

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

**AGREEMENT WITH PANI PANCHAYAT (PP) WITH THE ODISHA
STATE CIVIL SUPPLIES CORPORATION LTD FOR PROCUREMENT OF
PADDY DURING KHARIF MARKETING SEASON 2011-12.**

This deed of agreement is made on _____ day of _____
2011.

Between

M/s. Odisha State Civil Supplies Corporation represented through it's District
Manager, OSCSC Ltd, _____ District hereinafter called "The OSCSC
Ltd.", which expression shall mean and include where the context so admit it's
successors in office and assigns on **the first part**.

And

M/s. _____, PANI PANCHAYAT
represented through it's Authorized Person Sri/ _____
D/o / S/o. _____ At- _____, PO-
_____, P.S. _____, Dist- _____ hereinafter called
"PP" which expressions shall mean & include where the context so admits his successors
in office **on the second part**.

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

Clause-I-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.] having it's registered office at
Plot No. C/2, **Nayapalli** at Bhubaneswar-12, Dist-Khurda.

Authorised Person
PP

District Manager
OSCSC Ltd.

- (c) "District Manager" shall mean the District Manager of the Odisha State Civil Supplies Corporation of a concerned Revenue District in the State of Odisha.
- (d) "Collector" shall mean the Collector and District Magistrate of the Revenue district concerned in the State of Odisha.
- (e) "Managing Director" shall mean the Managing Director of the Odisha State Civil Supplies Corporation or any officer authorized by him in writing on his behalf for any specified work to take up on his behalf.
- (f) "PP" shall mean the PANI PANCHAYAT registered and authenticated as stipulated in the "Food & Procurement Policy" issued by the Govt. in F.S & C.W. Dept.
- (g) "Contract" shall mean this agreement and such general and special conditions as may be added to it by the Managing Director from time to time.
- (h) "Custom Miller" shall mean & include the person or persons, firm or company to whom the contract for milling of paddy & other ancillary works has been entrusted by the OSCSC Ltd.
- (i) "Godown" shall mean the godown of the Corporation or godown hired by the Corporation.
- (j) "Paddy Purchase Centre" shall mean the place where the PP shall purchase paddy on behalf of the OSCSC Ltd.
- (k) "Purchase Officer" shall mean an Officer designated by the District Manager of OSCSC Ltd. after due approval of District Collector to supervise the purchase of paddy.
- (l) "Authorized Officer" shall mean any Officer authorized by the Corporation / District Manager / Collector for specific purpose.
- (m) "Authorized Persons" shall mean the person duly authorized by all members of the Pani Panchayat and who can bind the pani panchayat for all the activities that may arise out of this agreement.
- (n) "Transport Contractor" shall mean a person, firm or company appointed by the Managing Director or the District Manager of the OSCSC Ltd. for transportation of paddy.
- (o) "Stock" shall mean the FAQ / URS paddy purchased from farmers.

- (p) "Paddy" shall mean the FAQ and URS paddy of Grade- A and Common variety as per specification prescribed by the Government of India.
- (q) "Food and Procurement Policy" shall mean the Food and Procurement Policy issued by Government of Odisha for the KMS 2011-12.
- (r) "CAP Storage" shall mean the Covered and Plinth storage of paddy.
- (s) "Guideline" shall mean the operational guidelines issued by the Corporation for procurement of paddy for the KMS 2011-12.

Clause-2 Objectives:

As per the para-4 of the Food and Procurement Policy, State Government Agencies namely Odisha State Civil Supplies Corporation Ltd (OSCSC) etc., will procure paddy directly from farmers or with help of PACS, WSHGs and Pani Panchayat, as per quality specifications laid down by the Government of India and in accordance with the guidelines issued by the FS&CW Department from time to time under the Decentralized Procurement Scheme for KMS 2011-12.

Clause-3 Duration of Contract:

The contract shall come into force with effect from the date of execution of this agreement and shall remain in force till 30.09.2012 or till reconciliation of paddy purchased and delivered to millers and settlement of accounts with the Corporation, whichever is later.

This agreement may be extended for further period as may be mutually agreed by the parties on the same terms and conditions or as per the direction of the Managing Director.

Clause-4 Target on Procurement

- (a) OSCSC Ltd. shall purchase paddy through Pani Panchayat in the Gram Panchayats where centres operated by PACS & OSCSC Ltd. are not in operation, as will be decided by the district Collector.
- (b) The Collector of the District shall allocate targets to the selected Pani Panchayat keeping in view the district wise target & their performance in last KMS.
- (c) PP shall procure paddy within the target as decided by the District Collector.

- (d) Considering the progress of procurement at PP, payment of MSP & maintenance of records and registers, the Collector of the district may modify the target assigned to PP at his level.

Clause-5 Responsibilities of the PP

(i) Specification of Paddy

- (a) PP shall purchase paddy confirming to the uniform specifications of paddy prescribed by the Govt. of India for KMS 2011-12 as detailed below.

Schedule of Specifications of FAQ paddy

Sl. No.	Refractions	Maximum Limit (%)
1	Foreign Matter (a) Inorganic (b) Organic	1.0 1.0
2	Damaged, discolored, sprouted and weevilled grains	4.0
3	Immature, Shrunken and Shrivelled grains	3.0
4	Admixture of lower class	7.0
5	Moisture content	17.0

- (b) The Corporation shall accept only FAQ paddy as specified by the Govt. of India. Under no circumstances the Corporation shall accept paddy below specifications.

(ii) Minimum Support Price

PP shall make the payment of cost of paddy confirming to the specifications as mentioned at (i) above at Minimum Support Price (MSP) & incentive bonus if any declared by Govt. of India from time to time. The following MSP for Fair Average Quality (FAQ) paddy have been fixed by Govt. of India for KMS 2011-12.

PADDY	MSP
Common	Rs.1080 Per Qtls.
Grade-A	Rs.1110 Per Qtls.

(iii) Procurement Operations at Purchase Centre

- (a) The PP shall purchase FAQ paddy from the genuine farmers preferably from small and marginal farmers. In no case the OSCSC Ltd. shall accept non-FAQ paddy purchased by the PP.

- (b) The PP shall operate purchase centers for purchase of paddy from small & marginal farmer at suitable places and on specified days only as per decision of the Collector of the district.
- (c) Paddy shall remain in the custody of the selected PP, till its delivery to the designated custom miller. Undelivered paddy shall be kept at PP on interim storage. The PP shall ensure the quality and quantity of paddy during interim storage. Corporation shall not allow any shortage during such interim storage.

(iv) Identification of Farmers

The PP shall purchase paddy from the genuine farmers on being identified with any one of the following documents.

- Kisan Credit Card.
- Land Pass Book.
- Record of Rights (RoR) i.e. Patta,
- Farmers Identity Card,
- Electors Photo Identity Card.

(v) 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 farmers' vehicle is the responsibility of the farmer & loading of paddy to the miller's vehicle shall be the responsibility of custom miller.
- (b) The mandi handling i.e heaping, re-bagging, weighment and temporary stacking shall be the responsibility of PP.
- (c) The PP shall make necessary arrangement of adequate manpower required for paddy procurement operation. The PP shall engage adequate labourers & labour contractors for weighment & other ancillary works on paddy procurement operation.
- (d) The PP shall make necessary arrangement of adequate infrastructure such as tarpaulin, polythene sheets, weighing scales, moisture meter, analysis kit, mini grader etc. for weighment & quality analysis of paddy brought by the farmers. The PP shall make the quality analysis & weighment of paddy stocks at purchase center in presence of farmer.

- (e) The PP shall make necessary arrangement for interim storage of paddy at least for 03 days with watch & ward facility. The custom miller shall lift a minimum 40 Qtls./100 bags of paddy which could be transported in a mini Truck as will be directed by the District Manager.
- (f) Mandi handling charges shall be paid proportionately to the 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.
- (g) PP shall ensure that old gunny bags of the farmers are returned to the farmers and paddy is lifted in the gunny bags of the custom miller.
- (h) The PP and custom millers shall furnish certificate in the prescribed format to the District Manager for payment of mandi labour charges.

(vi) Payment of MSP to Farmers

- (a) The PP shall purchases paddy from the farmers on payment of MSP, at the prescribed rates as mentioned at Clause-'ii' above. Payment is to be made through account payee cheque indicating the full name and Account number of the farmer or through online Bank transfer mentioning the account number of farmer.
- (b) The payment of total cost of paddy to the farmer shall be made by the PP on the spot or preferably within 3 days but not later than 7 days in any case.
- (c) **The PP shall make payment to the farmers out of their own funds for the purchase of paddy from the farmers within the specified period as at Para-(a) above and there shall not be any credit purchase of paddy.**
- (d) **The cost of paddy shall be reimbursed by the District Manager on receipt of information from PP indicating the following information along with copies of executed acceptance note of paddy.**

Sl. No.	Name of the Farmer	S/o / D/o / W/o	Village	Identity Proof Document	Identity proof No.	Date of paddy purchase	Paddy purchased in Quintal	Cheque No.	Date	Amount in Rs.	Farmer's Bank Account Number.

Authorised Person
PP

District Manager
OSCSC Ltd.

- (e) The PP shall be responsible for any delay in payment or deviation in mode of payment. In case of delay in payment of MSP to farmers due to unavoidable circumstances the same shall be recorded by the Authorised Person of the PP in the purchase register and PP shall inform the matter to the District Manager immediately.
- (f) The PP shall maintain the acknowledgement of receipt of cheques by the farmers in the Cheque Issue Register for periodical checking & future reference.
- (g) The PP shall not make any credit purchase of paddy and shall procure within the target assigned by the District Collector. OSCSC shall not be responsible for any credit purchase and PP has to bear the entire responsibility for such credit purchase.
- (h) The PP shall ensure that the cheques are honored expeditiously by the Banks and farmers benefit from the system of payment through cheques.
- (i) It is the responsibility of PP to make payment of MSP to the farmers on the paddy purchased at the centre run through them. In case of any complaint on payment of MSP to the farmer, the same shall be the exclusive responsibility of PP & the OSCSC Ltd. shall not be responsible for such payment.

VII Maintenance of Records & Registers

- (i) The PP shall maintain proper accounts on purchase of FAQ/ URS paddy from farmers. For this purpose, following registers/ records etc. as supplied by OSCSC Ltd. are to be maintained.
 - 1) Token Slip
 - 2) Quality Test Report
 - 3) Vendor Receipt
 - 4) Transit Pass
 - 5) Paddy Acceptance Note
 - 6) Paddy Stock Register
 - 7) Paddy Despatch Register
 - 8) Millers Control Register
 - 9) Cash Book.
 - 10) Cheque Issue Register.

- 11) Paddy Purchase Register (two set).
 - 12) Paddy Rejection Register
- (ii) The PP shall make quality checking of FAQ / URS paddy purchased from farmers and records are maintained on such quality analysis in the vender receipt.
 - (iii) The PP shall issue vender receipts supplied by the OSCSC Ltd. to the farmers on purchase of FAQ paddy.
 - (iv) The PP shall obtain acknowledgement of the farmers on receipt of cheques in the cheque issue register for periodical checking & future reference.
 - (v) The PP shall make proper entry of the paddy purchased in the purchase register. Two such registers shall be maintained by the PPs for use alternatively to facilitate in sending one register to the place of computerization for necessary entry.
 - (vi) The PP shall maintain separate cash book for procurement operation, which can be verified by the authorities of OSCSC Ltd. as & when required.
 - (vii) The PP shall give the following certificates on the Acceptance Note of paddy issued for delivery of paddy to custom millers by the selected PP.
 - (1) Old jute gunny bags for packing of paddy is supplied by the miller.
 - (2) Handling operations, except unloading of paddy from the farmer's vehicle & loading to the vehicle of the miller, have been carried by the PP.
 - (3) Transportation of paddy is done by the millerTransportation of paddy to the mill point & supply of bags for packing of paddy is the responsibility of custom miller.
 - (viii) **The PP shall issue Acceptance Note in duplicate to the custom miller on the day of delivery of paddy. One copy of Acceptance note for use by the concerned custom miller and the other for use of Authorised Officer looking after custody & maintenance of paddy at custom millers point.**
 - (ix) The registers & documents relating to the purchase of paddy can be inspected by the Officer of the OSCSC Ltd. or Officers of the Government or Officers of the concerned district as & when required.

viii) Publicity

- a) The PP shall make adequate publicity through its members about purchase of paddy, the day & timing of procurement operation & area tagged to PP.
- b) The PP shall display the 'MSP' & "Quality specification of paddy" at the purchase centre.

ix) Submission of Report & Returns.

- (a) The PP shall submit information on procurement of paddy to the District Manager.
- (b) PP shall submit information indicating the name of the farmers, quantity of paddy purchased, cheque number, amount and date of payment thereof etc. as specified at para-(vi) above, along with copies of executed acceptance note of paddy for reimbursement by the District Manager. .
- (c) The PP shall maintain the records/registers & documents on paddy procurement operation as prescribed by the Corporation & the some shall be preserved by PP for future reference & for the purpose of audit.
- (d) The PP shall submit the purchase register at the office of the District Manager for computerization of farmer's data.**
- (e) The PP shall submit executed copies of Acceptance Notes to the District Manager alongwith purchase details as per the format given at Clause 5(vi)(d). The authorized officer of PP, miller or his representative shall sign the Acceptance Note.

x) Flow of Funds

- (a) The PP shall make payment to the farmers out of their own funds for the purchase of paddy from the farmers within the specified period and there shall not be any credit purchase.
- (b) Information indicating the name of the farmers, village/GP, quantity of paddy purchased, cheque number, amount and date of payment thereof along with copies of executed acceptance note of paddy shall be submitted by the PP to the District Manager as prescribed at Clause 5(vi)(d). The Corporation shall reimburse the cost on reconciliation.
- (c) Similarly claims on mandi handling operations and commission on paddy purchase shall be submitted by the PP to the District Manager and on receipt of same, the amount in this regard shall be released to the PP within a reasonable period by the District Manager.

Clause-6 Responsibilities of the Corporation

i) Training & Monitoring

- (a) The District Manager shall arrange awareness-cum-training programme among the selected PP to make them familiar with the quality specification, various stage of paddy procurement operation, maintenance of records & payment of MSP.
- (b) The District Manager/any Authorized Officer, can verify the records & registers maintained by the PP as and when required by him.
- (c) On intimation of delay in payment of MSP or deviation in mode of payment to farmers due to unavoidable circumstances by the PP, the same shall be verified by the District Manager or any authorized officer.
- (d) VAT and RMC fees on paddy purchased shall be paid by the Corporation.
- (e) The selected PP shall be appointed for procurement operation on behalf of the Corporation.
- (f) The District Manager shall provide the prescribed registers & records for use in paddy procurement operation by the PP.
- (g) The cost of paddy shall be reimbursed by the District Manager on receipt of information from PP indicating the name of the farmers, quantity of paddy purchased, cheque number, amount and date of payment thereof along with copies of executed acceptance note of paddy.
- (h) The District Manager shall reconcile on the paddy purchase by each PP basing on the Acceptance Note issued to the custom millers and the record maintained by the custom millers / mill in-charge for joint custody and maintenance of paddy.

ii) Payment of Commission, Mandi Labour Charges etc.

- (a) The Corporation shall pay the Commission to the PP on the actual quantity of paddy purchased by the PP as per the economic costing of Government of India under the head "Commission to Society" for the KMS 2011-12 prescribed under decentralised paddy procurement scheme.
- (b) Proportionate Mandi Labour charges as decided by OSCSC for the KMS 2011-12 will be paid by the OSCSC Ltd. to the PP for the operations carried out by them.

- (c) Payment of Commission, Mandi Labour charges shall be made by the District Manager to the PP, basing on the paddy received from PP. The claims shall be settled preferably on monthly basis. The District Manager shall release payment on receipt of claim, subject to reconciliation of paddy accounts and receipt of information from PP in the manner and procedure indicated at Clause 5(vi)(d).
- (d) The payment of Commission & mandi handling charges shall be made, subject to deduction of Income Tax and other statutory dues at source.

Clause-7 Penalty

In case of delivery of paddy without issuance of A/c notes or non-delivery of paddy purchased or non-reconciliation of paddy, the economic cost of said quantity of paddy shall not be reimbursed by the OSCSC Ltd.

Clause-8 SAVINGS

- (i) It is mutually agreed by the parties that in any exigency not visualized or not covered in this agreement shall be mutually sorted out by the parties by modifying the agreement to that extent.
- (ii) During course of procurement MD, OSCSC Ltd., shall be competent authority to issue any clarification or further instructions with regards to paddy procurement operation by PP. All the parties to this agreement shall abide by such instructions.
- (iii) The District Manager, OSCSC Ltd., reserves the right to terminate this agreement unilaterally in the event of notice of any irregularity in paddy procurement by the PP on payment of MSP in shape of account payee cheque/online transfer, non-payment within specified time, non-maintenance of prescribed records, non-submission of paddy purchase register for computerization or for any other reason which will be detrimental to the paddy procurement operation.

Clause-9 Operational Guidelines, KMS 2011-12

The conditions stipulated in the operational guidelines for Kharif Marketing Season (KMS) 2011-12 shall form a part of this agreement.

Clause-10 Arbitration:

It has been mutually agreed by the parties that in the event of any dispute covering or arising out of this contract / agreement the same shall be referred to Arbitrator. The Commissioner-cum-Secretary, F.S. & C.W. Department shall act as Arbitrator for

adjudication and decision on the disputes. The decision / award of the Arbitrator shall be final and binding on both the parties.

This agreement is made in two copies, one copy to be retained by each party.

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

**Signature of the
Authorised Person
PP**

**(Name in Capital
Letters)**

**Name of the PP
Address _____
_____**

(Seal)

Witness

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

Address

2.

**(Signature)
(Name in capital letters)**

District Manager,

OSCSC Ltd.

-----District

(Seal)

Witness

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

Address

2.