

No. 192(19)/2014-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: 17th October, 2014.

To,

The Secretary,
Food & Civil Supplies Department,
Government of Chhattisgarh,
Raipur.

Subject: Fixation of the **Provisional** rates of **Custom Milled Rice (CMR) (FAQ)** and cost of new 50 kg. Gunny Bags used by the Government of **Chhattisgarh** and its agencies for the procurement of Custom Milled Rice (FAQ) for the Central Pool and for DCP scheme during the Kharif Marketing Season **2014-15**.

Sir,

I am directed to convey the approval of the Government of India for payment of the following **provisional** rates of Custom Milled Rice (**CMR) (FAQ)** and the economic cost for the Central Pool and DCP scheme under the price support operation to the Government of **Chhattisgarh** and its agencies during the Kharif Marketing Season **2014-15**.

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 procurement incidentals are enclosed at Annexure-I):

<u>Commodity</u>	<u>Common</u>	<u>(Rs./qtl)</u> <u>Grade 'A'</u>
Raw-rice	2486.57	2555.05
Par-boiled rice	2446.48	2513.36

(For central pool stocks for transportation of paddy from purchase centres/mandis to mills and for rice from mills to storage godowns, transportation charges from 0 kms onwards will be payable based on the rates fixed by the District Collectors of the State or FCI's rate whichever is lower.)

For DCP Operation

(ii) Economic Cost for the stocks of CMR retained by the State Government for distribution under the scheme of decentralised procurement operation (Item wise details of the economic cost are enclosed at Annexure-II):

<u>Commodity</u>	<u>Common</u>	<u>(Rs./qtl.)</u> <u>Grade 'A'</u>
Raw-rice	2739.65	2811.59
Par-boiled Rice	2696.72	2767.00

Note:

(i) **This costing is for new gunny bags only. In case procurement of paddy is done in once used gunnies, separate order will be issued for the same.**

2. The payment of commission to Societies will be subject to the conditions laid vide this Deptt.'s Order no. 192(4)/2003-FC A/Cs (Vol.II) dated 26.07.2013

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



(ii) Guarantee Fee, if it is actually paid by the agencies to the State Government for obtaining credit, would be payable on actual basis, subject to a maximum of 1/8% of MSP worked out on the estimated quantity of paddy delivered to FCI procured under Price Support Scheme (PSS) for the Central Pool. No interest on delayed payment on this account will be payable.

4. Milling charges have been allowed @ Rs.10 per qtl. for raw and Rs.20 per qtl. for par-boiled rice, excluding Rs.5.00 per qtl. as transportation charges upto 8 kms from purchase centre to mill to FCI godowns on paddy as well rice.

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 alongwith accounts audited by the auditors appointed by the Comptroller and Auditor General and documentary proof and detailed justification for each item at the earliest after the end of the season.

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.318971/AS&FA/14 dated 15.10.2014.

Yours faithfully,



(Manoj K. Gupta)
Director(FCA/cs)

Tele: (011) 23389436

Dated: 17.10.2014

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 Managing Director, Markfed, Chhattisgarh.
4. The Managing Director, CSCSC Ltd.
5. The Senior Regional Manager, FCI Regional Office-Chhattisgarh, Raipur.
6. The Director of Commercial Audit & Ex-Officio Member Audit Board – IV, 10 Bahadur Shah Zaffar Marg, New Delhi – 110002.
7. 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.
8. Adviser (Cost)/Director (FC A/cs)/DS (Finance)/US (Finance)/US(FC.A/Cs)
9. Guard File.



(Manoj K. Gupta)
Director(FCA/cs)

Government of India

Department of Food and Public Distribution

Provisional Economic cost of Custom Milled Rice (FAQ) delivered to FCI for Central Pool during the Kharif Marketing Season 2014-15 in respect of Government of Chhatisgarh 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)	1360.00	1400.00	1360.00	1400.00
2	Statutory Charges:				
	(i) Market Fee @2% of MSP	27.20	28.00	27.20	28.00
	(ii) Nirashrit Shulk @0.20% of MSP	2.72	2.80	2.72	2.80
	(iii) Commercial Tax @ 5% of MSP	68.00	70.00	68.00	70.00
3	Mandi Labour Charges	5.89	5.89	5.89	5.89
4	Driage @1% of MSP	13.60	14.00	-	-
5	Commission to Societies *	31.25	32.00	31.25	32.00
6	Custody & Maintenance Charges @ 1.84/qtl per month for 2 months #	3.68	3.68	3.68	3.68
7	Interest Charges for 2 months @11.83% p.a. on MSP, Statutory charges and Mandi labour charges.	28.86	29.71	28.86	29.71
8	Milling Charges 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	Administrative charges @ 2.5% of MSP for central pool stocks only	34.00	35.00	34.00	35.00
10	Cost of 1 qtl. of milled paddy	1585.20	1631.08	1581.60	1627.08
11	Out turn ratio	67%	67%	68%	68%
12	Sub-Total	2365.97	2434.45	2325.88	2392.76
13	Cost of new gunny bags^^	84.80	84.80	84.80	84.80
14	Gunny Depreciation for new gunnies\$	33.92	33.92	33.92	33.92
15	Internal transportation of gunnies^	1.88	1.88	1.88	1.88
16	Cost of 1 qtl. of rice	2486.57	2555.05	2446.48	2513.36

Custody and maintenance charges would be released on production of a certificate by the State Government that these charges have been incurred by it. Restricted to State Govt. claim.

*Subject to condition laid down vide letter No. 192(4)/2003-FC A/Cs (Vol.II) dated 26.07.2013.

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

\$Gunny depreciation is for procurement of paddy in new gunny bags.

^As claimed by State Govt.

Dated: 17.10.2014


(Manoj K. Gupta)
Director(FCA/cs)

No.192 (19)/2014-FC-A/cs

Government of India

Department of Food and Public Distribution

Provisional Economic cost of Custom Milled Rice(FAQ) retained for distribution under the decentralised procurement operations during the Kharif Marketing Season 2014-15 in respect of Government of Chhattisgarh 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)	1360.00	1400.00	1360.00	1400.00
2	Statutory Charges:				
	(i) Market Fee @2% of MSP	27.20	28.00	27.20	28.00
	(ii) Nirashrit Shulk @ 0.20% of MSP	2.72	2.80	2.72	2.80
	(iii) Commercial Tax @5% of MSP	68.00	70.00	68.00	70.00
3	Mandi Labour Charges (Handling Charges)	5.89	5.89	5.89	5.89
4	Transportation Charges for transportation of paddy as well as rice from purchase centres to mills and from mills to storage points from 0 km onwards.	36.65	36.65	36.65	36.65
5	Driage @1% of MSP	13.60	14.00	-	-
6	Commission to Societies	31.25	32.00	31.25	32.00
7	Custody & Maintenance Charges @ 1.84/qtl per month for 2 months (CAP) #	3.68	3.68	3.68	3.68
8	Interest Charges for 2 months @11.83% p.a. on MSP, Statutory charges and Mandi labour charges	28.86	29.71	28.86	29.71
9	Milling Charges excluding transportation charges within a distance of 0-8 kms on each side on paddy as well as rice.	10.00	10.00	20.00	20.00
10	Administrative charges @1% of MSP	13.60	14.00	13.60	14.00
11	Cost of 1 qtl. of milled paddy	1601.45	1646.73	1597.85	1642.73
12	Out turn ratio	67%	67%	68%	68%
13	Sub-Total	2390.22	2457.81	2349.78	2415.78
14	Cost of new gunny bags ^^	84.80	84.80	84.80	84.80
15	Gunny Depreciation for new gunnies\$	33.92	33.92	33.92	33.92
16	Internal transportation of gunnies^	1.88	1.88	1.88	1.88
17	Acquisition Cost of 1 qtl. of packed rice	2510.82	2578.41	2470.38	2536.38

Custody and maintenance charges would be released on production of a certificate by the State Government that these charges have been incurred by it. Restricted to State Govt. claim

^ Subject to condition laid down vide letter No. 192(4)/2003-FC A/Cs (Vol.II) dated 26.7.2013

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

\$ Gunny depreciation is for procurement of paddy in new gunny bags

^ As claimed by State Govt

Dated: 17.10.2014

(Manoj K.Gupta)
Director(FCA/cs)

No.192 (19)/2014-FC-A/cs

Government of India

Department of Food and Public Distribution

Provisional Rates of Custom Milled Rice (FAQ) retained for distribution under the decentralised procurement operations during the Kharif Marketing Season 2014-15 in respect of Government of Chhattisgarh and its agencies

(Rs/ctl)

S.No.	Items of incidentals	Raw rice		Par-boiled	
		Common	Grade 'A'	Common	Grade 'A'
A. ACQUISITION COST					
1.	Cost of CMR	2510.82	2578.41	2470.38	2536.38
B. DISTRIBUTION					
1.	Storage charges @Rs.5.46 per qtl. per month for 4 months (covered) #	21.84	21.84	21.84	21.84
2.	Handling & Transportation charges *	50.00	50.00	50.00	50.00
3	Interest Charges @11.83% p.a. for 4 months on acquisition cost minus interest	97.87	100.50	96.28	98.85
4	Transit and Storage loss @0.35% of acquisition cost excluding cost of gunnies, internal transportation of gunnies and gunny depreciation.	8.37	8.60	8.22	8.46
5	Administrative Charges @ 2.5% of MSP of paddy equivalent to 1 qtl. of rice or actuals which ever is less for the quantity retained by the State Government for distribution under PDS	50.75	52.24	50.00	51.47
6	Total Distribution Cost	228.82	233.18	226.34	230.62
C ECONOMIC COST OF CMR					
7	Acquisition cost+ Distribution cost (A+B)	2739.65	2811.59	2696.72	2767.00

Note: The Food Secretary of the State is required to give a certificate that the CMR has been kept under covered storage.

*as claimed by the State Govt. being on lower side

Custody and Maintenance Charges would be released on production of certificate by the State Government that these charges have been incurred by it.

Dated: 17.10.2014


(Manoj K. Gupta)
Director(FCA/cs)