

Annexure no 22

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The Andhra Pradesh State Civil Supplies Corporation Ltd.

(A State Government Undertaking)

Regd. Office: 6-3-655/1/A, Civil Supplies Bhavan, Somajiguda, HYDERABAD -500 082

SRI M.SUBRAMANYAM, IAS.,
VC & MANAGING DIRECTOR i/c.

CIRCULAR NO.62 MKTG.

No.Mktg.M6/5547/2008/RG Dal.

Date:10.12.2008.

Sub:- APSCSCL – Marketing – Procurement and distribution of Redgramdal through PDS under MIO 2008-09 – Further instructions – Issued – Reg.

- Ref:- 1. HO Cir.No.58 Mktg. (No.M6/5547/2008/RG Dal),
dtd.17.6.2008.
2. GO Rt.No.128 CA, F & CS (CS.I) Dept., dtd.3.10.2008.
3. Commr. of Commercial Taxes Ref.No.AIII(1)/243/08,
dtd.1.10.2008.

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In the reference 1st cited, detailed instructions have been issued on the implementation of Govt. Scheme of procurement and distribution of Redgramdal to BPL families through Fair Price Shops at subsidized rate of Rs.30/- per Kg. in order to relieve the common man from escalating prices of essential commodities under MIO 2008-09.

In the reference 2nd cited, Govt. issued orders that the APSCSCL shall pay VAT on purchase of Redgramdal brought from places outside A.P. for distribution under PDS and later claim reimbursement within the over all subsidy provided to the Department under MIO 2008-09.

In the reference 3rd cited, the Commercial Tax Department has issued clarification on the payment of VAT on purchase of Redgramdal from outside the State.

Some of the District Managers have requested the Head Office for permission / clarification on certain operational and other matters pertaining to positioning and distribution of Redgramdal and also VAT.

Therefore, the following further instructions are hereby issued to all the District Managers for taking necessary action.

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1. Hiring of storage space:

For storing of buffer stocks, the District Managers should utilize the existing space at optimum level and then go for hiring storage space, as per need, in CWC / SWC for scientific preservation of stocks on GWT basis, with the approval of the Joint Collector & Ex. Officio Executive Directors. The CWC/SWC authorities may also be requested to extend rebate of 20% for storing the Redgramdal stocks.

2. Payment of differential transportation charges:

For settlement of claims preferred by the Redgramdal Suppliers towards differential transportation charges against June 2008 Tender supplies, the District Managers concerned should obtain Lorry Owners Transport Association rates of the source of Redgramdal supply District (as per Invoice) for the distance from source point to original allotment District and also to the diverted district and pay the differential amount to the Suppliers accordingly.

3. Purchase of Digital Moisture Meters:

Digital Moisture Meter shall be purchased depending on the need with the approval of the District Purchase Committee headed by the Joint Collector & EOED.

4. Clarification on VAT:

There are three kinds of purchase of Redgramdal through Tenders.

1) Procurement of Redgramdal from local VAT dealers:

Purchase of Redgramdal is inclusive of all taxes. Therefore, the dealers are liable to pay tax @ 4% under A.P. VAT Act. The dealer shall specifically show VAT at 4% in purchase invoice (Tax Invoice). The District Managers while furnishing the VAT returns shall show VAT, cost including VAT, cost excluding VAT and VAT amount on purchase of Redgramdal.

2) Procurement of Dal from outside State Dealers:

The Supplier should be a Registered Dealer with Sales Tax Department in the outside State and should clearly mention TIN No. in the Invoice, as source of supply is very important. The District Managers shall obtain Tax Invoices from outside the State dealers clearly stating that no VAT is payable in their State. Further, the truck chit accompanying the truck transporting the dal shall be accompanied with way bill issued by the C.T. Department of outside the State and copy of the same should be obtained from the outside dealer along with Tax Invoices. In this case no "C" Form is to be given to the dealers by the Corporation.

3) Procurement of dal from outside the State through local dealers (transit sale).

In this case, the dealers shall invariably submit E-1 Form and then the District Managers shall send the proposal to the Head Office for release of C-Form. The District Managers should ensure that the dealer has made an endorsement (signature and stamp) on the reverse of the way bill and tax invoice stating that the stocks shall be unloaded at the specified destination point.

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down). After release of C Forms only the District Managers shall pay the withheld amount to the dealers. If the dealer fails to submit the E-1 Form the District Managers shall not send any proposal to Head Office for release of C Forms under any circumstances.

The District Managers shall send the supporting document copies to Head Office along with VAT Return in the first week of succeeding month. In this case, the District Managers shall show the dealer wise quantity purchased during the month duly indicating the stocks supplied by outside the State Dealers / stocks supplied through transit sale which covered E-1 Form transaction and stocks supplied by A.P. Dealers.

5. Maintenance of Stock Account:

The District Managers should maintain separate account of Redgramdal Stocks received from within the State / Outside the State / Transit Sale by local dealers from Outside the State for VAT purpose.

6. Fixing responsibility on the quality aspect:

Redgramdal should be accepted at Storage Points / MLS Points as per the specifications communicated, as quality constraints are more important to ensure supply of good quality stocks to the consumers to avoid adverse criticism from the public. Therefore, the Asst. Managers (Tech.) and District Managers will be held responsible for receipt of poor quality redgramdal without observing the specifications.

7. Payment of cost of Redgramdal:

The District Managers should pay 75% advance of the cost of every 100 Mts. supplied by the Supplier and 15% immediately after submission of bills. The remaining 10% should be released after scrutiny of the bills towards final settlement. The payments should be made to the Suppliers through "Online Account", as given by the Suppliers.

8. No Dues Certificate:

In order to release the Security Deposit Amounts of the Suppliers at Head Office, all the District Managers should issue "No Dues Certificates" in respect of each Supplier separately after completion of supplies and final settlement of bills, as per Supply Orders issued by Head Office.

Proforma

Sl. No.	Name of the Supplier	HO Supply Order No. & Date	Quantity allotted in Mts.	Quantity supplied in Mts.	Final Settlement Rs.Ps.

9. Model Agreement:

The District Managers are requested to download the Model Agreement from e.Mail for information and guidance.

10. Deduction of Service Tax & Income Tax:

There is no deduction of Service Tax and Income Tax from the bills of the suppliers at source, as deliveries are made at ex godown. The cost of the stocks shall be paid, as per the rate communicated from Head Office without any deductions.

12. Subsidy Account:

District Managers are requested to submit monthly subsidy account to Head Office by first week of every succeeding month for consolidation and submission to Government, as these claims are not being received in time from most of the District Managers.

The receipt of Circular may be acknowledged by return post.

Sd/- M. Subramanyam,
VC & MANAGING DIRECTOR

//t.c.f.b.o.//

C. C. R. Reddy
GENERAL MANAGER (MKTG.)

*Shri Gant
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To

- All the District Managers, APSCSCL.
- Copy to all the Zonal Managers, APSCSCL.
- Copy to all the Joint Collectors & Ex. Officio Executive Directors, APSCSCL.
- Copy to the General Manager (Fin.), APSCSCL, Hyderabad.
- Copy to the Commissioner of Civil Supplies, A.P., Hyderabad.
- Copy to the Director of Civil Supplies, A.P., Hyderabad.
- Copy to the PS to Hon'ble Minister for Civil Supplies, A.P., Hyderabad.
- Copy to SF/spare.

DESPATCHED
ORDINARY/REGD POST

No of Copies... 1... et... ..

(P. S. Ram Lakshmi)

23 DEC 2008

Signature... *BS*