

From

Commissioner, Food, Civil Supplies &  
Consumer Affairs, Punjab.

To

1. General Manager, Food Corporation of India, Punjab Region,  
Sector 31, Chandigarh.
2. Managing Director, Markfed, Sector 35, Chandigarh.
3. Managing Director, Punsup, Sector 34, Chandigarh.
4. Managing Director, Punjab State Warehousing Corporation,  
Sector 17, Chandigarh.
5. Managing Director, Punjab Agro Foodgrains Corporation,  
Sector 28, Chandigarh.

Memo No. RP-2(Policy)-2012/5115

Dated, Chandigarh the 27-09-2012

Subject : Custom Milling Policy/Draft Agreement for Kharif Marketing Season 2012-2013.

\*\*\*\*\*

Please refer to the subject cited above.

2. A copy of custom milling policy and draft agreement for Kharif Marketing Season 2012-13 each is sent herewith for information and necessary action at your end.

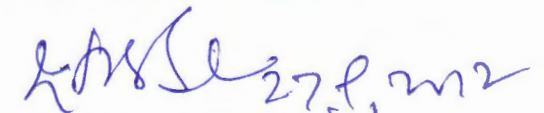
  
Additional Director (Rice)

Endst. No. RP-2(Policy)-2012/ 5116

Dated, Chandigarh the 27-09-2012

A copy of the above with copies of custom milling policy and draft agreement for Kharif Marketing Season 2012-13 is forwarded to the following for information and necessary action :-

1. All Deputy Director (Field), Food, Civil Supplies & Consumer Affairs, in the State of Punjab.
2. All District Controllers, Food, Civil Supplies & Consumer Affairs, in the State of Punjab.


  
Additional Director (Rice)

Endst. No. RP-2(Policy)-2012/ 5117

Dated, Chandigarh the 27-09-2012

A copy of the above along with copies of custom milling policy and draft agreement for Kharif Marketing Season 2012-13 is forwarded to the following for information and necessary action :-

1. Private Secretary to Food, Civil Supplies & Consumer Affairs Minister, Punjab.
2. Private Secretary to Secretary, Food, Civil Supplies & Consumer Affairs, Punjab.
3. Personal Assistant to Commissioner, Food, Civil Supplies & Consumer Affairs, Punjab.
4. All officers at Head Office.
5. RP-1,3,4,5 and 6 through Supdt. Rice procurement, Head Office.

  
Additional Director (Rice)

**PUNJAB GOVERNMENT,**  
**DEPTT. OF FOOD, CIVIL SUPPLIES & CONSUMER AFFAIRS**  
**( RICE PROCUREMENT BRANCH)**

**INTRODUCTION:-**

Punjab is a major contributing state of rice in the central pool. The handling of food grain stocks is a major responsibility of the Punjab Government. The entire process right from receiving food-grains at the purchase centre to its cleaning, drying, storage, transportation with minimum wastage is the main concern of the Department. In order to maintain transparency, proper co-ordination between the procuring agencies and millers, there is a need to frame a proper policy which can provide proper management financial and administrative mechanism to reach explicit goals.

1. **SCHEME FOR CUSTOM MILLING OF KHARIF 2012-13 PADDY STOCKS:-**

In order to ensure smooth operation of custom milling of Kharif 2012-13 paddy procured by the procuring agencies, the following scheme called "Scheme for custom milling of Kharif 2012-13 paddy" shall be followed by all the procuring agencies i.e. Pungrain, Markfed, Punsup, Punjab State Warehousing Corporation, Punjab Agro Food grains Corporation, the Food Corporation of India and the rice millers/their legal heirs. For the purpose of custom milling of paddy, the State will be taken as a single unit.

2. **PADDY TO BE CUSTOM MILLED ON CONTRACTUAL BASIS:-**

Paddy procured by the procuring agencies will be got milled from the rice millers of the State as per various clauses provided in the Punjab Rice Procurement (Levy) Order 1983. No rice miller shall undertake the work of custom milling of any agency under any circumstances unless or until duly allotted for the purpose. In case any miller refuses the custom milling work allotted to him by the concerned procuring agency, he shall invite penal action. The following terms and conditions shall be adhered to for the custom milling of paddy during Kharif Marketing Season 2012-13 by all concerned millers, and violation, if any, shall be viewed seriously.





3. **DEFINITIONS :-**

In this policy unless, the context otherwise requires-

- i) A "**permanent milling centre**" means a permanent centre where there is a cluster of rice mills located, availability of storage for food grains and where procurement staff of the agencies is permanently posted and at which the procurement/milling operations are monitored/controlled round the year.
- ii) A "**temporary purchase centre**" means the one which operates only during the procurement period and no permanent staff of the procurement agency is posted there round the year.
- iii) A "**Mandi**" means a place at which the procurement staff of the agencies is posted during the procurement season and at which the procurement operations are carried out.
- iv) A "**Permanent Storage Centre**" means a place at which storage for foodgrains is available and procurement staff of the agencies is permanently posted round the year and at which the storage operations are carried out/monitored round the year.
- v) The word "**centre**" means a particular place where there is availability of space for the permanent storage of paddy/milling of rice.
- vi) "**Levy paddy**" means, the paddy purchased by a rice miller with his own resources.
- vii) **Cash security paddy**, means, the paddy lifted by a rice miller after making payment to Pungrain at the rates and norms as prescribed from time to time by the Government.
- viii) **Custom Milling paddy** means the paddy purchased/procured by the procuring agencies, including FCI and given to the rice mills for milling.
- ix) "**Lessee**" means a miller who has taken a rice mill on lease for a minimum period of 12 months from the original owner by way of a deed duly registered under Registration Act, 1908 and duly incorporated in the Revenue Records.
- x) "**Miller**" means owner of a rice mill. It may be a company, duly registered under the Companies Act, partnership firm, proprietorship firm, individual or any other legal entity or lessee as defined above.





- xi) **“Rice Mill”** means a manufacturing unit raised in the specified building, including land and machinery, enclosed with a boundary wall.

4. **REGISTRATION OF A RICE MILL :-**

Each rice mill which is not registered previously with the Food & Supplies Department or where there is a change in the constitution of the firm, company or any other legal entity, will have to be registered provisionally with the concerned District Food and Supplies Controller by 28-09-2012, to be eligible for custom milling of the agencies' paddy. For this, such rice miller shall pay a fee of Rs.10,000/- per mill apart from supplying other relevant information as detailed in Annexure-III'. The Provisional /Registration Fees will not be refundable.

Apart from this, all those rice millers who have already registered their firms with the Department shall have to re-submit their documents positively by 28-09-2012.

5. **ALLOTMENT OF MANDIS AND STORAGE OF PADDY:-**

The purchase centers/mandis shall be linked with the nearest milling centre/storage centre keeping in view the availability of milling capacity at the milling/storage center(s) at which paddy is proposed to be stored/got milled. All the procuring agencies shall make necessary arrangements of linking the proposed purchase centers/mandis with the storage points/milling centers in such a way so as to incur bare minimum expenditure on transportation. The agencies may also indicate at least one alternate storage point, where paddy could be stored in case of any exigency. This should be got done by the agencies at the time of allotment of rice mills.

Similarly, storage of paddy at a particular milling centre will depend upon the clear and specific milling capacity available at that centre.

6. **WOODEN CRATES :-**

For the storage of (custom milling) paddy of the agency/agencies for custom milling crates will be arranged by the miller/ millers themselves/themselves.

7. **SHIFTING OF PADDY:-**

a) **WITHIN THE DISTRICT:-**

Surplus paddy, if any, at a milling centre will be shifted for its storage to the nearest milling centre keeping in view the availability of milling capacity at that centre. In case the nearest milling centre does not have adequate or surplus milling capacity, the surplus paddy will be shifted to the next



nearest milling centre and so on. Plan for shifting paddy within the district has to be got approved in advance from the Commissioner, Food, Civil Supplies & Consumer Affairs by the D.F.S.C. of the concerned district.

b) **OUTSIDE THE DISTRICT:-**

Surplus paddy, if any, available with any procuring agency in a district would be shifted only as per the plan approved by the Commissioner, Food, Civil Supplies & Consumer Affairs, Punjab and against the submission of Cash Security by the millers of the district, where the paddy is proposed to be shifted. Provided that, keeping in view the specific problem of the districts and the exigencies of the situation, the paddy of any procurement agency can be shifted from one district to another district or from one centre to another centre of the same district irrespective of the fact whether the paddy in that district/centre is surplus or not.

c) It should be ensured that paddy is shifted directly from the purchase centre/mandi to the storage points/mill premises and no criss-cross movement of paddy stocks takes place. In case any criss-cross movement of paddy stocks is detected, the concerned D.F.S.C. of the district and Deputy Director of the concerned division will be held personally responsible.

d) Paddy from capacity deficit milling centres can be shifted to the interested millers of other milling centres/districts.

e) **SECOND SHIFTING OF STORED PADDY:-**

In case of second shifting of paddy i.e. paddy already shifted and stored at any particular place/mill, the procuring agency shall shift paddy to the rice mills already allotted to them after getting approval of Commissioner, Food, Civil Supplies & Consumer Affairs, Punjab who would give such approvals keeping in view the availability of space and other factors needed for the smooth delivery of rice by the stipulated period in the central pool.

f) **CASH SECURITY SCHEME :-**

While shifting paddy under the cash security head, the following instructions may be kept in view:-

i) Only the allotted rice mill would be allowed to lift paddy under this Scheme. No defaulter rice mill can get paddy under this Scheme. Since the transfer of

paddy under this Scheme is on the basis of PR to PR, all applications for lifting of such paddy should have the recommendation of the concerned DFSC who would certify whether the concerned rice mill is a allotted rice mill and would be in a position to mill the lifted paddy on the basis of the rice mill's past performance.

- ii) Paddy under the Cash Security Scheme shall be lifted by the concerned miller at his own expenses.
- iii) No additional security amount shall be got deposited from the millers for the paddy allotted to them under the cash security head. Only an agreement should be signed by the millers and the concerned agency for this paddy.
- iv) A miller will be allowed to lift paddy against Cash Security Scheme of the same agency to which he is allotted for custom milling as far as possible.
- v) Paddy to be allotted against cash security would be allotted in multiples of 100 MTs. Value of paddy stocks for the purpose of calculating the amount to be deposited by the millers as cash security would be taken as Rs. 100/- per MT .
- vi) For deposit of required cash security, the Rice Millers will collect pre-printed HDFC Security Deposit Slip from the District Manager, Pungrain. Duly filled slip will be got checked and signed from the District Manager, Pungrain before deposit with any branch of HDFC Bank, even if the paddy relates to any procuring agency.
- vii) The miller would lift the paddy against cash guarantee within seven days from the issuance of release order for the additional paddy, failing which the next eligible rice miller would be considered for allotment of additional paddy.
- viii) The security amount deposited by the rice millers for allotment of paddy against cash guarantee would be refunded in total to them only after 31st March, 2013 or on the completion of the custom milling, whichever is later.



- ix) Loading and unloading charges of the paddy shifted under the cash security head shall be borne by the concerned agencies as paddy is being shifted on PR to PR basis.

8. (i) **STORAGE OF PADDY STOCKS:-**

- a. Paddy procured by the agencies shall be, by and large, stored separately in the premises of the allotted mills or a place adjoining to the rice mill to be made available by the concerned miller in joint custody as per details given in the subsequent paragraphs on the basis of allotment policy.
- b. The paddy stored in the premises of rice mills will be under joint custody of the rice millers and the staff of the concerned agency for which responsibility for quantity and quality will be of the concerned rice millers and the staff of the agencies. The miller will ensure the storage of the paddy stocks of the agencies separately from that of his own purchased paddy stocks by erecting a physical barrier such as a boundary wall or a proper and durable fencing.
- c. Each miller will prepare in triplicate a pictorial chart/sketch depicting the positioning of the stacks, stack number, with the number of bags in each stack. He will retain a copy of the above at his mill premises while the second copy will be available with the inspector in -charge of the concerned agency and the third copy will be kept in the district office of the procuring agency.
- d. Paddy stored over and above the stipulated norm in a mill shall be shifted at the risk and cost of the concerned Inspector/AFSO/DFSO/DFSC.
- e. The paddy should be stored only at storage points duly approved by the concerned procuring agency. These storage points should adjoining/near the rice mills. No paddy should be stored at any unauthorized/unapproved and far off places, under any circumstances.
- f. The concerned Inspector/Staff of the procuring agency shall reconcile and submit complete details/receipt of

the paddy stocks stored with the millers within 7 days of completion of storage to the district office.

**(ii) Shifting of Paddy from the Rice Mill:-**

In case the paddy stored in any rice mill is not got milled in time, then the agency will get the paddy shifted to any other Rice mill at the risk and cost of the original allottee.

**9. STORAGE OF PADDY IN OWN CUSTODY:-**

Bare minimum paddy should be stored in own custody and that too under exceptional circumstances only with the prior approval of the head of the concerned procuring agency. The paddy to be stored in own custody will be stored within 8 kilo-metres of the rice mills allotted to the procuring agencies. Such paddy stocks are to be got milled from the mills allotted to the agencies at the earliest possible so that agencies do not incur any undue financial expenditure. The responsibility for quality and quantity for the paddy stored in own custody will be of the staff of concerned agency.

**10. PHYSICAL VERIFICATION OF PADDY:-**

The staff of agencies shall conduct physical verifications of the paddy stocks on a fortnightly basis. Copies of PV reports will have to be submitted regularly by the concerned staff to the district offices. The reports, besides indicating physical availability of stocks and their quality, should clearly give the quantity delivered and available with the miller. The staff of the procuring agencies will also be equally responsible in respect of quantity and quality of paddy stocks stored with the miller.

Initial storage of paddy with a rice mill should be video graphed. Physical verifications should be video graphed once every two months. The first physical verification should be carried out within 10 days of completion of storage of paddy. Proper record of these checkings should be maintained..The following will be the fortnightly norms for carrying out the physical verifications:-

- |                            |                         |
|----------------------------|-------------------------|
| <b><u>1.</u></b> Inspector | 100%                    |
| <b><u>2.</u></b> AFSO      | 50%                     |
| <b><u>3.</u></b> DFSO      | 25%                     |
| <b><u>4.</u></b> DFSC      | 10%                     |
| <b><u>5.</u></b> DDF       | 4 rice mills per month. |

The physical verifications of rice mills where the storage is 10000 MT and above, will be carried out jointly by the Inspector and AFSO.



11. **ALLOTMENT OF RICE MILLS:-**

- A. Allotment of rice mills will be made by a district level committee comprising of district heads of all the procuring agencies headed by the Deputy Director (Field) of the concerned division. District Managers of procuring agencies will be equally responsible in case of any wrong allotment. If any agency finds any discrepancy in allotment, capacity fixation or any violation of the policy, they will bring these facts to the notice of the Commissioner, Food, Civil Supplies & Consumer Affairs, Punjab for necessary action and his decision in this regard will be final.
- B. The rice mills which have completed 70% or more milling of paddy stocks of Kharif 2011-12 are to be considered as eligible for allotment of paddy during Kharif marketing season 2012-13. But the millers who are yet to clear the entire milling (i.e. their milling is more than 70% but less than 100%) shall submit post dated cheques of 31-12-2012 for the balance quantity to the concerned agency.
- C. All such millers who have failed to deliver CMR less than 70% of KMS 2011-12 by 31-08-2012 shall not be given any paddy for milling in KMS 2012-13. However, in case of those millers who have deposited the money against balance rice stocks of the year KMS 2011-12, would be considered for allotment only after the Government has made inquiries into the justifications/ reasons for non-delivery of CMR 2011-12 by the stipulated date.
- D. All the allotments of rice mills would be completed before 29.9.2012. After this date, the allotment cases will be sent to Commissioner, Food, Civil Supplies & Consumer Affairs, Punjab for approval. Allotment once made, shall not be changed. Wherever any necessary change is required, it will be done at the level of Commissioner, Food, Civil Supplies & Consumer Affairs, Punjab.
- E. If a defaulter mill clears the government/agencies' dues of the previous year(s) including KMS 2009-10, 2010-11 and 2011-12 to the full satisfaction of the Government, as mentioned in clause 11(C) above, it can be considered as eligible for allotment from the date the dues, including those of quality cut and bardana are cleared.
- F. The rice mills are to be allotted to all the State procuring agencies including FCI in proportion to the paddy to be procured by them. In case one agency completes its milling of paddy stored with a mill



and does not want to get any more paddy milled from it, then the same mill can be formally allotted to any other agency at the level of Commissioner, Food and Supplies, Punjab after assessing the factual position from the concerned agency.

- G. All the district heads of procuring agencies including F.C.I. shall prepare an authenticated list of defaulter rice mills by 28.9.2012, giving the nature of default and submit the same to the concerned District Controller, Food, Civil Supplies & Consumer Affairs. The list will be consolidated by the concerned District Controller, Food, Civil Supplies & Consumer Affairs by including the defaulter mills of Pungrain and submitted to the concerned Deputy Director (Field) cum- Chairman of the allotment committee immediately. A copy of the Performa in which this information is to be furnished, is enclosed as Performa-I & II (Annexure I & II). A copy of the consolidated list will also be sent to Head Office by D.F.S.Cs.

The following schedule will be adhered to by the District Allotment Committee:-

- i. Preparation of list of eligible rice mills by 28<sup>th</sup> September, 2012;
- ii. Scrutiny of the list by 28<sup>th</sup> September, 2012;
- iii. Allotment/issuance of list of allotted rice mills by 29<sup>th</sup> September, 2012.
- iv. Receipt of offers of Cash security from the millers by 30.09.2012.
- v. Signing of agreement and deposit of security etc. by the allotted millers by 30<sup>th</sup> September, 2012.

The Chairman of the Allotment Committee –cum- Deputy Director (Field) will pass a speaking order in respect of a defaulter rice mill, clearly stating the reasons for not allotting the mill at his level. Only thereafter such cases will be referred to Head Office for any further action in the matter. These speaking orders will be passed in respect of each list of allotment issued by the District Level Allotment Committee. A detailed list of such cases where the Allotment Committee has not made the allotment will be submitted to the Head Office by 01-10-2012. If the general/financial reputation of the rice miller is found to be not good, the Allotment Committee should not allot the mill for custom milling and pass a speaking order to that affect.

- H. Single Mill/Single Agency – Each Rice Mill shall be allotted to a single agency.



- I. No defaulter rice mill shall be considered for allotment/ provisional registration. The default may be on the following counts:-
- a. If a rice mill has to deliver custom milled rice of any agency pertaining to the previous years including 2010-11.
  - b. Any rice miller who has not completed 70% custom milling of paddy allotted to him in KMS 2011-12 by any procuring agency, would be declared as ineligible for allotment for KMS 2012-13.
  - c. If the owner/partner/director of a lessee/owner rice mill becomes defaulter and is a owner/partner/director of a new/lessee/owner rice mill, the mill and mill premises in question will be declared as defaulter and will not be considered for allotment, if transfer of rice mill, either through selling out or through leasing out, is found to be sham. Besides, any family member of a defaulter rice miller, unless living separately, will also be treated as a defaulter. In such a case, proof of separate residence/separate family will be required to the effect that his project is not being financed/ promoted by his defaulter family members/blood relations. The Commissioner, Food Civil Supplies & Consumer Affairs, Punjab will examine such cases and his decision in this regard will be final and binding on all concerned.
  - d. If the agency reports any case of misappropriation of paddy by a miller of the previous years.
  - e. If a police/court case/arbitration case is pending against the miller on account of embezzlement relating to custom milling or levy rice pertaining to any crop year. However, if the miller clears the default of the concerned agency along-with penal interest at the rates for the relevant year(s), as decided by the govt. from time to time, he may be considered for allotment without prejudice to the out-come of the FIR/Court Case/Arbitration Case pending against him.
  - f. Premises of a defaulter miller auctioned by a financial institution/commercial bank would not be considered for allotment during KMS 2012-13. But in cases where the buyer has no relation with the previous owner and the premises is purchased through public auction such case may be considered for allotment. However the decision of the



Commissioner, Food Civil Supplies & Consumer Affairs, Punjab to this effect will be final.

- g. The millers with whom FCI has banned its business dealings on account of delivery of rice "Beyond Rejection Limit" (BRL) and beyond PFA during the previous years.
- h. If a rice miller unauthorizedly does milling of an agency other than the one allotted to him, he will be black listed and the paddy stocks will be lifted from his premises at his risk and cost.
- i. Any rice miller convicted in case of creating hindrance in the official functioning of the staff of the Government.
- j. A rice mill running on a generator set or diesel engine shall not be considered for allotment.
- k. The rice mills which have not paid the bonus to the farmers in KMS 2009-10 as announced by the Government of India for the paddy purchased by them in their own account shall not be considered for allotment. However, if the miller from whom any bonus amount is due, deposits the same with the respective District Manager, Punjab he can be considered eligible for allotment.
- J. In case of a lessee firm being allotted to an agency, it will be the duty of the concerned agency to fully satisfy itself about the bonafides of the lessee firm and it will also take care of stocks stored in such mills.
- K. The authenticity of documents and identity of owners/partners/Directors, including photographs, PAN number etc. should be verified by the concerned agency before storing paddy in all mills.
- L. The electricity connection shall be available in the rice mill on the date of the allotment without which no allotment shall be made.
- M. Each allotted rice miller (whether owner or lessee) shall submit a bank guarantee as per his milling capacity as detailed in para 14(e) of the policy.
- N. The rice miller shall enter the data of paddy storage at the site <http://www.riceexchange.co.in>. After verification of the same by the concerned District Controller, Food Civil Supplies & Consumer Affairs, he would get the contract numbers automatically. He will abide by the instructions given by the department regarding the release of contract numbers from time to time.



- O. Any rice mill found guilty of tampering with the official data or any other such mal practice in this regard would be declared defaulter.
- P. Each lessee rice miller shall furnish guarantee of owners of any two rice mills on a stamp paper of Rs.100/- as per performa attached with the policy. (Annexure V)

12. **ALLOTMENT TO LESSEE RICE MILLS:-**

- a. The allotment to lessee rice mill will only be made if he is a lessee for a minimum period of 12 months from the date of allotment and the lease must be duly registered under Registration Act, 1908 and this entry must be incorporated in the Revenue Record in the name of lessee.
- b. Each lessee shall submit surety bond of the owner of two rice millers on a stamp paper of Rs.100/- as per proforma attached with the policy.
- c. The owners/rice millers who furnish the guarantee on behalf of lessee must be duly authorized by a legally valid document i.e in case it is a Company then there must be by a resolution of the company, in case of partnership firm, then, by all the partners and in case of any other legal entity, then by valid legal document[s] .
- d. The property of the owner who stood guarantee on behalf of the lessee will remain under charge of the concerned procuring agency[ies] till the liabilities of the lessee are fully discharged.
- e. In case a lessee rice mill fails to complete the milling operations before the expiry of his lease period, he shall be required to extend the lease period of his mill till the completion of milling operations.

13. **VOLUME OF WORK:-**

The Government/agency does not guarantee any definite volume of work relating to shelling of paddy at any time or through out the period of contract. The mere mention of any type of work in this policy shall not by itself confer a right on the miller to demand that work relating to shelling of paddy at a particular centre/mandi should necessarily or exclusively be entrusted to him.

As paddy is to be allotted to the miller subject to its availability with the procuring agencies, the shortfall, if any, from the paddy allocation to be made without Cash Security would not be arranged from other districts and this portion shall be deemed to have lapsed and the miller shall have no claim against it.



14. **ALLOTMENT OF PADDY:-**

- a. A minimum of 150 M.Ts. of paddy is required to be purchased by the miller in his own account or he should deposit an amount of Rs.5.00 lac. The Rice Millers will collect pre-printed HDFC Security Deposit Slip from the District Manager, Pungrain. Duly filled slip will be got checked and signed from the District Manager, Pungrain before deposit with any branch of HDFC Bank, even if the paddy relates to any procuring agency.

However, this clause is not applicable in the case of Markfed, where it stores paddy in their own Modern Rice Mills located at different places.

- b. Paddy procured by the agencies will be equitably distributed amongst all the eligible rice mills at a particular main/permanent/storage milling centre for the purpose of custom milling on the basis of their milling capacity which shall be certified by the concerned District Controller, Food, Civil Supplies & Consumer Affairs and as per provisions of this policy. It is further added that to ensure equitable distribution of paddy and speedy milling of the agencies' paddy, the rice mills located at the temporary purchase centres/katchi mandis would be considered at par with the mills located at the main/permanent storage/milling centre.
- c. The procuring agencies will distribute paddy to the allotted mills equitably on a weekly basis (7 days) from the date of procurement and the mills which are allotted at a later stage or refuse to store paddy of the agencies at any stage will have no claim with the agencies to get paddy on equitable basis with other rice mills. A quantity of 500 M.Ts for every one tonne capacity in the first round shall be allotted and the second round of allotment of paddy will start only when the first round has been completed and the mill has completed the mandatory requirement of purchase in its own account. The concerned agency shall ensure maintenance of proper record of storage of each round of paddy.
- d. In the case of lessee rice mills, the maximum paddy that can be allotted would be 80% of the norms for the owner millers with or without cash security. However if a lessee rice miller who has completed the entire work of custom milling (100%) by 31st of



March 2012 would be allotted paddy as per his entitlement without any cut as given in the norm in KMS 2012-13.

- e. Subject to the availability of paddy with any agency at a permanent milling centre, following will be the norms for allocation/storage of paddy during the KMS 2012-13. But in the case of rice mills installed under the long term custom milling policy, the department would allot paddy to such mills as per the norms as provided in the long term policy of the Government:-

Per tonne allocation should be raised and limitation should be upto 10 MT –

| <b>Sr. No.</b> | <b>Capacity of the rice mill</b> | <b>Amount of bank guarantee to be deposited (Fig. in Rs.)</b> | <b>Maximum Paddy to be allotted without cash security</b> | <b>Maximum Paddy to be allotted against cash security</b> |
|----------------|----------------------------------|---|---|---|
| 1              | 1 MT                             | 30 lacs   | 3000 MT   | 800 MT  |
| 2              | 2 MT                             | 50 lacs   | 5000 MT   | 1600 MT   |
| 3              | 3 MT                             | 70 lacs   | 7000 MT   | 2400 MT   |
| 4              | 4 MT                             | 90 lacs   | 9000 MT   | 3200 MT   |
| 5              | 5 MT                             | 1 crore   | 10000 MT  | 4000 MT   |
| 6              | 6 MT                             | 1.25 crore  | 12000 MT  | 4800 MT   |
| 7              | 7 MT                             | 1.40 crore  | 14000 MT  | 5500 MT   |
| 8              | 8 MT                             | 1.60 crore  | 16000 MT  | 6400 MT   |
| 9              | 9 MT                             | 1.80 crore  | 18000 MT  | 7000 MT   |
| 10             | 10 MT & above                    | 2 crore   | 20000 MT  | 7500 MT   |

- f. Based on the past performance, a rice miller who has completed custom milling work of KMS 2011-12 by 31<sup>st</sup> March, 2012 would be given 25% more paddy for custom milling per rice mill over and above his entitlement as per the norms. Similarly, the rice mills which have completed custom milling work by 30-04-2012, 31-05-2012, 30-06-2012 and 31-07-2012 would be given 20%, 15% 10% and 5% more paddy respectively for custom milling per rice mill over and above his entitlement as per the norms. This will be an option, not mandatory for the above said categories of mills.
- g. The eligible Mills who have delivered 70% and above but less than 100% of CMR of KMS 2011-12 shall be allotted paddy in KMS 2012-13 as per the following norms:-



|  |  |
|--|--|
| <b><i>Milling between 70% to 79%</i></b> | <b><i>70% of the norms for KMS 2012-13</i></b> |
| <b><i>Milling between 80% to 89%</i></b> | <b><i>80% of the norms for KMS 2012-13</i></b> |
| <b><i>Milling between 90% to 99%</i></b> | <b><i>90% of the norms for KMS 2012-13</i></b> |

- h. For the units from where paddy was shifted by the millers/ agency in KMS 2011-12, the quantity of shifted paddy would be deducted from the maximum paddy to be allotted to that mill without cash security.
- i. The allotted rice mills shall enter into an agreement with the concerned agency by 30.09.2012 and complete all other formalities in this regard, failing which the allotment shall be liable to be cancelled. Signatory to the agreement must be authorized by the owners/partners/ Directors through a legally executed document in his favour. However, the overall responsibility would still rest with the owner rice miller. In any case no paddy will be stored with the miller till he executes the agreement and signs the necessary documents. A set of documents will be sent by the concerned DFSC/District Manager to his Head Office. The power of attorney to run a rice mill can be given only to the share-holder or partner of a rice mill and not to any third person who is in no way connected with the rice mill.

The agreement to be executed by the rice millers shall be made in four original copies. One copy each shall be retained by Managing Director, Deputy Director (Field), District Manager of the concerned agency and the concerned rice miller.

Signatory to the agreement shall be authorized by the partners/directors in the partnership deed or otherwise all partners should sign the agreement. No GPA shall be entertained for signing the agreement.

- j. Security amount of Rupees One lac fifty thousand per tonne milling capacity by way of Demand Draft shall have to be deposited by the rice mills. Demand Draft should be in the favour of Managing Director of the concerned agency. It should reach Head Office of the respective agency by 30.09.2012. No paddy shall be stored in a rice mill which does not deposit the requisite security amount.

For depositing the above mentioned security, the mills allotted to Pungrain shall collect pre-printed HDFC Security Deposit Slip from the District Manager, Pungrain. Duly filled



slip will be got checked and signed from the District Manager, Pungrain before deposit with any branch of HDFC Bank.

- k. The paddy stocks shall remain in joint custody of the rice miller and the staffs of procuring agency till its conversion into rice and delivery of rice to central pool. The agency concerned and the rice miller will be jointly responsible for quantity and quality of paddy stocks stored in joint custody.
- l. For the purpose of milling of paddy, stocks shall be issued against advance rice by the staff of procuring agencies in lots of 200 tonnes (two stacks) each through a release order and that paddy issued/received without a proper release order shall be treated as a serious lapse. The next lot of paddy for milling should be issued only after the resultant rice of previous lot has been delivered to FCI, and the acceptance note and weight check memo have been received and uploaded on the website as required. The agency shall keep a proper record of issuance of release orders of paddy.
- m. In case the miller lifts the paddy without R.O. or unauthorisedly converts it into rice, it shall tantamount to defalcation and the department may take any action against the miller. The miller will be liable to pay the interest @ 13% per annum for the value of paddy for the duration of defalcation.

However, the millers who complete their milling within the extended period of milling are exempted from this clause.

- n. Rice millers shall submit Sale Bills to the concerned agency within 7 days of the delivery of rice.
- o. Each rice mill shall maintain the Stock Registers which should be duly authenticated/verified by the concerned staff (Inspector/AFSO).

15. **PAYMENT OF MILLING CHARGES:-**

The rice millers shall be paid milling charges for custom milling of paddy as fixed by the Government of India. However, all by-products viz. broken rice, rice kani (rice husk and rice bran etc.) shall be the property of the rice miller. The rice miller will be bound to follow any change in the policy made by the Government of India or the State Government from time to time.

16. **OUT-TURN RATIO:-**The out-turn ratio fixed by the Government of India as applicable shall be as follows: -

- a) 67% for raw rice.
- b) 68% for par-boiled rice.

17. **Services to be provided by the miller:-**

- a) Drying of paddy stocks.
- b) Katai of paddy bags before de husking.
- c) De-husking of paddy stocks.
- d) Filling up of bags of rice prior to dara making.
- e) Dara making of rice bags and filling/sewing of bags with double line machine Stitching.
- f) Delivery of acceptance notes, weight-check memos and other relevant documents for claiming payment from the Food Corporation of India and uploading them on website as directed by the Government from time to time.
- g) Miller shall stitch a raxin slip/canvas slip with each bag, bearing name of the mill/Centre/District/ category of rice/ net weight/ contract no./ crop year on the bags.
- h) The miller shall be responsible for maintaining the quality and quantity of the paddy/rice stocks till the delivery of rice to FCI.

18. **DELIVERY OF RICE:-** The miller shall utilize the milling capacity strictly on the basis of paddy stocks stored by the Government agency and paddy purchased by the miller in his account.

- a) Delivery of custom milled/levy rice shall start immediately i.e. from the commencement of Kharif Marketing Season 2012-13.
- b) The rice millers should deliver levy/custom milled rice proportionately.
- c) Time schedule for the delivery of custom milled rice will be as under :-

| <b><u>Month</u></b>          | <b><u>Percentage of delivery</u></b> |
|------------------------------|--------------------------------------|
| <b><i>November, 2012</i></b> | <b><i>10%</i></b>                    |
| <b><i>December, 2012</i></b> | <b><i>25%</i></b>                    |
| <b><i>January, 2013</i></b>  | <b><i>25%</i></b>                    |
| <b><i>February, 2013</i></b> | <b><i>20%</i></b>                    |
| <b><i>March, 2013</i></b>    | <b><i>20%</i></b>                    |

- d) Any rice miller who delivers the rice after the stipulated date of 31st March, 2013 shall be charged interest at the RBI's Food credit rate i.e., 13% at present w.e.f. 01-04-2013, till the date of delivery.
- e) If the miller fails to complete his milling even by extended date allowed by the Government of India, he shall be required to pay the acquisition cost of paddy (MSP + Taxes + cost of bag + Transportation) and interest @13% to be charged from 01-12-



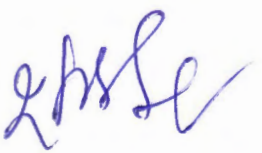
2012 till the time he clears the dues. He shall not be paid any milling charges for the undelivered stocks.

- f) In case a miller causes any loss to the stored paddy stocks because of misappropriation, theft etc. or if the rice manufactured by him does not conform to the specifications, or if he fails to deliver the rice by the due date, he will be liable to make good the entire loss at value of intended custom milled rice and interest at 13% from the date it becomes due till the date of actual realization.
- g) The rice miller shall be required to manufacture rice as per specifications laid down by the Govt. of India and deliver the same to FCI at its depots. The transportation/incidental charges, if any, shall be paid in accordance with the instructions issued by the Govt. of India from time to time.
- h) The liability of quality cuts on rice, if any, shall be that of the miller.
- i) The rice miller shall deliver rice to the central pool in 50 kg bags (B-twill gunny bags). The cost of surplus gunny bags retained by the millers used for packing of paddy would be realized from the millers at the rates fixed by the Govt. of India/State Govt. or under the instructions issued from time to time.
- j) In case a rice miller fails to deliver the custom milled rice of Kharif 2012-13 season to the agency as per the stipulated schedule and the agency has to shift the paddy stocks, it would be done at the risk and cost of the miller concerned after giving him due notice for this purpose.
- k) That the material (tarpaulins etc.) which shall be supplied by the procurement agencies to the Rice Mills for proper storage of paddy must be returned to the agency concerned after the completion of process of paddy and in case the miller fails to return the same, then the procuring agency is bound to claim its costs along with compound interest @ 21% per annum.
- l) The delivery of rice shall be deemed to have been completed by the miller after the stocks are loaded into wagons and delivered into the Godowns of Food Corporation of India as per directions of the authorized responsible official of the agency after necessary weighment/ inspection and approval of the quantity/quality in accordance with the prescribed procedure of the State Government at the cost of the miller. It shall be the responsibility of the miller to supply "Acceptance note", weight



check memo and all other relevant documents to the concerned agency within 7 days of delivery of rice for claiming payment from FCI, failing which the release order for due quantity of paddy shall not be issued.

19. All the disputes and difference arising out whatsoever shall be referred to the sole arbitration of the concerned Managing Director or any person appointed by him in this behalf. There shall be no objection to any such appointment by the miller that the person appointed is or was an employee of the concerned agency or that he had to deal with the matters to which the contract relates and that in the course of his duties such an employee of the concerned agency had expressed views on all or any of the matters in disputes or difference. The award of such arbitration shall be final and binding on the parties to this contract. It is a term of this contract that in the event of the arbitrator being transferred, or vacating his office or being unable to act for any reason, the Managing Director concerned at the time of such transfer, vacation of office, death or inability shall appoint another person to act as arbitrator. Such a person shall be entitled to proceed with reference from the stage where it was left by his predecessor. However, there shall be no objection to any such appointment by the miller concerned.
20. In case of any embezzlement/loss of paddy/rice etc. the State agency will be at liberty to launch criminal proceedings against the concerned miller for recovery of Government dues, besides availing other legal remedies against the miller in accordance with law.
21. No rice miller will pledge the paddy belonging to the State procuring agencies with the banks for availing cash credit limit for his business transactions. A consolidated list of rice mills along with allotted and stored paddy would be supplied to the lead banks. If any miller indulges in this malpractice, he will be immediately black listed and the stocks of paddy/rice shall be lifted from his mill to other mills at his risk and cost.



Commissioner, Food, Civil Supplies and  
Consumer Affairs, Punjab.



### AGREEMENT

This Agreement is made this \_\_\_\_\_(day) of \_\_\_\_\_(month) of the Two Thousand Twelve between the District Food and Supplies Controller/District Manager (hereinafter called the Government/ agency) on behalf of Governor of Punjab which expression includes its successors and assignees of the one part and M/s \_\_\_\_\_(hereinafter called the miller which expression shall, include their successors/legal heirs and permitted assignees) the other part.

Whereas the Government/Agency is desirous of having paddy milled into rice from the miller as per various clauses of the Punjab Rice Procurement (Levy) Order, 1983 as amended from time to time and the miller agrees to mill paddy on the terms and conditions hereinafter contained :-

Now, therefore, it is hereby agreed and declared by and between the parties that:-

1. The miller shall not undertake custom milling of paddy of any other Government agency /FCI or of any other person or of any concern unless and until he completely delivers rice processed out of paddy duly allotted by the State Government.
  - i) The miller shall utilize entire milling capacity strictly on the basis of paddy stocks stored by Govt. agency and purchased by the miller in his account.
  - ii) The miller shall not get the electricity connection of his mill disconnected till completion of milling of contracted paddy.
2. The quantity of paddy stored in the rice mill will be as per the final receipt (attached) on completion of storage of paddy, which will be jointly signed by the rice miller, and the District Manager of the concerned agency.
3. The miller shall keep the record of custom milling of paddy in the following Performa and shall submit fortnightly report to the District Food & Supplies Controller/concerned agency which will be up-dated at the time of receipt of additional paddy if any, for custom milling and of the delivery of each consignment of rice to the Central Pool.

*gmsl*

|                              |   |   |
|------------------------------|---|---|
| <u>1</u>                     | <u>2</u>  | <u>3</u>  |
| <u>Name of agency</u>        | <u>Name of the storage centre</u>                             | <u>Variety of paddy</u>                           |
| <u>4</u>                     | <u>5</u>  | <u>6</u>  |
| Stocks of paddy              | Qty. Of Paddy issued out of Col.4 by Govt./Agency for Milling | Out-turn ratio for conversion of paddy into rice. |
| <u>Bags Weight in Qtls.</u>  | <u>Bags Weight in Qtls.</u>                                   | <u>Raw</u> <u>Par-boiled</u>                      |
| <u>7</u>                     | <u>8</u>  | <u>9</u>  |
| <u>Milling Rate</u>          | <u>Qty. of paddy milled</u>                                   | <u>Balance un-milled paddy</u>                    |
| <u>Raw</u> <u>Par-boiled</u> | <u>Bags Weight in Qtls.</u>                                   | <u>Bags Weight in Qtls.</u>                       |
| <u>10</u>                    | <u>11</u>   |   |
| Signature of the miller      | Signature of Inspecting Authority Centre                      |   |
| With date.                   | In-charge-with date.  |   |
| (NAME IN CAPITAL LETTERS)    | (NAME IN CAPITAL LETTERS)                                     |   |

4. The miller shall undertake shelling of paddy at the rates fixed by the Government of India from time to time and provide services as per details given below: -

- i) Drying of paddy
- ii) Katai of paddy bags before dehusking.
- iii) Dehusking of paddy.
- iv) Filling of bags of rice prior to dara-making.
- v) Dara making of rice bags and filling/sewing of bags with double line machine stitching.
- vi) Transportation of milled rice to FSD and loading into trucks, inspection, weighment and sampling as per directions of the Government. Transportation of milled rice to the storage point of the Government and FCI including those of CWC/SWC/hired godowns as per directions of the Government, unloading of trucks and delivery after inspection would be done as per the directions of the

*gbsl*



- Government. Weighment, sampling at scale point would be at the cost of the miller.
- vii) Deliveries of Acceptance Note, weight check Memo and other relevant documents for claiming payment from FCI.
  - viii) The miller shall be paid for the services not included in the milling charges, at the rates notified by the Govt. of India.
  - ix) The miller shall stitch a raxin slip/canvas slip with each bag, bearing name of the mill, center, district, state, contract No. , category of rice, net weight crop year.
5. The delivery of paddy shall be made on book weight to the millers. In case paddy is delivered from storage depot of the procuring agency, it will be transported by the miller at his cost. Paddy will be in the joint custody of the agency and the miller, till its milling is completed and rice delivered to Food Corporation of India.
6. The miller shall be responsible for the safe custody of paddy stocks(both quantity and quality) till the delivery of rice as per out-turn ratio fixed by the Government of India.
7. The miller shall ensure that :-  
The resultant rice after milling of paddy is aerated for 72 hours before its filling in bags.  
The degree of polish given to rice shall be 5%.
8. The by-products viz. broken rice, rice kani, phuk (rice husk) etc. obtained during the manufacture of rice shall be the property of the miller and the Government/Procuring Agency shall have no right or responsibility in this regard.
9. At the time of delivery, the stocks of rice shall be subject to the inspection as per provisions of the Punjab Rice Procurement (Levy) Order, 1983. Any quality allowance determined at the time of inspection according to the specifications shall be recovered from the miller's bills.
10. The entire quantity of rice of all varieties delivered by the miller to the Government/Agency shall conform to the specifications laid down in the Punjab Rice Procurement (Levy) Order, 1983, as amended from time to time or in any other order or notification issued by the Govt. of India/State Government from time to time. The stocks of rice not conforming to the specifications so laid down shall be liable to be rejected. The miller shall be required to manufacture rice as per specifications laid down by the Government of India and deliver the same to the Food Corporation of India, at its depots by 31.03.2013.

*gms*



11. The miller shall deliver rice on the total quantity of paddy stored with him, at regular intervals, not later than 31-03-2013. The miller shall ensure milling of paddy and delivery of rice as per the following schedule: -

| <b><u>Month</u></b>          | <b><u>Percentage of Delivery</u></b> |
|------------------------------|--------------------------------------|
| <b><i>November, 2012</i></b> | <b><i>10%</i></b>                    |
| <b><i>December, 2012</i></b> | <b><i>25%</i></b>                    |
| <b><i>January, 2013</i></b>  | <b><i>25%</i></b>                    |
| <b><i>February, 2013</i></b> | <b><i>20%</i></b>                    |
| <b><i>March, 2013</i></b>    | <b><i>20%</i></b>                    |

Any penalty, if any, imposed by the Government of India on the State agencies due to delayed/non-delivery of rice, will have to be paid by the rice miller.

12. (a) A lessee rice mill who fails to complete the milling operations before the expiry of his lease period, he shall extend the lease period of his mill till the completion of milling operations.
- b) Any rice miller who delivers the rice after the stipulated date of 31st March, 2013 will have to pay interest at Food Credit rates of RBI, which is 13% at present w.e.f. 01-04-2013 till the time he deliver the balance CMR.
- c) If the miller fails to complete his milling even by extended date allowed by the Government of India, he shall be required to pay the acquisition cost of paddy (MSP+ Taxes+ cost of bag+ Transportation) and interest @13% to be charged from 1-12-2012 till the time he clears the dues.
- d) In case a miller causes any loss to the stored paddy stocks because of misappropriation, theft etc. or if the rice manufactured by him does not conform to the specifications, or if he fails to deliver the rice by the due date, he will be liable to make good the entire loss at value of intended custom milled rice and interest at 13% from the date it becomes due till the date of actual realization.
- e) In such an eventuality the State agency shall be at liberty to launch criminal proceedings against the concerned miller for recovery of Government dues, besides availing other legal remedies against the miller in accordance with law.

*gise*



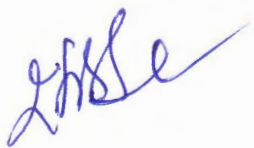
13. No miller shall mill paddy of the agency other than the one allotted to him. In case he does so, he will be black listed and the paddy stocks will be lifted from his premises at his risk and cost.
14. Miller shall deposit security amount of Rupees One lac fifty thousand per tonne milling capacity by way of Demand Draft. Demand Draft should be in the favour of Managing Director of the concerned agency. No paddy shall be stored in a rice mill which does not deposit the requisite security amount. The security deposited shall not carry any interest at the time of refund or adjustment.

For depositing the above mentioned security, the mills allotted to Pungrain shall collect pre-printed HDFC Security Deposit Slip from the District Manager, Pungrain. Duly filled slip will be got checked and signed from the District Manager, Pungrain before deposit with any branch of HDFC Bank.

15. A minimum of 150 M.Ts. of paddy is required to be purchased by the miller in his own account or he should deposit an amount of Rs.5.00 lac. The Rice Millers will collect pre-printed HDFC Security Deposit Slip from the District Manager, Pungrain. Duly filled slip will be got checked and signed from the District Manager, Pungrain before deposit with any branch of HDFC Bank, even if the paddy relates to any procuring agency.
16. In case the miller fails or neglects to observe or perform any of his obligations under the contract, it shall be lawful for the Government/Agency to forfeit the security after granting due opportunity and get the work executed at the miller's risk and cost. In case of any recovery/dues, loss or damage to any Government/Agency property, any extra expenditure incurred or damages suffered by the Government/Agency it shall be made good from the amount of security deposit furnished by the miller or in any other manner;

Provided that if the losses or damages exceed the amount of security deposit, Government/Agency shall be within its right to recover the same in accordance with law.

Provided further that if the miller performs and completes the contracts in all respects and presents a "No Due Certificate" from any official nominated by the Government/Agency for the purpose, security deposited would be refunded without interest.





17. The Government/agency do not guarantee any definite volume of work relating to shelling of paddy at any time or through out the period of contract. The mere mention of any type of work in this contract shall not by itself confer a right on the miller to demand that work relating to shelling of paddy at a particular centre/ mandi should necessarily or exclusively be entrusted to him.
18. That the material (tarpaulins) etc. which will be supplied by the procurement agencies to the Rice Mills for proper storage of paddy must be returned to the agency concerned after the completion of process of paddy and in case the miller fails to return the same then the procuring agency is bound to claim its costs along with compounded interest @ 21% per annum.
19. The issuance/ lifting of paddy and delivery of rice by miller will be regulated as under:-
- i) The miller shall obtain the contract numbers from the <https://www.riceexchange.com> as per the directions of the Govt. Miller will not fudge any figure related with the custom milling or levy for taking undue benefit. If found guilty will be punished in accordance with law.
  - ii) The miller shall be required to lift paddy stocks from the storage point or any other place as mentioned in the release orders within 7 days of issue of release orders.
  - iii) For the purpose of milling of paddy, stocks will be issued by the staff of procuring agencies in lots of 200 tonnes (two stacks) each through a release order and that paddy issued / received without a proper release order shall be treated as a serious lapse. The next lot of paddy for milling should be issued only after the resultant rice of previous lot has been delivered to FCI, and the Acceptance Note has been received. The agency shall keep a proper record of issuance of release orders of paddy.
  - iv) The miller shall not mill paddy without issuance of proper release order. The stock of paddy milled without proper release order would be considered as serious lapse and such conversion would be treated as unauthorized conversion.
20. The delivery of rice shall be deemed to have been completed by the miller after the stocks are loaded into wagons and delivered into the Godowns as per directions of the authorized responsible official of the agency after necessary weighment/inspection and approval of the quantity in

20/8/16



accordance with the prescribed procedure of the State Government at the cost of the miller. It will be the responsibility of the miller to supply "Acceptance note", weight check memo and all other relevant documents to the concerned agency within 7 days of delivery of rice for claiming payment from FCI, failing which the release order for the quantity of paddy shall not be issued

21. (a) Entire rice shall be supplied by the rice miller in once used 50 kg. Gunny bags to be made available by the agency to the miller. The rice shall be packed in standard size, double lines machine stitched bags. The rice miller shall keep proper account of all gunny bags. The bags found surplus after the filling of rice shall be retained by the miller and the cost thereof shall be paid by the miller to the Government at the rate to be fixed by the Govt. of India/State Govt. from time to time.
- (b) Each miller will be bound by the decision/policy of Government of India /State Government regarding the use of once-used gunny bags for filling of paddy in KMS 2012-13 issued by the Government from time to time.
22. Miller will arrange wooden crates at his own level for the storage of custom milled paddy of the agency allotted to him.
23. The contract shall come into force with effect from the date of execution of this agreement and shall remain in force up to 30.9.2013 or clearance of dues whichever is later. Thereafter, it may be extended at the discretion of the Managing Director for a further period on the same terms and conditions. The Managing Director however, reserves the right:-
- (a) To terminate the agreement with the miller for shelling of paddy into rice at any time during its currency without assigning any reason. In that event, the miller shall render complete accounts of paddy, rice and gunny bags to the Government/Agency in his custody and also return the stocks as per direction of the Government/Agency.
- (b) To withdraw from the contract, at any time, any milling work in respect of whole or part of the stocks covered by the contract not yet lifted by the miller, if he considers it necessary to do so at the risk and cost of miller.

*21/8/13*



24. The miller shall, so long as required by the Government / Agency during the period of this agreement, deploy whole of his mill for custom milling of paddy under this agreement and shall not carry on any work except milling of his own paddy. If the miller wants to undertake milling of paddy on private basis of any other agency other than allotted he shall have to obtain the prior permission of the Commissioner, Food, Civil Supplies and Consumer Affairs, Punjab in writing, otherwise serious action shall be taken.
25. The miller must submit "fortnightly" bills in the prescribed Performa to the agency within seven days of the close of the fortnight to which the bill pertains and such bill shall be supported by the following documents:-

A balance sheet in triplicate prepared by the millers to show the balance of paddy and rice brought forward from the previous fortnight or the quantity of paddy received during the fortnight the quantity of paddy milled and products obtained there from during the fortnight and the balance of paddy and rice in stocks on the last day of fortnight for which the bills are prepared. The payment of all such bills will be made by the agency concerned after the completion of all milling operations.

26. The rice miller will not pledge the paddy of the State agencies with the commercial banks for availing cash credit limit. If he indulges in this malpractice, he will be immediately black listed and the stocks of paddy/rice shall be lifted from his mill to other mills at his risk and cost.
27. All the disputes and differences arising out of or in any manner touching or concerning this agreement whatsoever shall be referred to the sole arbitrator of the Managing Director or any person appointed by him in this behalf. There will be no objection to any such appointment that the person appointed is or was an employee of Food and Supplies Department, Punjab/Agency or that he had to deal with the matter to which the contract relates and that in the course of his duties such an employee of the Food Civil Supplies & Consumer Affairs Department, Punjab/Agency had expressed views on all or any of the matter in dispute or difference. The award of such arbitration shall be final and binding on the parties to this contract. It is a term of this contract that in the event of the arbitrator being transferred or vacating his office or being unable to act for any reason, the Managing Director at the time of such transfer, vacation of office, death or inability shall



appoint another person to act as arbitrator. Such a person shall be entitled to proceed with reference from and the stage where it was left by his predecessor.

In witness thereof the parties hereto have signed this agreement on the day and year first above written.

Government / Agency For and on behalf of the Governor of Punjab

Signature of Miller

Signature of District Manager

Witness:1. \_\_\_\_\_  
(Name in Capital Letters)

2. \_\_\_\_\_  
(Name in Capital Letters)

Millers M/s \_\_\_\_\_

1. \_\_\_\_\_  
(Name in Capital Letters)

2. \_\_\_\_\_  
(Name in Capital Letters)

2/11/12

**ANNEXURE 1****PROFORMA-I****(As required vide 6(e) of Kharif 2012-2013 policy)**

| Name of Mill | Whether the Miller has to delivered rice of previous crops, if yes, give detail. | Whether a criminal case is pending against the party. | If defaulter, the names of Partners | Whether the owner/ partner of this rice mill is/was partner/ owner of any other defaulter mill. |
|--------------|--|---|-------------------------------------|---|
| 1            | 2  | 3   | 4                                   | 5   |

SIGNATURE OF THE CONCERNED  
DISTRICT MANAGER

26/8/12



ANNEXURE II

PROFORMA -II

(As required vide 6 (e) of Kharif 2012-13 policy)

LIST OF DEFAULTER RICE MILLS YEAR WISE:

| Name of the Defaulter Rice Mill | If Leases then name of the owner Party | Whether the guarantee taken from owner party | Kind of Default |     |        | Whether the owner/ partner of this rice mill is/ was partner/ owner of any other defaulter mill. |
|---------------------------------|--|--|-----------------|-----|--------|--|
| 1                               | 2                                      | 3  | 4               |     |        | 5  |
|                                 |  |  | Year            | Qty | Amount |  |

SIGNATURE OF THE CONCERNED DISTRICT MANAGER

*[Handwritten Signature]*

Annexure III

**REGD.NO.**  
**PROFORMA - III**

1. Name /Location of the Mill
2. Correspondence Address
3. Permanent address
4. Details of the partners and their addresses (Separately for each partner)
5. PAN No. of all partners (Photo copies to be supplied)
6. Capacity of the rice mill (along-with details of machinery) and whether the mill is raw or par-boiled rice mill
7. Income Tax Returns for last five years (Individually of partners, owners/ lessee)
8. Connected load of the rice mill
9. Pollution Certificate No. and its validity.
10. Details of liabilities, whether a partner/owner/lessee of a defaulter rice mill (Give affidavit)
11. Proof of electricity connection in the name of the mill (copy of the latest bill be enclosed)
12. If lessee, a No Due Certificate from the Owner be produced on a Stamp Paper worth Rs.100/- (To be attested by Executive Magistrate)
13. Copy of Lease Deed/Agreement
14. If a new rice mill, copy of Registration documents /Bills of the machinery installed and attested copy of the approved map of the rice mill
15. If a new rice mill, a certificate from PSEB that the electricity connection is functional
16. Whether the mill is in litigation with any agency, if yes, give details thereof
17. Whether the owner has stood guarantee for the lessee or not.
18. Whether additional guarantee has been taken or not.
19. Entitlement of paddy to be stored / allocated or delivered as per policy.
20. Quantity of paddy shifted, if any, from this mill in KMS 2011-12.

*gssfe*



**Annexure IV****ਬਿਆਨ ਹਲਫੀਆ**

ਮੈਂ/ਅਸੀਂ ----- ਹੋਰ ਵਾਸੀ----- ਦੇ ਹਾਂ ਅਤੇ ਹੇਠ

ਲਿਖੇ ਅਨੁਸਾਰ ਬਿਆਨ ਕਰਦੇ ਹਾਂ:-

1. ਮੈਂ/ਅਸੀਂ ਹਲਫ ਨਾਲ ਬਿਆਨ ਕਰਦਾ/ਕਰਦੇ ਹਾਂ ਕਿ ਅਸੀਂ ਆਪਣਾ ਸੈਲਰ-----  
-----, ਮਿਤੀ -----ਤੋਂ -----ਤੱਕ ਮੈਸ:-----  
--ਨੂੰ ਜੀਰੀ ਦੀ ਮਿਲਿੰਗ ਲਈ ਲੀਜ ਤੇ ਦਿੱਤਾ ਹੈ।
2. ਮੈਂ/ਅਸੀਂ ਹਲਫ ਨਾਲ ਬਿਆਨ ਕਰਦਾ/ਕਰਦੇ ਹਾਂ ਕਿ ਮੇਰੀ/ਸਾਡੀ ਲੀਜੀ ਪਾਰਟੀ - ਮੈਸ:-----  
-----ਰਾਈਸ ਮਿੱਲ ਉਕਤ ਸਮੇਂ ਦੌਰਾਨ ਪੰਜਾਬ ਸਰਕਾਰ ਜਾਂ ਭਾਰਤ ਸਰਕਾਰ ਦੀ ਕਿਸੇ  
ਵੀ ਖਰੀਦ ਏਜੰਸੀ ਭਾਵ ਪਨਗਰੇਨ, ਪਨਸਪ, ਮਾਰਕਫੈਡ ਪੰਜਾਬ ਰਾਜ ਗੁਦਾਮ ਨਿਗਮ, ਪੰਜਾਬ ਐਗਰੋ  
ਜਾਂ ਐਫ.ਸੀ.ਆਈ. ਨਾਲ ਪੈਡੀ ਮਿਲਿੰਗ ਸੀਜਨ 2012-13 ਨਾਲ ਸਬੰਧਤ ਮਿਲਿੰਗ ਦਾ ਕੋਈ  
ਕਾਰੋਬਾਰ ਕਰੇਗੀ ਅਤੇ ਜੇਕਰ ਇਸ ਸੀਜਨ ਦਾ ਸਾਡੀ ਲੀਜੀ ਪਾਰਟੀ ਮੈਸ:-----  
-----ਵਲੋਂ ਜੇਕਰ ਕਿਸੇ ਵੀ ਏਜੰਸੀ ਦਾ ਕੋਈ ਵੀ ਬਕਾਇਆ ਝੋਨੇ, ਚਾਵਲ, ਸਟਾਕ  
ਆਰਟੀਕਲਜ਼ ਜਾਂ ਹੋਰ ਕਿਸੇ ਵੀ ਦੇਣਦਾਰੀ ਸਬੰਧੀ ਨਿਕਲੇਗਾ ਤਾਂ ਮੇਰੀ/ਸਾਡੀ ਫਰਮ ਮੈਸ:-----  
-----ਰਾਈਸ ਮਿੱਲ ਉਸ ਦੀ ਹਰ ਪੱਖੋਂ ਅਦਾਇਗੀ ਦੀ ਜ਼ਿੰਮੇਵਾਰੀ ਹੋਵੇਗੀ।
3. ਹਲਫ ਨਾਲ ਬਿਆਨ ਕਰਦਾ/ਕਰਦੇ ਹਾਂ ਕਿ ਮੇਰੀ/ਸਾਡੀ ਲੀਜੀ ਪਾਰਟੀ ਮੈਸ:-----  
----- ਰਾਈਸ ਮਿੱਲ ਵਲੋਂ ਜੇਕਰ ਸਾਲ 2012-13 ਦੌਰਾਨ ਸਰਕਾਰ ਵੱਲ  
ਬਣਦੀ ਲੈਵੀ ਚਾਵਲਾਂ ਦੀ ਅਦਾਇਗੀ ਵਿੱਚ ਵੀ ਕੋਈ ਬਕਾਇਆ ਰਹਿੰਦਾ ਹੈ ਤਾਂ ਮੇਰੀ/ਸਾਡੀ ਫਰਮ  
ਉਸਦੀ ਵੀ ਪੂਰੀ ਜ਼ਿੰਮੇਵਾਰ ਹੋਵੇਗੀ।
4. ਹਲਫ ਨਾਲ ਬਿਆਨ ਕਰਦਾ/ਕਰਦੇ ਹਾਂ ਕਿ ਮੈਂ/ਅਸੀਂ ਹਰ ਪੱਖੋਂ ਪੂਰੀ ਗਾਰੰਟੀ ਲੈਂਦਾ/ਲੈਂਦੇ ਹਾਂ ਕਿ  
ਝੋਨਾ/ਮਿਲਿੰਗ ਸੀਜਨ 2012-13 ਦੌਰਾਨ ਮੇਰੀ/ਸਾਡੀ ਲੀਜੀ ਪਾਰਟੀ ਮੈਸ:-----  
-----ਰਾਈਸ ਮਿੱਲ ਕੀਤੇ ਹਰ ਕੰਮ ਅਤੇ ਬਕਾਏ ਦੇ ਅਸੀਂ ਸਰਕਾਰ ਅਤੇ ਉਸ ਦੀਆਂ ਏਜੰਸੀਆਂ  
ਪ੍ਰਤੀ ਪੂਰੀ ਤਰ੍ਹਾਂ ਜ਼ਿੰਮੇਵਾਰ ਹੋਵਾਂਗਾ/ਹੋਵਾਂਗੇ।

*20/11/13*

**Annexure V****SURETY BOND**

This surety bond is being executed by M/S ..... (name of the miller with his detail status if it is partnership firm, company or individual and in case by partnership firm if the partner is competent to execute the surety bond on behalf of the firm along with its documentary proof in favour of) ..... {Name of procuring agency on behalf of} ..... {Name of the miller lessee on this day of..... at .....

Whereas the lessee ..... {Namely} has taken on lease the rice mill constructed on a land situated ..... {Give particulars} vide lease deed no. .... Dated ..... from ..... {Name of the owner} for a period arranging from ..... To .....

Whereas the lessee is bound to furnish surety as per scheme for custom milling of Kharif 2012-2013 paddy duly framed by Punjab Govt. of the rice miller who owns the rice mill.

Whereas the surety is an owner of the rice mill duly constructed on a land situated in \_\_\_\_\_ in revenue limits \_\_\_\_\_.(as per schedule given below)

Whereas the owner of the rice miller has stood the guarantee on behalf of lessee to the procuring agency on following terms and conditions:-

- a) That the owner binds himself that in case the lessee defaults in returning the custom milling rice to the procuring agency or any other amount found due towards him to the procuring agency, in that case he is bound to discharge all the losses to be determined by the procuring agency within 15 days of the receipt of notice.
- b) That till the amount so determined is not paid either by the lessee or by the owner, that the said amount will also include all the losses like quality cuts, cost of gunnies, paddy, rice, dead stock article etc. from the date of delivery of rice after milling, then the agency will have first charge over the said rice mill and the rice millers undertakes not to sell/transfer or create any charge over the same till it is fully discharged.
- c) That the agency will have first charge over the said rice mill owned by the owner and it will be only discharged after clearing all the liabilities by the lessor due towards the agency.

In witness whereof this guarantee is being executed on \_\_\_\_\_ day of \_\_\_\_\_ 2012 at \_\_\_\_\_

Witness :

Signature of Miller

1. \_\_\_\_\_

2. \_\_\_\_\_

*26/8/12*