

GOVERNMENT OF INDIA
MINISTRY OF COOPERATION

RAJYA SABHA
UNSTARRED QUESTION NO. 1129
ANSWERED ON 13/12/2023

National Co-operative Export Limited

1129 SHRI ANIL DESAI:

Will the Minister of COOPERATION be pleased to state:

- (a) the objective of newly established National Co-operative Export Limited in helping producers in co-operative sectors;
- (b) the procedure for export of sugar, milk products, rice etc. and benefits transferred to the producer, farmers; and
- (c) the details of its effect on payment of MSP to farmers?

ANSWER

THE MINISTER OF COOPERATION
(SHRI AMIT SHAH)

(a) to (b): Yes Sir, Ministry of Cooperation has set up National Cooperative Exports Limited (NCEL) under the Multi-State Cooperative Societies (MSCS) Act, 2002. NCEL will provide a complete ecosystem for promotion of exports mainly of agri commodities for the benefits of our farmers, in which India has a comparative advantage. All cooperative societies from the level of primary to apex, who are interested in exports, are eligible to become its members.

This society will focus on exporting the surpluses available in the Indian cooperative sector by accessing wider markets beyond the geographical contours of the country, thereby, increasing the demand of Indian Cooperative products/services across the globe and fetch best possible prices for such products/services. It will promote exports through various activities including procurement, storage, processing, marketing, branding, labelling, packaging, certification, research and development, etc. and trading of all types of goods and services including sugar and milk products produced by cooperative societies.

The society will also help in arranging finance, provide technical guidance, help in training and capacity building, develop and maintain market intelligence system, implement related government schemes and undertake any other such activities which will increase exports from the cooperative sector and other related entities.

This society will also help cooperatives in getting benefits of various export related schemes and policies of different Ministries/Departments of the Government of India in a focussed manner through 'Whole of Government Approach'. This will help in achieving the goal of "Sahakar-se-Samridhi" through the inclusive growth model of Cooperatives where the members would benefit both by realization of better prices through export of their goods and services and also by dividend distributed out of the surplus generated by the society.

As per information provided by NCEL, so far they have received 2,581 applications for membership under different classes from 22 States/UTs. NCEL has so far got permission for exports of 14,92,800 MT non-Basmati White rice to 16 countries, 8,98,804 MT broken rice to 05 countries, 14,184 MT Wheat Grain, 5326 MT Wheat Flour & 15,226 MT Maida/Semolina to 01 country and 50,000 MT sugar to 02 countries. Clause 54 of bye-laws of NCEL provides for the determination of price which envisages to provide final price of products to members by distributing upto 50% of net surplus.

(c): The NCEL will provide initial cost of products of farmers on the basis of prevailing market price. In the bye-laws of the NCEL clause 54, outlines the process for determination of price in accordance with the scheme given below.:-

- i. Initial price of the product(s) may be given to member(s) tentatively on the basis of prevailing market price of the product(s);
- ii. Net surplus shall be reckoned as the difference between the selling price and initial price after deduction of all expenses incurred by the society on sale of such product(s);
- iii. The Society will endeavour to give up to 50% of net surplus to its member(s) for their product(s) as may be decided by the Board; and
- iv. The final price of the product(s) payable to the member(s) shall be determined by the Board on the basis of initial price plus the part of net surplus proposed to be paid under preceding sub-clause (iii).
