

ALL ODISHA RICE MILLERS ASSOCIATION

S-3/36 , Sec-A, Zone-B, Mancheswar Indl. Estate, Bhubaneswar-751010

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Dated 9th October, 2015.

To,
The Managing Director,
Odisha State Civil Supplies Corporation Ltd,
C/2, Nayapalli,
Bhubaneswar-751012.

Dear Sir,

**Sub: Procurement operations during New KMS 2015-16 and
Important points for discussions thereof.**

We thank your honour for allowing the members of our Association from different districts to put forth and discuss various points in the interest of successful Procurement Operations during New KMS 2015-16.

A meeting of our Association was held today morning at Hotel Empires, Saheed Nagar, Bhubaneswar being attended by millers from most of the districts of our State to discuss various issues in the above matter as well as functioning and survival of Rice Milling Industry. After elaborate discussions, it was unanimously resolved to put forth the following points for your kind and favourable consideration:-

1. **Implementation of CAP Storage** during current KMS 2015-16 as per decision taken by Government during previous year and current year's Food Policy. Millers assure periodical lifting of FAQ Paddy from CAP Storage points of OSCSC based on acceptance of resultant rice in a time bound manner. If 100% storage is not possible, OSCSC may store at least 50% of the procured paddy under CAP Storage. This is likely to help in ensuring procurement of only FAQ Paddy.
2. **No recovery of Insurance Premium from the millers** as the Paddy/Rice Stock belongs to the Corporation.
3. **Reasonable Uniform Security deposit** norms for allowing 15 to 20 times paddy delivery against security furnished. Payment of compensatory allowance towards Bank Guarantee charges and loss of interest on furnishing fixed deposits due to difference between Bank and Market rates of interest.

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4. **Proper reimbursement of various incidental charges** to the millers based on the market conditions as below:-

- a) Paddy Mandi handling (loading at Mandi Point) @ **Rs.10/-** p. qtl (i.e. Rs.4/-per bag of 40kg).
- b) Minimum Flat TC on Paddy upto 10 KM @ **Rs.20/-** p. qtl and @**Rs.1/-** per qtl/KM for distance beyond 10 KM upto 50 KM. (*Transport contractors are being paid around Rs.27/-p.qtl flat upto 10 KM and @Rs.1.75 per qtl/KM for subsequent distance between 11 to 50 KM by Oscsc. Ref: Order No.3001 dt.30.5.13 of Oscsc Ltd, Balasore.*)
- c) Payment of Custody & Maintenance charges at **flat rate of Rs.18/-** per quintal on paddy. (*CWC had offered **monthly rate** @Rs.6.50 per bag of 35-50 kg to store paddy which comes to about **Rs.16.25** per qtl. Refer Oscsc Letter No.22639 Dt.11.12.14.*)
- d) Handling charges on CMR @**Rs.10/- and Rs.15/-** p. qtl. for delivery at RRC and FCI respectively. Alternatively, payment may be made directly to the labourers by Oscsc instead of reimbursing to the millers.
- e) Reimbursement of toll gate fees on movement of Paddy & Rice as per actuals on production of receipt. (*It is about Rs.3.50 per quintal as per copy of receipt enclosed and may vary from place to place.*)
- f) Release of direct expenses on monthly basis for paddy viz. loading charges and minimum TC without linking it with rice delivery as suggested by Aorma during the meeting with Hon'ble Chief Secretary on 23.9.2015. (*This will help the miller to meet its minimum day to day requirement of various expenses like electricity payment etc.*).
- g) Payment of interest to millers on bills remaining unpaid beyond 15 days.

There are some other operational matters which may be discussed subsequently before finalization of Operational Guidelines and Agreement. Hope, your honour will be kind enough to consider our above submissions sympathetically.

Sd/-.
(Santosh Kr. Sonthalia),
Secretary.