ANDHRA PRADESH STATE CIVIL SUPPLIES CORPORATION LIMITED Regd. Office: 6-3-655/1/A, C S Bhavan, Somajiguda, Hyderabad -500 082.

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SRI D.VARAPRASAD, I A S., VC & MANAGING DIRECTOR.

CIRCULAR NO. 125/MKTG

No.Mktq.M2/3052/Khariff 2012-13/Vo.II

Date: 01.01.2013.

Sub: APSCSCL – Marketing Section – Payment of custom milling charges to rice millers – Recovery of cost of CMR short delivered against the paddy issued for custom milling, payment of cost of excess CMR delivered by rice millers to FCI and grade difference - Clarification - Reg.

Ref: 1. HO Fax Message No.M2/7274/RABI/05, dt.01.02.07.

2. HO Circular No.Procg.13(41)/2000-2001/Paddy, dt.26.09.2002.

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During the District Manager's conference held on 07.12.2012, some of the District Managers have requested to clarify about the recovery of cost of CMR short delivered, payment of cost of excess CMR delivered by rice millers and cost payable/ recoverable for the grade difference against the paddy issued for custom milling.

In the ref. 1st & 2nd cited, clarifications were issued regarding recovery of cost of CMR short delivered, payment of cost of excess CMR delivered by rice millers and cost payable/recoverable for the Grade difference (common & Grade.A).

The matter has been examined in detail and the following clarification / orders are issued regarding recovery / payment of cost of the short / excess delivery of CMR and for the grade difference (common & Grade.A).

1. Short delivery of CMR - Recovery from rice miller:

- The provisional rates of CMR are inclusive of custody & maintenance charges, milling charges, cost of new gunny delivered with CMR, driage loss (for raw rice) and gunny depreciation.
- Paddy transport charges, interest beyond 2 months period were not included in the CMR rates.

Therefore the recovery should be made at the economic cost of the paddy instead of provisional rates of CMR. The economic cost of the paddy shall be worked out as detailed hereunder:

SI.No.	Details
1	MSP of paddy (purchase cost):
2	Bonus if any declared :
3	Statutory charges
	a. Market fee @ 1% on MSP :
	b. RD Cess @ 5% on MSP
4	Cost of gunnies delivered with paddy
	on actual basis (if not retuned):
5	Mandi Labour / hamali charges :
6	Paddy transport charges on actual basis :
7	Commission to societies @ 2.5% on MSP:
8	Custody & maintenance charges if paddy is initially
	stored in intermediary godowns and later
	transported to rice mills. In case of direct
	movement from PPC to mill there will not be any
	custody & maintenance charges.
9	Interest @ the rate applicable for that period from
	the date of handing over of paddy till the recovery
	of cost on the above items (i.e. from Sl.No.1 to 8)
10	Administrative expenses @ 2.5% of MSP:
11	Total

2. Excess delivery of CMR - Refund to rice miller:

- As per the procedure in vogue the FCI will accept CMR equivalent to the paddy delivered to respective rice miller. There may be possibility of fractional excess deliveries of CMR due to various reasons.
- In such cases, the millers may claim the cost of excess deliveries. Though the FCI pay the cost of CMR at the provisional rates of CMR applicable for that KMS which are subject to revision after rendering audited accounts to GOI by the State Government.
- The GOI will allow statutory charges for the paddy purchased by the Corporation on production of the proof of payment / utilization certificate only. Similarly, restrict the mandi labour charges, commission to societies as per the actuals.
- Therefore, the following procurement incidentals shall be considered for refund to the rice miller for excess delivery of CMR:

SI.No.	Details
1	MSP of paddy (purchase cost) and incentive Bonus
2	Milling Charges
3	Cost of new gunny bags delivered to FCI with CMR, if miller deliver the CMR in his own gunnies
4	CMR transport charges as per the payment made by the FCI
5	Total
6	Less: Moisture cut if any imposed by the FCI
7	Net payable to the miller:

3. Grade difference (common & Grade.A):

- In case of delivery of Grade.A rice against the Common paddy delivered to rice millers, the difference of MSP may be paid to rice millers.
- In case of delivery of Common Rice against the Grade. A paddy delivered to rice millers, the difference between Grade. A & Common CMR rates may be collected from rice millers.

The payment shall be made to millers for excess delivery of CMR and Grade difference after due reconciliation after the miller delivers entire CMR against paddy delivered during the season and basing on payment received from FCI.

The District Managers are requested to take necessary action as per the above orders.

Yours faithfully, SD/-VARAPRASAD VC & MANAGING DIRECTOR

To

All District Managers, CSC for necessary action.

Copy submitted to the CCS & EOS to Govt. Govt. of AP, Hyderabad for favour of information.

Copy to all Joint Collector & EOEDs, CSC

Copy to the General Manager (Fin.) / (PDS) /(A & V), APSCSCL, Hyderabad.

FNERAL MANAGER (Mktg.)