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No. 192(22)/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: 13<sup>th</sup> October, 2016

To,  
The Secretary,  
Food & Civil Supplies Department,  
Government of Jharkhand  
Ranchi

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

**For Central Pool Operations:**

(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):

		(Rs/qtl)
<u>Commodity</u>	<u>Common</u>	<u>Grade 'A'</u>
Raw-rice	2535.66	2600.27
Par-boiled rice	2493.22	2556.30

Note:

(ii) This costing is for procurement of paddy in new gunny bags only.  
(iii) 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.

2. The payment of commission to Societies will be subject to the conditions laid vide this Deptt.'s order no. 192(4)/2003-F.C.A/cs. dated 26.07.2013.

3. In addition to the above, the following elements/items are also to be reimbursed to the State Government:

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

4. Since milling charges are allowed @ 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/rice from mandies/purchase center to mill and from mill to FCI godowns.

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5. 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.

6. 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. The States who have not submitted finalization claims within four years of commencement of marketing season, only MSP, Statutory taxes, gunny charge will be given at prevailing rates. Indexation of other incidentals as per principle has been frozen on the basis of KMS 2015-16.

7. 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.

8. 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.

9. This issues with the approval of the Integrated Finance Division vide their Dy.No.331720 /AS&FA/2016 dated:10.10.2016

Dated:13.10.2016

Yours faithfully,



(Abhay Kumar)

Under Secretary to the Government of India

Tele: (011) 2307379

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 Senior Regional Manager, FCI Regional Office, 9<sup>th</sup> Floor, Mahavir Tower, Main Road, Jharkhand, Ranchi
4. Managing Director, Jharkhand State Food and Civil Supplies corporation, Ranchi
5. The Principal Director of Commercial Audit & Ex-Officio Member Audit Board – IV, 1<sup>st</sup> Floor, Wing – IV, West Block No. VIII, R. K. Puram, New Delhi – 110066.
6. The Principal Director of Commercial Audit & Ex-Officio Member Audit Board – IV, North Zone, 2<sup>nd</sup> Floor, Khadya Sadan, 16-20, Barakhamba Lane, New Delhi-110001.
7. PS to JS (P&FCI)/Adviser (Cost)/Director(FCA/cs)/DS(Finance)/US (Finance).
8. Guard File.

No.192(22)/2016-FC.A/Cs  
Government of India  
Department of Food and Public Distribution  
**Provisional Rates of Custom Milled Rice (FAQ) delivered to FCI for Central  
Pool during the Kharif Marketing Season 2016-17 in respect of  
Government of Jharkhand and its agencies**

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(Rs./qtl.)

S.No	Item of incidentals	Raw Rice		Par-boiled Rice	
		Common	Grade A	Common	Grade A
1	<b>Minimum Support Price (MSP)</b>	1470.00	1510.00	1470.00	1510.00
2	<b>Statutory Charges:</b>				
	(i) <b>Market Fee @1% of MSP!</b>	14.70	15.10	14.70	15.10
3	<b>Mandi Labour Charges</b>	8.84	8.84	8.84	8.84
4	<b>Driage @1% of MSP</b>	14.70	15.10	-	-
5	<b>Commission to Societies \$</b>	31.25	32.00	31.25	32.00
6	<b>Custody &amp; Maintenance Charges (CAP) @Rs2.40 per qtl. per month for 2 months #</b>	4.80	4.80	4.80	4.80
7	<b>Interest Charges for 2 months @11.01% p.a. on MSP, Statutory charges and Mandi labour charges *</b>	27.41	28.15	27.41	28.15
8	<b>Milling Charges</b> excluding transportation charges within a distance of 0- 8 kms from the mill on paddy as well as rice.	10.00	10.00	20.00	20.00
9	<b>Administrative charges @ 2.5% of MSP</b>	36.75	37.75	36.75	37.75
10	<b>Cost of 1 qtl. of milled paddy</b>	<b>1618.45</b>	<b>1661.74</b>	<b>1613.75</b>	<b>1656.64</b>
11	<b>Out turn ratio</b>	67%	67%	68%	68%
12	<b>Sub-Total</b>	<b>2415.60</b>	<b>2480.21</b>	<b>2373.16</b>	<b>2436.24</b>
13	<b>Cost of new gunnies \$\$</b>	87.00	87.00	87.00	87.00
14	<b>Gunny Depreciation for new gunnies **</b>	33.06	33.06	33.06	33.06
15	<b>Cost of 1 qtl. of packed rice</b>	<b>2535.66</b>	<b>2600.27</b>	<b>2493.22</b>	<b>2556.30</b>

#Custody and maintenance charges would be released on production of a certificate by the State Government that these charges have been incurred by it, subject to the partial amendment in Principle as per the order issued by this Department vide letter no.192(4)/2003-FC A/Cs (Vol.III) dated 05.11.2015 and 12.11.2015.

\$ Commission to Societies is payable, Subject to the conditions laid down vide letter no 192(4)/2003-FC a/cs Vol- 2 dated 26.07.2013.


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

\* Payment of Interest charges is subject to the partial amendment in Principle as per the order issued by this Department vide letter no.192(4)/2003-FC A/Cs (Vol.III) dated 05.11.2015 and 12.11.2015.

\*\*Gunny Depreciation is for procurement of Paddy in new gunnies, subject to partial amendment in Principle as per the order issued by this Department vide letter no. 192(3)/2014-FC A/Cs dated 18.12.2015.

! FCI should verify the provision on market fee from State Govt notification before making actual payment.

Dated:13.10.2016

  
(Abhay Kumar)  
Under Secretary to Govt of India