ANDHRA PRADESH STATE CIVIL SUPPLIES CORPORATION LTD

Regd. Office: 6-3-655/1/A, C S Bhavan, Somajiguda, Hyderabad -500 082.

Sri K.RAMGOPAL, IAS., VC & Managing Director.

Lr.No.Mktg.M2/2366/Khariff 2015-16/Vol.II

Date: 01.01.2016

To The Joint Collector & EOEDs, APSCSCL, Srikakulam / Vizianagaram East Godavari / West Godavari

Krishna / Nellore (Surplus districts)

The Joint Collector & EOEDs,
APSCSCL, Visakhapatnam / Guntur
Prakasam / Kadapa / Chittoor /
Ananthaur / Kurnool (deficit districts)

Sir,

Sub: APSCSCL – Marketing – Procurement of paddy under MSP for KMS 2015-16 –inter district movement of paddy from surplus to deficit districts for custom milling during KMS 2015-16 – orders issued - Reg.

Ref:1. G.O.Ms.No.23, dt:04.11.2015 of EOS, CA, F & CS Dept., Govt. of AP, Hyderabad.

- 2. Lr.No.Mktg/Paddy/Khariff/2015-16, dt: 12.12.2015 of JC & EOED, APSCSCL, Chittoor.
- 3. Rc.No.2275/2015-S9, dt:02.12.2015 2015 of Collector (CS), Guntur.
- 4. Lr.No.Mktg.M2/Paddy/Khariff/2015-16, dt: 14.12.2015 of JC & EOED, APSCSCL, Prakasam.

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The JC & EOED, APSCSCL, Chittoor has informed, vide ref.2nd cited, that the paddy purchased during the season KMS 2014-15 has been custom milled and delivered to the entire CMR to FCI / CSC. It is also stated that due to heavy rains, the expected paddy production has been considerably reduced. The Millers of Chittoor District are not having handful of work to survive the Rice Milling Industry. The Millers are prepared to bear 33% of total transportation charges on paddy under inter district movement.

The JC & EOED, APSCSCL, Guntur has informed, vide ref.3rd cited, that the Rice Milling Industry in Guntur district is crippled and suffering due to non-availability of paddy in proportionate quantity to feed to run during the season KMS 2015-16. Most of the extent of land i.e.90% has been sown with preferred varieties of paddy (BPT varieties) and the farmers will not offer the same paddy to PPCs as they get more than MSP in open market. There are 320 Rice Mills in the districts. The Millers are prepared to bear 33% of total

transportation charges on paddy under inter district movement and to furnish bank guarantee.

The JC & EOED, APSCSCL, Prakasam has informed, vide ref.4th cited, that the Millers Association of Prakasam district represented that the paddy arrivals in the district starts from April.2015 and at present the millers does not have work of milling of paddy. The regular expenses towards power supply and other maintenance that fixed are not avoidable and not in a position to meet the same.

Hence, the JC & EOEDs of Chittoor, Guntur and Prakasam districts have requested to supply paddy from surplus districts to undertake custom milling under MSP operations for survival of Rice Milling Industry in their respective district under inter district movement.

In this regard, it is to inform that the GO guidelines were communicated to all the districts with regard to inter district paddy transportation from surplus to deficit districts and the procedure to be adopted. It has been identified that 6 districts are considered as surplus i.e.East Godavari, West Godavari, Krishna, Vizianagaram, Srikakulam and Nellore and the remaining 7 districts are considered as deficit districts.

Therefore, the Joint Collector & EOEDs of surplus districts are requested to allot paddy from the PPCs by tagging them to the designated rice millers of deficit districts for custom milling in consultation with their concerned Joint Collector & EOEDs during KMS 2015-16 subject to the following terms and conditions:

The duties of surplus districts;

- 1. Shall release paddy in confirmation of bank guarantees furnished by the millers of deficit districts through online paddy procurement system and shall ensure releases of paddy proportionate to the bank guarantees furnished at deficit districts.
- 2. The PPCs shall be tagged on to the millers of deficit districts for transportation of paddy allotted to them. The distances from PPCs to millers shall be taken into consideration to minimize the expenditure on transportation of paddy as economy measures.
- 3. The acknowledgements of paddy along with relevant documents shall be obtained immediately after delivery of paddy and to make necessary entries in book of accounts.

- 4. Paddy shall be delivered to rice mills of deficit districts in consultation with the concerned JC & EOED of deficit districts to avoid excess movement of paddy to the rice mills beyond the milling capacity.
- 5. Other conditions are applied as per G.O.Ms.No.23, dt:04.11.2015 with regard to inter district paddy transportation.

IDENTIFICATION OF AREAS FOR ALLOTMENT OF PADDY TO DEFICIT DISTRICT:

- 6. The areas are to be identified where there is space constraint to accommodate inflow of CMR in the surplus districts.
- 7. The PPCs where the paddy arrivals are heavy and not able to shift to the designated rice mills immediately after purchase.
- 8. The areas of surplus districts where the sufficient paddy has already been shifted to the rice mills for custom milling and noticed congestion in movement of paddy shifting and delivery of CMR.
- 9. Such areas are to be immediately identified for the allotment of paddy to the deficit districts in order to regulate the inflow and outflow of paddy and its CMR deliveries due to which the congestion can be avoided for smooth functioning of MSP operations.
- 10. To identify the areas where millers have accepted more than the milling capacity further diversion to that mills may be stopped.

The duties of deficit districts;

- 1. The District Administrations of deficit districts are to designate rice mills in their respective districts and such list of millers shall be furnished to the surplus districts to regulate the paddy transportation.
- 2. Shall obtain the bank guarantees / cash security from the designated rice mills before commencement of paddy transportation.
- 3. Shall obtain a consent letter from the designated rice millers to bear 33% of total transportation charges for the paddy transportation.
- 4. The paddy transported under inter district movement shall be converted into Raw Rice only and delivered at acceptance points within 15 days from the date of receipt of paddy.
- 5. Shall obtain the copies of acknowledgements along with relevant documents of paddy to monitor CMR (Raw Rice) deliveries at deficit districts and to make necessary entries in book of accounts.

- 6. The rice millers shall deliver resultant CMR in the new gunnies issued along with paddy stocks as per the procedure in vogue. The leftover gunnies shall be handed over in their respective districts.
- 7. The paddy transportation charges fixed by the District Procurement Committees of surplus districts are applicable for inter district movement. The transport charges shall be settled by deficit districts.
- 8. Custom Milling Charges will be paid by the deficit districts after delivery of entire CMR (Raw Rice) and handing over the leftover gunnies at deficit districts as per the GOI cost sheet.
- 9. The reconciliation of paddy, CMR deliveries & gunny account shall be attended by the District Managers of deficit districts.
- 10. Other conditions are applied as per G.O.Ms.No.23, dt:04.11.2015 with regard to inter district paddy transportation.

Yours faithfully, Sd/-

VC & Managing Director

Copy to the CCS & EOS, Govt. of AP, Hyderabad for favour of information. Copy to all the District Managers, APSCSCL, AP State.

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GENERAL MANAGER (Mktg & PDS)

11/16