

SMT. B.UDAYA LAKSHMI, IAS.,
VC & MANAGING DIRECTOR.

CIRCULAR. MKTG.NO.60.

Lr.No.Mktg.M2/4736/2009-10/Paddy.

Date:22.10.2008.

Sub: - APSCSCL- Marketing - Procurement of Paddy under
MSP during KMS 2008-09 - Instructions issued - Reg.

Ref: - 1. This Office Cir.No.48, dtd.5.10.2007 (GO Ms.No.38,
dtd.24.9.2007)
2. This Office Cir.No.55, dtd.17.4.2008 (GO Ms.No.13,
dtd.24.3.2008)
3. GO Ms.No.40, CA, F & CS (CSI) Department,
dtd.13.10.2008.
4. GOI Lr.No.15(7)/2008-Py.III, dtd.22.9.2008 received
through CCS Ref.No.P1(4)/6374/2008, dtd.8.10.2008.

-0-

In the reference 1st cited, while issuing instructions on the paddy procurement policy for KMS 2007-2008, operational guidelines issued in the GO Ms.No.38 CA, F & CS(CS.I) Dept., dtd.24.9.2008 were communicated.

In the reference 3rd cited, Government of Andhra Pradesh has issued orders on the Procurement Policy of Paddy and Rice for KMS 2008-2009. A copy of GO is enclosed herewith.

MINIMUM SUPPORT PRICES:

Price per quintal of Fair Average Quality of paddy

Grade - A	: Rs.880/-
Common	: Rs.850/-

PADDY SPECIFICATIONS:

Paddy shall be in sound merchantable condition dry, clean, wholesome of good food value, uniform in colour and size of grains and free from moulds, weevils, obnoxious smell, Argemone maxicana, Lathyrus sativus (Khesari) and admixture of deleterious substances. Paddy will be classified into Grade-A and Common groups.

Schedule of specification.

Sl.No	Refractions	Maximum Limits(%)
1	Foreign matter a) Inorganic b) Organic	1.0 1.0
2	Damaged, discoloured, sprouted and weevilled grains.	4.0
3	Immature, Shrunken and Shrivelled grains	3.0
4	Admixture of lower class	7.0
5.	Moisture	17.0

Note: please see page 11 of GO.

OPERATIONAL GUIDELINES:

Operational guidelines for MSP operations for paddy during KMS 2008-2009 shall be the same as was communicated vide GO Ms.No.38 Consumer Affairs, Food & Civil Supplies (CS.I) Department, dtd.24.9.2007 with modifications if any, from time to time, except in respect of MSP.

PURCHASE CENTRES:

The Collectors shall insist the Rice Millers Association for procurement of paddy at the regulated markets, notified markets, godown points including CWC & SWC godowns and rice mill premises as declared by the Marketing Department for the purpose of purchase of paddy.

The Corporation shall open paddy purchase centers at such locations, where absolutely required and where the farmers are not getting MSP depending upon the advance planning, as decided by the District Collector.

PERIOD OF PROCUREMENT:

The MSP operation of paddy shall be for a period of 75 days. For each district, depending upon the harvesting and arrival of paddy, the Collector will decide and notify the date from which MSP operation will commence for 75 days.

PUBLICITY:

Pamphlets indicating the MSP specifications, location of purchase centers and relevant operational details printed by the District Administration should be distributed to the farmers in coordination with the Marketing Department.

IDENTIFICATION OF FARMERS:

Farmers shall be insisted upon to bring Pattadar Pass Books along with them for quick disposal of their produce. Particular attention shall be paid to the problems of small and marginal farmers in speedy disposal of their produce. The farmers shall be informed not to go for distress sale of FAQ paddy at all.

INFRASTRUCTURE:

At all the purchase centres required number of paddy cleaners, moisture meters, calipers, winnowing machines, tarpaulins, stitching machines and weighing scales (electronic) have to be positioned. In case of centers set up by the SHGs of IKP, the Marketing Department has to position necessary infrastructure available within the district or other-wise from the neighbouring districts.

PAYMENT OF HANDLING CHARGES:

Joint Collectors shall fix Hamali labour charges / handling charges at PPCs uniformly in the entire district by conducting meeting with Hamali Unions, Secretaries of AMCs and Procuring Agencies duly keeping in view of the rates fixed by the Govt. of India so as to avoid any variations. During the KMS 2007-2008, Govt. of India have allowed Rs.5.14 per quintal of paddy.

REGULATION OF PADDY ARRIVALS:

Village-wise arrival schedule should be informed through beat of drum (tom tom) for the benefit of the farmers. This shall also be prominently indicated at the conspicuous place in the Paddy Purchase Centres. This work is entrusted to the Tahsildars concerned in consultation with Mandal Agricultural Officer and Secretary, AMC concerned.

HANDING OVER OF PADDY TO THE DESIGNATED RICE MILLS:

Paddy purchased by the Corporation shall be handed over to the nearest designated rice mills for custom milling as per the agreed terms and conditions and at the rates and norms fixed by the Government of India. The Collectors shall allot the paddy purchased at the PPCs to rice mills for immediate custom milling without storage of paddy. The Rice Millers, within 15 days from the date of receipt of paddy, shall complete custom milling of paddy and deliver the resultant rice either as raw rice or boiled rice. The paddy should be handed over against either advance delivery of rice or against the undertaking given by the Rice Millers Association of the concerned District or area. The system of Bank Guarantee or collateral security equivalent to paddy delivered to be taken from the individual rice millers as one of the mechanisms to ensure security of stocks.

JOINT CUSTODY OF PADDY STOCKS:

The paddy stock delivered to the Rice Mills for custom milling shall be under the joint custody of the miller and the local officer designated by the Joint Collector. If the miller contravenes any of the conditions of the agreement entered with Civil Supplies Corporation, he will be blacklisted and proceeded against under the provisions of law.

MONITORING OF CUSTOM MILLING:

The Collectors shall review the entire process of custom milling operations regularly and take necessary action against the rice millers, who fails to do custom milling of paddy procured duly following the procedure in vogue. In cases of failure by rice millers in converting the paddy to rice within the stipulated time, the Collectors shall furnish to the Food Corporation of India, the details of defaulters together with mill-wise quantities given for custom milling, quantity milled and the quantity yet to be milled, so that the Food Corporation of India shall deduct the equivalent quantity of resultant rice for the paddy yet to be milled against the levy rice being delivered by such rice miller. (Circular instructions (Cir.No.55), dtd.17.4.2008 were issued on the GO Ms.No.13 CA, F & CS (CS.I) Dept., dtd.24.3.2008 on the Conversion of paddy into rice within 15 days).

For immediate custom milling within the stipulated time as per Govt. of India norms, a system at district level has to be evolved in such a manner that the date of issues to millers and delivery of resultant rice to FCI has to be closely monitored through computer programme and ensure that the entire paddy is custom milled without any delay. Custom milling operations shall be closely monitored by the Joint Collectors, Dist. Managers of the AP State Civil Supplies Corporation, District Supply Officers at District level and Revenue

Divisional Officers, Mandal Revenue Officers and Deputy Tahsildars(CS) at field level.

INSPECTION:

In order to ensure the safety and security of the paddy stocks and to ensure the delivery of custom milled rice by the millers in time and at the stipulated ratio fixed for levy and CMR the District Enforcement staff such as DT(CS), MRI etc. to inspect the rice mills under their jurisdiction for making the millers adhere to the orders of the Government in letter and spirit.

DEPLOYMENT OF STAFF:

To facilitate smooth and easy procurement, required number of staff shall be deployed as per the need indicated by the District Collector, by deputation from other departments apart from Corporation staff.

ACCOUNTABILITY:

The employees at the purchase centres shall be accountable for quality, quantity and maintenance of proper accounts.

APPOINTMENT OF DIVISION-WISE TRANSPORT CONTRACTORS:

Paddy purchased by the Corporation shall be transported to Rice Mills / storage godowns duly finalizing and following the rate contract. The District Level Committee shall keep in view the local Foodgrain Contractors and FCI rates in finalization of transport contractors. All the District Managers shall furnish the list of rate contractors appointed by the District Committee to Head Office.

GUNNIES:

The District Managers shall make necessary arrangements for positioning required number of gunnies at PPCs. The District Managers shall utilize the existing gunny bags in the first place. The District Managers shall assess the requirement of gunnies with reference to expected procurement and take steps for making available sufficient gunnies. As per the GOI norms vide reference 4th cited, once used gunnies should be gunnies left after delivery of CMR in KMS 2007-2008. Procurement of paddy may be made in new and once used gunny bags in 50:50 ratio. CMR will be delivered only in the new bags. Purchase of once used gunny bags / old bags from the open market for procurement of paddy is not permitted.

Regarding purchase of new gunnies by the District Level Committee, a meeting shall be convened for taking a decision to purchase gunnies either through DGS&D or through National Bidding preferably through e-procurement. The District Managers shall furnish the purchase details of gunnies and gunny account for every month without fail.

DELAY IN CUSTOM MILLING DUE TO NON-AVAILABILITY OF ADEQUATE RICE MILLS.

In case of any delay in custom milling of paddy due to non-availability of adequate capacity of rice milling industry in the district, the paddy may be transported to the nearest district for immediate custom milling, with the approval of Government. The expenditure incurred by the A.P. State Civil Supplies Corporation shall be booked to the MSP operations of paddy and the same shall be included in the audited accounts of KMS 2008-2009, so that the Government of India will be requested for reimbursement of the same.

FINALIZATION OF RATES ETC.

The District Level Committee should call for the tenders, finalise the rates duly following the norms and guidelines communicated by the Government and Head Office from time to time on the following:

- a) Procurement of once used gunnies through F.P.Shop Dealers and new gunnies.
- b) Transportation of paddy.
- c) Finalisation of uniform hamali charges.
- d) Fixation of rent for private godowns.

All the District Managers shall furnish the rates fixed on the above to Head Office with specific report.

FAQ SPECIFICATION OF PADDY:

Farmers may not be allowed to wait for days for disposing of the paddy. The farmers may be educated to bring the paddy after drying and cleaning the dust etc., to conform to FAQ specifications and ensure MSP to the farmers. If the quality is not as per the specifications, the method of improving the quality shall be explained to the farmers properly.

PAYMENT TO FARMERS:

The payment has to be made to the farmers through bearer cheques up to Rs.20,000/- and through Account Payee Cheques for more than Rs.20,000/-.

REPORTS TO HEAD OFFICE:

The District Managers shall furnish Daily Reports through AP Online and Fax before 1.00 PM on the next day for both the paddy procured at PPC without fail, so as to enable the Head Office to prepare consolidated report and furnish to Government by 3.00 PM, as was done during KMS 2007-2008.

GENERAL:

- a) No complaints shall be received from the farmers for not purchasing the paddy at MSP on the flimsy grounds of non-availability of Incharges, gunnies, amount etc.
- b) If any paddy purchase centre opened in open place, the paddy so procured may be shifted immediately to the nearest designated Rice Mill/ SWC/CWC/AMC godowns so that the paddy procured could be protected from any damage from heavy and sudden rains.
- c) The District Manager and Asst. Manager (Tech) shall visit all the PPCs at-least thrice in a week on alternate days so as to check the quality and quantity on daily basis by either of them.
- d) The District Managers shall bring to the notice of the Joint Collectors to ensure that the millers shall deliver raw rice only, as it is useful to the FCI for delivery under PDS.
- e) The District Managers shall also bring to the notice of the Joint Collectors regarding storage losses, if any, soon after liquidating the paddy stocks and ensure necessary remedial measures to fix up responsibility for recovery of the value of loss of paddy duly following the procedure under intimation to Head Office.
- f) The District Managers shall furnish storage loss/gain details in the prescribed proforma after completion of each season i.e., Kharif and Rabi.

The above circular instructions should be followed scrupulously and acknowledge receipt of the circular.

Encl: GO No.40, dtd.13.10.2008.

Sd/- B.Udaya Lakshmi,
VC & MANAGING DIRECTOR.

/t.c.f.b.o./

GENERAL MANAGER (Mktg.)

To

All the Joint Collectors & Ex.Officio Executive Directors, APSCSCL

All the District Managers, APSCSCL.

All the Zonal Managers, APSCSCL.

Copy to all District Collectors.

Copy to all General Managers – APSCSCL- HO

Copy to the Commissioner of Civil Supplies, AP, Hyderabad

Copy to the Director of Civil Supplies, A.P.,Hyderabad.

Copy to the Commissioner of Marketing/Agriculture/I & PR, A P Hyderabad.