

Government of West Bengal  
Agricultural Marketing Department  
Khadya Bhawan, Block 'B', 4<sup>th</sup> Floor  
11A, Mirza Ghalib Street, Kolkata – 700 087

No. 258-AM/P/2M-01/2017

Dated, Kolkata the 27<sup>th</sup> February, 2019

### NOTIFICATION

Due to bumper production of potatoes in our State this year and reports of a good crop of potatoes in other potato producing states also, there is a glut in the potato market resulting in severe decrease in the farm gate prices. The current farm gate prices are reported to be lesser than even the cost of production and it is apprehended that after bulk harvesting in the month of March, farm gate prices might further decline resulting in severe distress to the farmers.

In view of this situation the Governor is pleased to announce a market intervention scheme for direct procurement of potatoes from the farmers at a declared Minimum Procurement Price with effect from the 1<sup>st</sup> of March 2019 for the Potato Loading Season 2019.

#### **POTATO PROCUREMENT SCHEME, 2019**

- 1. The scheme shall be implemented only in the main potato growing districts of the State, viz., Howrah, Hooghly, Purba Bardhaman, Paschim Medinipur, Bankura, Birbhum, Murshidabad, Coochbehar, Jalpaiguri, Alipurduar and Uttar Dinajpur Districts.*

#### **Minimum Procurement Price (MPP)**

2. Considering cost of cultivation of potato in 2018-19 crop season and a minimal premium to the farmers a price of Rs. 550/- (Rupees five hundred and fifty only) per Quintal is declared as the Minimum Procurement Price to be paid to the farmers. The declared Minimum Procurement Price will be the price for ready to store potatoes from the farmers at cold storage gate following the operating procedure mentioned below. The MPP will include bags (minimum 53 gm in weight), transportation cost up to the cold storage gate and other incidental costs incurred by the farmers.

#### **Maximum quantity to be procured**

3. 15% of total cold storage capacity which will add up to approximately 10 lakh MT would be procured for storage in the cold storages.

**Procurement, Operating Agency and Monitoring**

4. The Director of Agricultural Marketing, Government of West Bengal will issue necessary direction to the cold storage owners to keep 20% of cold storage space reserved for storing of the procured potatoes under this scheme. The reserved space will be surrendered after 17<sup>th</sup> March, 2019 in the South Bengal Districts and after 24<sup>th</sup> March, 2019 in the North Bengal Districts to the cold storage owners for usual hiring, if it remains unutilized or not booked by that time. Even if the space remains unutilized thereafter no rent for the unutilized space will be borne by the Government.
5. The operation will commence on and from the 1<sup>st</sup> of March, 2019 and will continue up to the 17<sup>th</sup> of March, 2019 in the South Bengal Districts and from the 1<sup>st</sup> of March, 2019 to 24<sup>th</sup> of March, 2019 for the North Bengal Districts or till the completion of procurement to the extent of the desired quantity, whichever is earlier. After review the period of procurement may be extended by another seven days by this Department, if it is considered necessary.
6. Selection of farmers will be according to a list of farmers, cold storage wise to be prepared by the respective Block Development Officers on first come first served basis. The Block Development Officers will check the genuineness of the farmers on the basis of KCC, EPIC, Land ROR etc. and will assign them to the particular cold storage on the particular date for sale of their potatoes not exceeding 25 Qtl. per farmer. This list will be communicated to the Cold Storages at least one day in advance.
7. The scheme will be implemented through the Cold Storage Owners. The Cold Storage Owners will procure Jyoti variety graded potato of uniform size ranged from 50 mm to 100 mm in diameter to the extent of a maximum of 25 Qtl from one farmer having specific farmer's identity. The farmer shall be required to deposit a copy of KCC, EPIC and ROR of his farm land. A copy of first page of passbook in favour of the farmer may also be required for making payment by cheque correctly.
8. After ascertaining the variety, quality and quantity the Cold Storage Owner will make payment to the concerned farmer issuing an account payee cheque only. No other form of payment shall be allowed.
9. The entire process including quality control will be monitored by officers deputed by the Department of Agriculture at each Cold Storage for the entire period of this operation. Agriculture Department will issue suitable orders in this regard.
10. The cold storage owners will make payment after receipt of concurrence from the deputed Government Officer of the Agriculture Department. The deputed officers will also countersign all potato storage receipts for potatoes procured under this scheme. Officers of the Department of Agricultural Marketing will ensure availability of storage space in the respective cold storages.
11. The entire operation will be financed by the respective Cooperative Banks of the Districts who will make loan advances to the Cold Storages at their prevailing rate of interest on execution of a separate agreement for this purpose. The cold storage

owners will open a special account for this purpose with the Cooperative Bank from which funds can be drawn only by cheque and for payment to farmers under this scheme.

12. The Cold Storage Owners will be required to pledge the potato receipts in favour of the respective Cooperative Bank and after the operation for the day is over, all potato receipts will be submitted to the said Cooperative Bank, as would be necessary. The authenticity of potato receipts in proper form will be supervised by the officers of Agriculture Department who will be present at the Cold Storages during the entire operation. The Co-operation Department may issue separate orders in this regard.

### **Sale of Potatoes**

13. If the prevailing Free-Bond price is more than the threshold price mentioned below the Cold Storage Owners will be free to sell their stock of potatoes procured under this scheme under intimation to the District Officer of Agricultural Marketing and District Magistrate and no compensation shall be payable to them from the Government for this sale.
14. However, if the prevailing Free-Bond price is below the threshold price the Cold Storages shall dispose of the potatoes in quantity not exceeding 5% of the total potatoes stored under this scheme at their premises every week starting from the 1<sup>st</sup> of June 2019 so as to complete disposal of their entire stock of potatoes stored under this scheme within 19<sup>th</sup> October 2019. Officers of the Directorate of Agricultural Marketing will keep a record of the daily Free-Bond Price prevailing in the market Block-wise. If the potatoes are to be sold at prices below the threshold price the Cold Storage Owners will be compensated by the Government in the Agricultural Marketing Department to the extent of their loss, if any, calculated in the following manner:

*Compensation for the Week = (Threshold Free Bond Price per kg – Average Free Bond Price of the Week per kg) X (Total Potatoes sold in the week not exceeding 5% of the total potatoes kept at the Cold Storage under this Scheme)*

15. Taking into account the parameters like shrinkage loss, rent of store, insurance, cost of drying, interest, loss due grading and a reasonable profit to the Cold Storage Owners per kg of potatoes procured for participating in this operation the Free-Bond threshold price is fixed at Rs. 6.50/- (Rupees six and paise fifty only) per kg.
16. If the Government desires to use the potatoes for any of its other schemes then a price equal to Rs. 9.68/- (Rupees nine and paise sixty eight only) per kg (cold storage gate commission agent's price) which will be payable to the Cold Storage Owners for sorted and dried potatoes delivered at the cold storage gate.
17. To enable the Cold Storages to effectively participate in this operation the Cooperative Banks may release 10% of the pledged potato receipts in advance by the 1<sup>st</sup> of June

2019 and thereafter may release further 5% of the pledged receipts upon receiving payment for the 5% potatoes sold in the week till liquidation of the entire stock.

18. The cold storages will be compensated for the loss they may incur if they sell the potatoes below the threshold price as mentioned above. This compensatory amount will be directly paid by the Agricultural Marketing Department to the respective Co-operative Banks as per the specific advice of the Cooperation Department of this Government in this regard on a monthly basis starting from July 2019. No compensation shall be payable for any amount of potatoes not disposed of in accordance with Para 13 and Para 14 above.

### **Supervision**

19. The District Magistrates shall be in-charge of the overall process of procurement and sale of potatoes in the Districts. They will hold regular meetings with the Superintendent of Police, the District Officers of Agriculture, Agricultural Marketing, Cooperation Departments and BDOs in the presence of the representatives of the Cold Storage Owners to finalize the detailed modalities of this scheme and ensure its smooth operation. Adequate security arrangements should be ensured to the Offices of the Block Development Officers and the Cold Storages during the entire period of procurement.

This is issued with the concurrence of the Finance Department vide their U.O. No. Group-A-1/2018-19/0082 dated 26-02-2019.

By the Order of the Governor

-Sd R. K. Sinha

Secretary to the Government of West Bengal

No : 258/1(21) - AM/P/2M-01/2017

Dated, Kolkata the 27<sup>th</sup> February, 2019

Copy forwarded for information and necessary action to:

- 1) Pr. Accountant General (A&E), Treasury Buildings, Kolkata -700001
- 2) Accountant General (Audit), Treasury Buildings, Kolkata - 700001
- 3) Accountant General (Local Bodies Audit), C.G.O. Complex, 3<sup>rd</sup> M.S.O. Buildings D.F. Block, Salt Lake, Kolkata - 64
- 4) Chief Secretary to the Government of West Bengal, Nabanna, Howrah - 711102
- 5) Additional Chief Secretary, Finance Department, Nabanna, Howrah - 711102
- 6) Additional Chief Secretary, Agriculture Department, Nabanna, Howrah - 711102
- 7) Additional Chief Secretary, Co-operation Department, Nabanna, Howrah - 711102
- 8) District Magistrate, Hooghly, West Bengal.
- 9) District Magistrate, Purba Bardhaman, West Bengal.
- 10) District Magistrate, Paschim Medinipur, West Bengal.
- 11) District Magistrate, Bankura, West Bengal.
- 12) District Magistrate, Coochbehar, West Bengal
- 13) District Magistrate, Jalpaiguri, West Bengal
- 14) District Magistrate, Alipurduar, West Bengal
- 15) District Magistrate, Birbhum, West Bengal
- 16) District Magistrate, Murshidabad, West Bengal
- 17) District Magistrate, Howrah, West Bengal
- 18) District Magistrate, Uttar Dinajpur, West Bengal
- 19) Director of Agricultural Marketing, West Bengal, Director of Agricultural Marketing, P-16, India Exchange Place, Kol-73
- 20) P.S. to Hon'ble MIC, Agricultural Marketing Department.
- 21) Superintendent, Government Printing Press, Alipore, Kolkata - 700027.  
He is requested to publish the notification in the Kolkata Gazette.

Joint Secretary to the Government of West Bengal