

ALL ODISHA RICE MILLERS ASSOCIATION

S-3/36 , Sec-A, Zone-B, Mancheswar Indl. Estate, Bhubaneswar-751010

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Dated 12th September, 2018.

Humble submissions before the Hon'ble Chairman and Members of the Committee to study revision of Paddy/Rice transport charges KMS 2017-18.

1. The rates of Transport charges and other incidentals are being revised by OSCSC Ltd from time to time depending upon the market conditions and various factors.
2. ***The last revision for TC was made during meeting held on 8.3.16 for KMS 2015-16*** whereby the Rate of TC on Paddy was increased to Rs.18/- from earlier rate of Rs.15/- for 1st 10 KM without any increase in rate for subsequent distance. There was also no increase in the rates of TC for Rice and the same was kept at the earlier rate of Rs.15/-.***(Copy Annexure-1).***
3. We may submit that ***revised rates for TC and other incidentals were decided for KMS 12-13 during meeting held on 23.4.13 (Refer Fscw Letter No.9000 dt.10.5.13).*** As may be seen from the proceedings of the said meeting, TC was increased to Rs.12/50 per quintal for 1st 10 KM from earlier Rs.7/- in view of increase in the rates of diesel per liter from Rs.35.21 to Rs.49.72. ***The increase in the TC rates was by 78.57% against the increase of 41.20% in the rate of diesel. (Copy Annexure-2).***
4. Rates of diesel during September, 2015 and September, 2017 were Rs.47.19 and Rs.61.51 respectively. This has further increased to Rs.77.61 during current month of September as on 10.9.2018. ***There is an increase in diesel rates by 30.34% from Sept,15 to Sep,17 and by 64.46% from Sept,15 to Sep,18. Copies of bills in support of the diesel rates are enclosed for your ready reference. (Copy Annexure-3).***
5. Apart from increase in the rates of diesel which is the major component of revenue expenses, ***on-road prices of commercial vehicles and rates of new tyres have also increased.*** The rates of 1000.20 size tyre has increased from Rs.16,499/- in 2015 to Rs.19,000/- in 2018. Similarly, price of 10 wheeler Model-2518 trucks has increased from Rs.20 lakhs in 2015 to Rs.22.75 lakhs at present.
6. There has been a substantial increase in the ***wages of Truck Drivers and Helpers due to upward revision in the Minimum Wages Act.***

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7. As detailed in para-4 above, the increase in the rates of diesel is 30.34% in 2 years while it is 64.46% in three years. The average of the above two comes to 47.4% increase. **Based on the logic of revision as mentioned in para-3 above, the increase in TC rate comes to 58% and much above for diesel price increase of 30.34% and 47.4%.**
8. Rates of transportation charges upto 40 KM for Paddy and Rice for KMS 2014-15 and 2015-16 as **fixed by FCI in Punjab** vide Letter No.4(5)/P&S/CMR-Provisional/Tpt. Charges/14-15 dt.1.7.16 is enclosed for your reference. As per Annexure-1, the maximum payable **rate for 40 KM is Rs.4460/- for 10 MT(i.e. Rs.44.60 per quintal).** **Whereas, the rates fixed in Odisha for 40 KM distance at Rs.33/- (Rs.18 flat for 10KM + Rs.15 for 30KM) for Paddy and Rs.30/- (Rs.15 flat for 10KM + Rs.15 for 30KM) for Rice were comparatively lower by Rs.11.60 for Paddy and by Rs.14.60 for Rice per quintal for the relevant period of KMS 2014-15 and 2015-16.** Considering the massive increase in the diesel prices since the above rates were fixed 3 years ago, the new prices are to be suitably fixed on the higher side than the existing gap. **(Copy Annexure-4).**
9. It needs to be appreciated that **paddy transportation** is very cumbersome in nature and **has to be done on war footing due to the limited period of its operations and non-availability of any storage space at the Mandi level.** A minimum flat rate of about Rs.2700/- is to be paid as truck hire for 10 MT or part thereof from 1-5 KM because of load/unload time.

Therefore, in the light of above facts, we most humbly suggest for Revision of transport charges for both Paddy and Rice for KMS 2017-18 as follows:-

Existing Rates of TC (w.e.f. KMS 2014-15 and 2015-16)	New Rates suggested for KMS 2017-18
<p>On Paddy: Rs.18/- p. qtl. flat for first 10 KM, @50 paise per qtl/KM from 11 to 40 KM and @40 paise per qtl/KM from 41 KM to 100 KM. For distance more than 100 KM, the rate from 11th KM will be 40 paise per qtl/KM.(w.e.f. KMS 15-16).</p> <p>On Rice: Rs.15/- p. qtl flat for first 10 KM. For subsequent distance, it is at par with that of Paddy as above. (w.e.f. KMS 14-15).</p>	<p>For Both Paddy & Rice: Rs. 27/- p. qtl flat for first 10 KM, @75 paise per qtl/KM from 11 to 40 KM and @60 paise per qtl/KM for subsequent distance from 41st KM and onwards.</p>


 (Santosh Kr. Agrawal),
 Chairman.