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NOTIFICATION

No.B.14015/8/2024-AGR, the 28th October, 2024: For the smooth functioning of District Agricultural Marketing Committee (DAMC) and in the interest of public service, the competent authority is pleased to **notify Standard Operating Procedure (SOP) for District Agricultural Marketing Committee(DAMC)** with immediate effect and until further orders.

1. Objective

This Standard Operating Procedure (SOP) outlines the roles and responsibilities of the District Agricultural Marketing Committee (DAMC) in overseeing the operations of the Primary Societies and Secondary Collection Centres (SCC) for the sale of notified crops in Mizoram. It also highlights the DAMC's role in capacity building for both the Primary Societies and SCCs, ensuring compliance with government-notified rates, and managing price support claims.

2. Roles and Responsibilities of DAMC

- Supervision and Monitoring:**
DAMC is responsible for supervising and monitoring the activities of Primary Societies and SCCs, ensuring that crops are sold transparently, fairly, and at the government-notified rates.
- Capacity Building:**
DAMC plays a critical role in enhancing the operational capabilities of Primary Societies and SCCs by providing training, support, and guidance on best practices in management, marketing, and compliance with government regulations.
- Price Support Management:**
DAMC reviews and approves price support claims submitted by Primary Societies when crops are sold below the notified rates, ensuring proper documentation and transparency in the process.
- Malpractice Prevention:**
DAMC actively monitors for potential fraudulent practices within the auction system and takes necessary disciplinary actions to maintain the integrity of the marketing system.

3. Capacity Building for Primary Societies and Secondary Collection Centres

3.1. Training and Workshops

- **Organizing Training Programs:**
DAMC will conduct regular training programs and workshops for Primary Societies and SCCs. These sessions will cover key areas such as:
 - o Financial management and bookkeeping
 - o Transparent auction and sales processes
 - o Compliance with government policies and price notification
 - o Efficient crop storage and handling
 - o Revenue generation through service and holding charges
- **Best Practices in Cooperative Management:**
DAMC will provide guidance on cooperative management principles, helping Primary Societies and SCCs improve their internal governance, decision-making processes, and member participation.

3.2. Advisory and Support Services

- **Technical Assistance:**
DAMC will offer advisory services to Primary Societies and SCCs, providing technical assistance in:
 - o Proper documentation and record-keeping
 - o Enhancing auction management processes
- **Capacity Enhancement for SCCs:**
DAMC will support SCCs in implementing best practices for managing auctions, buyer negotiations, and handling large volumes of produce, improving their overall operational efficiency.

3.3. Monitoring and Evaluation

- **Performance Evaluation:**
DAMC will assess the performance of Primary Societies and SCCs regularly, evaluating their efficiency in managing operations, ensuring transparency, and maintaining compliance with regulations.
- **Feedback Mechanism:**
DAMC will establish a feedback mechanism for Primary Societies and SCCs to identify challenges and provide solutions to improve their operational capacity.

4. Supervision and Monitoring of Secondary Collection Centres (SCCs)

4.1. Oversight Responsibilities

- **Inspection and Monitoring:**
DAMC will conduct regular inspections of the operations at the SCCs, ensuring that they follow the government guidelines for crop sales, auctions, and storage.

- **Ensuring Compliance with Government-Notified Rates:**
DAMC will verify that the SCCs are conducting auctions in a fair and transparent manner, ensuring that the prices meet or exceed the government-notified rates for the crops.

4.2. Review of Book of Accounts

- **Financial Audits:**
DAMC will review the financial records maintained by the SCC, including auction details, service charges, holding charges, and payments made to Primary Societies.
DAMC will ensure that all transactions are properly documented with supporting evidence.
- **Regular Reporting:**
DAMC will require the SCC to submit periodic reports on the quantity of crops sold, prices achieved, and payments made, along with a breakdown of service and holding charges.

5. Price Support Management

5.1. Procedure for Price Support Claims

- **Documentation Review:**
DAMC will thoroughly review all documentation submitted by the Primary Societies when claiming price support, ensuring that the following are provided:
 - o Sales receipts showing the price achieved
 - o Proof of payment from the buyer
 - o Quantity verification records
 - o Auction records detailing the sale process
- **Approval and Disbursement:**
Upon verifying the accuracy and authenticity of the submitted documents, DAMC will approve the price support claim and submit the claim to Managing Director, MAMB for disbursement of funds to the relevant Primary Societies.

5.2. Maintaining Transparency in Price Support

- **Proof of Auction Price:**
DAMC will ensure that all price support claims are supported by proper documentation proving that the auction price was below the government-notified rate.
- **Monitoring Price Support Distribution:**
DAMC will track and monitor the distribution of price support to ensure it reaches the intended beneficiaries (farmers and Primary Societies) without delay or manipulation.

6. Prevention of Malpractice

6.1. Risk Mitigation

- **Audits and Inspections:**
DAMC will conduct both regular and surprise audits of SCCs to ensure that no manipulation of auction prices or records is taking place.
- **Compliance Checks:**

DAMC will ensure that all procedures, from auction management to financial transactions, are being conducted in line with government guidelines and Cooperative Society regulations.

- **Internal Controls:**
DAMC will assist SCCs and Primary Societies in setting up robust internal controls to prevent any fraudulent activity or record manipulation.

6.2. Disciplinary Measures

- **Immediate Action:**
In case of detected malpractice, DAMC will take swift disciplinary action, which may include suspension of operations, legal action, or penalties for those involved.
- **Reporting Mechanism:**
DAMC will establish a transparent reporting mechanism for whistleblowing or reporting of suspicious activities by Primary Societies, SCCs, or buyers.

7. Grievance Redressal Mechanism

7.1. Handling Complaints

- **Farmer and Primary Society Complaints:**
DAMC will set up a grievance redressal cell where farmers, Primary Societies, or SCCs can file complaints related to auction processes, pricing, or operational inefficiencies.
- **Prompt Resolution:**
DAMC will ensure prompt investigation and resolution of grievances, with corrective actions taken to address operational issues or violations.

7.2. Conflict Resolution Support

- **Mediation between Parties:**
DAMC will mediate between Primary Societies, SCCs, and buyers in case of disputes related to auction prices, payments, or charges, ensuring a fair resolution for all parties.

8. Compliance and Review

8.1. Adherence to Government Guidelines

- **Regulatory Compliance:**
DAMC will ensure that all SCCs and Primary Societies are fully compliant with government guidelines for the sale of notified crops, auction processes, and price support mechanisms.
- **Annual Review of Procedures:**
DAMC, in collaboration with Agriculture and Farmers' Welfare Department, will review this SOP annually to update procedures, address new challenges, and ensure continued compliance with regulations.

8.2. Periodic Performance Evaluation

- **Assessment of Primary Societies and SCCs:**

DAMC will periodically evaluate the performance of both Primary Societies and SCCs in terms of operational efficiency, transparency, and effectiveness in maintaining government-notified prices.

- **Capacity Enhancement Initiatives:**

DAMC will initiate new training programs, tools, and resources based on performance reviews to continually build the capacity of Primary Societies and SCCs.

This SOP highlights DAMC's role as a regulatory body, a capacity builder, and a key entity in ensuring the transparent and efficient sale of notified crops. By strengthening both supervisory and developmental functions, DAMC ensures that the marketing system benefits all stakeholders, from farmers to buyers.

Ramdinliani

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