

Government of Orissa

Food, Supplies & Consumer Welfare Department

No. _____ / FSCW, dated _____

PL-IP-14/2003

From

Shri Tarun Kanti Mishra, IAS,

Principal Secretary to Government

To

All Collectors.

Sub : Food and Procurement Policy for the Marketing Season 2003-2004.

Sir,

I am directed to communicate below the guidelines on Food and Procurement Policy for the Marketing Season 2003-04 commencing from 01.10.2003 to 30.09.2004.

1. Target

Having regard to overall production, total availability of foodstuff in the State, the food requirement of people and the trend of procurement in the past, procurement target of 15 Lakh MTs in terms of rice is fixed for the Marketing Season 2003-04. Out of this 14 lakh MT will be procured through levy route. Under decentralised procurement through custom milling, one lakh MTs of rice will be procured by Orissa State Civil Supplies Corporation Limited and Primary Agricultural Cooperatives Societies (PACS). It is further decided that Orissa State Civil Supplies Corporation Limited and the PACS will procure 60,000 MTs and 40,000 MTs respectively.

2. Procurement Agent

i. The Food Corporation of India will continue as the major procurement agent of the State Government and to procure rice from the millers @ 75% of the rice

milled as levy in all districts as per the district wise informal levy target indicated in the [Annexure"A"](#).

ii. Procurement by Food Corporation of India and State Agencies

In addition to procurement through levy route, there would be direct purchase of paddy by the Food Corporation of India. The Food Corporation of India will set up 50 purchase centres in consultation with State Government.

Besides, State Agencies namely Orissa State Civil Supplies Corporation Ltd. PACS (under the administrative control of Cooperation Department) will also procure paddy directly from farmers in keeping with National Policy of Decentralised Procurement through Custom Milling Route. The Orissa State Civil Supplies Corporation Limited and PACS will open purchase centres in those areas where Food Corporation of India will not be engaged in direct purchase. Paddy will be purchased by the procuring agencies directly from the farmers as per Relaxed Specifications of Fair Average Quality. Detail guidelines for purchase of paddy by the State agencies under decentralised procurement will be communicated separately.

3. Levy order

The Orissa Rice and Paddy (Procurement) and Restriction on Sale and Movement Order, 1982 as amended from time to time will remain in force in the State during the Marketing Season 2003-04. Miller agents participating in procurement operation will be obliged to sell and deliver 75% of the procured stock in shape of rice to Food Corporation of India and sell the balance 25% levy free rice in the open market.

4. Minimum Support Price of Paddy and Procurement Price of Levy Rice:

The State Government have fixed the Minimum Support Price (MSP) of different varieties of Fair Average Quality (FAQ) standard of paddy and paddy of relaxed specification as well as the procurement prices of different varieties of levy rice payable to rice millers by Food Corporation of India as announced by Government of India for the Marketing Season 2003-04 as indicated below.

i. Minimum Support Price of FAQ standard paddy :

- a. Common Paddy – Rs. 550.00 per quintal (Rs. five hundred & fifty only)
- b. Grade "A" Paddy – Rs. 580.00 per quintal (Rs. five hundred &

eighty only).

ii. Minimum Support Price of paddy of relaxed specifications.

a. Common Paddy – Rs. 528.00 per quintal (Rs. five hundred & twenty eight only)

b. Grade "A" Paddy – Rs. 557.00 per quintal (Rs. five hundred & fifty seven only).

iii. Procurement Price of Levy Rice.

	<u>Raw Rice</u>	<u>Par-Boiled Rice</u>
(a) Common Rice	Rs. 965.70 per qntl. (Rs. nine hundred sixty five and seventy paise only)	Rs. 952.10 per qntl. (Rs. nine hundred fifty two and ten paise only)
(b) Grade "A" Rice	Rs. 1013.70 per qntl. (Rs. one thousand thirteen and seventy paise only)	Rs. 999.10 per qntl. (Rs. nine hundred ninety nine and ten paise only)

The above mentioned levy prices are inclusive of the cost of two new 50 kg gunny bags and hence no further amount is to be separately reimbursed to the millers towards cost of gunny bags.

Copy of FAQ specifications and relaxed specifications is at [Annexure "B"](#).

5. Purchase of Paddy

i. Miller Agents, State Government and Food Corporation of India will purchase paddy at prices not below the Minimum Support Price fixed by Government for the Marketing Season 2003-04. Purchase of paddy at prices below the Minimum Support Price would amount to violation of levy control order and will be punishable under Essential Commodities Act, 1955.

ii. As far as practicable, the purchase of paddy will be confined to RMC yards, sub-yards, Krushak Bazars. The Miller Agents, Food Corporation of India and

State Government Agencies shall undertake purchase of paddy from farmers through Farmers Identity Cards.

iii. The Collectors of the districts will take effective steps to ensure that every market yard, sub-yard and Krushak Bazar is kept under the vigil of a designated Government Officer for recording the sale and purchase of paddy. The receipt and purchase of paddy at every market yard, sub-yard and Krushak Bazar must be carefully recorded and authenticated. Minimum facilities for the markets should be ensured in such yards and Krushak Bazars including the provision of certified weighing machines.

iv. In order to create an atmosphere of healthy competition in procurement and price support to cultivators, the millers taking part in procurement operation will be allowed to purchase paddy from any district in the State. They should obtain certificate from the concerned Collectors / Designated Officers of the districts, from where they have purchased paddy, about the quantity of paddy purchased and genuineness of price paid.

v. The Millers shall issue the correct vender receipts to the farmers for each and every purchase of paddy.

vi. The target of the rice mills shall be fixed scientifically on the basis of milling capacity and infrastructure facilities of the mills such as boiler, dryer, drying yards etc. Collectors should verify the milling capacity, etc. before fixing the Miller's target.

vii. There should be strict monitoring of Enforcement Certificate, which should be issued by the Collector of the district or officers authorised by the Collector on the basis of paddy purchased by the miller agents on being satisfied that they have purchased paddy from the farmers on payment of the minimum support price. The Enforcement Certificate should be countersigned by the Collector.

viii. The Enforcement Officer shall periodically, which shall not be less than once a week, verify the paddy and rice stocks in the mill and furnish all information to the Collector for issue of the certificate in the relevant form.

ix. The electricity / energy bills and the infrastructure facilities of the mills and records relating to Sales Tax, etc. shall be checked by the Enforcement Officer while furnishing the Enforcement Certificate to assess whether the mills have actually produced the specified quantities and varieties of rice during the period.

6. Trading in rice and paddy

i. Any dealer may freely buy, stock, sell, transport, dispose, acquire, use or consume any quantity of paddy / rice and shall not require a permit or a licence there for under any order issued under the Essential Commodities Act, 1955 as per the Removal of (Licensing requirements, Stock limits and Movement Restrictions) on Specified Foodstuffs Order, 2002 proclaimed by Government of India.

ii. There shall be no restriction on movement of rice and paddy by producers/ cultivators from one district to another within the state and to outside the State.

7. (i) The Collectors of the districts will be personally held responsible for monitoring procurement, ensuring payment of Minimum Support Price to farmers and preventing recycling of subsidised rice.

(ii) The District Collector and Food Corporation of India authorities should finalise the procurement programme immediately so as to ensure timely lifting of the paddy arriving in market yards, Krushak Bazars and payment of farmers dues in time.

It is requested that steps may please be taken to follow these instructions scrupulously. The local administration should make all out efforts to prevent distress sale of paddy and timely payment of all legitimate dues to the farmers in all transactions.

Yours faithfully,

Principal Secretary to Government

Memo No. _____ / Dated _____

Copy with enclosures forwarded to Senior Regional Manager, Food Corporation of India, Bhubaneswar for information and necessary action.

Additional Secretary to Government.

Memo No. _____ / Dated _____

Copy with enclosures forwarded to Chief Administrator, KBK, Koraput for information and necessary action.

Additional Secretary to Government.

Memo No. _____ / Dated _____

Copy with enclosures forwarded to Commissioner-cum-Secretary to Chief Minister / Private Secretary to Minister, Rural Development and Food, Supplies & Consumer Welfare for kind information of Hon'ble Chief Minister and Hon'ble Minister, Rural Development and Food, Supplies & Consumer Welfare.

Additional Secretary to Government.

Memo No. _____ / Dated _____

Copy with enclosures forwarded to Private Secretary to Chief Secretary / Private Secretary to Member, Board of Revenue, Orissa, Cuttack / Private Secretary to Development Commissioner / Private Secretary to Agriculture Production Commissioner, Orissa / Secretaries to all Revenue Divisional Commissioners for information of Chief Secretary, Orissa, Member Board of Revenue, Orissa, Development Commissioner, Orissa, Agriculture Production Commissioner, Orissa and all Revenue Divisional Commissioners.

Additional Secretary to Government.

Memo No. _____ / Dated _____

Copy with enclosures forwarded to all Departments of Government / Director General, Police, Orissa / D.G. & I.G. Vigilance, Orissa / Managing Director, Orissa State Civil Supplies Corporation Limited, Bhubaneswar / Director, Agricultural Marketing Board-cum-Member Secretary OSAM Board, Bhubaneswar / Registrar, Co-operative Societies, Orissa / Director Agriculture and Food Production, Orissa for information and necessary action.

Additional Secretary to Government.

Memo No. _____ / Dated _____

Copy with enclosures forwarded to All Sub-Collectors / All Civil Supplies Officers / Officer in-charge Check Gates / All Officers of Food, Supplies and Consumer Welfare Department for information and necessary action.

Additional Secretary to Government.

Memo No. _____ / Dated _____

Copy with enclosures forwarded to District Manager, Food Corporation of India, Sambalpur / Titilagarh / Berhampur / Jeypore / Balasore / Bhubaneswar / Cuttack for information and necessary action.

Additional Secretary to Government.

Memo No. _____ / Dated _____

50 (fifty) copies to Guard File.

Additional Secretary to Government.