## ALL ODISHA RICE MILLERS ASSOCIATION

S-3/36, Sec-A, Zone-B, Mancheswar Indl. Estate, Bhubaneswar-751010 Telefax: (0674) 2580933, 2583933

President: Shyamlal Agarwal (94370 51951) Secretary: Santosh Kr. Agrawal (094330 11631)

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Dated 1<sup>st</sup> February, 2015.

To, The Commissioner-cum-Secretary, Food Supplies & Consumer Welfare Dept, Government of Odisha, Bhubaneswar-751001.

Dear Sir,

## Sub: Request for acceptance of advance Levy.

As per the Food & Procurement Policy for KMS 2014-15, the Miller Agent shall deliver 25% of the stock received from milling to the FCI as levy and sell the balance 75% in open market. The prevailing open market prices of rice are at its lowest level and disposal of 75% as levy free rice is a big problem. *Millers are finding liquidity problem due to blockage of funds in the unsold free sale stock and further procurement suffers badly*. There is widespread distress sale of paddy in coastal and other parts of our State.

Your honour may kindly appreciate that while the levy rate is fixed for whole of the KMS, free sale rice rates are subject to wide spread fluctuations as per market conditions. Millers have to watch and wait for the economical open market rates before disposal of free sale stocks. Millers will always prefer to deliver the entire Levy Portion to FCI at the initial stage of procurement when the FCI also generally have sufficient vacant storage space in their godowns. In view of this, our State Government had been pleased to allow acceptance of advance Levy in some earlier years. Copies of FS&CW Department Letter Nos.12027 dt.19.4.2001 and 1699 dt.28.2011 are enclosed herewith for your ready reference.

We therefore, most humbly request your honour to kindly allow acceptance of advance levy by FCI with a condition that miller have to restrict free-sale to the extent of 3 times of the quantity of levy rice delivered to FCI during the KMS. This arrangement will help in combating the ongoing distress sale and will also help FCI in utilizing its idle storage space.

Yours faithfully,

Copy to: General Manager, FCI, Bhubaneswar.

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