ALL ODISHA RICE MILLERS ASSOCIATION

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Dated 15th December, 2018.

<u>Brief submissions before Sri Manoj Kr. Gupta, Director (FC A/cs), Department of FPD, GOI, New Delhi during visit to Bhubaneswar.</u>

Mandi handling charges:

Govt. of India has provided Rs.8.47 per qtl paddy towards Mandi handling charges in the Provisional Cost Sheet of CMR for KMS 2018-19 which is not workable as per present market conditions. The minimum piece rate wages has been notified by our State Government vide Gazette Notification No.1992 Dt.30.10.2018. The item wise notified rates for per bag of 75 kg for different works which are part of the Mandi handling operation are as under:-

<u>Item of work</u>	Rate per bag
1. Unloading from the vehicle of farmer	Rs. 5.72
2. Carrying and heaping	Rs. 4.08
3. Re-bagging	Rs. 4.90
4. Weighment	Rs. 4.08
5. Sewing	Rs. 4.08
6. Stacking for temporary storage	Rs. 4.08
7. Loading into vehicles	Rs. 5.72
Total =	Rs.32.66

Conversion of Rs.32.66 for 75 kg as above will be Rs.43.55 for 1 quintal paddy as per notified rates of Government of Odisha. Copy of Gazette Notification is enclosed herewith as "Annexure-1".

Custody & Maintenance Charges:

No provision has been made in the PCS under the Head "Custody & Maintenance Charges" for KMS 2918-19. In Odisha, the paddy is mostly stored under covered storage due to long storage and frequency of natural calamities. Paddy is directly lifted by the millers for storage under Joint Custody without any intermediate storage at the Mandi level. We understand that GOI is paying for covered storage @Rs.6/76 per quintal per month for wheat and the same rate for covered storage of paddy may be allowed on average storage period subject to minimum for 3 months to sustain the annual cost of infrastructure which is being exclusively developed and kept reserved by the millers for storage of paddy for whole of the season.

Gunny Usages Charges:

Govt. of India has provided Rs.14.49 and Rs.14.05 per qtl for Raw and Par-Boiled rice respectively against usage charges of two pc old bags. This provision does not match the actual usage charges involved therein which is much higher.

We understand that the above usage charges are based on the recommendations of FCI Hqrs for considering Rs.7.32 as net cost of one bag being arrived by taking into account the average of minimum rate of "**multiple used gunnies**" as Rs.12/- and average realizable value of unserviceable gunny bags at Rs.4.68 (Pl refer GOI letter No.15 (8)/2004-Py.III(Vol.II.E.file).320039 dated 25.10.2017 sent to Govt of Odisha). Copy of this letter is enclosed as "**Annexure-2**".

We may mention here that the above rate is for "multiple used gunnies" whereas only sound old gunny bags are required for storage of paddy and market rate of which is around Rs.18/- per pc. After considering resale value of such paddy released bags at Rs.4/- per pc, the net cost comes to Rs.14/- per pc and Rs.28/- for 2 pcs and the same may be considered in the PCS.

Transport Charges on Paddy:

Govt. of India has provided only Rs.23.38 towards Transportation charges for Paddy which is quite on the lower side. We may mention here that the Paddy transportation charges were fixed at Rs.34.20 per quintal in the PCS for KMS 2014-15 when the diesel prices were Rs.57.71 per litre. At the beginning of current KMS, the diesel rate was 80.30 per litre and accordingly the paddy transportation rate for current KMS may be revised to Rs.47.58 per quintal. It may kindly be appreciated that rates of all inputs has increased many fold and it is quite illogical to fix lower rates for transportation for the current year than what was fixed 5 years earlier inspite of significant increase in the fuel and other prices.

Submitted to The Director, (FC A/cs), Department of Food & Public Distribution, GOI, New Delhi for kind and sympathetic consideration.

Bhubaneswar, 15th December,2018.

(Santosh Kr. Agrawal), Chairman.

