

GOVERNMENT OF ANDHRA PRADESH  
CONSUMERS AFFAIRS, FOOD & CIVIL SUPPLIES (CS.I) DEPARTMENT

Memo No.4903/CS(I)/2013-1.

Dated: 06.11.2013

**MKTG**

Sub: Civil Supplies - KMS 2013-14 MSP operations of Paddy by the Govt. agencies - delivery of CMR rice - Ensuring 100% CMR delivery against Paddy delivered for custom milling - Reg.

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Govt. has been ensuring MSP for paddy through purchase of Paddy by millers for delivery of levy rice and utilization of levy free rice as per the procurement policy, besides ensuring purchase of paddy at MSP by the Govt. agencies.

2. Paddy procured by the Govt. agencies is delivered to the rice millers for conversion into raw rice and boiled rice, as the case may be. Raw rice under CMR is delivered to the AP State Civil Supplies Corporation Ltd., for utilization under TPDS as per allotment made by the Govt. of India and boiled rice is delivered to the Food Corporation of India.
3. All the Collectors (CS) are instructed to ensure that rice under CMR for paddy handed over by the Govt. agencies to the rice millers is delivered 100% as raw rice or boiled rice as the case may be, without fail in all the districts.
4. In order to ensure that the rice millers do not misuse the paddy delivered for CMR, an undertaking from the District Rice Millers Association assuring that in case the rice millers to whom paddy for custom milling is delivered, fail to deliver CMR rice corresponding to the paddy delivered to them they would Organize delivery of such rice to the Govt. agencies. In absence of such an undertaking, cash security or Bank Guarantee from the rice miller equivalent to the cost of the quantity of Paddy delivered for custom milling is taken. Under the supervision of the Collector(CS), the District Manager, A.P.State Civil Supplies Corporation and the District Supply Officer concerned shall, in coordination, ensure that 100% rice under CMR against the paddy handed over to them for custom milling is delivered to the APSCSCL in case it is raw rice and to the FCI in case it is boiled rice. In this connection, the Collectors(CS) can also take action as per Clause 9 of the A.P. Rice Procurement (Levy) Order,1984, wherever necessary.
5. Any failure on the part of any official to ensure that the rice under CMR, for the paddy given to the miller, for custom milling, is delivered to the APSCSCL / FCI, as the case may be, would be viewed seriously and appropriate disciplinary action as per rules would be taken against them. Appropriate action will also be initiated against the rice millers who fail to deliver the CMR rice for the paddy delivered by the Govt. agencies.

SUNIL SHARMA  
EX.OFFICIO SECRETARY TO GOVERNMENT

To,  
All the Collectors(CS),

Copy to the Commissioner of Civil Supplies,  
Copy to the VC & MD., APSCSCL, Hyderabad with a request to issue suitable instructions to the D.Ms of Civil Supplies Corporation.  
Copy to the President, Rice Millers Association, A.P., Hyderabad for advising the millers to deliver CMR rice to the paddy delivered as per rules without delay.

// FORWARDED BY ORDER //

V. Srinivasa Rao  
SECTION OFFICER

Nao  
2014

Gout. of AP issued Operational Guideline during KMS  
2013-14 on decentralized procurement of Paddy &  
Rice vide G.O.Ms.No. 31, dt: 21.10.2013.

Page No. 22 in G.O.

Ms No. 31,

dt: 21.10.2013

- Timely reconciliation of accounts with the sub-agencies like IKP groups, PACSS, DCMSS, Rythu Mithras etc. to be done for payment of commission due to them.

#### **CUSTOM MILLING OF PADDY:**

- Agreements with the Rice Millers/ Rice Millers Association to be entered into by the Dist. Managers of the APSCSCL
- Security for the value of stocks delivered to be obtained from the recipient miller.
- Monitoring of the stocks of paddy issued for custom milling, custom milled rice to be delivered as per the ratio fixed for raw and boiled rice, rice delivered to the CS Corporation (Raw rice) or to the FCI (boiled rice) on behalf of the Civil Supplies Corporation to be done daily by the District Manager concerned at district level and VC & MD., APSCSCL at Headquarters.
- Time within which CMR rice to be delivered has to be fixed in coordination with the Joint Collectors concerned.
- District Manager concerned to be held responsible for non-receipt of CMR rice on time.

#### **ROLE OF JOINT COLLECTORS:**

- Joint Collectors as Ex-officio Executive Directors of the APSCSCL to play a pivotal role in implementing the DCP under their guidance, gauge and scrutiny.
- Shall organize publicity through the electronic and print media, posters, leaflets and posters besides tom tom wherever possible about the MSP, specifications, location of purchase centres, time schedule for different areas for delivery of paddy;
- Ensure Positioning of gunnies, suthli, required equipment like
- Paddy cleaners etc., Deployment of required staff Quality check, acceptance of paddy at the purchase centres, transport fleet for movement of paddy to mills, intermediary storage wherever needed; Funds requirement by the DM, CSS Corporation for accepting paddy and levy raw rice ; issue of MSP certificates for delivery of levy raw rice to the Civil Supplies Corporation Ltd. and both raw and boiled rice to the FCI and all other related matters to the DCP.
- Shall oversee the functions of the District Managers of APSCSCL on a daily basis and suitably advise them for proper implementation of DCP.
- Shall inspect the purchase centres and the godowns as frequently as possible to ensure that there is no hardship to the farmers, paddy stocks are procured without any hardship to the farmers, quality check is proper, payment is done without delay, stocks are moved to the mills for custom milling, proper accounts are maintained etc.
- Provide necessary assistance of the DSO to the DMs wherever needed for realizing the CMR rice from the rice millers;
- Initiate action against the rice millers who fail to deliver the custom milled rice as per the agreement;
- Check the godowns frequently to ensure proper stacking and maintenance of stocks, issues as per FIFO, proper weightment, maintenance of records, stock verification etc.

APSCSCL. E.L.O.

30 NOV 2013

GOVERNMENT OF ANDHRA PRADESH

HYDERABAD

NO. 34

Office of the Commissioner of  
Civil Supplies, Hyderabad -082

CCS Ref.No.PI (1)/6190/2013

Date: 29.11.2013

Sub: CS - Purchase of paddy at MSP by the Govt. Agencies for  
KMS 2013-14 - Certain constraints in delivering rice  
under CMR by the rice millers - Guidelines - Requested -  
Reg.

Ref: 1. D.O.Lf.No.G2/1647/2012, Dt: 19.10.2013 of the Joint  
Collector, Karimnagar.  
2. Govt.Memo No.4903/CS.(I)/2013-1 dt.06.11.2013.

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In the reference cited the Joint Collector, Karimnagar has informed that paddy purchased by the Govt. Agencies is being handed over to the rice millers for delivery of resultant rice to the FCI/CSC under CMR; certain millers have diverted the paddy handed over to them during KMS 2011-12 and 2012-13; criminal cases were launched against the rice millers besides invoking the provisions of R.R. Act to recover dues; as per para (32) of the operational guidelines issued in G.O.Ms.No.38, CA, F&CS (CS.I) Dept., Dated 24.09.2007, rice millers association shall furnish an undertaking for the paddy being handed over to the millers and the system of bank guarantee or collateral security equivalent to paddy delivered to be taken from the individual millers is one of the mechanisms to ensure security of paddy handed over to the millers; but the District Rice Millers Association are not owning responsibility nor even ready to adjust the collateral security furnished in the shape of cheques for the quantity of paddy misused by the defaulting rice millers; the individual millers who are receiving the paddy worth Rs.1 to 2 crores are also reluctant to furnish bank guarantee stating that they had already availed bank loans on their properties; since no sufficient godown facility is available to store paddy purchased, there is no alternative except to deliver paddy purchased under MSP operations to the nearest rice mills, even though the millers do not furnish bank guarantee towards collateral security. The Joint Collector, Karimnagar requested to issue necessary guidelines through which the District Administration while ensuring MSP to the farmers, will also be in a position to safeguard the paddy so procured and ensure delivery of rice under CMR.

In this regard it is to inform that there is no provision for black listing the millers for non-delivering the CMR rice against the quantity of paddy pertaining to the Govt. agencies taken for custom milling. The A.P. Rice Procurement (Levy) Order, 1984 does not provide for such an action. However, clause 9 of the A.P. Rice Procurement (Levy) Order, 1984 provides for delivery of custom milled rice by the rice miller within 15 days and failure to convert and deliver rice within the stipulated time, the Collector concerned can furnish to the FCI / APSCSCL ( in DCP districts) the details of the defaulters together with mill wise quantities given for custom milling, quantity milled and the quantity yet to be milled and the FCI shall deduct the equivalent quantity of resultant rice for the paddy yet to be milled against the levy rice. This provision can be exercised by the Collectors under the AP Rice Procurement (Levy) Order, 1984 wherever necessary to ensure that the CMR rice is delivered.

The Dist. Manager, C.S. Corporation shall be made responsible for ensuring that the paddy delivered is got milled and delivered on time. He shall monitor this regularly and see that rice got delivered. Wherever it is necessary to have the assistance of the DSO, he may

bring this to the notice of the Joint Collector who is the Ex-Officio Executive Director of APSCSCL for taking necessary action under the statutory provisions.

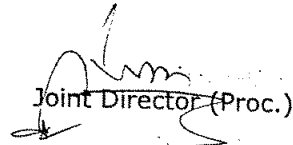
It is also necessary that the securities shall be taken for the stock being delivered for custom milling. It may also be considered for taking an undertaking from the Rice Millers Association assuring that if the miller fails to deliver the CMR for the paddy handed over for custom milling, it shall be obligatory on the part of the Association to deliver this rice. If the Association does not assure this, then, there is no alternative but to take cash security or Bank Guarantee from the miller to whom paddy will be given for custom milling.

Sd/- Sunil Sharma  
Commissioner of Civil Supplies &  
E.O. Secretary to Government

To  
The Collector (CS), Karimnagar district.

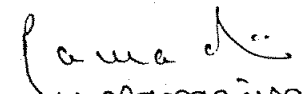
~~Copy~~ to the VC & MD., APSCSCL, Hyderabad  
All Collectors (CS)  
All DSOs.

//Attested//

  
Joint Director (Proc.)

Endt. No. Mktg | m2 | 2251 | Kharnif 2013-14 | Vol. 11      Dt: 10.12.2013

Communicated for information and  
necessary action.

  
for VC & Managing Dir

To  
All Joint Collectors & EOEDs, APSCSCL.

copy to all the District Managers, APSCSCL for necessary  
action.

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10/12/13