



Dated 8<sup>th</sup> November, 2014.

**Salient features of Food & Procurement Policy for 2014-15 KMS.**

1. **Payment to farmers** by State Agencies, Societies and Miller **through A/C payee cheque** or through direct transfer to bank account within 3 to 7 days of purchase. (Para 2.d).
2. **Tagging of Mills** to PPCs and Mills to the RRCs on the basis of distance from the mill, capacity of RRC and requirement of rice for PDS apart from mill capacity and security deposit for minimizing overall cost of transportation from paddy receipt to rice delivery for PDS. (Para 2.i).
3. **Target:** Overall target has been fixed at 30 lakh MT in terms of rice which includes 28 lakh MT by Govt. Agencies and 2 lakh MT by Millers through Levy Procurement. (Para 3.a). (*Note: Agency wise district target yet to be communicated*).
4. **Farmers' Registration** is must before they sell their paddy. Paddy of farmers who do not register can only be procured after purchase of paddy of all registered farmers in the society and also only after they get themselves registered with the societies. (Para 3.c).  
  
Big farmers with more than 200 quintals of surplus paddy would be allocated to agencies procuring directly at Market Yards through their Purchase Officers. Their names would be deleted from society procurement register and added to agency's register for a particular Market Yard. (Para 3.d).
5. **Agencies:** State Government Agencies viz. Oscsc, Nafed, Markfed, TDCC will procure directly from farmers or with the help of PACS, WSHGs, and Pani Panchayats. **Oscsc will procure paddy in all districts but other State agencies will be mostly assigned surplus districts.** (Para 4.a).
6. **10 Lakh MT of surplus rice proposed to be delivered to FCI.** (Para 4.c).
7. **Levy:** FCI to receive levy rice from millers as per provisions of Levy Control Order of 2013 as amended from time to time. Collectors will ensure that the levy due as per law is collected from the millers before they dispose any stock in open market. **The millers may deliver the total levy rice due from them (25%) to FCI before disposing levy free rice in open market.** (Para 5.a.b).

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**Levy procurement is pre condition for allowing participation under CMR.** Millers to buy 1 kg paddy directly from farmers under Levy for every 4 kg paddy allotted under CMR i.e. paddy purchase under Levy would be 25% of paddy allotted under CMR. (Para 5.d).

**Millers not participating in Levy have to deliver an extra 25% CMR to FCI** in addition to district target fixed for delivery to FCI. (Para 5.e).

8. **MSP** of FAQ Common Paddy is Rs.1360/- & Grade-A is Rs.1400/- per quintal. Payment of MSP is applicable only for FAQ standard paddy **and sale of non-FAQ Paddy below MSP will not amount to distress sale.** (Para 6.a.b).
9. **PACS** are to be given priority over WSHG & Pani Panchayats in allocating villages/area for procurement. (Para 7.a).
10. **Procurement Period** will be limited to 90 days in khariff & 45 days in Rabi and will be calculated from date of the 1<sup>st</sup> PPC operation in a District. (Para 7.b.ii).
11. **PACs/Societies have to hand over paddy of FAQ to Millers** or else, they may land up in problems if they do not ensure the same during receipt from farmers. (Para 7.b.iii).
12. **Each PACS must make interim arrangements to store paddy upto three days of procurement** to ensure proper planning on the part of miller to organize vehicles. (Para 7.b.iv).
13. **State Agencies other than Oscsc and FCI may procure directly at Market Yards** and also through Societies from the approved list finalized by the concerned District Administration. One society can only be attached to one State agency for avoiding confusion and duplication (Para 7.f).
14. **Private millers** to procure from market yards and temporary yards and where such yards does not exist within 5 KM from a mill, Collector may allow procurement at temporary yards set up at mill gate on designated days under the supervision of Govt. officials. (Para 7.g).
15. Collectors will assign Rice Mills to each PPC considering milling capacity etc. Millers registered online in KMS 2013-14 may update the same if there has been any change in any of the fields of registration format. Online Registration of the mills is a prerequisite for participation in the procurement operation of KMS 14-15. The Miller representative will remain present on the procurement days at PPCs to ensure lifting of the paddy on regular basis. (Para 7.k).

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16. There shall be an **Authorized Officer** who will be in charge of the rice mill being appointed by Collector from Civil Supplies executive staff to verify and submit a **Verification Report** for issue of Delivery Certificate. Collector may appoint **Enforcement Officers** from the rank of BDO/Tahasildar/Sub-Collector etc. to verify the paddy and levy rice stocks and furnish **VR for Levy** for issue of **Enforcement Certificate** to be countersigned by the Collector. (Para 10.a.b.c).
17. Districts with inadequate numbers of Rice Mills may assign millers from other nearby districts with surplus capacity. **One custom miller shall not participate in more than two revenue districts** including the district where rice mill is located. (Para 12.c).
18. **Trading in Rice & Paddy:** 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 license there for under any order issued under the Essential Commodities Act, 1955. Payment of MSP to the farmers to be ensured. (Para 12.e).
19. **F.S. & C.W. Dept** to prescribe operational guidelines and clarifications as and when required.

*(Pl refer Food Policy issued vide FSCW Letter No.18017 Dt.5.11.14 for more details)*

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**An initiative from All Odisha Rice Millers Association.**