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ODISHA STATE CIVIL SUPPLIES CORPORATION LTD.

C/2, NAYAPALLI, BHUBANESWAR-12

Mark (PP). 114/14

Letter No

21534

Dated-

26-11-14.

From

Sri Niranjan Nayak, OAS (SAG),
Managing Director.

To

All CSO-cum-District Managers,
OSCSC Ltd.

Sub: Format of Agreement with the custom millers and major points in the operational guideline for the KMS: 2014-15.

Sir,

Enclosed find herewith the agreement form to be executed with Custom Millers for custom milling of paddy for KMS 2014-15. You are instructed to select the custom millers and deliver the paddy to them as per Procurement Guidelines communicated vide letter No.21454 dt.24.11.2014. This agreement shall be executed by District Manager, OSCSC Ltd. with the individual Custom Miller in non-judicial stamp paper worth Rs. 100/- observing all formalities.

2. You are requested to read every clause of the agreement. One copy of the agreement shall be retained by the District Manager in separate guard file for future reference. One copy shall be handed over to the Custom Miller on proper acknowledgment.
3. You are to ensure that the required documents/certificates as per **Annexure-VII** attached to the draft agreement are submitted by the custom millers.

A copy of the agreement has also been sent through mail to all the districts.

Encl:- Agreement form

Yours faithfully,


25.11.14
Managing Director

Memo No. 21535 /Date 26-11-14.

Copy forwarded for information and necessary action to:-

1. Commissioner-cum-Secretary, F.S & C.W Deptt., Govt. of Odisha, Bhubaneswar.
2. All Collectors.


25.11.14
Managing Director

ODISHA STATE CIVIL SUPPLIES CORPORATION LTD.,
_____ DISTRICT OFFICE.

AGREEMENT WITH CUSTOM MILLER
FOR THE KHARIF MARKETING SEASON 2014-15.

An agreement is made this _____ day of _____ 2014,

B e t w e e n

M/s. _____, **producing raw rice/ boiled rice (strikeout whichever not applicable)**, represented through Sri/Smt. _____, Proprietor / Managing Partner / Partner / Karta of HUF / Managing Director/Director At _____, P.O. _____, P.S. _____, District _____ here-in-after called the "**Custom Miller**", which expressions shall mean and include where the context so admits his/her heirs, executors, administrators, successors and legal representative on the one part,

A n d

M/S Odisha State Civil Supplies Corporation Ltd. having its registered office at C/2 , Nayapalli, Bhubaneswar represented through the District Manager, OSCSC Ltd _____ herein after called the OSCSC Ltd. which expression shall mean and include where the context so admits by successors in office and assigns of the other part.

(Signature of District Manager)

(Signature of Custom Miller)

Whereas the Government of Odisha in Food Supplies and Consumer Welfare Department or the Collector or the District Manger of the Corporation of the concerned district tagged the custom miller to the paddy purchase center of the Corporation for acceptance of paddy purchased, transportation, storage & for delivery of CMR at RRC after milling the procured paddy into rice for sale/distribution to beneficiaries under Public Distribution System / delivery to FCI.

Now these present, witness and parties here do hereby mutually agree as follows:

Clause-1 **Definition:**

- (a) "Government" shall mean the Government of Odisha in Food Supplies and Consumer Welfare Department.
- (b) "Corporation" and "OSCSC Ltd." shall mean the Odisha State Civil Supplies Corporation Ltd, (OSCSC. Ltd.) C/2, Nayapalli at Bhubaneswar.
- (c) "District Manager" shall mean the District Manager of the Corporation of a concerned District in the state of Odisha.
- (d) "Collector" shall mean the Collector of the Revenue district concerned in the State of Odisha.
- (e) "Managing Director" shall mean the Managing Director of the Corporation or any officer authorized by him in writing on his behalf for any specified work to take on his behalf.
- (f) "Contract" shall mean this agreement and such general and special conditions as may be added to it duly approved by the Managing Director of the Corporation from time to time.
- (g) "Custom Miller" shall mean and include the person or persons, firm or company to whom the contract for milling of paddy and other ancillary work has been entrusted including his/her heirs, executors, administrators, successors and their authorized/permitted assigns as the case may be.
- (h) "Rice Mill" shall mean the place of milling of paddy and receipt of rice.
- (i) "Stock" shall mean the gunny/rice/paddy under decentralized paddy procurement scheme of Government.
- (j) "Godown" shall mean the godown belonging to Corporation or godown hired by Corporation for storing rice and paddy and FCI / OSWC/CWC godowns.
- (k) "Paddy Purchase Center" and "PPC" shall mean the place where the Corporation will purchase paddy. It also includes the Paddy Purchase Center operated through PACS, WSHG, Pani Panchayat.
- (l) "RRC" shall mean Rice Receiving Center. Where CMR is received. It includes the godowns of Corporation either owned or hired, OSWC / CWC depots.
- (m) "FCI" shall mean Food Corporation of India
- (n) "RRC-in-Charge" shall mean an officer kept in-charge of Rice Receiving Centre

- (o) "Authorized Officer" shall mean the person authorized by the Collector / District Manager in writing to act on behalf of Corporation.
- (p) "Joint Custody & maintenance" shall mean the paddy stocks of the Corporation kept under the custody of miller & Corporation.
- (q) "PACS" shall mean Primary Agricultural Co-operative Society including Service Co-operative Societies, Large Area Multi Purpose Co-operative Societies and Farmers Service Society.
- (r) "WSHG" shall mean Women Self Help Group
- (s) "PP" shall mean Pani Panchayat
- (t) "CMR" shall mean Custom Milled Rice
- (u) CAP (Covered And Plinth) storage means interim storage of paddy by OSCSC before it is delivered to the custom miller.
- (v) CAPSC means CAP storage centre where paddy is store under cap

Clause-2 Objective of the contract:

The Corporation shall deliver paddy to the custom miller at the paddy purchase center, which shall be transported & kept under joint custody of miller & Corporation for storing, milling of the paddy & delivery of the Custom Milled Rice to the Corporation/FCI at designated places.

Clause-3 Mill Particulars:

- a) *The mill namely M/S _____ is a proprietorship concern/ Hindu Undivided Family/ partnership firm/a limited company. The mill is located in the Tahasil _____, Mouza _____ over the Khata no. _____, Plot no. _____ in Police Station _____, District _____.*
- b) *Registered code number of the mill _____.*
- c) *Milling capacity in MT for one shift of 8 hours ----- (Capacity as registered and authenticated in the web site)*
- d) *Storage capacity of Paddy in MT -----*
- e) *Storage capacity of Rice in MT -----*
- f) *Registered Mobile Number for M-reporting.*
- g) *Details of loan availed, if any.*
 - i) *Name of the Bank / Financial Institution with address _____*
 - ii) *Type of Loan with limit : _____*
 - iii) *Present outstanding amount: _____*
 - iv) *Particulars of properties hypothecated and mortgaged. _____*

v) *Amount of loan over due for re-payment to bank :*

Note: *In case the miller having two units (1 Raw & 1 Boiled) in the same campus it would be considered as two separate mills. Miller is to register online separately. In such cases separate agreements are to be executed both for raw plant and boiled plant. Similarly security deposit shall also be furnished for each plant*

Clause-4 **Constitution of Custom Miller:**

- a. *The custom miller may be a proprietorship concern/ partnership firm/ limited company/ Hindu Undivided Family (HUF). The custom miller shall produce the copy of registered document of partnership firm/ limited company/ Hindu Undivided Family at the time of execution of agreement.*
- b. *All the partners/ all the directors/ all the family members of HUF shall be liable jointly and severally for payment of dues of the Corporation for custom milling operation and shall be liable for the working of any partner/ any director/ any family member or their employees as the case may be. During the currency of this contract there shall not be any change in the constitution of the firm/ company/ proprietorship /partnership without prior approval of the Corporation in writing.*
- c. *The custom miller shall intimate to the Corporation about the death, resignation or removal of any of his partners/Directors immediately on the happening of such an event. On receipt of such intimation the Corporation shall have the right to terminate the contract, unless such intimation contains undertaking by Firm / Company / Proprietor / Partner that the terms of the agreement will be binding on the Firm /Company / Proprietor / Partner through the authorized person duly representing the Firms or Company.*

Clause-5 **Signing of Agreement:**

- a) *Person or persons signing the agreement shall state in what capacity, he/she is or they are signing the agreement, e.g. as sole proprietor of a firm or Director / Managing Director of a Limited company or as a partner of a partnership firm or Karta of HUF.*
- b) *A copy of the Memorandum and Article of Association of the Company along with the resolution of company authorizing the director who will sign the agreement paper on behalf of company shall be **attached** to the agreement document.*
- c) *In case of Hindu undivided Family, the names of the family member should be disclosed and the Karta, who can bind the HUF, shall sign the agreement and indicate his status below his signature.*
- d) *In case of partnership firm the copy of the registered partnership deed shall be submitted. The authorization of all the partners, authorizing one of the partner who will sign the agreement shall be **attached** to the agreement document.*

- e) *The persons signing any document, on behalf of the custom miller, shall be required to produce **Letter of Authorization** duly executed in the prescribed format. This “**Letter of Authorization**” shall be executed by the person who is authorized to sign this agreement.*
- f) *List of documents to be attached with this agreement is at **Annexure-VII**.*

Clause-6 **Sub-letting:**

The custom miller shall not sublet, transfer or assign the contract or any part thereof without the previous written approval of the Corporation. In the event of the custom miller contravening these conditions, the Corporation shall be entitled to place the contract elsewhere on the custom miller account and at his risk and the custom miller shall be liable for any loss or damage which the Corporation may sustain in consequence or arising out of such replacing of the contract.

Clause-7 **Liability for personnel:**

- a) All persons employed by the custom miller shall be treated as his own employees/servants in all respects and the responsibility under the Indian Factories Act or Employees Provident Fund Act or any such other Statute applicable to all such personnel shall be liability of the custom miller.
- b) The custom miller shall be bound to indemnify the Corporation against all claims whatsoever in respect of the said personnel under the Workmen’s Compensation Act or any statutory notifications thereof in respect of any damage or compensation payable in consequence of any accident or injury sustained by any workman or other persons whether in employment of the custom miller or not.

Clause-8 **Duration of contract:**

The custom miller contract/agreement shall come in to force with effect from the date of execution of this agreement and shall remain in force till 31.12.2015 or till the entire CMR dues are delivered, unless and until this agreement is terminated unilaterally by OSCSC Ltd. without assigning any reason thereof.

Clause-9 **Summary termination:**

In the event of the custom miller having been adjudged insolvent or going into liquidation or winding up their business or making arrangement with their creditors or failing to adhere to any of the provisions of this contract, the Managing Director, OSCSC Ltd./ District Manager, OSCSC Ltd. shall be at liberty to terminate the contract forthwith without prejudice to any other rights or remedies under the contract and to get the work done for the un-expired period of the contract at the risk and cost of the custom miller and to claim from the custom miller any resultant loss sustained or costs incurred.

Clause-10 Security Deposit:

During KMS 2014-15, the Custom Millers shall have option of operating under either of the following security deposit systems or combination of both.

10.1 Advance delivery of Rice:-

The millers may deliver custom milled rice conforming to prescribed specifications in advance towards security deposit for receiving equivalent quantity of paddy from the Corporation. In such case the District Administration must ensure that the miller has procured equivalent paddy for the rice delivered on payment of MSP to the farmers.

10.2 Deposit of cash security

The miller shall provide security amount in shape of fixed deposit from any nationalized / scheduled bank pledged in favour of the District Manager or in shape of bank guarantee from any nationalized / scheduled bank or in combination of both basing on their milling capacity. The bank guarantee shall be valid upto 31st December 2015. They have to provide security deposit as mentioned in the table below. The milling capacity shall be ascertained from online registration by the millers in the website www.foododisha.in and subsequent authorization by the verifying officer.

Sl. No	Milling capacity in producing rice in MT in 2 shifts of 8 hours each.	Security Deposit in shape of Bank Guarantee / Fixed Deposit *
1.	Upto 1 MT.	Rs. 1,00,000/-
2	2 MT.	Rs.2,00,000/-
3	3 MT	Rs.3,00,000/
4	4 MT	Rs.4,00,000/
5	5 MT	Rs.5,00,000/
6	6 MT	Rs.6,00,000/-
7	16 MT	Rs.16,00,000/-
8	20 MT	Rs.20,00,000/-
9	32 MT	Rs.32,00,000/-
10	40 MT	Rs.40,00,000/-
11	48 MT	Rs.48,00,000/-
12	56 MT	Rs.56,00,000/-
13	64 MT	Rs.64,00,000/-
14	72 MT	Rs.72,00,000/-

- Milling capacity in 2 shifts of 8 hours each x Rupees One lakh

A custom miller can deposit less security amount than the prescribed norm. But he shall be delivered with paddy 5 times / 3 times / 2 times/1 time of security deposit furnished.

10.3 Paddy to be delivered against security deposit

10.3.1 Basing on the starting date of actual purchase of paddy in a district the cutoff date for millers has been fixed as follows:

Date of start of procurement in the district	Cutoff date of 100% delivery of resultant rice	Category of district
01.11.2014 to 15.11.2014	31.10.2014	Category-1
16.11.2014 to 30.11.2014	15.11.2014	Category-2
01.12.2014 to 15.12.2014	30.11.2014	Category-3
16.12.2014 to 31.12.2014	15.12.2014	Category-4
01.01.2015 to 15.01.2015	31.12.2014	Category-5

10.3.2 The millers who are eligible to participate in the procurement operations by delivering 100% CMR as on cutoff date shall be delivered up to five (5) times of the security furnished.

10.3.3 The millers who are eligible within one month from the cutoff date by delivering 100% CMR, shall be delivered up to three (3) times of the security furnished.

10.3.4 The millers who are eligible by delivering 100% CMR of last KMS in the period from one month to end of second month from the cutoff date shall be delivered up to two (2) times of security furnished.

10.3.5 The millers who are eligible after two months of the cutoff date may be asked to deposit 100% security for paddy delivered to them.

10.3.6 Rest of the amount beyond the security deposit in all above cases may be taken in shape of Post Dated Cheques (PDC) from the millers.

10.3.7 Those millers who have defaulted in last three years and have now become eligible to participate in KMS 2014-15 are to give security in the next higher slab. **For example** If a miller had defaulted in KMS 2012-13 but is now clear and eligible to participate as on the cutoff date as indicated at Para-10.3.2, he will be delivered paddy three times of security instead of five times.

10.4 The equivalent paddy for the CMR delivered by the custom miller shall be calculated for delivering further paddy equivalent to security deposit as illustrated below:

Custom miller has furnished security deposit of Rs. 1.00 Cr. and has been delivered of Q. 36765 (five times of security) of paddy @ Rs. 1360 per qtl. In the meantime he delivers 6000 qtl of CMR (parboiled) which is equivalent to 8820 qtl of paddy. In such case the custom miller can be given further 8820 qtl of paddy.

10.5 The District Manager shall cause verification of the genuineness of Bank Guarantee and fixed deposit submitted by the miller within one month of submission in all cases. The validity period of bank guarantee shall be extended up to the complete delivery of CMR by the miller.

10.5.1 The details of security deposit furnished by custom millers and quantity of paddy to be delivered to the miller shall be recorded in a separate register to regulate delivery of paddy, renewal of bank guarantee / pledge period of fixed deposit if required, till delivery of entire CMR dues and release of security deposit.

10.5.2 The security deposit furnished by the miller shall be intimated to DCCB so that the miller can be delivered paddy from the purchase centres within the security deposit. It shall be responsibility of the DCCB and PACS to ensure that the miller is not delivered paddy beyond security deposit.

10.5.3 Security deposit shall be refunded by the District Manager at the end of the transaction with the Custom Miller and settlement of his accounts at the district level without referring to the Head Office observing the guidelines issued in the matter

Clause –11. PARTICIPATION OF LEASE HOLD MILLS

11.1 LEASE HOLD MILLS

Lease hold millers may be allowed to participate as custom millers of the corporation only by furnishing 100% security deposit. Security amount shall be by way of Bank guarantee valid up to 31st December, 2015 or in shape of fixed deposit pledged in favour of District Manager, OSCSC Ltd. or in combination of both. The Bank guarantee/fixed deposit shall be drawn on any nationalized/scheduled bank situated in the district / nearby district.

11.2 LEASE HOLD MILLS OF CO-OPERATION DEPARTMENT

11.2.1 Lease hold mills of Cooperation Department can be allowed to participate in the procurement operations, subject to the

condition that Cooperation Department shall stand as their guarantor. In such cases, these millers shall be treated as regular millers.

11.2.2 In case Cooperation Department does not become a guarantor, these mills shall participate on following conditions:

- (i) Two other custom millers of the district who have delivered 100% dues of the previous KMS 2013-14 as on the first cutoff date and hence are eligible to participate on commencement of procurement of the district and have satisfactory past track record as certified by CSO-cum-District Manager shall stand as surety for the said custom miller. The proforma for surety is at **Annexure-VIII**.
- (ii) The custom miller shall furnish post dated cheques of any nationalised/scheduled bank.
- (iii) In such case the custom miller shall be delivered paddy as per Para-10.3.2/10.3.3/10.3.4/10.3.4 as may be applicable to the miller.

11.3 The Custom Miller shall produce a copy of the lease deed for execution of agreement.

Clause-12. Security Deposit by the New Mill

- 12.1 During KMS 2014-15 new mill may be allowed to participate after due checking by the CSO-cum-District Manager.
- 12.2 Such new mill(s) shall be given paddy three times of the security deposit.
- 12.3 All other conditions shall be applicable to such new mill(s).

Clause-13: Details of Security Deposits

- a. The custom miller has agreed to participate under security deposit provision as at 10 (c) / 10 (e) / 11 / 12 / 13 (strike out which is not applicable) and furnished security as follows:

Sl. No.	Milling capacity in producing rice in MT in 2 shifts of 8 hours each.	Security Deposit in shape of Bank Guarantee (amount in Rupees)		Details of fixed deposit (instrument number & date, name of the bank with branch)	Name & Address of the surety	Post dated cheque & amount
		Amount	Valid up to			
1	2	3	4	5	6	7

Note: Column No.6 is applicable for lease hold mill of Cooperation Deptt.

- b. Security deposit shall be refunded by the District Manager after delivery of entire CMR dues by the Custom Miller and settlement of his accounts shall be made at the district level without referring to the Head Office observing the guidelines issued in the matter.

Clause – 14. Affidavit and Encumbrance /Non Encumbrance Certificate by the Custom Millers

- a) The custom miller shall furnish the list of following immovable properties:
- Rice Mill premises
 - All other immovable properties in the name of the miller
- Provided that present value of all other immovable properties (excluding rice mill) shall not be less than the security deposit made by the miller.
- b) Along with the affidavit (**Annexure-I**) the custom miller shall also produce following certificates pertaining to the properties mentioned in the above para:
- In case rice mill is mortgaged, the encumbrance certificate from bank / financial institutions.
 - In case the mill is not mortgaged, the non encumbrance certificate from the sub-registrar.
 - In case of other immovable properties non encumbrance certificate from the sub-registrar.
- c) Copy of the Record of Right and up to date rent receipt shall also be submitted along with the affidavit and encumbrance / non encumbrance certificate.
- d) The encumbrance / non encumbrance certificate as mentioned above shall be submitted within 15 days of execution of agreement or within such extended period as may be allowed by the district administration.
- e) In case of rice mill is mortgaged to any Bank/financial Institutions and the miller's loan account is irregular/installments are over due by more than one year, the mill may be considered as default mill & paddy shall be delivered against 100% security.
- f) An affidavit duly sworn before executive magistrate /notary public to the affect that the custom millers shall not mortgage/pledge/hypothecate the stock of paddy/rice /gunny bags of Corporation to any bank or financial institution for availing loans/borrowings.

Clause – 15. Other certificates / documents to be submitted by custom millers

The custom miller has submitted following self attested certificates / documents:

- a) Registration Certificate issued by District Industries Centre

- b) Certificate issued by Inspector of Factories and Boilers (in case of par boiled rice mills).
- c) Certificate issued by State Pollution Control Board.
- d) Certificate of Incorporation from Register of Companies (in case the mill is Ltd company) along with Memorandum and Articles of Association.
- e) Registered Partnership Deed in case of partnership firm.
- f) VAT Registration Certificate.
- g) Copy of PAN of Proprietor / Company / Firm as the case may be.
- h) Copy of last electricity bill pertaining to the rice mill.
- i) Details of Directors/Partners in the format at **(annexure-II)**.

Clause – 16. Authorization by the Miller

To receive paddy from the purchase centres & for milling from joint custody and maintenance, to deliver rice at the RRC/FCI depots and to receive documents from FCI the custom miller has submitted the details of his authorized representatives in the prescribed format **(Annexure-III)**. **The letter of authorization shall be signed by the person who has executed agreement with the corporation.**

Clause – 17. Holding Charges

- a. The custom miller shall be responsible for delivery of due CMR at designated rice receiving centers within a maximum period of 120 days of delivery of paddy to him. For this purpose 120 days period shall be counted from the date of release of paddy from joint custody & maintenance to the miller for custom milling by the Authorised Officer of the mill.
- b. If due to any justifiable reasons like,
 - Issue of more paddy by OSCSC & other procuring agencies to miller as compared to his milling capacity.
 - Non-availability of godown space to receive the due CMR from miller within 120 days period.
 - problems at FCI depots
 - problems at RRCs ,
 - electricity failure,
 - labour problem,
 - sudden failure of machineries & time taken to repair,
 - seizure of mill by any authority,
 - delayed delivery of gunny bags by OSCSC Ltd.,
 - natural calamities
 - any other genuine reason,

It was not possible on part of the custom miller to complete delivery of entire due CMR within the stipulated period of 120 days, and the CMR was delivered by the custom miller belatedly, then he shall intimate to the District Manager in writing the reasons of delayed delivery.

- c. After receipt of the miller's representation, the District Manager shall enquire into the genuineness of the reasons cited by miller on the basis of (i) requisite certificate / reports of following officials, (ii) local conditions, or (iii) as may be apparent from the records available with the District Office / Field Level Officials etc.

Reasons of delay	Certifying officer	Responsibility of Miller
Electricity failure *	Authorised Officer of the mill or if the problem relates to entire district, CSO-cum-DM	Intimate the Authorised Officer / District Manager / Collector in writing about the period
Labour Problem of the mill	Authorised Officer of the mill or Any officer authorized by CSO-cum-DM to enquire into the matter	Intimate the Authorised Officer / District Manager / Collector with details of period & reason of such problem
Sudden failure of machineries & time taken to repair	Authorised Officer of the mill or Any officer authorized by CSO-cum-DM to enquire into the matter	Intimate the Authorised Officer of the mill with copy to District Manager at the time of such failure
Seizure of mill by any authority	Authorised Officer of the mill or Intimation by the authority seizing the mill	Intimate the official incharge of the mill with copy to the District Manager after such seizure
Issue of more paddy compared to milling capacity	Authorised Officer of the mill or CSO-cum-District Manager	Intimate the Authorised Officer / CSO-cum-DM /Collector in detail about his milling capacity and the total paddy received by him
Non availability of space in RRC/ Godowns of OSWC/ CWC	RRC incharge of concerned RRC or CSO-cum-District Manager	Intimate the concerned Authorised Officer / District Manager / Collector
Problems in FCI depots	Any official designated by CSO-cum- District Manager for delivery of CMR to FCI or CSO-cum-District Manager	Intimate the District Manager / Collector with details of problems with copy to Authorised Officer of the mill / official incharge for delivery to FCI.
Problems in RRCs	Concerned RRC incharge or CSO-cum-District Manager or Any officer authorized by CSO-cum-DM	Intimate the District Manager / Collector with details of problems with copy to Authorised Officer of the mill / RRC incharge
Delayed delivery of new gunny bags by OSCSC	Authorised Officer of the mill or CSO-cum-DM or Any official in charge of supplies of gunnies at district level	Intimate the CSO-cum-DM / Collector with copy to Authorized Officer

Natural calamity such as cyclone, flood, fire, earth quake affecting the functioning of mill	Authorised Officer of the mill or CSO-cum-District Manager	Intimate the CSO-cum-DM / Collector with copy to Authorized Officer
Any other genuine problems	Authorised Officer of the mill Or CSO-cum-District Manager	Intimate the details of the problem to the CSO-cum-District Manager / Collector with copy to the Authorised Officer of the mill.

* Electricity failure means general power cut by Electricity Utility. Power cut for default of custom miller shall not be considered.

- d. After being satisfied with the genuineness of reasons cited by miller in the manner stated above, the District Manager shall, with approval of the Collector, extend the delivery period as may be required in each case considering the genuineness of the reasons & delay occurred.

The CSO-cum-District Manager shall be responsible to pass appropriate orders for extension of delivery period or otherwise within reasonable time after receipt of written representation of the concerned miller.

- e. In the cases, where no written representation was made by miller citing the reasons of delay or extension of delivery period was disallowed by the Collector and intimated to the miller in due time by the district office or the miller delivered the entire CMR due from him beyond the extended delivery period, holding charges at following rates shall be recovered for the period of delay in respect of quantity of paddy for which CMR has been delivered beyond the stipulated or extended period as the case may be. In such cases the reasons in details shall be recorded in writing by the CSO-cum-DM for imposition of holding charges.

S.No.	Period of delay	Rate in Rs. Per quintal of paddy
1.	0 to 20 days	5
2.	20 to 40 days	10
3.	40 to 60 days	15

For any delayed delivery beyond the above period, holding charges @ Rs.1.00 per quintal of paddy per day of default shall be recovered.

- f. The custom miller shall have liberty to prefer appeal to Managing Director for waiver of holding charges in case his representation for extension of time is rejected at district level or the extension of time granted was not enough though there are genuine and justifiable reasons for delayed delivery. The miller has to produce documents / records in support of his claim. In such case the Managing Director shall pass an appropriate order considering the circumstances of cases, which shall be final and binding on all concerned.

- g The above holding charges shall be recovered from the bills of the miller and other dues of the millers and also if required from his security deposits.
- h. Inclusion of above holding charges clause in the agreement with miller shall not debar OSCSC Ltd. to take legal and / or other actions against defaulting miller and / or for shifting of Corporation paddy / CMR from his premises at any time / recovery of cost of paddy/CMR along with interest and other expenses etc.

Clause – 18. Supply of New Gunnies for packing of CMR

- a. OSCSC Ltd. shall supply new gunnies for packing of CMR to the custom millers as per programme of CSO-cum-District Manager.
- b. In case OSCSC fails to deliver new gunnies in time, the custom miller shall arrange gunny bags of required specification as per the instruction of the District Manager in writing. The custom miller shall deliver rice in such self procured gunny bags. In such cases the cost of gunny bags will be reimbursed to the custom miller at the rate as decided by the Corporation. The custom millers not receiving gunny bags supplied as per programme of CSO-cum-District Manager shall not be allowed to use self procured gunny bags for packing of CMR.
- c. The following colour coding shall be followed for the gunny bags during KMS 2014-15. Colour coding or identification marking on every bag at a distance of about 150 mm away from any one side of the selvedge shall be in “**RED**” colour: Stencil or Branding shall be in “**BLUE**” colour; Marking or Stitching on the mouth of the bag after filling the grain shall be done in “**RED**” colour; There shall be a single “**BLUE**” stripe running along the length of the bag at the centre. The miller shall machine stitch a Rexene slip /Canvas slip(15 cm to 10 cm) on the mouth of each bag on the outer side bearing name of the Miller, Crop year, Net weight, Contact Number or Miller code / Lot No., Category of Rice etc. These information shall also be stenciled on gunny bags. No rice stock in RRC shall be delivered without proper stenciling of these information on gunny bags and flaps.

The gunnies packed with rice confirming to FAQ standard and having maximum 14% moisture content shall be duly double line machine stitched.

- d) In case of supply of any defective gunny bags through DGS & D, District Manger shall report the matter to the Corporation Head Office forthwith in the prescribed format (as at **Annexure –IV**).
- e) The miller shall keep proper account of gunny bags received from OSCSC. If the miller has participated in procurement in other district & has received gunny bags from the concerned District Manager, separate account of gunny bags so received from both the District Managers shall be maintained.

Clause – 19. Allotment of Contract Number to Custom Miller

a. For delivery of CMR in RRC of OSCSC

- i. Contract Number of a custom miller shall be the six digit unique code generated from the system after authorization by the Verifying Officer.
- ii. While delivering CMR lot wise, a lot number shall be generated by the custom miller with running serial number starting from 01 for each KMS prefixed with the six digit unique code.

For example: If the Miller code of a mill is M010302, than the contract number of this mill will be 010302.

b. For delivery of CMR to FCI by custom miller, separate contract number will be issued by the District Manager in consultation with FCI.

Clause – 20. Packing of paddy in used Jute Gunny Bags

- a. The custom miller may in advance give used jute gunny bags to the purchase centres run by PACS, WSHG, PP and OSCSC Ltd.
- b. In case of exigencies, if the paddy is transported from purchase centres to the mill point in the gunny bags provided by the farmers, then the same shall be returned to the farmers by the custom miller through Purchase Officers of OSCSC Ltd / PACS / WSHG / PP.
- c. The custom miller shall keep detailed account of procurement & utilization of the old jute gunny bags for packing of paddy.

Clause – 21: Mandi Handling Operation

- a. Handling operations at Mandi includes unloading of paddy from the vehicles of farmers, heaping, re-bagging, weighment, temporary stacking and loading of paddy to the millers vehicle. **Unloading of paddy from farmer's vehicle is the responsibility of the farmer.**
- b. In the purchase centres operated by PACS, WSHG, PP the mandi handling i.e heaping, re-bagging, weighment and temporary stacking shall be the responsibility of PACS, WSHG and PP as the case may be.
The loading of paddy from Mandi/CAPSC to the millers' vehicle shall be responsibility of custom miller. However, Collector, in special circumstances, may assign the entire handling operations to the custom millers if the PACS/WSHG/PP are unable to arrange labourers for mandi handling operations. In such case an order in writing should be communicated to the custom miller before commencement of the procurement.
- c. Mandi handling charges shall be paid proportionately to the PACS, WSHG, PP and custom millers for the mentioned operations as decided by OSCSC Ltd. The mandi

labour charges will be paid at flat rate as decided by the OSCSC Ltd. irrespective of the expenditure incurred.

- d. In the centres where OSCSC purchases paddy directly from the farmers, the District Manager with the approval of Collector shall decide about providing labour services required.
- e. In case of purchase centres run by OSCSC Ltd., if assigned by the District Manager, the Custom Miller shall provide mandi labour services for all operations in purchase centers or a part there of for which he shall be paid mandi labour charges at the rates decided by the Corporation. The Purchase Officer of OSCSC Ltd. shall give a certificate (as at **Annexure-V**) that mandi handling operation has been performed by the concerned miller.
- f. The PACS, WSHG, PP shall furnish certificate in the prescribed format (as at **Annexure-VI**) to the District Manager for payment of mandi labour charges.

Clause-22: Transportation:

- a) Transportation of paddy from PPC/CAPSC to mill point and transportation of CMR from mill point to RRC shall be done by the custom millers.
- b) Transportation charges shall be reimbursed at the rates as decided by OSCSC Head Office/Govt. in FS & CW Department for the actual distance covered irrespective of expenditure incurred.
- c) In exceptional circumstances paddy can be transported by the District Manager by making own arrangement with prior permission of Head office.

Clause-23 Insurance:

It is the responsibility of the Custom Miller for safe and scientific storage of paddy, rice kept under joint custody and gunny bags supplied by Corporation. OSCSC head office on behalf of the custom miller shall take up Standard Fire Policy of the stock with nationalized insurance company as insurance against fire and allied perils for stocks. The Insurance premium shall be borne by the millers.

Clause-24 Joint Custody & Maintenance of Paddy:

- (a) All the paddy accepted and transported shall be stored safely, by and large, in the premises of custom miller in joint custody of concerned miller and the Authorized Officers of OSCSC Ltd. If required Custom Miller can store paddy under Joint Custody and Maintenance other than at his mill premises with the prior approval of District Manager in writing.
- (b) The custom miller shall be responsible for any damage / deterioration of the quality of paddy received due to unsafe and unscientific storage by the miller. OSCSC shall not be held responsible for damage/loss of stock of OSCSC due to fire and other natural calamities if such stock is kept unscientifically and in unsafe manner. No shortage on

account of quality and quantity of paddy shall be allowed to the miller on account of such joint storage and maintenance. In case of shortage, the corporation shall recover the cost of paddy and all expenses incurred or to be incurred along with interest thereon till date of recovery.

- (c) The miller shall ensure storage of paddy stocks of OSCSC Ltd. separately from that of his own purchased paddy and paddy stocks of FCI or other agencies.
- (d) The miller shall keep a separate record of paddy stock belonging to OSCSC Ltd.
- (e) The District Manager of the Corporation or his Authorized Official shall conduct physical verification of the paddy/rice stocks on a regular basis.
- (f) The miller shall keep the paddy stock of OSCSC Ltd. free from all encumbrances. He shall not obtain any loan from any Bank/Financial Institution/ Person by way of pledge/ hypothecation/ mortgage of paddy and rice stock held under joint custody.
- (g) For the purpose of transportation of paddy & subsequent storage, the paddy shall be handed over to the custom miller or his authorized representative on execution of Acceptance Notes and transit passes at purchase centers.
- (h) The Custom Miller shall be given Acceptance Notes in duplicate from the PPC/PACS/WSHG/PPs, One copy is meant for the Custom Miller and the other copy shall be handed over to the authorized officer.
- (i) The paddy stock kept in joint custody shall be issued to the miller in a phased manner based on his milling capacity & quantity of CMR delivered by him. For such purposes a Release Order shall be prepared and issued by the Authorized Officers in charge of the mill in the prescribed format indicating the quantity issued for milling.
- (j) The stock of paddy milled without proper release order shall be considered as a serious lapse & such milling shall be treated as un-authorized milling.
- (k) It shall be the duty of both custom miller & Authorized Officer in charge of the mill to maintain records of paddy stored in joint custody. Proper record of issuance of release orders shall also be maintained by the Authorized Officer.
- (l) Paddy, rice and gunny bags supplied by OSCSC, kept at the mill shall be insured against floods, fire and other natural calamities as covered under Standard Fire Policy by the Corporation and the premium shall be charged to millers accounts. However, this will no way reduce the liability of the millers to return the stock of Corporation.
- (m) The custom miller & authorised officer shall submit weekly verification report to the District Manager, OSCSC Ltd. as per the prescribed format.

Role of Authorized Officer of the mill

- (a) Collector of the District or District Manager shall appoint an Authorized Officer for each mill by an order in writing.

- (b) The Authorized Officer appointed by the Collector of the district where the rice mill is located shall also function as Authorized Officer for the paddy procured from other districts, for joint custody and maintenance of such paddy.
- (c) Authorized officer shall make physical verification of the stock at mill premises weekly.
- (d) Authorized Officer shall maintain a register for joint custody. He shall maintain records and register on the basis of physical arrival of paddy and Acceptance Notes obtained from the custom miller. This Acceptance Notes shall be preserved by the Authorized Officer.
- (e) Authorized Officer shall prepare & issue release order for delivery of paddy to the miller or his authorized representative for custom milling as per his milling capacity and delivery of CMR at RRC/FCI. He should ensure that while issuing paddy for milling FIFO principle is followed.
- (f) It shall be duty of the both custom miller & Authorized Officer of Corporation to maintain records of paddy stored in joint custody.
- (g) The Authorized officer shall submit weekly verification report to the District Manager, OSCSC Ltd. as per the prescribed format.

Clause-25 Responsibilities of Custom Miller:

- (i) The Custom Miller shall take delivery of FAQ paddy from the PPC of Corporation/PPC operated through PACS / WSHG / Pani Panchayat and from CAP storage for milling of paddy in his own rice mill and give delivery of resultant milled rice to the Corporation.
- (ii) The Custom Miller shall render the service as provided in this agreement and also any other services as directed by the Collector of the District / District Manager /General Manager / Managing Director of the Corporation, or any officer acting on their behalf, together with such additional, auxiliary and incidental duties indicated by the Collector / District Manager / General Manager / Managing Director or any officer acting on their behalf and which are not inconsistent with these terms and conditions.
- (iii) The custom miller shall take delivery of the paddy on daily basis, so procured on executing Transit Pass and Acceptance Note. The custom miller shall be responsible to lift the paddy on the same day or maximum within two days of the purchase of paddy at PPC, failure of which, the District Manager / Collector may take suitable action, as per the agreement.
- (iv) The paddy once accepted on execution of Transit Pass/Acceptance Note shall be construed as accepted in accordance with the milling capacity and storage capacity of the custom miller. The miller cannot claim on the ground of inadequacy of milling capacity for delivery of CMR in due time.

- (v) The custom miller will transport the delivered paddy and the milled rice with adequate protection, safety and at his own risk.
- (vi) The paddy so delivered to the custom miller should be kept separately in the godown premises as specified under Joint and Custody maintenance.
- (vii) The milling of paddy shall be made in his own mill, as mentioned in the agreement. The custom miller will mill the paddy accepted from the OSCSC on priority basis observing FIFO principle and take steps for delivery of rice within the time limit fixed by the Corporation.
- (viii) The degree of polish given to the rice shall not contravene the provision of the Odisha Rice and Paddy Procurement (Levy) & Restriction on Sale and Movement Order, 1982, as amended from time to time.
- (ix) The custom miller shall ensure that resultant rice after milling of paddy is aerated for 48 hours before bagging. The unit of counting will be one unit (one bag) of 50 kg. (net).
- (x) The custom miller shall deliver to the Corporation par boiled rice / raw rice, in the out turn ratios as fixed by Government of India from time to time in respect of FAQ/URS Paddy delivered.
- (xi) Under no circumstances the miller will be entitled to claim shortage in paddy/rice in course of storing, milling, transporting, lifting and delivering due to happening of any theft, rioting, or manmade incident/incidents or calamities or due to any complaint in quality of paddy accepted except for fire and other natural calamities for which OSCSC shall take up insurance coverage. In the event of any shortage or misappropriation the miller is liable to pay actual direct expenditure incurred on procurement of paddy as decided by OSCSC Ltd., Head Office and interest suffered by OSCSC from the date of occurrence @ 12% per annum along with 2% penal interest till date of recovery.
- (xii) Rice shall be delivered at the RRC\RRC-cum-DSC/FCI as per Delivery Certificate issued by the District Manager or any officer authorized by the Corporation. The stock shall be accepted after necessary weighment, inspection and approval of the quantity in accordance with the prescribed procedure of the Corporation at the cost of the custom miller and on issue of Acceptance Note.
- (xiii) The unloading of rice bags and dumping in RRC and weighment shall be done by the custom miller. However where the custom miller at his own cost does the stacking of bags in RRC he shall be paid at the rate as decided by the Corporation for such work. Where the custom miller does not provide the labour services for unloading and weighment of stocks in RRCs, handling charges as decided by the Corporation shall be deducted from the dues of the Corporation.

- (xiv) The custom miller shall be responsible for delivery of rice in double line machine stitched new BT-will gunny bags as will be supplied by the Corporation.
- (xv) In case the Corporation has not supplied the gunny bags and the custom miller has to arrange gunny bags of the required specification as per orders of the OSCSC Ltd. / District Manager in writing, the custom miller shall deliver rice in such self-procured gunny bags. In such cases the cost of such gunny bags will be reimbursed to the custom miller at the rate as decided by the Corporation on submission of such documents as prescribed by the Corporation.
- (xvi) In case the custom miller supplies new gunny bags at his own cost, he shall stencil the following information in Blue colour and fill up the same neatly for the purpose of delivery of rice.
- a) Logo of the Corporation.
 - b) A/C. OSCSC Ltd.
 - c) Name of the custom Miller.
 - d) Grade/variety of rice
 - e) Net weight.
 - f) Kharif Marketing Season.
- (xvii) **Colour Coding for gunny bags for KMS-2014-15.**
The following colour coding shall be followed for the gunny bags during KMS 2014-15. Colour coding or identification marking on every bag at a distance of about 150 mm away from any one side of the selvedge shall be in “**RED**” colour: Stencil or Branding shall be in “**BLUE**” colour; Marking or Stitching on the mouth of the bag after filling the grain shall be done in “**RED**” colour; There shall be a single “**BLUE**” stripe running along the length of the bag at the centre. The miller shall machine stitch a Rexene slip /Canvas slip(15 cm to 10 cm) on the mouth of each bag on the outer side bearing name of the Miller, Crop year, Net weight, Contract Number or Miller code / Lot No., Category of Rice etc. These information shall also be stenciled on gunny bags. No rice stock in RRC shall be delivered without proper stenciling of these information on gunny bags and flaps.
- (xviii) The custom miller shall standardize the gunny bags with rice each weighing 50 kgs net per bag and shall fill up the proforma printed on the gunny bags at his own cost. Standard packing shall be 50kg. net with variation of ± 250 gms. Non-standard packing shall be rejected. Stitching shall be double line machine stitching, hand stitch or single line machine stitching shall not be accepted.
- (xix) The custom miller will deliver milled rice to Corporation as per the standards and uniform specifications fixed by the Government of India i.e. FAQ norms applicable for rice and also as per the directions issued to him by the Corporation from time to time. If on analysis of the rice stock at the time of delivery is found to be not conforming to

the prescribed standard, then the same will not be accepted and the reasons for non-acceptance shall be briefly stated which shall be final and binding. The Custom Miller shall have to take back the stock and to deliver fresh stock of rice conforming to prescribed specification.

- (xx) CMR not conforming to Uniform Specification is treated as **BRL** (Beyond Rejection Limit) stock and if detected on inspection at any stage shall be returned to the concerned miller observing following procedures.
- a) If detected during receipt at RRC, the same shall be returned and necessary entry will be made in stock rejection register.
 - b) If detected during storage on inspection by any Quality Control Official then the miller will take back the stock at his own cost on issue of BRL stock return note.
 - c) On date of replacement, the miller shall deliver the fresh stocks with new lot number i.e. next to the last delivery on observing the usual procedure.
 - d) The stock on replacement shall be accepted on issue of acceptance note.
 - e) The cost of gunny bags at the rate decided by the Corporation shall be realized out of the dues of the custom miller in case the Corporation supplied gunny bags are used by the miller for delivery of said BRL stock.
- (xxi) Rice can be procured with moisture content up to a maximum limit of 15% with **value cut**. There shall be no value cut up to 14%. Above 14% to 15% moisture, value cut will be applicable at the rate of full value. Full value shall be the economic cost (acquisition cost) of CMR fixed by Government of India for the KMS: 2014-15.
- (xxii) Stock shall be received and delivered on 100% weighment through the weighbridge where weighbridge facility is available at RRC. Where RRC has no weighbridge then 10% test weighment may be made at the time of receipt provided the bags have uniform packing as specified as Clause-25 (xix). Acceptance note shall be prepared for the net weight of CM Rice after deducting the tare weight of the gunny from the gross weight. Wherever weighbridge facility is available, the tare weight of the vehicle has to be deducted from gross weight on actual basis.
- (xxiii) The custom miller shall receive the gunny bags supplied by the Corporation and in case of any defects the same shall be intimated to District Manger within a reasonable period.
- It shall be the duty of the custom miller to keep an account of the number of new gunnies received by him from OSCSC, the number of gunny bags consumed by him for delivery of rice and the balance number of bags available. The balance position of gunny bags shall be intimated to the District Manager.
- (xxiv) The excess new gunnies received by the Custom Miller for delivery of CMR shall be deposited by the custom miller with the Corporation or shall be carried forward to

next KMS if instructed so by the District Manager failing which the cost of such excess gunny bags will be recovered from his bills.

- (xxv) The Custom Miller shall duly preserve the paddy stock received by him from the Authorised Officer of the Corporation and the rice stock derived out of milling of paddy separately by adopting proper scientific storage facilities.
- (xxvi) The Custom Miller will maintain adequate records for stock of paddy, rice & gunny. He will also maintain such records as may be prescribed by the Corporation.
- (xxvii) For lifting, transportation or delivery of paddy and rice, the forms and stationeries as prescribed by the Corporation shall exclusively / strictly to be used by the custom miller at his own expenses.
- (xxviii) The Custom Miller shall produce the books of accounts for checking of Corporation officials, Government officials and other officials authorized under different Statutes. He will also allow the said officials for checking of quality and quantity of paddy and rice stock, as and when required. The expenses, if incurred in the process, shall be borne by the custom miller.
- (xxix) In the event of the custom miller winding up his business or entering in to any agreement with his creditor, failing to observe any of the terms of this agreement, the Corporation shall have right to terminate agreement forthwith in addition to and without any prejudice to any other right or remedies which Corporation may have and the Corporation may claim from the custom miller the loss/damages sustained, costs incurred by reason of the breach of the agreement, or part thereof by the custom miller. The custom miller shall also deliver to the Corporation all quantities of food grains that shall be at his possession, or control and all books, accounts and documents relating to the said agreement.
- (xxx) The custom miller shall not subject, transfer or assign this contract or any part thereof to anybody without prior approval of the Managing Director / District Manager in writing.
- (xxxi) The Custom Miller will bind himself to carry out such instructions as are incidental to this agreement and as may be issued by the Corporation or its officer from time to time.
- (xxxii) The Custom Miller shall strictly abide by the rules, regulations and orders thereon under the various Central and State Government Acts and rules. The Custom Miller shall be liable for all charges regarding expenses incurred by the Corporation for the negligence and/or non-performance of any service under the agreement and his failure to carry out the instructions.
- (xxxiii) The Corporation reserves the right for shifting of paddy and rice from premises of the miller to any other better performing miller for milling at any time on account of non performance, non delivery of CMR, slow delivery of CMR, bad quality of CMR, break

down of machineries, labour problem, insolvency, negligence by the miller, change of ownership of the mill or any other reasons communicated to him in writing by the District Manager, OSCSC Ltd. The Custom Miller shall be duty bound to carry out the orders of District Manager for such shifting of paddy and rice, and the expenses so incurred shall be borne by the custom miller.

In case the custom miller fails to bear the incurred expenditure on shifting of paddy & rice, the same amount shall be realised out of the security deposit and dues payable to the custom miller.

Clause-26: DELIVERY OF RAW RICE IN BOILED RICE CONSUMING DISTRICTS AND BOILED RICE IN RAW RICE CONSUMING DISTRICTS

- 26.1 Mills producing Raw rice in Boiled Rice Consuming Districts shall deliver entire Raw Rice to FCI. Similarly mills producing boiled rice in Raw rice consuming districts shall deliver entire rice due to FCI.
- 26.2 Boiled rice shall not be received at RRCs of raw rice consuming districts and Raw rice shall not be received at RRCs of the boiled rice consuming districts. However the district administration may receive raw rice/boiled rice in special circumstances for utilization within the district or for movement to other districts for utilisation under PDS as per decision of OSCSC Head Office.

Clause – 27 DELIVERY OF RICE TO FCI

- 27.1 The custom millers are to deliver rice to FCI, on behalf of OSCSC, as per target given by CSO-cum-District Manager/Collector/OSCSC Head Office/Govt. in FS & CW Department.
- 27.2 The custom millers who have not delivered rice to FCI in KMS: 2013-14 as per district target shall deliver the shortfall quantity in the beginning of KMS 2014-15 to FCI. This is in addition to the target fixed for the district for delivery of rice to FCI for KMS 2014-15.

Example:

A miller has delivered 800 Qtls. of rice to FCI in KMS 2013-14 as against the district target of 1000 Qtls. In such case the miller is to first deliver 200 Qtls. of rice to FCI out of paddy procured of KMS 2014-15. The quantity of rice delivered to FCI (200 qtls.) shall not be considered to calculate the quantity of rice the miller is to deliver to FCI as per the target for the KMS 2014-15.

- 27.3 The custom miller shall deliver rice at the FCI depot as per Delivery Certificate issued by the CSO-cum-District Manager.

27.4 The custom miller shall collect the documents from the FCI & submit the same at the District Office soon after delivery of rice. The custom millers have been authorized to collect the documents from the FSD.

The bills of the custom millers who failed to submit the document within reasonable time shall not be released.

Clause-28 Driage in case of Raw Rice

- 28.1 Driage on paddy is allowed only in case of raw rice.
- 28.2 Such driage will be allowed to the custom miller after release of entire paddy by the Authorized Officer of the mill for milling.
- 28.3 Actual driage as ascertained by the Authorized Officer subject to maximum 1% of paddy delivered shall be allowed.
- 28.4 The mill shall deliver raw rice for the quantity of paddy received after deducting the actual driage allowed.

Clause-29 Delivery of CMR:

- i) The custom miller shall deliver CMR as per the following specification :

SI. No	Refractions		Maximum Limit (%)	
			Grade "A"	Common
1	Brokens*	Raw	25.0	25.0
		Parboiled / single parboiled rice	16.0	16.0
2	Foreign matter **	Raw / parboiled / single parboiled rice	0.5	0.5
3	Damaged # / Slightly Damaged Grains	Raw	3.0	3.0
		Parboiled / single parboiled rice	4.0	4.0
4	Discoloured grains	Raw	3.0	3.0
		Parboiled / single parboiled rice	5.0	5.0
5	Chalky grains	Raw	5.0	5.0
6	Red grains	Raw / parboiled / single parboiled rice	3.0	3.0
7	Admixture of lower class	Raw / parboiled / single parboiled rice	6.0	-
8	Dehusked grains	Raw / parboiled / single parboiled rice	13.0	13.0
9	Moisture content @	Raw / parboiled / single parboiled rice	14.0	14.0

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

- ** Not more than 0.25% by weight shall be mineral matter and not more than 0.10% by weight shall be impurities of animal origin.
- # including pin point damaged grains.
- @ Rice (both Raw and Parboiled / Single Parboiled) can be procured with moisture content up to a maximum limit of 15% with value cut. There will be no value cut up to 14%. Between 14% to 15% moisture, value cut will be applicable at the rate of full value.
- ii) The custom miller shall be duty bound to deliver CMR at Rice Receiving centres / FCI depot / CWC/OSWC godowns located with in the district or outside the district as per the instructions issued by District Manager / OSCSC head office.
 - iii) The custom miller shall submit the documents obtained from FCI on account of delivery of CMR to FCI to the District Manager preferably within 7 days.
 - iv) The delivery of CMR at RRC / FCI at a time shall be in a lot of 20MT/ 27MT or of any other size as intimated by Govt. / Corporation / FCI.
 - v) The Custom Miller cannot claim any fixed proportion of CMR to be delivered at corporation godowns and FCI depots. The proportion of delivery shall be fixed by the District Manager / OSCSC head office, which shall be binding on the custom miller.
 - vi) The CMR procured in the district will be utilized as per the consumption pattern of the district i.e. parboiled/raw rice. Accordingly the custom miller is required to deliver the entire parboiled/raw rice or any portion thereof to FCI as per the direction of the Corporation / District Manager.

Clause-30 Computerization:

The Custom Miller shall have computer hardware with internet connection and Data Entry Operator at his disposal. He shall be duty bound to report such information through software / programme provided by OSCSC Ltd.

Clause-31 Mobile Reporting by Custom Miller for Rice Delivery

- a. The Custom miller shall report the CMR delivered at RRC / FCI through SMS to Mobile No. 9437000359, through the registered mobile number.
- b. The SMS must be sent for each lot delivered by the custom miller indicating AC Note number.
- c. SMS reporting is a precondition for release of payment to the custom millers.
- d. SMS reporting is to be made within 7 days of issue of AC Notes and corrections of data if any shall be made within 7 days of issue of AC Notes.

Clause-32 Volume of Work:

The Corporation shall not guarantee any definite volume of work at any time or throughout the period of contract. It need not also be necessarily entrusted to one single miller for any specified work. The Corporation will have the exclusive right to

appoint one or more millers for any work at the same approved rates, terms and conditions.

Clause-33 Modalities of Payment:

- a. The Custom Millers are paid mandi labour charges (in case of PACS/WSHG/PP only loading charges at PPC), transportation charges for paddy and rice, milling charges, gunny depreciation, handling charges on rice and Custody and Maintenance charges.
- b. The District Manager may release following incidentals to the custom miller in three phases, on delivery of 25%, 50% and 75% of the CMR dues (as on the date of preferring bill).
 - (i) Transportation charges for paddy & rice
 - (ii) Mandi labour charges / loading charges as the case may be
 - (iii) Milling Charges
 - (iv) Handling charges on rice
 - (v) Cost of new gunny bags (if supplied by the miller on instruction of District Manager in writing)
 - (vi) Gunny Depreciation. However for the paddy lifted from CAPSC no gunny depreciation will be paid to the millers since OSCSC has arranged gunny for packing of paddy.
- c. These charges shall be paid only for CMR delivered by the miller and equivalent paddy provided that:
 - (i) Mobile reporting is up to date
 - (ii) Balance paddy & rice is available with the miller as per the last weekly verification report of the Authorized Officer
 - (iii) Required documents on delivery of rice to FCI are submitted.
- d. Custody & Maintenance charges shall be paid as decided by OSCSC Head Office, only after 100% delivery of CMR. No custody and maintenance charges on paddy lifted from the CAPSC shall be paid.
- e. Recovery of following shall be made at the time of release of payment.
 - (i) Value cut for receipt of CMR with moisture content between 14% to 15%
 - (ii) Insurance premium @ as communicated by OSCSC head office
 - (iii) Any other recoveries made by FCI
 - (iv) Statutory recoveries
 - (v) Holding charges, if any.
- f. **Payment of bills for the paddy lifted by Custom Millers of other districts.**
 - The custom miller shall submit the bills with the supporting documents, as below, to the CSO-cum-DM of the district where the mill is situated.

- i. Acceptance Note for the entire quantity of paddy lifted from other district.
- ii. Release order copy issued by Authorized Officer of the concerned district.
- iii. Photo copy of the Stock Register for joint custody and maintenance.
- iv. Acceptance Note of Rice.
- v. Monthly stock return of Paddy and CMR with the Miller for the paddy lifted from other districts.
- vi. Gunny Account for new Gunny bags utilized for delivery of CMR.
- vii. Gunny Account of once used gunny bags for packing of paddy.
- The CSO-cum-DM shall forward the same to the CSO-cum-DM of the district from where paddy is procured, after due checking, for payment of bills along with distance certificate relating to his district.
- The bills shall be paid by the CSO-cum-DM of the district from where paddy is procured.
- g. The custom miller shall be paid for milling and other services as has been assigned to him at the rates decided by corporation from time to time. The Custom Miller shall submit the bills / vouchers / documents as prescribed by OSCSC Ltd.
- h. The custom miller shall deposit copies of all Acceptance Note (Paddy & Rice) & Release Order of paddy along with the bill.
- i. The amount recoverable from the custom miller if not paid by him shall be recovered from his bills.
- j. The payment towards custom milling charges, transportation charges, handling charges, etc. shall be made to the custom miller in shape of account payee cheque / online transfer only by the District Office.
- k. The payment towards gunny depreciation charges for use of old jute gunny bags towards packing and storage of paddy shall be settled provided the miller has returned all the used jute gunny bags to the farmers and the Purchase Officer has given a certificate in this effect.

Clause- 34 Guidelines for Decentralized Procurement Operation for the KMS-2014-15:

- a) The guidelines issued by Corporation for implementation of the scheme of Decentralized Procurement of Paddy and Supply of Rice during the Kharif Marketing Season 2014-15 and Food & Procurement Policy of Govt. of Odisha for KMS: 2014-15 shall constitute a part of this agreement and shall be binding on the Custom Miller.
- b) *The copy of the registration of the custom miller forms a part of the agreement.*

Clause – 35 Savings

- a) It is mutually agreed by both the parties that the terms and conditions not visualized and not covered in this agreement shall be incorporated by the corporation in modifying the agreement in case of exigencies, which shall be binding on both the parties.
- b) The Corporation will issue further instructions if any in this regard for execution of terms and conditions which shall form a part of this agreement.

Clause - 36 Jurisdiction of Court:

- I) In the event of any dispute covering or arising out of this contract /agreement the jurisdiction of the court shall be at _____ district within State of Odisha & it is hereby expressly agreed that neither party shall be competent to bring any case / suit in regard to the matters covered by this agreement at any place out side _____ district.
- II) Further, it is expressly agreed & declared by & between the parties here to that all amounts due to the Corporation under terms of the agreement if not paid in time be recoverable under Odisha Public Demand Recovery Act 1962 (Odisha Act – 1 of 1963) or through Civil Court & shall bear interest at the rate of 12% per annum from the date when such payment falls due up to the date of final recovery.
- III) Besides criminal action shall also be taken against the defaulting millers for any shortage / diversion / misappropriation in appropriate court of law within the State of Odisha following the provisions of law in force.
- IV) The District Manager, OSCSC Ltd. is empowered to initiate both civil and criminal action against the defaulting miller in appropriate Court of Law on behalf of the OSCSC Ltd.

In witness whereof, the parties hereto have put their hands and seals on the dates respectively given against their signatures.

(Signature)

(Signature)

(Name in capital letters)
District Manager
OSCSC Ltd.

(Name in capital letters)
Custom Miller

(Seal)

(Seal)

Witness

1. (Signature)

(Name in capital letters)
S/o.
Address & Contact No.

2.

Witness

1. (Signature)

(Name in capital letters)
S/o
Address & Contact No.

2.

BEFORE THE EXECUTIVE MAGISTRATE/NOTARY PUBLIC
(To be executed on non-judicial stamp paper worth Rs. 10/- with required court fees)

AFFIDAVIT

I Sri/Smt. _____, Aged about _____ years,
S/o./D/o./W/o. _____, in the capacity of Proprietor/
Managing Partner/Managing Director of M/s. _____
At/PO. _____, PS. _____, District- _____., do
hereby solemnly affirm and state as follows-

1. That I/We am/are the sole and absolute owner of the immovable properties more particularly described in the Part-A & Part-B of First Schedule (hereinafter referred to as 'The said property') and no other person has any share, right, title or interest of any kind or nature whatsoever in the said property.

OR

That I/We am/are the sole and absolute owner of the Mill premises more particularly described in the First Schedule (Part – A) which is mortgaged to _____ Bank/ Financial Institutions and also sole and absolute owner of immovable properties as described at Part – B of Schedule – I (hereinafter referred to as 'The said property) on which no other person has any share, right, title or interest of any kind or nature whatsoever in the said property.

2. That I declare that I have not created any mortgage, charge or encumbrance of any kind or nature whatsoever on or in respect of the property described at Part-A & B/Part-B of Schedule - I (Delete which ever is not applicable). I further declare that no adverse claim of any kind exist against the said property. I declare that I have not received an notice of any intended or compulsory acquisition of the said property or any notice that the said property is reserved for any particular purpose.
3. That I further declare that the only title deeds, documents or writings to the said property/ies which are in my possession are those specified and mentioned in the Second Schedule hereunder written. I furnish the certified copies of the deeds so mentioned in the Second Schedule. I declare that the said property/ies is/are free from all encumbrance, claims and demands. The non encumbrance certificate (s) of the properties issued by Sub-Register is/are enclosed.

4. The encumbrance certificate in respect of the property described of at Part – ‘A’ of Schedule – I issued by the concerned Bank is enclosed. {Not applicable in case of 1st part of para-1 at pre page}.
5. I declare the present market value at Part ‘C’ of the Schedule-I in respect of the properties as described at Schedule-I (Part A & B) honestly without any malafied intention.
6. That I swear this affidavit solemnly, sincerely and conscientiously knowing the same to be true and knowing that on the faith of the said declaration the Corporation has agreed to appoint me as miller.

SCHEDULE-I

Part – A : PARTICULARS OF THE RICE MILL

Mill situated over Plot No. _____, Khata No. _____, Area _____, Mouza _____, Tahasil _____, Post Office _____, Police Station _____ Sub-Registrar _____, Dist _____.

Part – B : OTHER IMMOVABLE PROPERTIES.

I) Plot No. _____, Khata No. _____, Area _____, Mouza _____, Tahasil _____, Post Office _____, Police Station _____ Sub-Registrar _____, Dist _____.

II) Plot No. _____, Khata No. _____, Area _____, Mouza _____, Tahasil _____, Post Office _____, Police Station _____ Sub-Registrar _____, Dist _____.

III)

IV) Nature of building if any with detailed particulars.....

Part – C : APPROXIMATE PRESENT MARKET VALUE OF THE PROPERTIES

The approximate present market value in respect of the properties as described at Part-A & B of Schedule – I _____.

SCHEDULE - II

- A). Registered Sale Deed bearing No. _____ dated, _____.
- B). Registered Sale Deed bearing No. _____ dated, _____.
- C). Registered Sale Deed bearing No. _____ dated, _____.
- D). Record of Right. (Xerox copy of Patta (s))

E). Up to date rent receipt _____.

7. That the facts stated above are all true to the best of my knowledge and belief.

8. That this affidavit is required to be produced before the District Manager, OSCSC Ltd.
_____ for appointment as Custom Miller.

Identified by

Advocate

Deponent

The above deponent being present before me & duly identified by Sri _____
_____ Advocate states on oath that the facts stated above are true to the best
of his/her knowledge.

Deponent

Executive Magistrate/ Notary Public

ANNEXURE - II

**Information on Directors/ Partners (strike out whichever is not applicable)
of _____(Name of the Mill)**

Sl. No.	Name of the Director/ Partner	Address	Contact No.	Occupation	PAN No.	Date of Joining in the Company/ Firm	Remarks
---------	-------------------------------	---------	-------------	------------	---------	--------------------------------------	---------

1

2

3

4

5

- N.B.:**
1. If the Director/ Partner of the mill is also Director/ Partner in any other Organisation, the name of the Organisation shall be indicated in the Remark Column.
 2. The miller signing the agreement shall sign this document.

LETTER OF AUTHORISATION

(TO BE EXECUTED IN NON-JUDICIAL STAMP PAPER WORTH Rs.10/-)

I _____ aged about _____ years, Son of _____ in the capacity of Proprietor/ Managing Partner/ Managing Director of M/s. _____ (name of Rice Mill) have been appointed as custom miller by the District Manager, OSCSC Ltd. _____ and executed an agreement on _____ for custom milling of paddy & supply of resultant CMR to the OSCSC Ltd. for the KMS 2014-15. My specimen signature is given below : -

1. _____
2. _____

As per terms & conditions of the agreement, I do hereby appoint the following persons as my authorized representatives to receive the paddy from the paddy purchase center & for milling from joint custody & maintenance and to deliver the resultant CMR in the RRC/ FCI on my behalf.

	Sl. No.	Name & address of the authorized person with Mobile Phone No.	Specimen signature
Affix stamp size photograph here	1.		
Affix stamp size photograph here	2.		
Affix stamp size photograph here	3.		
Affix stamp size photograph here	4.		
Affix stamp size photograph here	5.		
Affix stamp size photograph here	6.		
Affix stamp size photograph here	7.		
Affix stamp size photograph here	8.		

All the acts, deeds, things done by the above representatives shall be construed as the acts, deeds, things & matters done by me as if I am personally present to do the same. For any acts, commissions or omission of my above authorized representatives that may cause any pecuniary loss to the Corporation I shall be responsible to make good loss of the same.

The signature & photographs of the above authorized persons are attested.

Accepted by me.

Name & Signature of the
Custom Miller with seal

Seal & Signature of
District Manager,
OSCSC Ltd., _____.

Check list of gunny bags

- a) Name of the Jute Mill:-
- b) S. O No. & Date.
- c) Inspection Certificate No. and Date with running bale Serial Nos:-
- d) R/R No. & Date:-
- e) Quantity rejected with bale Serial Nos:-
- f) Date of receipt:-
- g) Quantity received short:-
- h) Quantity where inspection mark is not available or where, it does not match with the mark indicated on the inspection certificates:-
- i) Details of test / examination conducted to check conformity to contract specifications. (Copy enclosed).
- j) Details of deviations from contract specifications:-

Sl. No.	Parameters	Specified value in Contract Specification	Value actually found in supplies	Whether testing to determine the values was carried out as per contract specifications Yes/ No	Remarks

- k) Quantity rejected due to :-
- l) Total quantity rejected / short supplied (g+h+k):-
- m) Copy of rejection letter issued by consignee:-

**District Manager
OSCSC Ltd.,**

CERTIFICATE

(Mandi Handling Operation in case of direct purchase by OSCSC Ltd.)

District :

PPC :

This is to certify that M/s. _____ Custom Miller, Miller Code _____ of _____ district has provided handling services including loading of paddy to vehicles of millers at _____ PPC for procurement of _____ Qtls of paddy during the month _____ of the KMS 2014-15.

Signature of the Purchase Officer :

Full Name :

Designation :

CERTIFICATE

(Mandi Handling Operation in case of purchase by PACS / WSHG /PP)

District :

PACS / WSHG / PP:

Code :

This is to certify that all handling services excluding loading of paddy to the vehicle of the millers at the purchase centre has been provided for procurement of _____ qtls of paddy on behalf of OSCSC in the KMS 2014-15.

The handling services for loading of paddy to the vehicles has been provided by the Custom Miller _____, Miller Code. _____.

Signature of the Authorized Officer:

Full Name :

Designation :

LIST OF DOCUMENTS FURNISHED BY THE CUSTOM MILLER

S.No.	Particulars
1	Affidavit on immovable properties <i>as per format</i>
2	Encumbrance/non encumbrance certificates pertaining to immovable properties
3	Title deeds and up to date rent receipt of the immovable properties
4	Copy of the Lease Deed (in case of leased mill)
5	Information on Directors and Partners
6	Authorization letter to receive paddy and deliver rice <i>as per format</i>
7	Registration certificate issued by District Industries Centre
8	Certificate issued by Inspector of Factories and Boilers
9	Registration certificate issued by State Pollution Control Board
10	Certificate of Incorporation from Register of Companies (in case of limited Company) along with Memorandum and Articles of Association
11	Copy of Registered Partnership Deed in case of partnership firms
12	List of Directors of the company downloaded from the portal of Ministry of Corporate Affairs
13	VAT Registration Certificate
14	Copy of PAN of Proprietor/Company/Firm as the case may be
15	Copy of last electricity bill of the rice mill
16	Copy of online Registration document of the miller
17	Bank Guarantee and Fixed Deposit receipt
18	Resolution authorizing the partner/ director of firm /company to sign the Agreement

Signature of the Miller

SURETY BOND

KNOW ALL MEN BY THESE PRESENTS THAT I, Sri/Smt. _____ Son/Wife of _____ resident of _____ PO/PS _____ in the district of _____ Prop/Partner/Managing Director of M/s _____ rice mill situated over Plot No. _____, At _____ PO/PS _____ Dist _____ (hereinafter called "the surety") do hereby undertake to pay to the CSO-cum-District Manager, OSCSC Ltd., _____ for any loss or damage caused to or suffered or would be caused to or suffered by CSO-cum-District Manager, OSCSC Ltd., _____ by reason of any breach by the lease hold miller, M/s _____ of any terms and conditions of the agreement executed with the lease hold miller with the CSO-cum-District Manager, OSCSC Ltd., _____, I hereby bind myself, my heirs, executors, administrators & representatives firmly by these presents. As witness my hand this _____ day of _____ 2014.

WHEREAS M/s _____ (name of the mill), At _____, PO/PS _____ Dist _____, represented by Sri/Smt. _____, Son/daughter/wife of _____ in the district of _____ a lease hold mill & is presently appointed as custom miller agent by the District Manager, OSCSC Ltd. _____ (hereinafter called as "Lease Hold Custom Miller") for the purpose of custom milling of paddy and supply the resultant custom milled rice to the Corporation for the KMS: 2014-15 within the stipulated time and in such manner as specified in the agreement executed by the said lease hold custom miller.

AND WHEREAS the said lease hold custom miller has agreed in view of the said agreement to supply the resultant CMR to the Corporation within the stipulated time and in such manner as specified in the agreement executed by him.

AND WHEREAS in consideration of the District Manager, OSCSC Ltd. _____ having been agreed to allow the said lease hold miller to lift paddy and to supply the resultant CMR as per the terms & conditions of the agreement with the lease hold miller, the surety has agreed to execute the above bond with such conditions as herein under is written.

NOW THE CONDITION OF THE OBLIGATION is such that if the said lease hold miller delivered the entire CMR due against paddy received as per stipulation of the

agreement then this bond shall be void otherwise the same shall be and remain in full force & virtue. But so never-the-less if the lease hold miller shall die or become insolvent or in default to deliver entire CMR to the Corporation against the paddy received by the lease hold miller then the same is recoverable from the surety in one installment by virtue of this bond.

THE OBLIGATION UNDERTAKEN BY THIS SURETY shall not be discharged or in any way affected by extension of time or any other indulgence granted by the District Manager, OSCSC Ltd. _____ to the said lease hold miller.

I hereby declare that I have not stood as surety for any other lease hold miller either in OSCSC Ltd or elsewhere.

In witnesses whereof I put my signature on _____ day of _____ 2014.

Signature of Surety
Designation

Signature, Address &
Occupation of the witness

1st Witness

(Signature)

Address:

2nd Witness

(Signature)

Address:

Signed by Sri _____, District Manager, OSCSC Ltd
_____ (For & behalf of Managing Director, OSCSC Ltd., Bhubaneswar)

N.B:- The Surety Bond shall be executed in non-judicial stamp paper worth Rs.100/-.