

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

**AGREEMENT WITH CUSTOM MILLER
FOR THE KHARIF MARKETING SEASON 2011-12.**

An agreement is made this _____ day of _____ 2011,

B e t w e e n

M/s. _____ 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

(Signature of District Manager)

(Signature of Custom Miller)

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.

Where as 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 includes the godown of Corporation either own or hired, OSWC/CWC Depot and RMC yard and the Paddy Purchase Center operated through PACS, WSHG, Pani Panchayat.
- (l) "RRC" shall mean Rice Receiving Centers operated in the own or hired godowns of the Corporation.

- (m) "Authorised Officer" shall mean the person authorized by the Collector / District Manager in writing to act on behalf of Corporation.
- (n) "Joint Custody & maintenance" shall mean the paddy stocks of the Corporation kept under the custody of miller & Corporation.
- (o) "PACS" shall mean Primary Agricultural Co-operative Society including Service Co-operative Societies, Large Sized Multi Purpose Adivasi Co-operative Societies and Farmers Service Society.
- (p) "WSHG" shall mean Women Self Help Group
- (q) "PP" shall mean Pani Panchayat
- (r) "CMR" shall mean Custom Milled Rice

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) *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, mortgaged. : _____

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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 a **registered power of attorney** duly executed in his favour, stating that he/ she has authority to bind such other person or the firm or the company as the case may be, in all matters pertaining to the contract.*
- f) *The **“Power of Attorney”** shall be executed by all the partners in the case of partnership concern, by the proprietor in the case of proprietary concern, and by the*

person who by his /her signature can bind the company in the case of a limited company. In the case of Hindu Undivided Family "Power of Attorney" shall be executed by the Karta of the family who by his /her signature can bind the HUF.

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:

- a) 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 30.09.2012 and shall be renewed till the entire CMR dues are delivered unless and until this agreement is terminated unilaterally by OSCSC Ltd. without assigning any reason thereof.
- b) The terms & conditions of the agreement shall remain valid & binding up to 30.09.2012 and such extended period as mentioned at clause 8(a) above.

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 2011-12, the Custom Miller to operate under any of the following security deposit systems.

a. Advance delivery of Rice :-

The millers shall deliver custom milled rice conforming to prescribed specifications in advance towards security deposit for receiving equivalent quantity of paddy from the Corporation. In this case only security of Rs.25,000/- in shape of Bank Guarantee to be furnished. The millers have to make procurement under levy scheme so as to deliver equivalent quantity of rice in advance under this system for delivery of first lot and subsequent lot, till receipt of paddy from the Corporation. The quantity of advance CMR delivered by the miller cannot be, at any point of time more than levy rice procured and equivalent quantity of rice against paddy received from OSCSC Ltd.

- b. The miller shall provide security deposit in shape of bank guarantee for one year / fixed deposit of any scheduled bank duly pledged in favour of the District Manager basing on the milling capacity. He has to provide security deposit at the rate of Rs.1.00 lakh per 01 MT of milling capacity. The milling capacity shall be ascertained from online registration by the millers in the website www.oscsc.in and subsequent authorization by the verifying officer.

The custom miller participated for the KMS 2010-11 and is eligible to participate in the KMS 2011-12 as at para 12.3.1, 12.3.2, 12.3.3, 12.3.4 and 12.3.5 of operational guidelines KMS 2011-12 shall be delivered with paddy costing **10 times of the security deposit** furnished.

Example:

Sl. No .	Milling capacity in producing rice in MT per 1 shift of 8 hours.	Security Deposit in shape of Bank Guarantee / Fixed Deposit	Cost of paddy to be delivered	Approximate quantity of common paddy to be delivered in quintal (calculated @ Rs. 1080 per quintal)
1.	Upto 1MT.	Rs.1,00,000/-	Rs.10,00,000/-	930
2.	3 MT	Rs.3,00,000/-	Rs.30,00,000/-	2,790
3.	8 MT	Rs.8,00,000/-	Rs.80,00,000/-	7,440
4.	10 MT	Rs.10,00,000/-	Rs.1,00,00,000/-	9,300
5.	16 MT	Rs.16,00,000/-	Rs.1,60,00,000/-	14,880
6	20 MT	Rs.20,00,000/-	Rs.2,00,00,000/-	18,600
7	24 MT	Rs.24,00,000/-	Rs.2,40,00,000/-	22,320
8	28 MT	Rs.28,00,000/-	Rs.2,80,00,000/-	26,040
9	32 MT	Rs.32,00,000/-	Rs.3,20,00,000/-	29,760
10	36 MT	Rs.36,00,000/-	Rs.3,60,00,000/-	33,480

- c. The equivalent paddy for the CMR delivered by the custom miller shall be calculated for delivering further paddy equivalent to security deposit.

Example :

Custom miller having capacity of 10MT per shift of 8 hrs shall furnish security deposit of Rs. 10 Lakhs and had been delivered paddy upto 9300 Qntl. In the meantime he delivers 600 qntls of CMR (parboiled) which is equivalent to 882 qntls of paddy. So the custom miller can be given further 882 qntls of paddy.

- d. For the custom miller becoming eligible to participate in KMS 2011-12 in the month of December 2011 and after December 2011 as per para 12.3.6 of the operational guidelines KMS 2011-12 the custom miller shall be delivered with paddy as follows:

Millers becoming eligible in the month of December 2011	Paddy shall be delivered eight times equivalent to security deposit
Millers becoming eligible after December 2011	Paddy shall be delivered five times equivalent to security deposit

- e. Security Deposit for Leasehold Miller.
- i. The leasehold miller shall operate only by furnishing 100% security deposit by way of valid bank guarantee of one year issued by a Scheduled bank or fixed deposit duly pledged in favour of District Manager, OSCSC Ltd. drawn on bank situated in the district / nearby districts within the state or such extended period as may be decided by the District Manger considering the CMR due from Miller. The value of paddy issued to such miller shall not at any time exceed the value of security furnished by the miller.
- ii. The Custom Miller shall produce a copy of the lease deed for execution of agreement.
- f. In case the miller participates in other nearby districts, he shall operate only by furnishing 100% security deposit.
- g. The custom miller has agreed to participate under security deposit provision as at 10a / 10b / 10c / 10d / 10e / 10f (strike out which is not applicable) and furnished security as follows

Sl. No.	Milling capacity in producing rice in MT per 1 shift of 8 hours.	Security Deposit in shape of Bank Guarantee / Fixed Deposit (amount in Rupees)	Details of bank guarantee and fixed deposit (instrument number & date, name of the bank with branch)	Approximate quantity of common paddy to be delivered in quintal (calculated @ Rs. 1080 per quintal)
1	2	3	4	5

- h. 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-11 Solvency Certificate by the Custom Millers

- a. For the KMS 2011-12, the custom miller in addition to security deposit as mentioned in the above paras shall also furnish a solvency certificate issued by the competent authority of the state of Odisha. **The custom miller shall be solvent to the tune of five times of the security deposited by him.**
- b. Along with the solvency certificate, the custom miller shall also produce the list of immovable properties in shape of an **affidavit** duly authenticated by the Notary Public, on the basis of which solvency certificate has been issued by the competent authority. The prescribed format for affidavit is at **Annexure-I**.
- c. The custom miller shall submit the solvency certificate along with affidavit within 45 days from the date of execution of this agreement with the District Manager, OSCSC Ltd.

Clause-12 Holding charges:

- a) The custom miller shall be responsible for delivery of due CMR at designated rice receiving centers within a maximum period of 60 days of delivery of paddy to him. For this purpose 60 days period shall be counted from the date of delivery 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 60 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 60 days, and the CMR was delivered by the custom

millers 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	Intimate the CSO-cum-DM / Collector with copy to Authorized Officer

	Any official in charge of supplies of gunnies at district level	
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 pass orders for extension of delivery period or other wise 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.

Sl.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 milling charges of same or next KMS and other dues of the millers and also if required from his security deposits.
- h) Above holding charges clause 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 13- Use of old jute gunny bags for packing and storage of paddy

- a) The custom millers shall be paid gunny depreciation for use of old jute gunny bags for packing of paddy received from the farmers in the purchase centres and its storage at the mills till the paddy is milled. The custom miller shall in advance give old jute gunny bags to the purchase centres run by PACS, WSHG, PP and OSCSC Ltd.
- b) In case the paddy is transported from purchase centres to the mill point in the jute gunny bags provided by the farmers, then the same shall be returned to the farmers through Purchase Officers of OSCSC Ltd / PACS / WSHG / PP.
- c) The custom miller shall keep account of the old jute gunny bags used for packing and storage of paddy.

Clause 14- Mandi Handling Operation

- a) 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, PP as the case may be. The loading of paddy to the millers' vehicle shall be responsibility of custom miller.
- b) Mandi handling charges shall be paid proportionately to the PACS, WSHG, PP and custom millers for the mentioned operations, at the rate 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.
- c) 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. In such case, the Purchase Officer of OSCSC Ltd. shall give a certificate in the prescribed format that mandi handling operation has been performed by the concerned miller.
- d) The Custom Miller shall furnish a certificate in the prescribed format to the District Manager for payment of mandi labour charges.

Clause-15 : TRANSPORTATION:

- a) Transportation of paddy from PPC to mill point and transportation of CMR from mill point to RRC shall be done by the custom millers.
- b) Transportation charges shall be paid at the rates as decided by OSCSC Head Office 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-16 Insurance:

It will be the duty of the Custom Miller to effect necessary and adequate insurance coverage for all stocks of rice and new empty BT-will gunny bags supplied by the OSCSC Ltd. and handled by him in pursuance of the contract in different stages of operations. The Corporation shall not be responsible for any shortage of rice, gunny bags due to happening of any natural calamities, fire accident, theft, and burglary or otherwise.

Clause-17 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. 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 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 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 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, 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 etc. 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 & Authorised Officer in charge of the mill to maintain stock & issue records of paddy stored in joint custody. Proper record of issuance of release orders shall also be maintained by the Authorised Officer.
- (l) Paddy stock kept at the mill shall be insured against floods, fire and other natural calamities 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 a periodical report to the District Manager, OSCSC Ltd. as per the prescribed format. This report shall also be submitted by the Custom Miller / Authorized officer in the software provided by OSCSC Ltd.

(ii) Role of Authorised Officer of the mill

- (a) Collector of the District or District Manager shall appoint an Authorised Officer for each mill by an order in writing.
- (b) The Authorised Officer appointed by the Collector of the district where the rice mill is located shall also function as Authorised Officer for the paddy procured from other districts, for joint custody and maintenance of such paddy.
- (c) Authorised officer shall make physical verification of the paddy stock regularly.
- (d) Authorised Officer shall maintain a register for joint custody. He shall maintain such 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 Authorised Officer.
- (e) Authorised Officer shall prepare & issue release order for delivery of paddy to the miller for custom milling as per his milling capacity and delivery of CMR to OSCSC Ltd.
- (f) It shall be duty of the both custom miller & Authorised Officer of Corporation to maintain stock & issue records of paddy stored in joint custody. Proper record of issuance of release orders shall also be maintained by the Authorised Officer.

Clause-18 Responsibilities of Custom Miller:

- (i) The Custom Miller shall take delivery of 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 or his authorized representative shall remain present in the Paddy Purchase Centre operated by the Corporation and through PACS as tagged, at the time of paddy procurement.

Wherever assigned the custom miller shall be duty bound to provide all such labour operations in purchase centers / PACS / Market Yards / WSHG / PP as may be assigned to him by the District Manager / District Collector, for which he shall be paid proportionate mandi labour charges decided by the Corporation considering the rates approved by Government of India.

- (iv) The custom miller shall take delivery of the paddy on daily basis, so procured, on "AS IS WHERE IS BASIS", 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.
- (v) The paddy once accepted on execution of AC note shall be construed as acceptance 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.
- (vi) The custom miller will transport the delivered paddy and the milled rice with adequate protection, safety and at his own risk.
- (vii) The paddy so delivered to the custom miller should be kept separately in the godown premises as specified under Joint and Custody maintenance.
- (viii) 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 and take steps for delivery of rice within the time limit fixed by the Corporation.

- (ix) 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.
- (x) 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).
- (xi) 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.
- (xii) 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, fire, flood, rioting, cyclone or any other natural or man made incident/incidents or calamities or due to any complaint in quality of paddy accepted. In the event of any shortage or misappropriation the miller is liable to pay the economic cost of the paddy/rice as on the day of happening of the circumstance along with interest @ 12% per annum on such cost for the period from the date of shortage till the date of recovery. In the event of any shortage occurring due to any accident or mishap, the reasons and circumstances of which were found by the Corporation to be beyond the control of the custom miller, the custom miller shall be liable to pay the cost of shortage of stock along with all expenses incurred by the Corporation and interest at such rate and for such period as may be directed by the Corporation.
- (xiii) Delivery of rice shall be on proper Delivery Certificate at the RRC\RRC-cum-DSC as per directions of 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.
- (xiv) 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. However no such deductions shall be made in the cases where the Custom Miller could not provide such labour services in the RRCs due to reasons and under the circumstances beyond his control.
- (xv) 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.
- (xvi) 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.

- (xvii) In case the custom miller supplies new gunny bags at his own cost, he shall stencil the following information in Green 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.

(xviii) Green Colour Coding for gunny bags for KMS-2011-12.

The following colour coding shall be followed for the gunny bags during KMS 2011-12. 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 “**Green**” colour: Stencil or Branding shall be in “**Green**” colour; Marking or Stitching on the mouth of the bag after filling the grain shall be done in “**Green**” colour. There shall be a single “**Blue**” stripe running along the length of the bag at the centre. The miller shall machine stitch a white Rixin slip /Canvas slip/Cloth slip along the mouth of each bag on the outer side bearing name of the Miller, Crop year, Code No., Net weight, Lot No., Category of Rice.

- (xix) 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.
- (xx) 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.
- (xxi) 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.
- (xxii) 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: 2011-12.
- (xxiii) 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-18 (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.
- (xxiv) 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.

- (xxv) 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.
- (xxvi) 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.
- (xxvii) 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.

- (xxviii) 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.
- (xxix) 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.
- (xxx) 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.
- (xxxi) The custom miller shall not subject, transfer or assign this contract or any part there of to anybody without prior approval of the Managing Director / District Manager in writing.
- (xxxii) 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.
- (xxxiii) 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.
- (xxxiv) The Corporation reserved 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-19 Delivery of CMR:

- i) The custom miller shall be duty bound to deliver CMR at Rice Receiving centres / FCI depot / CWC/OSWC godowns located within the district or outside the district as per the instructions issued by District Manager / OSCSC head office.
- ii) 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.
- iii) The delivery of CMR at RRC at a time shall be in a lot of 20MT/ 27MT or of any other size as intimated by Govt. / Corporation.
- iv) The Custom Miller can not 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.
- v) 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-20 Computerization:

- (i) 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.
- (ii) The payment to the millers shall be subject to the providing information as provided in para-i above.

Clause-21 Volume of Work:

The Corporation shall not guarantee any definite volume of work at any time or through out 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-22 Modalities of Payment:

- a. 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.
- b) The custom miller shall deposit copies of all Acceptance Note (Paddy & Rice) receipt along with the bill for claiming milling charges for payment.

- c) The custom miller shall deposit copies of all Released Orders (Paddy) stock from the Joint Custody and Maintenance along with the bill for claiming the charges on Joint Custody and Maintenance. The charges on this account shall be settled on delivery of entire CMR due for the KMS. Non-submission of said Released Orders will amount to withhold the charges.
- d) Deduction of Income tax at source and other statutory levies, as applicable will be made from the bills of the Custom Miller.
- e) The amount recoverable from the custom miller if not paid by him shall be recovered from his bills.
- f) 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.
- g) The payment towards gunny depreciation charges for use of old jute gunny bags towards packing and storage of paddy shall be made at the rate decided by the corporation. This payment shall be settled provided the miller has returned all the old jute bags to the farmers and the Purchase Officer has given a certificate in this effect.

Claus- 23 Guidelines for Decentralized Procurement Operation for the KMS-2011-12:

- 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 2011-12 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 – 24 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-25 Jurisdiction of Court:

- l) 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)
 (Name in capital letters)
 District Manager
 (Seal)

(Signature)
 (Name in capital letters)
 Custom Miller
 (Seal)

Witness

Witness

1.(Signature)
 (Name in capital letters)
 S/o.
 Address

1. (Signature)
 (Name in capital letters)
 S/o
 Address

2.

2.