

No. 192(26)/2019-FC A/Cs(369643)
Government of India
Ministry of Consumer Affairs, Food and Public distribution
Department of Food and Public Distribution

Krishi Bhawan, New Delhi
Dated: 7th April, 2020

To,
The Secretary,
Food & Civil Supplies Department,
Government of Odisha,
Bhubaneswar

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 Odisha and its agencies for the procurement of Custom Milled Rice (FAQ) for the Central Pool and for DCP scheme during the Kharif Marketing Season 2019-20.

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 Odisha and its agencies during the Kharif Marketing Season 2019-20.

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>(Rs./qtl)</u>
Raw-rice	3052.57
Par-boiled rice	2997.01

(For central pool stocks for transportation of paddy from purchase centers/ mandis to mills and for rice from mills to storage godowns, transportation charges will be reimbursed as per tender rates followed by the guidelines dated 06.05.2019)

For DCP Operation

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

<u>Commodity</u>	<u>(Rs./qtl.)</u>
Raw-rice	3258.15
Par-boiled rice	3199.86

Note:

- (i) This costing is for procurement of paddy/ CMR as per the policy of usage charges for packaging of procured paddy.
- (ii) For transportation of rice from designated depots to FPS, transportation charges will be regulated as per gazette notification dated 17.08.2015 regarding Central Assistance to States/UTs for meeting the expenditure on intra-State movement and handling of food grains and FPS dealers margin under Section 22(4)(d) of the NFSA Act, 2013.

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. Milling charges are allowed @ Rs. 10 per qtl. for raw and Rs. 20 per qtl. for par-boiled rice along with payment of transportation charges from 0 km onwards for transportation of paddy/rice and from purchase center to mill and from mill to FCI godowns.

4. 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.

5. 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.

6. 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 etc. as per past practice.

7. 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.

8. State Government is requested to ensure compliance of PFMS instructions issued by MoF from time to time.

9. This issues with the approval of the Integrated Finance Division vide F.No.192(26)/2019-FC-A/Cs/AS&FA/2019 dated 18.03.2020.

Yours faithfully,



(V.C. Sudeesh)

Director

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 SRM, FCI Regional Office, Odisha Satsangh Vihar Vani Vihar, Bhubaneswar.
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, 2nd Floor, Khadya Sadan, 16-20, Barakhamba Lane, New Delhi-110001
6. PS to Principal Adviser (Cost)/Director (Fc A/Cs) /Director (Cost)/US (Finance-I)
7. PS to JS(P&FCI)
8. Guard File.

No.192(26)/2019-FC-A/Cs
Government of India

Department of Food and Public Distribution

Provisional Rates Custom Milled Rice procured under (FAQ) specification retained for distribution under central pool operations during the Kharif Marketing Season 2019-20 in respect of Government of Odisha and its agencies.

(in Rs./qtl.)

S.No.	Item of Incidentals	Raw Rice	Parboiled Rice
		Common	Common
		1815	1815
1	Minimum Support Price(MSP)		
2	Statutory Charges		
	(i)Market Fee 2% of MSP*	36.3	36.3
3	Mandi Labour Charges(Handling Charges)^	8.67	8.67
4	Driage @1% of MSP	18.15	-
5	Commission to Societies (subject to the condition that the job of Arhatiya are performed by the Societies)~	31.25	31.25
6	Custody & Maintenance Charges @Rs.2.40 per qtl. per month for 2months!!	-	-
7	Interest Charges for 2 months @ 9%p.a. on MSP, Statutory Charges and Mandi Labour Charges!!#	27.90	27.90
8	Milling Charges excluding transportation charges upto 0-8kms on each side from mandi to mill for paddy and mill to depot for rice.	10	20
9	Administration charges @1% of MSP for central pool stocks only	18.15	18.15
10	Cost of 1 qtl. of milled paddy	1965.42	1957.27
11	Out turn ratio	0.67,	0.68
12	Sub-Total	2933.46	2878.34
13	Cost of new gunny bags\$\$	104.62	104.62
14	Usage Charges for packaging of paddy**	14.49	14.05
15	Cost of 1qtl. Of rice	3052.57	2997.01

*Market fees will be paid on actual payment basis subject to production of documentary evidence.

^Subject to conditions laid down vide this Department's letter No.192(12)/2016-FC-A/Cs dated 21.09.2016.State Govt. ensure that there is no overlapping in the scope of work covered under MLC & scope of work related to the Societies.

-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.


!!Payment of Custody & Maintenance charges would be regulated as per order issued by this Department vide letters dated 21.11.2014,26.12.2014,04.09.2015,05.11.2015 and 12.11.2015 in regard to joint custody of paddy with millers.

!!#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 12.11.2015.

\$\$ Includes branding charges, safety stitch cess, inspection charges, development charges, terminal charge, railway freight, and applicable GST from July'17 onwards.

** Payment of Usage charges would be regulated as per guidelines issued by this Department vide letter No. 15-14/2018-Py.III (Pt.) dated 13.12.2018.

Dated :07.04.2020


(W.C. Sudeesh)
Director

No.192(26)/2019-FC-A/Cs

Government of India

Department of Food and Public Distribution

Provisional Rates Custom Milled Rice procured under (FAQ) specification retained for distribution under decentralize procurement operations during the Kharif Marketing Season 2019-20 in respect of Government of Odisha and its agencies

(in Rs./qtl.)

S.No.	Item of Incidentals	Raw Rice	Parboiled Rice
		Common	Common
1	Minimum Support Price(MSP)	1815	1815
2	Statutory Charges		
	(i)Market Fee 2% of MSP*	36.3	36.3
3	Mandi Labour Charges(Handling Charges)^	8.67	8.67
4	Transportation Charges for transportation of paddy from purchase centre to temporary storage point to mills from 0kms.	-	-
5	Driage @1% of MSP	18.15	-
6	Commission to Societies (subject to the condition that the job of Arhatiya are performed by the Societies)~	31.25	31.25
7	Custody & Maintenance Charges @Rs.2.40 per qtl. per month for 3 months!!	-	-
8	Interest Charges for 3 months @ 9%p.a. on MSP, Statutory Charges and Mandi Labour Charges!!#	41.85	41.85
9	Milling Charges excluding transportation charges upto 0-8kms on each side from mandi to mill for paddy and mill to depot for rice.	10	20
10	Administration charges @1% of MSP for central pool stocks only	18.15	18.15
11	Cost of 1 qtl. of milled paddy	1979.37	1971.22
12	Out turn ratio	0.67	0.68
13	Sub-Total	2954.28	2898.85
14	Handling and Transportation charges of rice from 0kms from millers godowns to storage point	-	-
15	Cost of new gunny bags\$\$	104.62	104.62
16	Usage Charges for packaging of paddy**	14.49	14.05
17	Cost of 1qtl. Of rice	3073.39	3017.52

*Market fees will be paid on actual payment basis subject to production of documentary evidence.

~Subject to conditions laid down vide this Department's letter No.192(12)/2016-FC-A/Cs dated 21.09.2016.State Govt. ensure that there is no overlapping in the scope of work covered under MLC & scope of work related to the Societies.

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!!Payment of Custody & Maintenance charges would be regulated as per order issued by this Department vide letters dated 21.11.2014,26.12.2014,04.09.2015,05.11.2015 and 12.11.2015 in regard to joint custody of paddy with millers.

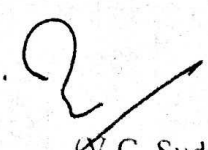
!#Interest charges are payable subject to the conditions laid down vide letter no 192(4)/2003-FC a/cs Vol- 3 dated 05.11.2015 and 12.11.2015.

!Transportation charges will be reimburse as per tender rates followed by the guidelines dated 06.05.2019.

\$\$ Includes branding charges, safety stitch cess, inspection charges, development charges, terminal charge, railway freight, and applicable GST from July'17 onwards.

** Payment of Usage charges would be regulated as per guidelines issued by this Department vide letter No. 15-14/2018-Py.III (Pt.) dated 13.12.2018.

Dated: 07.04.2020


 V.C. Sudeesh
 Director

No.192(26)/2019-FC-A/Cs

Government of India

Department of Food and Public Distribution

Provisional Rates of Custom Milled Rice procured under (FAQ) specifications retained for distribution under the decentralised procurement during the Kharif Marketing Season 2019-20 in respect of Government of Odisha and its agencies.

S.No.	Item of Incidentals	(in Rs./qtl.)	
		Raw Rice	Par-boiled Rice
		Common	Common
A.	ACQUISITION COST		
1	Cost of CMR	3073.39	3017.52
B.	DISTRIBUTION COST		
2	Storage charges @Rs.9.36/qtl./month for 3 months	28.08	28.08
3	Transportation! and Handling Charges*	10.87*	10.87*
4	Interest Charges @9% p.a. for 3 months on acquisition cost minus interest.	67.74	66.51
5	Transit and Storage loss @0.35% of acquisition cost excluding cost of gunny bags, usage charges for gunny & transportation charges.	10.34	10.15
6	Administrative charges @2.5% of MSP of paddy equivalent to 1qtl. of rice or actual whichever is less for the quantity retained by the State Government for distribution under PDS.	67.72	66.73
7	Total Distribution Cost	184.76	182.33
C.	ECONOMIC COST OF CMR		
8	Acquisition cost + Distribution cost (A+B)	3258.15	3199.86

!Transportation charges will be reimburse as per tender rates followed by the guidelines dated 06.05.2019.

*Rs.10.87/qtl are allowed for handling charges

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 Govt. that these charges have been incurred by it.

*The transportation charges at distribution stage is being allowed only for transportation or rice upto the designated depots. Payment of transportation charges will be regulated as per principle dated 06.05.2019 for rice from designated depots to FPS will be regulated as per gazette notification dated 17.08.2015 regarding Central Assistance to States/UTs for meeting the expenditure on intra-state movement and handling of food grains and FPS dealers margin under Section 22(4)(d) of the NFSA Act, 2013. It is also clarified that designated depots means depots to be specified from time to time by Govt. of India for the purpose of distribution of food grains under NFSA. While submitting its claim for sanction of advance/provisional/final subsidy state govt. should certified that transportation charges for transportation of rice from designated depot to FPS are not claimed under food subsidy as same is being separately claimed under Central Assistance for NFSA.

Dated: 07.04.2020

(V.C. Sudeesh)
Director