



( भारत सरकार का उपक्रम |

## **CENTRAL WAREHOUSING CORPORATION**

(A Govt. of India Undertaking)





Date: 15.06.2020

NO.CWC-CO/CDOCOMM/1/2020-O/o HoD(COMM.)

## **Regional Manager**

**Central Warehousing Corporation** 

Regional Office – Ahmadabad / Bangalore / Bhopal / Chennai / Chandigarh/ Delhi/Guwahati / Hyderabad / Jaipur / Kolkata / Kochi / Lucknow / Mumbai / Patna

## Sub: Revision of Storage Tariff w.e.f. 01.07.2020 at Central Warehouses - reg.

This is in continuation to this office letters of even number dated 12.03.20, 31.03.20 and 21.04.20 regarding revision of tariff for the year 2020-21 on the basis of discussions and recommendations of RMs in the matter.

Keeping in view the steep increase in establishment cost, operational, repair & renovation cost, other relevant factors and economic impact of COVID-19 pandemic, Competent Authority has approved for revision of storage tariff w.e.f. 01.07.2020 as per details given below:-

- 1. The **Area Basis Tariff** barring a few exceptions having been rationalised keeping in line with the recommendations of RM, has not been revised and kept unchanged till 31.03.2021. However the Commodity Based Tariff (**Bag Basis Tariff**) has been revised and rationalised vis-à-vis FCI Tariff likely to be fixed for the year 2020-21.
- **2.** In view of non- revision of Area Basis Tariff, the annual escalation of tariff as per the Dedicated Warehousing Terms (DWT)agreement falling on dates other than 1<sup>st</sup> April during the financial year 2020-21, shall also stand deferred till 31.03.2021.
- 3. The category/rating of the standard warehouses has been revised from 700 to 740, as well as rating for other high rated warehouses has also been changed/rationalized. The high rated warehouses though have been clubbed under the same warehouse category and differentiated by way of sub categorization which allows differentiated area basis tariff but with same commodity wise tariff for those warehouses. RO's are accordingly required to charge the storage tariff on area and bag basis as per the new rating of the warehouses.

- **4. The Warehouse wise** Basic Rates (Rating), Area Rates (gross/net), Bonded Rates and Fertilizer Rates are enclosed as per **Annexure-A**.
- **5.** A copy of consolidated Commodity wise Tariff of storage charges is enclosed as per Annexure-B.
- **6. Fertilizer:** Minimum tariff for a standard rated warehouse has been fixed at Rs.70 per MT/month as against earlier rate of Rs.64 per MT/month. The rates for fertilizer tariff have also been rationalised. In case of RO-Kochi, as per the recommendations of RM, the rates have been revised upwards by 20%. The applicable rates for fertilizer are enclosed as per **Annexure –A.**
- **7. Bonded warehouse**: Keeping in view the general cost escalation over the period and the norms of having bonded area rate at 150% of that of general area tariff, the tariff for bonded area has also been rationalized. Rates mentioned on gross area basis for Bonded warehouse will be 150% of the General gross area rate .The applicable rates are enclosed as per **Annexure –A.**
- **8. Management warehouses:** The tariff for CCI management charges has been fixed at Rs. 34.00 per MT/month (GST extra) for FY 2020-21 for CCI cotton bales up from Rs. 32.10 per MT/month. For other management warehouses concerned Regional Office should submit a detailed proposal for fixing the revised rate of storage charges.
- **9. Fumigable stock** e.g. Foodgrains, pulses, seeds etc. should invariably be stored on bag basis only and not on area basis except wherever circumstances warrant with the prior approval of Corporate Office.
- 10.Storage/MF tariff for CFS/ICD/ICP/ACCs may continue to be fixed for each centre depending on its location, availability of business and quantum of competition. However, RM may send the proposal for revision of tariff to CO if not considered/revised earlier.
- **11.Insurance** is to be charged separately except for foodgrains where the tariff is fixed including of insurance. Insurance charges may continue to be charged @ 5 (Five) paise per 100 Rupee value of stock per month.
- **12.** Tariff with regard to FCI on guarantee basis is regulated by the Ministry, based on recommendations of Chief Advisor Cost (CAC), Ministry of Finance. As regards MP Forest Federation, the tariff fixed by MP Govt. (Forest Deptt.) will be applicable for storage of Tendupatta.

- 13. No rebate may be allowed without approval of Corporate Office accept power delegated to RMs vide Corporate Office instructions. The existing rebate of 10% to Co-operatives and 30% to Farmers i.e. bonafide agriculturist will be admissible only for the storage of their products raised by themselves on their land as per Para 7 of CO circular issued vide letter No. CWC-BD/II-Tariff/91 dated 13.01.1992 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 the 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 and implemented. Further 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 with necessary detail for revising the tariff.
- **15.**Goods and Service Tax/any other tax as levied by the Central/State Govt. Or local bodies, if any, will be charged extra wherever applicable, in addition to storage and insurance charges etc.
- **16.**RM should bring out booklet containing tariff for various warehouses/commodities in the region and may be communicated to concerned warehouses. It should also contain general terms and conditions for storage/delivery etc.
- 17. It is also observed there is no data available to compare the tariff with that of competitors and tariff has been revised in view of normal increase in operating expenditure. You are requested to ensure preparation of comparative charts showing rates of competitors like SWCs, National Collateral Management Services Ltd. (NCMSL), NBHC and other private players in the vicinity and submit the same to Corporate Office with recommendation for future revision of tariff.

Further it may also be ensured and confirmed the tariff of all the warehouses in your region is fixed and in case any centre/commodities have been omitted, the same may be brought to the notice of Commercial Division, Corporate Office for taking further action. Besides any error observed in a 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 your region for implementation w.e.f. 01.07.2020.

Digitally signed by SAMUEL PRAVEEN KUMAR Date: 2020.06.16 12:36:47 +05:30'

Encl:- As above

(Samuel Praveen Kumar)
General Manager (Comm.)

## Copy to:

- 1. Sr. PA to MD, CWC, CO, New Delhi.
- 2. SAM to Director (Fin.) CWC, CO, New Delhi.
- 3. GGM (Fin.), CWC, CO, New Delhi.
- 4. GGM (System), CWC, CO, New Delhi With a request to upload on CWC website
- 5. DGM (IA), CWC, CO, New Delhi.
- 6. Master file