

तार : 'फूडकोर्प'
Gram : 'FOODCORP'
फैक्स नं. : एचएफसीआई एनडी
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FAX NO. : HFCI ND

भारतीय
खाद्य
निगम



FOOD
CORPORATION
OF INDIA

मुख्यालय
नई दिल्ली
Headquarters
New Delhi

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No. E-4(321)/Stg.IV/PEG/Comp.'B'/2012

Dated: 12.02.2015

CIRCULAR

विषय : Regarding payment of rent to the godown owner(s) for the godowns hired under PEG Scheme on Lease & Services basis.

With reference to clause 36 of the MTF of PEG Scheme which states that in case godown is hired for lease with services, annual increase in rent will be 33% of percentage increase in WPI, it has been decided by the Competent Authority that to avoid ambiguity, S&C Div. of FCI Hqrs. will publish updated WPI and month-wise factors for increase in rent. Accordingly, same is attached herewith.

In this regard, for calculation of annual escalation in rent (for L&S godowns only), following guidelines should be followed: -

1. Annual increase in rent should be effected from the date of completion of one year of guarantee i.e. if a godown is taken over on guarantee basis in a particular month then the annual increase of 33% with respect to percentage increase in WPI will be applicable from the month immediately after completion of one year of guarantee period.
2. First escalation would be provided on the quoted rate, thereafter, last paid rate/escalated rate should be taken into consideration for next escalation in successive year (compounding method).

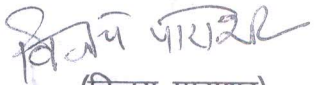
Same is illustrated as under: -

Month and year of take over	Corres. WPI fig.	Month after completion of one year	Corres. WPI fig.	% escalation in WPI	33% of WPI	Effective escalation of rate
Feb, 2013	170.90	Feb, 2014	179.50	5.03	1.66	(quoted rate) x 0.0166
Apr, 2013	171.30	Apr, 2014	180.80	5.55	1.83	(quoted rate) x 0.0183

Therefore, if a party has quoted Rs. 6 per qtl/month (L&S) and its godown is hired in Feb, 2013, then the party would be eligible for Rs. 6.00 x (0.0166) = 0.0996 i.e. effective rate with WPI increase will be Rs. 6.10 (rounded to two places of decimal) from Feb, 2014.

It is therefore requested to regulate the annual escalation in L&S godowns accordingly.

Encl: As above.


(विजय पाराशर)
महाप्रबंधक (भं. एवं अनु.)

Distribution: -

1. Sh. Prashant Trivedi, Joint Secretary (Storage), MoCAF&PD, Krishi Bhawan, New Delhi.
2. The Executive Director (Zone), FCI, Zonal Office, Noida/ Mumbai/ Kolkata/ Chennai/ Guwahati.
3. The Managing Director, Central Warehousing Corporation, 4/1, Siri Institutional Area, Hauz Khas, New Delhi.
4. The General Manager (R), FCI, RO, Patna/ Guwahati/ Panchkula/ Jammu/ Jaipur/ Ahmedabad/ Hyderabad/ Shimla/ Chandigarh/ Lucknow/ Mumbai/ Banglore/ Chennai/ Dehradun/ Ranchi/ Bhopal/ Raipur/Kolkata/ Trivendrum /Shillong/Dimapur/Imphal/Itanagar --- With a request to communicate the circular to all concerned offices/nodal offices.

**DETAILS OF MONTHLY WHOLESALE PRICE INDEX (WPI) AND ANNUAL EFFECTIVE RATE OF ESCALATION IN RATE OF RENT
UNDER PEG SCHEME**

Year / Month of hiring	2010	2011	Escalation factor for 2011	2012	Escalation factor for 2012	2013	Escalation factor for 2013	2014	Escalation factor for 2014
Jan	135.20	148.00	0.0312	158.70	0.0239	170.30	0.0241	179.00	0.0169
Feb	135.20	148.10	0.0315	159.30	0.0250	170.90	0.0240	179.50	0.0166
Mar	136.30	149.50	0.0320	161.00	0.0254	170.10	0.0187	180.30	0.0198
Apr	138.60	152.10	0.0321	163.50	0.0247	171.30	0.0157	180.80	0.0183
May	139.10	152.40	0.0316	163.90	0.0249	171.40	0.0151	182.00	0.0204
Jun	139.80	153.10	0.0314	164.70	0.0250	173.20	0.0170	183.00	0.0187
Jul	141.00	154.20	0.0309	165.80	0.0248	175.50	0.0193	185.00	0.0179
Aug	141.10	154.90	0.0323	167.30	0.0264	179.00	0.0231	185.90	0.0127
Sep	142.00	156.20	0.0330	168.80	0.0266	180.70	0.0233	185.00	0.0079
Oct	142.90	157.00	0.0326	168.50	0.0242	180.70	0.0239	183.70	0.0055
Nov	143.80	157.40	0.0312	168.80	0.0239	181.50	0.0248		
Dec	146.00	157.30	0.0255	168.80	0.0241	179.60	0.0211		

Note:

1. Effective rate = Quoted rate x escalation factor of the month
2. Quoted rate for first year only, for succeeding years effective rate of last year should be taken into consideration.