Sheo Shekhar Shukla

IAS

Managing Director

MPWLC/Constn/2013/

MPWLC

**M.P. WAREHOUSING &
LOGISTICS CORPORATION**

(An ISO 9001 : 2008 Certified)

Bhopal, dated :

The Chairman-cum-Managing Director,
Food Corporation of India,
16, Barakhamba Lane,
NEW DELHI

Sub: Cost benefit analysis for offers to be received with Railway siding and without Railway siding under PEG 09.

Ref: Letter No.F-11-15/2013/29-2 dated 03.05.2013 of Addl. Chief Secretary(Food), GoMP, Mantralaya, Bhopal

Sir,

Kindly peruse above referred letter wherein a transparent and clearcut formula for comparing railway siding godowns and non railway siding godowns was requested. It was decided in the meeting held on 07th May 2013 that the MD, MPWLC and GM, FCI, RO, Bhopal will jointly decide the matter.

The cost benefit analysis for the offers to be received with railway siding and without railway siding under 10 year guarantee scheme of FCI has been prepared for Pipariya, Harda, Balaghat and Jabalpur and is hereby submitted to be placed before the next HLC meeting to be held on 20th May 2013.

Thanking you.

Yours faithfully,

(Sheo Shekhar Shukla)

MPWLC/Constn/2013/163

Bhopal, dated : 17.05.2013

1. ACS(Food), Deptt. of Food, Civil Supplies & Consumer Protection, Mantralaya, Bhopal.
2. GM, FCI, RO, Bhopal

Managing Director 17/5/13

&C/PPP Scheme/DCP State/ 13-14/Vol-VIII   Dated 17.05.20

Managing Director,
LC, Gautam Nagar,
al.

Sub : Cost benefit analysis with offers to be received with Railway Siding and witho
Railway siding.

This is in continuation to this office letter of even no. nil dated 13.05.2013 vide wh
nformations were submitted for calculating the cost benefit analysis of offers to
ed with railway siding and without railway siding at different centres in MP Region.

Now, the calculation of comparison have been prepared and jointly signed by Ch
eer of your department and undersigned for the four entres i.e Pipariya, Harda, Jabal
ghat from where the railway siding bids are expected.

It is requested that the issue may be taken directly with the F
juaters,immediately so that the issue may be settled in HLC fixed on 20.05.2013.

Yours faithfu

Asst. General Manager (PE

Cost benefit analysis with offers to be received with **Railway** siding and without **Railway** siding at HARDA center - 39000 MT capacity
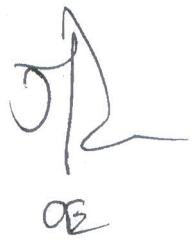
(ASOR at this HARDA on date is 88% for the period 18.09.2012 to 17.09.2014)

		Expenditure
A	**Cost with Railway siding - (Calculation for one MT)**	
1	Loading of 100% stock from stack of godown to wagons in siding	
	1 MT x 19.20 x 1.88 (**1.88 is the multiplying factor because of 88% ASOR** rate)	36.10
2	Carrying of 10% stock for weighment purpose by means of trucks from godown to W.B and Rly. Siding & vice versa (including loading & unloading of stocks from trucks)	
	1 MT x 0.10 x 33.60 x 1.88	6.32
	Expenditure per MT	42.41

CALCULATION

It is assumed that atleast one tunover shall take place every year in the godown

Yearly expenditure = (PEG godown rate quoted in MT x **12 month** x Capacity Offered) + (42.41 x Annual Turnover in MT)

(ASOR at this HARDA on date is 88% for the period 18.09.2012 to 17.09.2014)

		Expenditure
B	Cost without Railway siding - Calculation - For one MT	
1	Loading of 100% stock from stack of godown into trucks	
	1 MT x 19.20 x 1.88	36.10
2	Unloading and Loading of stock from trucks into wagons at Goodshed	
	1 MT x 16.00 x 1.88	30.08
3	Terminal charges @ Rs. 20 /MT	20.00
	Handling Expenditure per MT	**86.18**

4   **Expenditure on Transportaion**

a   **For first five km - "A" denotes km distance from siding upto 5 km**

1 MT x 11.40 x A x 1.88   21.43 A

b   **Above 5 km upto 8 km ("B" denotes distance beyond 5 km i.e total distance - 5 km)**

1 MT X (57 + 8.00 B) x 1.88   107.16 + 15.04B

c   **Above 8 km upto 10 km ("C" denotes distance beyond 8 km i.e total distance - 8 km)**
(C + 8 (KM) = distance of rake point from storage point via weighbridge nearest to the rake point)

(1 MT X (57 +24 + 8.00 C) x 1.88)+ 5.55 (weighment charges one truck of 9 MT = 50 Rs)   157.83 + 15.04C

d   **Above 10 km ("D" denotes distance beyond 10 km i.e total distance - 10 km)**

(D + 10 (KM) = distance of rake point from storage point via weighbridge nearest to the rake point)

(1 MT X (57 +24 + 16 + 6.80 D) x 1.88)+ 5.55 (weighment charges one truck of 9 MT = 50 Rs)   187.91 + 12.78 D

CALCULATION

H & T cost upto 5 km distance -86.18 +21.43 A	86.18 +21.43 A
H & T cost per MT above 5 KM upto 8 km distance - 86.18+ (107.16 + 15.04B)	193.34+15.04 B
H & T cost per MT above 8 KM upto 10 km distance - 86.18 + (157.83 + 15.04C)	244.01 + 15.04 C
H & T cost per MT above 10 KM - 86.18 + (187.91 + 12.78 D)	274.09 + 12.78 D

a   Upto 5 km distance

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x Capacity Offered in MT) + { (86.18 +21.43 A x Annual Turnover in MT) }

b   Above 5 km upto 8 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (193.34+15.04 B) x Annual Turnover in MT}

c   Above 8 km upto 10 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (244.01 + 15.04 C) x Annual Turnover in MT}

d   Above 10 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (274.09 + 12.78 D) x Annual Turnover in MT}

ost benefit analysis with offers to be received with Railway siding and without Railway siding at BALAGHAT center - 33700 MT capacity

(ASOR at BALAGHAT center on date is 162% for the period 28.05.2012 to 27.05.2014)

	Expenditure
Cost with Railway siding - (Calculation for one MT)	
Loading of 100% stock from stack of godown to wagons in siding	
1 MT x 19.20 x 2.62 (2.62 is the multiplying factor because of 162% ASOR rate)	50.30
Carrying of 10% stock for weighment purpose by means of trucks from godown to W.B and Rly. Siding & vice versa (including loading & unloading of stocks from trucks)	
1 MT x 0.10 x 33.60 x 2.62	8.80
Expenditure per MT	59.11

CALCULATION

It is assumed that atleast one tunover shall take place every year in the godown

Yearly expenditure = (PEG godown rate quoted in MT x 12 month x Capacity Offered) + (59.11 x Annual Turnover in MT)

(ASOR at BALAGHAT center on date is 162% for the period 28.05.2012 to 27.05.2014)

		Expenditure
B	Cost without Railway siding - Calculation - For one MT	
1	Loading of 100% stock from stack of godown into trucks	
	1 MT x 19.20 x 2.62	50.30
2	Unloading and Loading of stock from trucks into wagons at Goodshed	
	1 MT x 16.00 x 2.62	41.92
3	Terminal charges @ Rs. 20 /MT	20.00
	Handling Expenditure per MT	112.22

4 Expenditure on Transportaion

a For first five km - "A" denotes km distance from siding upto 5 km

1 MT x 11.40 x A x 2.62   29.86 A

b Above 5 km upto 8 km ("B" denotes distance beyond 5 km i.e total distance - 5 km)

1 MT X (57 - 8.00 B) x 2.62   149.34 + 20.96 B

c Above 8 km upto 10 km ("C" denotes distance beyond 8 km i.e total distance - 8 km)
   (C + 8 (KM) = distance of rake point from storage point via weighbridge nearest to the rake point)

(1 MT X (57 +24 + 8.00 C) x 2.62) + 5.55 (weighment charges one truck of 9 MT = 50 Rs)   217.77 + 20.96 C

d Above 10 km ("D" denotes distance beyond 10 km i.e total distance 10 km)

(D + 10 (KM) = distance of rake point from storage point via weighbridge nearest to the rake point)

(1 MT X (57 +24 + 16 + 6.80 D) x 2.62)+ 5.55 (weighment charges one truck of 9 MT = 50 Rs)   259.69 + 17.81 D

CALCULATION

H & T cost upto 5 km distance -112.22 +29.86 A	112.22 +29.86 A
H & T cost per MT above 5 KM upto 8 km distance - 112.22+ (149.34 + 20.96 B)	261.56 + 20.96 B
H & T cost per MT above 8 KM upto 10 km distance - 112.22 + (217.77 + 20.96 C)	329.99 + 20.96 C
H & T cost per MT above 10 KM - 112.22 + (259.69 + 17.81 D)	371.91 + 17.81 D

a Upto 5 km distance

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x Capacity Offered in MT) + { (112.22 +29.86 Ax Annual Turnover in MT) }

b Above 5 km upto 8 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (261.56 + 20.96 B) x Annual Turnover in MT}

c Above 8 km upto 10 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (329.99 + 20.96 C) x Annual Turnover in MT}

d Above 10 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (371.91 + 17.81 D) x Annual Turnover in MT}

...enefit analysis with offers **to be received** with Railway siding and without Railway siding at JABALPUF center - 25800 MT capacity

...ASOR at JABALPUR center on date is 181% for the period 06.11.2012 to 05.11.2014)

...ost with Railway siding - (Calculation for one MT)	Expenditure
...oading of 100% stock from stack of godown to wagons in siding	
...MT x 19.20 x 2.81 **(2.81 is the multiplying factor because of 181% ASOR rate)**	53.9
...arrying of 10% stock for weighment purpose by means of trucks from godown to W.B and Rly. Siding & ...ice versa (including loading & unloading of stocks from trucks)	
...MT x 0.10 x 33.60 x 2.81	9.4
...xpenditure per MT	63.3

...ALCULATION

...t is assumed that atleast one tunover shall take place every year in the godown

Yearly expenditure = (PEG godown rate quoted in MT x 12 month x Capacity Offered) + (63.39 x Annual Turnover in MT)

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(ASOR at JABALPUR center on date is 181% for the period 06.11.2012 to 05.11.2014)

		Expenditure
B	**Cost without Railway siding - Calculation - For one MT**	
1	Loading of 100% stock from stack of godown into trucks	
	1 MT x 19.20 x 2.81	53.95
2	Unloading and loading of stock from truck into wagons at Goodshed	
	1 MT x 16.00 x 2.81	44.96
3	Terminal charges @ Rs. 20 /MT	20.00
	Handling Expenditure per MT	118.91

4 **Expenditure on Transportaion**

a For first five km - "A" denotes km distance from siding upto 5 km

1 MT x 11.40 x A x 2.81 → 32.03 A

b Above 5 km upto 8 km ("B" denotes distance beyond 5 km i.e total distance - 5 km)

1 MT X (57 + 8.00 B) x 2.81 → 160.17 + 22.48B

c Above 8 km upto 10 km ("C" denotes distance beyond 8 km i.e total distance - 8 km)
(C + 8 (KM) = distance of rake point from storage point via weighbridge nearest to the rake point)

(1 MT X (57 +24 + 8.00 C) x 2.81 + 5.55 (weighment charges one truck of 9 MT = 50 Rs) → 233.16 + 22.48 C

d Above 10 km ("D" denotes distance beyond 10 km i.e total distance - 10 km)

(D + 10 (KM) = distance of rake point from storage point via weighbridge nearest to the rake point)

(1 MT X (57 +24 + 16 + 6.80 D) x 2.81)+ 5.55 (weighment charges one truck of 9 MT = 50 Rs) → 278.12 + 19.10 D

CALCULATION

H & T cost upto 5 km distance - 118.91 +32.03 A	118.91 + 32.03A
H & T cost per MT above 5 KM upto 8 km distance - 118.91+ (160.17 + 22.48B)	279.08 + 22.48B
H & T cost per MT above 8 KM upto 10 km distance - 118.91 + (233.16 + 22.48 C)	352.07 + 22.48 C
H & T cost per MT above 10 KM 118.91 + (278.12 + 19.10 D)	397.03 + 19.10 D

a Upto 5 km distance

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x Capacity Offered in MT) + { (118.91 + 32.03A x Annual Turnover in MT) }

b Above 5 km upto 8 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (279.08 + 22.48B) x Annual Turnover in MT}

c Above 8 km upto 10 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + ((352.07 + 22.48 C) x Annual Turnover in MT}

d Above 10 km

Yearly expenditure =
(PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + ((397.03 + 19.10 D) x Annual Turnover in MT}

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Cost benefit analysis with offers to be received with Railway siding and without Railway siding at Pipariya center - 75000 MT capacity
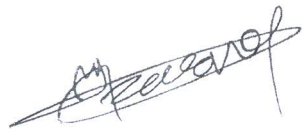
(ASOR at PIPARIYA center on date is 111 % for the period 22.06.2012 to 21.06.2014)

A	Cost with Railway siding - (Calculation for one MT)	Expenditure
1	Loading of 100% stock from stack of godown to wagons in siding	
	1 MT x 19.20 x 2.11 (2.11 is the multiplying factor because of 111% ASOR rate)	40.51
2	Carrying of 10% stock for weighment purpose by means of trucks from godown to W.B and Rly. Siding & vice versa (including loading & unloading of stocks from trucks)	
	1 MT x 0.10 x 33.60 x 2.11	7.09
	Expenditure per MT	47.60

CALCULATION

It is assumed that atleast one tunover shall take place every year in the godown

Yearly expenditure = (PEG godown rate quoted in MT x 12 month x Capacity Offered) + (47.60 x Annual Turnover in MT)

B	Cost without Railway siding - Calculation - For one MT	Expenditure

1   Loading of 100% stock from stock of godown into trucks

   1 MT x 19.20 x 2.11   40.51

2   Unloading and Loading of stock from trucks into wagons at Goodshed

   1 MT x 16.00 x 2.11   33.76

3   Terminal charges @ Rs. 20 /MT   20.00

   Handling Expenditure per MT   94.27

4   **Expenditure on Transportaion**

a   For first five km - "A" denotes km distance from siding upto 5 km

   1 MT x 11.40 x A x 2.11   24.05 A

b   Above 5 km upto 8 km ("B" denotes distance beyond 5 km i.e total distance - 5 km)

   1 MT X (57 - 8.00 B) x 2.11   120.27 + 16.88B

c   Above 8 km upto 10 km ("C" denotes distance beyond 8 km i.e total distance - 8 km)
   (C + 8 (KM) = distance of rake point from storage point via weighbridge nearest to the rake point)

   (1 MT X (57 / 24 + 8.00 C) x 2.11 + 5.55 (weighment charges one truck of 9 MT = 50 Rs)   176.76 + 16.88C

d   Above 10 km ("D" denotes distance beyond 10 km i.e total distance - 10 km)

   (D + 10 (KM) = distance of rake point from storage point via weighbridge nearest to the rake point)

   (1 MT X (57 / 24 + 16 + 6.80 D) x 2.11) + 5.55 (weighment charges one truck of 9 MT = 50 Rs)   210.22 + 14.35D

   CALCULATION

   H & T cost upto 5 km distance - 94.27 + 24.05 "A"   94.27+24.05A
   H & T cost per MT above 5 KM upto 8 km distance - 94.27 + (120.27 + 16.88B)   214.54+16.88B
   H & T cost per MT above 8 KM upto 10 km distance - 94.27 + (176.76 + 16.88C)   271.03 + 16.88 C
   H & T cost per MT above 10 KM - 94.27 + (210.22 + 14.35D)   304.49 + 14.35 D

a   Upto 5 km distance

   Yearly expenditure =
   (PEG godown rate quoted in MT x 12 month x Capacity Offered in MT) + { (94.27 + 24.05 A x Annual Turnover in MT) }

b   Above 5 km upto 8 km

   Yearly expenditure =
   (PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (214.54 + 16.88 B) x Annual Turnover in MT}

c   Above 8 km upto 10 km

   Yearly expenditure =
   (PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (271.03 + 16.88 C) x Annual Turnover in MT}

d   Above 10 km

   Yearly expenditure =
   (PEG godown rate quoted in MT x 12 month x capacity Offered in MT) + { (304.49 + 14.35 D) x Annual Turnover in MT}