



ANNEXURE - II

OPERATIONAL GUIDELINES FOR PROCUREMENT OF PADDY

DURING 2005-06

KHARIF MARKETING SEASON (KMS) 2005-2006.

The Salient features of the MSP operations of paddy are:-

The Office of the Commissioner of Civil Supplies & Ex-Officio Secretary, Food & Civil Supplies, Govt. of Andhra Pradesh shall be the "Nodal Agency" for MSP operations of paddy, custom milling of paddy and procurement of levy rice.

The procurement of paddy by FCI, State agencies such as AP State Civil Supplies Corporation shall be supplemental to the paddy purchases made by the millers at MSP and above price, which will entitle them for delivery of levy.

iii) All the Heads of Departments, Collectors and procuring agencies concerned with the procurement of paddy and rice, shall furnish weekly reports on paddy purchases at MSP/below MSP, in case of value cuts for non-FAQ paddy, levy rice procurement, prevailing market rates for paddy in market yards and movement of rice to other States.

iv) The FCI and State agency viz. AP State Civil Supplies Corporation shall make arrangements to procure 7.5 lakh tonnes of paddy during Kharif 2005-2006 by opening 250 procurement centres each under price support operations at MSP. FCI and AP State Civil Supplies Corporation Ltd. shall buy paddy of FAQ specifications only.

GUIDELINES FOR MSP OPERATION OF PADDY AND PROCUREMENT OF LEVY RICE:

Purchase centers:

The district shall be the unit for opening of paddy purchase centers by the FCI and State agencies. In each district, both the FCI and State agencies shall open as many paddy purchase centers as required and decided by the District Collector and make brisk purchases of paddy.

The seasonal paddy purchase centers shall be opened by the FCI and State agencies in addition to the notified market yards. Open places like SWC and CWC godowns also will be notified as purchase centers for purchase of paddy at MSP. As many purchase centers as required should be opened depending upon the need.

Each rice levy delivering mill is a purchase point.

Those mills which purchase paddy for their milling operations i.e. levy delivery and also do custom milling of paddy of others and delivery of levy rice to FCI shall be notified by the Collectors as purchase points. It shall be the

responsibility of the purchaser/ trader who is delivering levy rice to FCI, to pay MSP to the farmers for FAQ paddy.

The State agencies and the Food Corporation of India also shall pro-actively participate in the purchases at market yards for the benefit of the farmers.

The MSP operation of paddy by the Government agencies shall be for a period of 75 days. For each district, depending upon the harvesting and arrival of paddy, the Collector will decide and notify the date from which MSP operation will commence for 75 days.

Government agencies which procure paddy shall take pro-active measures to educate the farmers to clean paddy and bring it to FAQ standard for purchase at MSP and above.

The required funds for purchase of paddy by the AP State Civil Supplies Corporation Ltd will be made available by Commissioner of Civil Supplies & Ex-Officio Secretary, Consumer Affairs, Food and Civil Supplies Department through cash credit limits from RBI.

Pamphlets indicating the MSP specifications, location of purchase centers and relevant operational details shall be printed by the Collectors and distributed to the farmers in coordination with the Marketing Department.

A campaign shall be launched in the villages through Panchayat Secretaries and Extension Staff of Agriculture Department to inform the farmers about the MSP, FAQ specifications, measures to be taken by the farmers for bringing paddy to FAQ standards, opening of purchase centers/notified mill points and various facilities/services like cleaning equipments, etc. available at the purchase centers.

Farmers shall be insisted upon to bring Pattadar Pass Books along with them for quick disposal of their produce. Particular attention shall be paid to the problems of small and marginal farmers in speedy disposal of their produce. The farmers shall be informed not to go for distress sale of paddy at all.

A "Farmers' Contact Programme" shall be organised through Marketing Department to elicit the views of the farmers and others concerned regarding disposal of their paddy and to receive suggestions, if any, for improvement of the present system.

Supervisory Teams for ensuing MSP and their duties.

A supervisory team consisting of 5 members headed by a Deputy Tahsildar with one Technical Officer, one Junior assistant or Accountant, and 2 farmers' representatives who are nominated by the Agriculture Officer or the Mandal Revenue Officer, in consultation with the Farmers' Clubs shall be constituted to supervise the paddy purchase operations in a cluster of 5 mills of 2 tonnes and above capacity as notified by the Collectors and the purchase centres viz. notified market yards and Civil Supplies Corporation purchase centres. In case, sufficient number of Technical Officers are not available, other officials like Senior Assistants of the Agriculture and other Departments may be trained to analyse the paddy quality and they may be deployed in the Supervisory Teams in place of Technical Officers. Where there are no farmers' clubs, the Asst. Director, Agriculture shall nominate two farmers for the Supervisory Team. To assist the team, there shall be 2 Village servants. However, if there are smaller capacity mills within the vicinity, Collectors may include them to the same cluster subject to a maximum of ten mills. In bigger market yards, the Collectors may deploy more than one supervisory team to effectively

supervise MSP operation.

If there are less number of mills (less than 5) in a particular Mandal, the cluster of mills shall be formed for those number of mills only and Supervisory Team for those mills shall be constituted. Mills of other Mandals shall not be attached to this supervisory team.

The members of the Supervisory teams shall be entitled for FTA as per rules.

Movement register shall be maintained for recording the movements of Supervisory Teams. The Supervisory Teams shall enter the details of their visits to various notified mills every day, in the movement register and shall produce to the Supervisory Senior Officers during their inspections.

Quality of paddy shall be assessed by the Supervisory Teams on physical verification of stocks, during the period when there are huge arrivals of paddy and where arrivals are absolutely unmanageable for normal analysis. Wherever the farmers dispute the analysis and fixation of rate, the normal procedure of analysis will be followed. In normal times, usual practice of analysis should be followed.

The Supervisory Officer shall certify the purchase of paddy at MSP in the paddy purchase centres.

Paddy purchased by the rice millers at MSP at notified purchase centres shall be entitled for delivery of mill levy on certification by the Supervisory Officer. The certification shall be done twice a week.

In the Market yards, whenever any farmer brings paddy, the Supervisory Team, along with the farmer who brings paddy and a representative of the Market Committee, shall fix the rate for paddy, depending upon the quality of paddy. The rate so fixed shall be the base-price for starting the bidding. There shall be no under-bidding i.e. below the rate fixed by the team.

The Supervisory team, along with the farmer who brings paddy and the miller / Commission agent, shall decide the rate for non-FAQ paddy, for every heap, depending upon the excess percentage in refractions than permitted for FAQ. The rate of value cut will be as per the rates communicated by the Government for each refraction viz. moisture, immature, shrunken and shrivelled grains, and foreign matter.

Since there are no inter-State restrictions on movement of paddy, millers may purchase paddy in other States also. Such purchases should be supported by the certificates issued by the concerned local authorities about payment of price. If the price paid including transport charges as decided by the Collector is equal to MSP and above, the resultant rice of such paddy may also be permitted for delivery under levy. However, this shall be allowed after confirmation of price paid from the competent authorities of the respective States.

Commission agents:

To facilitate smooth disposal of paddy to the State agencies as well as millers, in the markets, commission agent system may be continued wherever it exists. If their services are utilized, the farmers have to pay to the commission agent, 1.5% of the value of paddy at MSP for unloading and cleaning operations, if required, to help in auctioning, weighing and stitching. If cleaned paddy is brought by the farmers, only unloading charges shall be paid to the commission agents by the farmers. If cleaning has to be done, the farmer shall pay both

unloading and cleaning charges to the Commission agents. **Those farmers who do not want to engage the services of the Commission agents will be free to do so.** The loading and transport charges from the purchase point to the mill point shall be borne by the miller. **The Secretaries of the respective AMCs will give wide publicity to this provision by way of leaflets/posters affixed at the Market yards.**

There is no need for Commission agents at mill points which are notified as purchase centres.

Verification of payment of MSP:

If any farmer does not want to bring his paddy to the market, for any reason, and if the miller produces the receipt from the purchaser indicating the sale of paddy at MSP, it may not be correct to deny him the delivery of levy rice to FCI. The receipt given by the farmer should be endorsed by the Village Sarpanch / Ward Member or Gram Panchayat Secretary and to be checked with the mill's accounts at random so as to verify whether the information is correct about MSP paid and quantity purchased. If the information is found incorrect, action shall be taken against the miller by stopping mill levy.

For the purchases at farm gate, the transport and handling charges shall be fixed uniformly for the entire district by the Collector and the rate paid after deducting the transport and handling charges so fixed by the Collectors, shall be treated as the MSP. For example: If the transport and handling charges fixed is Rs.15 per quintal, the rate paid for Grade A variety of paddy at farm gate i.e. Rs. 585(Rs.600-Rs.15 towards transport and handling charges) shall be treated as MSP.

Millers who fails to purchase FAQ paddy at MSP and non-FAQ paddy with prescribed value cuts and indulge in violation of the guidelines shall not be eligible for delivery of mill levy.

Each purchase centre will be linked to a number of designated rice mills . If any miller fails to purchase FAQ paddy at MSP or who consistently fail to purchase paddy for a period of 7 days, action to black list the miller shall be taken. However, before taking this action, the principles of natural justice of issuing a show cause notice indicating clearly the reasons for blacklisting the miller should be followed and after obtaining his explanation, action to blacklist him shall be taken depending upon the merit of the case. Once the miller is blacklisted, he will not be permitted to deliver levy to FCI till such time orders revoking the blacklisting are issued. However, the period of blacklisting of the millers shall be decided by the Collectors. Whenever the order of blacklisting is revoked, a speaking order indicating the grounds for revocation will be issued.

Infrastructure and equipments at Purchase Centres and Market Yards.

At all the purchase centres and notified market yards, required number of paddy cleaners, moisture meters, calipers, winnowing machines, and weighing scales (electronic) will be positioned. The Marketing Department will make available these equipments in the notified markets as per the requests of the Joint Collectors concerned. The Marketing Department shall encourage the farmers and farmers' clubs to purchase paddy cleaners with the 50% subsidy announced by the Government. The respective State agencies shall position the equipments in the purchase centres opened by them outside the market yards. At notified mill points, it is the responsibility of the miller to position the required equipments to facilitate cleaning operations.

At purchase points proposed in open space of SWC/CWC premises, the

platforms should be erected either permanently or with rice husk base. The Marketing Department will provide necessary assistance.

Regulation of paddy arrivals:

Collectors shall regulate the paddy arrivals to the Market yards village-wise and date-wise. Village-wise arrival schedule should be informed through beat of drum (tom tom) for the benefit of the farmers. This shall also be prominently indicated at the conspicuous place in the Market yards/Paddy Purchase Centres.

The officials at the purchase centres shall issue a certificate to the purchaser indicating the name and address of the farmer, name of the commission agent / miller who purchased paddy, quantity of paddy purchased and the rate paid (MSP or above) and also enter the same in B Register. In respect of non-trading rice mills participating in Mill Levy delivery, the same entries shall be made in A Register. Upon scrutinizing the certificates or weekly reports of the Supervisory Officers, the mill levy delivery will be allowed by the Collectors. A copy of the certificate shall be furnished to the MRO concerned and to the Agriculture Market Committee, wherever it exists.

The above exercise will be carried out in respect of purchase of paddy in the market yards where the millers purchase paddy. Similar exercise shall be carried out at the mill points by the teams constituted.

Paddy purchased by the AP State Civil Supplies Corporation shall be handed over to the nearest designated rice mills for custom milling on the terms and conditions agreed to between the millers and Corporation. The custom milling has to be simultaneously attended not later than 15 days by the rice millers along with the milling of paddy meant for delivery of levy. The District Manager, Concerned shall deliver the paddy procured to the rice miller within 15 days positively from the date of procurement. The Civil Supplies Corporation shall release paddy to the rice millers for custom milling duly taking Bank Guarantee or Collateral Security equivalent to the value of paddy delivered, or after taking the rice in advance. Besides the miller, the District Rice Millers Association shall also be responsible for ensuring the delivery of custom milled rice to the CS Corporation in time.

The stock delivered to the Rice Mills for custom milling shall be under the joint custody of the miller and the designated officer of the Civil Supplies Corporation. If the miller contravenes any of the conditions of the agreement entered with Civil Supplies Corporation, he will be blacklisted and proceeded against under the provisions of law.

Handing over of paddy and delivery of rice to FCI after custom milling shall be closely monitored by the Joint Collectors and the Dist. Managers of the AP State Civil Supplies Corporation.

Millers who fail to comply with custom milling direction, shall be debarred from participating in levy operation. While making allotment of paddy for custom milling, the Collectors shall keep in view the distance to be covered from the paddy purchase centre to rice mill, capacity of the rice mill, type of rice mill (raw/boiled), etc. There shall be no imbalance in allotment of paddy to the rice mills for custom milling.

Rythu Bandhu scheme will also be extended to such of the farmers who want to retain their paddy for better price in future which can be stored in open space of SWC/CWC/PACSS godowns and other private godowns rented to Agrl. Market Committees. This shall be the responsibility of the Agrl. Market

Committee concerned.

The mill levy target of rice for KMS 2005-06 is fixed at 70 lakh tonne excluding the custom milled rice. This will be delivered by the rice millers only based on the purchases made as per the guidelines issued herein. Required godown space will be made available by the FCI/SWC/CWC to accommodate the arrivals of rice under procurement.

Movement of rice, particularly boiled rice, to other States will also be stepped up by the FCI to create godown space for receiving levy rice. This aspect shall be reviewed with FCI/Railways once a fortnight by the Commissioner of Civil Supplies/Director of Civil Supplies.

Role of the District administration.

Collector shall be the overall in charge for ensuring MSP operations assisted by the DSO at the district level and RDO at the divisional level.

A control room shall be opened at the Collectorate. The DSO shall get the information from time to time and transmit to the Joint Collector, Collector and Commissioner of Civil Supplies through on line facility.

The District Control Room shall be connected to the State Control Room set up in the office of the Commissioner of Civil Supplies, Somajiguda, Hyderabad.

Information on purchases of paddy at market yards, purchase centres and mill points shall be displayed on APSWAN SERVER No.10-2.175.79 USER NAME ccs_dcs password:ccsdcs Domain name: cscho for displaying updated information on internet web page : www.aponline.gov.in/civilsupplies.

The District Level Committee with Joint Collector as Chairman, Joint Director, Agriculture, District Supply Officer, Dist. Manager, Civil Supplies Corporation, Dy. Director / Assistant Director, Marketing shall review the arrangements from time to time to ensure MSP for paddy arriving in the markets, Paddy Purchase Centres set up by the Government and notified mill purchase points.

The Collector, under clause 4 A of the AP Rice Procurement (Levy) Order, 1984 shall ensure payment of MSP for paddy and also shall be responsible for the implementation of the operational plan and guidelines issued by the Government from time to time for ensuring MSP and procurement of paddy and rice.

The Dist. Collector shall identify and notify various markets over and above the existing market yards within his/her district jurisdiction and inform to the farmers, traders and millers about the procurement of paddy of FAQ under MSP.

Farmers' training programme shall be conducted by the Panchayat Secretaries to educate the farmers. In this training programme, farmers should be told that they can bring paddy to market yards/purchase centers and notified mill points directly without any middlemen.

They shall bring paddy on the dates notified for each village so as to avoid long queues, waiting and inconvenience to them.

It shall be made clear to them that price fixation of paddy will be done by the supervisory teams consisting of officials, two farmers' representatives and the farmer concerned , who brings paddy.

Farmers need not have to pay any service charge to anybody in the MSP transaction except for handling charges, commission, etc. as permitted in these guidelines. If there is any demand other than the above, complaint should be lodged with the MRO concerned or the officials at the purchase centre.

Collectors shall organize one day workshop to be conducted at district level involving the members of ZPTCs / MPPs / MPTCs / MLAs / MPs farmers representatives and the press besides officials involved in MSP operations for explaining and discussing the measures taken by the Government in ensuring MSP for paddy.

Similarly, at Mandal level, one day workshop should be conducted with Person-in-charges of PACSs, representatives of farmers' clubs / prominent farmers, MLAs / MPPs / MPTCs / ZPTCs/ Marketing Committee Members/officials and others concerned with MSP operation for paddy.

At Gram Panchayat level, orientation programme shall be conducted by the Panchayat Secretary with the MPTCs, Sarpanch, Gram Panchayat Members, farmers of the village, press persons and all others connected with MSP operation for paddy.

District Collectors shall ensure the availability of adequate infrastructure, including 10,000 gunnies, in each purchase centre at any point of time (at least during the peak season).

MSP Certificates for purchase of FAQ paddy at Market yards; at farm gate / mill point and for non-FAQ paddy should be got printed in the proforma prescribed at the district level in white colour for FAQ and pink colour for non FAQ. Serial number should be given to each certificates continuously – separately for 1) FAQ purchases at Market yards and 2) at farm gate / mill point and 3) for non-FAQ paddy.

In order to ensure that there is correct payment to the farmers for paddy sold at mill point/farm gate, it is necessary to have the counter-signature of either the Panchayat Secretary or Sarpanch or Ward Member on the certificates pertaining to FAQ paddy and non-FAQ paddy separately.

The certificates to be issued by the District Administration for delivery of levy to the FCI should be printed in three colours – original in blue colour paper; copy to the miller in pink colour paper and office copy in white colour paper. Serial number to these certificates should be given continuously for the entire district.

There shall be no restriction on purchase of paddy by the rice millers from other districts. In respect of such purchases, the millers shall furnish copies of certificate of purchase of paddy at MSP to the MRO concerned of that district, for the purpose of getting M.S.P. certificate for delivery of levy rice, the rice millers will furnish the M.S.P, vouchers with the signature of the Sarpanch/ Secretary of the Gram Panchayat or Ward Member, as the case may be, along with the seal of the Panchayat. These receipts (Rythu vouchers) shall be accepted by the District Administration for issuing certificates and deliver levy to the F.C.I., However, subsequently 10% of the M.S.P. vouchers furnished by the rice millers shall be selected at random and sent to the M.R.Os concerned for verification and certification. In case the information furnished in the M.S.P. voucher furnished by the miller is found to be not correct action as per A.P. Rice Procurement (Levy) Order, 1984 and shall be taken against the miller concerned.

In respect of certificates of paddy purchased in the district at MSP, 10% of the certificates should be verified about payment of MSP by the Supervisory teams or teams designated for this purpose. There shall be no prefixed mill levy target for either district or mill. Procurement of levy rice by the FCI will be on the basis of performance of the miller in purchasing paddy at MSP.

Boiled rice delivery should be determined based on the area where boiled rice varieties are grown and the milling capacity. Collectors will issue orders twice in a week to the FCI for taking delivery of the levy rice basing on the paddy procured by the millers at MSP after scrutinizing the reports / certificates received from the Supervisory teams twice in a week regarding payment of MSP for paddy.

The District Collector shall ensure that rice millers maintain the correct account of the purchase of paddy at MSP with full details of the names and addresses of the seller and the amount paid by cash or cheque in his normal record i.e. A and B registers and the particulars of purchase with the signature of the farmer shall be maintained in triplicate. A copy of such purchase statement shall be made available to the MRO concerned for verification by the Supervisory Officers regarding payment of MSP to the farmers. A copy of the certificate of purchase of paddy at MSP shall be made available to the AMC concerned for watching the collection of Market Fee.

The Members of the active Farmers Clubs will also be included in the Committee for countersigning the record about payment of MSP for FAQ paddy and also payment with permissible cuts in respect of non-FAQ paddy.

The authorized Officers of Civil Supplies and Revenue Departments shall verify the payment of MSP to the individual farmers on the basis of record of details maintained by the rice mills which participate in the mill levy operations.

In case MSP has not been paid due to poor quality and other reasons, the miller/purchaser should record the reasons for not paying the MSP in the remarks columns of the Register/Receipt.

Millers shall give receipt in the format - White for FAQ paddy and Pink for non-FAQ paddy, recording reasons there-for for reduction in price for non-FAQ paddy.

Receipt books in the proforma and colours prescribed by the Government shall be got printed uniformly by the Collectors and supplied to the rice millers on payment of cost. The rice millers shall issue receipts to the farmers from these books only.

The Dist. Collector will have the authority or right to refuse to permit for mill levy delivery to FCI in such cases where the rice millers or traders have failed to pay MSP for FAQ paddy to the farmers.

The District Collector shall ensure that weighing systems, preferably electronic weighing scales are installed forthwith in all the Paddy Purchase Centres including Market Yards/ Godown / Mill points etc.,

The concerned District Legal Metrology Authority shall inspect all the weighing machines and scales to ensure that they are maintained correctly and accurately and furnish a report on the result of inspection to the Commissioner of Civil Supplies & Ex-Officio Secretary to Government, Consumer Affairs, Food and Civil Supplies Department. Non- receipt of the report will be viewed very seriously.

To ensure safety to the paddy procured in each Paddy Purchase Centre, the District administration, with the help of the Marketing Department, should take adequate steps to provide platforms, dunnage, rice husk, base and tarpaulins to store paddy in CAP storage.

The deployment of superannuated staff will be purely on contractual basis and honorarium will be paid by the Dist. Collector depending upon their grade/qualifications

As the operations are only for 75 days for Kharif/Rabi season, maximum effort should be made to utilize the existing man power in the district to avoid unnecessary expenditure and also to fix accountability and responsibility.

Each Paddy Purchase Centre shall have adequate man power, gunny bags as well as money to pay off their liabilities on day to day basis.

AP Civil Supplies Corporation and AP Markfed shall always pay through cheques for the paddy purchased from the individual farmers for which a proper account and acquittance shall be maintained in each paddy purchase centre.

This acquittance register shall be verified from time to time by the concerned senior officials of the Civil Supplies Corporation and other authorised Govt. functionaries.

The millers shall pay cash up to Rs. 10,000/-, bearer cheques upto Rs.25,000 and crossed cheques for more than Rs.25,000 for value of the paddy. Farmers will have option to take either cash or cheque up to Rs 10,000/- also.

The Collectors shall ensure that payment of value of paddy sold by the farmers is made by the rice millers within 7 days positively.

In charge of the Paddy purchase centre shall be responsible for the quality and quantity of paddy purchased.

Paddy once brought into the market by the farmers should be sold in the market yard and the stock cleared by millers / traders / Govt. agencies within 48 hours.

All the Paddy purchase centres will be linked / tied up with rice mills identified by the Collector in consultation with the Rice Millers Association of the District for procurement of paddy.

Dist. Collectors shall inform on daily basis the progress of procurement and MSP operations duly indicating the total arrival of paddy for the day, their sale, and MSP operations in the prescribed proforma to the Commissioner of Civil Supplies & Ex-Officio Secretary to Government. In case of any difficulty, they shall immediately bring to the notice of the Government by contacting the State Control Room.

The Collectors shall also inform the Commissioner of Civil Supplies once in a month – to reach by 5th - a consolidated statement of the information on arrivals of paddy variety-wise in the market yards, Civil Supplies Corporation and FCI purchase centres and mill points and the prices secured for that paddy during the month reported upon.

The Collectors shall conduct meetings regularly with the representatives of political parties, representatives of farmers, and representatives of the Dist. Rice Millers Association at the district level and Mandal level once in a fortnight without fail to review the MSP operation and to redress the

grievances, if any. The dates on which these meetings are conducted and copies of minutes of the meeting shall be furnished to the Commissioner of Civil Supplies. **The first meeting shall be conveyed before 15.09.2005.**

A Grievance Redressal Cell shall be opened in the MRO's Office. The complaints received shall be registered properly. They shall be got enquired into by the supervisory teams having jurisdiction over the area on priority. The result of enquiry should be recorded in the register. The complainant should be informed of the result of enquiry. This shall also be made available to the senior officers to enable them to cross check during their visits,

The gunny bags required shall be indicated in advance to the AP State Civil Supplies Corporation for positioning the same in the respective market yards.

MARKETING DEPARTMENT.

1. All the market yards, Purchase Centres by Civil Supplies Corporation, FCI, notified Mills in the cluster and open space of SWC and CWC will be notified as markets for purchase of paddy.
2. Agrl. Market Committee should maintain a register of names of farmers who bring paddy. The disposal of paddy should be arranged on first-in-first-out (FIFO) basis. At the same time priority should be given for disposal of paddy brought by small and marginal farmers.
3. Necessary infrastructure like godowns, covered plat forms, etc. will be provided at the notified markets by the Marketing Department.
4. Compound walls/fencing should be constructed at all the declared market yards by the Marketing Department. In respect of SWC/CWC godown points, the compound walls, etc. will be constructed by the respective agencies.
5. At all the notified market yards, paddy cleaners/ driers, moisture meters, calipers, sieves, weighing machines, balances, etc. will be positioned adequately and provided to the farmers.
6. Publicity regarding the specifications and MSP of paddy and the location of market yards will be given. Through a sustained campaign the farmers shall be informed to bring FAQ paddy to get MSP. It may also be informed that in respect of paddy not conforming to FAQ specifications, paddy cleaners/ driers are available at the purchase centres to bring paddy to FAQ standards.
7. Power connections should be given to all the equipments installed in the market yards and charges shall be paid by the Market Committees from out of the market fee collected by them. The moisture meters should also be provided generator back up in case of power interruptions.
8. Licenses to the Commission agents will be given by the Marketing Department. No unlicensed Commission Agent shall be allowed to operate at any purchase centre.
9. Arrangements will be made for storing paddy in the Market yards under CAP storage.
10. Necessary assistance to the team of officials in the market yard in ensuring MSP for paddy and issuing the required certificates will be given.
11. Required registers on arrival, disposal, bid rate, MSP paid, etc. along with the names and address of the farmers and the buyers will be maintained.

12. In the Market yards, whenever any farmer brings paddy, the Supervisory Team, along with the farmer who brings paddy and a representative of the Market Committee, shall fix the rate for paddy, depending upon the quality of paddy. The rate so fixed shall be the base-price for starting the bidding. There shall be no under-bidding i.e. below the rate fixed by the team.

13. Continuous training programme to the farmers shall be organised by the Marketing Department regarding the specifications for FAQ paddy and the MSP operations.

14. A "Farmers' Contact Programme" should be conducted by Marketing Department to elicit the views of the farmers and others concerned in disposal of their paddy and to receive suggestions if any for improvement of the system.

15. The Market Committee shall issue passes upto 10 persons including representatives of political parties at a time to visit the Market Yards during MSP operations.

AP STATE CIVIL SUPPLIES CORPORATION:

AP State Civil Supplies Corporation will be the agencies of the Govt. of AP entrusted with the procurement of paddy under MSP and for its custom milling.

AP State CS Corporation shall be in constant touch with the District Administration regarding the requirement of gunny bags, funds and man power for procurement of paddy and custom milling.

To facilitate smooth and easy procurement, required number of staff shall be deployed as per the need indicated by the District Collector.

Advance action plan of custom milling of paddy with the respective/designated rice mills should be drawn up by the AP State Civil Supplies Corporation by entering into MoU with the rice millers concerned. Various rates, incidentals and handling charges should be finalized immediately to avoid delay in custom milling of paddy. Any failure in ensuring timely handing over of paddy and delivering resultant custom milled rice to the FCI will be viewed as a failure on the part of the Civil Supplies Corporation.

AP State Civil Supplies Corporation should forthwith submit to Govt. the expected cost of various operations of custom milling of paddy.

Each District office of Civil Supplies Corporation shall be the unit of business center. Profit and Loss account shall be maintained district-wise and accountability to be fixed for correct implementation of operation of procurement.

The employees at the purchase centres shall be accountable for quality, quantity and maintenance of proper accounts.

MDs of AP State Civil Supplies Corporation will take all necessary steps to complete the Paddy Purchase operations and to observe necessary prudence in carrying out the operations.

FOOD CORPORATION OF INDIA.

SRM, FCI shall declare all his godown points as Paddy purchase centers under price support operations. FCI shall also open as many purchase centers as required by the Collectors.

SRM,FCI shall make available adequate number of gunnies and funds for purchase of paddy offered by the farmers at their purchase centres.

ROLE OF COMMISSIONERATE OF CIVIL SUPPLIES.

Commissioner of Civil Supplies & E.O. Secretary shall be in constant touch with Govt. of India on procurement and movement of stocks by railways. Reserve Bank of India on the matters of credit, flow of finance and the district administration for levy delivery and MSP operations.

Commissioner of Civil Supplies will open a Control Room in his office with phone No. 040 - 23394637 for communicating details of paddy. This Control Room will obtain daily situation report/progress of procurement/MSP operations throughout the State and report to Government of Andhra Pradesh and Government of India. This Control Room shall receive complaints pertaining to MSP operations and get them redressed at the earliest.

Commissioner of Civil Supplies shall conduct frequent video conferences/ review of the various operations with the Collectors and other District Officers and report to the Government on the progress of procurement of paddy by the millers, FCI. Civil Supplies Corporation/ Markfed, delivery of levy rice to FCI and delivery of custom milled rice to the FCI.

ANNEXURE I

SCHEDULE OF SPECIFICATIONS FOR FAQ PADDY.

S.No.	Refractions	Maximum limit%
1	Foreign matter	1.0
	a) Inorganic	1.0
	b) Organic	
2.	Damaged, discoloured, sprouted and weevilled grains	3.0
3.	Immature, Shrunken and shrivelled grains	3.0
4.	Admixture of lower class	8.0
5.	Moisture	17.0

RATE OF CUT FOR ACCEPTING NON-FAQ PADDY.

BY RICE MILLERS

S.No.		Rate of cut	
		Grade A	Common

		Rs. P.	Rs. P.
1.	a) Inorganic For every 1% over Permissible 1%	6.00 6.00	5.70 5.70
	b) Organic For every 1% over Permissible 1%		
2.	Damaged, Discoloured, Sprouted, Weevilled, Immature Shrunken and shrivelled grains For every one percent over permissible 6% (upto 10%)	6.00	5.70
3.	Moisture: For every 1% over permissible 17%	6.00	5.70

OPERATIONAL GUIDELINES FOR PROCUREMENT OF MAIZE, JOWAR, RAGI AND BAJRA AT MINIMUM SUPPORT PRICES (MSP) DURING KHARIF MARKETING SEASON 2005-06.

The Government has decided to procure 8 lakh tonnes of Maize (5 lakh tonne in Kharif and 3 lakh tonne in Rabi), 1 lakh tonne of Jowar (75,000 tonnes in Kharif and 25,000 tonnes in Rabi), 20,000 tonnes (15,000 tonnes in Kharif and 5,000 tonnes in Rabi) each of Ragi and Bajra through Government agencies at MSP during 2005-06 with effect from 15TH September, 2005.

All the AMCs in the major Maize, Jowar, Ragi and Bajra growing districts will be notified by the Commissioner and Director of Marketing to assist the procuring agencies in all the procurement operations.

AP State Civil Supplies Corporation and AP MARKFED shall be the agencies for procurement of Maize, Jowar, Ragi and Bajra at MSP. If need arises, the FCI will also be requested to open purchase centres.

The Agrl. Market Committees/PACs which are financially sound and are having adequate godown space, will also be notified as the procuring agencies based on the need in future. .

MSP for fair average quality of maize is Rs.540 and Jowar, Ragi and Bajra is Rs.525 per quintal with effect from 1.10.2005. The Government agencies shall purchase FAQ Maize, Jowar, Ragi and Bajra only.

AP State Civil Supplies Corporation and AP MARKFED shall open, in consultation with the Collectors, as many purchase centers as are required for MSP operations.

Publicity material like posters, leaflets, etc. shall be printed for information of

the Maize, Jowar, Ragi and Bajra growing farmers about the specifications, post harvest techniques to be adopted for ensuring quality produce, purchase centers opened, MSP operations, etc.

The posters shall be affixed at conspicuous places in the village including the office of Gram Panchayat/Village Chavadi for information of the farmers.

The leaflets shall be distributed at Bus stands, Gram Panchayat offices, community halls, cinema halls, farmers' clubs, etc.

To avoid congestion at the purchase centers, programme for bringing Maize, Jowar, Ragi and Bajra from various villages shall be prepared well in advance and publicised for the benefit of the farmers..

At all Market yards/ sub-yards/purchase centers, the AMCs concerned shall provide the necessary equipments for smooth MSP operations and to help the farmers to prepare the Maize, Jowar, Ragi and Bajra to FAQ specifications. The Director of Marketing will issue suitable instructions in this regard.

Sufficient packing material like gunnies, sutli, etc. shall be procured well in advance by the procuring agencies.

The Maize, Jowar, Ragi and Bajra should be procured from the farmers who have cultivated the Maize, Jowar, Ragi and Bajra in their fields but not from the middlemen. The District Collectors will devise a fool proof mechanism in this regard.

Beyond a particular quantity, which normally average farmer soils, a very rigid procedure should be followed for procurement to avoid the middlemen.

A vigilance team will verify 2% cases of the purchases to ascertain whether the procurement was made from the genuine farmers only.

Analysis of samples should be completed without any delay, wherever the samples are drawn in respect of disputed claims of FAQ.

Payment shall be made to the farmers within 24 hours. Any payment above Rs. 20000/- to the farmers should be through Account Payee cheque only. In the case of procurement being done with the help of PACS/VOs under Indira Kranthi Pathakam, the payment may be released to PACS/VOs directly who will in turn pay the amount to the farmers by way of cheques as per the limits mentioned above.

i) Adequate godown space shall be ensured in all the purchase centers.

ii) FCI godowns can also be taken for storage of Maize, Jowar, Ragi and Bajra for 3-4 months with the permission of their Head Quarters.iii)AP SWC godowns even if they are with the FCI, can also be notified as procurement centre instead of market yards/sub-market yard, where proper and adequate godowns are not available.

AMCs shall not declare any day as a holiday to the market yard/sub-yards except Sundays. Director Marketing will issue necessary instructions in this regard.

Area of operation by different agencies:

A.P.Markfed AP State Civil Supplies

Corporation

1. Karimnagar #9; #9; 1. Guntur
2. Nizamabad #9; #9; 2. West Godavari
3. Medak #9; #9; #9; 3. Prakasam
4. Warangal 4. Krishna
5. Rangareddy 5. Kurnool
6. Mahabubnagar 6. Vizianagaram
7. Adilabad 7. Visakhapatnam
8. Khammam
9. Nalgonda
10. Anantapur

UNIFORM SPECIFICATION FOR MAIZE, JOWAR, RAGI AND BAJRA FOR (MARKETING SEASON 2005-2006)**Maize:**

The maize shall be the dried and matured grain of Zea mays. It shall have uniform size, shape and colour. It shall be in sound merchantable condition and also conforming to PFA standards.

Maize shall be sweet, hard, clean, wholesome and free from Argemone maxicana and Lathyrus sativus (kesari) in any form colouring matter, moulds weevils, obnoxious smell, admixture of deleterious substances and all other impurities except to the extent indicated in the schedule below :

SCHEDULE OF SPECIFICATION

=====

S.NO. ; Refractions Maximum Limits (%)

- 1.Foreign matter 1.0
- 2.Other foodgrains 2.0
- 3.Shrivelled & Immature grains 3.0
- 4.Damaged grains 1.5
- 5.Slightly damaged, discoloured
and touched grains 4.5
6. Weevilled grains 1.0 . 7.Moisture 14.0

=====

* Not more than 0.25% by weight shall be mineral and not more than 0.10% by weight shall be impurities of animal origin.

N.B.

The definition of the above refractions and method of analysis are to be followed as given in Bureau of Indian Standard "Method of Analysis for foodgrains" Nos. IS : 4333 (Part-I) 1967 and IS : 4333 (Part-II) 1967 and Terminology for foodgrains IS : 2813 - 1995 as amended from time to time.

The method of sampling is to be followed as given in Bureau of Indian Standard ' "Method of sampling of Cereals and Pulses" IS :14818-2000.

Within the overall limit of 1.0% for foreign matter, the poisonous seed shall not exceed 0.5% of which Dhatura and Akra seeds (Vicia species) not to exceed 0.025% and 0.2% respectively.

The small sized maize grains, if the same are otherwise fully developed, should be treated as shriveled and immature grains.

UNIFORM SPECIFICATION FOR JOWAR

The Jowar shall be the dried and matured grains of sorghum vulgare. It shall have uniform size, shape and colour. It shall be in sound merchantable condition and also conforming to PFA standards.

Jowar shall be sweet, hard, clean, wholesome and free from Argemone maxicana and Lathyrus sativus (kesari) in any form colouring matter, moulds, weevils, obnoxious smell, admixture of deleterious substances and all other impurities except to the extent indicated in the schedule below ::

SCHEDULE OF SPECIFICATION

=====

S.NO. ; Refractions Maximum Limits (%)

=====

1. Foreign matter* 1.0
2. Other foodgrains 3.0
3. Shrivelled & Immature grains 4.0
4. Damaged grains 1.5
5. Slightly damaged, discoloured 1.0
6. Weevilled grains 1.0 7. Moisture 9; 9; 14.0

=====

* Not more than 0.25% by weight shall be mineral matter and not more than 0.10% by weight shall be impurities of animal origin.

N.B.

1.The definition of the above refractions and method of analysis are to be followed as given in Bureau of Indian Standard "Method of Analysis for foodgrains" Nos. IS: 4333 (Part-I) 1967 and IS : 4333 (Part-II) 1967 and Terminology for foodgrains IS : 2813 - 1995 as

amended from time to time.

2.The method of sampling is to be followed as given in Bureau of Indian Standard ' Method of sampling of cereals and pulses No. IS : 14818 – 2000.

3.Within the overall limit of 1.0% for foreign matter, the poisonous seeds shall not exceed 0.5% of which Dhatura and Akra seeds (Vicia species) not to exceed 0.025% and 0.2% respectively.

4.Kernels with glumes will not be treated as unsound grains. During physical analysis, the glumes will be removed and treated as organic foreign matter.

UNIFORM SPECIFICATION FOR BAJRA

The bajra shall be the dried and matured grains of Pennisetum typhoides. It shall have uniform size, shape and colour. It shall be in sound merchantable condition and also conforming to PFA standards.

Bajra shall be sweet, hard, clean, wholesome and free from Argemone maxicana and Lathyrus sativus (kesari) in any form colouring matter, moulds weevils, obnoxious smell, admixture of deleterious substances and all other impurities except to the extent indicated in the schedule below :

SCHEDULE OF SPECIFICATION

=====

S.NO. ; Refractions Maximum Limits (%)

=====

1. Foreign matter* 1.0
2. Other foodgrains 3.0
3. Shrivelled & Immature grains 4.0
4. Damaged grains 1.5
5. Slightly damaged and discoloured 2.5
6. Weevilled grains 1.0 7. Moisture 9; 9; 14.0

=====

* Not more than 0.25% by weight shall be mineral and not more than 0.10% by weight shall be impurities of animal origin.

N.B.

1.The definition of the above refractions and method of analysis are to be followed as given in Bureau of Indian Standard "Method of Analysis for foodgrains" Nos. IS: 4333 (Part-I) 1967 and IS : 4333 (Part-II) 1967 and Terminology for foodgrains IS : 2813 - 1995 as amended from time to time.

2.The method of sampling is to be followed as given in Bureau of Indian Standard ' Method of sampling of cereals and pulses No. IS : 14818 – 2000.

3.Within the overall limit of 1.0% for foreign matter, the poisonous seeds shall not exceed 0.5% of which Dhatura and Akra seeds (Vicia species) not to exceed 0.025% and 0.2% respectively.

4. Kernels with glumes will not be treated as unsound grains. During physical analysis, the glumes will be removed and treated as organic foreign matter.

5. Within the overall limit of 1.5% for damaged grains, the Ergoty kernels shall not exceed 0.05%.

UNIFORM SPECIFICATION FOR RAGI

The Ragi shall be the dried and matured grains of Eleusine coracana. It shall have uniform size, shape and colour. It shall be in sound merchantable condition and also conforming to PFA standards.

Ragi shall be sweet, hard, clean, wholesome and free from moulds, weevils, obnoxious smell, Argemone maxicana and Lathyrus sativus (kesari) in any form colouring matter, admixture of deleterious substances and all other impurities except to the extent indicated in the schedule below ::

SCHEDULE OF SPECIFICATION

=====

S.NO. ; Refractions Maximum Limits (%)

=====

1. Foreign matter* 1.0
2. Other foodgrains 1.0
3. Damaged grains 1.0
4. Slightly damaged grains 2.0
5. Moisture #9; #9; 12.0

=====*

Not more than 0.25% by weight shall be mineral matter and not more than 0.10% by weight shall be impurities of animal origin.

N.B.

1. The definition of the above refractions and method of analysis are to be followed as given in Bureau of Indian Standard "Method of Analysis for foodgrains" Nos. IS: 4333 (Part-I) 1967 and IS : 4333 (Part-II) 1967 and Terminology for foodgrains IS : 2813 - 1995 as amended from time to time.

2. The method of sampling is to be followed as given in Bureau of Indian Standard ' Method of sampling of cereals and pulses No. IS : 14818 – 2000.

3. Within the overall limit of 1.0% for foreign matter, the poisonous seeds shall not exceed 0.5% of which Dhatura and Akra seeds (Vicia species) not to exceed 0.025% and 0.2% respectively.

4. Kernels with husk will not be treated as unsound grains. During physical analysis, the husk will be removed and treated as organic foreign matter.

OPERATIONAL GUIDELINES FOR PROCUREMENT OF GREEN GRAM/BLACK GRAM AND RED GRAM UNDER MSP OPERATIONS DURING KHARIF 2005-2006.

During Kharif 2005-06, it is estimated that there would be a record production of Green gram, Black gram and Redgram and the MSP operations should match to the scale of the estimated production and marketable surplus of Green gram and Redgram.

The Government has decided to procure Green gram, Black gram and Red gram through AP Markfed at MSP during 2005-06 Kharif season, with immediate effect.

All the AMCs in the major Green gram, Black gram and Red gram growing districts will be notified by the Commissioner of Marketing to assist the AP Markfed in all the procurement operations.

To ensure that farmers get MSP for Green gram, Black gram and Red gram, AP Markfed will open purchase centers in consultation with the District Collectors concerned.

The Commissioner of Marketing will furnish the details of actual arrivals in the respective market yards based on which the procuring agencies will take necessary steps to meet the requirement of the procurement.

The Marketing Department should position necessary equipments like moisture meters, dryers, sieves, etc. in the market yards/ sub-yards. Similarly, AP Markfed should also inspect the available necessary equipments at the purchase centers well in advance in order to make use of such equipments at the time of procurement.

The Marketing Department and the District Collectors shall ensure that adequate publicity is given to the farmers through press, electronic media, beat of drum (tom tom), leaf lets, etc. to create awareness among the farmers about the MSP operations, specifications, the location of purchase centre and the procedure being followed for procurement of Green gram, Black gram and Redgram at MSP. All the required details be pasted at the Gram Panchayat Office in all the Green gram, Black gram and Red gram growing villages.

The MSP of Rs. 1520 per quintal for Green gram and Black gram and Rs.1400 per quintal for Red gram comes into force for Kharif Marketing Season 2005-06 from 1st October, 2005.

It is also necessary that the farmers are informed to bring the quality of Green gram and Black gram to Fair Average Quality specifications to be eligible for Rs.1520 and Redgram of Fair average quality specifications to be eligible for MSP,

The credit line to Markfed will be arranged by the Coop. & Marketing Department through NAFED. Till this is cleared by the NAFED, the Marketing Department will provide advance from Market Fund to ensure that the MSP operations are not hampered and commenced well in time.

Green gram, Black gram and Red gram is not required for PDS in Andhra Pradesh; hence, the Government of India will have to be informed in advance as to the time by which procurement will be completed so as to enable them to take a decision for disposal of the stocks.

At the District Level under the Chairmanship of the Joint Collector with Joint Director (Agriculture), Asst. Director, Marketing, Dist. Manager, Markfed, Dist. Manager, AP State Civil Supplies Corporation, a Committee should be constituted to ensure effective implementation of MSP operations of Green

gram, Black gram and Red gram. This Committee shall also decide and take action to purchase once used/new gunnies, as the case may be, based on the specifications for such gunnies for packaging of Green gram, Black gram and Red gram.

At every purchase centre, there shall be a Purchase Committee with the (1) In-charge of the centre from procuring agency, (2) representative of AMC concerned, (3) Mandal Agriculture Officer or his representative, and (4) two farmers to ensure effective MSP operations. This Committee will also decide the disputed cases of FAQ. The sample analysis should be completed immediately.

Payment shall be made to the farmers within 24 hours. Any payment above Rs. 20000/- to the farmers should be through Account Payee cheque only.

I) Adequate godown space shall be ensured in all the purchase centers.

ii) FCI godowns can also be taken for storage of Green gram/Black gram/Red gram for 3-4 months with the permission of their Head Quarters.

iii) AP SWC godowns even if they are with the FCI, can also be notified as procurement centre instead of market yards/sub-market yard, where proper and adequate godowns are not available.

AMCs shall not declare any day as a holiday to the market yard/sub-yards except Sundays. Commissioner of Marketing will issue necessary instructions in this regard.

A Monitoring Cell will be set up in the Commissionerate of Civil Supplies. The procuring agencies shall inform daily the procurement of Green gram, Black gram and Red gram by them. Similarly, the procurement centers should also furnish the information directly to this Cell every day by fax and e-mail.

Commissioner of Marketing will upload the information on AP online from the major market yards/reports of the Procuring Agency.