

**Aditya Prasad Padhi, IAS**  
Chief Secretary, Odisha



GOVERNMENT OF ODISHA

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D.O.No. 3963 /CS  
Bhubaneswar, dated the 22<sup>nd</sup> Feb, 2018

*Dear Shri Ravikant,*

**Sub.: Fixation of rates of incidentals in provisional economic cost sheet issued for KMS 2017-18 for procurement of paddy in Odisha.**

My telephonic conversation with you in November 2017 and the letter No. 22904, dated 09.11.2017 and No. 2735, dated 08.02.2018 by Food Supplies & Consumer Welfare Department, Government of Odisha may kindly be referred to.

Paddy procurement in the State is in full swing. As on date we have procured 32.5 lakhs MT paddy and also received 7.5 lakhs MT rice after milling. However, it is a matter of concern that we have not been able to pay the millers incidental charges. The rates fixed for the State of Odisha for KMS 2017-18 are abnormally low and if we start paying at these rates then there is every likelihood that the millers may stop participation in the procurement operations. For example, rates for transportation charges of paddy have been fixed at Rs.4.65 per quintal whereas last year it was Rs.36.18 per quintal. With all costs increasing every year, practically it is not possible to transport at the rate fixed by the Government of India.

Government of Odisha has already submitted the accounts up to the year 2015-16 and the audit of annual accounts for the financial year 2016-17 is in progress. Government of India had sought for some compliances on the accounts for the period 2005-06 till 2009-10. All necessary compliances have also been submitted.

Within few weeks, we will be starting our preparations for procurement of Rabi paddy. It will be difficult on our part to persuade the millers to participate in procurement operations without their earlier dues being cleared. Under these circumstances, it is requested that either the accounts may be finalised at the earliest or the provisional incidentals may be fixed at a reasonable and practical level which will facilitate smooth paddy procurement operations in the State.

An early action in the matter is requested.

*With regards,*

Yours sincerely,

*A.P. Padhi*  
22.2.18  
(A.P. Padhi)

**Shri Ravikant, IAS**

Secretary to Govt. of India,  
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