

GOVERNMENT OF ODISHA
FOOD, SUPPLIES & CONSUMER WELFARE DEPARTMENT

No. 13430 / Bhubaneswar dated the 6-8-13
09-61-64/2012-13

From

Shri Ananta Charan Nayak, O.A.S. (SAG)
Additional Secretary to Govt.

To

The General Manager, FCI, Bhubaneswar
The Managing Director, OSCSC Ltd., Bhubaneswar
The Managing Director, MARKFED, Bhubaneswar
The Managing Director, TDCC, Bhubaneswar
The Branch Manager, NAFED, Bhubaneswar

Sub: **De-linking of Commission to Co-operative Societies/ Self Help Groups from Minimum Support Price (MSP).**

Sir,

I am directed to send herewith copy of letter No.192(4)/2003- FC A/cs. (Vol.II) dt.26.07.2013 of Deputy Secretary, Government of India, Department of Food & Public Distribution, New Delhi on the subject mentioned above and request you to follow the instruction of Government of India and submit the proposal for fixation of rates of Procurement Incidentals of Levy rice/ Custom Milled Rice to be procured by State Procuring Agencies during the KMS 2013-14.

Yours faithfully,


Additional Secretary to Govt.

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No. 192(4)/2003-FC A/cs. (Vol.II)

Government of India

Ministry of Consumer Affairs, Food and Public Distribution

Department of Food and Public Distribution

Krishi Bhavan, New Delhi.

Dated the 26th July, 2013.

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To

The Principal Secretary/Secretary,
Department of Food and Civil Supplies,
Government of Uttar Pradesh, Madhya Pradesh, Bihar, Rajasthan, Uttarakhand,
Chhattisgarh, Gujarat, Punjab, Haryana, Kerala, Tamilnadu, Jharkhand, Andhra
Pradesh, Karnataka, West Bengal, Odisha and Maharashtra.

Subject: De-linking of Commission to Co-operative Societies/Self Help Groups from
Minimum Support Price (MSP).

Sir/Madam.

I am directed to say that at present Commission @ 2.5% of MSP for procurement of paddy in the Kharif Marketing Seasons and @ 2% of MSP on procurement of wheat in the Rabi Marketing Season are being allowed to the Cooperative Societies/Self Help Groups involved in procurement operations. However, the matter regarding de-linking of Commission to Co-operative Societies/Self Help Groups from MSP has been under consideration in this Department.

2. The Government of India announces support prices for various agricultural commodities including wheat, paddy and coarse grains. Government has to increase the MSP taking into consideration cost of cultivation and remunerative prices for farmers on their produce with a view to encouraging higher investment and production. With any increase in MSP, the charges towards 'Commission to Co-operative Societies/Self Help Groups' also get increased correspondingly without proportionate increase in cost of procurement.

3. It has, therefore, been decided to de-link Commission to Co-operative Societies from MSP and fix it at the level allowed in KMS 2012-13 and RMS 2013-14. Accordingly, Commission to Co-operative Societies payable from KMS 2013-14 and RMS 2014-15 onwards will be as under:-

Sl. No.	KMS/RMS	Amount to be allowed as Commission to Co-operative Societies/Self Help Groups.
1.	For procurement of Paddy (Common/Grade A) from KMS 2013-14 onwards.	Rs. 31.25/qlt for "Common" Rs.32/qlt for Grade "A"
2.	For procurement of Wheat from RMS 2014-15 onwards.	Rs.27.00/qlt

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4. All States are, therefore requested to keep the above rate in view while sending their proposals for fixation of rate of procurement incidentals/economic cost for KMS 2013-14 and RMS 2014-15 onwards. No request for allowing the Commission to Societies over and above the rate indicated above will be considered in the Department and if any State allows the higher charges, then the additional expenditure involved will have to be borne by the concerned States/UTs from their own funds.

5. The "Principles" conveyed vide this Department's D.O. letter No.192(4)/2003-FC A/cs. dated.16th July, 2003 and modified vide letters of even number dated 3rd November, 2004, 14th March, 2005, 13th October 2006, 27th April 2007 and 5th December, 2007, 5th November, 2008, 4th September, 2009, 23rd March, 2010 and 18th October, 2011 and 16.10.2012 earlier shall stand amended to the extent, accordingly. All other terms and conditions of the "Principles" remain the same.

6. This issues with the approval of the Competent Authority.

Yours faithfully,

(H.C. Bhatia)

Deputy Secretary to the Govt. of India

Tel. No. 23070389

Copy to:

1. The Chairman and Managing Director, Food Corporation of India, New Delhi.
2. Advisor (Cost)/Deputy Secretary (Finance).
3. PS to Secy. (F&PD)/PS to AS&FA/PS to JS (P&FCI).
4. Dy. Director (Cost), PI Cell/US (Policy-III)/US (Fin.)/Policy-I/Policy-III Guard File.

(H.C. Bhatia)

Deputy Secretary to the Govt. of India

Amount to be allowed to	KMS/RMS	2
Commission to Co-operative Societies/All India Group		1
Rs. 21.25 per 100 Rs. Common		1
Rs. 21.25 per 100 Rs. A		1
Rs. 21.25 per 100 Rs. B		1