

# ALL ODISHA RICE MILLERS ASSOCIATION

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Dated 29<sup>th</sup> September, 2014.

## **Submissions for discussions with Hon'ble Union Food Minister to GOI, Consumer Affairs, Food & Public Distribution during Meeting at Krishi Bhawan, New Delhi on 29<sup>th</sup> September,2014.**

### **1. *Serious Problem due to modification of moisture norms in Rice under Uniform Specification of Rice for ensuing KMS 2014-15:***

In the Uniform Specification of Rice for KMS 2014-15, the Maximum Limit of Moisture content has been kept un-changed at 14% **but the footnote allowing rice procurement with moisture content upto a maximum limit of 15% with value cut is missing**. This implies that consignment of *rice beyond 14% will be rejected and have to be taken back by the millers even if the miller agrees for the proportionate rebate* on moisture beyond 14% as was prevalent in current as well as in earlier years.

Sir, in order to limit the *moisture content exactly at 14%*, the miller has to maintain average moisture of 13% to 13.5% during milling to accommodate climatic variations and variation in reading of different moisture meters. Moreover, *milling of paddy with low moisture will result in more percentage of Broken Rice and will adversely affect the Rice Out-Turn Ratio*. There is every possibility of loaded trucks being returned on the pretext of even slightest variation of moisture beyond 14%. *Norms of Moisture in Rice during KMS 2014-15 needs to be restored as before.*

It is also surprising that *percentage of damage etc. in Paddy has been increased to 5% from earlier 4% without any corresponding relief for the same refraction under Rice Specifications for KMS 2014-15.*

### **2. *Inclusion of Insurance Premium on Paddy/Rice stocks in the Provisional Cost Sheet of CMR under DCP as well as Central Pool operations:***

Odisha State Agency is getting its Paddy/Rice/New Gunny stocks insured against Fire and Natural Calamities since KMS 2010-11. Unfortunately, the *premium of such insurance coverage is being realized from the Custom Millers as the insurance cost is not considered by GOI in the cost sheet for CMR*. Repeated requests of our State Govt. since 2012 are pending with GOI.

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*Sir, Odisha State is frequently affected by floods, cyclone etc and insurance coverage is a prime necessity and its requirement can not be ruled out. However, your honour may kindly appreciate that the **burden for cost towards insurance of Government stocks should not be put on the poor Custom Millers**. There is wide spread resentment amongst the millers and early solution to this pending matter needs immediate consideration. **Millers may not find it feasible to participate in procurement whole heartedly if this is not resolved immediately.***

It is our humble submission that the insurance cost may be refunded back to the Custom Millers by revision of earlier cost sheets of CMR from KMS 2010-11 apart from inclusion of provision for insurance cost in the cost sheet of new KMS 2014-15.

3. **Continued problem of supply of sub-standard New Gunny Bags by Jute Mills to State Agencies in Odisha:** A suitable mechanism needs to be developed to stop this menace. ***Most of the complaints relate to “Under weight” which also result in “Poor texture”.*** Hardly any quality complaint is ever attended due to tardy and lengthy process on technical grounds by DGS&D department. A suitable mechanism needs to be developed to stop this menace from further aggravating.

**We suggest that irrespective of the billing weight, the Jute mills should declare and mention the actual despatch weight also on the bill and despatch documents at the time of despatch of consignment** which can be cross checked by the State Agencies and/or Custom Millers at the time of receipt at destination point. ***DGS&D may not approve this idea but nothing can stop the Government from implementing this.*** We are hopeful that astonishing information will come out after the data are analyzed at a later stage.

It is quite surprising that the ***billing for new gunnies is being made on weight basis and yet the Jute Mills do not agree to mention the actual despatch weight on the billing and despatch documents.*** We seek your honour’s kind intervention in the matter.



4. **Transport charges on Paddy under Central Pool Operations:** In earlier years prior to KMS 2011-12, a lump sum provision of Transport Charges on Paddy was provided under both DCP as well as under Central Pool Operations. ***However, the same has been omitted in case of Central Pool Operations from KMS 2011-12 and onwards.*** A sum of Rs.34.20 per quintal of paddy is being provided in the costing sheet for DCP while it is NIL under Central Pool. As a result, other State Agencies like Markfed, Nafed, TDCCL etc. are ***not able to participate as before and their share of participation in State's procurement has come down to nearly 5% at present from earlier 69.26%*** during KMS 2006-07.

In view of the fact that ***paddy procurement operations are identical under both DCP and Central Pool operations***, it is our humble submission to ***re-introduce the lump sum rate of Paddy transportation*** under Central Pool also at par with the cost sheet under DCP Operations.

5. **Implementation of OTR as per results of trial milling conducted in our State:** Millers in our State are actually getting about 3% lower Rice Out Turn Recovery (OTR) than fixed by GOI at 67% and 68% for Raw and Par Boiled Rice respectively. This has also been proved as per results of Trial Milling conducted earlier during 2004-05 in our State under supervision of FCI. Fresh Trial Milling has also been conducted recently during August,2014 in our State under direction of GOI and the results are still awaited. ***It is earnestly prayed for implementing OTR as per findings of the trial milling for survival of Rice Milling Industry of our State.***

Submitted to the Hon'ble Minister to GOI, Dept. of Consumer Affairs, Food & Public Distribution, Krishi Bhawan, New Delhi for kind consideration and necessary actions in the above matters.

Copy to: 1) Union Food Secretary, GOI, New Delhi.  
2) Food Commissioner, Govt. of Odisha.

Dated: New Delhi 29<sup>th</sup> September, 2014.

(Navin Agarwal),  
For & on behalf of President.  
All Odisha Rice Millers Association.