operator repudiates this Agreement or otherwise evidences an intention not to be bound by this Agreement.
- 31.1.10 The Operator failed to make any payments/damages/damages due to Authority within period specified in this Agreement or indicated by Authority without any valid reason.
- 31.1.11 The Operator fails to pay back the monthly instalment of the soft loan given for four consecutive quarters.
- 31.1.12 The Operator failed to perform any of the Operator's obligations, which has a Material Adverse Effect on the Agreement
- 31.1.13 Operator creates an Encumbrance over the Contracted Buses, Bus Depot, Terminals or Parking Spaces.
- 31.1.14 Operator fails to adhere to the timelines set forth in the Agreement for performance of Operator's obligations there under; and reason thereof damages as provided exceeds value of provided in the relevant clauses.
- 31.1.15 Repeated occurrence of breach of Operator's obligations specified in this Agreement and which shall not be remedied in Remedial Period specified by Authority; and
- 31.1.16 Any other default/breach of its obligation by the Operator, for which default/breach termination has been prescribed in terms of this Agreement.
- 31.1.17 The Operator defaults in the repayment of the Soft Loan as per the Terms of Loan Agreement.
- 31.1.18 The Operator fails to repay any debt / loan raised by the Operator for the



purpose of financing the Bus from institutional Lenders such as Banks.

**31.2 Authority's Event of Default:** Any of the following events shall constitute an Event of Default by the Authority (Authority's Event of Default) unless such event has occurred as a result of a Force Majeure Event:

31.2.1 The Authority is in Material Breach of any of its obligations under this Agreement and has failed to cure such breach within 60 (sixty) days of occurrence thereof.

31.2.2 The Authority has unlawfully repudiated this Agreement or otherwise expressed its intention not to be bound by this Agreement (for example Authority fails to renew stage carriage license/permit, demands withdrawal of the Contracted Buses etc.)

## **32. TERMINATION DUE TO EVENT OF DEFAULT**

### **32.1 Termination for Operator's Event of Default:**

**32.1.1** Without prejudice to any other rights or remedies, which the Authority may have under this Agreement, upon occurrence of an Operator Event of Default, the Authority shall be entitled to terminate this Agreement by issuing a Termination Notice to the Operator; provided that before issuing the Termination Notice, the Authority shall by a notice inform the Operator of its intention to issue such Termination Notice and grant minimum 45 ( Forty Five ) days or such other reasonable period as the Authority deems fit at its sole discretion to the Operator to remedy the default ("Remedial Period") and/or make representations, and may after the expiry of such Remedial Period on non-remedy of breach/default to the satisfaction of the Authority, whether or not it is in receipt of such representation, issue Termination Notice and then terminate the Agreement.

32.1.2 In the event of termination for an Operator Event of Default, the Authority shall:

- a. In case such termination occurs due to non-supply of buses as per agreement conditions,
  - i. Release bus(es) supplied to Authority by the Operator
  - ii. Be entitled to invoke and retain the Performance Security amount in full;

- iii. Demand and get paid by the Operator in full the outstanding Loan Amount under the Soft Loan Agreement along with applicable interest.
- b. In case such event occurs after COD
  - i. Takeover peaceful possession without any Encumbrance of, Bus Depots, Computer software, electronic hardware or any Intellectual Property, pertaining to Bus Operation and maintenance, provided to the Operator.
  - ii. Be entitled to invoke and retain the Performance Security amount in full;
  - iii. Release bus(es) under operation from the duty.
  - iv. Demand and get paid by the Operator in full the outstanding Loan Amount under the Soft Loan Agreement along with applicable interest.

## **32.2 Termination for Authority's Event of Default**

**32.2.1** Without prejudice to any other right or remedies which the Operator may have under this Agreement, upon occurrence of Authority's Event of Default, the Operator shall be entitled to terminate this Agreement by issuing a Termination Notice to the Authority; provided that before issuing the Termination Notice, the Operator shall by a notice inform the Authority of its intention to issue such Termination Notice and grant 45 ( Forty Five )days or reasonable period to the Authority to remedy the default and/or make representations, and may after the expiry of such Remedial Period on non-remedy of breach/default, issue a Termination Notice.

**32.2.2** Upon Termination of this Agreement on account of Authority's Event of Default, the Authority shall:

- a) Pay any sum due and payable as the Operation Payment by the Authority till date of such termination.
- b) Takeover peaceful possession without any Encumbrance of all Bus Depots, Computer software, electronic hardware or any Intellectual Property, pertaining to Bus Operation and maintenance, provided to

the Operator.

- c) Refund/ release of performance security in full provided there are no outstanding dues off the Authority on the Operator
- d) Release bus(es) under operation from the duty.

32.2.3 Upon Termination of this Agreement on account of Authority's Event of Default, the Authority shall Demand and get paid in full the outstanding Loan Amount by the Operator under the Soft Loan Agreement along with applicable interest.

### **33. FORCE MAJEURE**

33.1 For the purposes of this Agreement the expression "**Force Majeure**" or "Force Majeure Event" includes acts of God, war, revolutions, hostility, civil commotions, strikes, fires, floods, earthquake, epidemics, quarantine restrictions, freight embargoes or explosions and if it affects the performance by the Party claiming the benefit of Force Majeure (the "Affected Party") of its obligations under this Agreement and which act or event:

- (i) is beyond the reasonable control of the Affected Party, and
- (ii) the Affected Party could not have prevented or overcome by exercise of due diligence and following Good Industry Practice, and
- (iii) has Material Adverse Effect on the Affected Party.

33.2 A soon as practicable and in any case within [seven(7) days] of the date of occurrence of a Force Majeure Event or the date of knowledge thereof, the Affected Party shall notify the other Party, inter alia, the following in reasonable detail:

- a. the nature and extent of the Force Majeure Event.
- b. the estimated duration of the Force Majeure Event.
- c. the nature of and the extent to which, performance or any of its obligations under this Agreement is affected by the Force Majeure Event.
- d. the measures which the Affected Party has taken or proposes to take to alleviate / mitigate the impact of the Force Majeure Event and to resume

performances of such of its obligations affected thereby; and

- e. any other relevant information concerning the Force Majeure Event, and / or the rights and obligations of the Parties under this Agreement.

33.3 As soon as practicable and in any case within [5 (five) days] of notification by the Affected Party in accordance with the preceding sub-clause (a), the Parties shall, hold discussions in good faith in order to:

- a) assess the impact of the underlying Force Majeure Event.
- b) to determine the likely duration of Force Majeure Period; and
- c) to formulate damage mitigation measures and steps to be undertaken by the Parties for resumption of obligations the performance of which shall have been affected by the underlying Force Majeure Event.

33.4 The Affected Party shall during the Force Majeure Period provide to the other Party representative regular (which shall not be less than weekly) reports concerning the matters set out in the preceding sub-clause (b) as also any information, details or document, which the other Party may reasonably require.

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

- a. due notice of the Force Majeure Event has been given as required in accordance with the terms contained herein;
- b. the excuse from performance shall be of no greater scope and of no longer duration than is necessitated by the Force Majeure Event.
- c. the Affected Party has taken all reasonable efforts to avoid, prevent, mitigate and limit damage, if any, caused or likely to be caused to the Project as a result of the Force Majeure Event and to restore the Bus Services affected as a result of the Force Majeure Event in accordance with the Good Industry Practice and its obligations under this Agreement.
- d. when the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Party written notice to that effect and

shall promptly resume performance of its obligations hereunder the non-issue of such notice being no excuse for any delay in resuming such performance.

- e. the Affected Party shall continue to perform such of its obligations which are not affected by the Force Majeure Event, and which are capable of being performed in accordance with the Agreement; and
- f. any insurance proceeds received shall be, subject to the provisions of Financing Documents, entirely applied to repair, replace or restore the assets damaged on account of the Force Majeure Event, or in accordance with Good Industry Practice.

33.6 If the inability on account of Force Majeure to perform continues for a period of more than [three (3) months], each Party shall have the right to be released from further performance of the Agreement, in which case, neither Party shall have the right to claim damages from the other. All prior performance shall be subject to the terms of this Agreement.

33.7 Upon Termination of this Agreement on account of a Force Majeure Event, the Operator shall be entitled to receive.

- a) Pay any sum due and payable as the Operation Payment by the Authority till date of such termination.
- b) Takeover peaceful possession without any Encumbrance of all Bus Depots, Terminals, and/or Parking, Computer software, electronic hardware or any Intellectual Property, pertaining to Bus Operation and maintenance, provided to the Operator.
- c) Refund/ release of performance security in full provided there are no outstanding dues off the Authority on the Operator
- d) Release bus(es) under operation from the duty.

33.8 Upon Termination of this Agreement on account of a Force Majeure Event, the Operator shall pay any outstanding in full under the Soft Loan Agreement along with applicable interest.

#### **34. CHANGE OF LAW**

34.1 Change in Law shall mean the occurrence or coming into force of any of the following,

after the date of execution of this Agreement:

- a. The enactment of any new law
- b. The repeal, modification or re-enactment of any existing law.
- c. A change in the interpretation or application of any law by a court of record
- d. Any order, decision or direction of a court of record; and
- e. Any change in the rate of any of the taxes that have direct effect on the Agreement.

Provided, however, Change in Law shall not include:

- a) Coming into effect, after the Appointed Date, of any provision or statute which is already in place as of the date of execution of this Agreement.
- b) Any new law or any change in the existing law under the active consideration of or in the contemplation of any government as of the Effective Date which is a matter of public knowledge.
- c) Any change in taxes, duties, levies, cess or any other form of charges.
- d) Non availability of any spare part, equipment, component due to price escalation or otherwise

34.2 Upon occurrence of a Change in Law, the Operator shall notify the Authority of the following:

- a) The nature and the impact of Change in Law on the Agreement and Project; and
- b) Upon receipt of the notice of Change in Law issued by Operator pursuant to preceding subclause, the Authority and the Operator shall hold discussions in relation thereof.

### **35. HANDBACK ON TERMINATION**

35.1 The operator shall retain the title and ownership of Contracted Buses in relation to the Project under this Agreement during the Agreement Period.

35.2 After successful completion of agreement period, operator shall hand over all hardware,

software, firmware, and deliverables on board installed by the Authority in sound condition.

35.3 In case of any early termination of the Agreement before its normal expiry with the efflux of time, for whatever reason, the Operator shall handover to the Authority free from Encumbrances the peaceful possession of all hardware, software, firmware, and deliverables on board installed by the Authority in sound condition.

35.4 In case of any early termination of the Agreement before its normal expiry with the efflux of time, for whatever reason, the Operator shall handover free from Encumbrances the peaceful possession of all awarded/allotted Bus Depots, Parking Spaces, Terminals, and any other assets installed or developed by Authority including without limitation any and all hardware, software, firmware, and deliverables in sound condition.

35.5 The Operator shall have no right to seek the transfer of the Bus Depot Area or any other Movable or immoveable asset that may be provided by the Authority to the Operator, and the Authority shall retain the title, and ownership in relation to such assets at all times.

35.6 Any immovable infrastructure, which may be constructed by the Operator shall be transferred by the Operator to the Authority.

## **36. DISPUTE RESOLUTION**

### **36.1 Amicable Resolution**

**36.1.1** Save where expressly stated otherwise in this Agreement, any dispute, difference or controversy of whatever nature howsoever arising under, out of or in relation to this Agreement including non-completion of the Agreement between the Parties and so notified in writing by either Party any negligence on the part of the operator or its employees.

**36.1.2** The overall liability of the Operator under the agreement, either through invocation or Performance Security or liquidated damages or fine or penalties or claim for indemnity, irrespective of whether the liability arises as a result of a single act or omission shall be limited to an amount equal to twenty per cent (20%) of the annual payment of the Operator in that financial year.

### **36.2 Arbitration**

**36.2.1** Arbitrator: In the event of any dispute arising between the Parties in relation

to or under this Agreement, the same shall be settled by arbitration conducted by an arbitration tribunal consisting of three arbitrators, one to be appointed by each Party and the third arbitrator being appointed by the two arbitrators so appointed. The decision of the arbitration tribunal shall be final and binding.

36.2.2 Place of Arbitration: The place of arbitration shall be at Bhubaneswar.

36.2.3 Language: The request for arbitration, the answer to the request, the terms of reference, any written submissions, any orders and rulings shall be in English and, if oral hearings take place, English shall be the language to be used in the hearings.

36.2.4 Procedure: The procedure to be followed within the arbitration/arbitral tribunal and the rules of evidence which are to apply shall be in accordance with the Arbitration and Conciliation Act, 1996.

36.2.5 Enforcement of Award: Any decision or award resulting from arbitration shall be final and binding upon the Parties. The Parties hereto agree that the arbitral award may be enforced against the Parties to the arbitration proceedings or their assets wherever they may be found and that a judgment upon the arbitral award may be entered in any Court having jurisdiction thereof.

36.2.6 Fees and Expenses: The fees and expenses of the arbitrators and all other expenses of the arbitration shall be initially borne and paid by respective Parties equally subject to determination by the arbitrators. The arbitrators may provide in the arbitral award for the reimbursement to the prevailing Party of its costs and expenses in bringing or defending the arbitration claim, including legal fees and expenses incurred by the said Party.

36.2.7 Performance during Arbitration: Pending the submission of and/or decision on a Dispute, difference or claim or until the arbitral award is published; the Parties shall continue to perform all of their obligations under this Agreement without prejudice to a final adjustment in accordance with such award.

## **37. SUBCONTRACT**

The Operator shall not be allowed to subcontract any part of this Agreement except activities related to Depot Construction and bus maintenance with prior approval from the Authority.

## **38. INDEMNITY**

38.1 The Operator shall at all times, i.e. during the Agreement Period and at any time



thereafter, defend, indemnify and hold the Authority harmless from and against all claims (including without limitation claims for infringement of intellectual property, breach of contract, death or injury to person or injury to property, or other tort claims) and expenses (including costs incurred in defending itself in court proceedings) arising out of or relating to the breach by Operator of any covenant representation or warranty or from any act or omission of the Operator or his agents, employees or sub-contractors.

38.2 The Operator shall be liable for and make good any damages which may be caused to Authority or to third parties, for non-compliance of any of its statutory/contractual obligations And responsibilities with respect to any party.

38.3 The Operator shall be liable and make good to Authority any damages or statutory claim like Motor Accident Claim which may be caused to Authority for any negligence on the part of Operator or its employees.

38.4 The overall liability of the Operator under the Agreement, either through invocation of Performance Security or liquidated damages or fine or penalties or claim for indemnity), irrespective of whether the liability arises as a result of a single act or omission or a series of acts or omissions shall be limited to an amount equal to twenty per cent (20%) of the total payment received by the Operator in that Operation Year.

## **39. MISCELLANEOUS**

### **39.1 Governing Law and Jurisdiction**

**39.1.1** This Agreement shall be governed and interpreted in accordance with the laws of India.

39.1.2 The Courts of Bhubaneswar alone shall have exclusive jurisdiction over all matters arising out of or in respect of the Agreement.

**39.2 No waiver of rights and claims:** Any forbearance, toleration or delay in invoking any of the rights or claims accruing in favour of any party under the terms of this Agreement shown or made by such a party in whose favour such rights or claims might have vested by virtue of this Agreement shall neither constitute nor be construed to be a waiver of such rights or claims accruing in respect of such a party.

**39.3 Schedules and Annexure:** All schedules and annexures and other explanatory details attached to this Agreement shall be deemed to be a part of this Agreement.

**39.4 Supersession of earlier Agreements:** This Agreement represents the entire Agreement between the Authority and the Operator, and all agreements, correspondence, notes or any other document submitted or understandings made or reached by and between the Parties inter se in respect of the subject matter of these presents prior to the date hereof shall be deemed to have been superseded and revoked on the execution of this Agreement.

**39.5 Notices:** Unless otherwise stated, notices to be given under this Agreement shall be in writing and shall be given by hand delivery/ recognized international courier, mail, telex or facsimile and delivered or transmitted to the Parties at their respective addresses set forth below:

If to Authority

(Name of the Concerned Official)

OSRTC

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If the Operator

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All notices under this Agreement shall be in English.

**39.6 Counterparts:** This Agreement may be executed in two counterparts, each of which when executed and delivered shall constitute an original of this Agreement but shall together constitute one and only one Agreement.

**39.7 Assignment:** No assignment of this Agreement, or any rights or duties hereunder shall be made in whole or in part by any Party at any point of time during the Agreement Period.

Provided, however, the Operator may sub-contract part of the operation and

maintenance of the Bus Services with the prior approval of the Authority.

Provided, further that, under no circumstances shall the Operator be absolved of his rights, duties, obligations under the terms and conditions of this Agreement, and the Operator shall be solely and exclusively responsible for the implementation of this Agreement.

**39.8 No Partnership:** Nothing herein contained shall be construed to constitute a partnership between Authority and the Operator, or to constitute either party as the agent of the other and neither party shall hold itself out as such.

**39.9 Severability:** If any provision of this Agreement shall be declared illegal, void or unenforceable, the same shall not affect the other provisions herein which shall be considered severable from such provision and shall remain in full force and effect.

#### **39.10 Representation and Warranties**

**39.10.1 Representation and Warranties of the Authority:** The Authority hereby represents, assures, confirms and undertakes to the Operator as follows:

- a) That it is duly incorporated under the laws of India and has the power to conduct its business as presently conducted, and to enter into this Agreement.
- b) That it has full power, capacity and Authority to execute, deliver and perform this Agreement and has taken all necessary sanctions and approvals and followed all the procedure required to authorize the execution, delivery and performance of this Agreement.
- c) Nothing in this Agreement conflicts with its constitutional Authority, mandate, or any law or any other agreement, understanding or arrangement or any judgment, decree or order or any statute, rule or regulation applicable to it; and
- d) All approvals and permissions as are necessary for the execution of this Agreement have been obtained, all the required procedure for the due execution of this Agreement have been adhered to, and this Agreement will be valid, legal and binding against it under the Applicable Law.

**39.10.2 Representation and Warranties of the Operator:** The Operator hereby represents, assures, confirms and undertakes to the Authority as follows:

- a. That it is duly incorporated under the laws of India and has the power to conduct

its business as presently conducted and to enter into this Agreement.

- b. That it has full power, capacity and Authority to execute, deliver and perform this Agreement, and has taken all necessary sanctions and approvals (corporate, statutory or otherwise) to authorize the execution, delivery and performance of this Agreement.
- c. Nothing in this Agreement conflicts with its Memorandum and Articles of Association or any other agreement, understanding or arrangement or any judgment, decree or order or any statute, rule or regulation applicable to it; and
- d. this Agreement will be valid, legal and binding against it under the Applicable Law.

39.10.3 **Exclusion of Consequential Losses:** Notwithstanding anything to the contrary contained in this Agreement, the indemnities herein provided shall not include any claim or recovery in respect of; any cost, expense, loss or damage of an indirect, incidental or consequential nature, including loss of profit, except as expressly provided in this Concession Agreement.

IN WITNESS WHEREOF the Parties hereto have placed their respective hands and seals hereto on the day and year first herein above mentioned.

SIGNED, SEALED AND DELIVERED BY:

For and on behalf of OSRTC

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Witness:\_\_\_\_\_

SIGNED, SEALED AND DELIVERED

For and on behalf of by:

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### **Annexure – PA1: FORMAT OF LETTER OF AWARD**

Ref.No: \*\*\*\*\*

Date: xx/xx /2023

To

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[Hereinafter referred to as the “Selected Bidder”]

Kind Attn: Ms./Mr. ----- (Authorized Signatory)

Ref:

1

2

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**Sub:** Letter of Award (LOA) for Package ----- (Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model).

Dear Sir,

1) Please have reference to

- a) The above referred RFP issued by Odisha State Road Transport Corporation (OSRTC) (hereinafter referred to as “Authority”), towards submission of Technical and Financial bids, in accordance with the Request for Proposal ; and
- b) Your Technical and Financial bids dated read with subsequent correspondences (collectively the “Proposal ”) for Operation of buses on Operate and Maintain basis through Gross Cost Contract for Bus Service.
- c) Negotiation meeting held on -----at Bhubaneswar (“Negotiation Meeting”) between Authority and your firm at Bhubaneswar.

- 2) For the avoidance of doubt, it is hereby clarified that unless otherwise referred/ defined hereunder or repugnant to the context or usage thereof, the capitalized terms used under this LOA shall have the meaning as respectively ascribed thereto under the RFP and/or the draft Bus Operator Agreement, to be executed in terms of the RFP and this LOA.
- 3) We are pleased to inform you that, pursuant to the evaluation of the technical and Financial Bids submitted by your firm M/s. ----- and negotiation held on with you, your firm has been identified as the Successful Bidder. Accordingly, this LOA is being issued to you by Authority, for undertaking the Contract for Operation of buses on Provision / Refurbish, Operate and Maintain basis through Gross Cost Contract for Bus Service across the State of Odisha, subject always & exclusively to the terms hereof, the RFP and the Agreement to be executed as per the terms of the RFP, at the Aggregate Bus Operating Cost as referred in your Financial Proposal and as agreed between us are detailed below:

SL No	Package	Quantity of Buses (Nos)	Quoted Aggregate Bus Operating Cost for 1st year (Exclusive of GST)
1	1	35 AC and 140 Non-AC 900 mm Buses	XXXX

- 4) It is hereby clarified that GST in respect of the above, if applicable, would be paid as per actual at prevailing at the time of payment to the Operator.
- 5) Further, as per Clause 20 of the Vol II of the RFP, you are required to furnish unconditional and irrevocable Bank Guarantee (**BG**) of ----- (Rs. ----- Only) each, in favor of -----, from a Scheduled Bank, payable and enforceable at Bhubaneswar, towards the **Performance Security**, in the format prescribed as part of the RFP. The BG shall be submitted prior to signing of the Bus Operator Agreement.
- 6) It is further clarified that the BG towards Performance Security shall, in accordance with the provisions of the RFP and the Agreement, be maintained in full force and effect for the entire period of Contract, as defined and provided in the Volume 2 of the RFP, and if in case the availability of Bank Guarantee from the Banks for the length of the Contract is difficult to obtain, then the initial Guarantee maybe submitted valid for a period of 2 years, and which shall have to be renewed 45 days before its expiry.
- 7) You are further requested to execute with Authority, within 15 (Fifteen) days from the issuance of LOA, the Bus Operator Agreement, in the form set forth in the Volume III of the RFP.
- 8) It may also be noted that in the event of any failure to comply with any of the terms and

conditions mentioned in this LOA and/or the RFP document within the time and in accordance with the manner prescribed therefore, including without limitation the acknowledgement of this LOA, Authority shall, in addition to all other rights and remedies that may be available to it under the provisions of the RFP, this LOA, law and equity or otherwise, at its absolute discretion be entitled to treat your Proposal as rejected and unilaterally cancel/revoke this LOA and deal with the captioned Contracts it may deem fit in its sole and absolute discretion.

In such an event the Selected Bidder(or any person claiming under it) shall have no claim or demand against Authority, of any nature whatsoever. Further, under any circumstances, Authority, shall not be liable or responsible to the Selected bidder or to any other entity whomsoever, for any loss of business, business competition, loss of investment, or any other loss or damage, costs or expenses, for any reason whatsoever. The Selected bidder (or any person claiming under it) shall not be entitled to claim any direct or indirect damages, costs, expenses for loss of business, loss of investment etc., upon rejection of its Proposal or cancellation/revocation of this LOA, howsoever and whatsoever caused.

- 9) The Selected Bidder shall indemnify and keep indemnified Authority, its respective directors, consultants, contractors, officers, employees and/or agents, against all claims and loss, that they may suffer/ sustain or are likely to suffer/ sustain, due to or in relation to all/ any acts and omissions of the Selected Bidder, its employees, staff, personnel etc., pursuant to or in relation to this LOA, the RFP or the Bus Operator Agreement.
- 10) Subject to the provisions of (Clause 7) hereinabove, the arbitration clause here-under shall be a final and binding agreement between Authority and the Selected Bidder and shall survive the cancellation/ revocation /annulment of this LOA:
  - I. Any and all disputes controversy or claim, arising out of this LOA or the rights and obligations of the Authority and the Selected Bidder, under this LOA, including but not limited to validity, interpretation, scope, effect, termination of the terms contained in this LOA, shall be settled by arbitration by a sole arbitrator to be appointed by Authority or his nominee within thirty (30) days after receipt of a request for appointment of arbitrator, which notice should contain all information regarding the dispute(s) between the parties.
  - II. The arbitration shall be conducted in accordance with the Arbitration and Conciliation at, 1996 as amended. The venue of arbitration shall be at Bhubaneswar, India and it shall be conducted in the English language.
  - III. The arbitral award shall be in writing, state the reasons for the award and be final and binding on Authority and the Selected Bidder. The award may include an award of costs, including reasonable attorney's fees and disbursements.

IV. The LOA shall be governed by the laws of India and all matters arising out of or relating to this LOA, the courts at Bhubaneswar, India shall have exclusive jurisdiction.

11) It may additionally be noted that this LOA is only intended to convey Authority's acceptance of your Proposal, subject to the terms & conditions specified hereinabove and, in the RFP, and as reiterated in the Agreement, and it does not by itself create any rights or contractual relationship with Authority or casts any corresponding obligation with respect to the Contract or otherwise on Authority. Any such right or relationship shall come into effect only upon your compliance with terms and conditions set out herein and the execution of Agreement as per term hereof and the RFP.

12) Without prejudice to anything stated in this LOA and/or the RFP, you are hereby requested to return the duplicate copy of this LOA within seven (7) days from the date of this Letter of Award, as a token of the receipt & acknowledgement of this LOA as well as an absolute, unconditional & unqualified acceptance and compliance of the conditions mentioned hereunder.

Thanking You

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For & on behalf of AUTHORITY AGREED and ACKNOWLEDGED BY

We, M/s ----- (the 'Selected Bidder'), a company incorporated under the ----- (Indian Companies Act, 1956/ Registered Partnership firm/ Registered Proprietorship) and having its registered office at --- ----- do hereby acknowledge the receipt of the LOA and undertake to absolutely and unconditionally comply with the terms and conditions contained herein.

SIGNATURE: -----

-----

NAME OF AUTHORIZED. SIGNATORY: Mr. [-----  
-----]



**Annexure – PA2: Format of Bank Guarantee for Performance Security**

**To**

**The General Manager (Admin.)**

**Odisha State Road Transport Corporation,  
Paribahan Bhavan, Sachivalaya Marg, Unit-II,  
Bhubaneswar-751001, Odisha**

Agreement No. . . . . Date . . . . .

This Deed of Guarantee made this day of -----2023 ----- between Bank of (hereinafter called the “Bank”) on the one part, and \* ----- (hereinafter called “the Authority”) of the other part.

Whereas Authority has awarded the Contract for (Description of Item). (hereinafter called the Contract) to: ----- (Name of Operator) (hereinafter called the Operator).

AND WHEREAS the Operator is bound by the said Contract to submit to Authority a Performance Security for a total amount of Rs. ----- (Amount in Figures and words).

NOW, WE THE UNDERSIGNED ----- (Name of Bank) ----- do hereby unconditionally and irrevocably undertake to pay to the Authority an amount not exceeding Rs. ----- (Rupees ----- only) without any

demur, merely on a demand in writing from the Authority stating that the amount claimed is due and payable by the Operator. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. We, the Bank, further undertake to pay to the Authority any money so demanded notwithstanding any dispute raised by the Operator in any manner whatsoever and our liability under these presents is absolute, unconditional, unequivocal and irrevocable.

We, the Bank, further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement.

This Guarantee is valid for a period of ----- (Duration in days (months) in figures and words) from the date of signing. (The initial period for which this Guarantee will be valid must be for at least days/months longer than the anticipated expiry date of the Bus Operator Agreement (as the case may be) as stated in the ‘RFP / Bus Operator Agreement’. We undertake not to revoke this guarantee during its currency without the written consent of the Authority.

At any time during the period in which this Guarantee is still valid, if the Authority agrees to grant a time extension to the Operator or if the Operator fails to complete the works within the time of

completion as stated in the Bus Operator Agreement, or fails to discharge itself of the liability or damages or debts as stated under Para 5, above, it is understood that the Bank will extend this Guarantee under the same conditions for the required time on demand by the Authority and at the cost of the Operator.

The Guarantee hereinbefore contained shall not be affected by any change in the Constitution of the Bank or of the Operator.

The neglect or forbearance of the Authority in enforcement of payment of any moneys, the payment whereof is intended to be hereby secured or the giving of time by the Authority for the payment hereof shall in no way relieve the Bank of their liability under this deed.

We, the Bank, undertake not to revoke this Guarantee except with the previous consent of the Authority in writing. This Guarantee shall be valid up to ----- and we undertake to renew/extend this Guarantee from time to time till the completion of performance by the Operator of its obligations under the Contract and/or as demanded by the Authority.

The expressions "the Authority", "the Bank" and "the Operator" hereinbefore used shall include their respective successors and assignees.

In witness whereof I/We of the Bank have signed and sealed this guarantee on the -----  
----- day of 20 ----- being herewith duly authorized.

For and on behalf of the -----Bank

Signature of authorized Bank official

Name : -----

Designation : -----

Stamp/Seal of the Bank : -----

Signed, sealed and delivered For

and on behalf of the Bank

by the above named -----

in the presence of : ----

Witness 1.

Signature

Name

Address

Witness 2.

Signature

Name

Address

### **Annexure – PA3: Draft Loan cum Hypothecation Agreement for Purchase of New Buses**

THIS LOAN CUM HYPOTHECATION AGREEMENT (“Agreement”) is made on the -----  
-----day, ----- month and -----year.

#### **Between**

**Odisha State Road Transport Corporation (OSRTC)** was enacted under the R.C.T act no 64 in 1950 having their head quarter at Paribahan Bhavan, Sachivalaya Marg, Unit II Bhubaneswar. and (hereinafter referred to as “**OSRTC**”) of the ONE PART.

#### **AND**

The Borrower(s), details whereof is/are more particularly described in the Schedule 1 Loan Summary appended to this Agreement and hereinafter referred to as the “Borrower(s)” (which expression shall, unless repugnant to the context or meaning thereof, be deemed to include, where the Borrower(s) is/are an individual, his / her heirs, executors and administrators; where the Borrower(s) is/are LLP and shall include his heirs, executors, administrators and legal representatives and permitted assigns; where the Borrower(s) is/are a partnership firm, the partners or the partners for the time being of the said partnership firm, the survivor of them and the heirs, executors and administrators of the partners; where the Borrower(s) is/are a company, its successors and assigns; of the **SECOND PART**.

Reference to any gender shall include all genders and reference to the single number shall include reference to Plural numbers and vice versa in the context thereto.

#### **WHEREAS:**

- i. The OSRTC has decided to provide Soft Loan pursuant to the provisions of this loan agreement, to the “Selected Bidder” through a competitive bidding vide (Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model), for faster procurement of New Buses of the quantity and specifications provided in the abovementioned RFP.
- ii. The Borrower(s), by virtue of being Selected Bidder for the aforementioned RFP, is eligible to avail the Soft Loan for the amount mentioned in the Clause 6 of the Bus Operator Agreement.
- iii. The Loan Agreement shall be considered as an independent Agreement on its own accord

from the Bus Operator Agreement and shall be attached for purposes of clarity to the latter as Annexure 1. In the event of Termination of Bus Operator Agreement, the terms of this Loan Agreement shall remain unaffected and vice versa.

**NOW THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:**

**DEFINITIONS**

1. **“Agreement”** means this Loan cum Hypothecation Agreement, the all the schedules including Loan Summary attached hereto and repayment schedules, annexure attached now or hereafter as forming part of this Agreement and any annexure, exhibits or other addenda attached now or hereafter to this Agreement from time to time.
2. **“Additional Interest”** means the charges assessed for a payment delayed beyond the due date of installment.
3. **“Electronic Clearing Services” or “Debit Clearing” or “ECS”** means debit clearing services notified by Reserve Bank of India, participation in which has been consent to in writing by the Borrower(s) for facilitating payment of installments as more particularly set out in the Schedule 1: Loan Summary.
4. **“Equated Monthly Installments” (“EMI”)** means the amount payable every month by the Borrower(s) to OSRTC comprising of Interest or as the case may be principal and interest and as set out in the Schedule 1: Loan Summary.
5. **“Loan/Soft Loan”** means the principal amount of the loan stated in the Loan Summary Upto which OSRTC may lend and advance to the Borrower(s), and includes where the context so requires, the outstanding amount of the Loan including the principal amount, interest and any amount payable by the Borrower(s) under this Agreement.
6. **“Loan Summary Schedule”** means the schedule attached to this Agreement, pertaining to the Loan and forming an integral part of this Agreement.
7. **“Person”** includes but not limited to a partnership firm, company.
8. **“Pre-Equated Monthly Installment Interest” (“PEMII”)** means the amount of interest payable by the Borrower(s) at interest rate indicated in the Loan Summary Schedule on the Loan from the date/ respective date of disbursement of the Loan up to the date of commencement of EMI.
9. **“Rate of Interest” or “Interest Rate”** means the interest rate charged by OSRTC on the Loan.
10. **“Repayment Schedule”** means the schedule of payments of the principal and interest

in the amounts and on the dates, specified in the Loan Summary Schedule.

11. **“Standing Instructions” (“SI”)** means written Instructions issued by the Borrower(s) to its bank to debit the account of the Borrower(s) maintained with bank for an amount equal to installment for payment to OSRTC for repayment of the Loan as more particularly set out in the Loan Summary Schedule hereto.
12. **“Vehicles(s)”** means the vehicle(s), as the case may be, and more particularly described in the Loan Summary, to this Agreement, the purchase where of is being financed by OSRTC.

The Clause headings are for ease of reference only and do not affect the construction of this Agreement. Reference in this Agreement to a statutory provision shall include reference to any statutory modification or re-enactment thereof. References herein to Clauses are, unless otherwise stated, references to Clauses of this Agreement.

## **1. LOAN AMOUNT AND INTEREST**

### **1.1 Amount of Loan:**

OSRTC, at the request of the Borrower(s), agree(s) to lend to the Borrower(s) and the Borrower(s) agree(s) to borrow from OSRTC, an amount not exceeding the maximum principal amount as set out in the Loan Summary Schedule, on the basis of, and subject to the conditions, terms, and covenants herein set forth. The Loan Summary Schedule shall be deemed to form an integral part of this Agreement as if the same were annexed hereto or set out herein extenso.

### **1.2 Interest:**

- a) The Borrower(s) shall pay interest on the principal amount of the Loan advanced and outstanding from time to time, at the rate specified in the Loan Summary Schedule (exclusive of applicable interest tax). Interest and other charges shall be computed on the basis of three hundred sixty-five (365) days in a year. The Interest on the Loan shall be calculated on actual daily outstanding balance basis computed with monthly rests, and the Interest shall be rounded off to the next rupee. The Interest on the Loan shall begin to accrue from the date of disbursement of the Loan /issuance of loan cheque/, irrespective of the time taken for transit, collection, realization of the cheque by the Borrower(s) or his bank.
- b) The interest rate shall remain fixed throughout the contract period irrespective of the applicable regulation, conditions in the money market conditions, and no further consent or concurrence of the Borrower(s) shall be required in respect thereof.
- c) Interest Tax as may be applicable on the Loan shall be borne by the Borrower(s). Borrower(s) shall reimburse or pay to OSRTC, on demand, the amount paid or payable by it to any Government authority or any other regulatory agency whether in India or abroad on account of any interest Tax or other tax levied by such Government authority or agency on the interest or any other amount payable to OSRTC.
- d) Without prejudice to OSRTC's other rights, interest as aforesaid and other amounts payable by the Borrower(s) shall be charged/debited to the Borrower(s) Loan account on respective due dates and shall be deemed to form part of the outstanding Loan amount.
- e) Where the Loan facility is being availed by the Borrower(s) for purchase of the Buses, the Loan will be disbursed directly to the manufacturer / dealer or distributor and all Loan(s) thus disbursed/ paid by OSRTC to the manufacturer / dealer or

distributor shall be deemed to be Loan granted to and availed by the Borrower(s). The Loan is being availed by the Borrower(s) against hypothecation of the Buses being purchased. The amount of the Loan will be disbursed by OSRTC subject to compliance by the Borrower(s) with the terms and conditions provided in this Agreement. The Loan may be disbursed in full or in installments as per the payment terms decided between Bus Manufacturer and the Borrower or in such other manner as may be decided by OSRTC from time to time and the decision of OSRTC in this regard shall be final, conclusive and binding on the Borrower(s). The Loan amount shall be disbursed to the Borrower(s) net of all initial payments towards Pre-Installment Interest, advance installment, documentation charges, Loan Processing charges, premium for insurance (if applicable) etc. If so, required by OSRTC, the Borrower(s) shall acknowledge receipt of each disbursement, in the form required by OSRTC.

- f) Notwithstanding anything contained herein, the Borrower(s) shall avail of the Loan within 30 days from the date of this Agreement failing which OSRTC shall not be under any obligation to grant / disburse the Loan to the Borrower(s).
- g) Where the Loan has been availed by the Borrower(s) for purchase of number of Buses as specified in the Bus Operator Agreement, it is specifically understood and agreed by the Borrower(s) that OSRTC will for accounting convenience and purposes, be reflecting /subdividing the Loan amount into separate sub accounts corresponding to the number of Vehicles purchased.

### **1.3 Term of the Loan:**

The Term of the Loan shall be as set out in the Schedule 1: Loan Summary attached hereto.

### **1.4 Terminal Dates for Disbursements**

Notwithstanding anything contained in this Agreement, OSRTC may, by notice to the Borrower(s) terminate the right of the Borrower(s) to disbursements under the Loan, if the request for such disbursement shall not have been made within 30 days from the date of this Agreement or by such extended date as may be agreed upon by OSRTC in writing.

## **2. CONDITION PRECEDENT TO DISBURSEMENT OF THE LOAN**

- 2.1 The obligation of OSRTC to make the disbursement of the Loan shall be subject to the condition that:

- a) The Borrower(s) is a Selected Bidder / Operator as result of the bidding process carried out by OSRTC vide The Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI Scheme on Gross Cost Contract (GCC) Model).
- b) The Borrower(s) submits a valid receipt from the Manufacturers for the payment made to its own contribution in terms of monies in purchase of Buses.
- c) No Events of Default as defined in Article 8 and no event which, with the lapse of time or notice and lapse of time as specified in the said Article would become an Event of Default, shall have happened and be continuing.
- d) The Borrower(s) shall have satisfied OSRTC at the time of requesting for disbursement that the same is required by the Borrower(s) for purchasing Vehicles and/or refinance against Vehicle(s) the Borrower(s) shall produce evidence satisfactory to OSRTC for the proposed utilization of the Loan.
- e) No extraordinary circumstances shall have occurred which shall make it improbable for the purpose for which Loan is provided to be carried out and/or for the Borrower(s) to fulfill its obligations under this Agreement.
- f) The Borrower(s) shall create security and or guarantees for the repayment of the Loan with interest in favour of OSRTC as may be required by OSRTC.
- g) The Borrower(s) shall secure to the satisfaction of OSRTC the principal amount of the Loan together with all interest, liquidated damages, costs, charges and expenses and all other moneys whatsoever due and payable by the Borrower(s) to OSRTC in respect thereof, by creating the following securities ("the said Securities") in favour of the OSRTC:
  - i. the Borrower(s) shall create a first charge by way of hypothecation over the Buses to be purchased out of the Loan, whether now in possession or which will come into the possession of the Borrower(s) and as described in general terms in the Supplemental Schedule hereto.
- h) The Borrower(s) shall create and perfect the said Securities as contemplated in Clause 4.1(f) hereof, to the satisfaction of OSRTC and execute all necessary documents as may be stipulated by OSRTC.



### **3. REPAYMENT/ PREPAYMENT**

#### **3.1 Repayment**

- a) The Borrower(s) obligation to repay the Loan on the expiry of the term is absolute. The Borrower(s) shall repay the Loan amount along with interest in monthly installments as per the Repayment Schedule as set out in the Loan Summary. The due date for repayment of the Installments shall be date as set out in Loan Summary Schedule. Notwithstanding anything to the contrary contained in this Agreement, the Loan shall be repayable on demand and OSRTC shall have the right to be paid forthwith on demand the entire outstanding Loan amount along with all other dues including interest, in respect of the Loan.
- b) Payment of EMI will start with COD (as defined in the Bus Operator Agreement) of the Particular Bus or Lot of Buses. The Borrower shall pay the EMI as per the provisions of this agreement for the full month irrespective of the date of COD.
- c) Notwithstanding Article 3.1(a) above and the Repayment Schedule, OSRTC shall have the right at any time or from time to time to review and reschedule the Repayment Schedule in such manner and to such an extent as OSRTC may, in its sole discretion, decide and the repayment will thereupon be made as per the revised Repayment Schedule.
- d) Until the commencement of the installments, the Borrower(s) shall make monthly payment of Pre-Equated Monthly Installment Interest every month as applicable, and each such monthly interest payment shall be at the rate of interest stated in the Loan Summary Schedule.
- e) In the event of the Borrower(s) committing a default in the payment of any sum due hereunder, whether by way of repayment of the outstanding balance of the Loan or by way of payment of interest or any payment due and payable by the Borrower(s), or the Borrower(s) committing any breach or default of any other condition of this Agreement or under any other instrument in respect of the Loan, the Borrower(s) shall, in respect of the outstanding amount and in respect of the interest or other amount in default, pay Additional Interest at the rate specified in the Loan Summary Schedule hereto with monthly rests or at such periods of rest as OSRTC may notify in writing from time to time, from the date of default till the date of payment. The Borrower(s) expressly agree(s) that the rate of such Additional Interest is a fair estimate of the loss likely to be suffered by OSRTC by

reason of such delay/ default on the part of the Borrower(s). The payment of Additional Interest shall not absolve the Borrower(s) of the other obligations including to make timely payments and/or in respect of such default or affect any of the other rights of OSRTC including in respect of the default. It is expressly specified that the above is in addition to and OSRTC expressly reserves all the other rights that may accrue to it on any default by the Borrower(s). In addition, and without prejudice to what is stated hereinabove, the Borrower(s) shall also be liable for all costs, charges and expenses which OSRTC may pay or incur in any way resulting from the default.

- f) The Borrower(s) shall bear and pay to OSRTC fees and charges as specified in the Loan Summary Schedule, which would include but not limited to Pre-EMI Interest (if applicable), and other charges such as cheque bounce charges, cheque/ECS swap charges, additional interest and any statutory charges or otherwise, payable in respect of the Loan. OSRTC shall be entitled to revise the above fee/charges without any notice to the Borrower(s). In addition to the above charges the Borrower(s) shall also bear, pay and reimburse to OSRTC, all charges relating to interest tax, GST, duties (including stamp duty), and taxes (of any description as may be levied from time to time by the government or other authority) and all other cost and expenses whatsoever in connection with (a) application for and the grant and repayment of Loan;(b) recovery and realization of the Loan together with interest;(c) enforcement proceedings, if any.
- g) The Pre-EMI Interest, insurance premium, in connection with the Loan will be deducted from the Loan and only the net amount of the Loan after the deduction of such fees and/or charges shall be disbursed to the Borrower(s).
- h) The Borrower(s) shall during the currency of the Loan bear all taxes (including GST) as may be applicable or as may be levied by the Government or any Government body or authority in relation to the Loan.
- i) All payment to be made by the Borrower(s) to OSRTC shall be made free and clear of and without any deduction for or on account of any taxes. If the Borrower(s) is required to make such deduction, then, in such case, the sum payable to OSRTC shall be increased to the extent necessary to ensure that, after making such deduction, OSRTC receives and retains (without any liability for such deduction) a sum equal to the sum which it would have received had such deduction not been made or required to be made.

- j) The Borrower hereby acknowledges and confirms that he/she/it is aware and accepts that all fees, charges etc. paid by the Borrower to the Lender at the time of documentation pertaining to the Loan are towards the one-time costs and/or expenses incurred or to be incurred by the Lender including but not limited to sourcing, verification and legal expenses in connection with the Loan
- k) The Borrower(s) agree(s) declare(s) and confirm(s) that notwithstanding any of the provisions of the Contract Act or any other Law or any of the terms and conditions contained in the Agreement and or any security documents, any payment(s) shall unless otherwise agreed to by OSRTC in writing be appropriated in the manner following:
  - i. First towards costs, charges, expenses and other monies, due and payable to the OSRTC.
  - ii. Secondly towards interest due and payable and / or accruing due and payable to OSRTC and
  - iii. Lastly towards repayment of the amount of any installment(s) of the Principal sums due and payable or becoming due and payable to OSRTC.
- l) Provided however that OSRTC reserves the right to appropriate the moneys received in any other manner as it may deem appropriate at its sole discretion.

### **3.2 Method of Repayment**

OSRTC shall deduct EMI from the invoices raised by the Borrower to receive payment for Bus Operation Cost. Nothing withstanding above, as remedy of the event being the Loan repayment tenure exceeds Bus Operation agreement period, on account of early termination due to event of defaults or force majeure events or whatsoever, the Borrower(s) has / have agreed to issue Post Dated Cheques (PDCs) for entire tenure of loan to repay the balanced Loan amount and interest thereon, such PDCs shall be deemed to have been given for adequate consideration already received by the Borrower(s). The Borrower(s) shall maintain adequate balance for realization of the PDCs on their due dates for payment. It is expressly agreed that Borrower(s) shall at no point of time close the bank account from which the said PDCs have been issued or issue any communication to the bank for stopping the presentment of the said PDCs. The Borrower(s) acknowledge(s) that any dishonour of PDCs issued by the Borrower(s) would make the Borrower(s) liable to pay cheque dishonour charges as applicable as decided by OSRTC based on applicable guidelines from time to time for each such act of dishonour. It is expressly specified and

agreed that the levy of such charge is without prejudice to all other rights of OSRTC under the law, whether under Negotiable Instruments Act, 1881, the Indian Penal Code, 1860 or otherwise howsoever. It is also further agreed and understood that non-presentation of the PDCs or any of them on part of OSRTC for any reason whatsoever, shall not in any manner affect the liability of the Borrower(s). If the PDCs delivered to OSRTC by the Borrower(s) pursuant to the terms of this clause is / are lost, destroyed or misplaced while in the custody of OSRTC; or become non encashable due to death, insolvency, lunacy, termination of authority or otherwise of the signatory or any or more of the signatories(if more than one) or the liquidation of the drawee bank; or requires replacement for any reason whatsoever in the discretion of OSRTC, then in that event, the Borrower(s) shall within three working days of receipt of such intimation from OSRTC substitute / replace any such PDCs with a fresh PDCs payable for the same amount as the previous PDCs which is/are being substituted. Should the Borrower(s) wish to swap / interchange the PDCs from one bank to another bank, the Borrower(s) may do so by paying OSRTC swap charges as applicable as per OSRTC's internal policies from time to time.

### **3.3 Prepayment:**

The Borrower may prepay the entire Loan together with interest outstanding thereon at any time during the course of Loan Repayment Tenure. No amount that has been prepaid shall be re-borrowed by the Borrower(s).

### **3.4 Delay In Payment:**

In the event of the Borrower(s) shall pay in full the Loan amount and other amounts without any default and without claiming any set off or counterclaim on the respective dates on which the sums are due. No notice, intimation or reminder shall be given to Borrower(s) regarding its obligation to pay such amounts on the due dates. Without prejudice to OSRTC's other rights, in case of delay in payment within due date, OSRTC shall charge the Borrower(s) Additional Interest.

### **3.5 Liability to be Joint and Several:**

Where the Loan is provided to more than one Person /entity as Borrower(s) and /or Co-Borrower(s) then, notwithstanding anything herein stated, the liability of the Borrower(s) and Co-Borrower(s) to repay the Loan together with interest and to fulfill the obligations under this Agreement shall be joint and several and co-extensive.

3.6 Any charges payable under this clause no. 3 or any other clause in this Agreement may be waived by OSRTC at its sole discretion and the decision of OSRTC will be final and

without any recourse by the borrower.

- 3.7 In the event the Borrower remits/pays any amounts in excess of the amounts due to OSRTC under the Loan, OSRTC shall refund such excess amounts.

#### **4. SECURITY**

- 4.1 In consideration of OSRTC having agreed to grant the Loan to the Borrower(s), the Borrower(s) hereby hypothecate(s) to, and charges in favour of OSRTC as and by way of a first and exclusive charge thereon, the Buses to be purchased out of the Loan, whether now in possession or which will come into the possession of the Borrower(s) and as described in general terms in the Loan Summary Schedule hereto (which are hereinafter collectively referred to as the "Hypothecated Assets") as exclusive security for the due payment and repayment of monies including the Loan amount, interest(s), additional interest(s), interest in case of default, commission, costs, charges, expenses and all other monies whatsoever and howsoever due, owing and payable by the Borrower(s) to OSRTC in respect of or in anywise concerning or relating to the Loan granted/agreed to be granted by OSRTC to the Borrower(s). Any additions, improvements or attachments to the said Hypothecated Assets whether made and carried out by the Borrower(s) or otherwise and whether at the cost of the Borrower(s) or otherwise and whether with or without the approval of OSRTC shall be deemed to constitute part of the Hypothecated Assets and shall be subject to the terms and conditions of this Agreement in the same manner as the Hypothecated Assets prior to such addition/improvement or attachment.

- 4.2 The hypothecation shall be deemed to take place immediately on signing of this Agreement or delivery of the Buses as the case may be whichever is earlier. The Borrower(s) undertake(s) to supply the details of the Buses purchased out of the Loan along with copy of the invoice within three days of the delivery of the Buses. The said details shall be deemed to form part and parcel of this Agreement. In the event the Hypothecated Buses are treated as 'Motor vehicle' or vehicle under the provisions of the Motor Vehicles Act, 1988, the Borrower(s) shall register the said Buses and get an endorsement on the registration certificate that the Buses are held under "Loan cum Hypothecation Agreement "with "OSRTC". The Borrower(s) undertake(s) to supply the registration certificate within three days of receipt of the registration number from the Regional Transport Authority. The said details shall be deemed to form an integral part and parcel of this Agreement. If the Borrower(s) is a company registered under the Companies Act, 1956, the Borrower(s) further undertake(s) to have the charge created herein registered with the Registrar of Companies under Section of the Companies Act, 2013.

- 4.3 The Borrower(s) further agree(s) that the Hypothecated Assets shall also be continuing security for (a) all other monies that may be due and payable by the Borrower(s) to OSRTC on any account whatsoever, whether present or future, including the liability of the Borrower(s) as a surety or coobligator either simply or along with any other person.
- 4.4 The Borrower(s) agree(s) with and undertake(s) to OSRTC that OSRTC shall have an exclusive charge over the Hypothecated Assets and that the Borrower(s) shall not create any manner of interest in the Hypothecated Assets or any of them in favour of any other person or body, except with the prior written consent of OSRTC. The charge / security created by the Borrower(s) under this Agreement shall continue and remain in force till such time all other dues under this Agreement and in respect of all other loan / facility obtained / to be obtained by the Borrower(s) from OSRTC are fully discharged and OSRTC issue a Certificate of Discharge. The security created under this Agreement and the liability of the Borrower(s) shall not be affected, impaired or discharged by the winding up (voluntary or otherwise) or by any merger or amalgamation, reconstruction, takeover of the management, dissolution or nationalization (as the case maybe) of the Borrower(s). The Borrower(s) covenant(s) that the security provided by him shall remain valid for the amounts due to OSRTC or any other financial benefits obtained by the Borrower(s) from OSRTC.
- 4.5 If at any time during the subsistence of this Agreement, OSRTC is of opinion that securities provided by the Borrower(s) has become inadequate to cover the balance due to OSRTC, then, on OSRTC advising the Borrower(s) to that effect, the Borrower(s) shall provide and furnish to OSRTC, to the satisfaction of OSRTC, such additional security as may be acceptable to OSRTC to cover such deficiency. The Borrower(s) further undertake(s) to such other documents as may be required by OSRTC from time to time in regard to the said Loan.
- 4.6 The Borrower(s) hereby declare(s) that all the present Hypothecated Assets are the absolute property and in the sole ownership of and at the sole disposal of the Borrower(s) and free from any charge, mortgage, lien or encumbrance of any nature. The Borrower(s) shall not remove or cause to be or permit to be removed any of the Hypothecated Assets from any of the premises, of the Borrower(s) or wheresoever otherwise they may be kept or divert or cause or permit any of the Hypothecated Assets to be diverted while in transit.
- 4.7 The Borrower(s) shall pay all rents, taxes, outgoings and other charges in respect of the bus depot, garages, service and other premises in which the Hypothecated Assets are stored or may be kept. The Borrower(s) shall also ensure that such bus depot, garages



and other premises are fully insured to the extent of the full market value thereof against loss or damage from fire, arson, civil commotions, riot and such other risks as OSRTC may direct. The Borrower(s) shall duly and punctually pay all premium on such policies as and when due and shall produce to OSRTC for inspection the original receipts and furnish duly certified copies thereof for the OSRTC's record. The Borrower(s) shall ensure that such policies are kept alive during the subsistence of this security and the Borrower(s) shall not do or permit to be done anything by reason of which such insurance may be cancelled. The Borrower(s) shall assign to OSRTC every such policy of insurance and shall pay to OSRTC all proceeds of any policy received by the Borrower(s).

4.8 In the event of the Borrower(s) failing in its obligations aforesaid, OSRTC, may at its discretion, pay such rents and outgoings and insure the premises or garages / depot and the Borrower(s) hereby undertake(s) to reimburse OSRTC all monies so paid by OSRTC for the purpose. The reimbursement shall be made on demand by OSRTC and in default of such payment, OSRTC shall be at liberty to debit the amount so paid to the Loan Account of the Borrower(s) with OSRTC and such amount shall thereafter carry interest at the rate applicable to the Loan.

4.9 The Borrower(s) shall keep the Hypothecated Assets fully and comprehensively insured from time to time against all risks such as accident, fire, lightning, earthquake, flood, riots, civil, commotion, war, theft, pilferage, third party liabilities and such other risks as may be stipulated by OSRTC from time to time, to the extent of full market value thereof. The insurance shall be in joint names of the Borrower(s) and OSRTC and the copies policies of insurance and renewal notes shall be deposited with OSRTC. The Borrower(s) shall duly and punctually pay all the premium on such policies as and when due and shall produce to OSRTC for inspection the original receipts and furnish duly certified copies thereof for OSRTC record. The Borrower(s) shall ensure that such policies of insurance are kept alive during the subsistence of this security and the Borrower(s) shall not do or permit to be done anything by reason of which such insurance may be cancelled.

4.10 On default of the Borrower(s) to keep the Hypothecated Assets insured as aforesaid, OSRTC may, at its discretion, but without any obligation to do so, effect insurance of the Hypothecated Asset and/or pay the premia in respect thereof and the Borrower(s) hereby undertake(s) to reimburse OSRTC on demand all the amounts paid and/or incurred by OSRTC in doing so and on default of payment of such amounts by the Borrower(s), OSRTC shall be at liberty to debit such amounts to the Loan Accounts of the Borrower(s) with OSRTC and such amounts shall carry interest at the rate applicable to the Loan.

- 4.11 If any amount is received from an insurance company under any policy or policies of insurance, the amount so realized may, at the sole discretion of the OSRTC, be utilized in replacement of the lost or damaged Hypothecated Assets or in liquidation of the liability of the Borrower(s) to OSRTC under these presents.
- 4.12 The Borrower(s) shall keep and maintain the Hypothecated Assets in good condition at the cost and risk of the Borrower(s) in all respects and the Borrower(s) shall be liable for any loss or damage caused to the Hypothecated Assets for any reason whatsoever, including theft, damage by weather and deterioration in quality.
- 4.13 The Borrower(s) shall not encumber or transfer the Hypothecated Assets in any manner whatsoever without the express consent in writing of OSRTC. The Borrower(s) undertake(s) to get the registration certificates of each Hypothecated Asset endorsed with the name of OSRTC to further express the fact that the Assets stands hypothecated to OSRTC. Any direct or indirect transfer of the Hypothecated Asset would be deemed to be criminal breach of trust and a case of cheating entitling OSRTC to inter alia adopt criminal proceedings against the Borrower(s).
- 4.14 The Borrower(s) shall, as on the last day of each six month, furnish to OSRTC statements regarding the Hypothecated Asset such as full description thereof, market value, the place or places where they are located / parked or whether they are in transit and if so, the details thereof. Such statements shall be delivered to OSRTC within 10 working days from the date to which the statement relates and shall be authenticated by an authorized official of the Borrower(s). The statements shall be in such form as may be prescribed by OSRTC from time to time and supported by such evidence as may be required by OSRTC. In addition, the Borrower(s) shall furnish to OSRTC, as and when required by OSRTC so to do, such information regarding the Hypothecated Assets and about the Borrower(s)'s business, as may be required by OSRTC.
- 4.15 If so, required by OSRTC, the Borrower(s) shall cause to be displayed at all places whereby any of the Hypothecated Assets may be kept, sign boards prominently indicating that the Hypothecated Assets are Hypothecated to OSRTC; the sign boards to be displayed in such manner and form as may be required by OSRTC.
- 4.16 The Borrower(s) hereby declare(s) that all the Hypothecated Assets are free from any encumbrance whatsoever and past encumbrances, if any, have been fully cleared to the complete satisfaction of the person in whose favour such encumbrance was created. The Borrower(s) further declare(s) that the said Hypothecated Assets and all documents relating thereto shall be held in trust by the Borrower(s) for OSRTC in the capacity of a



bailee. The Borrower(s) shall further ensure(s) that no charge or encumbrance is created on the Hypothecated Asset or any of them and that nothing is done that may adversely affect the security created hereby on the Hypothecated Assets in favour of OSRTC.

4.17 The Borrower(s) covenants with OSRTC that the Borrower(s) shall appraise OSRTC of the occurrence or likely occurrence of any event which is likely to affect the capacity of the Borrower(s) to repay the said Loan or interest thereon or likely to affect the security for the said Loan or the obligations of the Borrower(s) to OSRTC in respect of the said Loan.

4.18 Without prejudice to the generality of the provisions contained in the preceding sub-clauses, the Borrower(s) hereby agree(s) with, and undertake(s) to, OSRTC that the Borrower(s) shall forthwith inform OSRTC on the occurrence or likely occurrence of, inter alia, any of the following events, namely,

- i. institution of any legal proceedings against the Borrower(s) by any persons making a claim for money against the Borrower(s) or enforcing against the Borrower(s).
- ii. any damage to the Hypothecated Assets for any reason whatsoever.
- iii. any distress or other proceeds of court being taken against Hypothecated Assets.
- iv. the occurrence of any event which is likely to affect the Borrower(s)'s business, including financial condition, industrial action, steps taken by authorities for recovery of statutory dues, etc.
- v. If there is a change in constitution or ownership of the Borrower(s) which in the opinion of OSRTC is adverse.

4.19 The Borrower(s) shall produce the Hypothecated Asset before OSRTC whenever called upon by OSRTC to do so, to enable OSRTC to take inspection of the said Hypothecated Asset. The Borrower(s) further agree(s) that OSRTC and its authorized representatives, servants and agents shall be entitled to take inspection of the said Hypothecated Asset at all times and shall for the purpose thereof be entitled without any notice, to enter upon the premises depot or god owns or garages where the Hypothecated Assets are lying or kept and if necessary to break any such place of storage.

4.20 The Borrower(s) will comply with all the rules, laws and regulations relating to the possession, operation and use of the motor vehicle as may be applicable from time to

time and assumes all risks and liabilities arising from or pertaining to the possession, operation or use of the motor vehicle. The Borrower(s) does hereby further covenant with OSRTC that the motor vehicle shall not be used either by himself or by his servants or agents for any form of smuggling, transport of goods, articles, persons etc. in contravention of any of the provisions of the Acts of Central and State Legislatures relating to Forest, CGST, SGST, IGST Prohibition, Opium, Railway property unlawful possession, Gold Control etc. and the motor vehicle shall not be adapted, altered or fitted for the purpose of concealing such goods, articles or persons. The Borrower(s) shall not engage the Hypothecated Assets in any unlawful or illegal activity and the Borrower(s) shall be responsible for any damage or loss sustained by OSRTC directly or indirectly, in respect of the Hypothecated Asset, as result of such wrongful or unlawful use. The Borrower(s) does hereby agree(s) to indemnify and keep indemnified and hold safe and harmless OSRTC from and covenants and undertakes to defend OSRTC against any and all claims, costs, expenses, damages and liabilities whether civil or criminal, of any nature whatsoever, arising from or pertaining to the use, possession, operation or transportation of the motor vehicle as also against any damage or loss (whether monetary or otherwise) caused to OSRTC due to the destruction of or any damage to the motor vehicle.

- 4.21 The Borrower(s) further covenant and undertake to indemnify and keep indemnified OSRTC against the loss of the Hypothecated Asset by seizure by any person other than OSRTC for any reason whatsoever or resulting from any form of legal process initiated by any person other than OSRTC as also against any loss caused to OSRTC by reason of damage to or destruction or loss or dispossession of the Hypothecated Asset.
- 4.22 In pursuance of the Agreement and for the consideration aforesaid the Borrower(s) has agreed to sign and execute various forms specified under Motor Vehicles Rules (hereinafter called the "Form") for carrying out the sale and transfer of the Hypothecated Asset for speedy realization of dues to OSRTC under the said Loan. On an occurrence of Event of Default, the Borrower(s) hereby irrevocably authorize(s) OSRTC and / or any of its officers or agents to fill in all the particulars / details in the said Form, including the name of transferee / third party of OSRTC choice and use such Form and apply before the concerned Regional Transport Authority for transfer and / or sale of the vehicle in the name of the Third Party as if Borrower(s) had personally performed or executed the same. The Borrower(s) further authorize(s) OSRTC to do, perform and execute all acts, deeds, matters and things relating to concerning these presents as fully and effectually as if Borrower(s) had personally performed or executed the same. The Borrower(s) agree(s) to ratify and confirm all and whatsoever OSRTC shall do, cause to be done in

or about the premises by virtue of these presents. The Borrower(s) further agree(s) that the aforesaid powers have been granted for valuable consideration and as such shall be irrevocable in nature till such time as any amounts remain due owing or payable under or in respect of or in pursuance of the said Loan and/or these presents.

4.23 The Borrower(s) is/are aware and expressly agree(s) that the breach of any of the terms of this agreement would amount to a criminal offence and that OSRTC shall be entitled to initiate criminally proceedings against the Borrower(s) for all or any of such breach or breaches as the case may be.

## **5. BORROWER(S) REPRESENTATION AND WARRANTIES**

5.1 The Borrower(s) hereby declare(s), represent(s) and warrant(s) that:

- a) The Borrower(s) is/are aware that OSRTC has agreed to grant/granted the Loan on the basis of its proposal for Procurement, Operation and Management of Semi-Urban buses and on the faith of the representations made by the Borrower(s) and believing the same to be true and correct and that no fact or information necessary to be furnished by the Borrower(s) has been omitted in order to induce OSRTC to provide the Loan.
- b) The Borrower(s) has/have obtained all permission, approvals consent or sanctions, if any required, of the government or any statutory body, financial institution, agency or authority for availing of the Loan and creating the security and will at all times till the amounts due to OSRTC are paid in full and the Loan is fully repaid, keep all such permissions, approvals, consents or sanctions valid and subsisting.
- c) The officer of the Borrower(s) executing this Agreement and the documents executed in the pursuance hereof, are duly and properly in office and fully authorized to execute the same.
- d) The Agreement and the documents to be executed in pursuance hereof when executed and delivered, will constitute valid and binding obligations of the Borrower(s).
- e) The Borrower(s) has/have not taken any action nor have any steps been taken or legal proceedings been initiated or threatened against the Borrower(s) for its winding-up, dissolution, administration, reorganization, insolvency, bankruptcy or for appointment of receiver, administrator or court officer of Borrower(s) or all or

any of its assets or undertakings.

- f) As of the date of this Agreement, there is no litigation, proceeding or dispute or action pending or threatened against the Borrower(s), the adverse determination of which might substantially affect the Borrower(s) ability to repay the Loan or have a materially adverse effect on the financial condition of the Borrower(s).
- g) The execution and delivery of this Agreement and the performance of its obligations hereunder does not (i) contravene any applicable law, statute or regulation or any judgment or decree to which the Borrower(s) is/are subject, (ii) conflict or result in any breach of any of the terms of or constitute default of any covenant, conditions and stipulations under any existing agreement to which the Borrower(s) is/are a party or (iii) conflict or contravene any provision of the memorandum and articles of association / partnership deed/trust deed/bye laws of the society or other constitutional documents of the Borrower(s).
- h) There has been no material adverse change in the financial condition of the Borrower(s), nor has any event which is or may be prejudicial to the interest of OSRTC taken place since the date of the latest audited financials of the Borrower(s) which is likely to materially and/or adversely affect the ability of the Borrower(s) to perform all or any of its obligations under this Agreement.
- i) The audited annual accounts of the Borrower(s) has/have been prepared in accordance with generally accepted accounting principles consistently applied and give, in conjunction with the notes thereto, a true and fair view of the financial condition and position of the Borrower(s) during the financial year then ended.
- j) There are no mortgages, charges, or liens of whatsoever nature against any of the Borrower(s)'s assets or properties save and except those already expressly mentioned and disclosed by the Borrower(s) to OSRTC in writing, including in any application for the Loan, prior to this Agreement.
- k) No facts, circumstances or events, materially detrimental to the borrowing, the ability of the Borrower(s) to meet its obligations hereunder and/or in respect of the Loan, and/or the financial condition of the Borrower(s), and/or the ability of OSRTC to exercise its rights hereunder and/or to receive due repayment and payment of the amounts due by the Borrower(s) under the Loan , has occurred or, in the estimation of the Borrower(s), is likely to occur.
- l) The Borrower(s) will at all times comply with and abide by all applicable laws and

regulations including but not limited to all labour welfare related and environment protection statutes and provisions.

- m) The fair value of the assets of the Borrower(s) exceeds its aggregate liabilities whether actual, contingent or collateral the Borrower(s) has the ability to meet all of its obligations as they mature and the Borrower(s) has sufficient capital to carry on its business.
- n) The Borrower(s) further acknowledge(s) and confirms that the information provided to OSRTC in connection with the Loan does not contain any untrue statement of a material fact, nor does it omit to state a material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which such statements were or are made.
- o) The Borrower(s) shall be exclusively responsible for getting the delivery of the Equipment from the manufacturer or the dealer. OSRTC shall not be liable for any delay in delivery of the Equipment or any demurrage cost or the quality/condition/fitness of the Assets. The Borrower(s) absolve(s) OSRTC from any liability in respect of the above and the Borrower(s) shall not withhold payment of stipulated Loan installments on the pretext that the Equipment has not been delivered.
- p) The Borrower(s) recognize(s) that any manufacturer / dealer in Equipment or other such person by or through whom this transaction may have been introduced, negotiated or conducted are not an agent of OSRTC and that OSRTC has no liability for any representations or statements not made directly by OSRTC to the Borrower(s).
- q) The Borrower(s) represent(s) and warrant(s) that Borrower(s) will not seek to claim or recover from OSRTC on any grounds whatsoever and/or in any circumstances whatsoever, any punitive damages or compensation, direct, indirect or consequential, in connection with the Facilities or the transaction contemplated hereby or for any acts or actions.
- r) whatsoever of OSRTC hereunder and/or in respect of the Facilities, taken or omitted by OSRTC in terms hereof and/or pursuant hereto and/or to protect any of its interests and rights as OSRTC or a creditor.

5.2 The Borrower(s) hereby confirm(s) and certify(ies) and shall so confirm and certify in writing in such form and in such detail as required by OSRTC at each new money

borrowing and/ or at such other times as required by OSRTC, that: 1) all of the representations, undertakings and warranties made by the Borrower(s) herein are true and valid as of such date; 2) that no Event of Default, as specified in Clause 8 hereunder, has occurred or, with the passage of time or the giving of notice is likely to occur; and 3) without prejudice to (1)above, specifically that no facts or circumstances or events, materially detrimental to the borrowing, the ability of the Borrower(s) to meet its obligations hereunder and/or in respect of the Loan, and/or the financial condition of the Borrower(s), and/or the ability of OSRTC to exercise its rights hereunder and/or to receive due repayment and payment of the amounts due by the Borrower(s) under the Loan, has occurred or, in the estimation of the Borrower(s), is likely to occur.

- 5.3 The Borrower(s) undertake(s) to notify OSRTC in writing promptly if it becomes aware of any circumstances arising after the date of this Agreement which would cause any of representation and warranties to become untrue inaccurate or misleading in any respect being material to the financial or trading position or prospects of the Borrower(s).

## **6. COVENANTS**

### **6.1 AFFIRMATIVE COVENANTS:**

**6.1.1** The Borrower(s) covenant(s) and undertake(s) that so long as the amounts due under this Agreement shall remain outstanding, and until the full and final payment of all money owing hereunder, it will, unless OSRTC waives compliance in writing:

- a) utilize the Loan solely for the purpose stated by it to OSRTC viz for purchase of Buses and for no other purpose whatsoever.
- b) pay the Loan and interest thereon and all monies owing to OSRTC under the Agreement on demand by OSRTC. Notwithstanding specifying / providing a repayment schedule, the Borrower(s) agree(s) that OSRTC shall have the right to be paid on demand the entire Loan along with other dues under the Agreement specified herein.
- c) maintain its corporate existence and obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorization, approvals, licenses and consents required to enable it to lawfully carry on its business.
- d) obtain, comply with the terms of and do all that is necessary to

maintain in full force and effect all authorization, approvals, licenses and consents required to enable it to enter into and perform its obligation under this Agreement and to ensure legality, validity, enforceability or admissibility in evidence of this Agreement.

- e) inform OSRTC of any material litigation, arbitration or other proceedings which affect the Borrower(s), forthwith upon such proceedings being instituted or threatened by any persons making a claim for money against the Borrower(s);
- f) promptly inform OSRTC of any occurrence of which it becomes aware which might adversely affect the Borrower(s) or affect its ability to perform its obligations under this Agreement.
- g) promptly inform OSRTC of the occurrence of any Event of Default and of the steps being taken to remedy the same and will, from time to time, if so, requested by OSRTC, confirm to OSRTC in writing that save as otherwise stated in such confirmation, no default has occurred and is continuing.
- h) appraise OSRTC of the occurrence or likely occurrence of any event which is likely to affect the capacity of the Borrower(s) to repay the said loan or interest thereon or likely to affect the security for the said Loan or the obligations of the Borrower(s) to OSRTC in respect of the said Loan.
- i) forthwith inform OSRTC on the occurrence or likely occurrence of, inter alia, any of the following events, namely, the occurrence of any event which is likely to affect the Borrower(s) business, including industrial action, steps taken by authorities for recovery of statutory, dues, etc.
- j) If there is a change in constitution or ownership of the Borrower(s) which in the opinion of OSRTC is adverse.
- k) pay regularly all taxes, assessment dues, duties and impositions as may, from time to time, be payable to any Government body or authority.
- l) deliver to OSRTC in form and details satisfactory to OSRTC and in such number of copies as OSRTC may request.



- audited accounts within such reasonable time from the close of the financial year as may be permitted by OSRTC, such other statement or statements or information pertaining to the operations or business of the Borrower(s) as OSRTC may require in the context of the said Loan; and
  - all notices or other documents issued by the Borrower(s) to its creditors.
- m) notwithstanding the generality of the above, the Borrower(s) hereby confirm(s) that it shall permit OSRTC, its officers, employees and agents, to enter upon any of the Borrower(s) premises or property at all reasonable times and have the right to inspect/audit its books/ records, assets and properties.
  - n) pay and reimburse to OSRTC all governmental charges, taxes or penalties imposed on or in pursuance of this Agreement or on any instruments issued hereunder.
  - o) perform and execute, on request of OSRTC, such acts and deeds, as may be necessary to carry out the intent of this Agreement.
  - p) not effect any material change in the management of the business of the Borrower(s) or in the ownership or control of the Borrower(s) or enter into any arrangement, merger, amalgamation, reconstruction or consolidation without the prior written consent of OSRTC.

## **7. NEGATIVE COVENANTS:**

The Borrower(s) covenant(s) and undertake(s) that so long as the amounts due under this Agreement shall remain outstanding and until the full and final payment of all money owing hereunder, it shall not without the prior notice of at least 15 working days to OSRTC.

- a) declare or pay dividends in respect of any financial year if an Event of Default has occurred or is continuing.
- b) effect any merger, amalgamation, reconstruction or consolidation.
- c) effect any material change in the shareholding of the Borrower(s).
- d) Sell, transfer or otherwise dispose of any of its properties or assets or undertakings.

## **8. EVENTS OF DEFAULT**

**8.1** The occurrence of any of the following events, or events similar thereto, shall each



constitute an Event of Default:

**a) Non-Payment:**

If the Borrower(s) fail(s) to pay any sum, whether for principal or interest or otherwise due from it under this Agreement and/or the Loan, at and/or within the time stipulated therefore and, in the manner, specified therefore, whether hereunder and/or in accordance with the terms of any other document executed or written in pursuance hereof.

**b) General Default:**

The breach of, or omission to observe, or default by the Borrower(s) in observing any of its, obligations or undertakings under this Agreement and/or in respect of the Loan or any term, condition, provision including any representation or warranty contained in this Agreement.

Provided that if the same is remediable, if such breach omission or default shall continue for a period of 7 (seven) business days after notice thereof in writing is given by OSRTC to the Borrower(s) and such action as OSRTC may require shall not have been taken within 7 (seven) days of OSRTC notifying the Borrower(s) of such default and of such required action.

**c) Misrepresentation:**

Any representation or warranty or assurance or covenant on the part of the Borrower(s) made or deemed to be made or repeated in or pursuant to this Agreement or in any notice, certificate or statement or other writing referred to herein or delivered hereunder is or proves to be incorrect or misleading in any material respect.

**d) Cross Default:**

Any default by the Borrower(s) in discharging its liability, under any other agreement or other writing between the Borrower(s) and OSRTC, or under any other agreement or writing of indebtedness of the Borrower(s), or in the performance of any covenant, term or undertaking thereunder, or any indebtedness of the Borrower(s) not being paid when due or any creditor of the Borrower(s) becoming entitled to declare any indebtedness due and payable prior to the date on which it would otherwise have become due or

any guarantee or indemnity or collateral given or other support agreement entered into by the Borrower(s) not being honored when due and called upon;

**e) Inability to pay debts:**

The Borrower(s) is/are unable generally to pay its debts as they fall due and/or commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling, in the light of financial difficulties or in contemplation of any default, Events of Default or potential Events of Default under any agreement relating to the same (howsoever described), of any indebtedness, and/or makes a general assignment for the benefit of or a composition with its creditors and/or admits or is ordered to pay any liability and such liability is not paid when due (provided that for the avoidance of doubt any reference in this Sub-Clause to any indebtedness shall not include any indebtedness which is being bona fide disputed and in respect of which no court order has been made against the Borrower(s) to pay such indebtedness;

**f) Non-payment of decretal amount:**

The Borrower(s) fail(s) to pay any amount under any Court order or decree or judgment against the Borrower(s).

**g) Levy of Execution or Distress:**

Any execution or distress is levied against or an encumbrance or other officer takes possession of the whole or any part of the property, undertaking or assets of the Borrower(s) or any encumbrance over the whole or any part of the property, undertaking or assets of the Borrower(s) becomes enforceable.

**h) Cessation of Business:**

The Borrower(s) cease(s) or threaten(s) to cease to carry on the business it carries on at the date hereof.

**i) Insolvency:**

The Borrower(s) takes any action or any legal action or proceedings are started or other steps taken for (i) the Borrower(s) to be adjudicated or

found insolvent or bankrupt, (ii) the winding up or dissolution of the Borrower(s) or (iii) the appointment of a liquidator, administrator, trustee or receiver or similar officer or institution for the Borrower(s) or the whole or any part of its undertaking, assets and properties.

**j) Compulsory Acquisition:**

All or substantially all of the undertaking, assets or properties of the Borrower(s) or its interests therein are seized, nationalized, expropriated or compulsorily acquired by the authority of government or any other entity.

**k) Repudiation:**

The Borrower(s) repudiate(s) this Agreement or does or causes to be done any act or thing evidencing an intention to repudiate this Agreement.

**l) Change in Ownership/Management:**

There is any material change in the ownership or management of the Borrower(s) which in the sole opinion of OSRTC would prejudicially affect the interest of the OSRTC.

**m) Material Adverse Change:**

There occurs any event or situation, such as and including but not limited to any material adverse change as determined solely by OSRTC in the business or financial or other condition or operations or prospects of the Borrower(s), which in the sole opinion of OSRTC is prejudicial to the interests of OSRTC or in the sole opinion of OSRTC is likely to materially affect the financial condition of the Borrower(s) and/or its ability to perform all or any of its obligations under this Agreement and/or otherwise in respect of the Loan and to comply with any of the terms of this Agreement and/or for the Loan.

**n) Further Events of Default:**

- i. The Borrower(s) misusing the Loan or any part thereof or using the Loan or any part thereof for any purpose other than for which the Loan has been sanctioned by OSRTC.

- ii. Any consent, authorization, approval or the like, or license of or registration with or declaration to governmental or public or statutory or regulatory authority, registration with or declaration to governmental or public bodies or authorities required to be made by the Borrower(s) in connection with the execution, delivery, validity, enforceability or admissibility in evidence of this Agreement or the performance by the Borrower(s) of its obligations hereunder and/or in respect of the Loan is modified in a manner unacceptable to OSRTC or is not granted or revoked or is terminated or expires and is not renewed or otherwise ceases to be in full force and effect.
- iii. Whenever in the absolute discretion of OSRTC there is a determination of the likelihood of the amounts due not being paid.
- iv. The Borrower(s) creating any charge, lien, encumbrance and/or transferring, selling or disposing of the Hypothecated Assets without the previous consent of OSRTC in writing.
- v. Any Security being confiscated, attached or taken into custody by any authority or becoming the subject of any legal proceedings.
- vi. The Borrower(s) fail(s) to produce the asset for inspection or verification or valuation by OSRTC or its officers, auditors, technical experts, management consultant, valuers or any other person authorized for the said purpose by OSRTC.
- vii. Any defect / infirmity in a guarantee provided by any guarantor which renders the guarantee (wherever applicable) ineffective/ inoperative.
- viii. If the Borrower(s) is involved in any civil litigation or criminal offence.
- ix. If the Borrower(s) fails to furnish any information/ document required by OSRTC.

## **9. REMEDIES OF OSRTC**

**9.1** At any time after the occurrence of an Events of Default, as aforesaid, then, notwithstanding anything to the contrary herein contained, OSRTC shall be entitled, at its

absolute discretion, to do any one or more of the following.

- i. Declare that the obligation of OSRTC to make or continue to make the Loan available, stands terminated; and/or
- ii. Declare that the Loan and all interest accrued and all costs, charges, expenses and other sums outstanding under this Agreement and the Loan are immediately due and payable to OSRTC, whereupon the same shall become immediately due and payable by the Borrower(s) and the Borrower(s) shall pay all the amounts due and payable under the Loan and/or the Agreement in accordance with the terms of the notice without any further notice or other legal formalities of any kind; and/or
- iii. Exercise any right, power or remedy permitted to it by law, including by suit, in equity, or by action at law, or both, or otherwise, whether for specific performance of any covenant, condition or term contained in this Agreement or for an injunction against a violation of any of the terms and conditions of this Agreement, or in aid of the exercise of any power or right granted in this Agreement and/or
- iv. If the Borrower(s) default in repayment of the Loan or a part thereof on the due date and such default continues for a period of fifteen (15) days, OSRTC shall have the right to recall the entire Loan including all interest, costs, charges, expenses and any other amount outstanding under the Agreement and also to possess the Hypothecated Assets by giving a written notice of seven (7) days to the Borrower(s). If the Borrower fails to repay the outstanding dues to OSRTC, OSRTC shall be entitled to take possession of the Hypothecated Assets from the Borrower(s) from wheresoever it may be lying. It shall be lawful for OSRTC or OSRTC 's authorized representatives, servants, officers and agents to enter upon the premises, or garage or go down where the Hypothecated Asset shall be lying or kept and to take possession or recover or receive the same. Any damage to the land or building caused by the removal of the Hypothecated Asset shall be the sole responsibility of the Borrower(s). The Borrower(s) hereby authorizes OSRTC or their respective agents to enter the premises or precincts where the Hypothecated Assets is located or believed to be located and the Borrower(s) agrees not to make any claim against OSRTC or their respective agents for trespass or take action under any law against OSRTC or their respective agents in connection with the aforesaid actions. However, the requirement to issue such notice of recall of the Loan and possession of the Hypothecated Assets may be waived under special circumstances where OSRTC believes that there is a strong possibility of alienation or misappropriation of the Hypothecated Assets.

- v. Pursuant to OSRTC taking possession of the Hypothecated Assets, as aforesaid, OSRTC shall give prior notice of \_seven (7) days to the Borrower(s) informing the Borrower(s) of its intention to dispose of the Hypothecated Assets and giving the Borrower(s) a final opportunity to repay the entire Loan amount due as per the terms of the Principal Agreement and take back the possession of the Hypothecated Assets. In the event of the Borrower(s) failing to comply to the final notice, OSRTC may proceed to take all necessary steps under due process of law as fully and effectively as the Borrower(s) could take to dispose off the said Hypothecated Assets, by way of sale by public auction or private contract or otherwise dispose of the said Hypothecated Assets including any material thereon at the risk and costs of the Borrower(s) in all respects. OSRTC shall have the power to rescind or vary any contract for sale without being bound or answerable for any loss or diminution in value and without being bound to exercise any of the powers hereby conferred or being liable for any loss occasioned by the exercise of any such power and to give effectual receipts and discharge for the purchase money and to do all such other acts and things for completing the sale as OSRTC or the receiver, shall think proper. The Borrower(s) shall not raise any objection to the regularity of any sale or other disposition made by OSRTC nor shall OSRTC be responsible for any loss that may arise from any act or default on the part of any broker or auctioneer or other person or body employed by OSRTC or the receiver for the purpose of the sale or disposition of the Hypothecated Assets.
- vi. In the event of there being a surplus available in the hands of OSRTC after payment in full of the balance due to OSRTC, it shall be lawful for OSRTC to retain and apply the said surplus together with any money or monies belonging to the Borrower(s) for the time being in the hands of OSRTC in or under whatever account as far as the same shall extend against in or towards liquidation of any and all monies that shall be or may become due from the Borrower(s) to OSRTC, whether solely or jointly with any other person or persons firm or company by way of loans, discounted bills, letters of credit, guarantees, charges or any other debts or liability including bills, notes, credits and other obligations current though not then due and payable or other demands legal or equitable along with interest thereon which OSRTC, may have against the Borrower(s) or which the law of set-off or mutual credit would in any case admit.

## **10. CONSTITUTED ATTORNEY**

- 10.1 The Borrower(s) hereby agree(s) and appoints OSRTC and its officers, employees and agents and authorized representatives to be its duly constituted attorneys for all or

any of the following purposes, namely:

- i. To enter any place where any of the Hypothecated Assets may be and inspect and value them.
- ii. To take possession of all or any of the Hypothecated Assets and/or the documents relating thereto from whomsoever they may be in possession of including the contents therein and to dispose them of immediately if they are dangerous and perishable in nature.
- iii. To sell, dispose of any of the Hypothecated Assets for and on behalf of the Borrower(s) and at the risk of the Borrower(s) in all respects and to realize full or any part or portion of the sale proceeds thereof and sign and execute all contracts, declarations and instruments as may be necessary or expedient for giving delivery thereof.
- iv. To appear before the office of Regional Transport Officer, Sales Tax Officer, Police Authorities or any other authorities through advocates or any authorized person deemed necessary by OSRTC to effect transfer of the Vehicle.
- v. To take all such steps as may be required for the recovery of any of the Hypothecated Assets, including the institution of any claim, suit, petition or other legal process and the signing and execution of all necessary Vakala Namas and documents for the said purpose and the compromising or settlement of such suit or action.
- vi. To sign all papers, correspondence, vouchers, forms, applications, petitions, receipts, documents, agreements, indentures and writings that the Borrower(s) would be bound to do under or in pursuance of these presents and / or the Loan for and behalf of the Borrower(s) and to attend before the Regional Transport Officer,
- vii. Sales Tax Officer, Police Authorities, Sub-Registrar of Assurances or any other relevant authority and admit execution thereof.
- viii. Generally, to do perform and execute or cause to be done performed or executed all acts deeds matters things and documents in all matters arising under or out of or concerning or touching these presents as the Borrower(s) could itself do perform or execute. And for the better and more effectually doing effecting and performing the several matters and things aforesaid to appoint from time to time or generally

such other persons bodies companies organizations or agencies as OSRTC may think fit as its substitute or substitutes to do execute and perform all or any such acts and things as aforesaid and such substitute or substitutes at pleasure to remove and to appoint other or others in his or their place.

10.2 The Borrower(s) agree(s) that the above powers may be exercised without any prior notice to the Borrower(s) and further agree(s) to ratify and confirm all that OSRTC or any substitute or substitutes appointed by OSRTC may lawfully do or cause to be done in exercise of the aforesaid powers.

10.3 The Borrower(s) further agree(s) to give all assistance to OSRTC and its officers and authorized representatives for the purpose of exercising any of the powers here in above set out, including endorsing of documents, signing of papers and doing all such things as may be necessary to enable OSRTC and its officers to exercise all the powers hereby conferred.

10.4 The Borrower(s) further agree(s) that the aforesaid powers have been granted for valuable consideration and as such shall be irrevocable in nature till such time as any amounts remain due owing or payable under or in respect of or in pursuance of the said Loan and/or these presents.

## **11. CROSS COLLATERAL**

The Borrower(s) acknowledge(s) that in the event of repayment by the Borrower(s) of the Loan under this Agreement but there being any outstanding by the Borrower(s) under any other financial facility availed by the Borrower(s) from OSRTC, then in such event OSRTC shall not be obliged to release the security created by the Borrower(s) under this Agreement and the Borrower(s) hereby authorize(s) OSRTC to extend the security to cover such outstanding financial facility. Likewise, in the event of there being any outstanding by the Borrower(s) under this Agreement, OSRTC shall not be obliged to release the security created by the Borrower(s) for any other financial facility availed of by the Borrower(s) from OSRTC and the Borrower(s) undertake(s) to extend such security to cover the outstanding due under this Agreement.

## **12. REVIVAL OF AGREEMENT**

In the event of OSRTC possessing the Hypothecated Assets, the Borrower(s) may request OSRTC to revive the Agreement and apply for redelivery of the Hypothecated Assets in as is where is condition and such request may be entertained by the OSRTC at its discretion and upon such terms and conditions as it may think fit and proper in the circumstances and only



after collecting the installments in full including Additional Interest, legal and other costs, possession expenses and the like. Any decision taken by OSRTC not to revive the Agreement.

### **13. SUBORDINATE DEBT**

The Borrower(s) does hereby agree(s) declare(s) confirm(s) and undertake(s) that all loans, advances, and other monies advanced by its group companies/ associates/ the directors, partners, and/or their friends and relatives or any of them shall stand and be regarded as subordinate debt in comparison with the Loan hereby granted. The Borrower(s) does hereby further declare(s) and undertake(s) that the Borrower(s) shall not repay any of such loans and advances in whole or in part or pay any interest thereon until such time as the entire outstanding of OSRTC under and in pursuance of the Loan and/or this Agreement are repaid in full.

### **14. OSRTC'S STATEMENTS OF ACCOUNTS TO BE ACCEPTED BY BORROWER(S)**

The entries made in the account books/ record of OSRTC maintained in accordance with its usual practice and in compliance with statutory requirements and / or a statement signed by a designated officer of OSRTC, shall be final and binding on the Borrower(s). Such entries and / or statement shall be prima facie conclusive evidence of the existence and amount of obligations of the Borrower(s) recorded in respect of the Loan.

### **15. SET OFF AND LIEN**

- 15.1 Without prejudice to any rights of OSRTC, OSRTC shall have a paramount lien and right of set-off against all monies of the Borrower(s) standing to the credit of the Borrower(s) in any account(s) of the Borrower(s) with OSRTC, and the Borrower(s) authorize(s) OSRTC to debit the account(s) of the Borrower(s) with OSRTC or to apply any credit balance to which the Borrower(s) is entitled on any account of the Borrower(s) with OSRTC in satisfaction of any sum, whether for principal or interest or otherwise due and payable by the Borrower(s) to OSRTC under this Agreement or under any other agreement entered into with OSRTC.
- 15.2 Nothing herein contained shall prejudice or adversely affect any general or special lien or right to set-off to which OSRTC is or may by law or otherwise be entitled or any rights or remedies of OSRTC including in respect of any present or future security, guarantee, obligations of the Borrower(s).
- 15.3 The Borrower(s) further agree(s) that in addition to and without prejudice to any other right or lien enjoyed by OSRTC, OSRTC will further be entitled at any point of time and
- 15.4 without notice to the Borrower(s) to combine or consolidate all or any of the

Borrower(s) accounts (including any fixed deposits) held with OSRTC and all the credits and liabilities therein and set off or transfer any sum standing to the credit of any one or more of such accounts in or towards satisfaction of any of the Borrower(s) liabilities to OSRTC on any account whatsoever, whether such liabilities are actual or contingent, primary or collateral and whether joint or several.

#### **16. ASSIGNMENT/ TRANSFER OF PORTFOLIO/ SECUERTISATION**

The Borrower(s) expressly recognize(s) and accept(s) that OSRTC shall be absolutely entitled to, and has full power and authority to sell, assign or otherwise transfer in any manner whatsoever, in whole or in part, and in such manner and on such terms as OSRTC may decide (including if deemed appropriate by OSRTC reserving a right to OSRTC to retain its power to proceed against the Borrower(s) on behalf of the purchaser, assignee or transferee) any or all outstanding and dues of the Borrower(s), to any third party of OSRTC choice without any further reference or intimation or notice to the Borrower(s), and without seeking any consent of the Borrower(s). Any such action and any such sale, assignment or transfer shall bind the Borrower(s) to accept such third party as creditor exclusively or as a joint creditor with OSRTC or any other person, as the case may be. Any costs in this behalf, whether on account of such sale, assignment or transfer or enforcement of rights and recovery of outstanding and dues, shall be to the account of the Borrower(s). The Borrower(s) shall not assign this Agreement or any of the rights, duties or obligations of the Borrower(s) hereunder, except with prior written consent of OSRTC.

#### **17. SERVICE PROVIDER**

It is agreed by the Borrower(s), that without prejudice to any rights of OSRTC, all acts / steps as are necessary for OSRTC to take in order to monitor the Loan and its utilization and/or the obligations of the Borrower(s) and /or the Borrower(s)'s compliance with the terms hereof and / or to recover amounts due to OSRTC or any part or portion thereof, shall and/or may be carried out by and / or through such other person (including a company or body corporate) as may from time to time be appointed by OSRTC in respect thereof and that OSRTC will at all times be entitled to share with any such other person that may thus be appointed by OSRTC, all documents statements of accounts and other information of whatsoever nature pertaining to the Borrower(s) and/or the Loan. Further, the Borrower(s) expressly recognize(s) and accept(s) that OSRTC shall, without prejudice to its rights to perform such activities either itself or through its officers or servants, be absolutely entitled and have full power and authority to appoint one or more third parties of OSRTC choice and to transfer or delegate to such third parties the right and authority to collect on behalf of OSRTC all unpaid amounts and to perform and execute all acts, deeds, matters and things connected therewith or incidental thereto including attending

the office or residence of the Borrower(s), receiving the amounts due, and generally performing all lawful acts as the third party may consider appropriate for such purposes.

## **18. TERMINATION**

Notwithstanding anything to the contrary contained in this Agreement, OSRTC may at its sole and absolute discretion at any time, terminate, cancel or recall the Loan or any part thereof without any liability and without any obligations to give any reason whatsoever, whereupon all principal monies, interest thereon and all other costs, charges expenses and other monies outstanding shall become due and payable to OSRTC forthwith upon demand from OSRTC.

## **19. DISCLOSURE OF INFORMATION**

- 19.1 The Borrower(s) agree(s) and accept(s) and consent(s) for the disclosure and sharing by OSRTC of all or any information and data relating to the Borrower(s), the Loan, the Borrower(s)' account, and this Agreement, including but not limited to information relating to default, if any, committed by the Borrower(s), in the discharge of the Borrower(s)' obligations, as OSRTC may deem appropriate and necessary to disclose and furnish, to the Reserve Bank of India ("RBI") and/or to the Credit Information Bureau (India) Ltd and/or to any other agency authorized in this behalf by RBI, to OSRTC's professional advisers and consultants, to OSRTC's affiliates/ subsidiaries and to its service providers, third party or otherwise, instructed by it in relation to this Agreement and/or the Loan, and/or as required under law or any applicable regulation, at the order of a court of law, or at the request or order of any statutory, regulatory or supervisory authority with whom it customarily complies.
- 19.2 The Borrower(s) declare(s) that the information and data furnished and to be furnished to OSRTC are and shall be true and correct and no misrepresentation either directly or otherwise has been made. OSRTC shall be entitled to take such actions as it deems fit in the event of there being any inaccuracy or misrepresentation on part of the Borrower(s). The Borrower(s) shall provide OSRTC with such other financial information as OSRTC may from time to time require.
- 19.3 The Borrower(s):
- a) accept(s) that the RBI or the Credit Information Bureau (India) Ltd. and any other statutory, regulatory or supervisory authority or agency so authorized, may use, process, disseminate the said information and data disclosed by OSRTC in such manner as deemed fit by them in any particular circumstances; and

- b) Shall not hold OSRTC at all responsible or liable in this regard.
- c) further authorize(s) OSRTC, in addition to any other right enjoyed by OSRTC, that, in the event of the Borrower(s) committing any default under the Agreement, OSRTC shall be entitled without intimating to the Borrower(s) to disclose to RBI or to any other competent authority, or court of law, the name of Borrower(s) and the fact of Borrower(s) having committed the default as aforesaid.

## **20. CONTINUING SECURITY**

The Borrower(s) agree(s) that this Agreement, and any security hereby created or created subsequently, for and on account of the Loan, shall operate as a continuing security for all the obligations of the Borrower(s) in respect of the Loan, notwithstanding the existence of a credit balance in the Borrower(s)'s account or any partial payments or fluctuation of accounts.

## **21. MISCELLANEOUS**

### **21.1 Notice:**

Every notice, request, demand or other communication under this Agreement shall:

- a) be in writing, delivered by hand, courier or by registered post, acknowledgement due.
- b) be deemed to have been received when delivered by hand, at the time so delivered if during business hours on a business day for the recipient, and if given by registered post acknowledgement due, 48 hours after it has been put into post; and
- c) be sent to the Borrower(s) at its address mentioned herein and to OSRTC at its branch office address mentioned herein, or to such other address as either party may in writing hereafter notify to the other party.

### **21.2 Benefits:**

The terms and provisions of this Agreement shall be binding upon, and the benefits hereof shall inure to the Borrower(s)'s successors and permitted assigns and OSRTC's successors and assigns.

In case of death of the Borrower(s)(if Individual or Proprietorship firm) or any of the

Borrower(s) (if more than one Individual) unless and until any of the legal representative of such deceased of Borrower(s) (i) gets the ownership of the Hypothecated Assets transferred in his name according to Motor Vehicles Act, (ii) replace postdated repayment cheques, with such no of unencashed cheques lying with OSRTC, by such legal representative and (iii) signs and executes such documents as may be required by OSRTC, such legal representative shall not be entitled to take benefit of this Agreement; Provided however, that OSRTC shall have the absolute discretion to pass on the benefit of this Agreement to the legal representative of the Borrower(s) even if he is willing to perform and comply with requirements and obligations mentioned in this clause.

### **21.3 Waiver:**

No delay or omission to exercise any right, power or remedy accruing to OSRTC upon any breach or default of the Borrower(s) under this Agreement shall impair any such right, power or remedy of OSRTC nor shall it be construed to be a waiver of any such breach or default or an acquiescence therein or of or in any similar breach or default thereafter occurring nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permission, consent or approval on the part of OSRTC in respect of any breach or default under this Agreement or any provisions or condition of this Agreement must be in writing and shall be effective only to the extent in such writing specifically set forth.

21.4 All remedies, either under this Agreement or by law or otherwise afforded to OSRTC shall be cumulative and not alternate.

### **21.5 Partial Invalidity:**

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect, neither the legality, validity nor enforceability of the remaining provisions of this Agreement shall in any way be affected or impaired thereby, and the parties hereto further agree that they shall mutually substitute for the part/s held to be illegal, invalid or unenforceable, lawful provisions so as to give effect to the original intent of this Agreement.

### **21.6 Overriding Effect:**

This Agreement and any other documents attached hereto or referred to herein, integrate all the terms and conditions mentioned herein or incidental hereto, and supersede all oral negotiations and prior writings in respect of the subject matter hereof,

except for those provisions of the Letter of Sanction issued prior to this Agreement which are in addition to and complement, and are not in conflict with the terms of this Agreement. In the event of any conflict between the terms, conditions and provisions of this Agreement and any agreement or documents attached hereto or referred to herein, then in such event, the terms, conditions and provisions of this Agreement shall prevail.

**21.7 Costs:**

The Borrower(s) shall bear, pay and reimburse to OSRTC all costs (including stamp duty), charges and expenses of OSRTC in connection with the investigation of title and preparation, drafting and finalization of this Agreement, and all other documents and all costs, charges or expenses which OSRTC shall certify as sustained or incurred by it as a consequence of occurrence of an Events of Default including all costs, charges and expenses of the legal advisers of OSRTC and any legal recourse adopted. All such sums shall be reimbursed by the Borrower(s) to OSRTC within 30 (thirty) days from the date of notice of demand from OSRTC and shall be debited to the Loan account and shall carry interest at the same rate as payable on the Loan from the date of payment till reimbursement.

**21.8 Return on Unbanked Cheques:**

Any request for return of the unbanked / unused cheques of the Borrowers(s) lying with OSRTC, after the closure of the Loan either by way of maturity or prepayment of the Loan, shall be made by the Borrower in writing, within ninety (90) days from the date of closure / prepayment of the Loan. If no such request for return of unbanked/ unused cheques is received by OSRTC within the stipulated period, the unbanked/unused cheques shall be cancelled and destroyed by OSRTC, without any further notice to the Borrower(s).

**21.9 Law:**

This Agreement shall be subject to, governed by, and construed in accordance with, Indian law.

**21.10 Arbitration/Jurisdiction:**

All disputes, differences and/or claims arising out of or in relation to this Agreement shall be settled by arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof and the same shall be

referred to arbitration by a sole arbitrator to be nominated/ appointed by OSRTC. In the event of death, refusal, neglect, inability or incapability of the persons so appointed to act as an arbitrator, OSRTC may appoint another person to act as an arbitrator. The award including the interim award/s of the arbitrator shall be final and binding on all the parties concerned. The arbitrator may lay down from time to time the procedure to be followed by him in conducting arbitration proceedings and shall conduct arbitration proceedings in such manner as he considers appropriate. The arbitration proceedings shall be held at the place mentioned in the Loan Summary Schedule. Subject to the arbitration clause contained herein, the competent courts at the place mentioned in the Loan Summary Schedule shall have exclusive jurisdiction over any matter or legal proceedings arising out of or in relation to this Agreement. This shall not however limit the rights of the Lender to file/take proceedings in any other Court of Law or Tribunal of competent jurisdiction.

**21.11 Schedules to Form Part of the Agreement:**

The Schedules attached hereto shall be deemed to be part of this Agreement as though the provisions thereof were set out herein in extenso.

**21.12 Marginal Notes and Head Notes:**

The Marginal Notes and Head Notes hereto are for the purpose of convenience and reference only.

**21.13 Acceptance:**

The Borrower(s) confirm(s) that entire Agreement has been filled in the presence of the Borrower(s) and the Borrower(s) has read and understood the entire Agreement and shall be bound by all conditions including the details set out in the Loan Summary Schedule attached hereto.

The aforesaid Agreement and other documents has been explained to the Borrower(s) in the language understood by the Borrower(s) and the Borrower(s) has understood the entire meaning of various clauses and has affixed his signature after verifying and understanding the contents of this Agreement.

The Borrower(s) agree(s) that this Agreement shall be concluded and become legally binding on the date and place when the authorized officer of OSRTC signs this Agreement.

**IN WITNESS WHEREOF, THE PARTIES HERETO HAVE SIGNED THIS AGREEMENT INACCEPTANCE OF ALL TERMS AND CONDITIONS STATED ABOVE AND THE SCHEDULE HERETO ON THE DAY, MONTH AND YEAR MENTIONED IN THE SCHEDULE.**

**RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model**

<p><b>For Borrower(s)</b></p> <p>Name</p> <p>.....</p> <p>.....</p> <p>.....</p>	   <p>.....</p> <p>.....X</p> <p>(Signature)</p>
<p><b>For Odisha State Road Transport Corporation.</b></p> <p>.....</p> <p>.....</p>	   <p>.....</p> <p>.....</p> <p>X Signature</p>



## **SCHEDULE 1: LOAN SUMMARY**

This Loan Summary Schedule forms an integral part of Loan Cum Hypothecation Agreement Dated .....executed between the Borrower(s) and OSRTC. ("Loan Agreement").

### **Part 1 : DESCRIPTION OF THE LOAN FACILITY**

<b>SI No</b>	<b>Particular</b>	<b>Details</b>
1	Date of the Agreement	
2	Place of Execution	
3	OSRTC Office Address	
4	Name and address of the Borrower(s)	Name ----- ----- Address----- ----- -----
5	Legal Status	   Pvt. Ltd Co. / Public LtdCo./ Partnership Firm/LLP
6	Purpose of the Loan	Purchase of new vehicle (Buses) / Equipment / Machinery along with any accessories and incidental expenses.
7	Amount of Loan	Rs ----- /- Rupees(----- ----- only)
8	Rate of Interest	8 % per annum Simple Interest rate with monthly rest.
9	Rate of Additional Interest	1% per annum Simple Interest rate with monthly rest.
10	Tenure/Term of the Loan	96 months.
11	Taxes & Levies	All the charges indicated above or elsewhere in the Loan Agreement shall be exclusive of all taxes and statutory levies as may be applicable on same including without limitation GST and cases thereon.

## PART 2- REPAYMENT SCHEDULE

SI No	Particular	Details
1	Number of Equated Monthly Installments (EMI) payable	
2	Date of commencement of first Installment	
3	Last Installment due Date	
4	Amount of EMI (Rs.)	
5	Place of Arbitration & Jurisdiction	Bhubaneswar

## PART-3 DESCRIPTION OF THE HYPOTHECATED BUSES

SI No	Model/Make	Registration No.	Engine No./Serial No	Chassis No.

For Borrower(s) Name: _____ _____	_____ Signature
For OSRTC Name: ..... .....	_____ Signature



### **SCHEDULE 3: INSTRUCTION FOR DISBURSEMENT OF THE LOAN AMOUNT**

Date:

To

Odisha State Road Transport Corporation (OSRTC)

.....

.....

.....

.....

#### **Sub: Authorization for disbursement**

Sir,

Refer to the Loan facility granted us for ..... Kindly prepare the Loan disbursement cheque in the name and manner hereinafter appearing:

<b>Name of the Payee</b>	<b>Amount (Rs.)</b>

The disbursement of the Loan amount in favor of the above payee shall not affect my/ our obligation in relation to the Loan facility. The disbursement of the Loan in favour of the above Payee shall be deemed to be the Loan granted to and availed by me/us.

Thanking You

-----

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Signature

*RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model*

Name of the Borrower : -----  
-----  
-----  
-----

**Confirmation**

I / we acknowledge having received the cheques of the following description towards disbursement of the loan amount to me / us.

Cheque No	Amount	Date	Bank Name	Favoring

**Thanking You**

<b>NAME OF THE BORROWER &amp; CO BORROWER</b>	<b>SIGNATURE</b>
-----	-----

**SCHEDULE 4: APPLICATION FORM FOR LOAN DISBURSEMENT BY NATIONAL ELECTRONIC FUND TRANSFER**

Date: [..... ]

To

**Odisha State Road Transport Corporation**

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Sub: Loan disbursement by Electronic Fund Transfer through National Electronic Fund Transfer scheme

Dear Sir, With reference to Soft Loan Granted to us, I / We hereby unconditionally request Odisha State Road Transport Corporation ("OSRTC") to directly remit the sanctioned loan amount of Rs - -----/- ( Rupees -----only) as per following details:-

**Details of the Beneficiary**

Beneficiary's Bank name	
Beneficiary's Bank a/c name	
Beneficiary's Bank a/c #	
Beneficiary's Bank Account Type	Savings Current cash Credit
Beneficiary's Bank payable Location	
Beneficiary's Bank Branch IFSC code	
MICR Code	
Amount to be remitted	

I / We hereby declare that:

- The particulars given above are true, correct and complete to the best of my/our knowledge. I / we shall be responsible for the accuracy of the particulars given in the payment instruction.
- I / We shall be bound by any payment instruction executed by OSRTC, if OSRTC had executed the payment instruction in good faith and in compliance instructions for electronic fund transfer.
- The disbursement of the Loan in favour of the above said Beneficiary shall be deemed to be the Loan granted to and availed by me/us. The disbursement of the loan amount in favour of the above Beneficiary payee shall not affect my/ our obligation in relation to the Loan facility.
- OSRTC shall not be liable for any loss or damage arising out of or resulting from incomplete information, delay in transmission, delivery or non-delivery of electronic message or any mistake, omission or error in transmission or delivery thereof or any act or event beyond control. Notwithstanding above, in the event of any delay in the completion of the Funds Transfer or any loss on account of error in the execution of the Funds Transfer pursuant to a payment instruction due to any negligence on the part of OSRTC, OSRTC's liability shall be limited to the extent of payment of interest at the bank rate for the period of delay in the case of delayed payment.
- OSRTC shall not be liable for noncredit or crediting remittance amount to wrong beneficiary on account of incorrect information furnished by me/ us in this application form.
- Beneficiary bank may levy charges on inward remittance and deduct the same from the remitted amount.

*RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model*

I understand that all National Electronic Fund Transfer ('NEFT') instructions are irrevocable and there is no facility for giving stop payment instruction in respect of remittances through NEFT.

Thanking you.

Yours faithfully

NAME OF THE BORROWER(S) & CO BORROWERS	SIGNATURE
Name:..... .....	----- -----
Name:..... .....	Signature ----- -----  Signature



## **SCHEDULE 5: AUTHORITY LETTERS**

### **1) PARTNERSHIP AUTHORITY LETTER**

***Should be printed on the letter head of the Partnership Firm***

Date:

To,

**Odisha State Road Transport Corporation**

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Dear Sir,

We, the undersigned hereby declare that we are the partners/ members and collectively carrying on business in the name of style of M/s -----

..... a partnership firm("Firm"). We further declare that:

1. That the Firm be and is hereby authorized to avail soft loan up to Rs .....from Odisha State Road Transport Corporation ("OSRTC").
2. That the Firm does provide to OSRTC such security as OSRTC may require in connection with the loan / credit facilities availed from OSRTC.
3. That the Firm is hereby authorized to create in favour of OSRTC a hypothecation over the Buses Procured by the firm as security to secure the due repayment by the Firm of the Soft loan availed from OSRTC together with interest fees, and other amounts due to OSRTC.
4. Mr./Ms. .... and ....., Partners of the Firm are hereby jointly and/or severally (either) authorized to:

- a) Negotiate, finalize, vary / modify and implement the terms and conditions of the Loan Agreement entered into between the Firm and OSRTC, and all other documents in connection with the Loan.
- b) Create such security as may be required like pledge, mortgage, hypothecation, and lien.
- c) Sign and execute loan agreements, security agreement, promissory note, letter of continuity, indemnity, guarantee and other documents as required by OSRTC, in respect of the said Loan, on behalf of the Firm.
- d) Do all acts, deeds, matters, things and to execute documents, writings, declarations and undertakings as may be necessary for availing of such fund based and non- fund-based facilities and for giving effect to the security in favour of the OSRTC. All acts, deeds, matters and things done and executed by the said Mr./Ms..... and Mr./Ms..... shall be absolutely enforceable and binding on us and the Firm.

We, the partners, shall be jointly and severally liable and responsible for all the liabilities of the Firm to OSRTC. OSRTC may recover its claims from the estate of any or all of the Partners of the Firm. Our liability as aforesaid shall continue notwithstanding any change in the constitution of the Firm and/or its successors and dissolution thereof.

Whenever any change occurs in our partnership firm, we undertake to inform OSRTC of the same in writing and our individual liability to OSRTC shall continue until all the amounts due under the aforesaid Loan are paid in full and we receive an acknowledgement of discharge from OSRTC.

Thanking You

Name of the Partner	Signature

**Draft Resolution for Company**

**Resolution should be on the letterhead of the Borrower and to be amended according to the security and facility.**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF**  
-----**(“Company”)** **AT THEIR MEETING HELD ON**-----  
----- **AT**-----

The Chairman informed the Board that at the request of the Company, OSRTC is considering to sanction Soft Loan aggregating to Rs.----- /- (Rupees --  
-----Only) to the Company, by way of secured term loan, and subject to such terms and conditions as may be stipulated by OSRTC. The Chairman briefed the Board about the principal terms and conditions of the said Soft Loan.

The Board considered the matter and after deliberations passed the following resolution unanimously:

**"RESOLVED** that the Company be and is hereby authorized to avail further credit facilities up to a maximum principal amount of Rs. -----/- (Rupees-----  
----- only) (**“Soft Loan”**), in the form of secured term loan, from OSRTC on the terms and conditions as may be stipulated by OSRTC, and to be secured by the following securities :

1. Demand Promissory Note
2. Hypothecation of the Buses procured by -----as per the list provided in the Schedule 1 of the Loan Agreement and/or the Company, in form and manner acceptable to OSRTC.
3. Personal / Corporate Guarantees of-----

And such other securities as is described in the sanction/facility, letter and to furnish /create security in favour of OSRTC, subject to applicable laws and regulations.”

**“RESOLVED FURTHER** that Mr. / Mrs.----- , Mr. / Mrs.-----  
----- , Mr./Mrs.----- , of the Company are hereby severally authorized to :

- i. to negotiate, finalize, vary / modify and implement the terms and conditions of the said Loan/ credit facilities.
- ii. to create such security in favour of OSRTC as may be required, including but not limited to pledge, mortgage, lien on the movable and immovable properties of the Company in form and manner acceptable to OSRTC.
- iii. sign and execute the loan / facility agreements, security agreements, mortgage documents, Promissory note, letter of continuity, Indemnity, guarantee and other documents as required by OSRTC, in relation to the said loan / credit facilities on behalf of the Company, in form and manner acceptable to OSRTC.
- iv. Do all acts, deeds, matters, things and to execute documents, writings, declares and undertaking as may be necessary for availing of such Loan/credit facilities and giving effect to the security in favour of the OSRTC. All acts, deeds, matters and things done and executed by the said Mr. / Mrs.-----, Mr. /Mrs. -----, Mr. /Mrs.-----, shall be binding on the Company.”

“**RESOLVED FURTHER** that the Company do request Mr. / Mrs.-----  
--- and Mr. / Mrs.----- to create mortgage/charge over their respective properties situated at----- as security for the repayment of the credit facilities proposed to be availed by the Company from OSRTC, together with interest, cost and all other amounts that are/may be outstanding under the credit facilities.”

“**RESOLVED FURTHER** that the Company do request:

- a) -----
- b) -----

To provide their guarantees in favour of OSRTC to secure the repayment of the credit facilities proposed to be availed by the Company from OSRTC, together with interest, cost and all other amounts that are/may be outstanding under the credit facilities.”

“**RESOLVED FURTHER** that a certified copy of the foregoing resolutions be furnished to FICC with a request to act thereupon.”

FOR-----

**COMPANY SECRETARY / DIRECTOR**

**EXTRACT OF THE RESOLUTIONS PASSED BY THE COMPANY IN THE GENERAL MEETING HELD ON AT THE REGISTERED OFFICE OF THE COMPANY.**

Special Resolutions:

"RESOLVED THAT pursuant to the provisions of section 180(1)(c) of the Companies Act 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the Company hereby accords its consent to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose) of the Company, for borrowing any sum or sums of money from time to time from any one or more Company's bankers and/or from any one or more persons, firms, bodies corporate, financial institutions, banks or other acceptable source whether by way of advances, deposits, loans, non-convertible debentures, bonds or otherwise and whether unsecured or secured notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) will or may exceed the aggregate paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, so however, that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding shall not exceed the sum of Rs.-----  
----- only) at any one time."

"RESOLVED FURTHER THAT pursuant to the provisions of section 180(1)(a) of the Companies Act 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company for mortgaging / charging all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and lender(s) to secure the loans / borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves in the ordinary course of business but not exceeding Rs.-----  
----- (Rupees----- only) at any one time."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may

*RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model*

arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

Certified to be true.

(Name and signature of the Managing Director / Company Secretary)

Date:-----

**SCHEDULE 6: SURRENDER LETTER OF THE VEHICLE**

Date:

To,

**Odisha State Road Transport Corporation**

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Dear Sir,

**Sub:** Surrender of Vehicle bearing Registration No -----

I/ We entered into a Loan cum Hypothecation Agreement dated-----  
with OSRTC ("Loan Agreement") and availed loan against hypothecation of vehicle being-----  
----- (model) bearing Engine No.-----, Chassis  
No. -----, bearing Registration No.----- (said  
vehicle) under the above mentioned Loan Agreement.

As I am/we are unable to perform my/our obligation under the Loan Agreement and pay the loan installment and other dues thereunder, I/we hereby surrender the physical possession of the said vehicle/equipment to you at my/our entire risk and expenses. I/Whereby confirm that such surrender by me/us shall not affect or prejudice your claim for arrears of loan installment, Additional Interest/compensation payable on the delayed Loan installment or outstanding balance together with interest under the Loan Agreement or your right to enforce such claim by action or otherwise.

I/We have surrendered the said vehicle/equipment to you on my own volition and without any coercion and I/we have no claim against you in respect thereof. I/We hereby accord my/our consent to sale/disposal of the said vehicle/equipment in any manner you deem fit to recover the dues under the Loan Agreement. In case of any deficit still remaining under the Loan Agreement, I/we undertake to make good such deficit on demand from you.

I/ We hereby specifically agree and irrevocably consent to the concerned RTO to cancel the certificate of Registration issued by him in my name as Registered Owner of the

vehicle/equipment with immediate effect without any further intimation to me and I/we hereby waive service. I/We also hereby agree and confirm that you are free to sell the vehicle/equipment and transfer the Registration Certificate of the said vehicle/equipment in your name or in the name of your nominee at your discretion.

I/We also hereby further confirm that by my surrendering the said vehicle/equipment I/We am/are not absolved from any of my/our liabilities under the Loan Agreement and I/We hereby agree to keep you indemnified saved harmless and defended against all claims actions or charges that may be brought against you.

Thanking you,

Yours faithfully

Borrower(s) Name and address

-----

-----

Signature of the Borrower/s



**SCHEDULE 7: SCHEDULE 7 LETTER FROM THE BORROWER DISCLOSING THE DETAILS  
OF THE EQUIPMENT**

**ON THE LETTER HEAD OF THE BORROWER**

Date:

To,

**Odisha State Road Transport Corporation**

-----

-----

-----

-----

**Sub:** Loan Account No-----

Dear Sir,

In connection with the Loan account mentioned above, I / we hereby furnish the detailed particulars of the Equipment purchased out of the loan availed from your Company.

Registration No	
Engine No	
Chassis No.	
Serial No.	
Make	
Model	

I / we attach herewith the copies of the Registration certificate, invoice, insurance policy and tax receipts with respect to the above Equipment for your record purposes. I / We further confirm

that all other formalities required to be complied with in respect of the subject Equipment as per local laws in force have been duly complied with. I/ we further confirmed that above Equipment is hypothecated in your favour to secure the Loan availed by us for purchase of the above Equipment.

Yours Faithfully

-----

( Signature of the Borrower(s))

Name-----

Address-----

Enclosures:

1.

2.

**SCHEDULE 8: RTO FORMS TO BE ATTACHED**

<b>SI No</b>	<b>Form No</b>	<b>No. of copies to be inserted.</b>
<b>1</b>	Form TCR	(to be retained in the booklet)
<b>2</b>	Form 20	(to be retained in duplicate)
<b>3</b>	Form 26	(in duplicate)
<b>4</b>	Form 27	(in triplicate)
<b>5</b>	Form 28	(in triplicate)
<b>6</b>	Form 29	(in duplicate)
<b>7</b>	Form 30	(in duplicate)
<b>8</b>	Form 34	(in duplicate)
<b>9</b>	Form 35	(in duplicate)

**Annexure – PA4: Draft Depot Lease Agreement**

OSRTC having its principal office at [-----], (hereinafter referred to as “The Authority” which expression shall include its successors and permitted assigns).

**AND**

[XYZ LTD.], a -----incorporated under the [Companies Act, 1956]/[Companies Act, 2013]/ Registered Partnership firm/ LLP acting through [-----] having its registered office at [-----] (hereinafter referred to as “the Operator”, which expression shall include its successors and permitted assigns);

**ANDWHERE AS**

1. The Parties have entered into a Bus Operator's Agreement dated [-----/-----/2023] whereby the Authority has appointed the Operator for implementation of the Project.
2. Pursuant to the Bus Operator's Agreement, the Authority is providing to the Operator the right to use and the right of way to the bus depot (the details of which are provided in the Schedule 1 to this Depot Lease Agreement) (“Depot”) for the limited purpose of implementation of the Project.
3. The Parties are hereby entering into this Depot Lease Agreement to specify the terms and conditions of the use of the Depot by the Operator.
4. The actual memorandum of handover of Depot to the Operator along with relevant Depot details is placed as Annexure to this Agreement.

**NOW THEREFORE IT IS AGREED AS FOLLOWS:**

1. All capitalized words used but not defined herein shall have the meaning specified in the Bus Operator's Agreement.
2. The Authority hereby provides on a Lease basis the Depot (the details of which are provided in Schedule 1 to this Agreement) and the Operator hires the Depot on the terms and conditions of this Lease, it being recorded that the Authority warrants that the Depot will, save for reasons beyond its reasonable control, be fit for the purpose for which it is to be used by the Operator, namely to provide a reasonable shelter for the Contracted

Buses while not in use and to facilitate the cleaning, repair and maintenance of the Contracted Buses.

Provided, however, the Operator shall have no right, title, interest or any ownership rights over the Bus Depot or any part thereof.

3. This Depot Lease Agreement shall come into operation on the date of execution hereof and shall terminate on the termination or cancellation of this Depot Lease or the Bus Operator's Agreement for whatever reason, whichever is the earlier ("Lease Period").
4. There shall be rental of Rs. 100000/- per month payable by the Operator to the Authority in respect of the Lease for use of the Depot, provided that the Operator discharges all of its obligations pursuant to this Depot License Agreement and the Bus Operator's Agreement.
5. The Operator shall be responsible for timely payment of the cost of all electricity and water consumed at or on the Depot, determined at prevailing rates in accordance with readings of separate sub-meters. It is hereby clarified that the Operator shall be liable to pay the cost of all the utilities on actual consumption and only in relation to such area of the Bus Depot as has been provided under this Depot Lease Agreement.
6. Insurance
  - a) All type of insurance for any damages in the depot shall be taken by the operator. The Operator shall be entitled to assume that the Depot is at all material times insured against such risks, on such terms, for such amounts, and at such premiums as are for the time being usual in respect of similar buildings in similar locations.
  - b) The Operator shall, in accordance with its obligations pursuant to the Bus Operator's Agreement, obtain and maintain contract works insurance and public liability insurance in relation to the Depot.

#### 7. Cession and Subletting

The Operator shall not be entitled to:

- a) cede all or any of its rights or delegate any of its obligations under this Depot Lease Agreement.
- b) sublet the Depot in whole or part; or

- c) give up possession and/or control of the Depot to any third party, without the Authority's prior written consent.

#### 8. Operator's Obligations

The Operator shall:

- a) keep the Depot clean, tidy and commercially usable at all times.
- b) be responsible for the handling of all waste and effluent in accordance with the Applicable Law.
- c) not use the Depot or allow it to be used, in whole or part, for any purpose other than that of implementing the Project.
- d) not bring into the Depot any article which, by reason of its weight or other characteristics, is liable to cause damage to the Depot.
- e) not leave refuse or allow it to accumulate in or about the Depot except in the refuse bins provided.
- f) refrain from interfering with the electrical or plumbing serving the Depot, except as may be strictly necessary to enable the Operator to carry out its obligations of maintenance and repair in terms of this Agreement.
- g) not permit any person to permanently dwell in the Depot.
- h) provide at the Operator's own expense all electric, fluorescent and incandescent light bulbs required in the Depot from time to time.
- i) co-operate with any other operator or third party using the Bus Depot or a part thereof as notified by the Authority from time to time; and
- j) allow for use of the Depot by one or more other bus operators at the written request of the Authority, provided that such use shall not materially adversely affect the Operator's ability to implement the Project under the Bus Operator's Agreement.

#### 9. Maintenance and Repairs

The Operator shall at its own expense and without recourse to the Authority:

- a) throughout the Lease Period maintain in good order and condition the interior and

exterior of the Depot and all parts thereof, including (without limitation of the generality of this obligation) all windows, doors, appurtenances, fixtures and fittings contained in the Depot.

- b) promptly and properly repair or make good all damage occurring in the interior and exterior of the Depot from time to time during the Lease Period, whatever the cause of such damage, and including damage to any part of the interior of the Depot or to any window, door, appurtenance, fixture or fitting, and replace all such items (as well as any keys) which have been broken, lost or destroyed (again regardless of cause); and
- c) on the termination or cancellation of this Depot Lease Agreement, forthwith return the Depot and all such parts thereof (including all keys) to the Authority in good order, condition and repair, normal wear and tear excepted.
- d) The Depot shall be deemed, at the commencement of this Depot Lease Agreement, to be in good order and condition except to the extent that the Operator notifies the Authority in writing within [15 (fifteen)] Business Days after having taken possession of the Depot of the need for any repairs to in the Depot or of the fact that any part of the Depot, including any lock, key, door, window, appurtenance, fixture or fitting, is damaged, missing, or out of order.
- e) Upon receiving a notification contemplated in sub-clause (d) above the Authority shall promptly cause the necessary repair or replacement to be effected to the Depot at the Authority's own expense.
- f) The Operator shall be responsible for the maintenance of, and for all repairs and replacements becoming necessary from time to time in or to, the Depot and all parts thereof.
- g) In the event the Operator fail to carry out any of its obligations under this Agreement with regard to any maintenance, repair or replacement, the Authority shall be entitled, without prejudice to any of the Authority's other rights or remedies, to effect the required item of maintenance, repair or replacement and to recover from the Operator on demand, all reasonable amounts incurred by the Authority in respect thereof.

#### 10. Alterations, additions and improvements

- a) The Operator shall not make any alterations or additions to the Depot without the

Authority's prior written consent.

- b) If the Operator does alter or add to the Depot in any way, whether in breach of sub-clause (a) or not, the Operator shall, if so required in writing by the Authority, restore the Depot on the termination or cancellation of this Agreement to the same condition as it was prior to such alteration or addition having been made, normal wear and tear excepted. Unless this Agreement is terminated or cancelled by the Authority as a result of a breach hereof by the Operator, the Authority's requirements aforementioned shall be communicated to the Operator not less than [10 (ten)] Business Days prior to the termination or cancellation. For the sake of clarity, the Parties agree that this sub-clause (b) shall not be construed as excluding any other or further remedy which the Authority may have in consequence of a breach by the Operator of sub-clause (a).
- c) Save for any alteration or addition which is removed from the Depot as required by the Authority in terms of sub-section (b), all alterations or additions made to the Depot shall, on termination or cancellation of this Depot Lease Agreement, become the property of the Authority and may not be removed from the Depot at any time. Subject to any prior written agreement to the contrary between the Parties, the Operator shall not, whatever the circumstances, have any claim against the Authority for compensation for any alterations or additions to the Depot.

#### 11. Exclusion of Liability

- a) The Operator shall have no claim against the Authority for any loss or damage suffered by the Operator by reason directly or indirectly of:
  - i. any negligent act or omission of the Authority or any agent or servant of, or contractor to, the Authority, including (without limiting the generality of the foregoing) any negligent act or omission of any cleaner, maintenance person, handyman, artisan, laborer, workman, watchman, guard or commissionaire, excluding gross negligence and/or willful default.
  - ii. any failure or suspension of, or any interruption in, the supply of water, electricity, air-conditioning, heating, or any other amenity or service to the Depot (including, without limiting the generality of the foregoing, any cleaning service), whatever the cause.



- iii. any breakdown of, or interruption or delay in the operation of, any machinery, plant, equipment, installation, or system situated in or on, or serving, the Depot, and including (but without limiting the generality of the foregoing) any geyser, boiler, burglar alarm or security installation or system, again regardless of cause.
  - iv. any interruption of, or interference with, the enjoyment or beneficial occupation of the Depot or any parts of the common Depot caused by any building operations or other works to or in the Depot, whether by the Authority or by anybody else; or
  - v. any other event or circumstance beyond the Authority's reasonable control occurring, or failing to occur, upon, in, or about the Depot, whether or not the Authority could otherwise have been held liable for such occurrence or failure, and the Operator indemnifies the Authority and holds it harmless against any and all liability to any employee or agent of the Operator, its guests and other invitees, and all other persons who may occupy or be entitled to occupy the Depot or any parts thereof through or under the Operator.
- b) The Authority shall not, however, be excused from specific performance of any of the Authority's obligations under this Agreement, whether express or implied, and particularly (but not only) the Authority's obligations to afford the Operator occupation and enjoyment of the Depot as contemplated by this Agreement.

#### 12. Authority's Right of Entry and Carrying Out of Works

The Authority may at all reasonable times, without thereby giving rise to any claim or right of action on the part of the Operator or any other occupier of the Depot:

- a) enter the Depot in order to inspect it, to carry out any necessary repairs, replacements or other works, or to perform any other lawful function in the bona fide interests of the Authority; or
- b) carry out elsewhere on the Depot (or any part thereof) any necessary repairs, replacements or other works, provided that the Authority shall ensure that this right is exercised with due regard for, and a minimum of interference with, the beneficial enjoyment of the Depot by the Operator.

#### 13. Damage to or destruction of Depot

- a) If the Depot is destroyed or so damaged that it can no longer be beneficially occupied, this Depot Lease Agreement shall, unless the Parties agree otherwise in writing, terminate when that happens in respect of that Depot.
- b) If the Depot is damaged but can still be beneficially occupied, this Depot Lease Agreement shall remain in force and the Authority shall repair the damage without undue delay.

#### 14. Special Remedy for Breach

- a) Should the Operator be in breach of any of the terms or conditions of this Depot Lease Agreement or the Bus Operator's Agreement, in any way whatsoever, and fail to remedy such breach within [7 (seven)] Business Days after receiving a written demand that it be remedied, or such longer period as may reasonably require in the circumstances and agreed upon in writing by the Parties, the Authority shall be entitled, without prejudice to any alternative or additional right of action or remedy available to the Authority under the circumstances, to terminate this Depot Lease Agreement with immediate effect, be repossessed of the Depot, and recover from the Operator such damages sustained as a result of the breach and the termination of this Depot Lease Agreement.
- b) Nothing in sub-clause (a) above shall be construed as excluding the ordinary lawful consequences of a breach of this Depot Lease Agreement by either party (save any such consequences as are expressly excluded by any of the other provisions of this Depot Lease Agreement) and in particular any right of termination of this Depot Lease Agreement on the ground of a material breach of this Depot Lease Agreement.
- c) In the event of the Authority having terminated this Depot Lease Agreement or this Agreement justifiably but the Operator remaining in occupation of the Depot, with or without disputing the termination, the Operator shall be obliged to pay, all amounts which would have been due and payable by the Operator but for the termination, for so long as the Operator continues to occupy the Depot or any part thereof.

#### 15. Right to Negotiate Renewal

If the Bus Operator's Agreement is renewed and/or extended beyond its Term, the Parties agree to negotiate in good faith for renewal of this Depot Lease Agreement on such terms and conditions as may be agreed between the Parties

in writing prior to the expiration of this Agreement.

**IN WITNESS WHEREOF** the Parties have executed and delivered this Agreement by their duly authorized representative on the date first above written:

**SIGNED ON BEHALF OF THE AUTHORITY**

**SIGNED ON BEHALF OF OPERATOR by**

------(Signature)

------(Signature)

------(Name)

------(Name)

------(Designation)

------(Designation)

**SIGNED ON BEHALF OF SELECTED BIDDER**

by the hand of its authorized.

------(Signature)

------(Name)

------(Designation)

**Schedule 1 to Land Lease Agreement: Details of Land handed over to Operator during execution of Agreement.**

**Depot 1:**

Date of Handover	
Address of Depot	
Area of Depot:	
Facilities	
Utilities	
Security	

We have inspected the above depot premises and are satisfied as to its condition. We undertake to maintain the above premises in good working condition as per standard practices and terms and conditions of the Agreement. We understand that the premises above are only being Leased to us for the purpose of maintenance of the Contracted Buses during the Total Contract Period and shall not be used for any other purpose. We confirm to return the above premises to the Authority at the end of the Total Contract Period in the same condition as found when we took over, subject to normal wear and tear for such premises for prescribed uses. The Authority shall not bear liabilities arising from the use of these Premises.

We have accepted the right to use the Depot on----- (date)

For Operator

Name, -----

Sign,-----

Time and Place-----

*Details of other depots to be added as they are handed over and to form part of this Agreement.*

## **Annexure – PA5: Performance Appraisal System (PAS)**

In order to maintain and improve the quality of the Bus Services, the Authority shall monitor the Operator's performance through a comprehensive Performance Assessment System described hereunder.

The total penalty / incentive applicable at the end of a month shall be a algebraic sum of the sums emerging from the following two sections:

### **Section I : Performance Appraisal Parameters for Operation and Maintenance**

### **Section II: Assured Fleet Availability Criteria and other exceptions.**

#### **Limits:**

The total incentive or the fine damages payable, as the case may be, under this system shall be limited to 5% of the monthly invoice amount. This limit shall not apply to Section II and any damages payable for Section II shall be irrespective of calculations and limits for Section I.

### **Section I**

#### **A. Introduction**

- 1) The Operator shall be expected to meet base minimum performance standard for identified parameters (the "Baseline Performance/Baseline Standards"). The performance above the Baseline Standards shall earn incentives to the Operator (the "**Performance above Baseline**"). The Performance below the Baseline Standards shall attract fines/damages to Operator.
- 2) These incentives/fines-damages-penalties are payable in addition to the payment to the Operator based on Kilometer Charges Quoted by the Operator as per the payment terms. This cap shall be applicable to monthly invoice amount determined by aggregating amount of invoices of respective month.
- 3) It is to be noted that the Performance Assessment System specified hereunder is not a substitute for technical inspections and repair by the Operator's own technical team as per good industry practice and manufacturer's guideline. The Operator shall carryout all such inspection /repair/maintenance/upkeep/replacement of parts as per good industry practice and manufacturer's guideline.

## **B. Performance Parameters**

- 1) Performance parameters have been identified based on Operator's ability to influence them. For example, the operator has very limited influence over revenue much since he neither controls the fares nor the routes. So total revenue is excluded as a factor of performance. In contrast, areas over which the operator has control, such as cleanliness, driver behavior, speed violations, tyre pressure and tyre quality etc. are included.
- 2) A total of 33 parameters are defined under Section I. These identified parameters can be classified into various types as shown below:

**Table (1) : Number of Parameters based on Performance Area**

<b>SI No</b>	<b>Performance Area</b>	<b>Number of Parameters</b>
<b>1</b>	Affecting Passenger Experience	<b>15</b>
<b>2</b>	Affecting Regulatory requirements	<b>5</b>
<b>3</b>	Affecting Safety	<b>10</b>
<b>4</b>	Affecting general upkeep	<b>3</b>
<b>Total</b>		<b>33</b>

**Table (2): Number of Parameters based on Periodicity of Inspection**

<b>Parameters</b>	<b>Number of Parameters</b>
Daily parameters	<b>20</b>
Weekly	<b>13</b>
<b>Total</b>	<b>33</b>

**Table (3): Number of Parameters based on relevance to operation or maintenance.**

<b>Parameters relating to</b>	<b>Number of Parameters</b>
Operation of Service	<b>17</b>
Maintenance of Vehicle	<b>16</b>
<b>Total</b>	<b>33</b>

3) Key Performance Parameters are listed below.

Parameters relating to	Assessment Area	Periodicity of inspection	Parameters/Evaluation Parameters
<b>Operation of Service</b>	Affecting Passenger Experience	Daily	1) Driver's Uniform and grooming. 2) Adequate (less/more) time spent at designated stop for boarding/ alighting. 3) Non-Stoppages at designated Stops. 4) Picking and Dropping Passengers at unauthorized Stops. 5) Delay in start of the Trip. 6) Delay in end of the Trip. 7) Deviations from Schedule Route. 8) Carrying Complain book or display of complain number.
		Weekly	1) Driver Behavior and Training to address service situations and passengers concerns
	Affecting Safety	Daily	1) Speed Limit Violations. 2) Use of Mobile while Driving the Bus.
		Weekly	1) Instance of driver smoking and or in drunken state while on board Bus during the week. 2) Use of electronic equipment like Radio or Music system on Board Bus. 3) Damage to Infrastructure due to Accident
	Affecting Regulatory requirements	Daily	1) Driving without valid Driving License. 2) Vehicle Registration Certificate. 3) Proper Number Plate
<b>Maintenance of Vehicle</b>	Affecting Passenger Experience	Daily	1) Seat surface/ seat cushion. 2) Cleanliness of Bus exteriors 3) Cleanliness of Bus Interiors. 4) Smooth Passenger Doors operation.
		Weekly	1) Tyres. 2) Body Exteriors.

			3) Body cleanliness and lack of clutter. 4) Noise and Smoothness of Ride. Steps, floor, hatches, hatch cover inside the bus.
	Affecting Safety	Daily	1) Handrails / handlebars /stanchions / roof grab rails. 2) Windows, front windshield or rear windshield, wipers and prescribed horn. 3) Lights and mirror 4) Brake, Hand Brake and clutch functioning
		Weekly	1) Cabin Lights, Fire Extinguisher, First aid kit
	Affecting Regulatory requirements	Daily	1) PUC Certificate / Emission levels
	Upkeep	Daily	1) Leaking oil or fuel
		Weekly	1) Parking of Bus 2) Equipment Security and Upkeep

- 4) Information for evaluation of the Parameters can be gather through ITS, manual inspection, surprise checks, passenger feedback through call center/complain book/mails, and other tools.
- 5) The list of identified performance parameters is not exhaustive and can be added/ modified during the course of Contract.
- 6) This Performance Assessment shall be implemented after a testing period of 6 months from the COD of first lot of Contracted Buses and adjustment shall be made to Baseline Performance Standards based on experience.

### **C. Performance Standards and Performance Evaluation**

- 1) Unit of evaluation of each parameter is one Contracted Bus and all Contracted Buses need to evaluate separately. For practical reasons, Performance Assessment shall be conducted on sample size of 10% of Contracted Buses chosen randomly. This Inspection sampling shall be carried out for each Category/type of Buses separately. The evaluation outcome shall be generalized for all respective category of Contracted Buses.



2) Each of the Performance Parameters will be evaluated and assigned a score based on Performance Standards set for each. The score for each Performance Parameter can be either of followings.

- i. Baseline Performance (0 marks).
- ii. Performance above Baseline Standard ( +1 or +2 marks or +3.).
- iii. Performance below Baseline Standard ( –1 or – 2 marks or -3.).

Individual scores earned in this manner for each parameter shall then be aggregated through an algebraic sum to arrive at the aggregate score of marks for each sample of Contracted Bus chosen randomly. Average aggregate score of sample size Contracted Buses shall be considered as score of all Contracted Buses.

Such aggregate score shall become available, for each bus, 30-31 times a month for daily parameters, four times a month for weekly parameters and once a month based on evaluation of monthly parameters.

Total Score for each category of Performance parameters are specified in table below.

**Score of Parameters based on Periodicity of Inspection**

	No. of parameters	Max score	Min Score
Daily parameters	20	25	-25
Weekly	13	20	-20
Total	33	45	-45

**Score of Parameters based on relevance to operation or maintenance.**

Parameters relating to	No. of parameters	Max score	Min Score
Operation of Service	17	29	-26
Maintenance of Vehicle	16	16	-19
Total	33	45	-45

- 3) All parameters are to be checked in the morning at the start of shift unless specified otherwise.
- 4) Frequency of inspection is clearly stipulated for each parameter depending on how often or how easily the parameter can change and be repaired.
- 5) At the end of the month, for each Contracted Bus, aggregate scores for daily and weekly parameters so arrived shall be averaged to arrive at a single aggregate score for the month.
- 6) Each parameter has a code which is explained below:

D = Parameter to be evaluated Daily	M = Maintenance parameter
W = Parameter to be evaluated Weekly	O = Operations parameter
A , B , C, .... = Serial numbers	

- 7) Performance Parameters and Performance Standards along with score assigned to each Performance Parameter is specified in table below.

SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
1	MD1-A	Maintenance	Daily	Passenger Experience	Seat surface/ seat cushion	Manual Inspection	1	Some seats are have broken cushion / rough edges on seat / undulating seat / loose seat with broken affixing	Most (more than 90% of seats) have no broken surface or cushioning. None of the seats have rough edges	All seats are clean and smooth seats without any loose fittings or rough edges
2	MD1-B	Maintenance	Daily	Passenger Experience	Cleanliness of Bus exteriors	Manual Inspection / Camera feed at depot gate	1	Bus exteriors are muddy, unclean and/or permanently blackened.	Bus exteriors are clean with some marks	Bus exteriors are smooth, clean and without any temporary or permanent marks.
3	MD1-C	Maintenance	Daily	Passenger Experience	Cleanliness of Bus Interiors	Manual Inspection	1	Shabby/ unhygienic condition of buses/ dust or dirt on the floor, roof or side walls or other surfaces/foul smell	Bus interiors are clean but pockets and corners are unclean	All surfaces are cleaned with cleaning liquid with absence of dust and dirt Bus interior is hygienic with pleasant smell.
4	MD1-D	Maintenance	Daily	Safety	Handrails / handlebars / stanchions / roof grab rails	Manual Inspection	1	Any handrails/Stanchion are loose / broken or have sharp edges.	No handrails are loose / broken or have sharp edges. Only some hang-Ons are absent/damaged	No rails are loose / broken or have sharp edges. All hangons are in shape
5	MD1-E	Maintenance	Daily	Safety	Windows, front windshield or rear windshield,	Manual Inspection	1	Any of the following: Some windows are broken / non operable, Windshield is	All windows are in operable condition without any broken	All windows and Windshields are in operable condition

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SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
					wipers and prescribed horn			loose, broken or cracked. Wiper not working, horn is above or below prescribed limits	glasses. Windshields in order. Wiper and horn are working properly. There are however minor slippages in terms of worn-out glass/wiper blades, dirty glasses etc.	without any broken glasses. All glasses are shining clean and free of dust. Wiper is in perfect shape and operable. Horn is pleasant / OE.
6	MD1-F	Maintenance	Daily	Passenger experience	Smooth Passenger Doors operation	Manual Inspection	1	Doors not operating	Doors operating but not smoothly. Movement may be jerky or noisy	Doors operating smoothly without jerks and noise.
7	MD1-G	Maintenance	Daily	Safety	Lights and mirror	Manual Inspection	1	Defective or malfunctioning headlights, rear lights, brake light, turning indicators and parking lights, broken mirrors at the time of Bus Operations	Headlights, rear lights, brake light, turning indicators and parking lights, mirrors in order	-
8	MD1-H	Maintenance	Daily	Upkeep	Leaking oil or fuel	Manual Inspection	1	Oil or fuel are leaking from the bus	Oil or fuel are not leaking from the bus	-

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SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
9	MW2-1	Maintenance	Weekly	Passenger Experience	Tyres	Manual Inspection	2	Tyres are worn out flat OR are older than permitted life OR tyres are not pressurized to required standard.	-	Tyres are not worn out. Proper treads are seen Tyre pressure is maintained as per standards
10	MW1-J	Maintenance	Weekly	Passenger Experience	Body Exteriors	Manual Inspection / Camera feed at depot gate	1	Visible Dents more than 6 inches on body, rusted or loose Body exteriors panels, damage to paintwork, damage to bumpers	No damage to body or loose panels. Only few minor dents. Paintwork may have faded but unmodified and undamaged. Bumpers are in order	No visible dents Paint work is bright, more or less complete and unmodified No panels are loose. Bumpers have proper structure, shape and paint.
11	MW1-K	Maintenance	Weekly	Passenger Experience	Body cleanliness and lack of clutter	Manual Inspection / Passenger Feedback	1	Placing any decorative article/advertisement / symbol / notice or poster inside or outside the bus without prior approval of the Authority.	No decorative articles/posters/stickers/symbol are placed.	No decorative articles/posters/stickers are placed. Plus, visible attempt is made bus interiors look aesthetic, clean and clutter free.
12	MW1-L	Maintenance	Weekly	Passenger Experience	Noise and Smoothness of Ride	Manual Inspection / Passenger Feedback	1	Lack of ride smoothness whether due to suspension, tyres, wheel alignment, braking or engine noise etc.	Ride is more or less smooth with few hiccups in terms of noise, bumpiness etc.	Ride is smooth and comfortable. Noise and suspension comfort is as per design.

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SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
13	MW1-M	Maintenance	Weekly	Safety	Cabin Lights, Fire Extinguisher, First aid kit	Manual Inspection / Passenger Feedback	1	Any one of the following not in place or expired : Cabin lights functioning, fire extinguisher and first aid kit	-	All of the following in place or no expired : Cabin lights functioning, fire extinguisher and first aid kit
14	MW2-N	Maintenance	Weekly	Upkeep	Parking of Bus	ITS	2	Parking Bus other than the designated places without prior approval/instruction from Authority	-	Parking of Buses at designated Depot/Parking place
15	MW1-O	Maintenance	Weekly	Passenger Experience	Steps, floor, hatches, hatch cover inside the bus	Manual Inspection	1	Damaged	Unbroken/undamaged with some undulation	Smooth, clean and well balanced
16	MW2-P	Maintenance	Weekly	Upkeep	Equipment Security and Upkeep	ITS/Manual inspection	2	Some ITS Equipment are dirty, broken or loose without a reason.	ITS Equipment are in place but not cleaned properly	ITS Equipment are in place, are dust-free, cleaned and clear to read
17	OD1-A	Operation	Daily	Passenger Experience	Driver's Uniform and grooming	Manual Inspection	1	Driver is not wearing his Uniform AND/OR Driver is not groomed well.	Driver wears Uniform prescribed by the Authority but it driver uniform appears unclean	Driver wears clean and crisp Uniform as prescribed. Is well groomed.

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SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
18	OD1-B	Operation	Daily	Passenger Experience	Adequate (less/more) time spent at designated stop for boarding/alighting	ITS/Passenger feedback	1	Time compliance at less than 80% of scheduled stops	Time compliance at more than 80% but less than 90% of scheduled stops	Time compliance at more than 90% of scheduled stops
19	OD1-C	Operation	Daily	Passenger Experience	Non-Stoppages at designated Stops	ITS/Passenger feedback	1	Driver does not stop the Bus at all designated Bus Stops on a scheduled route	-	Driver stops the Bus at all designated Bus Stops on a scheduled route
20	OD1-D	Operation	Daily	Passenger Experience	Picking and Dropping Passengers at unauthorized Stops	ITS/Passenger feedback	1	Driver picks and drops passengers at several (more than 10% of the scheduled stops) unauthorized/ Nonscheduled stops without any valid reason/ Authority's approval		Driver does not pick and drop passengers at almost any unauthorized/ Nonscheduled stops
21	OD1-E	Operation	Daily	Passenger Experience	Delay in start of the Trip	ITS	1	More than 10 minutes delay in start of the Bus Trip as against Scheduled Trip time	0 to 10 Minutes Delay in start of the Bus Trip as against Scheduled Trip	Bus Starts operation on Time as per Schedule
22	OD1-F	Operation	Daily	Passenger Experience	Delay in end of the Trip	ITS	1	Trip completion is delayed for more than 20 minutes beyond the scheduled trip	Trip completion is delayed for 10 to 20 minutes beyond the	Trips completes in 0 to 10 minutes beyond the scheduled Trip

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SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
				nce				completion time	scheduled trip completion time.	completion time
23	OD2-G	Operation	Daily	Passenger Experience	Deviations from Scheduled Route	ITS	2	Deviations from Route without prior Approval from Authority/Police.		Not deviating from Scheduled Routes
24	OD2-H	Operation	Daily	Passenger Experience	Carrying Complain book or display of complain number	Manual Inspection / Passenger Feedback	2	Not carrying Complain book or not display of complain number as required		Carrying Complain Book and/or display of complain number as prescribed
25	OD3-1	Operation	Daily	Regulatory	Driving without Driving License	Manual Inspection	3	Driver Non-Carrying valid driving license and identity card as per regulatory requirement leading to immediate replacement of the driver		Driver carrying driving License as per regulatory requirement
26	OD1-J	Operation	Daily	Regulatory	Proper Number Plate	Manual Inspection	1	Driving with defective number plates		Driving with proper number plate
27	OD1-K	Operation	Daily	Safety	Speed Limit Violations	ITS	1	More than 5 instances of Driving above speed limit set by Authority per shift	Less than 5 instances of driving above speed limit set by the Authority	No instances of driving above speed limit set by the Authority



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SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
28	OD2-L	Operation	Daily	Safety	Use of Mobile while Driving Bus.	Passenger Feedback/ Surprise checks	2	More than two instances of use of mobile while driving the Bus without any valid reason.	1 -2 instances of use of mobile while driving the Bus	No instances of use of mobile while driving the Bus
29	OW2-M	Operation	Weekly	Passenger Experience	Driver Behavior and Training to address service situations and passengers concerns	Passenger Feedback	2	Driver's behavior found to be rude , without sensitivity to passenger's discomfort, service quality, or safety. Driver is poorly trained to deal with passenger or service	Driver's behavior is polite, makes average effort to alleviate passenger's discomfort, ensure service quality, or keep service safe. Driver does well but issues. outcome is not a result of good training and driver could be clueless in unique situations.	Driver is courteous and polite. He has been trained through SOPs to respond to service quality and passenger issues. He makes an effort to ensure that standard driving and service quality conditions are met.
30	OW2-N	Operation	Weekly	Safety	Non-fatal Accident for the entire fleet	ITS	2	Even single instance of serious Non-fatal Accident, or more than two instances on minor non-fatal accidents for the entire fleet which occurred due to irresponsible driving and or poor maintenance of spare	No instance of serious or minor Nonfatal Accident due to irresponsible driving or poor maintenance	No instance of Non-fatal Accident due to irresponsible driving or poor maintenance Plus drivers are engaged in programs such as yoga or meditation through a structured regular

*RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model*

SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
										program
31	OW3-O	Operation	Weekly	Safety	Instance of driver smoking and or in drunken state while on board Bus during the week	Passenger Feedback/ Surprise checks	3	Instance of Driver smoking and or in drunken state while on board of Bus.	No instances of smoking or drunken state of driver found while on board Bus.	No instances of smoking or drunken state of driver found while on board Bus. Plus, drivers are engaged in programs such as yoga or meditation through a structured regular program
32	OW1-P	Operation	Weekly	Safety	Use of electronic equipment like Radio or Music system on Board Bus	Manual Inspection Passenger feedback	1	Instances of use of equipment like Radio or Music system in spite of not authorized by Authority	No more than one or two Instances of use of equipment like Radio or Music system unless authorized by Authority	No instances of use of electronic equipment like Radio or Music system
33	OW1-Q	Operation	Weekly	Safety	Damage to Infrastructure due to Accident	ITS/Manual inspection	1	Each instance of damage to the fixed infrastructure streetlights, bus stops, terminals, parking places, public or private building due to accident during the operation due to		No instance of damage to the fixed infrastructure streetlights, bus stops, terminals, parking places, public or private

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SL No	Code	Operation or Maintenance	Inspection Frequency	Assessment Area	Performance Parameter	Method/Tool of Evaluation	Value of "x"	Performance Standards		
								Poor performance (- x points)	Baseline performance (0 points)	Above Baseline (+x marks)
								irresponsible driving.		building operation during accident due to

**Notes:**

- In case of Fatal or Non-Fatal Accident, the operator shall have to pay penalties- damages as derived above over and above the insurance proceeds specified in Contract and penal action as per law.
- In case of damage to property/fixed asset/Public or private asset due to irresponsible driving or breach of maintenance obligations, the operator shall have to reimburse the cost of such infrastructure less insurance proceeds if any. This shall be over and above the penalties-damages specified above.

- 8) At the end of the month, for each Contracted Bus, aggregate scores for daily and weekly parameters so arrived shall be averaged to arrive at a single aggregate score for the month . This shall be added to the sole monthly score for the monthly parameters to arrive at the final score. The formula is specified below.

**Final Score** = Single Average Score for Daily Parameters for a Month + Single Average Score for weekly Parameters for a Month + Monthly Score for Monthly Parameters.

Where *Single Average Score for Daily Parameters for a Month* is average of Daily Parameter Score for a sample fleet for month period.

Single Average Score for Weekly Parameters for a Month is average of Weekly Parameter Score for a sample fleet for a four weeks period.

- 9) This final Score shall be multiplied with Incentive/Penalty Kilometers per scored point to arrive at Incentive/Penalty Kilometers. The Incentive/Penalty Kilometer shall 4 KM per score point. This can be fine tuned based on experience later on with sole discretion to Authority to fix the rate.
- 10) The Incentive /Penalty Kilometers so obtained shall be multiplied with Applicable Kilometer Charges for each category of Buses to arrive at Incentive/Penalty amount.
- 11) This Inspection shall be carried out for each Category/type of Buses separately.
- 12) **An illustration for a particular category of Bus Type is specified below.**

Average total Score for sample Fleet (10% of Contracted Buses) shall be determined based on performance evaluation methodology specified above. Daily, Monthly and Weekly Inspection report and score achieved is specified hereunder for the illustration.

### **1. Daily Parameters Score**

*Time and Date:*

*Inspected By:*

*Inspected at : (Location of parking place/depot).*

*Operators Name:*

SCORE SHEET											
		Bus Reg. No.									
Parameter Code	Evaluation tool/method used	1	2	3	4	5	6	7	8	9	10
MD1-A		-1	1	0	-1	-1	1	-1	1	0	1
MD1-B		0	0	-1	0	-1	0	1	1	0	0
MD1-C		0	0	-1	0	0	-1	1	0	1	1
MD1-D		1	0	-1	0	-1	1	-1	-1	-1	-1
MD1-E		-1	1	0	0	0	0	1	0	-1	0
MD1-F		-1	-1	-1	0	0	1	-1	0	0	-1
MD1-G		0	1	0	-1	1	-1	0	0	0	0
MD1-H		-1	-1	0	-1	0	-1	1	0	0	0
OD1-A		0	-1	-1	-1	1	1	1	0	-1	0
OD1-B		1	-1	1	-1	1	0	-1	0	-1	1
OD1-C		-1	0	-1	1	1	1	-1	1	-1	1
OD1-D		-1	-1	1	-1	-1	0	1	1	-1	1
OD1-E		0	0	1	0	1	1	1	1	0	-1
OD1-F		-1	1	-1	-1	-1	1	1	0	1	0
OD1-G		0	0	2	-2	2	1	0	0	2	1
OD1-H		-1	0	0	-2	2	-1	1	-2	0	0
OD1-I		3	3	-3	2	3	-1	3	-1	-2	0
OD1-J		1	1	-1	0	0	-1	0	1	0	1
OD1-K		-1	1	-1	-1	1	1	1	1	0	1

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OD2-L		0	-2	0	-2	-1	-2	-2	1	-1	-2
Score for the Bus		3	2	-7	-11	7	-1	7	4	5	3
Average Score for the Fleet for the day for daily parameters*											-0.40
<i>*Sample size may be around 10% of the fleet through strictly random sampling. Outcome can be generalized for the fleet.</i>											
Sign of Inspector						Sign of Bus Operator Representative					

## 2. Weekly Parameters Score

Time and Date:

Inspected By:

Inspected at : (Location of parking place/depot).

Operators Name:

SCORE SHEET											
		Bus Reg. No.									
Parameter Code	Evaluation tool/method used	1	2	3	4	5	6	7	8	9	10
MW2-I		1	-1	2	-1	-1	2	-1	-2	-2	0
MW1-J		-1	0	-1	1	1	-1	0	-1	0	1
MW1- K		-1	-1	1	1	1	-1	0	-1	-1	-1
MW1- L		1	1	0	1	1	1	1	-1	0	0
MW1- M		-1	1	-1	0	0	0	-1	-1	0	0
MW2- N		0	2	0	-2	-1	2	1	-1	1	1

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OW2- M		2	0	1	2	-2	2	2	0	1	-2
OM2-N		-2	0	-1	0	2	2	0	-1	1	-2
OW3- O		0	2	-2	-2	0	2	1	-2	-2	3
MW1- O		-1	0	1	-1	-1	1	0	1	-1	1
MW2- P		0	2	0	-2	-1	1	-2	2	0	2
OW1-P		1	1	1	1	0	0	1	0	1	1
OW1- Q		-1	-1	-1	-1	0	1	0	0	1	0
Score for the Bus		2	6	0	-3	-1	8	2	-7	-1	4
<b>Average Score for the Fleet for the week for weekly parameters*</b>											<b>0.60</b>

*\*Sample size shall be around 10% of the Contracted Buses (separate sample for each category of Contracted Buses) through strictly random sampling. Outcome can be generalized for the fleet.*

### **3. Summary Report for Determination of Final Score**

<b>Date</b>	<b>Daily Parameter Score</b>	<b>Weekly Parameter Score</b>
1-Jan	-0.40	
2-Jan	-2	
3-Jan	10	
4-Jan	18	
5-Jan	21	
6-Jan	18	
7-Jan	-22	0.60
8-Jan	-7	
9-Jan	-10	
10-Jan	-17	
11-Jan	13	
12-Jan	-20	
13-Jan	-24	
14-Jan	-14	17
15-Jan	-25	
16-Jan	-7	
17-Jan	-4	
18-Jan	18	
19-Jan	8	
20-Jan	11	



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<b>21-Jan</b>	<b>25</b>	<b>15</b>
<b>22-Jan</b>	<b>7</b>	
<b>23-Jan</b>	<b>24</b>	
<b>24-Jan</b>	<b>9</b>	
<b>25-Jan</b>	<b>6</b>	
<b>26-Jan</b>	<b>2</b>	
<b>27-Jan</b>	<b>-15</b>	
<b>28-Jan</b>	<b>-22</b>	<b>20</b>
<b>29-Jan</b>	<b>-22</b>	
<b>30-Jan</b>	<b>-22</b>	
<b>31-Jan</b>	<b>-11</b>	
<b>Average Score</b>	<b>-1.75</b>	<b>13.15</b>
<b>Final Score =Aggregate of Average Score Above</b>		<b>11.40</b>

#### **4. Determination of Incentive /Penalties**

Total Incentive/Penalties Kilometers = 11.4 (i.e., Final Score) X 4 Km per Point (Incentive/Penalty Kilometer per score point.) = 45.6 KM

Prevailing rate per Km for bus operations = Say Rs 40

Then Total Incentive payment for month above per bus = Rs 40 x 45.6 km = Rs 1824 (i.e., Total Incentive /Penalties Kilometers X Applicable Kilometer Charge for category of Contracted Buses for which sample assessment undertaken). Such incentive could go higher, or even lower but capped at rate specified in the beginning under limits of monthly invoice.

#### **Some FAQs regarding PAS**

1. Is not the number of parameters too large for practical monitoring? Considering that incentive-based performance monitoring is new to both the transport authorities and operators in India, should we have not limited it to a few parameters?

*Reducing the number of parameters would lead to eliminating some important factors that influence performance. As mentioned in the explanatory note, the monitoring load is not unmanageable. The system of marking is easy and would need not more than two resources from the authority's side for a fleet of 100 buses or even more.*

2. Many of the parameters appear subjective, depending on individual judgment. If yes, doesn't that open up the possibility of individual discretion or even regulatory capture?

*Use of ITS is recommended for sourcing information for evaluation. Some information like speed violations, or non-stoppages at designated points, are easily available from ITS. However, factors like cleanliness are best judged from manual inspection and will retain their subjectivity to some extent. However, is advised that the tablet used for evaluation should allow for taking and inserting pictures.*

*The attempt has been in any case to define the performance as clearly as possible. Checks and balances will have to be built through random or surprise checks by higher authorities to verify the PAS output. Further passenger feedback is considered an important source of information for evaluation and separate compliance or action taken reports must be generated.*

3. All parameters fall in 1, 2, or 3 categories as far as marking is concerned. Should the variance between the weights not be wider? Or in other words, how is limited difference between weights assigned to each parameter justified?

*Weights are captured not only in terms of marks but also in terms of how the parameter is defined. It is also influenced by whether the parameter is daily, weekly or monthly. A monthly parameter does not get averaged like say a daily parameter, and hence is less likely to be diluted. Variance is kept small in order to keep the system simple.*

## **Section II : Assured Fleet Availability and other exceptions**

In addition to the Fines as specified above, failure to meet the Assured Fleet Availability and some exception points shall attract the following damages. There are no incentives in this section.

If for any Lot of Contracted Buses, the Assured Fleet Availability is not met with the Baseline Standard and such occurrence can be substantially attributed, in the opinion of the Authority, to acts of omission and performance of the Operator and substantially within the control of the operator, (such as driver absenteeism, poor maintenance etc.), then damages would be payable by the Operator to Authority equal to 10% of revenue lost by Authority owing to such lower fleet availability. Such losses would be calculated based on daily average revenue.

1. The Authority may add/delete/change/modify the parameters on which Fines can be applied in consultation with Operator(s). At least 30 (thirty) days prior notice shall be given to the Operator before such additional fines can be applied. Fines levied shall be supported by reports of inspection done by the Authority or its authorized representatives including the reports maintained by the Central Control Centre
2. In case Aggregate Fines payable by the Operator exceeds the 5% limit specified above for consecutive 5 (five) months, it shall be considered as breach of obligation by the Operator and shall entitle the Authority to terminate the Agreement in accordance with the provisions hereof.

Parameters	Baseline Standard	Methodology for Calculation	Period of Inspection/ Calculation	Penalty /Fine/Damages
Assured Fleet Availability	<p>The Operator will make available fixed portion of each lot of Contracted Buses for maintaining continued and uninterrupted operations of Bus Services as follows.</p> <p><b>New Buses</b> : 93%, 92%, 91% of each Lot of New Contracted Buses on a shift basis in the 1st, 2nd and 3rd year of the Contract Period respectively, and 90% thereafter up-to the end of the Contract Period .</p> <p><b>Existing Buses:</b> 90% of each lot of Existing Contracted Buses during the Contract Period</p>	<p><b>Fleet availability (in percent) =</b></p> <p>(Fleet made available for operation / Total Fleet of Contracted Buses) x 100.</p> <p>A Bus to be considered as being available if.</p> <ol style="list-style-type: none"> <li>1. It does not start/begin its scheduled trip beyond (+/-) 10 minutes from Scheduled trip Time .</li> <li>2. It should complete at least 90% of its planned scheduled Kilometers.</li> </ol>	Daily	<p>Any breach in standard due to acts of omission and performance of the Operator(such as driver absenteeism, poor maintenance etc.),<b>then damages/Penalty</b> would be payable by the Operator to Authority <b>equal to 10% of revenue lost by Authority owing to such lower fleet availability.</b></p> <p><b>Illustration :</b></p> <p>Damages/Penalties payable for 86% Fleet Availability against requirement of 93% of Assured Fleet Availability.</p> <p>93% -86% = 7% Unavailable Fleet</p> <p><b>Penalties payable for the day</b> = 7% x Total assured fleet size for the particular type of Contracted Bus x ADR X 10%.</p> <p><b>ADR</b> is an Average Daily Revenue per Contracted Bus for each type of Contracted Bus in relevant Lot/Category/Bus Type in the preceding [15 (fifteen)] days prior to the day for which the losses are being calculated.</p>

**RFP for Selection of Bus Operator for Supply, Operation and Maintenance of Buses for Managing Public Transport across the Cluster-I routes under LAccMI scheme on Gross Cost Contract (GCC) Model**

Other Exception Parameters

SI No	Code	Operation or Maint.	Inspection Frequency	Assessment Area	Evaluation Parameter	Method/Tool of Evaluation	Performance	Penalty in Rs per instance/action
1		Maintenance	Monthly	Regulatory	PUC Certificate /Emission levels	Manual Inspection with emission check equipment	PUC Certificate not available or not renewed	Rs 500 per bus
2		Maintenance	Daily	Safety	Brake, Hand Brake and clutch functioning	Manual Inspection	Defective brakes or clutch	Bus taken off service with availability based fine as above
3		Operation	Monthly	Regulatory	Insurance as per MV Act	Manual Inspection	Not maintaining Insurance Policies as per MV act	Bus taken off service with availability based fine as above
4		Operation	Monthly	Safety	Fatal Accident for the entire fleet	ITS	Each Instance of fatal Accident which occurred due to irresponsible driving and or poor maintenance	Rs 10,000 per fatal accident.
5		Operation	Monthly	Regulatory	Vehicle Registration Certificate	Manual Inspection	Driver does not carry the correct vehicle registration certificates required as per law.	Bus taken off service with availability based fine as above

## Annexure – PA6: Details of Contracted Buses and the Indicative Handover Schedule of Contracted Buses

*(\*Details of Buses to be added when handed over and to form part of this Agreement.)*

## Details of Buses

SI No	Manufacturer and Bus Type	Model Number	Registration	Lot Number	Date of Commissioning

**Annexure – PA7: List of Tools Provided by the Bus Manufacturer and Bus Bodybuilder**

*(To be Attached at the time of Signing of the agreement)*

**Annexure – PA8: Indicative List of Equipment to be Provided by the Operator**

*[Indicative requirement]*

<b>SI No</b>	<b>Equipment Description</b>	<b>Qty required in nos</b>
1	Air Compressors	2
2	Bus Washers	2
3	Brake and clutch liner riveting Machine	1
4	Pedestal Drilling machine	1
5	Hydraulic press	1
6	Brake units testing machine	1
7	Electric Welding Machine	2
8	Spray painting machine	1
9	Tyre pressure gauges	6
10	Hub pullers	4
11	Decanting Pump	1
12	Torque wrenches	4
13	Hydraulic Jacks	20
14	Pit trolleys	3
15	Bench vices	4
16	Working tables	6
17	Greasing machine	3
18	Gas Welding machine set	1
19	Battery Chargers	3
20	Matra Jack	1
21	Electric clamp meter	2
22	Bench Grinder	1
23	Injector tester	1
24	Portable drilling machine	3
25	Wheel alignment gauge	2
26	Hot plates for tube repairing	3
27	Chassis stands	4
28	Toolbox set	20



**Annexure – PA9: List of Authority Clearances and Operator Clearances**

<b>SI No</b>	<b>Permission/ Clearance</b>	<b>Party responsible</b>
<b>1</b>	Vehicle Registration	Operator
<b>2</b>	Insurance for Vehicle and other Authority owned assets like Depot	Operator
<b>3</b>	Stage Carriage Permit / Area Based Permit within Municipal Area	Authority
<b>4</b>	Stage Carriage Permit / Area Based Permit outside Municipal Area	Authority
<b>5</b>	No Objection Certificate from State Transport Department or RTA or from State Transport Undertaking as applicable	Authority
<b>6</b>	Fare Notification	Authority
<b>7</b>	Pollution Under Control Certification	Operator
<b>8</b>	Road worthiness Certificate	Operator
<b>9</b>	MV Tax & Additional MV Tax	Operator

## **Midi Bus specifications for OSRTC**

<b>Sl No</b>	<b>Parameter</b>	<b>Specification</b>
<b>1</b>	<b>Certification</b>	
1.01	Bus type	TYPE II, NDX
1.02	Category Of Bus	Midi
1.03	Type of Fuel	Diesel
1.04	Vehicle Emission Compliance	BS-VI with OBD II
1.05	Compliance to Latest revision of CMVR Rules in all respects	Yes
1.06	Tracking Device (VLT/ATD) compliance of AIS 140	Yes
1.07	Security Camera Network(CCTV) as per IS 16833/2018	Yes
1.08	Bus Body	Meeting CMVR, AIS 052 and AIS 153
<b>2</b>	<b>Engine and powertrain</b>	
2.01	Maximum Engine Power (BHP)	147
2.02	Rated RPM at Max power	2400
2.03	Engine Torque Maximum (N-m)	450
2.04	Rated RPM at Max torque	1800
2.05	Engine Exhaust system	Both EGR & SCR
2.06	Engine Aspiration	Turbocharged
2.07	No of Cylinder in Engine	4
2.08	Maximum Speed (Kmph)	80
2.09	Acceleration (0-30 kmph)	As per AIS 153
2.10	Gradeability of Vehicle	8 degrees
2.11	Vehicle Transmission System	Manual
2.12	No of Speed/ Forward Gears	5
2.13	Front Suspension System	Parabolic
2.14	Rear Suspension System	Air
2.15	Vehicle Brake ABS Fitted	Yes

SI No	Parameter	Specification
2.16	Vehicle Brake	Air assisted drum brakes with electronic stability control as per AIS 150 and AIS 153 as per GSR 246€ and CMVR Rule 125-C
2.17	Type of Clutch	Single plate dry friction type diaphragm clutch
2.18	Fuel Tank Capacity (Ltr)	115
<b>3</b>	<b>Axles , Tyres and Steering</b>	
3.01	No of Axle	2
3.02	Type of Front Axle	I beam type ,made of alloy steel, with reverse Elliot
3.03	Type of Rear Axle	Fully floating type with spiral/ Hypoid gears
3.04	Tyre type	Tubeless Radial
3.05	Tyre Designation	235/75 R 17.5
3.06	Type of Steering	Hydraulically Power assisted
3.07	Towing Hook Front	Yes
3.08	Towing Hook Rear	No
<b>4</b>	<b>Electricals</b>	
4.01	Electrical System	12 volt with battery isolating switch
4.02	Capacity/Rating Battery (Ah)	130
4.03	Starter rating, volts	12
4.04	Starter make and Model	Lucas/Bosch/SEG
4.05	Alternator Rating, amps	85
4.06	Alternator make and model	Lucas/Bosch/SEG
<b>5</b>	<b>Body Specification</b>	
5.01	Body design	As per AIS 052 and AIS 153
5.02	Front show	FRP
5.03	Rear show	FRP
5.04	Side Luggage box	LH side 1 no's, Flap door with luggage lock with gas spring and lights
5.05	Exterior Panel – Skirt	GI Sheet
5.06	Exterior Panel – Stretch	GP Coil

SI No	Parameter	Specification
5.07	Exterior Panel – Roof	GI Sheet
5.08	Interior Panel – Roof	Pre painted GI sheet
5.09	Interior Panel – Side	Pre painted GI sheet
5.10	Interior Panel – window pillar finishers	Pre painted GI sheet
5.11	Floor	12mm FR grade plywood with 1.5mm thick vinyl mat as per AIS 052
5.12	No of passenger Doors	1
5.13	Position of passenger door	Before front axle
5.14	Vehicle Seating Capacity Excluding Driver	34
5.15	Seating Plan	2X2 fixed type
5.16	Type of seats	HHR
5.17	Widows Glasses (toughened type glass as per ARAI approved)	Top portion fixed glass & bottom portion in two halves in horizontal sliding
5.18	Swivelling Fan	For Driver
<b>6</b>	<b>Dimensions</b>	
6.01	Wheelbase, mm	4200
6.02	Length of Vehicle Body, mm	8740
6.03	Width of Vehicle Body, mm	2350
6.04	Height of Vehicle Body, mm	3016
6.05	Front Overhang ( Max 40% of wheelbase), mm	2020
6.06	Rear Overhang (Max 60% of wheelbase), mm	2520
6.07	Floor Height, mm	900
6.08	Ground Clearance, mm	210
6.09	Turning Radius, mm	7380
<b>7</b>	<b>Weights</b>	
7.01	Kerb Weight, kgs	6190
7.02	Gross Vehicle Weight, kgs	11100