

Operational Guidelines and accounting procedure for payment of seeds subsidy to Seeds Corporation and distribution of seeds to farmers by the Corporation in place of the existing P.L.Account.

DISTRIBUTION OF SEEDS.

As decided, it will hold good if seeds are sold to the farmers of the State directly by OSSC Ltd. through their Dealers/ Agents/ Own outlets etc. without exhausting the man power of this Directorate for the purpose, but the following procedures / Principles should be followed by the OSSC Ltd. in order to maintain transparency on seeds distribution since Agriculture Department is always answerable to Public on any discrepancy on the matter and as commented by Finance Department in their letter No.32205/F., dt. 7.9.2012 at Point No.1, there should be no difficulty if sale proceeds of seeds are directly remitted by the Dealers/Agents to Seeds Corporation.

The OSSC Ltd. will supply the indented quantity of seeds to the Sadar Godown of the D.D.As strictly basing on the Supply Plan & Terms and Conditions without any deviation as per the indent made according to the requirement of seeds by this Directorate for the respective seasons. As regards the quality test of seeds, in addition to the Terms & Conditions, the DDAs will conduct the prima facie test and also to draw as many as seed samples from each lot in presence of the authorized Officer(s) of OSSC Ltd. and if the Officers from OSSC Ltd. failed to attend, in this case, the concerned DDA shall draw the samples for its testing at SSTL within 3(three) days of supply of seeds in order to supply the quality seeds to the poor farmers of the State. Though the seeds supplied by OSSC Ltd. are already tested and certified tags are affixed on the seed container, but it is often proved the same tested seeds are found substandard as per reports of SSTL. After conducting the quality test i.e. prima facie and drawal of seed samples, the seeds will be diverted to Sale Centres/Addl. Sale Centres etc. i.e. PACs/LAMPs/Own Out-lets etc. and the cost towards the transportation, loading & un-loading charges from Sadar Go-downs to Sale Points will be borne by the OSSC Ltd. as the charges are included in the seed cost i.e. in the Cost Structure and sale proceeds of seeds are collected from the farmers directly by OSSC Ltd. through their Agents on the sale of seeds.

Daily supply and sale position should be reported by OSSC Ltd. to the DDAs under intimation to this Directorate and the supply and sale position will be supervised by the authorized departmental Officer(s) to ascertain the actual subsidiary sale of seeds to the farmers (beneficiaries) only. The DDAs will submit a weekly consolidated report of the supply and sale of seeds to DA&FP,Odisha and soon after closure of the season again both OSSC Ltd. and the DDAs will submit a final supply and sale position to DA&FP,Odisha for record and reference at this end.

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UTILISATION OF SEED SUBSIDY:

Government of Odisha have been declaring seeds subsidy on almost all the seeds for reduction of cost burden on purchase of seeds by the poor farmers of the State and therefore payment of seeds subsidy is only possible as per norms after determination of the actual numbers of beneficiary and quantity of seeds sold to the farmers. In this context subsidy bills should be submitted by OSSC Ltd. to DDA, Ranges. The D.D.A.s will scrutinise the bills at their level basing on the Govt. approved Cost Structure and quantity of seeds, (variety-wise), component-wise actually sold to the farmers (beneficiaries) and then submit the Subsidy Bills along with a statement indicating the total subsidy claims of OSSC Ltd. and deductions if any towards the cost of non-viable/substandard seeds supplied by OSSC Ltd. as per the report of SSTL and the cost of Departmental Farm Seeds procured by OSSC Ltd. but not paid and the T.C., L&U charges borne by D.D.As. As per suggestion of the D.D.A.s the concerned Scheme Officer will deduct the said amount from the subsidy claims of OSSC Ltd. and the balance subsidy amount may be accorded for pass for payment by DA&FP(O) and also reconcile the subsidy account with the Corporation. The cost of Departmental Farm Seeds and T.C, L&U charges so reimbursed from the subsidy claims of OSSC Ltd. will be placed by the Scheme Officer concerned in the current account of concerned D.D.A. Ranges for depositing the same in Govt. Farm Revenue Receipt Head and to adjust the amount spent for TC, L& U.charges respectively.

PROVISION OF SUBSIDY:

According to the prevailing practice, scheme-wise annual budget provision of funds is made and after receipt of its sanction from Govt., amounts under subsidy head are drawn and credited into P.L.Account. After receipt of subsidy bills of OSSC Ltd. Scheme Officer concerned scrutinises the correctness of the bills basing on the actual supply and sale of seeds to the farmers of the State and submits the same before the DA& FP(O) for making passed for payment/adjustment of the amount payable to the Corporation. By virtue of the passed for payment order of DA& FP (O), the bill amount is drawn from P.L.Account and payment is made to the Corporation. For compliance to the drawal amount from P.L.Account, D.C.Bills with supporting vouchers are submitted to Accountant General, Odisha.

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As commented by Finance Department in point No.2 for adoption of the revised operational guidelines for payment of seed subsidy to the Corporation in place of present P.L.Account system and for its successful operation of the revised system the Scheme Officer concerned shall submit proposal to Government through DA&FP (O) for making annual budgetary provision of the quantum of the required seeds subsidy amount in each financial year. After receipt of sanction order from Govt. and subsidy bills from the OSSC Ltd. the amount will be placed to the Corporation being passed for payment of the bill amount by DA& FP (O) without routing through bank deposit. But in this case the OSSC Ltd. should submit the subsidy bills to D.D.A., Ranges forthwith for scrutiny and submission of the same to DA&FP, Odisha for payment of the actual subsidy claim of the Corporation after deductions if any. Season-wise subsidy account should be maintained by Scheme Officers concerned at their level and place for allocation of funds /budget provision to meet the deficit subsidy amount if required. No fund towards subsidy will be released in advance to OSSC Ltd. out of the budget provision/allocation of funds made by Govt. prior to receipt of the subsidy bills for the respective season. This should be followed strictly.

In view of Finance Department's comment, the balance amount in P.L.Accounts may be deposited in Government Revenue Receipt Heads for closing of the P.L.Accounts and all transactions relating to P.L.Accounts as regards to deposit and payment of Seeds cost/ seeds subsidy from the Season Rabi, 2012-13 onwards through P.L.Account shall not be made except payment of the admissible pending claims of OSSC Ltd., D.D.A., Ranges towards seeds cost/ seeds subsidy/T.C.L&U charges and deposit of Govt. Farm dues etc. upto Kharif, 2012 for finalisation of the P.L.Account. Accordingly no subsidy amount will be drawn and credited in P.L.Account out of the budget provision for 2013-14 onwards.
