

No. 192(9)/2020 - FC A/Cs
Government of India
Ministry of Consumer Affairs, Food & Public Distribution
Dept. of Food & Public Distribution

Krishi Bhawan, New Delhi

Dated: 10/07/2020

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

Subject: Fixation of provisional incidentals of wheat (FAQ) procured by the Government of Haryana and its agencies for the Central Pool during the Rabi Marketing Season 2020-21 for **Gunny bag and HDPE/PP bags**

Sir,

I am directed to convey the approval of the Government of India for payment of the following provisional rates of procurement incidentals to Government of Haryana and its agencies for procurement of wheat (FAQ) by them for the central pool during Rabi Marketing Season 2020-21:

S. No.	Item of incidentals	Rate (Gunny Bag)	Rate (HDPE/PP bags)
A. Expenses for stocks delivered to FCI at mandi & loaded into trucks/carts (Ex- Mandi delivery)			
1	Cost of wheat (MSP)	1925.00	1925.00
2	Statutory Charges		
	(i) Market fee @2% of MSP	38.50	38.50
	(ii) RD Fee @2% of MSP	38.50	38.50
3	Dami/Arhatia Commission	46.00	46.00
4	Mandi Labour Charges*	12.61	12.61
5	Cost of Gunny bags	108.68	42.76
6	Administrative Charges @2.5% of MSP	48.12	48.12
Total for ex-Mandi mode		2217.41	2151.49
B. For deliveries from Mandi to FCI local Godowns/Railhead			
7	Transportation charges upto FCI local Godowns/Railhead		
Total cost under this mode of delivery		2217.41	2151.49
C. Stocks utilized for PDS/ (Ex-Godown Deliveries)			
8	Ex-Godown Delivery Charges	6.64	6.64
9	Custody & Maintenance Charges for one and half month @Rs.2.40 per qtl. per month for CAP storage.	3.60	3.60
10	Interest Charges @ 9.61% p.a. for one and half month on the sum of MSP, Statutory charges, Arhatia charges and mandi labour charges	24.75	24.75
Total cost under this mode of delivery		2252.40	2186.48

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Acquisition Cost	2252.40	2186.48
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***Charges for unloading from farmer's vehicle will be admissible only if the same is borne by the agencies as a part of the MLC**

\$: Transportation charges upto FCI local Godowns/Railhead will payable as per revised policy issued vide Gol's letter No. 192(14)/2018 dated 06.05.2019

1. The State Govt. and its agencies will deliver the wheat to central pool immediately after its procurement until and unless the FCI is unable to accept it for reasons to be conveyed in writing. Carryover charges beyond 30.6.2020 shall be payable only on such FCI refused quantity of wheat.
2. The above rates will be payable to the State Govt. and its agencies for delivery of wheat till 30th June 2020. Thereafter, Carryover charges will be payable at the prevailing rate of interest and pattern adopted by the Reserve Bank of India i.e. @ 9.61 % at present, calculated on MSP (+) Incidentals (-) Administrative Charges, along with the storage charges of Rs. 2.40 per quintal per month for CAP storage and Rs. 10.42 per quintal per month for covered storage. For the month of dispatch, carryover charges will be allowed at half the rate.
3. On the basis of Government of India letters No.176(2)/95-Py-I Vol. II dated 25.11.99 and No.176(2)/95-Py-I Vol. III dated 28.10.2003 moisture gain @1% for wheat stored in covered godowns and 0.7% for wheat stored under CAP shall also be adjustable from out of the incidentals payable to the State Government/agencies subject to the condition that no storage gain in wheat due to absorption of moisture would be taken on the stocks which would be stored/dispatched upto 30th June every year, and thereafter, one time storage gain would be realized irrespective of the period of storage.
4. If the State Government/Agencies has availed discount on railway freights in movement of gunny bags in terms of the Circular No. 70 of 2007 dated 29.06.2007 issued by the Ministry of Railways, the same may be taken into account before making payments by FCI.
5. The rate/ cost of Rabi Marketing Season 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 and detailed justification for each item at the earliest after the end of the season. As per this Department's letter no. 199(5)/2016- FC A/Cs dated 03.01.2017, for the States who have not submitted audited accounts/ claims for finalization within three years of commencement of marketing season i.e. upto RMS 2017-18, only MSP, Statutory taxes and gunny charges have been given at prevailing rates. For remaining incidentals, indexation benefit as per Principles of procurement Incidentals, in case of Haryana, has been restricted upto RMS 2015-16 levels.
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 Governments and its agencies before release of incidentals on account of statutory charges, i.e., Market fee, RD Fess. etc., as per past practice.
7. State Govt. is requested to ensure compliance of PFMS instructions issued by M/o


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Finance from time to time.

8. The provisional rates /cost sheet are only for wheat procured by the State agencies and not for any other party acting on behalf of such State agencies/ for the FCI. These rates would not be benchmarked to fix rate for such parties.
9. This issues with the concurrence of Integrated Finance Division vide file no. 192(9)/2020-FC A/Cs dated 07.07.2020

Dated:

Yours faithfully,


10.7.2020

(Jagdish Gogia)

Under Secretary to the Govt. of India

Copy to:

1. The Executive Director (Procurement), FCI, New Delhi-1
2. The Executive Director (Finance), FCI, New Delhi-1.
3. The Senior Regional Manager, FCI Regional Office, Haryana Region, Chandigarh
4. The Principal Director of Audit, 2nd Floor, Khadya Sadan, 16-20 Barakhamba Lane, New Delhi-1
5. The Principal Director of Commercial Audit & Ex-Officio Member Audit Board – IV, 10 Bahadur Saha Zaffar Marg, New Delhi – 110002.
6. PS to Principal Adviser (Cost)/Director (Fc A/Cs) / US (Finance-1)
7. PS to JS(P&FCI)
8. Guard File.


10.7.2020

(Jagdish Gogia)

Under Secretary to the Govt. of India