33 HLC \$6.04.12

Agenda No. 7: Taking Over of Part Capacity of Godowns on Actual Utilisation Basis (AUB) Which are Constructed under PEG Scheme

HLC was informed that C&MD, FCI had decided that wherever storage-worthy part capacity has been completed under PEG Scheme, same may be hired on Actual Utilization Basis (AUB) as per requirement of storage space till the project is fully completed.

It was clarified to the members that the part capacity will be taken over as per the practice of hiring normal godowns according to the storage requirements, and guarantee will start only when the godown is completed in all respects.

HLC unanimously ratified the decision taken by C&MD, FCI.

Agenda item No. 2/38: Proposals of SLC Uttar Pradesh on various issues

8 MLC 4.2.14

HLC was informed of the reassessment undertaken by SLC to review the approved additional capacity of 14.35 lakh MT (Phase-II) in view of drastically reduced procurement in 2012-13 and has proposed a revised capacity of 7.46 lakh MT, freezing the balance capacity 6.89 lakh MT. After due deliberation, HLC accepted the proposal of SLC to reduce the capacity approved under Phase-II from 14.35 lakh MT to 7.46 lakh MT on pro-rata basis at already identified centres. HLC further directed that MD, UPSWC should focus and strive to construct 7.46 lakh MT at the earliest as per their current requirement.

HLC was informed that Sukhbir Agro Energy Ltd. was sanctioned a capacity of 30,000 MT at Badaun but due to some unavoidable circumstances, they could construct only 10,000 MT capacity and intend to surrender balance 20,000 MT capacity. Matter was discussed by SLC which has recommended that completed 10,000 MT may be taken over and balance 20,000 MT be re-tendered but it has not been mentioned whether the same is to be taken over on AUB basis or on guaranteed basis. ED (North) informed that there is requirement of storage capacity at Badaun. JS (Stg.) pointed out that in case of deviation from the terms and conditions of MTF, standard practice is to take over godown on AUB basis. In view of above, HLC decided to take over completed 10,000 MT capacity on AUB and retender the balance 20,000 MT capacity.

Agenda Item No. 5/41: Mechanism for utilization of PEG godowns on AUB.

SHILC

12.12.14

HLC was informed that in order the remove the ambiguity in hiring of PEG godowns on AUB/guarantee basis, guidelines were circulated vide this office letter dated 17.10.2014 to the concerned regions.

HLC noted the same for information.