

**OFFICE OF THE REGISTRAR OF COOPERATIVE SOCIETIES. ORISSA.
BHUBANESWAR.**

Letter No. XIV-15/2010. 25370 Bk-2/ Dated 8.12.2010

From:-

Sri B.B. Mohapatra, IAS
Registrar of Cooperative Societies,
Orissa, Bhubaneswar.

To

All the Divisional Deputy Registrar of Cooperative Societies .
All the Secretaries of District Central Cooperative Banks Ltd.
All the Circle Assistant Registrar of Cooperative Societies .

Sub:- Procurement of paddy by MARKFED and PACS under Decentralized
Procurement Scheme of Government of India during Khariff Marketing
Season-2010-11.

Sir,

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The Khariff Marketing Season-2010-11 (October'2010 to September'2011) has already commenced. In the last K.M.S.2009-10, the PACS had achieved commendable strides in paddy procurement operation by procuring 16.22 lakh M.T. paddy ensuring payment of remunerative price to the small and marginal farmers in the state.

1.1 The Food and Procurement Policy for K.M.S.'2010-11 of the State Government has been issued in letter no.18407 dt. 16.10.2010 of F.S.& C.W. Deptt. . The Operational Guidelines issued by the Orissa State Civil Supplies Corporation Ltd. for K.M.S.'2010-11 have been communicated to the M.D., O.S.C. Bank ,all Secretaries of D.C.C. Banks and all Divisional D.R.C.S. in the Letter No.16722 dt.21.10.2010 for meticulous adherence.

1.2. The State Govt. has allocated a target of 14.00 lakh M.T. in the form of rice (equivalent to about 20.59 lakh M.T. paddy)to O.S.C.S .C. to be procured in the current K.M.S.'2010-11 . The district-wise allocation of target by the State Govt. is indicated in ANNEXURE-I .

1.3. MARKFED will procure paddy to the extent of about 5.97 lakh M.T.(4.00 lakh M.T.rice) directly from the farmers or through PACS, WSHGs, Pani Panchayats and deliver the custom milled rice after milling by the authorized custom millers to F.C.I. or O.S.C.S.C. The PACS will procure paddy to the extent of 13,97,512 M.T. directly from the farmers as the commission agent of O.S.C.S.C. Ltd. The District-wise allocation of target to PACS by O.S.C.S.C. Ltd. is indicated in **ANNEXURE-II**. The Divisional D.R.C.S., in consultation with District Manager, O.S.C.S.C., Chief Executive of D.C.C. Banks and Circle A.R.C.S., will allocate the target to the PACS before arrival of paddy to the market.

2. PREPARATORY MEASURES:-

2.1.Finalisation of PACS and Paddy Purchase Centres.

(a) The prime objective of involving of PACS is to ensure that the farmers sell their paddy at the PACS level without incurring expenditure relating to transportation of paddy to market yards.

(b) The Divisional D.R.C.S. in consultation with the Secretary, D.C.C. Bank and Circle A.R.C.S. have identified 1808 PACS to procure paddy during KMS'2010-11 through 1929 Paddy Purchase Centres (PPC) in 29 districts.

(c) The District Procurement Committee under the Chairmanship of the Collectors comprising of the Divisional D.R.C.S., Secretaries of D.C.C. Banks and District Manager, O.S.C.S.C. Ltd. and other officers will finalise the list of capable PACS considering their manpower, infrastructural availability, testing equipment and past tract records immediately, if not done, so far. The D.P.C. may also select new PACS and PPC, if consider necessary.

2.2. (a) The D.R.C.S., A.R.C.S. and the Secretary of D.C.C. Bank should ensure arrangement for availability of equipment such as Moisture Meter, Physical Balance, Set of Sieves, Analysis/Testing Kit, Parkhi, Sample Pan, Mini Grader/Paddy Cleaner, Digital Weighing Scale(Platform Model) to facilitate procurement operation.

In case of non availability of such equipment, the Secretary R.M.C. and the General Manager, OSAM Board may be contacted for supply of those equipment.

(d) In order to safeguard the paddy from rain ,arrangement should be made to cover the paddy with polythene & paddy should be heaped on pucca pindi . It would be appreciated, if Covered And Plinth (CAP), is made in the PPC.

(e) The D.R.C.S., Secretary of the D.C.C. Bank and the circle A.R.C.S. should ensure availability of facilities for drinking water and sitting arrangement for the farmers at each PPC.

2.3. Wide Publicity :-

(a) Adequate publicity and awareness among the farmers should be made about paddy procurement. Leaflets, handouts indicating days of procurement, M.S.P. rates, FAQ standard may be distributed. Publicity through use of loud speaker may be made in villages for awareness of small and marginal farmers.

(b) PACS should display banners indicating at each PPC in local language such information as reflected in **Annexure III**

3. Agreement:-

3.1. (a) The Secretary of D.C.C. Bank has been instructed to execute agreement with O.S.C.S.C. on behalf of PACS as the Commission Agent of O.S.C.S.C. as per format prescribed by O.S.C.S.C. and consented by the O.S.C. Bank and communicated to all D.C.C. Banks in the Memo No.17347 dt.30.10.2010 . The Secretary of D.C.C. Bank and the Chief Executive of PACS are advised to adhere to the terms & conditions laid down in the agreement meticulously..

3.2 The A.R.C.S. of the Circles are to ensure adoption of resolution by the Managing Committee of each PACS engaged in paddy procurement operation to procure paddy as the commission agent of O.S.C.S.C. through D.C.C. Bank concerned.

4. FUND MANAGEMENT:-

4.1. O.S.C.S.C. will provide the working capital requirement to D.C.C. Banks through O.S.C. Bank to facilitate paddy procurement operation..

4.2. The Secretary, D.C.C. Bank being declared as the Nodal Officer for the district, should place the weekly fund requirement to C.S.O.-cum-Dist. Manager, O.S.C.S.C. concerned and to O.S.C. Bank well in advance on every Monday of the week for smooth flow of fund in consultation with the D.R.C.S , A.R.C.S. and C.S.O. concerned in the format prescribed by O.S.C.S.C.

4.3. The Secretary, D.C.C. Bank should personally ensure proper utilization of fund.

4.4. Funds retained for more than 15 days should immediately be refunded to O.S.C.S.C.

5. MODE OF PAYMENT TO FARMERS:-

5.1. Only FAQ variety of paddy is to be procured at MSP failing which the D.R.C.S., A.R.C.S., Secretary of the D.C.C. Bank and the Secretary of the PACS will be held liable for the lapses.

5.2. Total cost of paddy should be paid to the farmers through Account Payee Cheque or through on-line transfer in their full names indicating the bank account no. of individual farmer only within 3 days but not later than 7 days .

5.3. All the Branches of D.C.C. Banks are required to keep sufficient funds particularly at the peak period of the season to facilitate encashment of account payee cheque deposited by the farmers pertaining to paddy procurement.

5.4. Amount should be credited to the Bank account of the concerned farmer mentioned in the cheque immediately after deposit of the cheque by the farmer in the Branch of the C.C. Bank. For wrong payment, the B.M. of the branch bank will be held responsible.

5.5. No credit purchase is allowed at PPC opened by PACS.

6. COMMISSION :-

6.1. The selected PACS entrusted with the paddy procurement operation will get commission as stipulated in the Food and Procurement Policy.

6.2. The District Central Cooperative Bank, as the Nodal Agency at the District level, will get 10% of the agency commission to be received by the PACS for procurement of paddy.

7. ROLE OF C.E.O. OF DISTRICT CENTRAL COOPERATIVE BANKS .

7.1. The Secretary of the Dist. Central Coop. Bank has been declared as the Nodal Officer for paddy procurement operation by the PACS during K.M.S.'2010-11.

7.2 He is responsible for :-

- smooth flow of fund,
- proper utilization of funds,
- reconciliation of accounts in time,
- non-retention of idle funds,
- proper maintenance of records at PACS and Branch Bank,
- lifting of paddy by Miller,
- crediting of funds and incidentals released by O.S.C.S.C to PACS accounts,
- reporting of daily progress on paddy procurement regularly to RCS(O), OSCSC, OSCB, DRCS
- Online reporting on progress of paddy procurement operation on daily basis as per the soft-ware developed by the NIC
- Submission of weekly requisition of funds to the OSCSC.

8. Role of Divisional Deputy Registrar of Coop. Societies:-

8.1. Divisional Deputy Registrar of C.S. is responsible for over-all supervision and monitoring of paddy procurement operation during K.M.S.'2010-11.

8.2. He shall ensure :-

- finalization of the list of PACS to procure paddy in consultation with the Collector,
- availability of infrastructural facilities at all PPCs,
- reporting about slow lifting & irregular lifting by Miller and to ensure regular lifting of paddy of PACS by Miller,
- intimation of action for non payment of M.S.P. to farmers by PACS/Bank in time and reporting to higher quarters.
- Deputation of staff of office of D.R.C.S., A.R.C.S., DCCB to PPC for supervision of paddy procurement, timely lifting of paddy by Miller or his representative during procurement at PPC.
- Submission of the daily progress report to R.C.S.(O)/OSCB and ensure daily on-line reporting by B.M., of D.C.C. Bank concerned.
- smooth flow of funds from O.S.C.S.C. to D.C.C. Banks.

- functioning of Control Room in the office for effective supervision and monitoring. Mobile Phone number of the Officer-in-charge of the Control Room should be communicated to all concerned.
- The Circle Assistant Registrar of Cooperative Societies shall assist the Divisional Deputy Registrar of Cooperative Societies in supervision and monitoring Paddy Procurement Operation.

9. REPORTING:-

9.1. The Branch Manager of the D.C.C. Bank will be responsible for the data entry on the Web site on the next day of procurement unfailingly under intimation to the Secretary, D.C.C. Bank, D.R.C.S., A.R.C.S. and R.C.S.(O).

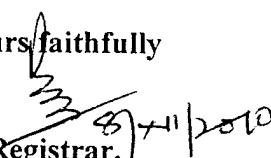
9.2. The Secretary, D.C.C. Bank should submit the consolidated district wise weekly progress report to the O.S.C.B. and D.R.C.S., who in turn, would report to the R.C.S.(O) in the format prescribed by the R.C.S.(O).

9.3. The M.D., MARKFED should submit the weekly progress report to the R.C.S.(O).

Paddy procurement is a viable business proposition for PACS. It not only accomplishes the objective of Linking Credit with Marketing but also enables the PACS in rendering useful services to small and marginal farmers of the state in getting remunerative prices for paddy. Besides, it leads to 'win-win' situation for all the important stake-holders, farmers, PACS and the Orissa State Civil Supplies Corporation Ltd.

It is expected that PACS would make endeavour to achieve the target with effective supervision and guidance of the D.R.C.S., A.R.C.S. and the Chief Executives of all D.C.C. Banks.

Yours faithfully


Registrar,

Cooperative Societies, Orissa

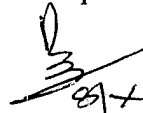
Memo No. 25371 Dt. 8.12.2010

Copy along with enclosure submitted to the Commissioner cum Secretary to Govt., Cooperation Department / Commissioner cum Secretary to Govt., Food Supplies and Consumer Welfare Department. for kind information and necessary action.


Registrar,
Cooperative Societies, Orissa.

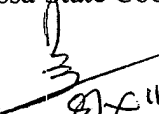
Memo No. 25372 Dt. 8.12.2010

Copy along with enclosure forwarded to the General Manager, Food Corporation of India Ltd. Bhubaneswar / Managing Director, Orissa State Civil Supplies Corporation Ltd. Bhubaneswar for information and necessary action.


Registrar,
Cooperative Societies, Orissa

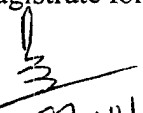
Memo No. 25373 Dt. 8.12.2010

Copy along with enclosure forwarded to the Managing Director, Orissa State Cooperative Bank, Bhubaneswar for information and necessary action.


Registrar,
Cooperative Societies, Orissa.

Memo No. 25374 Dt. 8.12.2010

Copy along with enclosure forwarded to all Collector and District Magistrate for information and necessary action.


Registrar,
Cooperative Societies, Orissa