

BY FAX/POST

GOVERNMENT OF ODISHA
FOOD, SUPPLIES & CONSUMER WELFARE DEPARTMENT

No. 15084 /Bhubaneswar dated the 31-7-17
09611700142016

From

Shri Dibakar Barik,
Joint Director(FS)-cum-
Deputy Secretary to Government.

To

The Managing Director, OSCSC Ltd., Bhubaneswar.


Sub: Minutes of the meeting held under Chairmanship of Secretary(F & PD) on 14.6.2017 to discuss (I) report of the committee constituted for, (II) Study on revision of milling charges of raw and parboiled rice and (III) Development of software, PICAS , by NIC for submission of proposals by States.

Ref: This Department letter No.11794 dated 13.6.2017.

Sir,

With reference to the letter and subject cited above, I am directed to send herewith a copy of letter even no. dated 4.7.2017 along with its enclosure received from Director(FC A/cs), Ministry of Consumer Affairs, Food and Public Distribution, DFPD, Government of India for taking necessary action at your level.

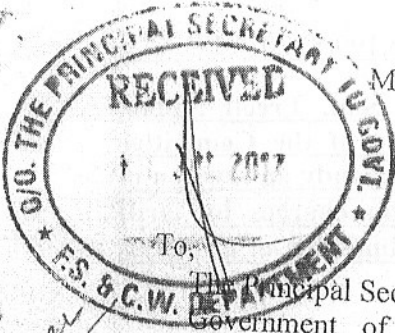
Yours faithfully,


Joint Director(FS)-cum-
Deputy Secretary to Government

No.199(8)/2016-FC A/cs
Government of India

Ministry of Consumer Affairs, Food and Public distribution
Department of Food and Public Distribution

Krishi Bhavan, New Delhi
Dated the July 04, 2017



To, The Principal Secretary/ Secretary (Food),
Government of Andhra Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Haryana,
Jharkhand, Karnataka, Kerala, Maharashtra, Madhya Pradesh, Odisha, Punjab, Rajasthan,
Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and West Bengal.

Subject: Minutes of the meeting held under Chairpersonship of Secretary(F&PD) on
14.06.2017 to discuss (i) Report of the Committee constituted for, (ii) Study on revision
of milling charges for raw and parboiled rice and (iii) Development of software, PICAS,
by NIC for submission of proposals by States.

Madam/Sir,

The undersigned is directed to refer to the above subject and to enclose herewith a
copy of minutes of the meeting held under the Chairmanship of Secretary (F&PD) on
14.06.2017 in Room No. 41, (Conference Room), Krishi Bhawan, New Delhi.

Yours faithfully,

Encl: As above

(Manoj Kumar Gupta)
Director (FC A/Cs)
Tele: (011) 23389436

Copy to:

1. Dy. Director, 7th Floor, Lok Nayak Bhawan, Khan Market, New Delhi-110003
2. Deputy Director General, NIC, A-Block, CGO Complex, Lodhi Road
3. CEO FSSAI, FDA Bhawan, Near Bal Bhawan, Kotla Road, New Delhi-110002
4. Advisor (Cost)/ Director (Cost)/ DD(Cost)
5. DS (Finance)/ US (Finance-I)
6. CGM (Proc.)/ GM(Proc.), FCI Hqs., ND

Copy for kind information to:

1. Sr. PPS to Secretary (F&PD)
2. PPS to AS&FA
3. Shri T.K. Manoj Kumar (JS Policy&FCI)
4. Shri Subhashish Panda (JS S&A)
5. Shri Suresh Kumar Vashishth (JS Storage)
6. Shri P.K. Tiwary (JS BP&PD)
7. Shri Nilambu Sharam (Economic Advisor NFSA)
8. PS to Principal Advisor (Cost)
9. PA to Dir (FC A/Cs)

DD. P&L
Pl. P&L
What are action
points?

P&L

Minutes of the meeting held under the Chairpersonship of Smt. Preeti Sudan, Secretary(F&PD) on 14.06.2017 to discuss to discuss (i) Report of the Committee constituted for consolidated rates for Procurement Incidentals, (ii) Study on revision of milling charges for raw and parboiled rice and transportation charges by tariff commission (iii) Development of software, PICAS, by NIC for submission of proposals by States.

Secretary (F&PD) welcomed all the participants present in the meeting from States and State agencies. However, she raised her concern about States whose representatives were not present in the meeting, viz. Jharkhand, Maharashtra and Uttarakhand.

Report of the Committee constituted for consolidated rates for Procurement Incidentals (PI):

2. Initiating the discussion regarding consolidated rates for Procurement Incidentals (PI), Secretary (F&PD) informed that despite several reminders only some of the States have submitted their feedback on the report. Explaining the need for implementation of the same from KMS 2017-18 onwards, she informed that it will help to save time and considerable effort of both the State Govt. and GoI and will help in timely finalization of accounts. As on date, proposals for final settlement of account are not forthcoming from some of the states, which delays fixation of final rates. Principal Advisor Cost informed that as States haven't submitted their comments on this, GoI is unable to decide whether the rates may be implemented or not. A presentation was made by Principal Advisor Cost on the method of fixation of PI and the basis by which the rates were derived. However some of the States opposed the principle of fixation of the PI rates as per the rates recommended by the committee stating that the proposed percentage increase is not justifiable and will increase the gap between the actual expenditure and the rates provided by GoI. Punjab reported higher incidental cost during procurement period. Haryana wanted procurement incidentals on actual basis. Telangana reported delay in reimbursement by FCI. AP reported less transportation charges are being reimbursed. Odhisha reported fixation of lowest incidental for them. On this, States were requested to submit their inputs/ comments on the Report of the Committee to the Department at the earliest. AS & FA stated that consolidated rate is to help the States in reduction of workload, to increase predictability of budgeting and would help settle the accounts fast by State Govt. and GoI. It was also informed that the rates fixed for incidentals were not arbitrarily but is based on the last finalized rate of each States concerned. On this Secretary (F&PD) also explained that GoI is not trying to cut any of the actual expensess made by the States but the idea was to make the process of finalization easy and that if any State had any suggestions to improve the formula/procedure adopted by GoI, they may submit the same to GoI and it would be considered in fixing the final consolidated rates. Secretary (F&PD) also desired that the States may be called for a separate meeting to arrive at the final rates in next one month and that a tentative date for the meeting may be fixed. In the meantime a sub-committee would be formed by DFPD to examine the matters raised by the States. It was decided in DFPD that a sub-committee chaired by JS (P&FCI) and members from Odisha, Haryana, Punjab, AP and Assam would be formed.

Aadhar Seeding and other issues raised by Secretary (F&PD)

3. Secretary (F&PD) appraised some of the States like AP, Telangana and Punjab of the need for quick implementation of end to end computerisation with Aadhar seeding for disbursement of foodgrains. After explaining the need, States were requested to include mobile Nos. of beneficiaries during seeding. The participant from Haryana was requested to give a brief overview on the process adopted for Aadhar seeding and the practical difficulties faced during it. Giving an overview, Additional Chief Secretary (F&CS), Haryana briefed the audience on the method they adopted for implementation of linking ration cards with Aadhar numbers. It was informed that in doing so, State Govt. of Haryana removed non linked ration cards and duplicate ration cards, which were as high as 42lakhs. These were very difficult to eliminate by the offline method earlier and this has helped the Govt. save around 25% of the TPDS expenditure. It was also informed that State Govt. of Haryana had also started portability services by which any eligible person can receive food grain from any PDS shop of the State. Secretary (F&PD) requested Haryana to provide a write up on the above implementation along with Do's and Don'ts so that it may be circulated to all the States to help them to implement the scheme quickly. Secretary (F&PD) appraised the working of the programme and requested all the States to follow by making Aadhar seeding mandatory for distribution of foodgrains. She requested the State Govts. of Andhra Pradesh and Telangana to adopt the LPG model for Direct Benefit Transfer for TPDS for some districts of the State on a pilot basis. She also desired other States to volunteer for the same.

4. Regarding fortification, Secretary (F&PD) informed that as some States had already started distribution of wheat flour under TPDS, therefore, the process of fortification should also be introduced. It was felt that under TPDS, the Mid-Day Meal scheme could introduce the process of fortification. Later in the day, a presentation was made by FSSAI on fortification for benefit of State Govts by Mr. Pawan Kumar Aggarwal, CEO, FSSAI.

5. Regarding cashless transactions, Secretary (F&PD) directed the States to follow the Andhra Pradesh and Gujarat model to help FPS in providing better business and services:

6. Regarding Fair Price Shops, JS (BP & PD) informed that FPS location coordinates were needed to be collected for each of the Fair Price Shops. For this, users will require a GPS enabled device for recording coordinates of FPS by just pressing a button on the device to complete the process. It was informed that this process needs to be completed by 31st July, 2017.

Study on revision of milling charges for raw and parboiled rice and transportation charges by Tarriff Commission

7. Regarding study on milling Charges by Tariff Commission, Secretary (F&PD) informed that most of the States have not submitted their inputs on the actual expenditure incurred during milling done by the millers. Regarding milling charges revision, officials from Tariff Commission informed that States were requested to provide data as required by the Tariff Commission on milling charges. However, no State except Odhisha and UP has yet submitted their report on this. States pleaded that the major reason for this is that millers do not wish to submit the information despite repeated requests by the State Govt. On this Secretary (F&PD) warned that if States do not submit the requisite information, milling charges would be finalized on the basis of the previous report of Tariff Commission and against milling charges to be allowed in provisional cost sheets of KMS 2017-18, recovery may also be made from those States. In case, States submit required information before end

of June, 2017, there will not be any recovery and nil milling charges may be considered to be allowed in provisional cost sheet.

Adding further, JS (S&A) requested the States for early submission of data to avoid any recovery of milling charges. However, if data is received by the States then it is possible that recovery may not be made. It was reiterated that each State was given a fixed number of mills from which they need to gather mill data and submit to the Tariff Commission. States further informed that they would submit the information by the end of the month.

8. On the issue of study on transportation charges, JS (S&A) informed that except for a few states, requisite information had not been received and the Tariff Commission is unable to complete the study. Director (FC A/Cs) suggested that regarding normative milling charges, data submitted by States during finalization of accounts may be analysed by the Tariff Commission for study. It was decided that the Tariff Commission may be provided data from the final cost proposals of the States by PI Cell/FC A/Cs section of the Department for examination by them and further necessary action.

Development of software, PICAS, by NIC for online submission of proposals by States:

9. JS (S&A) started the discussion giving a brief overview of the software and the four modules associated with it and also informed the participants about the various demonstrations made to the States/agencies for understanding the workflow of the developed modules of provisional cost sheet and food subsidy claims. He also informed that the development of software is expected to be completed by June 2017. Thereafter, NIC team gave a presentation on procedural working of the software. Some of the States claimed that the IDs and passwords provided to them for software trial & testing purpose was not working, on which they were informed that there were some issue initially, however the issues have been resolved now. The number of screens of modules were displayed to the participants and modules for provisional cost sheet, advance and provisional subsidy, Final Cost Sheet, and settlement of Final Subsidy were discussed. All states were requested to submit their provisional cost sheet proposal for KMS 2017-18 by using this software. With regard to subsidy module, various developed screens were shown to the participants, namely, Procurement Screen, Procurement Adjustment Screen, Distribution Screen, Distribution Adjustment Screen, Utilization Certificate Statement, Stock Flow Statement, Subsidy Rate Screen, and Generate Subsidy Bill Screen. Thereafter, introduction to the final cost sheet module was discussed and the consolidation screen at State Level meant for Final Cost Sheet was demonstrated to the participants.

The meeting ended with vote of thanks to the chair.

Annex

List of participants of the meeting held under Chairpersonship of Smt. Preeti Sudan, Secretary(F&PD) on 14.06.2017 to discuss (i) Report of the Committee constituted for, (ii) Study on revision of milling charges for raw and parboiled rice and (iii) Development of software, PICAS, by NIC for submission of proposals by States.

Department of Food & P.D.

1. Ms. Preeti Sudan, Secretary (F&PD)--- Chairperson
2. Shri Nikhilesh Jha (AS&FA)
3. Shri T.K. Manoj Kumar (JS Policy&FCI)
4. Shri Subhashish Panda (JS S&A)
5. Shri Suresh Kumar Vashishth (JS Storage)
6. Shri P.K.Tiwary (JS BP&PD)
7. Shri Nilambu Sharam (Economic Advisor NFSA)
8. Shri Manoj Kumar Gupta, Director (FC A/cs)
9. Ms. Rachna Chopra (Principal Advisor Cost)
10. Ms. Mithilesh (Director Cost)
11. Shri A.K. Kapoor (Consultant, DFPD)
12. Shri Sangeet Kumar, (US Finance I)
13. Shri Hemant Khulbe, (Section Officer FC A/Cs)
14. Ms. Baby Usha, (Section Officer FC A/Cs)
15. Shri Saurabh Chandra, (ASO FC A/Cs)
16. Ms. Mona Garg, (ASO FC A/Cs)
17. Shri Yogesh Kumar, (ASO FC A/Cs)

Food Corporation of India

1. Shri B.S.Mohapatra, ED (Finance), FCI
2. Shri S.P. Kar, ED (Procurement), FCI
3. Shri R.P. Singh, ED FCI

Tariff Commission

1. Shri Lalit Wadhwa (Dy. Director)
2. Shri P.K. Dhar (Dy. Director)
3. Shri P.K. Upadhyay

State Government & its agencies

1. Shri R.V. Raman, OSD, APSCSCL, AP
2. Shri D.J.P. Emmanuel, APSCSCL, AP
3. Shri V. Venkatramana, APSCSCL, AP
4. Shri Jayanta M. Baruah, Assam State Agricultural Marketing Board, Assam
5. Shri Atul Chandra Sarmah, CAO, Assam State Agricultural Marketing Board, Assam
6. Shri Sugandh Chaturvedi, BSFCSC, Bihar
7. Shri G.S. Sikarwal, JS (Food & Civil Supplies), of Chhattisgarh
8. Shri P. Anbalagan, MD, Chattisgarh State Co-op Marketing Federation Ltd, Chattisgarh
9. Shri B.R. Kotadiya, Manager, GSCSC, Gujarat
10. Shri S.S.Parsad, Additional Chief Secretary, Food & Supplies, Haryana
11. Shri HPS Walia, ACFA, Food & Supplies, Haryana
12. Shri Jaipal Redhu, Food & Supplies, Haryana

13. Ms. K.T. Shanthala, GM, KFCSC, Karnataka
14. Shri R.K. Raghunath, GM, KFCSC, Karnataka
15. Shri G.H. Ramesh, GM, KSWC, Karnataka
16. Shri Jyotish Das, FPS& CA
17. Shri Raghunath, Manager, KSCSC, Kerala
18. Shri George Mathai, Asst. Manager, KSCSC, Kerala
19. Shri Anil Gupta, Addl. GM (Finance), MPSCSC, MP
20. Shri Manish Kohli, Manager (F), MPSCSC, MP
21. Shri Akshay Kr. Singh, GM, MPSCSC, MP
22. Shri Bani Prasad Acharya, Odisha State Civil Supplies Corporation, Odisha
23. Shri S.S. Nayak, Chief General Manager, Food & Civil Supply, Odisha
24. Shri KAP Sinha, Principal Secretary, Govt. of Punjab
25. Shri Survesh Kumar, Addl. Director, PUNGRAIN, Punjab
26. Shri Anindita Mitra, Director Food & Civil Supplies, Punjab
27. Shri J.Senthil Nathan, Sr. Manager (Systems) WRO/GM Manager, TNCSC, T.N.
28. Shri C.V. Anand, Principal Secretary, Food, Telangana
29. Shri KESC Prasad, Consultant, TSCSC, Telangana
30. Ms. Smita Singh, Accountant, Food & Civil Supplies, UP
31. Ms. Srabani Roy Chowdhury, AD Director of Finance, WB
32. Shri Devendra Pant, Director of Finance, WB

NIC

1. Shri J. Abraham Jose, Principal Systems Analyst

M/s Velocis

1. Shri Anoop Sharma
2. Shri Amit Singh