FOODCORP' ः एचएफसीआई एनडी



आइ॰एस॰ओ॰ 900182000 प्रमाणित

थागणम्या नेन , नई हिल्ली - 110011,दूरमाप:- 011-23413871,23 00911123413241 00911123413103 16-20.8

NO.E-4(51)/Stg.IV/PEG-09/DCP(Odisha)/2010/Vol.II/2853

Date: 13.09.2018

√ The Executive Director (Zone), FCI, Noida/Mumbai/Kolkata/Guwahati/Chennai

And

All General Managers(Region), FCI

96 20/9/18 Sectt.

Sub: Non-payment of godowns rent by FCI in respect of those PEG godowns of DCP states wherein capacity utilization is less than 80%.

Sir/Madam,

Various references have been received in this office from Nodal agencies and State Govts representing against unilateral action by FCI Regional Offices for non-payment of godowns rent in respect of those PEG godowns of DCP states wherein capacity utilization is less than 80%. Latest references have been received from OSWC and WBSWC.

2) In this regard, your attention is drawn to the relevant clause No. 1.5 of the MTF entered between State Warehousing Corporation (SWC) & Food Corporation of India (FCI) which reads as under:-

"The state Government would make efforts to plan at least 80% occupancy of the godowns at all times. The vacant space may be hired out to other parties with the consent of FCI; the rent received being adjusted against the guaranteed amount for the period so hired out and surplus, if any, being shared in the ratio of 50:50 between FCI and the CORPORATION. If CORPORATION/State Government Agency procures and stores any stock for their own Scheme through their own funds, the storage charges would be adjusted at the same rate on which the guaranteed payment is to be made. However, during storage of DCP stocks if utilization of space is affected due to fault on the part of CORPORATION, rent shall not accrue to the extent of space unutilized because of the fault of the CORPORATION."

---contd----

. cref JODCORP' ्षएफसीआई एनडी D.: HFCI ND 00911123413241

00911123413103

Copy to:





ORPORATION

आइ॰एस॰अं॰ 900182000 प्रमाणित

10-20 , पारामध्या लेख , वर्ड बिल्ली = 110011,ब्रायाप:= 016:234 16-20, BARAKHAMBA LANE, NEW DELIN-110001, PHONE : 011-234131

- 3) While examining the matter in this office, it has been noticed that FCI Regions are not acting in accordance with the true spirit of the clause no. 1.5 vis-à-vis fault of SWCs. Nodal agencies/SWCs are resenting on the issue and are of the view that their godown rent are not being paid, even in cases where there is no fault of Nodal agencies for underutilization. Therefore, it is felt that implementation of Clause no. 1.5 of MTF which states that if utilization of space is affected due to fault on the part of CORPORATION(SWC), rent shall not accrue to the extent of space unutilized because of the fault of the CORPORATION, needs to be properly looked into by the Regions, before arriving at any decision.
- 4) Therefore, it advised to threadbare examine the reasons of underutilisation so as to ascertain the fault of SWCs, if any, and notify such faults to the SWCs elaborating the same before arriving at the decision of denial of rent in the cases where utilization is less than 80% of these godowns. The relevant clauses enshrined in the MTF adequately address such issues and accordingly, you may hold periodical meetings with State Govt/Nodal agencies to settle such issues at Regional level as per MTF.
- 5) This issues with the approval of Competent Authority.

Yours faithfully,

(Vinod Kumar)

Dy. General Manager(S&C)

1. Chairman-cum-Additional Chief Secretary, OSWC, Bhubneshwar w.r.t their DO letter bearing no.3527/OSWC dated 06.08.2018

Dy. General Manager(S&C)