

No.: S&C/PQ/PWS/2019(2)/Stg.VI(217)/Part-III(284)

Dated 01.12.2021

The Joint Secretary (Stg.) Ministry of Consumer Affairs, Food & Public Distribution, Department of Food & Public Distribution, Krishi Bhawan. New Delhi.

Sub.: Review of old system and new instructions on hiring of CWC/SWC godowns through Market Discovery-reg.

- Ref: 1. FCI Hqrs letter no. S&C/PQ/PWS/2019(2)/Stg.VI (217)/Part-III(284) dated 17.11.2021.
 - 2. Powerpoint presentation emailed to DFPD on 30.11.2021 (Copy enclosed).

Madam,

Please refer to FCI Headquarters letter no. no. S&C/PQ/PWS/2019(2)/Stg.VI (217)/Part-III(284) dated 17.11.2021 and presentation make by by FCI to Secretary (Food) on 30.11.2021. In view of discussions/ directions in the meeting, the FCI proposal is amended as under:

Original Proposal:

Hiring of CWC/SWC godowns on Govt. approved rates is in line with Warehousing Act, so following options may be explored in transition phase:

- i) As decided earlier the old capacities hired by FCI from CWC/SWC may continue to be extended on Govt. approved rates.
- ii) In the locations where there is only one godown that too of CWC/SWC (other than godown already hired by FCI) the hiring from CWC/SWC at Govt. approved rates may continue for new hiring. (Since, no other godown is available, so there is no point in spending time and energy on tendering).
- iii) In the locations, where multiple options (other than godown already hired by FCI) w.r.t. availability of CWC, SWC, Private godowns are available the PWS tenders may be floated to hire new capacities even for CWC/SWC. (This is ideal situation for tender, as we may get lesser rate even from CWCs/SWCs, as multiple options are available).
- iv) In case of emergent hiring, owing to open ended system of procurement, hiring from CWC/SWC on Govt. approved rates may be resorted to for short duration (Less than one year) on case to case basis. However, decision that the requirement of hiring is urgent, which necessitates hiring from CWCs/ SWCs on Govt. approved rate shall be taken by next higher authority i.e. ED (Zone).

The amended para iv) is given as :

In case of emergent hiring, owing to open ended system of procurement, hiring from CWC/SWC on Govt. approved rates may be resorted to for short duration (less than / Upto one year) on case to case basis. However, decision that the requirement of hiring is urgent, which necessitates hiring from CWCs/ SWCs on Govt. approved rate shall be taken by next higher authority i.e. ED (Zone) on the recommendations of committee of GMs having one representive from FCI, Headquarters.

As discussed in the meeting, the revised proposal may be approved at the earliest.

Encl.: As above.

Yours faithfully,

Frain

(R.C. Naval) Dy. General Manager (S&C)