

ALL ORISSA RICE MILLERS ASSOCIATION

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

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President: Shyamlal Agarwal (94370 51951)

Secretary: Santosh Kr. Agrawal(094330 11631)

Dated 16th September, 2011.

To,
The Commissioner-cum-Secretary,
Food Supplies & Consumer Welfare Department,
Government of Orissa,
Bhubaneswar-751001.

Dear Sir,

Sub: Revision of extreme low Levy Price compared to CMR.

We draw your kind attention to our earlier letters dated 10.12.2010 & 28.6.2011 on the above subject. Participation by millers in the levy scheme is declining day by day due to unrealistic rates of levy rice fixed by Government of India. ***There is huge gap of Rs.185/37 per qtl between the rates of levy rice and rates of CMR.*** There are many components in the costing sheet of CMR which equally deserve to qualify for inclusion in the costing sheet for levy rice as below:-

1. **Mandi Labour & handling charges** to be paid Rs.8/41 at par with CMR costing sheet as against only Rs.6/98 paid for levy paddy during 2010-11.
2. Allow a **minimum transport charges** of Rs.20/- per qtl flat on levy paddy as against Rs.31/35 paid for CMR paddy.
3. Allow **custody maintenance @4/16** for 2 months at par with CMR costing for central pool (This is 4 months under DCP Operations). Due to seasonal availability, paddy has to be stored and maintained for months together involving storage & maintenance expenses.
4. Allow **Interest Charges @18/34** per quintal paddy at par with CMR costing. At present, no interest is considered in the levy costing sheet.
5. **Cost of New Gunny Bags** for packing of Levy Rice at par with the rate of gunny bags allowed in CMR Costing. There is no difference in the quality specifications of gunny bags stipulated under the two schemes. In 2010-11 KMS, it is Rs.63/48 per qtl for levy rice while it is Rs.78/32 under CMR.

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6. Allow **Gunny Depreciation @Rs.23/05** at par with CMR since gunny is used for paddy right from the point of purchase till it is Processed into rice involving handling, transportation, stacking and storage at mill.

We would like to mention here that out of the above six components, only Mandi Labour charges and cost of New Gunny bags have been considered and that too at the lower rates than CMR *while all other components at Sl. Nos. 2, 3,4 & 6 have not been considered at all in the Levy Rice costing sheet.* This appears to be a clear indication that Govt. of India is not serious enough for procurement under Levy Scheme.

We therefore, request your honour to put up the above facts before Government of India for inclusion in levy rice costing for the ensuing 2011-12 KMS and oblige.

Yours faithfully,

Sd/-.

(Santosh Kr. Agrawal),
Secretary.