

NO. 200(1)/90-FC A/C
MINISTRY OF FOOD
GOVERNMENT OF INDIA
KRISHI BHAVAN,
NEW DELHI

30TH MARCH 1993

To
The Food Secretaries of all States
Governments/Union Territory,
Administrations.

SUB: REVISION OF CENTRAL ISSUE PRICES OF FOODGRAINS FOR
DISTRIBUTION UNDER PUBLIC DISTRIBUTION SYSTEM(PDS)
AND INTEGRATED TRIBAL DEVELOPMENT PROJECT(ITDP) ETC.
RECOVERY OF DIFFERENTIAL COSTS FROM STATES/UNION
TERRITORIES - CHANGE IN THE PRESENT PROCEDURE.

Sir/Madam,

I am directed to invite your attention to this Ministry's letter of even number dated the 24th June, 1992 wherein the proposal for effecting the change in the present procedure for recovery of differential of costs from States/Union Territories as and when the Central Issue Prices of foodgrains were revised was sent for comments/views. The views and comments received from the State Governments/Union Territory Administrations have been considered carefully in this Ministry and it has now been decided to change the procedure for recovery on the following lines:-

Release orders issued by FCI to the States/Union Territories and/or their agencies/nominees upto 7 days prior to the date of revision of Central issue prices would be treated as the stocks in pipeline on which the State Governments/Union Territory Administrations and/or their nominees/agencies will be required to pay the differential between the old and revised prices within two months following revision of issue prices. For instance, if the price is revised w.e.f. 1.4.1993, the concerned States/Union Territories and/or its agencies/nominees will have to deposit the differential in cost with FCI on stocks, release orders for which were issued by FCI between 25.2.1993 and 31.3.1993, at the time of first issue in June, 1993. Failure to do so will result in stoppage of issue of further stocks of grains by FCI from June, 1993 or issue of reduced quantity after adjustment of the differential cost recoverable.

2. This new procedure will be applicable to revision in the Central Issue Prices of foodgrains in future.

Yours faithfully,

Sd/-

(S.N.GUPTA)

UNDER SECRETARY TO THE GOVT. OF INDIA.

Copy for information to:-

1. The Chairman, Food Corporation of India, NEW DELHI...
(Attention Sh. Ajay, Executive Director(Sales)..
suitable instructions may be issued to all concerned in the F.C.I.
2. The Controller of Accounts, Ministry of Food,
NEW DELHI.
3. Finance Division, Ministry of Food, (U.S.(Finance)I)

Sd/-

(S.N.GUPTA)

UNDER SECRETARY TO THE GOVT. OF INDIA

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File

No. 176(2)/98-PY, I
Government of India
Ministry of Food & Consumer Affairs
(Deptt. of Food & Civil Supplies)

Krishi Bhavan, New Delhi
Dated the 14th July, 1999

To

The Food Secretaries of
all State Governments/ Union
Territory Administrations.

को.सि. (एच) कार्यालय
Ex. Dt. (3)
संख्या..... 6550

by o.
दिनांक 20/7/99
Date.....

Subject: Revision of Central Issue Prices of Foodgrains for distribution under Public Distribution System (PDS) and Integrated Tribal Development Project (ITDP) etc. - Recovery of differential costs from States/Union Territories.

Sir/Madam,

In continuation of this Ministry's letter No.200(1)/90-FC A/c, dated 30.3.93 on the above subject, I am directed to say that it has been decided to make following additions/modifications in the procedure prescribed for recovery of differential costs from States/UTs :-

(i) Recovery of differential costs could also be exempted only if the State Government/UT or its nominee provides documentary evidence that the foodgrains released against the FCI's release orders on pre-revised prices had actually been issued to the ultimate consumer at old prices.

(ii) Supplies of foodgrains would either not be made to the retail dealers/nominees of the State govt./UT by FCI or, if it is required to be made, the release order would only be in the name of the State Govt./UT because payment of differential costs, if any, will be the responsibility of States/UT and they would ensure that these costs are paid to FCI.

2. All the State Governments/UT Administrations are as such advised to incorporate necessary provisions, as mentioned above and as contained in this Ministry's letter No.200(1)/90-FC A/c, dated 30.3.93, in their relevant Distribution and Control orders so as to prevent the nominees/dealers to take undue advantage of legal lacunae, if any.

Chairman (OL)
ED(S)-in-charge
M/S (S)

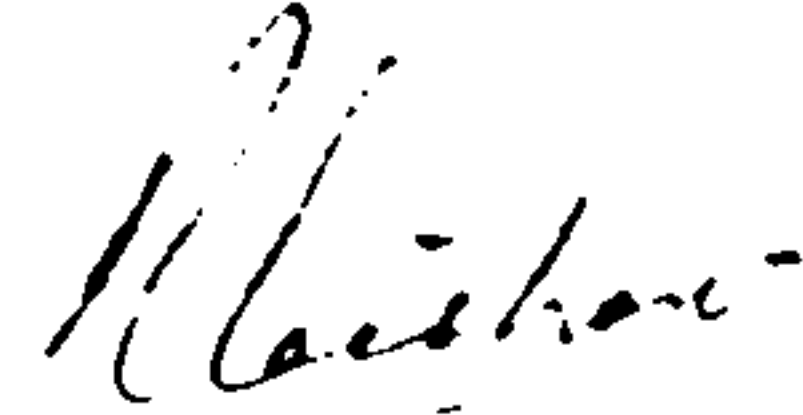
386
27 JUL 1999
मि.सि. (एच) कार्यालय

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Handwritten notes and signatures at the bottom center.

3. These instructions will be applicable to revision in the Central Issue Prices of foodgrains in future.

Yours faithfully,

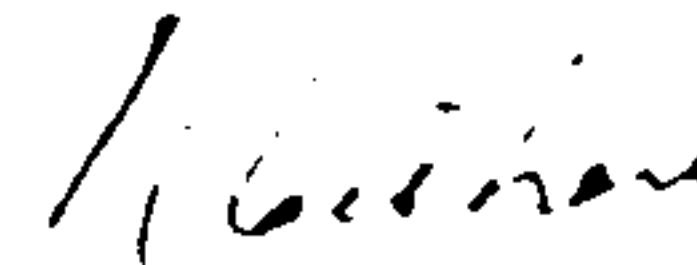


(RAJ KISHORE)

UNDER SECRETARY TO THE GOVERNMENT OF INDIA
TELE. 3388141

Copy to:-

1. The Chairman, FCI, New Delhi.
2. The Executive Director (Sales), FCI, New Delhi.
Release Orders of foodgrains issued by FCI may be suitably amended to provide for recovery of differential cost as mentioned in these instructions and as contained in this Ministry's letter No. 200(1)/90-FC A/c, dated 30-3-93.
3. The Controller of Accounts, Ministry of Food & Consumer Affairs, Deptt. of Food & Civil Supplies, New Delhi.
4. Finance Division, Deptt. of Food & Civil Supplies, Under Secretary (Fin-I).
5. US (BP) / US (FCI) - II / R.K.I Section.



(RAJ KISHORE)

UNDER SECRETARY TO THE GOVT. OF INDIA
TELE. 3388141