

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI  
FOOD SUPPLIES & CONSUMER AFFAIRS DEPARTMENT  
K-BLOCK, VIKAS BHAWAN, I.P. ESTATE, NEW DELHI-110002.

No.F.15(47)/CFS/Dist/2020 /Pt File/301

Dated: 18/02/21

The pending transport bills of various circle offices of Food and Supply Department for shifting of Non PDS dry ration from one Designated Distribution Centre to another Designated Distribution Centre may be settled in accordance with the decision taken by Cabinet decision number 2836 dated 22.5.2020(copy enclosed).

This issue with the prior approval of the Competent Authority.

*Meera Dhingra*  
18/2/2021  
(MEERA DHINGRA)  
FSO(NON PDS)

Encl:- As above

To,

All Zonal Assistant Commissioner, F & S.

Copy for information to:

1. PS to CFS/Joint. Commissioner/ Addl. Commissioners, F&S Department
2. All FSOs and FSIs through Zonal Assistant Commissioners, F&S.
3. Dy Controller of Accounts, F&S Department necessary settlement of claims.
- ✓ 4. Sr. System Analyst to upload the Order on the F&S website.
5. Guard File

*Meera Dhingra*  
18/2/2021  
(MEERA DHINGRA)  
FSO(NON PDS)

*760/CSA/197*  
*22/02/2021*

*To upload*

*Meera*  
22/2/21

Pallavi

15/C88 79/c  
90 81/c  
CONFIDENTIAL  
CABINET MATTER

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI  
GENERAL ADMINISTRATION DEPARTMENT  
(CO-ORDINATION BRANCH)  
DELHI SECRETARIAT, I.P. ESTATE, NEW DELHI

No.F.03/07/2020/GAD/CN/dsgadiii/ 1339-1350

Dated: 22.05.2020

TABLED ITEM

CABINET DECISION NO. 2836 DATED 22.05.2020

**Subject:** Fixing reasonable rates for hiring trucks by DSCSC for ferrying food grains from various FCI godowns to various non-PDS distribution centres for trucks requisitioned by Transport Department.

**Decision:** The meeting of the Council of Ministers was reconvened in which Secretary-cum-Commissioner (FS&CA) and CMD, DSCSC was also present.

The Council of Ministers considered the note moved by Secretary-cum-Commissioner (FS&CA) and approved the proposal contained in para 14 of the Cabinet note. Secretary-cum-Commissioner (FS&CA) and CMD, DSCSC shall ensure that all requisite arrangements for lifting and distribution of items are ensured to all beneficiaries.

--Sd/--

(Vijay Kumar Dev)  
Secretary to the Cabinet

No.F.03/07/2020/GAD/CN/dsgadiii/ 1339-1350

Dated: 22.05.2020

- 1 Pr. Secretary to Lt. Governor, Delhi.
- 2 Addl. Secretary to the Chief Minister, Delhi.
- 3 Secretary to Dy. Chief Minister, Govt. of NCT of Delhi.
- 4 Secretary to Minister, Labour, Govt. of NCT of Delhi.
- 5 Secretary to Minister, Health, Govt. of NCT of Delhi.
- 6 Secretary to Minister, Food and Supply, Govt. of NCT of Delhi.
- 7 Secretary to Minister, Social Welfare, Govt. of NCT of Delhi.
- 8 Secretary to Minister, Transport, Govt. of NCT of Delhi.
- 9 Secretary-cum-Commissioner (FS&CA), Govt. of NCT of Delhi, with request to upload ATR on CDMS.
- 10 CMD, DSCSC for necessary action.
- 11 OSD to Chief Secretary, Govt. of NCT of Delhi.
- 12 Hindi Officer, Language Department, Govt. of NCT of Delhi for translation

Mandir Kumar

Joint Secretary to the Cabinet



14/00  
89 80/c

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI  
DEPARTMENT OF FOOD, SUPPLIES & CONSUMER AFFAIRS  
K-BLOCK, VIKAS BHAWAN, I.P. ESTATE, NEW DELHI-110002

SECRETARY : ANKITA MISHRA BUNDELA

NOTE FOR COUNCIL OF MINISTERS

**SUB: FIXING REASONABLE RATES FOR HIRING TRUCKS BY DSCSC FOR FERRYING FOOD GRAINS FROM VARIOUS FCI GODOWNS TO VARIOUS NON PDS DISTRIBUTION CENTRES FOR TRUCKS REQUISITIONED BY TRANSPORT DEPARTMENT**

To prevent the spread and outbreak of Novel Corona virus (Covid-19), a nationwide lockdown was announced from 25<sup>th</sup> March, 2020 to 14<sup>th</sup> April, 2020, which has been extended till 31st May, 2020 by Govt. of India. The guidelines pertaining to the implementation of the Lockdown were issued by Union Home Ministry initially vide their Order no. 40-3/2020-DM-I(A) dated 24<sup>th</sup> March, 2020 followed by subsequent directions, Ministry of Home Affairs, Govt. of India vide Order no. 40-3/2020-DM-I(A) dated 29<sup>th</sup> March, 2020 under Section 10(2)(i) of the Disaster Management Act, 2005, directed the State/UT Governments to ensure adequate arrangements of temporary shelters, provision of food, etc. for the poor and needy people, including migrant labors stranded due to lockdown measures in their respective areas.

2. In view of the hardships being faced by economically weaker sections, given the restrictions imposed on account of Nationwide Lockdown, have taken series of decision to address the hunger needs of those who are in need of food. Hunger relief

13/c  
88  
77/c

centers were opened across length and breadth of Delhi. Besides this, NON PDS system was introduced for providing dry ration to the public who are not covered under regular PDS system. Accordingly, the decisions were taken by the Cabinet and the relevant provisions approved by are as:

Cabinet decision no.	Decision taken
Cabinet decision no 2817 dated 01.04.2020	5 Kg Food grains (Wheat 4 Kg and Rice 1 Kg) per member to the pending applicant families/individuals as well as the new families/individuals who apply for making ration cards in a Delhi Government portal shall be provided 'free of cost' for the month of April, 2020 subject to a maximum of 10 Lakh individuals. The Food grains procured from FCI to be transported by DSCSC' Ltd. through their transporters and delivered to designated Schools/locations. DSCSC' Ltd. will be reimbursed the transportation expenditure at the existing approved rates under PDS
Cabinet decision no 2825 dated 22.04.2020	Provision of 5 Kg Food grains (Wheat 4 Kg and Rice 1 Kg) per member 'free of cost' to the persons in need of food/non-PDS beneficiaries who apply on the Janta Samvad portal for availing the benefits of the relief initiative be extended from existing limit of 10 Lakh individuals to 30 Lakh individuals. The Food grains procured from FCI to be transported by DSCSC' Ltd. through their transporters and delivered to designated Schools/locations. DSCSC' to be reimbursed the transportation charges for additional 10,000 MT food grains for non PDS beneficiaries as per their currently approved go-down wise rates finalized through open tenders.
Cabinet decision no	Provision of 5 Kg Food grains (Wheat 4 Kg and Rice 1 Kg)



12/c  
78/c  
87

2831 dated 04.05.2020 per beneficiary 'free of cost' be made for the month of May 2020 to 30 Lakh persons in need of food/not covered under Public Distribution system.

The Food grains procured from FCI to be transported by DSCSC Ltd. and delivered to Designated Distribution Centers/Schools. DSCSC to be reimbursed the transportation charges for additional 15,000MT food grains for non PDS beneficiaries as per approval vide Cabinet Decision no. 2825 dated 22nd April, 2020.

3. While approving the above Cabinet decision no 2825 dated 22.04.2020, the Cabinet duly considered the request of DSCSC made vide their letter dated 24.04.2020, placed at Annexure 4 of the concerned Cabinet note wherein it was mentioned that the Corporation is facing resistance from transporters regarding rates being paid to them on account of difficulties including the following: Schools are new to them, some schools are located in narrow lanes, some schools are big, and sometimes trucks have to wait for receiving of S0/As. The rates were further reiterated by the Cabinet vide its Cabinet decision no 2831 dated 04.05.2020. In these two decisions, the Cabinet has viewed that the reimbursement of the transportation cost will be as per the rates finalized by DSCSC Ltd. through open tender.

4. Meanwhile, on 27<sup>th</sup> April 2020, it has been recorded in the file of Transport Department, GNCID that DSCSC has requested for additional trucks from the Transport Department for lifting of additional quota of ration from the FCI Godowns in Delhi as per following specifications:

- i. It should be a CNG truck
- ii. The capacity of truck should be up to 7.5 tonnes
- iii. It should be registered in Delhi
- iv. The truck should be BS-IV compliant

H/C = 73/c  
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5. The Transport Department deputed Enforcement Teams and seized the trucks from various places in Delhi and during the two days drive on 23.04.2020 and 24.04.2020, 220 trucks were seized and handed over to DSCSC for their requirement.

6. The Transporters had a number of complaints as regard the rates and other problems being faced by them including inadequate compensation/hiring charges. The main grievance of the Transporters is regarding the rates being given by DSCSC. The Transporters have stated that the market rate of hiring of these trucks is much more than the rates offered by the DSCSC. In addition to the lower rates offered by DSCSC, even the labour charges are proposed to be deducted from their hiring charges. In case, the labour charges of approximate Rs.1140/- are deducted from their hiring charges per truck, it will be a big financial loss to them during this emergency period.

7. It has also been observed by the Transport Department that the rates fixed by DSCSC may be suitable for the Transporters who have a long term arrangement / contract with the Corporation and it might be profitable for them due to scale of operations. However, the rates are not suitable for the Transporters who are supplying limited number of trucks in this emergency situation, that too at a short period of notice.

8. Even though, about 300 trucks have been supplied by Transport Department so far but the DSCSC vide its letter dated 27.04.2020 has again conveyed an additional requirement of 100 trucks on priority. However, the efforts made by Transport Department may not yield the desired result till the issue of hiring charges raised by the Transporters is addressed by the DSCSC. The Transport Department will keep on seizing the trucks but a workable solution has to be made on top priority to address this problem.

9. Transport Department through the committee constituted vide Order dated 28.04.2020 has worked out and suggested a minimum market rate for every circle which shall be payable in case load is below the loading capacity i.e. 4 Tons. The rates are excluding the labour cost. Copy placed at Annexure-I. This report is related to the



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5 rates to be fixed in respect of the trucks provided by the Transport Department. It had recommended the rates that does not included the cost of labor.

10. The report was received in the Food and Supplies Department through the office of Hon'ble Deputy Chief Minister on 14.05.2020. The DSCSC was thereafter requested for examining the issue in its entirety as DSCSC is undertaking the entire activity of transporting the food grains. DSCSC vide its report inter alia observed as under (Annexure-II):

That, rates of transportation of SFAs (Wheat and Rice) for PDS activity are fixed on the basis of rates arrived thorough e-tender process & valid for one year or so and transport contractors make the arrangement for trucks according to the approximate allocation of SFAs as mentioned in the e-tender document for each group attached at the respective PDS godowns.

That, Non PDS activity assigned by F&S Department, GNCTD is concerned, this activity is not a part of PDS activity and Corporation has not given its consent to carry out the said activity on the e-tender rates of PDS.

That, whenever any further activity other than PDS activity (viz. Onions / Pulses transportation) is assigned to DSCSC by F&S Department, GNCTD, a separate arrangement of transport contractors is being made through e-tender/ limited tender enquiry and their rates are no more linked with PDS rates.

That, it is also mentioned here that the trucks arranged for said operation by Transport Department, GNCTD on seized basis are usually labor attached with the trucks for which Corporation have to pay the labor charges at the rates fixed by Labor Department, GNCTD.

That, the Corporation has made the supplies of food grains through the trucks arranged by Transport Department, GNCTD as well as the trucks available with existing transport contractors engaged for PDS activity with the understanding that

9/c 74/c  
75/c  
87

they will be paid the higher transportation charges than the PDS rates but no transport contractors either arranged by Transport Department, GNCTD or DSCSC contractors have raised their bills for payment of transportation charges as the rates have not been decided for Non PDS activity (OMS Scheme).

That transporters have to bear the loss of approx of Rs. 700 per day per truck.

That, considering the factual position explained above, F&S Department, GNCTD was asked to consider the proposal of Transport Department, GNCTD not only for trucks provided by the Transport Department but also in case of trucks provided by existing PDS transporters of DSCSC that have transported food grains under Non-PDS. Further, DSCSC has made out a case for extension of these enhanced rates to both categories of transporters (of Transport Department and DSCSC) with retrospective effect.

11. Food and supplies Dept vide its Note dated 18.05.2020 and letter dated 21.05.2020, placed at Annexure-III had submitted the following observations on the proposal of DSCSC:

i. The report of the Transport Department is restricted to the trucks provided by the Transport Department and clearly as per the noting of Special Commissioner (Transport) on page 2/N in the said file does not extend to the transporters of DSCSC. The transport dept itself has not find any merit in increasing the rates in respect of trucks hired by the DSCSC as the "has pointed in report dated 27.04.2020 that the Keeping in view the "that the rates fixed by DSCSC may be suitable for the Transporters who have a long term arrangement / contract with the Corporation and it might be profitable for them due to scale of operations. However, the rates are not suitable for the Transporters who are supplying limited number of trucks in this emergency situation, that too at a short period of notice."

ii. It has been mentioned by the DSCSC that the supplies of food grains have been made through the trucks arranged by the Transport Department as well as the trucks available with existing transport contractors engaged for PDS activity with the



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understanding that they will be paid higher transportation charges than PDS rates. It is further stated that the rates have yet not been decided for Non-PDS activity. The F&S Department is not aware of such understanding with the transporters. Further, the rates for reimbursement of transportation cost under Non-PDS have been approved by the Cabinet Decision No. 2817 dated 01.04.2020, No. 2825 dated 22.04.2020 and No. 2831 dated: 04.05.2020.

iii. While extending the scheme to 30 lakh beneficiaries, the request of the DSCSC for enhanced rates under Non-PDS category was duly considered by the Cabinet and vide Cabinet Decision No. 2825 dated 22.04.2020, it was decided to reimburse transportation cost to DSCSC as per expenses based on recently discovered tender rates of January, 2020. Therefore, the interest of the DSCSC has been duly taken care of by the Cabinet.

iv. Further, all the food grains under Phase-I and almost 50% of food grains under Phase-II of non-PDS have already been lifted by the transporters. Though, DSCSC has asked the Department to consider the proposal of Transport Department however, there is no recommendation by the Transport Department for implementation of rates proposed by them either retrospectively or to extend the rates for payment to the regular PDS transporters engaged for Non PDS activity.

v. As informed during various meetings by the officials of DSCSC, the Corporation has engaged transporters from open market from outside of the contract at the rates discovered in Jan 2020 through open tender. The fact that transporters other than those who participated in the bid in Jan 2020 have willingly on their own agreed to transport food grains during the lockdown period at the rates approved in Jan 2020, indicates that there is some acceptability and viability of the rates in the open market during the lock down.

vi. Further, the existing transporters have necessary logistics in place and sufficient experience in undertaking the operations. This is evident from the fact that the DSCSC transporters are lifting food grains under PDS, PM-GKAY and also Non-PDS scheme. The enhanced scale of business has provided scope for better profitability. Such large scale of operations cannot be expected to be undertaken by any service provider under the prospect of loss.

vii. DSCSC independently engages agencies for transportation of food grains. It decides the rates of transporters on its own. The current tender for transportation was also finalized by the Corporation on its own in Jan. 2020 and is valid up to Jan, 2021. Recently last month also DSCSC has decided the price for transportation of pulses under PM-GKAY from Guzipur and Siraspur godowns to Fair Price Shops at its own level.

12. In view of the above background, Honb'le Minister of Food and Supplies vide his note dated 20.05.2020 (Annexure-IV) had desired that Cabinet Agenda be brought before the Council of Ministers. The comments of DSCSC in response to the letter dated 21.05.2020 have been received vide letter dated 21.05.2020 of General Manager, DSCSC and placed at Annexure-V. The financial implications of the proposal have not been worked out by DSCSC in this regard.

13. In view of the emergency situation that has arisen on account of imposition of lockdown and the immediate need to provide ration to the non PDS beneficiaries the below proposal is being brought before the Cabinet. Due to paucity of time the view of Finance Department and Law Department could not be obtained.

14. In view of the above, the following proposal is placed before the Cabinet for consideration and approval.:

1. The rates of transportation proposed by the Committee set up by the Transport Department vide order dated 28<sup>th</sup> April, 2020 (to arrive at reasonable market rates for transportation) as placed at Annexure I in regard to trucks being requisitioned by the Transport Department for DSCSC on random/adhoc/ short term basis for transportation of food grains from the FCI godown to the designated distribution centre may be approved as a special case for the trucks specially requisitioned for this purpose by the Transport Department in view of the justification adduced at para 7 and para 11(i). Since the rates are without labour cost, duly approved labour charges @ Rs 570 per day for two labours may also be added per truck per day.
2. For the above category of transporters especially requisitioned by Transport Department for DSCSC for transportation of Non PDS food grains.



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transportation costs as approved above may be reimbursed by the Department of Food and Supply.

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*Ankita*  
22/05/2020  
(ANKITA MISHRA BUNDELA)

COMMISSIONER CUM SECY, FOOD SUPPLIES AND CONSUMER AFFAIRS