

**ANDHRA PRADESH STATE CIVIL SUPPLIES CORPORATION LIMITED**  
**Regd. Office: 6-3-655/1/A, C S Bhavan, Somajiguda, Hyderabad -500 082.**  
**A.P. Unit**

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SRI V.ANIL KUMAR, I A S.,  
VC & MANAGING DIRECTOR.

**CIRCULAR NO. 154/MKTG**

No. Mktg/M2/381/Khariff 2014-15/AP

Date:08.08.2014.

Sub: APSCSCL – Marketing – Procurement of paddy under MSP for  
Khariff 2014-15–Preparedness–Instructions issued – Reg.

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The Corporation is the State Agency for procurement of paddy under MSP operations. The Khariff Marketing season will commence from 1<sup>st</sup> October.2014. Since All District Managers are Nodal Officers, they have to take proactive role in paddy purchases, to avoid hardships in purchase of paddy, ensure timely reporting, reconciliation and rendering of accounts. Therefore, the following important instructions / guidelines are issued for smooth functioning of paddy procurement under MSP operations during Khariff 2014-15.

**I. Preparedness before commencement of procurement:**

**1. Finalization of paddy procurement centers:**

Finalization of number of PPCs opened by IKPs/ PACS/ DCMS/ITDA/Others and their locations well in advance and inform to Head Office.

**2. Infrastructure:**

Ensure availability of necessary infrastructure such as paddy cleaners, moisture meters, weighing scales along with weights, calipers, tarpaulins, winnowing machines, polythene covers, etc., at all PPCs / IKPs in co.ordination with AD., Marketing and PD, DRDA. All necessary infrastructure shall be positioned at procurement centers well in advance.

**3. Prescribed books & vouchers:**

Ensure supply of all prescribed books of accounts, purchase vouchers, truck chits, etc. to all PPCs of IKPs / PACS DCMS/ITDA etc well in advance. The stationary shall be supplied during training programme itself.

**4. Staff:**

Plan for required technical and other staff to man all the PPCs and arranging staff on deployment from Agricultural, Revenue and other departments.

**5. Training:**

Arrange for imparting training for IKP groups /PACS/ DCMS/AEOs etc., on paddy procurement after finalization of PPCs list.

**6. Paddy transport contractors:**

Appoint division-wise paddy transport contractors for Khariff 2014-15 with distance slabs of 0-16 KMs (rate per MT) and above 16 KMs (rate per MT per KM) by calling tenders and finalize the rates in District Procurement Committee at district level. If necessary, keeping in view of work load in the division, more than one contractor can be appointed for the division with same rates.

**7. MOU with paddy procuring Agencies:**

Entering into MoU with procuring agencies i.e.DRDA /PACS/ DCMS/other agencies for undertaking paddy procurement on behalf of APSCSCL before commencement of procurement operations.

**8. Tagging of Rice Mills:**

Identification of rice millers and tagging to PPCs of IKPs / PACS / DCMS for custom milling of paddy, duly observing economy in transportation, with the approval of the Collector (CS).

**9. Measurers to be taken before issuance of paddy to designated rice mills for custom milling:**

Obtain **undertaking from Rice Millers Association** on behalf of their millers (stating that the association will take responsibility for delivery of CMR against paddy delivered to them, if any miller fails to deliver CMR against paddy issued for custom milling) **or cash security/ bank guarantee** from designated rice millers before issue of paddy for custom milling as per the orders of Government Memo No.4903/CS (I)/2013-1, dt.06.11.2013.

**Hence, obtaining undertaking / cash security/ bank guarantee is an essential need before issuing paddy to designated rice millers.**

## **10. Agreement with designated Rice Mills:**

Entering into agreement with the designated Rice Millers duly incorporating the conditions prescribed at district level for advance delivery of paddy for custom milling.

Model agreement link is available on the home page of Corporation web site i.e. [www.apscsc.gov.in](http://www.apscsc.gov.in) ”.

## **11. Joint Custody of paddy stocks:**

As stated at Para 33 of the operational guidelines, paddy stocks delivered to the Rice Mills for custom milling shall be under the joint custody of the miller and a local Officer designated by the Joint Collector, to ensure security of paddy stocks and the action taken may be informed along with proceedings in the following proforma.

Sl.No.	Name of the Rice Mill & Village	Name of the Mandal	Name & designation of the local officer designated by the Joint Collector as Joint Custodian.

## **12. Pledging of paddy stocks:**

To issue necessary orders / guidelines through Joint Collector to all banks to exclude the paddy belongs to APSCSCL given for custom milling from the pledge and the bankers should obtain clearance from the DSO before sanction of loans to rice mills against the paddy stocks as per the orders issued by the Government vide CCS.Ref.No.PI(1)/2/2012, dt.09.05.2012.

## **13. CAP Storage:**

Identification of places for CAP storage and arranging personnel to work as incharges to CAP storage and to ensure imparting necessary training on CAP and preservation of paddy stored in CAP.

#### 14. Gunnies:

- a. **Leftover new gunnies used only once:** GOI, vide Lr.No.15(2)/2013-Py.III, dt.24.05.2013, have accorded permission for utilization of leftover once used paddy gunnies of previous year, purchased through DGS & D only, for procurement of paddy in the immediate succeeding Khariff Marketing Season.

Hence, leftover new gunnies once used for paddy after delivery of CMR shall be collected from the rice millers immediately duly following the guidelines issued vide Circular No.136/Mktg,dt:28.06.2013, Circular No.123/Mktg,dt:20.12.2012 and Circular No.100/Mktg dt.17.01.2012.

- b. **Leftover new gunnies of KMS 2013-14:** GOI have accorded permission for utilization of leftover new gunnies of KMS 2013-14 for CMR deliveries of KMS 2014-15 vide F.No.15 /1/2012-Py.III, dt.30.07.2014.

Hence, the leftover new gunnies of KMS 2013-14 available in the districts shall be utilized immediately for CMR deliveries of KMS 2014-15 itself on priority basis since FCI will not accept CMR deliveries in the above gunnies during KMS 2015-16 due to change of colour coding.

- c. In view of the above orders, the new and left over once used gunnies shall be positioned in all paddy procurement centers in 50:50 ratio. The paddy shall be moved to the rice mills in the same ratio so that the rice millers deliver the CMR in new gunnies and this arrangement will ensure maximum economy of the gunny cost. There shall not be any deviation.
- d. New gunnies shall be indented well in advance as per the above guidelines.

## **15. Preservation of gunnies:**

Necessary steps shall be taken for preservation of new gunnies as directed by Head Office in Circular No. 88(Mktg.) dt.20.06.2011 till they are used for paddy purchases.

## **II. After commencement of procurement:**

### **1. Submission of daily reports :**

To obtain reports from the PPCs of IKPs/PACS /DCMs / others on paddy procured, shifting to rice mills or intermediary godowns, balance paddy available, gunnies positioned, utilized and balance available, consolidate and furnish report to Joint Collector & EOED / Head Office by 11.00 Am on the succeeding day without any delay.

### **2. Control Room :**

Opening of control room in the District Office. The Assistant Manager (Tech./ Gen.) of APSCSCL is incharge to monitor shifting of paddy from PPCs/ IKPs and unloading at the designated rice mills or intermediary storage points to avoid delay in shifting of paddy from the PPCs/IKPs. One GPA/DT (CS) may also be posted to the control room for effective functioning.

### **3. Prompt payments to farmers :**

To make arrangements for prompt payment to farmers within 3 days time by way of cheques or through RTGS on the same day for the paddy purchased at PPCs. However, the flexibility is provided to the District Collector / Joint Collectors to take up issue of cheques directly by CS Corporation or to continue the existing practice through procuring agencies like IKP /PACS etc.

### **4. Delivery of CMR to CSC / FCI :**

To co-ordinate with the DSO, RDOs, Area Manager (FCI) and millers for speedy delivery of CMR. Raw Rice under CMR shall be delivered to CSC and boiled rice under CMR to FCI.

### **5. Claiming of CMR bills :**

- a. To obtain acknowledgements for the CMR (boiled rice) deliveries from the millers and claim bills immediately without any delay and realize amounts from FCI to reduce financial burden on CSC. The details of amount withheld by the FCI

shall also be collected along with payment from the FCI and reconciled.

- b. Supplementary claim for the amounts withheld by the FCI shall be preferred duly furnishing the required Utilization Certificate and other information.

#### **6. Obtaining of Purchase vouchers:**

To obtain purchase vouchers from procuring agencies on weekly basis i.e., on every Monday, arrange for verification and enter the same in OE – IV. If sufficient staff is not available, one or two Data Entry Operators may be engaged for this purpose temporarily **on need basis only**.

#### **7. Entering of CMR bills in OE –V:**

Entering of CMR bills date-wise/acknowledgement-wise in OE V.

#### **8. No advance payment for paddy transport contractor:**

No advance shall be paid to paddy transport contractor. Payment shall be made on submission of acknowledgements from rice mills/incharges of intermediary godowns. The contractors to be directed for claiming bills along with acknowledgements only and shall be finalized calendar month wise.

Timely finalization of transportation bills is very vital to arrive at the correct quantity taken delivery from the procurement centers and delivered to the designated rice mills. Unless transportation claims are finalized immediately it will be difficult to arrive at the exact quantity of CMR to be delivered by the miller to the FCI /CSC.

#### **9. Claiming of paddy transportation charges from FCI:**

The FCI will reimburse paddy transportation cost for the distance beyond 8 KMs at the rates approved by the District Collector or FCI whichever is less. Therefore paddy transport cost reimbursement bills shall be claimed from the FCI, Area Office on monthly basis, soon after finalizing bills of the transport contractor.

#### **10. fortnightly reconciliation :**

Arrange for fortnightly reconciliation of quantity purchased i.e., as on 15<sup>th</sup> and 31<sup>st</sup> of the month, quantity shifted, balance available, paddy delivered to rice mills for custom milling, payment made to farmers/DRDA/PACS, gunnies received, utilized and balance available with PPC/IKP/PACS/storage godowns in the district from 20<sup>th</sup> and 21<sup>st</sup> for 1<sup>st</sup> fortnight and 5<sup>th</sup> and 6<sup>th</sup> of succeeding months for 2<sup>nd</sup> fortnight.

#### **11. Hamali charges:**

As per the orders issued vide HO Circular No.145/Mktg, dt: 16.12.2013 **(for KMS 2013-14)**

The **APSCSCL** will pay Rs.10.62 per quintal of paddy (i.e. Rs.4.25 per 40 Kgs bag) towards the handling operations (filling, weighment, unloading from balance, stitching, marking, temporary stacking and loading into trucks) for procurement at its own PPCs as well as by IKPs / PACS/ DCMS/ others etc.

The **farmers** shall pay the handling charges at Rs.9.38 per quintal of paddy (i.e. Rs.3.75 per 40 Kg bag) for unloading and heaping.

The hamali charges payable for paddy procurement operations during ensuing KMS 2014-15 will be informed after receipt of KMS 2014-15 provisional cost sheet communicated by GOI.

#### **III. After completion of procurement:**

##### **1. Reconciliation of paddy & gunny account :**

Reconciliation of paddy and gunny account shall be completed within 15 days after closure of purchases for the season.

##### **2. Release of IKP Commission :**

To release IKP commission for the paddy purchased from IKPs / PACs and others, immediately on completion of reconciliation of paddy and gunny accounts.

##### **3. Rendering of Paddy KMS accounts :**

Rendering of accounts for the Kharif and Rabi to Head Office in the prescribed proforma along with necessary documents after completion of all transactions.



#### 4. Finalization of custom milling bills of Rice Millers:

This is one of the most important aspect as recovery towards cost of CMR short delivered, shortages of gunnies, quality cuts recovered by FCI, value of Grade difference in CMR etc are to be effected from CMR charges payable to rice millers.

Therefore the rice millers are to be directed to claim custom milling bills within 15 days from the date of completion of CMR deliveries to FCI / CSC. If millers fails to claim the bills, their accounts shall be finalized basing on the records available.

All custom milling bills shall be finalized **within one month after delivery of CMR.**

The above instructions are only indicative but not exhaustive. All GOs, Circulars and other instructions issued in this regard shall be followed scrupulously.

All District Managers shall take proactive action in paddy purchases under MSP operations and any slackness on the part of District Manager will be viewed with displeasure.

The receipt of the Circular shall be acknowledged by return of post.

Sd/- Anil Kumar  
VC & MANAGING DIRECTOR

To

All District Managers (except Hyderabad), CSC, A.P. State  
for necessary action.

Copy submitted to the CCS & EOS, Govt. of A.P, Hyderabad for  
favour of information.

Copy to all Collectors (except Hyderabad), A.P. State for  
information.

Copy to all Joint Collector & EOEDs, CSC, A.P. State for  
information and necessary action.

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

  
General Manager(Mktg.)

