

No. 192(24)/2016-FC A/Cs
Government of India
Ministry of Consumer Affairs, Food and Public distribution
Department of Food and Public Distribution

Krishi Bhawan, New Delhi
Dated: 5th October, 2016

To,
The Additional Chief Secretary,
Food & Civil Supplies Department,
Government of Haryana,
Chandigarh

Subject: Fixation of **Provisional** rates of **Custom Milled Rice (CMR)(FAQ)** and cost of new 50 kg. Gunny Bags used by the Government of Haryana and its agencies for the procurement of Custom Milled Rice (FAQ) for the Central Pool during the Kharif Marketing Season 2016-17.

Sir,

I am directed to refer to above subject and to convey the approval of the Government of India for payment of the following **Provisional** rates of Custom Milled Rice (CMR) (FAQ) to be delivered to FCI for Central Pool under the price support operation to the Government of Haryana and its agencies during the Kharif Marketing Season 2016-17.

For Central Pool Operations: (New Gunny bags)

(i) Incidentals for the stocks of CMR, which are handed over to the Food Corporation of India for the Central Pool (item wise details of incidentals are enclosed at Annexure):

<u>Commodity</u>	<u>Common</u>	<u>(Rs/qtl)</u> <u>Grade 'A'</u>
Raw-rice	2607.56	2672.93
Par-boiled rice	2564.69	2628.51

Note:

This costing is for procurement of paddy in new gunny bags only.

For Central Pool Operations: (Once used/ old Gunny bags)

(ii) Incidentals for the stocks of CMR, which are handed over to the Food Corporation of India for the Central Pool (item wise details of incidentals are enclosed at Annexure):

<u>Commodity</u>	<u>Common</u>	<u>(Rs/qtl)</u> <u>Grade 'A'</u>
Raw-rice	2569.58	2634.95
Par-boiled rice	2526.71	2590.53

Note:

This costing is for procurement of paddy in once used/ old gunny bags only.

2. Since VAT Act has been implemented in the State, in addition to the above, VAT, as applicable, will be payable as per the relevant provisions of the ACT, subject to maximum of 5%.

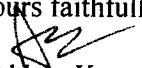
3. Transportation charges for transportation of paddy from mandies/purchase centre to mills and for rice from mills to FCI godown will be payable on the basis of the rates fixed by the District Collectors of the State or FCI's rate, whichever is lower from 0 km onwards for the actual distance.

4. Since CCL is now being directly sanctioned to the State Government, no guarantee fee is being allowed for KMS 2016-17.

5. Since milling charges are allowed/claimed @ Rs. 10 per qtl, for raw and Rs. 20 per qtl. for par-boiled rice transportation charges will be payable from 0 km onwards for transportation of paddy from purchase center/mandi to mill and rice from mill to FCI godowns.
6. The Custom Milled Rice would be delivered by the procuring agencies to FCI, in new 50 kg bags only, in its local godowns upto the scale point and the stacking in the FCI godown will be done by FCI.
7. The rate/cost of Custom Milled Rice (CMR) and other elements as indicated above are provisional. The State Government should send its claims for final incidentals along with accounts audited by the auditors appointed by the Comptroller and Auditor General and documentary proof, as well as detailed justification for each item at the earliest after the end of the season and in any case not later than 12 months from the end of the financial year in which the season has ended.
8. To ensure proper utilization of funds/subsidy being released by the Government of India, the FCI may insist on requisite certificates from the State Government and its agencies for previous financial year before release of incidentals on account of statutory charges i.e. Market Fee, RD Cess etc.
9. These rates/cost sheets are only for paddy/CMR procured by the State agencies/FCI and not for any other party acting either on behalf of such State agency or the FCI. These rates would not be benchmarked to fix rate for such parties.
10. This issues with the approval of the Integrated Finance Division vide their Dy. No. 331607/AS&FA/2016 dated 05.10.2016

Dated: 05.10.2016

Yours faithfully,


(Abhay Kumar)


Under Secretary to the Government of India

Tele: (011) 23073798

Copy to:

1. The Executive Director (Procurement), FCI, 16-20, Barakhamba Lane, New Delhi-110001.
2. The Executive Director (Finance), FCI, 16-20, Barakhamba Lane, New Delhi-110001.
3. The Director, Food and Supplies Department, Chandigarh, Haryana.
4. The Senior Regional Manager, FCI Regional Office-Haryana, SCO-356-359, Sector 34-A, Chandigarh.
5. The Principal Director of Commercial Audit & Ex-Officio Member Audit Board – IV, 10, Bahadur Shah Zafar Marg, New Delhi – 110002.
6. The Principal Director of Commercial Audit & Ex-Officio Member Audit Board – IV, North Zone, 2nd Floor, Khadya Sadan, 16-20, Barakhamba Lane, New Delhi-110001.
7. PS to Principal Adviser (Cost)/Director (Fc A/Cs) /Director (Cost)/US (Finance-J)
8. PS to JS(P&FCI)
9. Guard File.

Dated : 05.10.2016


(Abhay Kumar)

Under Secretary to the Government of India

No. 192(24)/2016-FC.A/Cs

Government of India

Department of Food and Public Distribution

**Provisional Rates of Custom Milled Rice procured under (FAQ) specification delivered
to the Central Pool during the Kharif Marketing Season 2016-17 in respect of
Government of Haryana and its agencies**

(Rs./qtl.)

S. No.	Item of incidentals	Raw Rice		Par-boiled Rice	
		Common	Grade A	Common	Grade A
1	Minimum Support Price (MSP)	1470.00	1510.00	1470.00	1510.00
2	Statutory Charges				
	(i) Market Fee @2% of MSP	29.40	30.20	29.40	30.20
	(ii) RD Cess @2% of MSP	29.40	30.20	29.40	30.20
	(iii) VAT !	*	*	*	*
3	Dami/Arhatia Charges @2.5% of MSP	36.75	37.75	36.75	37.75
4	Mandi Labour Charges ^	18.31	18.31	18.31	18.31
5	Driage @1% of MSP	14.70	15.10	-	-
6	Custody & Maintenance Charges (CAP) !! \$	-	-	-	-
7	Interest Charges for 2 months @11.01% p.a. on MSP, Statutory charges including notional VAT and Mandi labour charges !! #	29.79	30.59	29.79	30.59
8.	Milling Charges	10.00	10.00	20.00	20.00
9	Cost of 1 qtl. of milled paddy	1638.35	1682.15	1633.65	1677.05
10	Out turn ratio	67%	67%	68%	68%
11	Sub-Total	2445.30	2510.67	2402.43	2466.25
12	Cost of new gunny bags\$\$	117.58	117.58	117.58	117.58
13	Gunny Depreciation @ 38% when using 2 new bags **	44.68	44.68	44.68	44.68
14	Cost of 1 qtl. of packed rice when using 2 new bags.	2607.56	2672.93	2564.69	2628.51
15	Gunny Depreciation when using 2 old bags ***	6.70	6.70	6.70	6.70
16	Cost of 1 qtl. of packed rice when using 2 old bags.	2569.58	2634.95	2526.71	2590.53

! VAT as applicable at every stage will be payable as per the relevant legal provisions

^ Subject to conditions laid down vide this Department's letter No. 192(12)/2016- FC A/Cs dated 21.09.2016.

!! Custody and Maintenance charges and interest charges are payable subject to the conditions laid down vide letter no 192(4)/2003-FC a/cs Vol- 3 dated 05.11.2015 and 12.01.2015.

\$Payment of Custody and maintenance charges would be regulated as per order issued by this Department vide letters dated 21.11.2014, 26.12.2014 and 04.09.2015 in regard to joint custody of paddy with millers.

Interest is allowed provisionally taking notional VAT @ 5% of MSP, Dami and Fixed mandi labour charges.

\$\$ Includes branding charges, safety stitch, cess, education cess, CST, inspection charges, development charges, terminal charge and railway freight.

**Gunny Depreciation is for procurement of Paddy in new gunnies.

***Gunny Depreciation is for procurement of Paddy in once used/ old gunny bags.

Dated : 05.10.2016

(Abhay Kumar)

Under Secretary to the Government of India