ALL ODISHA RICE MILLERS ASSOCIATION

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Dated 19th June, 2014.

Points for discussions with Hon'ble Secretary to Government of India, Dept. of Food & Public Distribution, Krishi Bhawan, New Delhi.

1. <u>Inclusion of Insurance Premium on Paddy/Rice stocks in the Provisional Cost Sheet of CMR under DCP as well as Central Pool operations:</u>

Odisha State Civil Supplies Corporation 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 from our State Government since 2012 are pending with GOI. Copies of letters from our Association as well from our State Government are attached herewith for your ready reference.

Odisha State is frequently affected by floods, cyclone etc and insurance coverage is a prime necessity and its requirement can not be ruled out. Large devastation caused by recent cyclonic storm "Phailin" during October,2013 is still in memory. 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.

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 current KMS 2013-14 and for subsequent KMS as well.

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2. 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.

New Gunny Bags are transported to our State only through road transport route from the neighboring States of West Bengal, Andhra Pradesh and Chhatishgarh directly through lifting officials and transporter of the concerned State Agencies. We suggest that the lifting officials and transport contractor may weigh the consignment of New Gunny Bags at the time of receiving/lifting from Jute Mills and record the same on the consignment note which can be 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 State Agencies from doing this. We are hopeful that astonishing information will come out after the data are analyzed at a later stage.

Sir, Odisha State Civil Supplies Corporation (OSCSC) has already accepted our suggestions. Suitable directions have been issued to the lifting officials as well as to the transporter with copy to the concerned Government Authorities for pre-weighment of the loaded trucks. *Unfortunately, most of* the Jute Mills are not willing to allow the transporters to take loading of gunny bales after making actual weighment in the jute mill's weighing scale/ weigh bridge and recording the same in the invoice/ Challan/ way-bill etc. Copies of OSCSC Ltd letter Nos.4935/8.3.13, 4678/11.3.14, 7420/25.4.14, 10535/10.6.14 along with complaint of millers and findings of Asst. Civil Supplies Officer are enclosed for your kind reference.

From the enclosed copy of a sample bill, your honour may kindly find 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.

We seek your honour's kind intervention in the matter to ensure that actual weight of the consignment at the time of lifting/despatch from Jute Mills is ensured which will definitely improve the quality of gunny bags.

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3. <u>Transport charges on Paddy under Central Pool Operations</u>: 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 & 60% during KMS 2007-08.

The entire pressure of procurement is now shifted on Odisha State Civil Supplies Corporation alone who is functioning under DCP Operations.

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.

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

Dated: New Delhi 19th June, 2014.

(Santosh Kr. Agrawal), Secretary.