

CENTRAL WAREHOUSING CORPORATION (A GOVT. OF INDIA UNDERTAKING)



FAX/SPEED POST

Date: 08.03.2019

NO.CWC-CD/II-Gen./Tariff/2019-20

The Regional Manager
Central Warehousing Corporation
Regional Office
AHMEDABAD/BANGALORE/BHOPAL/
BHUBANESWAR/CHENNAI/CHANDIGARH/
DELHI/GUWAHATI/HYDERABAD/JAIPUR/
KOLKATA/KOCHI/LUCKNOW/MUMBAI/
//PATNA/.

SUB: REVISION OF TARIFF W.E.F. 01.04.2019 AT CENTRAL WAREHOUSES.

Sir,

This is in continuation to this office letters of even number dated 11.12.2018 and dt 03.01.2019 regarding revision of Tariff for the year 2019-20 further discussions and recommendations of RMs in the matter.

Keeping in view the steep increase in Establishment cost, Operational, Renovation cost and other relevant factors, the Competent Authority has approved the revision of Storage tariff w.e.f. 01.04.2019 as per details given below:-

- 1. Pursuant to 6% upward revision in the existing storage tariff, the category/rating of the standard rated warehouses has been revised from 660 to 700 as well as rating for other high rated warehouses have also been changed/rationalised and ROs are accordingly required to charge the storage charges on area and bag basis by the new rating of the warehouses.
- 2. The warehouse wise basic rates (Rating), area rates (gross/net), Bonded rates and Fertilizer rates are enclosed as per Annexure-A.
- 3. A copy of the consolidated **commodity wise** tariff of Storage charges is enclosed as per **Annexure-B**.
- 4. **Fertilizer:** The minimum tariff for a standard rated warehouse has been fixed at Rs.64/- per MT per month as against earlier rate of Rs.58/-per MT/Month.The applicable rates for Fertilizer are as per annexure A.

- 5. **Bonded Warehouses:** Keeping in view the general cost escalation over the period, it has been decided to increase the Bonded storage tariff by 6%. The rate mentioned is on gross area basis and net area rate will be 150% of the Gross area rate.
- 6. Management Warehouses: Since a policy decision has already been taken and communicated to all the Regional Offices to wind up the management General and Bonded Units, no revision in this regard has been considered. However, in special circumstances where the management warehouses are still continuing concerned Regional Office should submit a detailed proposal for fixing the revised rate of storage charges.
- 7. Fumigable stock e.g. Foodgrains, Pulses, Seeds etc. should be stored on Bag basis only and not on Area basis except wherever circumstances warrant with the prior approval of CO.
- 8. The **storage/M.F.** tariff for CFS/ICD/ICP/ACCs may continue to be fixed for each centre depending on its location, availability of business and competition. Hence, RM may send the proposal for revision of tariff to C.O., if not considered / revised earlier.
- 9. The insurance is to be charged separately except for Food grains where the tariffs are fixed inclusive of insurance. The insurance charges may continue to be charged at the existing rate of Rs.0.05 per hundred rupee value of stocks per month.
- 10. The tariff with regard to FCI on guarantee basis is regulated by the Ministry based on the recommendations of the Cost Accounts Branch, Ministry of Finance. As regards MP Forest Federation, the tariff fixed by MP Government (Forest Department) will be applicable for storage of Tendupatta.
- 11. In case the Corporation is having special arrangement or allotted space on dedicated basis, the provisions agreed may continue till expiry of the agreement. However, if the depositor wants to extend/renew the agreement on dedicated warehousing, then in such a situation, further extension may be considered on the basis of revised tariff as well as model agreement already circulated or the charges depositor is paying earlier as per terms including escalation agreed upon, whichever is higher.
- 12. In case there is a provision in the agreement that the rate will be charged as per tariff as and when revised by the Corporation, in such cases the revised rate is applicable.
- 13. No rebate may be allowed without approval of Corporate Office except the powers delegated to RMs vide Corporate office. The existing rebate of 10% to co-operatives and 30% to farmers i.e. bonafide agriculturists will be admissible only for the storage of their products raised by themselves on their land as per Para 7 of the C.O. circular issued vide CWC-BD/II-Tariff/91 dt. 13.1.92 may be continued. Rebate on account of bulk storage, longer term storage and other special circumstances shall be decided on case to case basis with prior approval of Corporate Office. Rebate already offered will continue till expiry of period agreed upon.

- 14. It may be ensured and confirmed that tariff of all the warehouses under your jurisdiction has been revised & implemented. Further, the tariff for other general commodities which have not been included in the revised tariff, the same may be proportionately increased to the corresponding basic rates of the revised tariff. In case the tariff implemented before revision of tariff is more than the revised tariff, the same may be continued and such cases may be intimated to Corporate Office.
- 15. Goods & Service Tax/any other Tax as levied by the Central/State Govt. or local bodies, if any, will be charged extra if applicable, in addition to storage/insurance charges etc.
- 16.RMs should bring out booklet containing tariff for various warehouses/commodities in the Region and may be sent to concerned warehouses. It should also contain the general terms and conditions for storage, delivery, etc.

It is also observed that there is no data available to compare the tariff with that of competitors and tariff has been revised in view of the normal increase in operating expenditure. You are therefore, requested to ensure preparation of comparative chart, showing rates of competitors like SWCs, National collateral management services Ltd (NCMSL), NBHC & other Pvt players in the vicinity and submit the same to CO with recommendations for future revision of tariff.

Further, it may also be ensured and confirmed that tariff of all the Warehouses in your Region is fixed and in case any centre/commodities have been omitted, the same may be brought in to the notice of C.O. for taking necessary action. Besides any error observed in the tariff of your Region may also be intimated to CO immediately.

Please acknowledge the receipt of this letter and bring in to the notice of concerned Depositors/Customers in the Region the revised Tariff.

Yours faithfully,

(Rameshwar)
Deputy General Manager (Comm.)

Encl: as above

Copy to:

- 1) Director (Finance), CWC,CO,New Delhi
- 2) Director (MCP), CWC,CO, New Delhi
- 3) GGM (F&A), CWC, CO, New Delhi.
- 4) GM (System) CWC, CO, New Delhi.
- 5) GM, (Proj.), CO, New Delhi
- 6) DGM (Internal Audit), CWC, CO, New Delhi
- 7) PPS to MD, CWC, CO, New Delhi.
- 8) Master File