

No.192 (26)/2014-FC-A/cs

Government of India

Department of Food and Public Distribution

**Provisional Rate 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 **Kerala** and its agencies

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(Rs./qtl.)

S. No.	Item of incidentals	Par-boiled Rice	
		Common	Grade A
1	Cost of CMR	2470.35	2536.16
1	Storage charges @ Rs.5.84/qtl per month for 4 months (covered)#	23.36	23.36
2	Handling & Transportation charges	9.00	9.00
3	Interest Charges @11.25% p.a. for 4 months on acquisition cost minus interest	91.11	93.54
4	Transit and Storage loss @ 0.35% of acquisition cost excluding cost of gunnies, and gunny depreciation.	8.33	8.56
5	Administrative Charges @ 2.5% of MSP of paddy equivalent to one qtl of rice for the quantity retained by the State Government for distribution under PDS	50.00	51.47
6	<b>Total distribution Cost</b>	<b>181.80</b>	<b>185.93</b>
7	Acquisition cost +Distribution Cost (A+B)	<b>2652.15</b>	<b>2722.09</b>

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

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

Dated: 5.1.2015



(Sanjay Kumar)

Under Secretary to the Government of India

No.192 (26)/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 **Kerala** and its agencies

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(Rs./qtl.)

S. No.	Item of incidentals	Par-boiled Rice	
		Common	Grade A
1	Minimum Support Price (MSP)	1360.00	1400.00
2	Statutory Charges:		
	(i) Market Intervention Cess @7% of MSP	95.20	98.00
3	Handling Charges	70.25	70.25
4	Transportation Charges (for transportation of paddy from purchase centre/fields to temporary storage point and by cart, boat truck and for transportation of rice from mills to storage point).		
5	Custody & Maintenance		
6	Commission to Societies/Self help Groups *	31.25	32.00
7	Interest Charges for 2 months @11.25% p.a. on MSP, Statutory charges and Handling charges.	27.66	28.46
8	Milling Charges excluding transportation charges within a distance of 0-8 kms from the mill on paddy as well as rice	20.00	20.00
9	Administrative charges @ 1% of MSP	13.60	14.00
<b>10</b>	<b>Cost of 1 qtl. of milled paddy</b>	<b>1617.96</b>	<b>1662.71</b>
11	Out turn ratio	68%	68%
<b>12</b>	<b>Sub-Total</b>	<b>2379.35</b>	<b>2445.16</b>
13	Cost of new gunny bags ^^	65.00	65.00
14	Gunny Depreciation for new gunnies\$	26.00	26.00
<b>15</b>	<b>Acquisition Cost of 1 qtl. of packed rice</b>	<b>2470.35</b>	<b>2536.16</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 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, addl. Departmental charges, octroi, interest and railway freight.

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

Dated: 5.01.2015



(Sanjay Kumar)

Under Secretary to the Government of India

No.192 (26)/2014-FC-A/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 **Kerala** and its agencies

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(Rs./qtl.)

S. No.	Item of incidentals	Par-boiled Rice	
		Common	Grade A
1	Minimum Support Price (MSP)	1360.00	1400.00
2	Statutory Charges:		
	(i) Market Intervention Cess @7% of MSP	95.20	98.00
3	Handling Charges	20.00	20.00
4	Commission to Societies/Self help Groups *	31.25	32.00
5	Custody & Maintenance Charges @ 2.08/qtl per month for 2 months #	4.16	4.16
6	Interest Charges for 2 months @11.25% p.a. on MSP, Statutory charges and Handling charges.	27.66	28.46
7	Milling Charges excluding transportation charges within a distance of 0-8 kms from the mill on paddy as well as rice	20.00	20.00
8	Administrative charges @ 2.5% of MSP	34.00	35.00
9	<b>Cost of 1 qtl. of milled paddy</b>	<b>1592.27</b>	<b>1637.62</b>
10	Out turn ratio	68%	68%
11	<b>Sub-Total</b>	<b>2341.57</b>	<b>2408.26</b>
12	Cost of new gunny bags^^	65.00	65.00
13	Gunny Depreciation \$	26.00	26.00
14	<b>Acquisition Cost of 1 qtl. of rice</b>	<b>2432.57</b>	<b>2499.26</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 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.

**Dated: 5.01.2015**

  
(Sanjay Kumar)

Under Secretary to the Government of India

(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.20.00 per qtl. for par-boiled rice, excluding Rs.5.00 per qtl. as transportation charges for distances from 0-8 kms from the mills on each side both for paddy as well as 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. as per past practice.

8. These provisional 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.P-320858/AS&FA/2014 dated 26.12.2014.

**Dated: 5.1.2015**

Yours faithfully,

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

  
(Sanjay Kumar)

Under Secretary to the Government of India

No. 192(26)/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: 5<sup>th</sup> January, 2015.

To,  
The Secretary,  
Food & Civil Supplies Department,  
Government of Kerala,  
Thiruvananthapuram

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 Kerala 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 Kerala 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>
Par-boiled rice	2432.57	2499.26

(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 Km 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>
Par-boiled Rice	2652.15	2722.09

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: