

ORISSA STATE CIVIL SUPPLIES CORPORATION LTD.

C/2, NAYAPALLI, BHUBANESWAR-12.

GUIDELINES FOR PROCUREMENT , DISTRIBUTION AND DELIVERY OF CUSTOM MILLED RICE UNDER DECENTRALIZED PROCUREMENT SCHEME FOR KHARIFF MARKETING SEASON (KMS) 2010-11.

1. Preamble

- (i) In pursuance of Food and Procurement Policy issued by Government of Orissa for KMS 2010-11, the Orissa State Civil Supplies Corporation Ltd. (herein after OSCSC Ltd.) shall purchase paddy, mill those into rice for (a) distribution against Government allocations under TPDS (b) delivery of surplus rice to FCI, under the decentralized procurement scheme of Government of India as per procurement targets fixed by State Government from time to time. Hence there is a necessity to issue detailed guidelines for undertaking such work.
- (ii) The procurement of paddy, distribution and delivery of resultant custom milled rice (CMR) by OSCSC Ltd. shall be undertaken generally in accordance with the following guidelines subject to the provisions contained in Food and Procurement Policy issued by State Government for KMS 2010-11. In case of any problem concerning procurement, the same shall be brought immediately to the notice of the OSCSC Ltd. for appropriate clarification.
- (iii) Principles contained in the “Food and Procurement Policy for KMS 2010-11” issued by the FS & CW Department shall be strictly adhered to while undertaking procurement operations. The guidelines as outlined hereunder are to help achieve the objectives of Food & Procurement policy of the State Government.

2. SPECIFICATIONS & MSP OF PADDY

- (i) Government of India has issued uniform specifications of all varieties of paddy for marketing season 2010-11, which was forwarded by F.S. & C.W. Department to all Collectors and all

Civil Supplies Officers in memo No.12094 dt.16.07.2010. There appears to be no change in specifications during KMS 2010-11 and the schedule of specification of paddy remained as follows.

SCHEDULE OF SPECIFICATION

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

The Schedule of specifications and detailed explanatory notes as communicated by Government of India is placed at Annexure-I. As required by Government of India and communicated in the above letter of State Government, wide publicity of uniform specifications shall be made among the farmers in order to ensure that they get due price for their produce and rejection of the stocks is avoided. Procurement of paddy shall be ensured by OSCSC Ltd. strictly in accordance with above uniform specifications.

(ii) Paddy confirming to the specifications mentioned in above para is required to be purchased only at Minimum Support Price (MSP) and incentive bonus, if any, as declared by Government of India from time to time. As communicated by State Government in FS & CW Deptt. in their memo no. 11999 dt.15.07.2010 addressed to all Collectors, following Minimum support prices (MSP) for Fair Average Quality (FAQ) paddy have been fixed by Government of India for KMS 2010-11.

<u>Paddy</u>	MSP for 2010-11 season <u>(Rs. Per qtl)</u>
Common	1000
Grade 'A'	1030

3. Mode of payment to farmers

Each farmer shall bring his passbook / bank account number along with identity documents prescribed in food policy while selling his paddy. It shall be mandatory for OSCSC Ltd., DCCB/PACS, WSHGs and Pani Panchayats

to make payment through Account payee cheque or online transfer to farmers in their full name indicating the Bank account number on the body of the cheque. Payment of total cost of paddy shall be made on the spot within 03 days but not later than 07 days in any case.

4. Paddy procurement period

As in previous years, procurement of paddy from farmers in KMS 2010-11 shall be made during the period commencing from 1st October 2010 and ending on 30th September 2011.

5. Target & Modus Operandi

The State Government has fixed an initial informal overall procurement target of 14.00 lakh MT of rice for procurement by OSCSC Ltd. in all the 30 districts of the State for distribution & delivery under Central pool & State pool. The district wise initial informal target for procurement by individual districts of the Corporation as assigned by Government and indicated in the food policy shall be strictly adhered to for procurement of corresponding quantities of raw and parboiled rice during the current KMS. For making any procurement beyond the target as fixed by Govt. from time to time, prior permission of Government in FS & CW Department shall be obtained by concerned district Collector. As per provisions contained in Food and Procurement Policy for KMS 2010-11, OSCSC Ltd shall purchase paddy directly from farmers on Central Pool Account in the following manner :

- (i) Purchases in the centres operated by Primary Agricultural Cooperative Societies (PACS), for which concerned District Central Cooperative Bank (DCCB) shall be the nodal agency.
- (ii) Purchases in the centres operated by OSCSC Ltd (PPCs) and in market yards, mandis, temporary market yards, operating in the district by deployment of required staff by OSCSC Ltd.
- (iii) Purchase of paddy directly from farmers through WSHGs/Pani Panchayats

- (iv) Purchase of paddy/procurement of custom milled rice from other state agencies like TDCC, MARKFED & NAFED as per terms and conditions mutually agreed with such agencies.

Besides above, as stipulated in Food & Procurement Policy of Government, OSCSC Ltd. shall have to procure the required quantity of CMR for distribution under state pool account. The equivalent paddy required for such CMR shall be purchased by OSCSC Ltd. in its selected & earmarked purchase centers maintaining separate accounts.

6. Purchase of Paddy in Centres operated by PACS

As per Food and Procurement Policy of State Government, the Corporation shall procure paddy from farmers especially small and marginal farmers through the DCCB at the purchase centres to be operated by selected PACS. As per provisions in food policy, PACS shall not make any purchases in RMC market yards / Krushak Bazaar / PPC of other agencies. Individual DCCB shall act as nodal agency & Commission Agent of the Corporation for procurement of FAQ / URS paddy through PACS in the concerned districts.

OSCSC Ltd. shall enter into an agreement with concerned DCCBs and the concerned DCCB as well as PACS shall perform the duties and responsibilities as indicated in the said agreement. They shall purchase paddy following the procedure indicated in the said agreement.

7. Purchase of Paddy through Women Self Help Groups (WSHG)/ Panipanchayats (PPs)

- (a) OSCSC Ltd. shall purchase paddy through Panipanchayats & Woman Self Help Group in the Gram Panchayats where centres operated by PACS & OSCSC Ltd. are not in operation. For this purpose paddy shall be purchased from genuine farmers using modes of identification proof stipulated in Food Policy. Selection of WSHGs will be made as per criterion enumerated in Food Policy of the Government.
- (b) The WSHGs/PPs shall generally cater to a smaller area i.e. one G.P. where PACs/PPCs shall normally cover 3 to 4 GPs. They shall procure paddy from small and marginal farmers in tagged area after due verification of farmers. Depending upon their capacity and satisfactory

performance in purchase from genuine farmers they can be allowed to purchase from middle and large farmers of tagged area only. The PPs/WSHGs shall purchase paddy only in the centres operated by them and they shall not be allowed to procure from Market Yards, temporary yards, Krushak Bazars or PPCs of any agency.

- (c) Women Self Help Groups (WSHGs)/PPs will purchase paddy up to 15 Qtl. in cash from a farmer during the entire KMS and payment will be made to WSHGs by the Corporation in shape of cheque and for quantity of purchase of paddy more than 15Qtl. from a farmer Account payee cheque will be issued in the name of the farmer indicating his/her account number by the WSHG/PPs or by the Corporation. Corporation will lift the paddy from the WSHG / Panipanchyat through custom miller at regular intervals, so that PPs/WSHG/farmers do not face any inconvenience. For lifting of such paddy WSHGs/PPs shall ensure that at least one truck load of paddy is there so that the paddy can be lifted by the miller smoothly. In case the miller fails to transport such paddy, then paddy will be transported by District office, in which case the actual transportation charges will be allowed to the District Manager which shall not exceed the rates fixed by Collector for transportation of food grains under other schemes like MDM, SNP. In such cases the District Manager shall use gunny bags of the Corporation for packing and transporting paddy at the rates allowed by Government of India.
- (d) Equipment for weighment of paddy, gunny bags and moisture meters may be provided to WSHGs by Regulated Market Committees and OSCSC Ltd. All payments by OSCSC Ltd. to the PPs/WSHGs shall be made only by account payee cheques or through online transfer. PPs/WSHGs which are functioning as PDS retailers shall be given preference for paddy procurement.

8. Purchase of Paddy in Corporation's own PPCs and in Market yards etc.

As in case of previous KMS, OSCSC Ltd. shall purchase paddy in Market yards, temporary market yards, Krushak Bazars operated by RMCs

and also in the purchase centres (PPCs) operated by the Corporation in different locations of the district. For this purpose the following procedure shall generally be adopted.

- (i) As per integrated district procurement programme and plan prepared at district level, locations and areas for purchase operations in market yards and Corporation's own PPCs shall be decided taking in to consideration the centres operated through PACS, WSHGs/PPs and also the centres operated by other agencies like MARKFED, NAFED and TDCC. Availability of infrastructural facilities for making purchases like quality control equipments, weighment facilities existing or available in nearby areas, easy accessibility of farmers etc. shall be taken into consideration while selecting market yards and Corporation's own PPCs for proper functioning.
- (ii) After selection of locations and areas of operations of market yards, Corporation's own purchase centres, the District Manager shall take steps to deploy suitable purchase teams for making purchases in those centres. It shall be ensured that as far as practicable district level officials with proven good track record of facilitating farmers and effecting proper purchase functions as per Government guidelines are deployed. Officials who were found wanting in discharging their duties properly in earlier years may not be assigned the work. Suitable custom millers selected for custom milling of paddy of the Corporation shall also be tagged to such purchase centres. The miller or his representative will remain present on the procurement days.
- (iii) Infrastructural facilities for proper functioning of PPCs like sampling and quality analysis equipments, weighing equipments, tarpaulins, minimum required furniture etc. shall be ensured to be made available in those centres through RMC and where required by OSCSC Ltd. before starting the purchase functions.
- (iv) The days and time of operations of such centres shall be decided by the Collector considering factors like the local need of farmers availability of

paddy offered for sale in the areas covered, deployment of suitable purchase officials and other staff.

- (v) Bank Accounts shall be opened by OSCSC Ltd. in the Banks operating in those areas for making payments to farmers. Adequate funds shall also be made available in those Bank Accounts for timely payment of farmers dues.
- (vi) It shall be ensured that purchase records, cash books, A/C notes, transit passes and other required records and documents as prescribed by Corporation as well as copies of guidelines/instructions issued by Corporation and Government for procurement operations, are made available in all the centres in due time.
- (vii) The District Manager shall decide about providing labour services required in each of the purchase centres for different operations like heaping, sampling, weighing, bagging, loading etc. Where it is decided to assign such works to millers, mandi labour charges as decided by Corporation shall be paid to them. Wherever it is decided to perform the work through labour contractors, such contractors shall be selected through tender/quotations to perform the labour operation in mandis.
- (viii) For packing of paddy and subsequent transportation to mill premises, it shall be ensured that required numbers of bags provided by millers are used for which gunny depreciation as decided by OSCSC Ltd. shall be paid to custom miller. The District Managers shall ensure that no bags of farmers are used for packing, transporting and storing of paddy. It shall be ensured that paddy is delivered to each miller with proper acknowledgement record and entries in the necessary registers.

9. Publicity

- (i) Adequate publicity and awareness among farmers about MSP, Quality Specifications of paddy, days and time of operations of purchase centres etc. shall be ensured in the areas covered by such centres. Wide publicity through mike announcement in each G.P. shall be made to make the farmer aware in addition to distribution of leaflets,

advertisement in print and electronic media. Names of purchase officers, their telephone no, name and telephone no. concerned officials at district level shall also be published alongwith district level control room telephone numbers.

10. Role of Collector

- (i) For procurement activities to go on smoothly in accordance with Food & Procurement Policy and to ensure MSP to farmers, the Collector shall ensure quick finalization of procurement programme by convening District Procurement Committee meetings.
- (ii) The District Manager, OSCSC Ltd shall function under overall control of the Collector. Procurement operations on behalf of the OSCSC Ltd shall be subject to overall supervision and control of the Collector. All important matters relating to procurement shall be brought to the notice of the Collector.
- (iii) Selection of suitable, experienced and capable PACS / WSHGs/ Panipanchayats / market yards, Corporations own purchase centres (PPCs) and the area and days of their operation for purchase of paddy, appointment of authorized officer to supervise purchase by PACS shall be done by the Collector following the procedure laid down in Food and Procurement Policy and also considering the local need of farmers for smooth sale of their paddy stock at MSP.

It shall be ensured that paddy is purchased by OSCSC Ltd. and its agencies like PACS, WSHGs, PPs within the target fixed by Govt. for the district. In case of need to make purchase exceeding the target in the interest of genuine farmers prior permission of Govt. in FS & CW deptt. shall be obtained for enhancing the target.

- (iv) Selection of suitable custom millers for custody and maintenance, custom milling of paddy purchased by corporation and its agencies. deployment of millers of outside districts as per requirements, shall be done by the Collector following the procedure laid down in Food and Procurement Policy.

- (v) Collectors are expected to review fortnightly the progress of procurement concerning paddy purchased, paddy delivered to millers and CMR received from millers by OSCSC Ltd. for the purpose of timely corrective actions. Steps shall be taken to ensure that paddy is purchased by OSCSC Ltd. and its agencies only from genuine farmers following the prescribed purchase procedure at Minimum Support Price (MSP) as fixed by Government & the resultant custom milled rice (CMR) is delivered to OSCSC Ltd by the custom millers in due time.
- (vi) All the officers of the OSCSC Ltd at district level, including members of all the Purchase Teams, shall be under overall control of the Collector and will carry out the instructions issued by the Collector.
- (vii) Problems concerning non supply of necessary infrastructure like testing and weighing equipments, tarpaulins etc. by RMC to the centers run by PACS and OSCSC Ltd., problems concerning labour services in purchase centers, non lifting / slow lifting of paddy by millers , irregular purchases in any center, non payment of MSP, slow / non delivery of CMR by millers, improper functioning of purchase centers by PACS / WSHGs / PPs , shall be brought to the notice of Collector immediately by the District Manager of OSCSC Ltd. The Collector shall take immediate corrective steps in those matters under intimation to Govt. and OSCSC Ltd. to ensure that proper purchase functions benefitting the farmers are carried out and OSCSC Ltd. is not sustained with any loss due to fraudulent practices by millers, or by any officials of PACS / OSCSC Ltd. involved in procurement operations.

11. Duties and Responsibilities of the District Manager, OSCSC Ltd.

- i) The District Manager, OSCSC Ltd. shall be responsible to ensure that decentralized procurement operations, involving purchase of paddy from genuine farmers, delivery to miller, timely milling & receipt of CMR, distribution in PDS & delivery of surplus CMR to FCI etc. are carried out in the district smoothly. He will prepare action plan of procurement, in the light of Food & Procurement Policy and guidelines

communicated by the State Government, with the approval of Collector & ensure that the plan is implemented to achieve the target observing the guidelines, policies issued by OSCSC Ltd. & the State Government.

- ii) Action plan shall include tagging of areas of operations of centers run by PACS through DCCB, Corporation's own centres, WSHGs, PPs, as decided by the Collector, allocation of day & time of purchase, placing in advance the required men, material in place, selection of suitable custom millers, arrangement for joint custody & maintenance of paddy, execution of agreement with the custom millers, execution of agreement with DCCB, maximum quantity of paddy to be delivered to each custom miller correlated with their milling capacity, requisition of funds, release of fund to PACS/purchase centres, deployment of suitable staff, timely payment of dues to the farmers, payment to the custom miller, payment of statutory dues, provision of materials including gunny bags, quality testing, weighing equipments etc in the purchase centers and rice receiving centres, receipt of CMR, distribution of CMR, delivery of surplus CMR to FCI, realization of sale proceeds, maintenance of separate and proper accounts, computerization of purchase data and arrangement of audit of accounts for decentralized procurement operations including concurrent / internal audit. The District Manager shall take all steps to ensure that only suitable and capable PACS, WSHGs, PPs are selected at district level following the procedure indicated in the Food & Procurement Policy to participate in procurement work as agents of OSCSC Ltd.

Considering the interest of farmers for smooth sale of their paddy or if there is any operational or any other difficulty, the District Manager shall add or delete any PACS, WSHG, Corporations purchase centres with approval of the District Collector only. Similarly, in case any miller selected is found subsequently to be not suitable for custom milling because of any operational or financial difficulties, then the District Manger shall with the approval of District Collector, debar him from future custom milling of the Corporation.

- iii) Defaulting millers who failed to deliver any balance quantity of CMR due from them against paddy received from Corporation, in any earlier KMS without any justifiable cause, shall not be considered for appointment as custom miller in the current KMS 2010-11.

The District Manager shall ensure that the Custom Millers for the corporation are selected only out of the Millers duly registered at concerned districts.

- iv) Millers having uncertified crude boiler should not be allowed to undertake procurement and processing of paddy into parboiled rice with such uncertified boilers. However, mills may be allowed to process and deliver raw rice if they do not have boilers for producing parboiled rice. Millers having dryers facilities may be given preference in case of parboiling plants. In this connection, the District Manager may verify the certificate issued by the Department of Factories & Boilers.
- v) The District Managers shall make arrangement for timely opening of purchase centers run by PACS, Corporation, WSHGs, PPs, in accordance with procedure indicated in the Food & Procurement Policy and as per decisions taken at district level. In this connection the provisions contained in the Food Policy regarding selection of experienced suitable and capable PACS/ WSHGs /PPs / area of operation, covering of required no. of GPs, capacity to purchase etc. shall be followed.

All the purchase centres shall be deemed to be temporary yards of the RMC and the Corporation shall make payment of Market Fees for the transactions made there and shall maintain all records there of.

- vi) The District Manager shall identify suitable purchase centers for procurement of paddy under **state pool** account as per district wise target assigned by corporation. Separate purchase registers, cash books & other records shall be maintained for purchase under state pool account. Similarly resultant CMR received on state pool account shall be used for distribution against allocation under state pool head issued by Govt./ Corporation. The accounts of procurement &

distribution under state pool account shall be maintained separately and correct information shall be submitted to Head Office for claiming subsidy to State Government. As per the existing policy of State Government, state pool allocations are made under BPL scheme only. Care shall be exercised to ensure that distribution out of state pool procurement is made only in BPL schemes & correct audited off take information are submitted to Head Office accordingly.

- vii) The District Manager OSCSC Ltd. will calculate requirement of funds on weekly basis considering the realistic needs and submit requisition for requisite funds with the Corporation Head Office in advance in such a manner that unduly large amount do not remain idle causing loss of interest and at the same time the paddy procurement operations are not hampered on account of shortage of funds. Regarding placement of funds to DCCBs for purchases made through PACS, procedure indicated in agreement with DCCBs/issued from Head Office from time to time in the matter shall be followed.
- viii) In each district, adequate number of bank accounts will be opened in such manner that the farmers selling their paddy at purchase centers are able to encash the cheques issued to them without any difficulties and without any delay on account of clearance of cheques. As stipulated in the Food & Procurement Policy, payment of cost of paddy through A/c payee cheque or online transfer shall be made preferably within three days, but not later than seven days in any case. For any delayed payment to farmers in Corporation's own center, the District Manager of the district & accounts officer & purchase officer of the purchase centre shall be held responsible.

Similarly for any delay in payment or deviation in mode of payment in PACS run center, the concerned secretary of DCCB and PACS officials shall be responsible. The District Manager in such cases shall brought the matter into notice of Collector & Head Office for necessary action in the matter. Similar action shall be taken in case of purchase through WSHGs & PPs. In no case credit purchase shall be allowed in any centers run by corporation, PACS, WSHGs, PPs etc.

- ix) The District Manager OSCSC Ltd. and the accounts head of the district shall be responsible for any shortage of funds at departmental purchase centers resulting in less procurement of paddy. They shall ensure quick remittance of funds to all purchase centres bank accounts out of the funds available in the district under the scheme.
- x) The District Manager OSCSC Ltd. shall be responsible for making necessary operational arrangements for the functioning of Corporation's own Paddy Purchase Centers (PPC) and Rice Receiving centers (RRCs). For functioning of RRCs, the godowns of CWC & OSWC may be hired on priority basis along with the warehousing facilities with the approved rate of the concerned organization. The services of the approved Handling & Transport Contractor of the CWC & OSWC may be availed at the godowns of the CWC & OSWC as per the requirement, with the approval of the Head Office. The godowns of other Government Agencies may be hired at a location where the Corporation godowns, godowns of OSWC & CWC are inadequate. The rate of hiring of such godowns shall not be higher than the godown rent of CWC/OSWC. Private godowns may be hired following the procedure prescribed by Head Office., only if the godowns of the OSCSC Ltd. OSWC, CWC & other Government Agencies are inadequate for operation of RRC.
- xi) The District Manager OSCSC Ltd shall take steps for appointment of suitable custom millers by district collector after due verification of their proven track records. For this purpose, the certificate issued by concerned authorities on milling capacity, income tax, sales tax, pollution control Board, Inspector of Factories and Boilers, Statutory tax certificates, storage capacity, electricity connection and bills, financial capacity and previous track record of the custom miller shall have to be considered. Target of custom milling to be made by each custom miller shall be fixed considering all these factors and other factors like security deposit and distance factor.

Lease hold millers shall be allowed to participate as custom millers of the corporation only by furnishing 100% security deposit by way of Bank guarantee towards the value of paddy.

It shall be ensured that the miller or his representative remain present in PPCs on procurement days & lift the paddy on regular basis from PPCs. Any deviation to the same resulting in difficulties in timely purchase, accumulation of stock of PPC shall be brought to notice of the Collector for sorting out the issue by changing the millers, engaging more millers or any other action as may be found suitable for smooth purchase operations.

- xii) In case the District has inadequate milling capacity compared to paddy purchased, appropriate arrangement shall be made in advance for engaging the millers of nearby districts having surplus milling capacity as custom miller, with the approval of Corporation Head Office.
- xiii) The District Manager OSCSC Ltd. shall be responsible to ensure that the farmers are paid cost of their paddy at MSP fixed by Government and dues of the farmers in total are paid on the spot to avoid distress sale. As per the Food and Procurement Policy of the State Government, all payments to farmers are to be made through Account Payee cheque or online accounts transfer in their full name indicating the Bank account number of individual farmer, within three days, but not later than seven days in any case.
- xiv) The District Manager shall be responsible for execution of agreement with the custom miller in the form prescribed by the Corporation. He shall see that all the columns are filled in for its due execution and after execution a copy of duly executed agreement is handed over to the custom miller with proper acknowledgement on record.

He shall also ensure that agreements with millers are executed duly in presence of witnesses and complying with all requirements of a full fledged & valid agreement.

- xv) The District Manager shall be responsible for receipt of prescribed security deposit from the custom miller. He will intimate the copies of guidelines, quantum of Security Deposit received, circulars and

instructions received from Head Office/Government to all the purchase teams of each and every purchase centres PACS,WSHGs,PPs.

- xvi) The District Manager shall ensure that specimen signature of the millers and his authorized representatives, (duly attested by the millers) who will receive the paddy from the purchase centres / PACS are kept in the PPCs / PACS as well as in the District Office.
- xvii) The District Manager shall ensure that paddy is purchased from genuine farmers in all centres run by OSCSC Ltd., PPS, WSHGS, through identification proofs prescribed in the Food & Procurement Policy issued by the State Government for KMS-2010-11. For centres run by PACS, if any deviation is noticed resulting in irregular purchase, the Collector shall be immediately moved for corrective actions and the District Manager shall ensure the same.
- xviii) If assigned by the Corporation the custom miller shall provide mandi labour services for all operations in purchase centers or a part there of for which he shall be paid mandi labour charges at the rates decided by the Corporation The District Manager shall be responsible to make field visits to ensure that such work is actually done by the millers in Corporation rule PPCs.

In case of PACS run centre, mandi labour charges shall be allowed to concerned PACS or/and the millers as the case may be proportionate to the items of work performed by the miller & PACS. In any case arrangement of labour services for purchase of paddy in PACS & Corporation's PPCS is required to be made in advance to ensure that there is no dislocation midway affecting purchase of paddy and alleged distress sale. In any centre run by PACS or Corporation where it is expected that neither the miller nor the PACS can provide the required and competent labour services steps shall be taken in advance to engage suitable labour contractors in such centres with approval of Head Office.

- xix) The District Manager shall take steps for decision of days of the week for paddy procurement operations at different centers with Collector's approval considering the local need and other required factors. Days of

operations of different PPCS shall also be reviewed from time to time to make additions or deletions considering the arrival of paddy and availability of surplus paddy in concerned areas.

- xx) The District Manager shall be responsible for deployment of suitable Purchase Teams in the purchase centres operated by Corporation.
- a. Each Purchase Team will consist of one Purchase Officer, one SA-cum-GA and one class – IV employee. Besides, one Accounts Officer will be attached to each such Purchase Team.
 - b. One Accounts Officer may remain in charge of more than one Purchase Teams wherever required.
 - c. Purchase Team may work on rotation basis and may cover up to three to four Purchase Centers in a week or as may be decided by the District Manager with the approval of the Collector.
 - d. Marketing Inspectors, Inspector of Supplies or ACSOs shall normally be nominated to act as Purchase Officers. Besides the District Manager may appoint any other official to act as authorized official for purchase of paddy with due approval of the Collector.
 - e. Assistant Manager Accounts, Senior Accounts Supervisor, Senior Accountant, Junior Accountants on pay roll of the Corporation or Accounts personnel of OSCSC Ltd deputed to Government as Marketing Inspectors, shall normally be nominated to act as Account Officers.
 - f. All the cheques / on line transfer in Purchase Centers will be issued under joint signature of the Purchase Officer/Authorized Officer and Accounts Officer or Inspector of Supplies or ACSO or District Manager or any Officer authorized by the District Managers with the due approval of Collector.. The persons signing the cheque shall be responsible to ensure that only A/C payee cheques are issued in full name of the farmers, with mention of account number.

It shall be ensured that as far as practicable district level officials with proven good track record of facilitating farmers and effecting proper purchase functions as per Government guidelines are deployed. Officials who were found wanting in

discharging their duties properly in earlier years may not be assigned with the work.

- xxi) It shall be the duty of the District Manager to ensure that the required number of gunny bags of required specifications are available/ made available for packing of rice.
- xxii) The District Manager shall ensure that no gunny bags of farmers are used for purchase and packing of paddy as gunny depreciation is to be paid to the millers for supply of bags for packing, transporting and storing of paddy and no gunny bags of any farmer is retained either in the purchase centre or by any miller.
- xxiii) It shall be the duty of the District Manager to ensure that Quality Control and testing equipments and necessary weighing equipments are made available in advance to each Purchase Team at PPC and Rice Receiving Centres (RRC) for carrying out procurement operation.
- xxiv) It shall be duty of the District Manager to effect insurance of the PPCs/ RRCs, including the stock of grains, equipments etc in each PPC / RRC against unforeseen activities like theft, fire, flood or damage in any manner whatsoever as per instructions issued from Head office from time to time.
- xxv) It shall be duty of the District Manager to ensure that for delivery of paddy to millers, Acceptance notes are issued by concerned OSCSC officials in Corporation's PPCS, WSHGS & PPS and by concerned PACS officials in PACS run centres. The District Manager shall ensure that detailed accounts of purchase and delivery to millers for joint custody and maintenance, along with copies of duly executed Acceptance Notes are submitted by concerned officials of OSCSC & PACS in district office on a weekly basis. In case of non-submission for weeks together, the matter shall be forthwith enquired in to and required actions shall be taken to obtain such executed A/C notes and details accounts

under intimation to district Collector, OSCSC Head Office, and DCCBs.

- xxvi) The District Manager shall take steps for convening of District Level Procurement Committee meetings (as prescribed in Food & Procurement Policy) in due time for effecting timely purchase operations. He shall also take all steps to ensure proper purchase and milling functions to prevent recycling of subsidized rice and distress sale of paddy.
- xxvii) The District Manager shall take steps to ensure setting up of district level control rooms to monitor the procurement operations. He shall also take steps for review of progress of procurement on a regular basis by the Collector. Daily procurement of paddy at all the purchase centers & timely lifting by millers shall be monitored. In case of slow lifting by millers, he shall take corrective steps as required with approval of collector for timely lifting by the millers.
- xxviii) The District Manager shall be responsible for correct and timely computer entry of all required procurement information such as
 - a) Daily purchase of paddy
 - b) Entry of farmers data
 - c) Entry of AC Note of Paddy delivered to Millers (PACS/PPC/WSHG/PP)
 - d) Entry of joint custody & maintenance figures
 - e) Entry of AC Note of CMR received from Millers
 - f) Delivery of CMR to FCI
 - g) Delivery of CMR to Storage Agents and Transport Contractors (under IISFM project)
 - h) Any other data as prescribed by state Government / OSCSC Ltd.

For the above purpose the Computer Hardware & Data Entry Operators required shall be assessed by the District Manager in advance and intimated to the Head Office for further action.

- xxix) The District Manager shall ensure that cheques issued to farmers in centres run by OSCSC, PACS, WSHGS, PPS are cleared quickly by Banks. For any inconveniences caused by any Banks, the

matter shall be brought to the notice of the Collector & intimated to Head Office immediately. It may also be impressed upon the Collector to take a special review with the Banking Institutions at regular intervals so that delayed cheque clearance and payment to farmers from the banks is regular and streamlined.

xxx) The District Manager shall ensure that instructions of Corporation Head Office are carried out for effecting joint custody and maintenance of paddy and necessary records are maintained by the miller and concerned official to monitor the progress of delivery and milling etc.

xxxii) The District Managers shall be responsible for giving due publicity regarding MSP, Location of purchase centre, days of operation, quality specifications and mode of payment through print, electronic and local media. Such lists should also be put up on the district and Department Websites. The District Manager shall arrange adequate publicity for purchase of paddy by the OSCSC Ltd. at MSP fixed by Government. For this purpose adequate number of banners, wall paintings, mike announcement, paper publication, distribution of leaflets etc shall be ensured by the District Manager.

Extensive training programmes for the farmers through the Agriculture Extension Staff/Co-operations Department/Quality Control Officials may also be organized out of the funds earmarked in this regard by RMCs and OSCSC Ltd. The District Manager shall ensure that all the Purchase Officers/Authorized Officer are trained with quality control on paddy and rice.

xxxiii) The District Manager shall ensure that AC Notes are executed every day in respect of all the paddy stock delivered to designated millers in the prescribed form by the concerned Purchase Officers /Authorized Officers only and paddy is transported with transit passes issued by those officials. It shall be his duty to cause verification of copies of all such A/C notes on a monthly basis in the monthly meeting of MIs/Purchase Officers. If it is found that any Purchase Officer /Authorized Officer has deviated from the same, it

shall be the duty of District Manager to draw disciplinary proceeding against such purchase officers/Authorized Officer and intimate to Government / Corporation.

- xxxiii) The District Manager shall take steps for proper weighment of paddy stocks purchased from farmers / PACS and rice stocks received from millers. For this purpose all weighing equipments available with the Corporation are required to be kept in proper working condition and nearby weighbridge available in the locality are used. He shall take all steps to ensure that the farmer is paid for the correct weight of his produce at MSP and rice is received from millers with correct weighment.
- xxxiv) In the cases of huge arrival of paddy during peak period in particular purchase centres, the District Manager, if required shall prepare a purchase plan in advance limiting the quantity to be purchased and number of farmers in a day on first come first serve basis in due consultation with the Collector and considering various factors like infrastructural facilities available in the purchase centre.
- xxxv) Considering the local need of procurement operations, the District Manager if so required shall outsource the work of SA-cum-GAs, Accountants and class-IV employees like Kantawals and night Watchman in PPCs/RRCs & District Office for the period of procurement and distribution only, following the procedure prescribed by H.O. OSCSC Ltd. Such engagement shall be made through suitable service providing agencies on a monthly basis on payment of such sums may be prescribed by Head Office of the Corporation. The District Manager shall be responsible to ensure that compliances to different statutory provisions (like P.F) are made by concerned agencies in respect of persons deployed by him. The number of persons to be engaged should be pre-determined and linked with turnover and period of operation of the PPCs and RRCs. No formal engagement orders need be issued to such individuals. Agreement shall be made with Service Providing

Agencies not with individuals. Service Providing agencies may be asked to provide local people preferably.

The D.M shall ensure use of White colour caps, & Identity cards & OSCSC batch by all the personnel working in PPCs & RRCs, use of white colour uniform dresses by all SA-cum-GA & Kantawallas working in PPCs & RRCs and use of banners of OSCSC Ltd. in paddy and rice carrying vehicle for identification of goods movements under Procurement / PDS operation.

- xxxvi) Stock in Rice Receiving Centre shall be received and issued on specified days in a week. There shall generally be no receipt and issue on a single day. Days of receipt and issue shall be displayed in the Rice Receiving Centre. If there is need for deviation to this arrangement due to any reason like, urgency for distribution of rice in PDS, urgency of receiving rice from miller, deviation shall be made only with prior permission of Collector.
- xxxvii) Stock of CMR shall be received by issue of proper Delivery Certificate following the provisions contained in the Food and Procurement Policy of State Government for KMS 2010-11. The District Manager shall also follow the detailed modalities issued by State Government in the matter.
- xxxviii) In case of non-delivery of CMR within 40 days by the custom miller, it shall be the duty of the District Manager to inspect the Mill immediately and report the cause of non-delivery of CMR to the Collector with a copy to Head Office and ensure receipt of the resultant CMR. Wherever required he shall take immediate steps to shift paddy to another miller, if the defaulting miller is likely to be unable to mill the paddy in due time and there is chance of misappropriation or deterioration in the quality of paddy. The cost of such shifting shall be borne by the concerned defaulting miller.
- xxxix) The District Manager shall ensure that the requirement of rice in PDS as per central pool allocation except Annapurna scheme are first met from the Corporation's own procured rice of the district and then out of the surplus CMR of the adjoining districts so that the CMR is

distributed in time. He shall ensure that no own procured CMR is distributed in Annapurna or any other schemes other than the TPDS schemes. He shall also ensure that the sale proceeds of CMR under various schemes of PDS are remitted to Corporation Head Office quickly along with detailed account thereof. He shall be responsible for any interest loss that may arise if sale proceeds are kept idle or otherwise utilized without sending it to Head Office.

- xxxx) The District Manager shall be responsible for the CMR due to be received in time from millers.
- xxxxi) The District Managers, OSCSC Ltd. shall facilitate inspection of CMR stock by the FCI representatives as per guidelines issued by State Government. In case of delay in FCI inspection, after a period of seven days time from the date of intimation, the District Manager may issue the stock in PDS after its quality is inspected and certified by the District Manager and RRC-in-charge where there is an emergent need for distribution of stock under PDS and in such cases samples shall be sealed and preserved for inspection of FCI officials in their subsequent visit.
- xxxxii) District Manager shall ensure timely submission of daily / weekly /fortnightly/monthly/procurement return and statement of accounts in prescribed proforma regularly to Head Office.
- xxxxiii) The CMR received from other districts by road shall be unloaded only in Corporations godowns to be specified by the District Manager. In no case the CMR received from other districts shall be directly sent to storage agents godowns except with prior approval of Head Office.
- xxxxiv) District Manager shall ensure lifting of PDS quota strictly as per the lifting plan approved by Corporation. In case of any change, the same can be made only with approval of Head Office.
- xxxxv) The District Manager shall ensure that godown spaces used as RRC are fully utilized and stocks are issued from each of the RRCS in every month for creation of space and receipt of CMR from millers. For this purpose he shall prepare a plan every month

considering the capacity of each RRC, quantity to be received from each of the miller tagged to RRC and quantity to be issued to each of the Storage Agents and other nearby districts.

- xxxxvi) The District Manager shall make programme of delivery of CMR at RRC & FCI depot, considering the vacant storage space, CMR available with custom millers for delivery & balance CMR to be delivered. Such programme shall be communicated to the RRC-in-charge, Manager of the FCI, Depots & concerned custom miller.
- xxxxvii) The District Manager shall ensure computerization of transactions in each RRCs and maintenance of all required registers, stock plan, quality analysis records, samples etc. in the RRCs. He shall issue a detailed order specifying the works allotted to each of the persons i.e. RRC I/C, SA-Cum-GA etc. working in RRCs and ensure that deviations are not made.
- xxxxviii) The District Manager shall be responsible for making all necessary administrative arrangements for smooth procurement operations in the District. He shall monitor and supervise the functioning of Purchase Officers / Authorized Officers, RRC I/Cs, Accounts Officers and SA-cum-GAs and ensure that the duties and responsibilities assigned to them are performed to achieve the desired objectives. In case of deviations, he shall take timely steps to make alternative arrangements with intimation to Collector / Corporation Head Office and Government.
- (xxxxix) It shall be his duty to receive the bales of gunny bags received through DGS & D and allocate those to concerned millers. In case gunny bags in any bale are found defective, the District Manager shall take steps to report the same to Head Office immediately with details of defects in the proforma prescribed by Head Office.
- xxxxx) The District Manager shall ensure that prescribed records like cash book, purchase register, stock register, bank passbooks, etc. of individual PPCs and receipt, issue, stock record etc. of individual RRCs for the entire KMS are preserved in the district office for compilation of accounts, auditing and other future proposes. It

shall also be ensured that such register and records are maintained continuously for the entire KMS and are closed at the closure of transactions for the particular KMS. No officials shall be allowed to maintain/ preserve such records and registers at places other than the RRC, PPC, district office. In case of transfer of staff during the procurement period, it shall be ensured that the concerned officials hands over the upto date maintained records and registers to the new incumbent

In case of deviations to above the district manager shall be responsible for initiating disciplinary proceeding against the concerned personnel.

xxxxxi) The District Manager shall ensure that sublimts in cash credit accounts allowed to the district are utilized only for the purpose and in the manner and procedure prescribed by Head Office. He alongwith the concerned account personnel shall be held responsible for any irregular payment from sublimit account. It shall also be ensured that separate cash book and other records for recording KMS wise transactions are maintained properly and timely.

xxxxxii) The District Manager shall take steps for periodical inspection and physical verification of stocks of paddy maintained in joint custody and maintenance and also the paddy stock held by miller for ensuring that no shortage/ misappropriation in quality and quantity of paddy occurs and the CMR is delivered in time. He shall also take steps for periodical inspection and physical verification of stocks of CMR maintained in RRC to ensure safe and proper warehousing as per stacking plan, chemical treatment to stocks, maintenance of proper records prescribed by Head office, quality of CMR and gunny bags, recording and reporting of shortages if any as per prescribed procedure.

12. Duties & Responsibilities of the Purchase Officer in Paddy Purchase Centre

- i) The Purchase Officer shall be responsible to ensure quality of paddy purchased as per quality norms and uniform specification communicated by Government and corporation. He shall ensure preservation of sealed samples drawn jointly as records for future reference KMS-wise in PPCs.
- ii) The Purchase Officer shall be responsible for any loss that may occur due to paddy stock remaining undelivered to millers for long period in PPCs.
- iii) The Purchase Officer shall be the custodian of the stock of paddy in the PPCs. Accordingly he shall be held responsible for any misappropriation of stock of paddy, equipments occurring in those places.
- iv) It shall be the duty of the Purchase Officer to be aware of Government prescribed uniform specifications and methods of analysis quality of paddy.
- v) The Purchase Officer shall ensure that: -
 - a. Paddy is purchased from genuine farmers on identification through identification modes prescribed in the Food & Procurement policy of the State Government and the farmers submit their Bank Account number / Passbook while offering paddy for sale.
 - b. Paddy is purchased preferably on the same day on which the farmers bring in their paddy to PPCs or as per purchase plan if any finalized by the district office.
 - c. The details of paddy on its arrival in PPCs are entered in the "Paddy Purchase Register", as per prescribed proforma.
 - d. The Sampling and Quality Testing is done as per the prescribed Guidelines.
 - e. If the paddy sample does not come up to specification on testing, the stock shall not be accepted. When the paddy meets required specification the same shall be weighed to determine the quantity.

- f. The Custom Miller or his authorized representative and the farmer shall remain present during the quality testing, weighment and bagging of accepted paddy.
- g. The testing result shall be recorded in the "Paddy Purchase Register".
- h. No gunny bag of farmer is used for packing and transport of paddy, as the gunny depreciation is paid only to millers.
- i. Paddy is purchased at PPC and through PACS / WSHGs / PPs observing the procedure enumerated in these guidelines and for the correct quantity and quality.
- j. The Custom Miller receives paddy from PPC on proper acknowledgement and lifts the paddy on the same day or maximum within two days, failing which the matter shall be brought to the notice of District Manager for suitable penal action against the miller and for making alternative arrangement for lifting of paddy by other millers.
- k. Two samples of paddy drawn shall be duly sealed. One sealed sample shall be kept in the PPC for future reference and the second shall be analyzed by the Purchase Officer and SA-cum-GA to confirm whether it is FAQ/URS or not. Only FAQ/URS paddy shall be accepted. Non-FAQ/URS paddy shall be rejected and farmer shall take back his stock. Entries of rejection are recorded in the Paddy rejection Register.
- l. Paddy is delivered to the custom miller only on Transit Pass and on execution of AC Notes issued by the Purchase Officers only in Corporation's PPCs and AC notes issued by PACS officials in PACS purchase centers. It shall be his prime responsibility to ensure that copies of executed AC notes are submitted in the district office once in every week for computerization.
- vi) The Purchase Officer shall ensure that paddy is transported only by the miller from purchase centres.
- vii) The Purchase Officer shall make necessary entry of particulars of farmers, village/address and quantity of paddy and analysis test

result, Cheque number and Account Number in the Purchase Register. He will also obtain the signature of farmer and Custom Miller/his authorized representative.

- viii) The Purchase Officer shall facilitate in sending the Purchase Register to the designated location for computerization.
- ix) The Purchase Officer shall be the joint custodian of all quality testing equipments, apparatus and records thereof alongwith SA-cum-GA and shall be responsible for scientific storage and preservation of paddy stock in the PPC.
- x) It shall be the duty of the Purchase Officer for submission of daily/ weekly/fortnightly/monthly/procurement return and statement of accounts to the District Manager in prescribed proforma regularly.
- xi) It shall be the duty of purchase officer to ensure that the paddy is transported to millers' premises in the bags provided by the Millers and the farmers bags are not used. It shall also be his duty to ensure that labour services are provided for purchase operation by the concerned miller, where mandi labour charges are allowed to the miller. It shall be his duty to ensure that paddy is transported duly by the millers from purchase centers to places of joint custody.
- xii) The purchase officer shall ensure that adequate publicity of the MSP, quality specifications, days and time of functioning of purchase centres are made among the local farmers covered under purchase centres. For this purpose wide publicity through banners, press, Pamphlets, leaflets, mike announcements, electronic media shall be arranged. It shall also be his duty to organize extensive training programmes for farmers through Agriculture extension staff / quality control officials with the help of the District Manager. It shall also be his duty to educate the farmers about reasons of rejection, quality specifications etc.
- xiii) The Purchase Officer shall ensure that in all the purchase centres, there is prominent display of MSP, quality specifications, days and timing of operations of such centres etc.

- xiv) The Purchase Officer shall ensure that small and marginal farmers are given preference as stipulated in Food & Procurement Policy in purchases effected in purchase centres. He shall ensure that paddy cleaning services where available is used by farmers to upgrade the quality of their paddy.
- xv) It shall be his duty to keep a close watch on purchases made through PACS/WSHGS/PPs to ensure that paddy is purchased only from genuine farmers. And no genuine farmer is subject to any harassment in sale of his produce and getting the MSP. It shall be his duty to intimate in writing to the District Manager deviations, if any in this regard.
- xvi) The Purchase Officer and SA-cum-GA shall be jointly and severally responsible for maintenance of copies of vendor receipts , purchase records, Stock records, copies of A/C notes and other documents in the purchase centers and for maintenance of continuous records, returns prescribed by Head Office, in PPCs only.
- xvii) It shall be the duty of Purchase Officer to submit a Certificate on the body of AC note about use of bags supplied by millers for paddy, about transport of paddy by miller from purchase centre, mandi labour charges borne by the millers or the labour contractor etc. It shall be his duty to deposit copies of executed AC notes both for paddy delivered in the District office in due time.

13. Duties & Responsibilities of the SA-cum-GA in Paddy Purchase Centre

- I) The S.A.-cum-G.A. shall be responsible to ensure quality of paddy purchased as per quality norms and uniform specification communicated by Government and corporation. He shall ensure preservation of sealed samples drawn jointly as records for future reference KMS-wise in PPCs.
- II) The S.A.-cum-G.A. shall be the custodian of the stock of paddy in the PPCs. Accordingly he shall be held responsible for any

misappropriation of stock of paddy, equipments occurring in those places.

III) It shall be the duty of the S.A.-cum-G.A. to be aware of Government prescribed uniform specifications and methods of analysis of quality of paddy.

IV) The S.A.-cum-G.A. shall ensure that: -

- a) Paddy is purchased from genuine farmers on identification through identification modes prescribed in the Food & Procurement policy of the State Government.
- b) Paddy is purchased preferably on the same day on which the farmers bring in their paddy to PPCs or as per purchase plan if any finalized by the district office.
- c) The details of paddy on its arrival in PPCs are entered in the "Paddy Purchase Register", as per prescribed proforma.
- d) The Sampling and Quality Testing is done as per the prescribed Guidelines.
- e) If the paddy sample does not come up to specification on testing, the stock shall not be accepted. When the paddy meets required specification the same shall be weighed to determine the quantity.
- f) The Custom Miller or his authorized representative and the farmer shall remain present during the quality testing, weighment and bagging of accepted paddy.
- g) The testing result shall be recorded in the "Paddy Purchase Register".
- h) No gunny bag of farmer is used for packing and transport of paddy, as the gunny depreciation is paid only to millers.
- i) The Custom Miller receives paddy from PPC on proper acknowledgement and lifts the paddy on the same day or maximum within two days, failing which the matter shall be brought to the notice of the Purchase Officer for suitable action.
- j) Two samples of paddy drawn shall be duly sealed. One sealed sample shall be kept in the PPC for future reference and the second shall be analyzed by the Purchase Officer and SA-cum-GA

to confirm whether it is FAQ/URS or not. Only FAQ/URS paddy shall be accepted. Non-FAQ/URS paddy shall be rejected and farmer shall take back his stock. Entries of rejection are recorded in the Paddy rejection Register.

- k) Paddy is delivered to the custom miller only on Transit Pass and on execution of AC Notes issued by the Purchase Officers only in Corporation's PPCs and AC notes issued by PACS officials in PACS purchase centers.
- V) The S.A.-cum-G.A. shall ensure that paddy is transported only by the miller from purchase centres.
- VI) The S.A.-cum-G.A. shall make necessary entry of particulars of farmers, village/address and quantity of paddy and analysis test result in the Purchase Register. He will also obtain the signature of farmer and Custom Miller/his authorized representative.
- VII) The S.A.-cum-G.A. shall be the joint custodian of all quality testing equipments, apparatus and records thereof alongwith Purchase Officer and shall be responsible for scientific storage and preservation of paddy stock in the PPC as the case may be.
- VIII) It shall be the duty of the S.A.-cum-G.A. for submission of daily/ weekly/fortnightly/monthly/procurement return and statement of accounts to the District Manager in prescribed proforma regularly.
- IX) The S.A.-cum-G.A. shall ensure that small and marginal farmers are given preference as stipulated in Government Food policy in purchases effected in purchase centres.
- X) The Purchase Officer and SA-cum-GA shall be jointly and severally responsible for maintenance of copies of vendor receipts , purchase records, Stock records, copies of A/C notes and other documents in the purchase centers and for maintenance of continuous records, returns prescribed by Head Office, in PPCs only. The Purchase Officer and S.A.-cum-G.A. shall be custodian of all records and equipments in PPCs.

14. Duties & Responsibilities of the RRC in-charge in Rice Receiving Centre

- I) The RRC In charge shall be responsible to ensure quality of rice received as per quality norms and uniform specification communicated by Government and corporation. He shall ensure preservation of sealed samples drawn jointly lot-wise of CMR as records for future reference KMS-wise in RRCs.
- II) The RRC in charge with assistance of SA-cum-GA shall facilitate delivery of CMR to the Designated Lifting Officer deputed to the district from other districts and to the Storage Agents, as per the delivery order (DO) or the Release Order (RO) issued by the District Mangers as per Lifting Plan communicated by Corporation Head Office, after verifying the genuineness of such documents. Delivery of Stock shall be as per the loading capacity of the vehicle.
- III) The RRC in-charge & S.A-cum-G.A shall jointly be custodian of CMR stock held in corporation run RRCs. Accordingly those officials shall be held equally responsible for any misappropriation of stock of CMR occurring in those places.
- IV) It shall be the duty of the RRC I/C to be aware of Government prescribed uniform specifications and methods of analysis quality of CMR.
- V) It shall be the duty of RRC in-charge and SA-cum-GA to maintain stack wise records for facilitating issue and physical verification of the stock. It shall be the responsibility of the RRC-in-charge to submit the Monthly Storage Loss Return in the prescribed proforma to the District office within the first week of the succeeding month.
- VI) It shall be the duty of the RRC/IC to test the quality of rice in the RRC. He shall, with the help of SA-cum-GA draw the lot-wise representative samples of stock in triplicate each containing 500 gms. of rice.
- VII) The RRC I/C and SA-cum-GA shall be the joint custodian of all quality testing equipments, apparatus and records thereof and shall be responsible for scientific storage and preservation of CMR stock in the Corporation run RRCs.

- VIII) While receiving the CMR from the custom miller, the RRC in charge before final acceptance of stock, shall ensure the quality of rice confirming to prescribed specification (FAQ Rice). He shall ensure lot wise quality analysis as per the prescribed procedures before acceptance of rice from miller. For that he shall draw three representative samples (one sample in triplicate) in presence of the concerned Custom Miller or his authorized agent. The RRC I/C and Custom Miller or his authorized Agent shall be the joint signatories on the sample slips. The samples so drawn shall be sealed. One sealed sample shall be handed over to the custom miller or his authorized Agent, the second sealed sample shall be kept in the RRC for future reference and the third sample shall be analyzed to determine whether the offered CMR is FAQ and if not, CMR shall not be accepted. The Custom Miller shall be asked to take back the stocks if the quality of CMR falls short of the requirement, and the Custom Miller shall be liable to deliver FAQ rice only. Necessary entries to this effect shall be made in the Sample Analysis Register in respect of stocks accepted / rejected. While issuing CMR under PDS stream, the RRC In-charge and SA-cum-GA shall ensure quality maintenance of stocks issued under PDS.
- IX) The RRC In-charge shall give acknowledgement receipt (AC Notes) to the custom millers immediately on receipt of stock after quality analysis and copy of AC note to be deposited in the District Office maximum within seven days of receipt of rice in the godown for computerization.
- X) While receiving the stocks, information as to truck number, time, date, receipt quantity etc shall be maintained. The details of such receipt shall be sent to the district office on each day.
- XI) Stock shall be received and issued on specified days in a week as fixed by the District Manager. There shall be generally no receipt and issue on a single day. Days of receipt and issue shall be displayed in the rice receiving centre. If there is need for deviation to this arrangement due to any reason like, urgency for distribution of rice in PDS, urgency of

receiving rice from miller, deviation shall be made only with prior permission of District Manager.

- XII) It shall be the duty of the RRC I/C for submission of daily/ weekly/fortnightly/ monthly/ procurement return and statement of accounts to the District Manager in prescribed proforma regularly.
- XIII) The RRC I/C & SA-cum-GA shall be jointly responsible for continuous maintenance of correct & up to date records of sampling, analysis, receipts, issue of CMR, stock records, physical verification records etc. The RRC-In-charge and concerned SA-cum-GA shall be custodian of all records and equipments in RRCs.
- XIV) It shall be the duty of RRC I/ C to ensure that instruction issued from Head Office regarding correct weightments, proper loading (no over loading), fixation of PDS banners in vehicles etc. are carried out while delivering CMR to road transport contractors for transportation to other districts and also to local Storage Agents transporting stocks to their godown. He shall also be responsible to send such reports on dispatch and transport of stock as may be prescribed by the Corporation.
- XV) RRC in-charge is required to be aware of quality specifications, methods of quality analysis, inventory control like stack plan, stack card, lot wise analysis etc. It shall be his duty to make necessary chemical treatments of stocks as required for safe and scientific storage.
- XVI) It shall be the duty of RRC I / C to ensure that proper stenciling and colour coding is used on the rice bags for packing of CMR by millers. Wherever the CMR is delivered with gunny bags provided by millers the RRC I/ C shall ensure that, only New B.T. will gunny bags confirming to prescribed specifications with proper stenciling and colour coding are used or else the bags may be rejected. It shall also his duty to ensure that each of the rice bags are stitched with a rexin slip / canvas slip with necessary details. Thus the CMR stock shall be accepted only when those confirm to specifications both in respect of quality of rice and gunnies.
- XVII) It shall be duty of RRC I/C to make periodical chemical treatment of stocks held in corporation managed RRC.

XVIII) In case of RRCs managed by CWC / OSWC, the concerned officials of OSCSC Ltd in charge of such RRCs shall ensure that duties responsibilities assigned to CWC / OSWC for receipt storage & disposal of stock are smoothly carried out. It shall be his duty to report in writing the District Managers deviations made in those matter.

15. Duties & Responsibilities of the SA-cum-GA in Rice Receiving Centre

- I) The SA-cum-GA shall be responsible to ensure quality of rice received as per quality norms and uniform specification communicated by Government and corporation. He shall ensure preservation of sealed samples drawn jointly lot-wise of CMR as records for future reference KMS-wise in RRCs.
- II) The SA-cum-GA will assist the RRC in charge to facilitate delivery of CMR to the Designated Lifting Officer deputed to the district from other districts and to the Storage Agents, as per the delivery order (DO) or the Release Order (RO) issued by the District Mangers as per Lifting Plan communicated by Corporation Head Office, after verifying the genuineness of such documents. Delivery of stock shall be as per the loading capacity of the vehicle.
- III) The S.A-cum-G.A & RRC in-charge shall jointly be custodian of CMR stock held in corporation run RRCS. Accordingly those officials shall be held equally responsible for any misappropriation of stock of CMR occurring in those places.
- IV) It shall be the duty of the SA-cum-GA to be aware of Government prescribed uniform specifications and methods of analysis quality of CMR.
- V) It shall be the duty of SA-cum-GA to assist the RRC in-charge to maintain stack wise records for facilitating issue and physical verification of the stock.
- VI) It shall be the duty of the SA-cum-GA to test the quality of rice in the RRC. He shall draw the lot-wise representative samples of stock, in triplicate each containing 500 gms. of rice.

- VII) The RRC I/C and SA-cum-GA shall be the joint custodian of all quality testing equipments, apparatus and records thereof and shall be responsible for scientific storage and preservation of CMR stock in the Corporation run RRCs.
- VIII) While receiving the CMR from the custom miller, the RRC in charge and SA-cum-GA before final acceptance of stock, shall ensure the quality of rice confirming to prescribed specification (FAQ Rice). They shall ensure lot wise quality analysis as per the prescribed procedures before acceptance of rice from miller. For that they shall draw three representative samples (one sample in triplicate) in presence of the concerned Custom Miller or his authorized agent. The RRC I/C and Custom Miller or his authorized Agent shall be the joint signatories on the sample slips. The samples so drawn shall be sealed. One sealed sample shall be handed over to the custom miller or his authorized Agent, the second sealed sample shall be kept in the RRC for future reference and the third sample shall be analyzed to determine whether the offered CMR is FAQ and if not, CMR shall not be accepted. The Custom Miller shall be asked to take back the stocks if the quality of CMR falls short of the requirement, and the Custom Miller shall be liable to deliver FAQ rice only. Necessary entries to this effect shall be made in the Sample Analysis Register in respect of stocks accepted / rejected. While issuing CMR under PDS stream, the RRC In-charge and SA-cum-GA shall ensure quality maintenance of stocks issued under PDS.
- IX) While receiving the stocks, information as to truck number, time, date, receipt quantity etc shall be maintained. The details of such receipt shall be sent to the district office on each day.
- X) Stock shall be received and issued on specified days in a week as fixed by the District Manager. There shall be generally no receipt and issue on a single day. Days of receipt and issue shall be displayed in the rice receiving centre. If there is need for deviation to this arrangement due to any reason like, urgency for distribution of rice in PDS, urgency of

receiving rice from miller, deviation shall be made only with prior permission of District Manager.

- XI) It shall be the duty of the SA-cum-GA and RRC I/C for submission of daily/ weekly/fortnightly/ monthly/ procurement return and statement of accounts to the District Manager in prescribed proforma regularly.
- XII) The RRC I/C & SA-cum-GA shall be jointly responsible for continuous maintenance of correct & up to date records of sampling, analysis, receipts, issue of CMR, stock records, physical verification records etc. The RRC-In-charge and concerned SA-cum-GA shall be custodian of all records and equipments in RRCs.
- XIII) It shall be the duty of RRC I/ C and SA-cum-GA to ensure that instruction issued from Head Office regarding correct weightments, proper loading (no over loading), fixation of PDS banners in vehicles etc. are carried out while delivering CMR to road transport contractors for transportation to other districts and also to local Storage Agents transporting stocks to their godown. They shall also be responsible to send such reports on dispatch and transport of stock as may be prescribed by the Corporation.
- XIV) SA-cum-GA is required to be aware of quality specifications, methods of quality analysis, inventory control like stack plan, stack card, lot wise analysis etc. It shall be his duty to make necessary chemical treatments of stocks as required for safe and scientific storage.
- XV) It shall be the duty of RRC I / C and SA-cum-GA to ensure that proper stenciling and colour coding is used on the rice bags for packing of CMR by millers. Wherever the CMR is delivered with gunny bags provided by millers the RRC I/ C and SA-cum-GA shall ensure that, only New B.T. will gunny bags confirming to prescribed specifications with proper stenciling and colour coding are used or else the bags may be rejected. It shall also his duty to ensure that each of the rice bags are stitched with a rexin slip / canvas slip with necessary details. Thus the CMR stock shall be accepted only when those confirm to specifications both in respect of quality of rice and gunnies.

XVI) It shall be duty of RRC I/C and SA-cum-GA to make periodical chemical treatment of stocks held in corporation managed RRC.

16. Duties & Responsibilities of Accounts Officer

1. The Accounts Officer shall be responsible for assessment of funds at PPC and timely requisition and getting of funds from the District Office.
2. He shall prepare the cheques / documents for online transfer mentioning the correct bank account number of the farmer for payment towards paddy cost, incentive bonus if any, for delivery to farmers in purchase centres only with proper acknowledgement within the prescribed time limit.
3. Wherever assigned to sign the cheques, he shall exercise all checks to ensure that only account payee cheques mentioning the correct account number of the farmer are issued to genuine farmers in their full name.
4. He shall be responsible for maintenance of all books of accounts as detailed in these guidelines and submission of report/returns relating to accounts and finance to District Office within the time schedule.
5. The requirement of rice for State Pool to meet the short fall in Government of India allocation will be procured by the Corporation in the District as per the intimation of the Head Office. Separate account for paddy & rice shall be maintained for purchase of paddy and utilization of rice under State Pool. Balance paddy procured and rice utilized shall be maintained separately under Central Pool.
6. The cashbook of PPC Bank reconciliation & other accounting records shall be maintained by the Accounts Officer and shall be jointly signed by him and the Purchase Officer/Authorized Officer.
7. In case of paucity of funds at purchase centres affecting procurement operations, he shall forth with intimate the District Office, for placement of required funds in the Purchase Center's Bank A/c..
8. He shall ensure that accounts of purchase centres are opened in such banks, which will facilitate easy encashment of cheques issued to farmers.

9. He shall ensure that minor repairs to godowns of the Corporation used for PPCs & RRCs are made quickly and necessary advances are issued to Purchase Officers to meet the cost of such repair and other works as outlined in this guideline.
10. He shall ensure that required certificates from Purchase Officers, copies of A/ C notes etc. are received in due time from them. In case of non-submission, it shall be his duty to put forth those facts before District Manager and intimate the same to Head Office for necessary action.
11. It shall be his duty to keep an account of gunny bags received from DGS & D Mills and their distribution to individual millers. He shall ensure submission of used waybills to Head Office in time in this regard.

17. Duties & Responsibilities of Custom Miller

The OSCSC Ltd. shall enter into an agreement with the Custom Millers. The District Manager must ensure that the duties and responsibilities of Custom Millers as mentioned in the agreement are followed meticulously.

a) It has been decided to adopt Blue Colour Coding for gunny bags for KMS-2010-11.

The following colour coding shall be followed for the gunny bags during KMS 2010-11. 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 “Blue” color: Stencil or Branding shall be in “Blue” color; Marking or Stitching on the mouth of the bag after filling the grain shall be done in “Blue” color; There shall be a single “Blue” stripe running along the length of the bag at the centre. The miller shall machine stitch a Rexene slip /Canvas slip(15 cm to 10 cm) on the mouth of each bag on the outer side bearing name of the Miller, Crop year, Net weight, Contact No/Lot No., Category of Rice etc. These information shall also be stenciled on gunny bags. No rice stock in RRC shall be delivered without proper stenciling of these information on guunny bags and flaps.

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

18. Joint Custody and Maintenance of Paddy

The paddy delivered to the Custom Millers shall be kept under joint custody and maintenance at the Millers premises. The detailed procedure and responsibilities have been outlined in the Custom Millers agreement. The Corporation Head office will issue further instructions if any in this regard.

19. Imposition of Holding charges

- (i) The custom millers shall complete the delivery of due quantity of CMR at designated rice receiving centers within a maximum period of 40 days of delivery of paddy to him out of the total quantity of paddy kept in joint custody & maintenance. For this purpose 40 days period shall be counted from the date of delivery of paddy from joint custody & maintenance to the miller for custom milling.

- (ii) If due to any justifiable reasons like,
 - a) electricity failure,
 - b) non availability of labour,
 - c) sudden failure of machineries & time taken to repair
 - d) seizure of mill by any authority
 - e) issue of more paddy by all agencies as compared to milling capacity
 - f) non-availability of godowns
 - g) problems at FCI depots/RRCs etc.,

it is not possible on part of the custom miller to complete delivery of entire due CMR within the stipulated period of 40 days, then the miller shall apply to the District Collector through the District Manager, OSCSC Ltd., for extension of delivery period clearly specifying the time

required and reasons for such delayed delivery. It shall be the duty of the miller to submit such application minimum 10 days before completion of the scheduled delivery period.

- (iii) The extension of delivery period shall be allowed only with approval of the District Collector recording reasons in writing for such extension. Such extension shall be made at District Level only after being satisfied with the genuineness of the reasons cited by the miller as may be found on verification of requisite documents, reports of field officials, local conditions or as may be apparent from the records available with the District Office/ Field Level Officials etc.
- (iv) Extension stated as above shall be granted for maximum period up to 20 days only at one time and such extension can be made maximum only for two times at the district level. For any further extension which may be required under genuine and special circumstances the District Manager, shall seek the prior permission on case to case basis of Head Office at least 10 days prior to expiry of extended period.
- (v) If a miller has on record represented in due time (i.e. 10 days before the original or extended period) to the District Collector through District Manager for extension, and no action is taken by district level authorities till completion of the delivery period, then extension of delivery period not exceeding 20 days shall be presumed by the custom miller and the District Manager shall be bound by such presumption.
- (vi) In the cases where no extension of delivery period has been applied by miller or extension of delivery period has been disallowed and intimated to the miller in due time by the district office or the miller has failed to deliver the entire CMR due from him during 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.

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 per day of default shall be recovered.

- (vii) The custom miller shall have liberty to prefer appeal to Managing Director for waiver of holding charges incase his representation for extension of time is rejected at district level, though there are genuine and justifiable reasons for delayed delivery. And in such cases the Managing Director shall pass an appropriate order considering the circumstances of case, which shall be final and binding on the miller.
- (viii) The above holding charges shall be recovered from milling charges and other dues of the millers and also if required from security deposits. Inclusion of above holding charges clause in the agreement shall not debar OSCSC Ltd. to take legal and/or other actions against defaulting miller for shifting of Corporation paddy from his premises at any time/recovery of cost of paddy/CMR along with interest other expenses etc.

20. Procedure for Issue of rice under PDS

- i) The rice stocks so procured shall be issued under PDS in Block/Municipality/NAC or to other department/other district by road & rake movement, as per Delivery Order (DO) or Release Order (RO) issued by the concerned District Manager, OSCSC Ltd. observing all prescribed formalities.
- ii) Necessary amount in respect of DO quantity shall be deposited by the Storage Agent/other department in advance with the concerned District Manager against a Money Receipt (MR). In case of issue to other districts through road & rake, lifting plan of Corporation Head office shall be followed. On production of the said MR the District Manager shall issue necessary DO for the required quantity. Similarly required amount in respect of RO quantity shall be deposited by the District Manager of near-by district in advance with the District Manager procuring the CMR. The District Manager shall

- issue necessary RO for the required quantity.
- iii) The RRC incharge and SA-cum-GA shall deliver the stock to the Designated Lifting Officer after verifying genuineness of DO/RO.
 - iv) The Storage Agent operating under Public Distribution System shall maintain separate account in respect of receipt, storage and issue to retailers of the stock lifted from the RRC as mentioned in the Tally Register by the Lifting Officer. The accounts in this respect shall be separate from the accounts in respect of rice lifted from the FCI depot. The concerned District Manager shall issue necessary instructions to the concerned Storage Agent and ensure its implementation.
 - v) In case of movement of surplus CMR through rake, the District Manager of both consigner & consignee district shall, with due approval of Corporation Head Office, shall engage H&T contractor for the purpose. The District Manager shall ensure maintenance of proper records of rail & road movement of CMR and shall ensure timely reconciliation of the quantities dispatched with quantities receipt by the recipients district.
 - vi) The District Manager shall be responsible for payment of tax on paddy and rice under VAT Act, Orissa Entry Tax Act and also for other statutory obligation under different Acts.

21. Materials / Equipments in PPCs/RRCs

- i) Equipments and Machineries like, a. Moisture Meter, b) Physical Balance, c) Set of Sieves, d) Analysis/Testing Kit, e) Parkhi, f) Sample Pan, g) Mini Grader/paddy Cleaner, h) Digital Weighing Scale (Platform Model) etc. may be supplied by RMCS for use in PPCS.
- ii) There shall not be any compromise on quality of paddy and resultant CMR. Hence, all quality-testing equipments be arranged in the PPCs in close liasioning with RMCs. In case the existing arrangement falls short of the required quantity available, local infrastructure may be utilized on hire basis under intimation to the Head Office..

- iii) In case of additional requirement of such instruments at PPC and RRC, the same may be purchased locally by the CSO-cum-District Managers, O.S.C.S.C. Ltd. as per instructions issued from Head Office from time to time in the matter under intimation to Corporation Head Office.
- iii) Stock account of the materials in use shall be maintained at district office, PPC & RRC in the prescribed format.

22. Finance & Accounts

- i) In the PPCs/RMCs/Market yards, paddy shall be purchased from the farmers and payments shall be made by A/C Payee cheques / on line through accounts transfer only under the joint signatures of the Purchase Officer/Authorised Officer and the Accounts Officer or Inspector of Supplies or ACSO or District Manager or any Officer authorised by the District Manager with approval of the Collector.
- ii) In purchase centres operated by PACs/WSHG/PPS, detailed records of purchase, payment to farmers and delivery of paddy to the Corporation shall be maintained in such registers and records as may be prescribed by the Corporation.
- iii) In purchase centres run by the Corporation including purchases made at market yard/RMCS, detailed records of purchases from farmers, payment made to them and delivery of stock to millers shall be maintained in the proforma prescribed by the Corporation. Generally the following registers shall be maintained in PPCs.
 - a) Paddy purchase Register.
 - b) Paddy return / Rejection Register
 - c) Cash Book.
 - d) Cheque issue register.
 - e) Stock register of paddy showing receipt and issue of paddy.
 - f) Vendor Receipt
 - g) Millers Control Register.
- iv) In rice receiving centres run by the Corporation detailed records of receipt, issue of CMR, quality analysis, shall be maintained in the registers prescribed by the Corporation. Generally the following

registers shall be maintained.

- a) Rice Receipt Register
 - b) Sample Analysis Register
 - c) Rice stock register
 - d) Rice issue register
 - e) Stack register
 - f) Millers Control Register.
- v) In the PPCs, petty expenses on contingencies not exceeding Rs.500/- may be made in cash, for which advance of Rs.1, 000/- (Rupees one thousand only) is fixed, which shall be recouped on passing of bills by the District Office for such expenses.
- vi) For transportation of paddy and rice beyond 8 kms, the Transportation Charges shall be paid to the Custom Miller at the rate fixed by Head Office. The Transportation, Milling and other Charges shall be paid in the District Office to the Custom Miller, on the basis of claims submitted. The custom miller shall attach to the bill, the prescribed documents. The District Manager shall personally ensure that the milling charges are paid on the basis of the CMR delivered and the quality of CMR and gunnies supplied conforms to the standards/specifications fixed by Government of India and State Government. Regarding Transportation Charges, the District Manager shall ensure first, fixation of distance between the PPCs and mills and from mills to RRCs.
- vii) After receipt of bills of custom millers towards various expenses in connection with decentralized procurement operations, the District Manager shall cause verification of these bills along with the detailed documents and statements received from PPCs / RRCs for necessary payment. In the cases the CMR of required quality has been delivered by the custom miller by scheduled time the District Manager shall release quickly the payments under different items of works out of cash credit sublimit sanctioned to District office. While making such payment the District Manager shall ensure that such payment is made at the

prescribed rate of milling charges, rates of gunnies, other charges as communicated by Head Office. The District Manager shall make payment to millers only in respect of those items of works which are found to have been actually performed by the Millers and which are supported by necessary bills, vouchers and certificates where required and after verifying those. The District Manager shall take steps for payment of custom millers dues on a monthly basis.

- viii) The District Office, on receipt of funds from Corporation Head Office, shall place funds with PPCs from time to time depending on their requirement. The District Manager shall be held responsible for any blockage of funds and also for any dislocation in the functioning of PPCs arising out of shortage of funds. The accounts head of District office shall ensure that correct amount of claims along with all required documents are made to FCI timely in respect of CMR delivered to them. He shall also watch timely receipt of funds on this account & intimates through District Manager to Head Office about delays & deductions made.
- ix) In the District, a separate Current Account shall be opened in any local Nationalised Bank for procurement operations. The District Manager and accounts head of district office shall ensure that, unutilised surplus funds lying in procurement bank accounts at the DPC level and at district office are refunded to the head office to save interest burden.
- x) For effecting the financial transactions in PPCs, separate Current Accounts may be operated in local/nearest available Scheduled/Nationalised Bank. Those Bank Accounts shall be operated under joint signature of the accounts officer or other officials authorised to sign the cheque and Purchase Officer/Authorised Officer of the PPCs / other officials authorised by Collector and shall be reconciled regularly.
- xi) A separate Bank Account shall be opened in the Corporation Head Office in any Nationalised Banks at Bhubaneswar.
- xii) A separate Cell shall function in the Head Office of the OSCSC Ltd. to watch the release of funds to District Office, payment of supplier/millers bills, monitoring the funds requirement at District Office on the basis of

requisition/accounts submitted by the district Office, maintenance of separate cash book, vouchers, cheque books, relating to procurement operations, assessment of drawal requirement from Cash Credit limit/General Fund and other aspects of procurement operations like submission of information to different authorities, purchase of equipments etc. The officers of such Cell shall be decided by the Managing Director.

- xiii) This Cell shall furnish utilization certification (UC) with other documents for settlement of Corporation claims with Government of India.
- xiv) The financial transaction shall be effected through bills, cheques, cash, Money Receipts, A/C Notes and challans etc. as the case may be in the PPCs and these shall be prepared by the Purchase Officer, Accounts personnel and other staff of PPCs and District Offices. In support of these transactions, the books of accounts, as may be prescribed shall be maintained in the PPCs by the concerned personnel.
- xv) The Cash Book in the PPCs shall be maintained daily by the Accounts personnel of PPCs and shall be signed by the accounts officer.
- xvi) Daily/weekly reports and returns in the prescribed forms shall be furnished by the PPCs to the District Manager. The District Manager shall record the same in the appropriate books of accounts for sending necessary returns to the Head office
- xvii) The following monthly accounts shall be submitted by PPCs to the District Office by the 10th of the succeeding month.
 - a. Monthly Cash Trial.
 - b. Monthly Purchase Account of Paddy.
 - c. Monthly stock account of paddy & rice.
 - d. Monthly statement showing milling of paddy.
 - e. Monthly Bank reconciliation statement.
 - f. Monthly account of gunnies received and disposed.
- xviii) A separate set of accounts shall be maintained in the District Office, where the accounts sent by each PPCs under its control will be accounted and consolidated. Separate Books of Accounts shall be maintained in district office for entering all transactions under

decentralized procurement operation like Transportation Charges, Milling Charges, Incidental Charges, Gunny Cost, Handling Charges RMC fees, custody & maintenance charges, commission etc., T.C./I.C/margin etc. paid to storage agents and retailers for distribution of milled rice under various schemes of PDS, Other Administrative Expenses including salary, T.A, Telephone etc. in district office and PPCs., Commissions and other expenses paid to PACS / WSHGs / PPs etc. It shall be duty of accounts head of the district office to ensure that all the expenses relating to procurement operations are shown under corresponding correct account heads in the procurement cash book & ledger. Necessary provision for due but unpaid expenses are also made in such books. The accounts books of procurement operations shall be maintained properly & updated for preparing trial balances & other accounting statements. Besides procurement cash book maintained financial year wise, a separate cash book, ledger, sub-ledger shall be maintained to record all the financial transactions effected in course of decentralized procurement operation during the KMS 2010-11. All the expenses including distribution expenses, administrative expenses etc shall be exhibited under correct heads. The accounts head of the District Office shall be responsible to ensure that such accounts books are maintained timely and correctly in the District Office. In the process of consolidation, the expenses incurred at the District Office under this scheme will be consolidated along with that of the PPCs. Thereafter, the District Manager will send the following consolidated accounts concerning the PPCs. and the District Office to Corporation Head Office by the 10th of the next month of the transactions.

- 1) Consolidated monthly Trial Balance.
- 2) Monthly Purchase Accounts of Paddy.
- 3) Monthly consolidated stock accounts of paddy.
- 4) Monthly consolidated sale account of rice.
- 5) Monthly consolidated stock account of rice.
- 6) Monthly Bank reconciliation statement.
- 7) Monthly Gunny Account.

- xix) The transaction under decentralized procurement operations shall be audited by separate Auditors appointed by M.D. for this purpose who shall verify the accounts, report the deficiencies for correction and certify accounts for submission to Government of India. Besides the accounts of procurement operations shall be subject to concurrent audit, A.G. Audit etc. as & when required.

23. Security Deposit:-

- i) Purpose of security deposit is to protect the Corporation from any loss that may arise in the event of non-delivery of required quantity of Custom Milled rice of required specification by the Custom Miller in respect of paddy delivered to him.
- (ii) During KMS 2010-11, the Custom Millers shall have option of operating under either of the following security deposit systems for the quantities paddy delivered to them for milling out of the total quantities paddy kept under joint custody and maintenance.
- (a) Advance delivery of Rice:-
The millers may deliver custom milled rice conforming to prescribed specifications in advance towards security deposit for receiving equivalent quantity of paddy from the Corporation. In this case only security of Rs.25,000/- in shape of Bank Guarantee to be furnished.
- (b) Millers having capacity up to two M.T rice per hour should furnish Security Deposit of Rs.5.00 lakhs & Millers having capacity more than two M.T rice per hour should furnish Security Deposit of Rs.10.00 lakhs in shape of Bank Guarantee issued by a Bank situated in the district in favour of the concerned District Manager, OSCSC.Ltd. valid till 30.09.2011 or such extended period as may be decided by the District Manager considering the CMR due from millers as on 30.09.2011.

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

iii) Security Deposit for Leasehold millers

- a) The leasehold millers shall be allowed to operate only by furnishing 100% security deposit by way of valid bank guarantee issued by a bank situated in the district in favour of District Manager, OSCSC Ltd. valid till 30.09.2011 or such extended period as may be decided by the District Manger considering the CMR due from Miller as on 30.09.2011. The value of paddy issued to such miller shall not at any time exceed the value of bank guarantee furnished by the miller.
- b) The District Manager shall cause verification of the genuineness of Bank Gurantee submitted by the miller in all cases before delivery of paddy.
- c) The Custom Miller shall produce a copy of the lease deed for execution of agreement.

24. Others

- i) The godowns hired for storage of CMR must be scientific and adequate so that the stock will be inspected by different authorities quickly for its immediate disposal under PDS. For scientific storage of stock, chemical treatments etc. the services of the CWC/OSWC may be taken on hire. Proper stacking of rice shall be ensured. Stacking of rice stock shall be made as per specified procedure.
- ii) Necessary lot number and lot size as may be communicated by the Head Office or Government shall be used by district office in respect of millers for receiving rice.
- iii) The amount of commission to the society as allowed in the Economic costing will pass on to the PACS / WHSGs/Panipanchayats in respect of procurement made through them. All payment to such agencies shall be made only by Account Payee cheques. Equipment for weighment of paddy, gunny bags and moisture meters etc will be provided to the WSHG by RMC's and by the Corporation, if required.
- iv) In respect of stock of CMR delivered by other agencies to OSCSC Ltd. they will be paid at the rates fixed by the corporation taking into consideration the rates of incidentals approved by Government of India.

The detailed terms and conditions finalized by Managing Director, OSCSC Ltd. will be adhered to by the District Managers.

- v) Procurement of rice through other Government Agencies. The OSCSC Ltd. will make necessary arrangements with the State Government agencies like TDCC, MARKFED and NAFED etc to obtain paddy and/or custom milled rice (CMR) from these agencies and to distribute the CMR through the Public Distribution System in accordance with the Decentralized Procurement Scheme of Government of India. The OSCSC Ltd. may provide working capital support to these agencies for the purpose from its own funds. For this purpose the detailed modalities approved by Managing Director of the Corporation shall be followed by the District Managers.
- (vi) The class-IV employee attached to PPC/RRC shall assist the Purchase Officer/Authorised Officer/RRC in-charge and SA-cum-GA in weighing of stocks and other works at PPC/RRC concerning paddy and CMR stock. He shall perform such duties as may be assigned to him.

25. General

- i) If it is felt necessary, in addition to the present guidelines, Collectors may make appropriate suggestions and intimate the Corporation Head Office for the smooth procurement of paddy during KMS 2010-11 so that all farmers shall dispose of their surplus paddy at minimum support price.
- ii) The Managing Director is authorized to issue such instructions/clarifications and / or modifications to these guidelines as may be required in the interest of smooth procurement operations in course of procurement activities.

MANAGING DIRECTOR