



**DIRECTORATE OF HORTICULTURE  
KRUSHI BHAWAN, ODISHA, BHUBANESWAR  
GOVT. OF ODISHA**

No-DHO-SECII-MISC-0028-2022

3105

/ Dated 15-03-2023

**EXPRESSION OF INTEREST**

The Director of Horticulture -cum- Ex- Officio Addl. Secretary to Govt. invites Expression of Interest in sealed cover from interested Stakeholders for Oil Palm Cultivation in Odisha. The sealed Application along with Bid declaration should be submitted to this Directorate on or before **29.03.2023 by 5 P.M.** The sealed envelope should be superscribed with "Application for Oil Palm cultivation in Revenue District (Name of The District) of Odisha" and subscribed the contact details with Email id, Mobile Number etc. The details of EOI is available in the website: [www.odihort.nic.in](http://www.odihort.nic.in)

**Director of Horticulture-cum-  
Ex-Officio Addl. Secretary to Govt.,  
Odisha, Bhubaneswar**

# Expression of Interest from the Stakeholders for Oil palm Cultivation in Odisha

## 1. Objectives:

The objective of this Expression of Interest is to engage stakeholders to promote and facilitate the farmers of Odisha for Oil palm cultivation with buyback policy and establish an extraction unit of at least 2.5 MT capacity in the allotted revenue districts within four years from the date of signing MoU.

## 2. Role of MoU signed Stakeholders

- i. Assist field level Govt. employees for Selection of Beneficiaries.
- ii. Coordinate with DDH/ ADH/ AHO and Farmers in executing each component of the scheme.
- iii. Facilitate the quality Oil Palm sapling to the Beneficiaries.
- iv. Assist Beneficiaries in layout of Plantation and timely technical guidance/ training.
- v. Ensure application of Nutrition/ Fertigation, Irrigation and Plant Protection measures.
- vi. Collect FFBs from the Beneficiaries' field immediately after harvest and timely payment as per MSP fixed by Government of Odisha.
- vii. Facilitate the beneficiaries for crop Insurance.
- viii. Conduct awareness program /Publicity for Oil Palm Cultivation.
- ix. Facilitate the training of farmers for Oil Palm Cultivation through exposure visit
- x. Implementation of other activities as and when required or instructions of Government of Odisha
- xi. Establishment of Extraction Unit within the allotted Districts.
- xii. Submit their Oil Palm area expansion target and component wise AAP to the state for its inclusion in the AAP of the state (Duly approved by SLSC). The Company will be allowed to involve in raising and handholding existing nurseries (nursery raised by FPO/FPCs/SHGs), seed garden establishment, supply of planting materials, maintenance and Inter cropping during gestation period, installation of drip irrigation, water harvesting structure, harvester group management, setting up of oil palm processing mills, capacity building of farmers, officer, input dealers, factory workers & project management units as per the target of NMEO-OP. The State may extend financial assistance to Processors mainly for components of Seed Garden, Nursery, Planting Materials, Maintenances and Intercropping during gestation period and PME

## 3. Roles in regard to setting up of Oil Palm nursery.

- I. The Director will allow only Farmers association, cooperatives, NGOs, Self Help Groups (Hereinafter referred to as SHGs), Private Companies to avail the facilities/subsidy of NMEO-OP to raise Oil Palm nursery.
- II. The Director will not provide any land or any additional facilities to raise nursery to the FPO/FPCs beyond the provision of NMEO-OP scheme fixed by the GOI.

- III. However, the company can setup their own Oil Palm nursery/Seed Garden of their own at their own cost.
- IV. The Director desires the company to handhold the existing/upcoming nurseries providing them quality seeds, technical guidance etc. and also to help in marketing /selling the oil palm seedlings in their allotted zone/s. The company must come to an agreement with the oil palm nursery owner (FPC/FPO/SHG) and will strictly comply with the agreement for win-win situation of both the parties
- V. The company must ensure that the quality of seeds for oil palm nursery is certified and authenticated by IOPR-ICAR.
- VI. The company must ensure the vigilance of the Post Entry Quarantine Inspection, whenever required, to the existing nurseries (with whom they came into an agreement) as per regulation of the Central Government & Directorate of Plant Protection, Quarantine & Storage.

**4. Roles regarding development and extension of Oil Palm cultivation in the state.**

- a. The company will evaluate the potentiality of the allotted districts for oil palm cultivation in close coordination with the concerned DDHs/ADHs and the nominated officer/team of officers of the concerned districts.
- b. The company shall ensure that no deforestation or animal hazard happens while cultivation of oil palm in their allotted areas,
- c. The company will check and evaluate each and every farmer's field as submitted by the district office for essential requisites like soil type & quality, water level, nutrient status etc. to assess the suitability of land for oil palm cultivation.
- d. However, the company can ask for Soil testing fee from the farmer as per GOI rate, if the farmer don't have Soil Health Card. The Director will not take any responsibility in this matter.
- e. The company will train, educate and motivate the farmers for Oil Palm cultivation and share any new scientific technology released by IOPR-ICAR. The company must ensure that any kind of technical training and guidance to the farmers must have validation of IOPR-ICAR.
- f. The company shall organize campaigns and meetings to motivate and train the farmers to bring targeted area under oil palm cultivation.
- g. The company will supply the seedlings to their farmers only through their allotted nurseries only or as agreed with the existing nurseries raised by the FPO/FPC/SHG. The price of the seedlings shall be as per the new price policy of GOI.
- h. The company shall carry out activities as per the directives issued by the Director. The detail of extension activities to carry out including staffing pattern shall be submitted to the Director for consideration without any financial liabilities from the Director for these staff.
- i. The company shall facilitate the oil palm farmers in the allotted area of cultivation to avail credit facilities from commercial banks/NABARD/Co-operative banks/any other financial institutions

**5. Expression of Interest:**

Director of Horticulture-cum-Ex-Officio, Additional Secretary, Govt. of Odisha invites applications from the eligible Stakeholders for Oil Palm cultivation in Odisha for the Districts such as Cuttack, Dhenkanal, Jajpur, Sundargarh, Angul, Bolangir, Kalahandi, Kandhamal, Keonjhar, Malkangiri and Sambalpur. The Stakeholders shall submit one application for one district.

**6. Eligible Criteria:**

- a) The Stakeholders must have registered under Indian Companies Act 2013.
- b) The Stakeholders must have GSTIN.
- c) The Stakeholders must have valid PAN No.

**7. Preference:**

The preference will be given for selection as per following criteria.

- i. The Stakeholder involved in Oil Palm / Edible Oil Cultivation in any state of India.
- ii. The Stakeholder involved in any Agriculture or Horticultural crop Cultivation in Odisha.
- iii. The Stakeholders should have turnover of INR150 crore in last financial year
- iv. The Stake holders having Oil palm Extraction Unit in India.
- v. Stakeholders having interest to establish edible oil factory in Odisha.
- vi. Stakeholders having preference to recruit staffs from Odisha.

**8. Application Preparation Cost:**

The applicant shall be responsible for all costs associated with the preparation of its application and its participation in the qualification process. This Directorate will neither be responsible nor in any way liable for such costs, regardless of the conduct or outcome of the qualification process.

**9. Submission of Project proposal /Application:**

The interested parties are requested to submit their interest in the form of project proposals as per following manner.

- i. The project proposals should be written in English.
- ii. The copy of the supporting document of above eligible criteria must be included.
- iii. The Director reserves rights to reject in application / proposal at any time without any intimation.
- iv. The Director will neither be responsible nor liable for any overhead cost while preparing the project proposal or application.
- v. The project proposals / application must be prepared as per the points indicated along with all supporting documents under eligibility criteria and Preferences.
  - a. About the Stakeholders
  - b. Primary business of Stakeholders
  - c. Experience in Primary business

- d. Experience in Agricultural /Horticultural Business in Odisha
- e. Experience in Oil palm / Edible Oil Cultivation in any state (Copy of the MoU)
- f. Experience in Oil palm / Edible Oil Cultivation in Odisha
- g. Numbers of State involved with Agricultural /Horticultural Business (Copy of the Work order of respective State)
- h. Introduction.
- i. Objectives
- j. About the applied revenue districts.
- k. Climatic Conditions.& Soil type
- l. Feasibility for Oil Palm Cultivation.
- m. Potentiality for Oil Palm Cultivation
- n. Target Area to be covered during five year
- o. Company strategy for Oil palm Cultivation.
- p. Provision of Irrigation facility to Oil Palm Grower
- q. Provision of facilities to the Oil palm Beneficiaries by the stakeholders.
- r. Staff recruitment policy.
- s. Buy back policy from farmers land.
- t. Strategy for establishment of Oil Palm factory
- u. Strategy for establishment of Oil Palm Seed garden.

#### 10. Conclusion

- a) The project proposal must be submitted in a sealed cover.
- b) The sealed cover must be entitled as “**Application for Oil Palm Cultivation in Odisha for the districts.....**”.
- c) The interested parties must have written the contact details such as Name of the Contact person with designation, Mobile Number and E-mail ID in the body of the sealed cover.

#### 11. Application Cost:

The Interested stakeholders should submit a Bank draft for Rs.11800/- including GST (non-refundable) as application fee in favour of Director of Horticulture payable at Bhubaneswar.

#### 12. Bid Declaration:

- a. The interested party has to submit their proposal in sealed cover along with **Bid Security declaration** with stipulation “**that if I withdraw and modify/ deviate the term & conditions during period of validity etc., I will be suspended for a period of three years**” is to be attached with the EoI.
- b. The Selected Stakeholders have to submit the bank guarantee amounting Rs.50.00 Lakh for Oil palm Cultivation till end of the Scheme and additional Rs.50.00 Lakh for establishment of Extraction unit in the allotted Districts.

#### 13. Last date of Submission:

- a) The last date of submission of the application is **29.03.2023 by 5.00 PM.**
- b) The EOI will be opened on **30.03.2023**
- c) The selected companies shall be called for PPT for 10 min.
- d) The PPT must contain the features as mentioned in the Project proposal.

#### 14. Scrutiny of application:

A Screening Committee will be formed for the scrutiny of applications received from different companies under the Chairmanship of Director of Horticulture-cum-Ex-Officio Addl. Secretary.

**15. Allotment of Districts to eligible Oil Palm Company:**

An Approval Committee will be formed for allotment of different districts to different qualified oil palm companies in the state of Odisha under the chairmanship of The Principal Secretary, DA & FE.

**16. Signing of MoU:**

The eligible Oil Palm companies will execute MoU with the Director of Horticulture-cum-Ex-Officio Addl. Secretary to Govt. on allotment of different districts in favour of them following approval of the approval committee. The Director of Horticulture-cum-Ex-Officio Addl. Secretary to Govt. reserves rights to reject the application or cancel / modify the MoU at any point of time. The draft MoU is given in Annexure-A for reference.

~~Director of Horticulture~~<sup>23</sup>  
-cum-Ex-Officio Addl. Secretary

**DRAFT MEMORANDUM OF UNDERSTANDING**

This Memorandum of understanding (MoU) made at Bhubaneswar on the ..... day of ..... Two Thousand .....

**BETWEEN**

The State of Odisha represented through the Director of Horticulture-cum-Ex-Officio, Additional Secretary, Department of Agriculture and Farmers' Empowerment, Government of Odisha, Bhubaneswar having its office at Krushi Bhawan, Bhubaneswar, hereinafter referred to as "THE STATE" (which expression shall unless repugnant to the context and meaning thereof be deemed to include its successors and permitted assigns) of the FIRST PARTY.

**AND**

M/s ..... a company registered under companies Act 1956/2013, having its registered office at ..... hereinafter referred to as "THE COMPANY", (which expression shall unless repugnant to the context and meaning thereof be deemed to include its successors and permitted assigns) of the SECOND PARTY.

WHEREAS the FIRST PARTY desires for area expansion under Oil Palm Cultivation in the state of Odisha to benefit the community while meeting edible oil requirement of the state and the country as well. The individual farmers taking up such cultivation should be able to sell their product at the price fixed by TMO&P division, GOVT of India or the STATE to the Palm Oil Mills in the State of Odisha. This would mean ensuring assured markets for the Oil Palm farmers.

WHEREAS the FIRST PARTY with a view to encourage the farmers for a better earning, intends to promote Oil Palm cultivation in the State of Odisha while simultaneously taking steps for the establishment of Palm Oil Mill for ensuring an assured market to the Oil Palm farmers of the State of Odisha.

WHEREAS both the FIRST PARTY and the SECOND PARTY intend to promote Oil Palm cultivation & Processing facilities within the State of Odisha. WHEREAS to implement the project successfully and comply with directions of the State Government from time to time, the parties hereto are desirous of recording their understanding on the matter, on the terms set out here under: -

**1. Roles and responsibilities of the FIRST PARTY: -**

- I. Allot ..... Revenue districts hereinafter called "Factory Zone" in favour of the SECOND PARTY for undertaking Oil Palm Plantation / Processing. The factory shall be set up within the factory zone.
- II. Shall take appropriate steps for setting up of new Oil Palm Seed Garden under NMEO-OP as per the provision of the guideline issued by the Government of India by FPOs, Cooperatives, ICAR and Processors, Non-Government Organizations and start-up Companies etc through the State Govt.
- III. Shall take appropriate steps for raising Oil Palm Seed Nurseries by Farmers association, cooperatives, NGOs, Self Help Groups (Hereinafter referred to as SHGs); ..... Private Companies etc through State Govt.

- IV. Shall take all possible steps for improving productivity of FBB, increasing drip irrigation coverage under oil palm, diversification of area from low yielding cereal crops to oil palm; inter cropping during gestation period of 4 years to provide economic returns to farmers when there is no production.
- V. Shall involve processors/ associations as per tripartite agreement for the implementation of oil palm scheme in the State.
- VI. Shall develop a mechanism for involvement of PRIs in formulation, prioritization of activities & identification of beneficiaries and ensure involvement of NGOs, SHGs and private companies for selection of beneficiaries for oil palm plantation, identification and mapping of priority areas, capacity building of PRI officials, implementation of local initiatives in the identified districts, liaising with processors, state officials and SAUs, involvement of NGOs/ SHGs/ private companies and members of district level officers from cooperative.
- VII. Shall develop a state level monitoring team (SALMOT) involving Directorate of Horticulture, scientists of ICAR/ OUAT at state level and Project Management Team (PMT) at district level for monitoring, reporting and evaluation of implementation of the scheme in the state.
- VIII. Shall develop website, information technology tools in collaboration with NIC for monitoring, evaluation and reporting the progress of implementation of scheme in the state.
- IX. Shall ensure procurement of FFB by Oil palm companies as per price fixed by the Viability Price Fixation Committee of GOI.
- X. Shall extend financial assistance to Oil Palm Growers as per the guideline of GOI under the Centrally Sponsored Scheme "NMEO-Oil Palm".
- XI. Shall allot the area of operation/ district to other companies or agencies; if otherwise felt that the COMPANY shows lower performance according to the programme fixed by Govt. of Odisha both for new plantation and plantation under maintenance to protect the interest of the farmers in the state.
- XII. Alternative arrangement for procurement may be allowed by the state to protect the interest of the farmers in future, if the production of Oil Palm FFBs in the factory zone grows beyond the capacity of the factory or in case there is inability on the part of the factory to procure Oil Palm FFBs from the farmers of Factory Zone.

## **2. Roles and Responsibilities of the SECOND PARTY: -**

- I. The SECOND PARTY will handhold the existing/upcoming nurseries providing them quality seeds, technical guidance etc. and also to help in marketing /selling the oil palm seedlings in their allotted zone/s. The company must come to an agreement with the oil palm nursery owner (FPC/FPO/SHG) and will strictly comply with the agreement for win-win situation of both the parties.



- II. Shall establish Oil Palm Nurseries of their own for providing adequate quantity of quality planting materials to the Oil Palm growers at the cost fixed by the State Govt. from time to time, as per the AAP for the districts allotted to the company irrespective of nurseries raised by any other entities in the state under the Scheme.
- III. However, the SECOND PARTY can setup their own Oil Palm nursery/Seed Garden of their own at their own cost.
- IV. Ensure that the quality of seeds for oil palm nursery is certified and authenticated by IIOPR-ICAR.
- V. Ensure the vigilance of the Post Entry Quarantine Inspection, whenever required, to the existing nurseries (with whom they came into an agreement) as per regulation of the Central Government & Directorate of Plant Protection, Quarantine & Storage.
- VI. Have its own extension set-up for area expansion programme, nursery development and distribution of planting material etc.
- VII. Facilitate the Oil Palm growers in the Factory Zone to avail credit facilities from commercial banks /NABARD/Co-operative Banks/Societies etc.
- VIII. Take up distribution of fertilizers & agrochemicals required for Oil Palm cultivation, if necessary, to the farmers in the Factory Zone in coordination with District Officials.
- IX. Provide technical guidance to Oil Palm growers in the Factory zone for raising Oil Palm plantations, recommended package of practices for optimum yield and ensure timely availability of inputs.
- X. Set up a Palm Oil processing plant (factory) within the factory zone whose capacity should not be less than 2.5 MT crushing per hour. The COMPANY shall be fully responsible for setting up of the factory with all infrastructural facilities and its future expansion, acquisition of land for the factory and obtaining necessary 'No-objection Clearances' from various agencies concerned such as Pollution Control Board, etc, shall be the exclusive responsibility of THE COMPANY. However, THE STATE shall render and extend all necessary assistance and help as may be required enabling THE COMPANY to obtain permission and license.
- XI. Change of name of the License of company/ Transfer of ownership of the company after entering in to MOU with the director of Horticulture, needs prior permission from Govt. of Odisha. The occupier of the Factory/ Liscence of the factory Zone shall pay a transfer fee of 100000/- (Rs One Lakh only) which is non-refundable and failure to comply with this clause leads to forfeiture of EMD and cancellation of Factory Zone.
- XII. Submit their Oil Palm area expansion target and component wise AAP to the state for its inclusion in the AAP of the state (Duly approved by SLSC). The Company will be allowed to involve in raising and handholding existing nurseries (nursery raised by FPO/FPCs/SHGs), seed garden establishment, supply of planting materials, maintenance and Inter cropping during gestation period, installation of drip irrigation, water harvesting structure, harvester group management, setting up of oil palm

processing mills, capacity building of farmers, officer, input dealers, factory workers & project management units as per the target of NMEO-OP. The State may extend financial assistance to Processors mainly for components of Seed Garden, Nursery, Planting Materials, Maintenances and Intercropping during gestation period and PME.

- XIII.** Evaluate the potentiality of the allotted districts for oil palm cultivation in close coordination with the concerned DDHs/ADHs and the nominated officer/team of officers of the concerned districts.
- XIV.** Ensure that no deforestation or animal hazard happens while cultivation of oil palm in their allotted areas.
- XV.** Check and evaluate each and every farmer's field as submitted by the district office for essential requisites like soil type & quality, water level, nutrient status etc. to assess the suitability of land for oil palm cultivation.
- XVI.** However, the SECOND PARTY can ask for Soil testing fee from the farmer as per GOI rate, if the farmer don't have Soil Health Card. The Director will not take any responsibility in this matter.
- XVII.** The SECOND PARTY will train, educate and motivate the farmers for Oil Palm cultivation and share any new scientific technology released by IOPR- ICAR. The company must ensure that any kind of technical training and guidance to the farmers must have validation of IOPR-ICAR.
- XVIII.** Organize campaigns and meetings to motivate and train the farmers to bring targeted area under oil palm cultivation in close coordination with district officials.
- XIX.** Supply the seedlings to their farmers only through their allotted nurseries or as agreed with the existing nurseries raised by the FPO/FPC/SHG. The price of the seedlings shall be as per the new price policy of GOI.
- XX.** Carry out activities as per the directives issued by the Director. The detail of extension activities to carry out including staffing pattern shall be submitted to the Director for consideration without any financial liabilities from the Director for these staff.
- XXI.** Commence extension activities immediately and shall promote a minimum of 2500hectares of Oil Palm plantation in the next 4-5 years in the 'Factory Zone' within the State of Odisha.
- XXII.** Fresh Fruit Bunches (FFBs) shall be purchased from the farmers by the SECOND PARTY in their areas of cultivation at an aggregation point having road communication for vehicles at the price fixed by the GOI. For this the COMPANY shall execute MoU with the farmers for procurements of FFB's.
- XXIII.** Arrange to open and operate adequate collection centres for procurement of FFBs, within a radius of 10-15 Km. From the cultivated area, arrange transportation to the factory, properly weighed by any Digital weighing machine duly certified by Weights & Measure Department. The farmers may construct their own Aggregation Centres in a locality and may rent to THE COMPANY. In any case THE COMPANY shall

make payment within 15 days from the day of collection of FFBS to the farmers at the price as fixed by TMO&P division, Govt. of India or the STATE to the Palm Oil Mills in the State of Odisha.

- XXIV.** Abide the provisions of Acts & Rules in force and to be enforced, if any, in future, relating to Oil Palm Plantation & Processing in the Factory Zone, it will also be abide by the guidelines issued and to be issued in future by the Govt. of Odisha from time to time.
- XXV.** They shall have exclusive right to carry on Oil Palm Plantations developing activities, set up processing unit (factory) and procure FFBS from the Oil Palm growers in the factory zone subject to conditions mentioned in the Para following.
- XXVI.** Security amount of Rupees Fifty Lakh to be deposited in shape of Bank Guarantee from scheduled Commercial Bank to be pledged in favour of the STATE within a fortnight of signing this agreement which shall remain in force till the COMPANY is continuing its Oil Palm Development Programme in ..... districts.
- XXVII.** Also pledge to the tune of Rupees Fifty Lakh in shape of the Bank Guarantee in favour of the STATE as additional firm assurance within a fortnight of signing this Memorandum of Understanding till commissioning factory, if the same is done within four years of signing this MoU.
- XXVIII.** They shall abide by and accept the recommendation of Price Fixation Committee of GOI for FFBS as per new guidelines of NMEO- OP 2021-22 and/ or amendments made from time to time.
- XXIX.** Shall be responsible for area expansion through new plantation as well as gap filling in case of mortality within 3 years.
- XXX.** Should open its Regional Office within the Factory Zone within the State.
- XXXI.** Must engage people of Odisha as its employees and must give priority to engage Field Level Workers/Assistants Panchayat-wise who are trained through Agriculture Department.
- XXXII.** Look after implementation of Promotional Activities & Publicity for Oil Palm Cultivation in the State.
- XXXIII.** Should submit their Annual Action Plan for the next year in the month of November of every year as per prospective plan of the state Govt. and submit Monthly Progress Report and other reports required under the scheme in the prescribed format in agreement with the NMEO-OP Guidelines.

The Commissioning of the factory by the SECOND PARTY shall be within four years from the date of signing this agreement.

Any change of address for communication for the purpose of this Memorandum of Understanding shall be by Registered post to the other party and upon thereof the

•, changed address shall stand substituted in the above clause.

### Arbitration

- I. If any dispute arises out of this Memorandum of Understanding (MoU) or relating to or touching upon this MoU, the parties will agree to refer such dispute by mutual consent to the Agriculture Production Commission, Government of Odisha to the arbitrator for adjudication, whose decision thereon shall be final and binding upon both the parties. The venue of arbitration shall be in Bhubaneswar, Odisha.
- II. For the purpose of Jurisdiction of courts in the event of dispute, if any the MoU shall be deemed to have been signed at Bhubaneswar within the State of Odisha and such the disputes will be settled within the jurisdiction of appropriate Court of Law at Bhubaneswar.

### Amendments & waiver

- I. The terms of this Memorandum of Understanding (MoU) may be altered, amended or dropped by the competent authority without assigning any reason in the interest of the farmers and the state.
- II. The MoU will be terminated by the competent authority if any violation of terms & conditions laid in the MoU will be noticed. The security deposit shall be forfeited and the company shall be black listed. Additional penalties shall be imposed if warranted to compensate the loss sustained by the Farming Community of the state.

IN WITNESS WHEREOF, the parties have executed this MoU through their duly authorized officers as of the date set forth in the preamble to this MoU.

Authorized Signatory of First Party	Authorized Signatory of Second Party
Name	Name
Designation	Designation
Address	Address
e-mail ID:	e-mail ID:
Place	Place
Date	Date
Witness	Witness
Signature	Signature