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## ODISHA STATE CIVIL SUPPLIES CORPORATION LTD

(A Govt. of Odisha Undertaking)

REGISTERED OFFICE: C/2, NAYAPALLI, BHUBANESWAR- 751012

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File No. OSCSC /Gunny /01/20-21

No. 3734

Dt. 08.03.21.

To

**All Chief CSO/CSO-cum-District Managers,**  
OSCSC Ltd.

Sub:- Permission for use of once used gunny bags for procurement of rice in view of the short supply of jute bags by Jute Mills in KMS 2020-21.

Sir,

I am to say that necessary permission was sought from Govt. of India, DFPD regarding approval for utilization of once used gunny bags for packing of CMR due to short supply of new gunny bags by Jute Mills.

2. Accordingly Govt. of India vide letter no..15-28/2020 Py-III (E-373370) dt.11.02.2021 has accorded approval for use of once used gunny bags for packing of rice in KMS 2020-21 for delivery to central pool till the approved milling period for the crop season.

3. This approval is subject to the following terms and conditions:-

- i. Procurement of such used gunny bags should be sourced through Open Tendering Enquiry/GeM procurement from PDS dealers/ millers or any other registered agency and as per standard practice being followed by State Govt. Only sound Jute gunny bags, preferably released from PDS, without any cut or tear or major repair, shall be used.
- ii. Rice may be filled after reversing the bags and proper stenciling may be done as per the prescribed **colour code**.
- iii. Stenciling on the bags shall clearly carry an additional mark of "**Used bag allowed for KMS 2020-21**".
- iv. Colour of the stenciling to be done by rice Millers/procuring agency delivering rice in used bags shall be **Red** for easy identification.
- v. Such bags may be utilized on priority for delivery of rice for consumption within the State.
- vi. The State Agencies shall ensure to maintain separate stack identity for the rice delivered in used gunny bags.
- vii. Proper account shall be maintained for rice delivered in such bags and monthly report regarding use of used bags would be given to FCI during the time period in which such bags are used.
- viii. Separate claim regarding use of such bags would be submitted at the time of claiming food subsidy along with the copies of reports sent to FCI.

- ix. An undertaking would be submitted by State Government to the extent that the used gunnies are made of jute of Indian origin and made in India.
- x. In case of any deterioration in quality of rice and resultant loss will not be responsibility of the Govt. of India and financial implication arising out of this, will not be borne by the Govt. of India.
- xi. Proper accounting of used bags being utilized for supply of rice along with their costings, payment receipts, work orders etc, is to be maintained by the millers along with State Govt. Agencies for verification / accounting purpose at the time of finalization & Audit etc.
- xii. As these bags would be of good quality/once used and therefore must be used for paddy procurement also.
4. The rate of such bags would be Rs.22/ bag or lower rates (Inclusive of GST etc) with the conditions that any differential amount to be paid or to be recovered from the State Govt based on the actual rates incurred by them for purchase of these old bags, will be settled at the time of finalization based on documentary evidences & audited accounts to be submitted by the State Govt. For the rice delivered or distributed in central pool, FCI/DFPD will reimburse the cost incurred as per the PCS rate. In the finalization stage of account settlement, the FOOD Secretary shall provide the certificate along with summary of actual expenditure and adjustment of the payable amount will be made accordingly. State Govt./Procuring Agency must keep the record of procurement of used bags, like work orders for the supply of used bags and payment vouchers based on which the certification is made so that statutory auditors can conduct detailed audit and the report be submitted at the finalization stage.
5. The Chief CSO/CSO-cum-District Managers are requested to distribute the gunnies available with them among millers strictly in proportion to the quantity of rice to be delivered by the millers. The new gunny bales supplied by the Jute Commissioner in the current KMS 2020-21 are to be received smoothly by all the districts. Use of once used gunny bags may be taken up after exhausting stock of new gunny bales. Officials at the RRC should also be instructed to ensure that CMR is received in sound jute bags conforming to the conditions as mentioned above.

Yours faithfully,

*Md-*  
8.3.21

Managing Director

Memo No. 3735 Dt 08-03-21.

Copy to CGM(F) / GM(Procurement)/ GM(PDS)/GM (Accts) of OSCSC Ltd.,  
Bhubaneswar for information.

*Md-*  
8.3.21

Managing Director