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 V.ANIL KUMAR, I A S.,
VC & Managing Director.

Lr.No.Mktg.M2/3116/KMS 2013-14 Date:07.12.2013

To
The District Manager
APSCSCL (All districts)

Sir,

Sub: APSCSCL – Marketing –Purchase of paddy under MSP - Communication of provisional rates of custom milled rice (CMR) and the economic cost for DCP scheme to the Govt. of AP for **KMS 2013-14** - Reg

Ref: No.192 (22)/2013-FC. A/Cs, dt.06.12.2013 of under Secretary to GOI, M/o CA, F & PD, New Delhi.

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In the reference cited, the GOI have communicated the provisional rates of custom milled rice (CMR) (FAQ) and the economic cost for central pool & DCP scheme under price support operations to the Govt. of AP and its agencies during the **KMS 2013-14**. The rates are as follows:

1. Central Pool operations (Provisional rates of CMR handed over to the FCI):

(Rate per Quintal)

Commodity	Common	Grade 'A'
Raw Rice	2389.47	2448.93
Par-Boiled Rice	2351.44	2409.52

Claims shall be preferred on FCI for the rice handed over to the FCI for the central pool at the above rates.

2. Economic cost for the stocks of CMR retained by the State Government for distribution under the scheme of decentralized procurement operations:

(Rate per Quintal)

Commodity	Common	Grade 'A'
Raw Rice	2625.62	2688.05

Subsidy for rice retained by the State for distribution to PDS and other welfare schemes under DCP shall be claimed from the GOI at the above rates.

The orders of the GOI along with detailed cost structure are sent herewith for necessary action.

Yours faithfully,
SD/- Anil Kumar
VC & Managing Director

Encl: As above

Copy to the General Manager (Fin.), APSCSCL, HO for favour of information.

//t.c.f.b.o//

General Manager(Mktg.)

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No.192 (22)/2013-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 the: 06th December, 2013

To,

The Secretary,
Food & Civil Supplies Department,
Government of Andhra Pradesh,
Hyderabad.

Subject: Fixation of the **Provisional rates of Custom Milled Rice (CMR) (FAQ)** and the economic cost of new 50 kg. Gunny Bags used by the Government of Andhra Pradesh and its agencies for the procurement of Custom Milled Rice(FAQ) for the Central Pool & for DCP scheme during the Kharif Marketing Season 2013-14.

Sir,

I am directed to convey the approval of the Government of India for payment of the following revised **provisional rates of Custom Milled Rice (CMR) (FAQ)** and the economic cost **for Central Pool & DCP Scheme** under the price support operation to the Government of Andhra Pradesh and its agencies during the Kharif Marketing Season 2013-14.

CS I(C) 16/12

V.S. Rao 16-12-13

For Central Pool Operations

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):

(Rs./qtl.)

Commodity	Common	Grade 'A'
Raw-rice	**2389.47**	**2448.93**
Par-boiled rice	**2351.44**	**2409.52**

(For central pool stocks for transportation of rice from mills to storage godowns transportation charges beyond 8 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 Operations

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) :

(Rs./qtl.)

Commodity	Common	Grade 'A'
Raw-rice	**2625.62**	**2688.05**
Par-boiled Rice	**2584.82**	**2645.80**

Note:

(i) This costing is for new gunny bags only. In case procurement of paddy is done in once used gunnies, separate orders 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:

(i) 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. 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 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.

6. To ensure proper utilization of funds/subsidy being released by the Government of India, the FCI may insist on previous year's requisite certificates from the State Government and its agencies before release of incidentals on account of statutory charges i.e. Market Fee, RD Cess etc.

7. The provisional rates/cost sheet are only for paddy/CMR procured by the State agencies/FCI and not for any other party acting either on behalf of such State agencies for the FCI. These rates would not be benchmarked to fix rate for such parties.

8. This issues with the approval of the Integrated Finance Division vide their Dy. No. 2117/AS&FA/2013 dated 21.11.2013.

Yours faithfully,

Dated: 06.12.2013.

(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- Andhra Pradesh, IIIrd Floor, HACA Bhavan, Appo. Public Gardens, Hyderabad-500004.
4. The Principal Director of Commercial Audit & Ex-Officio Member Audit Board – IV, 10, Bahadur Shah Zafar 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. Advisor (Cost)/Director (Policy)/Director (Finance)/US (Finance).
7. NIC to upload on website.
8. Guard File.

(Sanjay Kumar)
Under Secretary to the Government of India

No.192 (22)/2013-FC.A/Cs. **Annexure-I**

Government of India

Department of Food and Public Distribution

Provisional Rates of Custom Milled Rice **(FAQ)** delivered to the Central Pool during the Kharif Marketing Season 2013-14 in respect of Govt. of Andhra Pradesh and its agencies (For Central Pool Operations)

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(Rs./qtl)

S. No.	Item of incidentals	Raw Rice		Par-boiled Rice	
		Common	Grade A	Common	Grade A
1	**Minimum Support Price** (MSP)	1310.00	1345.00	1310.00	1345.00
2.	**Statutory charges**				
	(i)Market Fee 1% of MSP	13.10	13.45	13.10	13.45
	(ii)RD Cess@5% of MSP	65.50	67.25	65.50	67.25
	(iii)VAT	*	*	*	*
3	**Mandi Labour Charges** (Handling Charges)	10.62	10.62	10.62	10.62
4	**Driage** @1% of MSP	13.10	13.45	--	--
5	**Commission to Societies** subject to the condition that the job of Arhatiya are performed by the Societies $	31.25	32.00	31.25	32.00
6	**Custody & Maintenance Charges** @Rs.2.40 per qtl. per month for 2 months #	4.80	4.80	4.80	4.80
7	**Interest Charges** for 2 months @ 11.75% p.a. on MSP, Statutory Charges including notional VAT and Mandi labour charges**	28.68	29.44	28.68	29.44
8	**Milling Charges** including transportation charges upto 8 kms on each side from mills for paddy as well as rice.	15.00	15.00	25.00	25.00
9	**Administration charges** @ 2.5% of MSP for central pool stocks only	32.75	33.63	32.75	33.63
10	**Cost of 1 qtl. of milled paddy**	**1524.80**	**1564.64**	**1521.70**	**1561.19**
11	Out turn ratio	67%	67%	68%	68%
12	**Sub-Total**	**2275.82**	**2335.28**	**2237.79**	**2295.87**
13	Cost of new gunny bags	81.18	81.18	81.18	81.18
14	Gunny Depreciation for new gunnies	32.47	32.47	32.47	32.47
15	**Cost of 1 qtl. Of rice**	**2389.47**	**2448.93**	**2351.44**	**2409.52**

$ Subject to the condition laid down vide letter No.192(4)/2003-FC A/cs(Vol.II) dated 26.07.2013.

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

**Interest rate as claimed by State Govt. Notional VAT @5% of MSP has been taken to work out interest amount.

*VAT as applicable.

Dated: 06.12.2013.

(Sanjay Kumar)

Under Secretary to the Government of India

No.192 (22)/2013-FC.A/Cs **Annexure-II**

Government of India

Department of Food and Public Distribution

Provisional Economic cost of Custom Milled Rice (FAQ) retained for distribution under decentralised procurement (DCP) operations during the Kharif Marketing Season 2013-14 in respect of Government of Andhra Pradesh and its agencies

(Rs./qtl)

S. No.	Item of incidentals	Raw Rice		Par-boiled Rice	
		Common	Grade A	Common	Grade A
1	**Minimum Support Price** (MSP)	1310.00	1345.00	1310.00	1345.00
2	**Statutory charges**				
	(i)Market Fee 1% of MSP	13.10	13.45	13.10	13.45
	(ii)RD Cess @ 5% of MSP	65.50	67.25	65.50	67.25
	(ii)VAT @ 5%	*	*	*	*
3	**Mandi Labour Charges** (Handling Charges)	10.62	10.62	10.62	10.62
4	**Transportation charges** for transportation of paddy & rice from purchase centre to temporary storage point beyond 8 kms	39.06	39.06	39.06	39.06
5	**Driage** @1% of MSP	13.10	13.45	--	--
6	**Commission to Societies $**	31.25	32.00	31.25	32.00
7	**Custody & Maintenance Charges** @Rs.2.40 per qtl. per month for 2 months #	4.80	4.80	4.80	4.80
8.	**Interest Charges** for 2 months @ 11.75% p.a. on MSP, Statutory Charges including notional VAT and Mandi labour charges**	28.68	29.44	28.68	29.44
9	**Milling Charges** including transportation charges upto 8 kms on each side from mills for paddy as well as rice.	15.00	15.00	25.00	25.00
10	**Administration charges** @ 1% of MSP	13.10	13.45	13.10	13.45
11	**Cost of 1 qtl. of milled paddy**	**1544.21**	**1583.52**	**1541.11**	**1580.07**
12	Out turn ratio	67%	67%	68%	68%
13	**Sub-Total**	**2304.79**	**2363.46**	**2266.34**	**2323.63**
14	Cost of new gunny bags	81.18	81.18	81.18	81.18
15	Gunny Depreciation for new gunnies	32.47	32.47	32.47	32.47
16	**Acquisition Cost of 1 qtl. Of rice**	**2418.44**	**2477.11**	**2379.99**	**2437.28**

$ Subject to the condition laid down vide letter No.192(4)/2003-FC A/cs(Vol.II) dated 26.07.2013.

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

**Interest rate as claimed by State Govt. Notional VAT @5% of MSP has been taken to work out interest amount.

*VAT as applicable.

Dated: 06.12.2013.

(Sanjay Kumar)

Under Secretary to the Government of India

Annexure-II (Contd.)

No.192 (22)/2013-FC.A/Cs.
Government of India
Department of Food and Public Distribution

Provisional Economic Cost of Custom Milled Rice (FAQ) retained for distribution under decentralised procurement (DCP) operations during the Kharif Marketing Season 2013-14 in respect of Government of **Andhra Pradesh** and its agencies

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(Rs./qtl)

S. No.	Item of incidentals	Raw Rice		Par-boiled Rice	
		Common	Grade A	Common	Grade A
A.	**ACQUISITION COST**				
1	Cost of CMR	**2418.44**	**2477.11**	**2379.99**	**2437.28**
B.	**DISTRIBUTION COST**				
2	Storage charges @ Rs.5.84 per qtl. per month for 4 months (covered)	23.36	23.36	23.36	23.36
3	Transportation and Handling charges	33.82	33.82	33.82	33.82
4	Interest Charges @ 11.75% p.a. for 4 months on acquisition cost minus interest.	93.05	95.30	91.56	93.76
5	Transit and Storage loss @ 0.35% of acquisition cost excluding cost of gunny bags and gunny depreciation.	8.07	8.27	7.93	8.13
6	Administrative charges @ 2.5% of MSP of paddy equivalent to 1 qtl. of rice or actuals which ever is less for the quantity retained by the State Government for distribution under PDS.	48.88	50.19	48.16	49.45
7	**Total Distribution Cost**	**207.18**	**210.94**	**204.83**	**208.52**
C	**ECONOMIC COST OF CMR**				
8	Acquisition cost + Distribution cost (A+B)	**2625.62**	**2688.05**	**2584.82**	**2645.80**

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.

Dated: 06.12.2013.

(Sanjay Kumar)
Under Secretary to the Government of India

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