

①

Government of Punjab
Food Civil Supplies & Consumer Affairs Department
(Rice-2 Branch)

No. Rice-2/2A/2013/486

Dated, Chandigarh 11-10-2013

To

The Secretary to Govt. of India,
Ministry of Consumer Affairs Food and Public Distribution,
Department of Food & Public Distribution
Krishi Bhawan, New Delhi.

Subject: Extension in milling period of KMS 2012-13 – Regarding.

Sir,

Kindly refer to your letter No. 5(15)/2012-Py.I dated 7th October, 2013 on the above subject.

The Govt. of India has turned down the request of the State Government for extension in the milling period beyond 30th Sept. 2013 on the basis of guidelines issued by GOI vide letter dated 10.6.2013. It has also been mentioned that State Govt. has already been granted 3 months extension as provided in the guidelines and no further extension can be given

It is submitted that the State Govt. has been apprising the Govt. of India from time to time about the difficulties and problems in completion of milling particularly the non-availability of space with FCI. The guidelines issued on 10.6.2013 by Govt. of India cannot be made basis for denial of extension in the milling period without considering the reasons for delay in the milling. Even under these guidelines, only 45 days' extension i.e. 20 days in the month of July and 25 days in the month of September 2013 was allowed against the stipulated period of 90 days in the guidelines. Still, the State agencies delivered 1.5 lac MT rice in July 2013 & 0.86 Lac MT in September 2013 inspite of hindrances created by FCI in acceptance of rice.

Further, it is a matter of record that delays in delivery of rice occurred due to the following reasons:-

1. Approx. 11 Lac MT balance rice of KMS 2011-12 was delivered up to 31.12.2012 during the extension period allowed by Govt. of India and the delivery of CMR of KMS 2012-13 practically started after 1st January, 2013.
2. FCI did not have the requisite space for receipt of rice at most of its depots, which hampered the delivery of CMR rice. Rice receipt picked up only after the PEG godowns were taken over.
3. Unseasonal rains during February, 2013 and June, 2013 further added to the woes of the State Agencies as no rice could be delivered during these months.

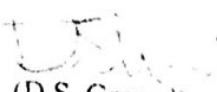
- 2
4. Quality Staff of the FCI earlier deputed for inspection of rice was deployed for wheat procurement operations during April and May 2013 which further delayed the rice delivery to FCI. Thus, only 79 Lac MT of rice of KMS 2012-13 could be delivered up to 30.6.2013.

It is also submitted that 11 Lac MT rice of KMS 2011-12 and 79 Lac MT rice of KMS 2012-13 i.e. a total quantity of 90 Lac MT rice was delivered during last season. It is clear that but for the above problems, the State agencies could have delivered the 85 Lac MT due rice of KMS 2012-13 upto 30.6.2013.

It is further requested that as per the Custom Milling Policy of 2013-14, only 100% clear mills of the previous year are to be allotted paddy for Custom Milling in KMS 2013-14. So far, approx. 2500 rice mills have completed 100% milling and another 300 odd rice mills have completed 90 to 99% milling. These mills can also complete 100% milling in case the extension is allowed as requested by the State Govt. The milling capacity of these 300 mills will be utilised to mill KMS 2013-14 paddy which otherwise will remain unutilised and cause unexpected delay in milling of KMS 2013-14 paddy.

The State Govt. is not in favour of relaxing the above mentioned clause regarding allocation of paddy to only such mills which have completed 100% milling to send a clear message to the rice millers for timely completion of milling. However, in case the extension in the delivery period of KMS 2012-13 rice is not allowed, it will be difficult to store paddy of KMS 2013-14 in the available rice mills which have completed 100% milling. In such a situation, the State Govt. will be compelled to relax the milling policy to the required extent.

The State Government is of the view that out of the balance undelivered rice of 3.30 lac MT., at least 1.50 Lac to 2.00 Lac MT of rice would become available to Govt. of India for distribution under recently enacted FOOD SECURITY ACT. In view of this, the Govt. of India is requested to reconsider the request of State Govt. in giving 45 days' extension in the larger National Interest. The favourable decision will also help to avoid loss of more than Rs.850 cores as the unmilled stocks belong to Govt. of India.


(D.S. Grewal)
Secretary Food Supply,
Punjab.