

V. ANIL KUMAR, I.A.S.,
V.C.& MANAGING DIRECTOR.

CIRCULAR NO. 142/MKTG/DCP

No. Mktg/M2/4873/DCP/2013-14

DT. 02-11-2013

Sub: APSCSCL- Procurement Policy for KMS 2013-14 - Decentralised procurement – Acceptance of raw rice under levy and CMR by APSCSCL – Reg.

- Ref: 1. G.O.Ms.No. 31dt. 21.10.2013 of Consumer Affairs, Food & Civil Supplies (CS I) Department, Govt. of Andhra Pradesh.
2. HO Cir. No. 107/Mktg/M3/70/2002/Godown rents dt. 18-05-2012.
 3. HO Lr. No. Mktg/M2/S&C5(1)/2012/Stg.DCP/, dt. 09-10-2012.
 4. HO Lr. No.Mktg.M2/3052/Khariff/2012-13, dt. 06-10-2012.
 5. HO Cir. No. 113/Mktg./M2/2215/DCP/2012-13, dt. 04-10-2012.
 6. HO Lr. No.Mktg./M2/2215/DCP/2012-13 dt. 04-10-2012.
 7. Ho. Cir. No. 115/Mktg/M2/2215/DCP/2012-13 dt. 06-10-2012.

The Government of Andhra Pradesh vide G.O.Ms 1st cited has issued order on procurement Policy of paddy and rice for KMS 2013-14. According to procurement Policy of Govt. of Andhra Pradesh:

- The APSCSCL Ltd., shall receive raw rice under mill levy under Decentralised procurement during the KMS 2013-14 in the Districts of Karimnagar, Warangal, Nalgonda, Guntur, Prakasham, Nellore, Chittoor, Vizianagaram, Medak and Kurnool.
- The A.P. State Civil Supplies Corporation Ltd., shall make arrangements for procurement of paddy at MSP under decentralised procurement and retain the resultant CMR raw rice from out of the paddy procured in the entire State at MSP under the decentralised procurement for the PDS and deliver the boiled rice under CMR to the Food Corporation of India for the Central pool. The APSCSCL Ltd., shall retain the CMR raw rice obtained from the paddy purchased by it at MSP under DCP of paddy in all the districts of the State.
- The AP State Civil Supplies Corporation Ltd., during KMS 2013-14 (i.e., from 1st October-2013 to 30th September 2014) shall procure 14 lakh tonnes of raw rice in the 10 assigned districts out of which the performance expectation of raw rice is 13 lakh tonnes during Khariff season and 1 lakh tonnes during Rabi.
- Though the performance expectations for Khariff and Rabi seasons are indicated separately, the deliveries shall be applicable for the entire KMS from 01-10-2013 to 30.09.2014 and the deliveries cannot be stopped at the end of Khariff season i.e., 31-03-2014 and commence Rabi season afresh. The deliveries shall continue to be throughout the season from 01-10-2013 to 30-09-2014.

• The rice millers / Traders shall deliver 75% of the raw rice milled pertaining to all varieties other than superfine preferred varieties to the APSCSC Ltd., under mill levy in the ten assigned districts. If any miller / trader wants to deliver the superfine preferred varieties of raw rice, the APSCSC Ltd., may accept such varieties under levy.

The following arrangements shall be made for acceptance of raw rice under levy in the ten assigned districts i.e., Karimnagar, Warangal, Nalgonda, Guntur, Prakasham, Nellore, Chittoor, Vizianagaram, Medak and Kurnool and raw rice under CMR in all the districts.

1. To ensure acceptance of raw rice delivered under mill levy as well as CMR by having adequate godown space at MLS points and other buffer godowns.
2. Action shall be taken to acquire adequate godown space from SWC, CWC, AMC and other private godowns and godowns de-hired by FCI in addition to utilization of space available at MLS points as already informed vide references 2nd and 3rd cited. No Godown with capacity of less than 1000 MTs shall be hired.
3. Levy rice shall be accepted only on the basis of MSP certificates issued by the Collector (CS). Acceptance of levy rice without MSP certificate of the Collector (CS) and over and above the MSP certificate is strictly prohibited. Accordingly, on receipt of the MSP certificate from the District Supply Officer, necessary entries shall be made in the Miller-wise register maintained in the District office and thereafter duly endorsing on the Original Certificate, the same should be forwarded to the M (QC) / AM (Tech) / TA of concerned depot along with a copy of the list to the Manager (QC)/AM(Tech) / TA, Manager (Depot) and incharge of inward Gate. The In-charge of Inward gate after duly verifying the details of MSP and making necessary entries in the concerned Registers, the truck should be allowed inside the godown. However, this condition does not apply to the trucks with custom milled rice. The mill levy raw rice should be accepted @ 75% of 67% out turn ratio against the total paddy purchased by the miller.
4. The raw rice procured under mill levy and the raw rice retained under CMR by the APSCSCL shall be utilized for PDS and other welfare Schemes in the DCP Districts.
4(a). In respect of CMR received other than DCP Districts should use only for PDS not for other welfare schemes.
5. There may be no objection for accepting raw rice from the boiled rice mills, as the boiled rice mills can produce raw rice.
6. The FAQ specifications for Grade-A and Common rice are enclosed in Annexure-I for ready reference.
7. Raw Rice under mill levy shall be accepted with 50 Kg net weight in new small B twill (SBT) gunnies only. The standard tare weight of the BT new gunny should be 665 grams.
8. The custom milled raw rice shall be accepted with 50 Kg net weight in new B twill gunnies used for paddy, supplied by the Corporation along with paddy.
9. The raw rice under mill levy and CMR shall be accepted in 27 Mt consignment i.e., one acknowledgement as is being accepted by FCI at present.

10. The APCSC Ltd., shall monitor the delivery of the CMR rice on daily basis and ensure that the deliveries of CMR rice is made promptly.
11. Payment to rice millers shall be made promptly through account payee cheque / RTGS system for the levy rice. The levy procurement prices for the KMS 2013-14 are not received from GOI. Till receipt of levy procurement prices for KMS 2013-14, the APSCSC Ltd., shall make payment to the rice millers at the procurement prices of KMS 2012-13 subject to adjustment of difference after receipt of the procurement prices of KMS 2013-14. If the amount paid is less, the APSCSCL shall pay the difference to the miller. If the payment made is more the procurement prices of KMS-2013-14, the difference shall be recovered from the millers. The procurement prices of levy rice for KMS 2012-13 as communicated by Govt. of India Lr. No. 2(1)/2012-Py.1 dt.04-02-2013 (copy enclosed – Annexure-II) are Rs.2082.80 & Rs.2130.30 per quintal for common and Grade-A respectively. These prices are inclusive of cost of two 50 Kg gunny bags and forwarding transport charges for delivery of rice from the mills to the godowns up to a distance of 8 KMs. The guidelines issued by the Govt. of India from time to time shall be followed strictly while making payments to rice millers. In this regard, the guidelines issued vide Accounts Circular No. Acct/DCP/2012-13 dt. 01-11-2012 may be followed.
12. No payment shall be made for the raw rice stocks received under CMR since the stocks pertain to APSCSCL.
13. Raw rice procured under mill levy and raw rice retained under CMR shall be utilized for PDS and other welfare schemes in the DCP districts as per the allotment made by the CCS and EOS from time to time.
14. Necessary staff like technical, accounts and other supporting staff shall be deployed in godowns and office duly fixing the duties and responsibilities with clear demarcation in day-to-day functioning.
15. Proper weighment of stocks at the time of receipt and issues is essential. After verification of MSP certificate, the truck should be weighed on LWB. Test weighment of 10% bags of the consignment shall be conducted on beam scale / platform scale and the average weight of the bag arrived on 10% test weighment shall be adopted for entire consignment and recorded in all the concerned documents. If the difference in average weight of the bag is found to be more than (+) or (-) 250 grams for a standard bag of 50 Kg net, it should be construed the consignment is of non-standard nature and rejected. No handling charges need be paid to the labour on account of dumping of bags and test weighment of 10% bags as it is the responsibility of Miller. Necessary Weigh bridge / Weighing Scales are to arranged before commencement of procurement. The detailed instructions issued vide PDS Circular No. PDS-50, dt. 25-10-2012 shall be followed.
16. The day-to-day and cumulative procurement / releases should be updated in the MIS report on regular basis by entrusting the Job to an Asst Manager and one Assistant of concerned District office and the name and contact No. of the officer / Assistant shall be intimated to Head office. (DCP Section).

17. The District Manager, concerned shall obtain a report on the Progress of daily procurement of raw rice (ML & CMR) under DCP and releases depot-wise from the procurement centres / depots in the format – Annexure – III and update the records on day to day basis.

18. All the stacks in the godowns should be built uniformly consisting of minimum 6 (Six) consignments (ACKs) each of 540 bags / 27 MTs. As far as possible, total bags of a consignment / ACK shall go to a single stack.

19. Separate account is to be maintained for mill levy / CMR raw rice procured under KMS 2012-13 and KMS 2013-14. The stocks pertaining to KMS 2012-13 should be released on priority by observing FIFO.

20. Quarterly / Annual physical verification of DCP raw rice and paddy available in the godowns which are under the custody and maintenance of CSC including paddy stocks held with Millers under joint custody of CSC officials / officers shall be undertaken. Similarly, in r/o stocks held in SWC / CWC godowns, the concerned Warehouse Managers be advised to conduct Quarterly / Annual Physical verification of stocks and furnish the reports in the prescribed formats.

21. Name Boards shall be displayed at prominent places of godowns as indicated in prescribed format at Annexure. – IV.

22. Tagging of rice mills for procurement:

- Tagging of rice mills for acceptance of rice shall be made to the nearest designated godown strictly as per the logistics to minimize the cost on transport of levy rice / CMR . There shall not be any criss-cross movement. Rice shall be accepted only at the designated godowns. The transport charges shall not be paid for more than the distance of the designated godown.

- The transport charges for levy rice and CMR shall be paid at the following rates per the orders issued by the Food Corporation of India vide their Letter dt. 28.02.2011, 15.05.2011 and 17-06-2011 (copies enclosed - Annexure –VII) and changes if any will be communicated subsequently.

Distance slab	Rate
Up to 8 KMs	NIL
Beyond 8 KMs up to 40 KMs	Rs.0.34 paise per KM per quintal.
Beyond 40 KMs.	Rs.0.30 paise per KM per quintal.

23. Custody and maintenance of stocks.

a. Proper dunnage at the godowns to be positioned.

b. Custody and maintenance system to be followed as per the Warehousing norms.

c. Stacking to be done properly as per the standard norms being adopted in the FCI godowns.

d. Stocks procured under levy / CMR to be verified physically before issue under PDS or any other schemes by the team consisting of District Manager and Assistant

Manager (Tech) and ensure quality as per specifications and should be specified in the relevant registers.

- e. FIFO (First-in-First Out) for delivery of rice for PDS and other schemes to followed.
- f. Tags for the stacks as required under the godown procedure to be followed.
- g. Preservation methods for storage of stocks to be followed.
- h. Fumigation, spraying etc., should be done as per the time schedule prescribed as per the quality maintenance norms.
- i. Accounting should be fool proof.
- j. Receipt and issue of stocks to be properly maintained.
- k. Weighment at the time of receipt and issue to be done as per the prescribed procedures..
- l. Transport contractors shall be held responsible for short delivery.
- m. Recovery of cost for short delivery of rice shall be made as per the contract / agreement.
- n. Wherever facility is available, computerization of accounts to be done immediately and in other places, it shall be done gradually.
- o. Godown Officers / staff shall be responsible for proper accounting and maintenance of the stocks.
- p. The District Managers shall do physical verification and frequently visit the godown to ensure that there is proper management of stocks.
- q. Godown shall be clean and tidy to deny access to rodents / snakes / birds etc., and as per prescribed standards. Improper maintenance of godowns leads to deterioration in quality and quantity of rice. Hence, need for proper maintenance.
- r. As far as possible movement of stocks shall be made directly under Stage.II from SWC/CWC/CSC Godowns to avoid additional expenditure on Stage.I movement
- s. Third party annual verification of both quantity and quality of stocks in the APSCSCL godowns to be organized to avoid misappropriation.

24.Regularization of Storage / Transit losses.

All prescribed measures shall be taken to contain the Storage and Transit losses. At the time of procurement, the M (QC/AM(T) / Tech Assistant concerned should check and record the moisture content in the concerned registers in the presence of custodian of stocks. During fortnightly / monthly inspections, the Inspecting officer shall check the moisture content and record it in the stack-wise register. The moisture content should be determined for each stack on fortnightly basis. The stacks should be killed in full once the issues have been started from a stack and should not go to the next stack till the earlier part stack is completely liquidated.

The Storage loss statement for each completely liquidated stack during a month should be prepared in the prescribed format (Annexure-VIII) and forwarded to Head office along with proper justification / investigation reports by 15th of every succeeding month for regularization by the competent authority. The storage loss