

No.1-6/2022-PY.IV (E-381888)
Government of India
Ministry of Consumer Affairs, Food and Public Distribution
Department of Food and Public Distribution

Krishi Bhawan, New Delhi
Dated, the 30-01-2024

To,

1. The Chairman & Managing Director,
Food Corporation of India,
16-20, Barakhamba Lane,
New Delhi-110001.
2. MD, NAFED, NAFED House,
Siddhartha Enclave, Ring Road,
Ashram Chowk, New Delhi- 110014
3. MD, NCCF, NCUI Complex,
August Kranti Marg, Hauz Khas,
New Delhi -110016
4. MD, Kendriya Bhandar,
E Wing, 1st Floor, Pushpa Bhawan,
Madangir Road, New Delhi - 110062

Subject: Retail Sale of Rice under OMSS(D) through NAFED, NCCF and Kendriya Bhandar.

Sir / Madam,

I am directed to refer to the subject mentioned above and to say that in order to check inflationary trends in food economy, it has been decided to offload 5 LMT of rice for retail sale to general consumers under 'Bharat' brand.

2. 2.5 LMT of rice [out of 25 LMT rice already allocated under OMSS (D)] may be offloaded in open market in the first phase for sale through NAFED, NCCF and Kendriya Bhandar.
3. Reserve price of rice is fixed at Rs. 24/kg and this reserve price is applicable till 31st March, 2024 or till further orders, whichever is earlier.
4. A further subsidy of Rs 5.41/Kg will be provided on the reserve price of Rs 24/Kg to make the effective issue price by FCI to these three Cooperative Organizations at Rs 18.59/Kg. Necessary resources to cover the differential amount will be provided to FCI from the Price Stabilization Fund of DOCA. **The approved cost sheet is at**

Annexure.

5. The organizations may make payment for rice, supplied by FCI, within 10 days from date of lifting of rice.
6. MRP for sale of Bharat Rice to general consumers will not exceed Rs. 29/kg.
7. Rice will be sold by these organizations in 5 Kg and 10 Kg Bags.
8. Branding of rice will be done indicating 'Bharat Chawal' in Devanagari script and 'Bharat Rice' in English on either side of the bag along with relevant vernacular translation, as needed.
9. As stocks of non-fortified rice are to be liquidated by 31.3.2024, FCI may ensure delivery from extant stocks of non- fortified rice as per indents placed by the three agencies.
10. FCI may ensure appropriate movement of stocks to deliver rice as per indents, and where this is not feasible, by accepting non-fortified CMR from millers for distribution up to 31.3.2024 under 'Bharat' brand, strictly for release against indents placed by the three agencies and within the allocation issued by DFPD.
11. In case of small quantities of stocks of non-fortified rice in remote, hilly areas where no indents for allocation for retail sale under 'Bharat' brand have been placed by the three agencies, the stocks may be distributed under TPDS and fully liquidated by 31.3.2024.

This issues with the approval of Competent Authority.

Yours faithfully,

(Deependra Singh)
Under secretary (Py.IV)

Copy to:-

- i. Secretary, Department of Expenditure, North Block, New Delhi.
- ii. Secretary, Department of Consumer Affairs, Krishi Bhawan, New Delhi.
- iii. Secretary, Department of Commerce, Vanijya Bhawan, New Delhi.

Copy for information to:-

- a. PS to Hon'ble Minister of Finance
- b. PS to Hon'ble Minister of CAF&PD
- c. PS to Hon'ble MOS(CAF&PD)
- d. Sr. PPS to Secretary, DFPD.

- e. PPS to AS (F & PCI).
- f. PPS to Sr. Economic Advisor, DFPD.
- g. PPS to JS(BP/PD), DFPD.
- h. Food Secretaries, All States/UTs.
- i. BP.I Section, DFPD
- j. NIC, DFPD - with the request to upload this letter on the official website of the Department.
- k. Concerned file/Guard file.

Annexure

S. No	Particulars of items	Bharat Rice (Rs./kg)
1	Reserve Price	24.00
2	Subsidy from PSF to FCI (by DoCA)	(-) 5.41
3	Subsidized Issue Price ((1)-(2))	18.59
4	Milling (Grading/ sorting for rice), Handling, transportation (100 KM radius), packaging charges (10 Kg PP bags with master)	4.00
5	Raw Material including milling, handling, transportation (3)+(4)	22.59
6	Cost of milled products in terms of OTR (80% OTR for rice)	28.23
7	Agency Margin (calculated on Sr. no. 6)	0.14 (0.5 %)
8	Cost (including margin) ((6)+(7))	28.37
9	GST (5%) on retail pack on miller	1.42
10	Cost (including GST) ((8)+(9))	29.79
11	GST (5%) on NAFED/NCCF/KB after adjusting GST input	0.07 [5% of (10)] - (9)
12	Distributor sale rate after GST	29.86
	Retailer margin for Rice	2.99

13	(calculated on S.NO. 12)	(10%)
14	Cost (including retailer margin)	32.85
15	GST (5%) on retailer after adjusting GST input	0.15 [5% of (14)] - [(11)+ (9)]
16	Retailer sale rate (after GST input credit)	33.00
17	Realisation for broken rice (@80% of issue price for 20% broken)	4.00
18	MRP (subsidized)) [(16)-(17)]	29