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The Andhra Pradesh

State Civil Supplies Corporation Ltd.

(A State Government Undertaking)

Regd. Office: 6-3-655/1/A, Civil Supplies Bhavan, Somajiguda, HYDERABAD -500 082

SRI SANJAY JAJU, IAS.,
VC & MANAGING DIRECTOR (IN-CHARGE).

CIRCULAR. MKTG.NO.75.

Lr.No.Mktg.M2/4736//2010-11/Paddy.

Date:26.10.2010.

Sub:- APSCSCL- Marketing - Procurement of Paddy under
MSP during KMS 2010-11 - Instructions issued - Reg.

Ref:- 1. GO Ms.No.45, CA, F & CS (CS.I) Dept., dtd.05.10.2010.
2.This office Circular Mktg.No.71 issued vide Lr.No.Mktg.
M2/ 4736 /2009-10 /Paddy. Date:21.11.2009

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In the reference cited, Government of Andhra Pradesh has issued orders on the Procurement Policy for Kharif Marketing Season 2010-11 as follows. A copy of the GO 1st cited along with the operational guidelines for procurement of paddy communicated vide reference 2nd cited is enclosed herewith.

1. MINIMUM SUPPORT PRICES:

Price per quintal of Fair Average Quality of paddy

Grade - A	: Rs.1030/-
Common	: Rs.1000/-

2. RATE OF CUSTOM MILLED RICE:

The rates for custom milled rice for the Kharif Marketing Season 2010-11 will be communicated separately.

3. 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 content	17.0

4. OPERATIONAL GUIDELINES:

Operational guidelines for MSP operations of paddy during KMS 2009-2010 communicated vide reference 2nd cited are holds good for KMS 2010-11 also.

5. TARGET FOR PROCUREMENT:

The APSCSCL has to make arrangements for procurement of paddy in Khariff and Rabi Season in the districts as per the targets fixed by the Commissioner of Civil Supplies.

6. SELF HELP WOMEN GROUPS:

The APSCSCL should procure Paddy by opening Paddy Procurement Centers at Market Yards itself and also with the help of Women Self Help Groups of IKP / DCMS / PACSs in paddy growing districts depending on the availability of experienced and active SHGs / DCMS / PACSs as mutually decided by the VC & MD, APSCSCL and Chief Executive Director, SERP under MOU.

7. CUSTOM MILLING OPERATIONS:

The Rice Millers shall undertake the custom milling of paddy simultaneously procured by the APSCSCL, as per the agreed terms and conditions and at the rates and norms fixed by the Govt. of India, as per the allotment of paddy purchased at SHGs of IKP /DCMS/PACSs to the Rice Millers for immediate custom milling without storage the paddy. The Rice millers shall complete custom milling of paddy within 15 days from the date of receipt of paddy and deliver the resultant rice either raw rice or boiled rice as prescribed by the Government for the paddy handed over during the KMS 2010-11 by the APSCSCL. The Collectors shall direct the Rice Millers to mill the paddy handed over to them and deliver custom milled rice to the FCI along with the Levy Rice if necessary by fixing a ratio between the mill levy delivery and the custom milled rice delivery. 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 by the APSCSCL / Self Help Women Groups of Indira Kranthi

Pathakam and received by them, duly following the procedure in vogue. In cases of failure by rice millers in converting the paddy into rice within the stipulated time, the Collectors shall furnish to the Food Corporation of India, the details of defaulters together with mill-wise quantities of paddy 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 of the paddy yet to be milled against the levy rice being delivered by such rice miller.

8. POSITIONING THE GUNNIES:

Since huge quantity of paddy is being purchased at the PPCs, necessary arrangements are being made for positioning the required number of new gunnies at Paddy Procurement Centers of CSC/IKP. The HO shall purchase new gunnies from Jute Mills through DGS & D, Kolkatta and position in the districts as per the requirement.

9. TRANSPORTATION OF PADDY TO THE NEAREST DISTRICT:

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. For example, the paddy procured at Mahabubnagar district may be transported to Kunrool district or Rangareddy district and the paddy procured at Adilabad district may be transported to Karimnagar district or Nizamabad district for custom milling. The expenditure incurred by the APSCSCL shall be booked to the MSP operations of paddy and the same shall be included in the audited accounts of KMS 2010-11, so that the Govt. of India will be requested for reimbursement of the same.

10. INFRASTRUCTURE:

At all the purchase centers required number of paddy cleaners, moisture meters, calipers, winnowing machines, tarpaulins, stitching machines and weighing scales (electronic) have to be positioned by Marketing Department through AMCs. 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 neighboring districts.

11. UNIFORM HAMALI CHARGES:

The Collectors shall fix uniform charges in the entire district by conducting meeting with the Hamali Unions, Secretaries of AMCs and Procuring Agencies. The Hamali Charges should include regiment, stitching and stacking / loading at PPCs / AMCs. The weighment Charges, thus, fixed will have to be borne by the APSCSCL at PPCs / AMCs.

12. DISTRICT PROCUREMENT COMMITTEE:

The Collectors shall constitute a District Procurement Committee with the Joint Collector as Chairman and District Level Officials of all connected departments, namely, Agriculture, Marketing, Civil Supplies, Transport, DRDA, ITDA, I&PR, Warehousing Agencies (CWC, SWC), Procurement Agencies (FCI, APSCSCL) and also Sub-Collectors / Revenue Divisional Officers as members to coordinate and decide on all activities and monitor the work on day-to-day basis as per the operational guidelines.

13. PUBLICITY:

Wide publicity of the location of the Paddy Procurement Centers specifications of FAQ paddy, MSP should be given through press and pamphlets, leaflets and electronic media besides organizing extensive training programmes and relevant operational details printed by the District Administration should be distributed to the farmers in coordination with the Marketing Department.

Hence, the following instructions are hereby issued to all the Joint Collectors & Ex.Officio Executive Directors and District Managers for smooth paddy procurement operations during KMS 2010-11.

1) Opening of Paddy Procurement Centers.

The Joint Collectors & EOEDs should 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 Administration.

In pursuance of the orders issued by the CCS& Ex. Officio Secretary to Govt. vide Memo.No. 820/CSI(1)/2008 dt.05.05.2009, the Food Corporation of India shall operate the paddy purchasing centers at all the Agricultural Regulated Market yards and the APSCSCL will concentrate in all other places of the state with the help of Women Self Help Groups of Indira Kranti Pathakam.

2) 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.

3) 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.

4) 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 Mandal Revenue Officers concerned in consultation with Mandal Agricultural Officer and Secretary, AMC concerned.

5) Availability of required number of gunnies:

The APSCSCL is purchasing new jute gunnies from DGS&D, Kolkata, all the District Managers should assess the actual requirement of new gunnies in their respective districts and place indents with the Head Office for arranging movement of gunnies from the Jute Factories in A.P.

6) 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.

7) Accountability.

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

8) Handling 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 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.**

9) 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 in the cadre of not less than the Dy. Tahsildar (CS). If the miller contravenes any of the conditions of the agreement entered with Civil Supplies Corporation, the defaulting miller will be blacklisted and proceeded against under the provisions of law.

10) Trading Mills as Storage Points.

The Joint Collectors & EOED shall declare all the trading Rice Mills in the districts who are participating in the Custom Milling operations, as storage points, duly giving full data i.e., name of the rice mill and address, extent of space earmarked for storage as ordered by the State Government. After completion of procurement

operations, the millers shall produce a certificate on quantities stored in his premises from the date of receipt of paddy till CMR is delivered in total.

11) 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. shall inspect the rice mills under their jurisdiction for making the millers adhere to the orders of the Government in letter and spirit.

12) Appointment of Division-wise Transport Contractors.

Paddy purchased by the Corporation shall be handed over to Rice Mills. The District Procurement Committee shall keep in view the approved rates of local Foodgrain transport 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.

13) Finalization of Rates etc.

The District Procurement 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) Transportation of paddy.
- b) Finalisation of uniform hamali charges.
- c) Fixation of rent for private godowns, if hired.

The Head quarters of APSCSCL, Hyderabad shall supply the new gunnies to the paddy procurement districts from DGS & D, Kolkatta through Jute Mills by placing indent from time to time keeping in view of the requirement furnished by the needy Districts.

All the District Managers shall furnish the rates fixed on the above to Head Office with specific report in-order to get approval from HO.

14) Payment to Farmers.

The payment shall be made to the farmers through Account Payee Cheques only. If IKP and APSCSCL are jointly doing the MSP operations, there is an imperative need to inform the farmers and IKP Groups that the release of money from the Corporation will take a maximum period of 30-45 days or it can be released immediately on realization of CMR from FCI, whichever is earlier.

15) 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 2009-2010.

GENERAL:

- a) No complaints shall be received from the farmers for not purchasing the paddy at MSP on the flimsy grounds viz., Non-availability of Incharges, gunnies, amount etc.
- b) The District Managers are requested to send provisional incidental expenditure to be incurred on procurement of paddy to Head Office for taking necessary action.
- c) The storage losses, if any, soon after liquidating the paddy stocks at PPCs / IKPCs shall be noted for taking necessary remedial measures to fix up responsibility for recovery of the value of loss of paddy.
- d) Reconciliation of Paddy Account shall be done immediately after movement of paddy to the Rice Millers from the PPCs / IKPCs.
- e) The gunnies reconciliation shall also be done simultaneously to settle the gunny account IKP wise/ PPC wise and arrive at the OB receipts, issues and closing balance for next operations.
- f) Commission to the Societies shall be paid @ 2.5% on the MSP value of stocks procured by the IKP Groups and certificates to that effect received from the DRDA. Subsequently claims shall be preferred with FCI for reimbursement.
- g) The District Managers shall furnish storage loss/gain details in the prescribed proforma after completion of the season i.e., Kharif / Rabi.
- h) 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.
- i) A stock flow statement has to be maintained IKP wise for paddy procurement.
- j) A stock flow statement for CMR receipts also has to be maintained.

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

Encl: As above.

Sd/- Sanjay Jaju IAS.,
VC & MANAGING DIRECTOR I/C.

// 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 submitted 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.