

NORMS OF CORE OPERATION OF THE COTTON CORPORATION OF INDIA LIMITED:**a) For MSP Operations**

As soon as details of minimum support price for the cotton season, are received from the Office of Textile Commissioner, same are circulated to all the Branch Offices with instructions to make purchases of FAQ grade kapas without any quantity limits, as and when kapas prices touch the MSP level. However, for purchases of below FAQ grade kapas and rates of deductions for deficient quality parameters, proposals are prepared by the section and after verification by Finance Division, same are confirmed by CIRCOT before final decision by the Competent Authority including placing these details before Board of Directors. In respect of demand for opening of centres not falling within the norms, proposals received from branches are examined on file and submitted to competent authority for appropriate decisions.

b) For commercial purchases

On the basis of day to day feed back from branches on arrivals, expected demand for cotton and ruling prices etc, decisions for fixation of variety-wise/grade-wise ceilings and quantities, are taken in the P&S Committee. Any upward or downward revision in the purchase ceiling including withdrawal from market, if necessary, taken in the P&S committee.

c) On receipt of branch recommendations about quality parameters for various varieties/grades, proposals examined on files and recommendations submitted to the competent authority for approval of quality norms.

d) Branch reviews of their heap results and test reports, examined by section on files and observations submitted to the competent authority and decisions conveyed to concerned branches for appropriate action.

1) HUMAN RESOURCE AND DEVELOPMENT SECTION

The HRD Department functions on the basis of the following norms for discharge of its functions:

(1) Rules, Regulations & Instructions framed by the Board of Directors regarding all service matters pertaining to the employees of the Corporation and any revision done in this regard, from time to time.

(2) Rules & regulations of the Government of India as applicable, from time to time wherever the Corporation's rules are not specific.

(3) The Corporation follows the FR & SR (Rules) as applied to any Government servant as the guiding factors for taking a decision in regard to any aspect of service rules.

(4) Decision taken at the Managing Director's level on the basis of the proposal put up by the HRD Section/any other Section in specific cases.

(5) In case of the matters pertaining to staff, the decision taken either in the Bi-partite Meeting or in the CJMC meeting between the Management and the Staff Council.

(6) Any other matter with the specific approval of the Managing Director/Competent Authority under special circumstances.

2) TECHNOLOGY MISSION ON COTTON CELL

Mini Mission-III

In consultation with the representatives of Industries including mills and G & P factory owners, Trade, Central Govt. and State Govt., TMC has developed components, eligibility criteria and norms of an Ideal Market Yard which are as follows:

1. COMPONENTS OF AN IDEAL MARKET YARD

(A) Essential Infrastructure:

1. *Large Area:* Market yard should have sufficiently large area for movement of trucks/carts, heaping and trading of cotton.
2. *Pucca Roads:* There should be Pucca roads for movement of loaded and unloaded cotton carts/trolleys in the market yard.
3. *Pucca Platforms:* There should be large number of pucca platforms for heaping of kapas so as to accommodate daily arrivals of cotton. till it is finally sold.
4. *Large Capacity Weigh Bridge:* There is need to have a weigh-bridge with large capacity (preferably electronic) at the entrance of the market yard where

cotton in Trolleys/Trucks can be weighed to enable the farmer to know how much cotton he has brought for sale.

5. *Small Capacity Weigh Bridges:* Market yard should have sufficient number of weigh-bridges for immediate weighing of carts/kapas after auction.
6. *Parking Place:* Market yard may have parking place for trucks, bullock-carts, etc. To prevent contamination, it should be away from kapas heaps.
7. *Fire Fighting Arrangements:* Basic fire fighting arrangement in the market yard in case fire brigade is not available in the town/vicinity.
8. *Grading:* Market should have facilities for grading of cotton.
9. *Farmers' Information Centre:* Market yard may have Farmers' Information Centre so that the farmers may update their knowledge about cotton - dos and dongs?

(B) Essential Amenities:

Amenities like Rest House/canteen/drinking water for farmers and also water and fodder for their cattle are components of an ideal market yard.

(C) Optional/ Desirable Infrastructure

1. *Shed:* Market yard should have shed to keep cotton for auction or if needed where farmer may also store his cotton in case he does not get appropriate rate for his produce on a particular day.
2. *Warehouse Facility:* Creation of warehouse for unsold cotton can be thought of.
3. *Testing of Raw Cotton:* Market yard may have facilities for testing of raw cotton. (laboratory for testing for moisture, micronaire etc.).

(D) Other Components:

1. *Daily Auction System:* Daily Auction System should be introduced by the market committee, wherever it is not so.

2. *Maintenance of Records:* It should be maintaining all records concerning transactions properly and submitting prescribed returns to the concerned authorities.
3. *Elected Market Committee:* It should have a functioning, elected market committee.
4. *Timely Payment to the Farmers:* APMC should ensure that farmers receive the payment of their produce within one week of sale.
5. *Insurance Scheme:* Kapas brought by farmers for sale should be covered under Insurance Scheme till its ownership is transferred to the buyer.
6. *Sufficient Staff:* APMC should provide sufficient staff for day-to-day activities in the market yard.
7. *Cleanliness/ Maintenance:* APMC should own the responsibility of cleanliness/maintenance of the market yard.

2. ELIGIBILITY CRITERIA

- (i) Market yards having sufficient present cotton arrivals and are expected to retain the present level or increase in cotton production in the catchment area of the APMC.
- (ii) Market yard not having sufficient infrastructure and other facilities to accommodate present and future cotton arrivals.
- (iii) APMCs should have sufficient funds to meet their own share (40%) or above.
- (iv) APMC should have adequate land to develop infrastructure and other facilities to develop an Ideal Market Yard.
- (v) APMCs should have the will power, desire and working atmosphere for development of their market yard so as to meet the requirements of an Ideal Market Yard.
- (vi) Respective State govts. should recommend the proposals of such APMCs for development under TMC project.

3. MINIMUM STANDARDS TO BE MAINTAINED AND DESIRABLE STANDARDS DESIRED IN AN IDEAL MARKET YARD

Sr. No	Item	Minimum Standard for an Ideal Market Yard	Ideal Standard for an Ideal Market Yard
Essential Infrastructure			
1	Large area	Separate area for cotton market, minimum area for infrastructure/ amenities and other management activities	Exclusive area for cotton market, surplus area after covering essential infrastructure/ amenities, holding other activities, etc.
2	Pucca roads	C.C. road above GL, 6 M. & above	Above GL C.C. road, 9 M. & above with side drain
3	Pucca platforms (PF)	Raised C.C. PF, area + 18 inches 1-1.5 sqm/ quintal of cotton arrival during peak season	Raised C.C. PF, area + 2 ft. - more than 1.5 sqm/ quintal of cotton arrival during peak season
4	Large capacity weigh bridge	Weigh bridge at the entrance of the market yard, with cover shed	Electronic with digital scale at entrance with sufficient large space for vehicles to move and cover shed
5	Small capacity weigh bridge	Sufficient no. of movable weigh bridges	Sufficient no. of movable, digital electronic weigh bridges
6	Parking place	Large area/ B.T./ raised with slope/ away from cotton yard in proper direction	Large area/ C.C./ raised with slopes/ away from cotton yard in proper direction with surface drain
7	Fire fighting arrangements	Hydrant system all around the cotton yard with OH tank and sump well and stand-by pumps	Hydrants with best quality pipes and standard pressure with sump well and OH water tank/ stand by pump
8	Grading facilities	Small/ full-fledged labs. in small/ large market yards	Full-fledged labs. with all equipments, easily approachable and accessible
9	Farmers information centre	Equipped with computer, internet connection, display boards with updated information	Equipped with computer, internet, connection, digital display board and updated information

Sr. No	Item	Minimum Standard for an Ideal Market Yard	Ideal Standard for an Ideal Market Yard
10	Display boards	All information on BMPs but only at one or two places	Display boards accessible to public having all information on BMPs for farmers, marketiers and ginneres at many places in market yard
Available Essential Amenities			
1	Farmers rest house	Well furnished with all facilities and easily available to farmers. 5 rooms + dormitory for 24 persons with toilets	Well furnished, neat/ clean with all facilities and available to farmers easily. 1 suite + 5 rooms + dormitory for 30 persons with toilets
2	Canteen	Neat/ clean/ required facilities with good services, seating - 50 persons with kitchen, wash & drinking water	Neat/ clean hygienic with excellent services, all items available at reasonable rate, seating - 50 plus with kitchen, wash & drinking water
3	Drinking water	Coolers, neat/ clean, with drain	Coolers with Aqua guard facilities, sufficient in number, neat/ clean with proper disposal of water
4	Water for animals	Many troughs, properly maintained, neat and clean	Sufficient number of trough in parking place, neat/ clean/ maintenance, water replaced regularly
Available Optional/ Desirable Infrastructure			
1	Shed	Small but many, neat/ clean properly maintained good quality sheds, with sides raised pucca flooring	Sufficiently large and many in number, neat/ clean properly maintained good quality, with all raised and round pucca flooring (1-1½ ft.)
2	Warehouse facility	Excellent facilities sufficient in number, with hard surface all round	Excellent godown facilities, many in number, with loan facilities to farmers against their produce, with hard surface all round and R.C.C. roof
3	Boundary wall	Wire mesh fence or barbed wire fence with less than 1 foot gap between wires, or masonry wall, all of a minimum height of 6 feet	Masonry wall for the entire compound height 7' and above

Sr. No	Item	Minimum Standard for an Ideal Market Yard	Ideal Standard for an Ideal Market Yard
<u>Other Available Components</u>			
1	Daily auction system and maintenance of records	Well placed cotton lots/ vehicles/ variety-wise and auctioned regularly at a given time	Well placed cotton lots/ vehicles alongwith the quality parameters and auctioned regularly at a given time properly
2	Elected market committee (EMC)	EMC, working efficiently even under constraints of funds	EMC working efficiently, financially sound

Sr. No	Item	Minimum Standard for an Ideal Market Yard	Ideal Standard for an Ideal Market Yard
3	Timely payment to farmers	Within one week's period	On the spot
4	Insurance scheme	Exists, efficiency is satisfactory	Exists and works properly. Farmers are responded and attended properly.
5	Efficient staff	Minimum number, but efficient, work is done satisfactorily	Enough, efficient and intelligent staff, excellent performance
Other Activities			
1	Awareness meetings	Monthly meeting during cotton season and literature distribution	Monthly regular meetings, updated literature distribution throughout the year
2	Cleanliness	Two times a day sweeping, neat/ clean, weekly washing during season	Sweeping at 1/2 hours interval, weekly washing with hydrant water, neat/ clean yard properly maintained
3	Input supply shop	All inputs of good quality at competitive rates	Shop with all inputs of good quality, at cheaper rates
4	Overall impression	Essential infrastructure and amenities exist, BMPs are also adopted	All infrastructure/ amenities/ optional items and adoption of BMPs, holding of awareness meetings, cleanliness, input supply shop, display boards, etc. exists

Mini Mission-IV

Similarly, components, eligibility criteria and norms of an Ideal G & P factory have been developed. The same are as follows:

1. IDEAL G & P FACTORYA. Essential Machines:

1. *Saw gins or double roller gins with auto feeders (single roller gins not permitted)*
2. *Pre-cleaner*
3. *Lint Cleaner*

4. Mechanical/Pneumatic *Conveyor System* for transfer of kapas from heaps to Precleaner(s) and from Precleaner(s) to individual gins. *Central platform* system not permitted unless it is already existing.
5. Mechanical / Pneumatic *Conveyor System* for carrying *lint* from Gin House to Lint Cleaner, from Lint Cleaner to Pala Halls and from Pala Halls to Press Hall. In case of a new Bale Press, direct feeding from Pala Halls to the Press box. In case a factory does not need Pala Halls, lint can be directly taken from Lint Cleaner to Bale Press.
6. *Bale Press* with the following characteristics (in case of new installation)
 - (i) *Single stage* operation
 - (ii) Built-in *Autotramp*
 - (iii) *Oil hydraulic* system
 - (iv) *Lint Slide* and *Pusher* mechanism
 - (v) Press box *dimensions* meeting BIS requirements

Existing presses without the first four features will, however, be permitted.

7. *Conveyor* for carrying *seed* from Gins to seed platform outside
 8. *Humidifiers/ Moisturizers* to maintain standard moisture in *kapas* in the Gin Hall and in lint in the Pala Halls and Press Hall/ Lint Slide
 9. *Fire fighting system* comprising Overhead Tank/ Sump, Pump with stand-by Diesel pump and Hydrants with Hose pipe and Nozzles
 10. *Underground wiring/cabling* both inside and outside buildings
 11. *Weigh bridge* (need not be installed if the facility is available nearby)
- B. Essential Infrastructure:
12. *Weigh bridge* (need not be installed if the facility is available nearby)
 13. *Storage space* for *kapas*
 14. *Storage space* for *lint* (Pala House)
 15. *Storage space* for *seeds*
 16. *Storage space* for *bales*
 17. *C.C. Road*
 18. *Boundary wall/fence*
 19. *Any other item/ items* approved by TMC
- C. Essential Conditions:
20. Quality awareness boards to educate workers
 21. Headgear/ cap for workers
 22. Periodic training for gin operators/ technicians on maintenance and repair of machines
 23. Arrangements for regular *disposal of rubbish* as soon as it accumulates
 24. *Gummed boards* to stick human hair picked up from floor, cotton heaps etc.
 25. *Variety-wise* and *grade-wise* heaping and ginning of cotton
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26. Insistence on *covering of cotton* brought in carts, tractors and lorries
27. *Bale packaging* as per BIS specification
28. *Gin/ Press fitters* in each shift

D. Desirable Machines:

29. HVI for cotton testing
30. Generator(s)
31. Laboratory model gin
32. Ginning Percentage Balance
33. Moisture Meter
34. Workshop machines and tools
35. Roller grooving machine
36. Pod opener / Kala machine
37. Any other machine subject to TMC approval

E. Desirable Conditions:

38. Bales to be covered with cotton cloth
39. Press house to be close to gin house
40. G&P Units to be in co-operative sector

2. ELIGIBILITY CRITERIA

This subsidy scheme is available for setting up of new G & P factories as well as modernization or expansion of existing units.

The following units are eligible to apply for modernization:

- ❖ A Composite Unit intending modernisation of machinery or civil infrastructure, or both;
- ❖ A ginning unit desirous of installing a bale press to make it a composite unit or a pressing unit interested in setting up ginning facility;
- ❖ A factory interested in capacity expansion by addition of more ginning machines.

TMC insists on total modernisation. This means that after modernisation the factory should possess all *Essential Machines* and *Essential Infrastructure* listed below and must satisfy all *Essential Conditions*. A Unit proposing modernisation or being set up with TMC assistance should be willing to maintain all records and furnish all returns to the concerned authorities. It is also

necessary that the Unit does not avail of assistance under TUF scheme or any other subsidy scheme of the Government of India.

2. MINIMUM STANDARDS TO BE MAINTAINED IN RESPECT OF MACHINERY AND CIVIL STRUCTURES IN G & P PROJECTS

Sr. No.	Item	Minimum Requirements	
		Large Unit	Small Unit
1	Ginning Machines	24 DRs of normal size / 22 extra-long DRs/ 18 Jumbo DRs with Autofeeder/ 3 saw gins (90 saws) or equivalent, with a processing capacity of 6-8 bales per hour.	12 DRs of normal size / 11 extra-long DRs/ 9 Jumbo DRs with Autofeeder/ 1 or 2 saw gins with equivalent processing capacity of 3-4 bales per hour.
2	Precleaner	Cleaner with 4 or more beater cylinders / rolls with capacity to suit the processing speed of the ginning machines.	Cleaner with 4 or more beater cylinders / rolls with capacity to suit the processing speed of the ginning machines.

Sr. No.	Item	Minimum Requirements	
		Large Unit	Small Unit
3	Lint Cleaner	Cleaner with 3 or more beater cylinders / rolls with capacity to suit the processing speed of ginning machines.	Cleaner with 3 or more beater cylinders / rolls with capacity to suit the processing speed of ginning machines.
4	Kapas Conveyor System	(i) Pneumatic conveyor with Stone Catcher for the first stage from heaps to Precleaner; (ii) Mechanical/Pneumatic conveyor from Precleaner to individual gins. Central Platform system not permitted unless it exists already.	(i) Pneumatic conveyor with Stone Catcher for the first stage from heaps to Precleaner; (ii) Mechanical/Pneumatic conveyor from Precleaner to individual gins. Central Platform system not permitted unless it exists already.
5	Lint Conveyor System	Mechanical/ Pneumatic Conveyor from Gins to Lint Cleaner; from Lint Cleaner to each Pala Hall and from each Pala Hall to Bale Press Hall in case of existing Conventional Bale Press Bale Press box through Lint slide & Pusher Mechanisms in case of modern Bale Press (direct feeding of cotton from Lint Cleaner to Press box permitted)	Mechanical / Pneumatic Conveyor from Gins to Lint Cleaner; from Lint Cleaner to each Pala Hall and from each Pala Hall to Bale Press Hall in case of existing Conventional Bale Press Bale Press box through Lint slide & Pusher Mechanisms in case of modern Bale Press (direct feeding of cotton from Lint Cleaner to Press box permitted)
6	Bale Press	Single stage oil hydraulic, autotramping Bale Press with Lint Slide and Pusher mechanism for direct feeding of lint into the press box. Conventional water hydraulic, two-stage presses without auto tramping facility will, however, be permitted if they already exist.	Single stage oil hydraulic, autotramping Bale Press with Lint Slide and Pusher mechanism for direct feeding of lint into the press box. Conventional water hydraulic, two-stage presses without auto tramping facility will, however, be permitted if they already exist.
7	Conveyor for Seed	Automatic Conveyor from gins to Seed Platform	Automatic Conveyor from gins to Seed Platform

Sr. No.	Item	Minimum Requirements	
8	Humidifier/ Moisturiser	<u>In Gin Hall</u> In case of Central Platform, 2 Benson fans or adequate number of nozzles. <u>In Pala Halls</u> 2 Benson fans in each Hall or adequate number of nozzles.	<u>In Gin Hall</u> In case of Central Platform, 2 Benson fans or adequate number of nozzles. <u>In Pala Halls</u> 2 Benson fans in each Hall or adequate number of nozzles.
9	Fire Fighting System	Overhead tank/ sump (capacity 1.25 lakh litres) with a minimum of 10 hydrants strategically located, hose pipes with nozzles and a stand-by diesel pump besides an electric pump.	Overhead tank/ sump (capacity 65,000 litres), with a minimum of 6 hydrants strategically located, hose pipes with nozzles and a stand-by diesel pump besides an electric pump.
10	Underground Wiring	All high tension and low tension wires/cables to be under-ground	All high tension and low tension wires/cables to be under-ground
11	Weigh Bridge	Capacity: 20 tons/ 5 tons depending on local need (Not required if the facility is available nearby)	Capacity: 20 tons/ 5 tons depending on local needs (Not required if the facility is available nearby)
12	Pucca Platform for Kapas	Raised platform (3" CC cover) with a minimum of 10,000 sq. ft. area preferably with 10 ft. wide cemented pavement all around/1 ft. wall around.	Raised platform (3" CC cover) with a minimum of 5,000 sq. ft. area preferably with 10 ft. wide cemented pavement around/1 ft. wall around.
13	Covered Storage Space for Lint (Pala Halls)	Hall(s) with a minimum area of 4000 sq. ft., pucca floor and preferably plastered walls.	Hall(s) with a minimum area of 2000 sq. ft., pucca floor and preferably plastered walls.
14	Seed Platform	Raised, cemented (3" CC cover) platform of minimum 2000 sq. ft. area, with 2 ft. high outer wall	Raised, cemented (3" CC cover) platform of minimum 1000 sq. ft. area, with 2 ft. high outer wall
15	Bale Storage Space	Platform with cemented floor adjoining Press Hall and admeasuring a minimum area of 600 sq. ft., preferably with roof	Platform with cemented floor adjoining Press Hall and admeasuring a minimum area of 600 sq. ft., preferably with roof
16	Road	CC Road (4.5" CC cover) with at least 10 ft. width preferably elevated	CC Road (4.5" CC cover) with at least 10 ft. width preferably elevated

Sr. No.	Item	Minimum Requirements	
17	Boundary Wall/ Fence	Wire mesh fence or barbed wire fence with less than 1 ft. gap between wires, or masonry wall, all of a minimum height of 6 ft.	Wire mesh fence or barbed wire fence with less than 1 ft. gap between wires, or masonry wall, all of a minimum height of 6 ft.

3) FINANCE AND ACCOUNTS SECTION

- a) The information is checked and compiled by the Central Accounts Section as per the norms given by the Management.
- b) Accounting of transactions as per Accounting Standards and Accounting Principles.
- c) Timely Payments.
- d) Audit by Statutory Auditors/Government Auditors.
- e) Regular review of Management Accounts.
- f) Strict compliance of rules, regulations and laws of Income Tax, Sales Tax, Service Tax, Local Cess etc.

4) SECRETARIAL SECTION

In order to discharge the functions of Secretarial Section pertaining to General Meeting and Board Meetings the Section follows the Articles as prescribed in the Memorandum and Articles of Association of the Corporation.

5) LEGAL SECTION

Appointment of Advocates at Head Office and at the Branches.

- i. Legal matters of the Corporation are entrusted to the Solicitors/ Advocates of high repute.
- ii. Legal Cases are generally entrusted to the CCI's existing panel of lawyers and in special cases, if the services of other lawyers are required, it is done on the basis of the reputation of the advocate, his standing in the court and after necessary feedback about the said lawyer from the Branches. Fee of the advocates is negotiated by the officers of the Corporation before such appointment.

- iii. Fee of the advocate is settled on the basis of the importance of the matter and the amount involved in the case. The seniority of the advocates is also one criteria while deciding the fee. The place of the matter according to the class of the city is also important criteria for deciding the fee. It is done through negotiation. The fee of the advocate is settled only after necessary approval of the Competent Authority.

Appointment of Arbitrator :

- i. As per the policy of the Corporation generally retired judges either of the District Court or High Court or Supreme Court are appointed as the arbitrator in any dispute between the Corporation and other party. In the Domestic and Export Cotton Disputes, the arbitration is generally referred to the Panel of Arbitrators of Indian Council of Arbitrations, Mumbai.
- ii. In places where no such person is available, the civil servant of higher rank may be considered to be appointed as an arbitrator. Fee of the arbitrator is generally settled by prior consultation with the arbitrator.

6) INFORMATION TECHNOLOGY SECTION

Corporation is in process of implementation of Enterprises Resource Planning (ERP) to achieve online integration and enable the Corporation to have appropriate Management Information System (MIS) and Decision Support System (DSS) better E-governance within the Corporation. The following norms are set :

- Adequate weightage is given for quality and speed of implementation in procurement procedures for IT services
- Trend of delivery of services through common service centres being encouraged and promoted

7) ESTATE SECTION

As regards Construction Activities proposal is submitted by A.M (Estate) of the Section to G.M. (Estate). The proposal is examined from administrative and utility point of view and with due recommendation submitted to Director concerned who in turn after endorsing his views places the same before Managing Director for final decision.

As regards matters on which policy decision has already been taken - requiring routine check-up, releasing payment etc., the same are put up by the Dealing

Assistant concerned, examined by A.M. (Estate) and forwarded through G.M.(Estate) to Finance Section for releasing payment etc.

8) LOGISTICS SECTION

Subject to opening of L/C and shipping instructions, to maintain the shipment schedules and organize shipments to the vessel nominated by the buyers.

The shipments are organised through custom approved CHA agents within the custom provisions for export of cotton bales.

9) PURCHASE SECTION

Norms fixed by the Corporation for Core Operation and also as per Marketing Strategy are followed.

10) SALES PROMOTION SECTION

Norms fixed by the Corporation for Core Operation and also as per Marketing Strategy are followed.

11) EXPORT PROMOTION SECTION

In Export promotion the following norms are adhered to strictly like:

1. Export Contracts once entered cannot be cancelled, although there are other options with the buyer as well as with the seller for closure of the contracts, if desired like invoicing back.

2. Settlement of disputes - For all settlement of disputes efforts are always made to resolve the same amicably. In the event the same can not be settle amicably the matter is referred to arbitrators as per the terms of the contract and decision of the arbitrator is final and binding both on the buyers as well as sellers.

The Corporation always endeavor to provide priority for selection against export contracts vis-à-vis selection against domestic contracts and also ensures that the bales meant for exports are packed in export worthy packing.

12) PLANNING/EXTENTION AND STATITICS SECTION

Norms fixed by the Ministry of Agriculture as also finalised in the Technical Evaluation Committee and Implementation Committee for conducting FLDs by Branches and other organisations.

13) WAREHOUSE COMPLEX

Warehousing Premises Kalamboli is just an extended arm of Head Office and follows the norms as prescribed by Head Office. Norms have been set regarding licence fee. As per these norms licence fee has to be increased by 5% after completion of 11 months term and thereafter by 7½ % for successive six terms of 11 months. At the same time, if a new party is introduced to Godowns it is to be ensured that the licence fee being charged from the new party should not be less than the maximum licence fee being paid by another depositor for same kind of compartment.

14) VIGILANCE SECTION

1 Scope Of Vigilance :

According to Special chapter on Vigilance Management by Central Vigilance Commission, though formulation of a precise definition of vigilance angle is not possible, generally such an angle could be perceptible in cases characterised by:

- a) commission of criminal offences like demand and acceptance of illegal gratification, possession of disproportionate assets, forgery, cheating, abuse of official position with a view to obtaining pecuniary advantage for self or for any other person; or
- b) irregularities reflecting adversely on the integrity of the public servant; or
- c) lapses involving any of the following;
 - 1) gross negligence;
 - 2) recklessness;
 - 3) failure to report to competent authorities, exercise of discretion/powers without or in excess of powers/jurisdiction;
 - 4) cause of **undue** loss or a concomitant gain to an individual or a set of individuals/a party or parties; and
 - 5) flagrant violation of systems and procedures.
 - 6) As vigilance angle includes any lapse of the nature of LTC/TA, medical claim etc. and therefore such cases would be considered a vigilance case.

2 Rotational Transfers:

As a cardinal principle of administrative efficiency and purity, periodical rotation of staff should be resorted to. Rotational transfers of officers/staff particularly in

sensitive areas should be done in such a manner that no one is posted at any one place for more than three years. As per instructions of Central Vigilance Commission, it is mandatory to follow this rule.

3 Analysis of cases:

Analysis of various cases of corruption and malpractices cropping up in the Corporation should be undertaken, ensuring a thorough study of the modus operandi in each case of fraud with a view to adopt suitable remedial measures.

4 Other Preventive Steps:

4.1 It is a common knowledge that delay breeds corruption and may lead to manipulation. Therefore, Vigilance Officers should be on the constant look out for cases of delays and probe the matter, if undue delay has taken place, whether it is in the field of payments, refunds, issue of delivery orders etc. At the same time, a eye has to be kept on the cases of haste, as it also leads to corruption. In other words, any abnormal deviation from rules/ procedures has to be enquired into and reported.

4.2 Use of Electronic Clearing System: In the banking sector with the improvement and advancement of technology, tremendous progress has been made in computerization. With a result, networking and E-Banking is possible through facilities like Electronic Clearing System (ECS) and Electronic Fund Transfer (EFT). This has not only increased the transparency but also cut the delay and therefore, the Corporation gradually resorting to mechanism of E-Payment, wherever possible. Efforts therefore shall be made to make all banking transactions/payments through ECS.

5 Premature Retirement:

Premature retirement 'under Proviso to Regulation 12 of the Cotton Corporation Service Regulations' of such employees who have attained 50 years of age and who are known/suspected to be corrupt or engaging in malpractices/irregularities, which have a bearing on corruption, is resorted to weed out such elements.

6 Identification of Corruption Prone elements (categories of employees manning Sensitive Posts):

Corruption prone elements at the field, branch and H.O. level in the corporation are identified, watched and necessary action is taken as per rules/law.

7 Preparation of 'Agreed List':

- (i) In accordance with the directions of the Government of India, Department of Personnel and Training, the Corporation is required to identify and draw up every year an "Agreed List of Suspected Officers" in consultation and agreement with the CBI. The list shall contain the names of officers -
 - a) Who have a bad reputation,
 - b) in respect of whose integrity or honesty there have been complaints, doubts or suspicions,
 - c) who have come to adverse notice in any case as having shown favour to any party for some 'malafide' purpose.
- (ii) The "Agreed List of Suspected Officers" will contain the names of only those officers against whom there is reasonable suspicion, amounting to moral conviction that they lack integrity. In other words, this list will mainly contain the names of those officers about whose integrity there is some element of doubt or it is suspected that currently they are indulging in corrupt practices and hence they should be kept under close and unobtrusive watch.
- (iii) Officers against whom cases have already been registered should not be recommended for inclusion in the "Agreed List".
- (iv) If from reliable source it is heard that a particular officer indulges in corrupt practices and frequent complaints are also received to that effect, there may be grounds for his inclusion in the "List". If the style of living of the officer appears beyond his known means and if he throws lavish parties frequently, attends parties thrown by undesirable businessmen/contact men, accepts lavish presents and has frequent association with undesirable businessmen/contact men and has large assets, there may be ground for his inclusion in the "Agreed List".
- (v) In respect of employees placed on "Agreed List" particulars are compiled and CBI's assistance may be sought if required.

8 Preparation of List of Officers of gazetted status of 'Doubtful Integrity'.

The list shall be compiled at Head Office and the names of the officers placed on this list shall be intimated to the branches with direction to take action. At branch level, it is required to be ensured that officers who are placed on this list are not posted at 'sensitive' posts and certificates of integrity should not be issued to such officers.

9 Scrutiny:

Scrutiny of files selected at random from different sections and offices etc. should be undertaken to ensure that prescribed systems and procedures are followed and unnecessary delays/lapses with ulterior motives are detected/avoided.

10 Irregularities/Malpractices:

Irregularities/malpractices detected by Internal Audit/Statutory Audit/Government Audit Authorities, which call for scrutiny from the Vigilance Angle, should be thoroughly reviewed and processed for taking action against delinquent officials and to plug the loopholes.