

HARYANA STATE WAREHOUSING CORPORATION

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No. HSWC./Moong Proc./JTA-3/2020-21/40655-657

Dated: 12/10/2020

**The District Managers,
HSWC, Rewari, Fatehabad, and Sirsa.**

Subject: Guidelines regarding procurement of Moong at minimum support price (MSP) under the Price Support Scheme (PSS) of Govt. of India on behalf of Nafed during the Kharif Marketing Season 2020-21.

The procurement of Moong on Minimum Support Price (MSP) during the Kharif Marketing Season 2020-21 will be made strictly as per the amended Price Support Scheme issued by the Government of India to ensure that farmers get at least the price fixed by Govt. of India for their produce conforming to the Fair Average Quality (FAQ) specifications. With a view to have speedy disposal of arrivals of Moong in the mandis/ purchase centres and to make the procurement operations a success, all concerned are given the following information and guidelines :-

Procurement Period

As per the notification issued by the Agriculture Department vide No 3296-Agri.II-(I)-2019/18214 dated 26.12.2019, the procurement **period of Moong is from 01.10.2020 to 15.11.2020.**

Minimum Support Price (MSP)

The Government of India has fixed the minimum support price of the Moong conforming to the Fair Average Quality (FAQ) specifications at **Rs. 7196/- per qtl.** for the Kharif Marketing Season 2020-21.

Quantity of Procurement

The State Agriculture Department has conveyed vide memo No. 911-12 PA/ DGA dated 26.09.2020 that the Government of India has accorded approval of procurement of maximum 5825 MT Moong in the State of Haryana under PSS on behalf of Nafed. Further, as per decision taken in the meeting held on 03.09.2020 under the chairpersonship of the Chief Secretary to Govt Haryana, the above quantity of Moong will be procured jointly by both Hafed and HSWC as State Level Supporters of Nafed.

Fair Average Quality (FAQ) Specifications

Sr. No.	Special Characteristics	Maximum limits of tolerance (% by weight per qtl.)
1.	Foreign Matter	2
2.	Admixture	3
3.	Damaged Pulses	3
4.	Slightly damaged pulses	4
5.	Immature and Shrivelled pulses	3

6.	Weevilled Pulses	4
7.	Moisture	12

1. Foreign matters include dust, stones, lumps of earth, chaff husks stem, straw or any other impurity including non-edible seeds.
2. Admixture means any pulse other than the principal pulses.
3. Damaged pulses are those that are internally damaged or discoloured to such an extent that the damage or discolouration materially affects the quality of the pulses.
4. Slightly damaged pulses are those pulses that are superficially damaged or discoloured such damage or discolouration not materially affecting the quality of the pulses.
5. Immature & shrivelled pulses are those that are not properly developed.
6. Weevilled pulses are those pulses that the partially or wholly bored or eaten by weevil or other grain insects.

Limit of Purchase in one single day

As per Price Support Scheme guidelines, **only 25 quintal of Moong shall be purchased from one farmer in one day.**

Mode of Purchase and genuieness of the farmer

As per Price Support Scheme (PSS), the stocks shall be purchased through Cooperative Societies, from registered farmers. As per the decision taken in the meeting held on 03.09.2020 under the chairpersonship of the Chief Secretary to Govt. Haryana, the proceedings of which have been conveyed by the Director General, Agriculture and Farmers Welfare Department vide memo No. 693- 704/MO/2020 dated 15.09.2020, the procurement will be made only from the farmers who are registered on **“Meri Fasal Mera Byora’** portal.

Purchase Centres

The State Food Department has opened 20 mandis far the procurement of Moong during KMS 2020-21 vide memo No. RP-1-2020/15721 dated 09.09.2020. The details are as under:-

Sr. No.	Name of District	Name of Mandi	HSWC
1.	Bhiwani	Siwani	2,4,6
		Tosham	2,4,6
		Loharu	1,3,5
		Bhiwani	2,4,6
		Jui	2,4,6
		Behal	1,3,5
2	C. Dadri	C. Dadri	2,4,6
3.	Hisar	Hisar	1,3,5
		Hansi	2,4,6
		Barwala	1,3,5
		Adampur	2,4,6
4.	Fatehabad	Bhattu Kalan	2,4,6
		Fatehabad	1,3,5
5	Mohindergarh	Mohindergarh	2,4,6
		Ateli	1,3,5
6	Sirsa	Sirsa	2,4,6
		Ellenabad	1,3,5

		Dabwali	2,4,6
		Ding	1,3,5
		Kalanwali	2,4,6
	Total Mandis	20	

Average Yield

Based on the registered gross area of cultivation, a net of 2.07 quintal Moong per acre shall be procured at MSP. This Ceiling shall apply uniformly throughout the State. As per PSS guidelines, it must also be ensured that in a district, quantity of procurement does not exceed 25% of production of that commodity in the district and the procurement of produce is done from the farmers only. In case the variation in any district beyond +/-20%, specific reasons may also be recorded for higher procurement.

Packing Material

The already available B-Twill gunny bags meant for packing of 50 Kg, Wheat/Rice shall be used in packing of Moong to be procured under PSS. 50 Kg. net Moong will be packed in B-Twill gunny bag. Nafed shall reimburse the cost of gunnies to HSWC at the price at which these have been purchased by HSWC through the Jute Commissioner, Kolkata, as the case may be, plus all expenses.

Payment to Farmers

The payment to the farmers shall be released to their individual bank accounts through DIGITAL MODE within three days from actual delivery to the HSWC. It must be ensured that the payments have been made directly into the bank account of the farmer provided at the time of registration through online procurement support system integrated with bank(s). The bank account of one individual farmer shall not be used for making payments of other farmers. Only one payment will be made in a day in the account of an individual farmer and the said payment shall not exceed the Total limit of one day purchase.

In case un-cleaned Moong is brought by the registered farmer for sale to HSWC under PSS, the crop must be brought to the level of FAQ specifications by cleaning operations. Many times, the unloading process is also done by the Society on behalf of the farmer. In that case seller's expenses (as per HSAMB rates) may be recovered from the farmer by issuing proper receipt by the Society because full payment of MSP is transferred to the bank account of the farmer through online portal as per the PSS guidelines.

Display of Information

The procurement centres shall prominently display the MSP, operating hours and days, period of procurement, mode and time of payment to the farmers, etc. through banners on the shop of the Cooperative Marketing Society along with the following contact details:-

Name and Designation	Contact Information
Sh. A.K. Rath, COV, Nafed-Head Office, New Delhi	011-26343366 akrath@nafed-india.com
Sh. Sunil Kumar Danga, Nodal Officer Nafed-Chandigarh	099507-29458 nafchd@nafed-india.com

Storage of Procured Stocks

The procured stocks of Moong shall be stored in CWC/SWCs godowns within 50 km of the procurement centres, subject to availability of vacant space. It must be ensured that the stocks procured from the farmers, as per the prescribed quality and packing, are deposited at the CWC/SWCs godowns within five days of procurement.

Deposit of WHRs

Nafed releases funds only against submission of clean WHRs. Therefore, it must be ensured that clean WHRs are deposited with Nafed maximum within 5 days of deposit of stocks in the CWC/SWCs godowns, so that payment may be got released from the Nafed.

General Instructions

- I. The procurement is to be done strictly as per the amended PSS guidelines alongwith the surveyors of Nafed through the e-Kharid portal
- II. Help desk for the farmers must be established at each procurement centre to facilitate the farmers.
- III. The Secretary, Market Committee may be requested to use hand-held devices for making the entry of the farmer alongwith their produce in the concerned mandis/purchase centres and to automate the issue of gate passes. A copy of the entry gate pass issued by the Market Committee will be submitted by the farmer to the Marketing Society and then the bidding process will start.
- IV. The moisture meters, in proper working conditions, must be available with HSWC in each mandi at the society shop.
- V. J Form to the farmers and I Form/bill to the HSWC will be issued on daily basis by the Society itself.
- VI. Wide publicity through DIPROs for procurement of Moong as required in PSS may also be ensured.
- VII. The District Managers, HSWC shall ensure procurement of FAQ stocks, checking its weight and packing and will also ensure its timely lifting and storage in the warehouses on day-to-day basis.

- VIII. Nafed will depute its surveyor/inspector at the CWC/SWCs godowns, where the procured stocks are to be stored.
- IX. Nafed shall reimburse the funds to HSWC along with interest on all such funds at the bank borrowing rate of State Bank of India for foodgrains for the period from the date of payment by HSWC to the farmers to the date of reimbursement by Nafed.
- X. Nafed shall make payment of Service Charges to HSWC @ 2% of MSP, out of which, HSWC shall make payment to the Society @ 1% of the MSP.
- XI. A report on daily arrivals, progressive arrivals, day's purchases, progressive purchases, day's lifting and progressive lifting, number of farmers benefited in a day and the total number of farmers benefited and total number of villages covered must be submitted by each DM on the close of each day to HSWC Head Office (mst.hwc@hry.nic.com) and to the Branch Manager, Nafed, Panchkula (nafchd@nafed-india.com) on e-mail regularly.
- XII. The District Managers shall personally supervise and monitor entire operations of procurement in the mandis and shall remain in constant touch with the concerned Deputy Commissioner, wherever required and ensure successful implementation of the Price Support Scheme of the Government of India.

Encl. As above.

**MANAGER(S&T),
FOR MANAGING DIRECTOR, HSWC.**

Endst. No. HSWC/Tech/PP/Kharif-2020/

Dated:

A copy of the above is forwarded for information and necessary action to:

1. The Branch Manager, Nafed, Panchkula with the request to depute its representative(s)/surveyor(s)/inspector(s) for checking of stocks at the mandi level and at the storage points.
2. PS to Chairman/PA to M.D. for information of Chairman/ Managing Director.
3. Secretary, HSWC, Panchkula for information please.
4. Financial Adviser/ Senior Accounts Officer HSWC, Panchkula. He is requested to issue necessary guidelines to their Accountants posted at Distt. Offices concerned.
5. Manager (B), HSWC, Panchkula for information please.

**MANAGER(S&T)
For MANAGING DIRECTOR**

AGREEMENT*(TO BE EXECUTED ON A STAMP PAPER OF Rs.100/-)*

This agreement is made this _____ day of _____, 2019 between the **Managing Director, Haryana State Warehousing Corporation**, acting through Manager, State Ware House _____ and counter signed by the District Manager concerned as authorised vide Head Office letter No. HSWC/Tech./Milling Agreement/2015/13844-852, dated 15.4.2015, on the subject titled "**Delegation of Powers**" (hereinafter called "**the Haryana State Warehousing Corporation**" / "**First Party**" which expression shall unless repugnant to the context or meaning thereof include its successors and assigns) of the one part and _____ (hereinafter called "**the miller**" / "**Second Party**" which expression shall, unless repugnant to the context or meaning thereof, include its successors and assigns) of the other part:

IN RESPECT OF Whereas the "First Party" is desirous of having paddy milled into rice from the miller/ "Second Party" as per clause 10 of the Haryana Rice Procurement (Levy) Order, 1985, as amended from time to time and the miller/"Second Party" agrees to mill paddy on the terms and conditions hereinafter contained and the first party or Director, Food & Supplies, Haryana can also impose further terms and conditions under clause 10 of the Haryana Rice Procurement (Levy) Order, 1985, if need be;

Now, therefore, it is hereby agreed and declared by and between the parties as follows:

- (1) (i) The miller/Second Party agrees to custom mill the paddy of the **Haryana State Warehousing Corporation/ First Party** in accordance with the terms and conditions contained in this agreement.
- (ii) The miller/ Second Party agrees to dedicate minimum 40% or as required of its rated milling capacity for custom milling of the paddy of the **Haryana State Warehousing Corporation/First Party**.
- (iii) Till such time as the entire paddy provided to the miller/ Second Party by the **First Party/ Haryana State Warehousing Corporation** is milled to the satisfaction of the **First Party/ Haryana State Warehousing Corporation**, the miller/ Second Party agrees not to custom mill the paddy of any other person or agency or in any other manner diverts its milling capacity for any other purpose.
- (iv) The miller/ Second Party shall not take any action like disconnection of electricity connection etc. which has the effect of reduction of its milling capacity till such time as the entire paddy of the **First Party/ Haryana State Warehousing Corporation** has been milled satisfactorily.
- (v) The Rice Miller/ Second Party shall be required to deliver custom milled rice of the same variety of paddy given to him by the **First Party/Haryana State Warehousing Corporation**. Any deviation shall be at the risk and cost of the miller/second party. The Miller/Second party shall be required to deliver Custom Milled Rice at Out Turn Ratio of 67% in case of Raw rice or as per Govt. of India instructions.

2. The miller/ Second Party shall be supplied paddy, in accordance with his rated capacity, by the District Milling Committee as per the policy formulated by State Government, for custom milling of paddy procured by various agencies of the State.
3. The paddy to be milled by the miller/ Second Party shall be provided from _____ and _____ centres. These centres can be altered with the mutual consent.
4. (i) On receipt of the paddy through delivery Challan, the miller/ Second Party shall cause the Challan to be signed by him or his representative.
- (ii) The Miller/ Second Party shall record on a separate register the paddy received through each Delivery Challan every day.
- (iii) One of the authorized partner/representative of the miller/ Second Party on a weekly basis (each Monday) shall inform the **Haryana State Warehousing Corporation/ First Party** about the total quantity of paddy received by him on the following format:-
- | <u>Sr.No.</u> | <u>Date.</u> | <u>Challan No.</u> | <u>Qty. of Paddy.</u> | <u>Total of the week</u> |
|---------------|--------------|--------------------|-----------------------|--------------------------|
| 1 | 2 | 3 | 4 | 5 |
- (iv) Once the paddy has been accepted through the Delivery Challan by the Miller/ Second Party, he or his representative shall put his signatures on the Delivery Challan. The paddy so received by the miller/ Second Party shall be considered to be correct in terms of quantity and quality and no disputes shall be entertained after such acceptance with regard to the quality and quantity of the paddy received by the miller/ Second Party.
- (v) No Delivery Challan accepted by the miller/ Second Party shall be recognised by the **Haryana State Warehousing Corporation/ First Party** unless it has been duly issued and signed by an authorised representative of the **First Party/Haryana State Warehousing Corporation**).
- (vi) The paddy stored in the mill of the miller/Second Party shall remain in his custody and he will be responsible for any shortage or damage to paddy/rice stock. Paddy procured by the **Haryana State Warehousing Corporation** will be stored in the premises of the allotted Rice Mills as per details given in subsequent paragraphs. The transportation of paddy from Mandi/purchase centre to mill will be done by the millers and not by the Govt Agencies keeping in mind the policy of Govt of India regarding "Milling Charges". Hence the paddy will be delivered to the Millers in the Mandi itself, and he will be responsible for its quality and quantity till the rice is delivered to FCI in Central Pool.
- (vii) The miller/second party, however, undertakes to mill approximately _____ MTs of paddy purchased during Kharif Marketing Season 2019-20. The exact quantity of paddy shall be calculated as per actual delivery accepted by the miller/second party. The details of actual delivery statement signed by both parties will be part of this agreement.
- (viii) Provided further that the first party/ **Haryana State Warehousing Corporation** does not guarantee any definite volume of work relating to selling of paddy at any time or throughout period of contract. The mere mention of any item of work in this contract shall not by itself confer a right on the Miller/Second Party to demand that the work

relating to shelling of paddy at a particular centre/Mandi should necessarily or exclusively be entrusted to him. The First Party shall have the exclusive right to support one or more Millers for any particular centre/Mandi and to distribute the work between such Millers in any manner that the First Party/ **Haryana State Warehousing Corporation** may decide and no claim shall lie against the First Party/ **Haryana State Warehousing Corporation** for such withdrawal/distribution of work.

- (ix) The miller/Second Party agrees to install CCTV cameras at the gates of the Rice Mill and the Rice Millers will retain soft copy of footage for all the period mentioned in the agreement. The miller/Second Party will also maintain a stock register of the paddy allotted to him duly certified by the District Managers, HSWC. The stock entered in the stock register by the rice millers will be verified by the District Managers, HSWC by constituting a committee of at least three officer/official not below the rank of Manager/Incharge immediately after total allotment to the miller and before commencement of milling operation.
5. The miller/Second party shall ensure that the paddy within his premises is stored in a scientific manner so that it does not get damaged or lost in any manner whatsoever. Each stack in which the paddy is stored shall be given a stack number. The miller/Second party shall make good the loss, if any, caused to the paddy stored in his premises due to any reason.
6. The miller/ Second Party shall keep the record of the paddy received, paddy custom milled and rice delivered etc. by maintaining a stock register dully certified by the District Managers and custodian of the stock and will submit the report on the following format and furnish the details thereof on weekly basis to the **First Party/Haryana State Warehousing Corporation**:

Name of the Agency	Name of the Storage Centre	Variety of paddy
1.	2.	3.

Stocks of paddy		Qty. of paddy issued out of col. 4 by HSWC for milling		Out-turn ratio for conversion of paddy into rice	
4.		5.		6.	
Bags	Wt in Qtl	Bags	Wt in Qtl	Bags	Wt. in Qtl
(a)	(b)	(a)	(b)	(a)	(b)

Qty of rice delivered(in Qtls)		Qty. of Paddy milled	Balance un milled paddy
7.		8.	9.
Raw	Par-Boiled		
(a)	(b)		

Signatures of Miller with date (NAME IN CAPITAL LETTERS)	Signatures of inspecting Authority / Centre Incharge with date
10.	11.

If the above-said requisite information is not supplied by the Second Party well within the time, then First Party reserves his

right to initiate remedial proceedings against the Second Party as per law.

7. (i) Since the Miller/ Second Party is also entitled to utilize the part of his capacity for milling of his own paddy, he shall keep a separate record with regard to the stocks of paddy and rice of both the parties separately. He shall further allow and facilitate inspection of record and physical inspection of paddy and rice belonging to the **Haryana State Warehousing Corporation** i.e. Government as well as of his own stocks.
- (ii) Authorized representatives of the Government/ **Haryana State Warehousing Corporation/ First Party** shall be entitled to inspect the record and the stocks at any time during the milling season.
- (iii) The miller/ Second Party shall carry out the milling operations only of that paddy in respect of which the Release Order has been duly issued by the **First Party/Haryana State Warehousing Corporation**. The miller/ Second Party shall apply for issuance of Release Order to the **Haryana State Warehousing Corporation/First Party** well in time and as per instructions on this subject.
- (iv) The miller/ Second Party shall complete delivery of rice due to Govt./ **Haryana State Warehousing Corporation** on the total quantity of paddy issued to him within 10 (ten) days of the issuance of paddy by way of Release Order to him. Rice against entire stock kept in his mill shall be delivered not later than the 30th April, 2020 as per following Schedule:-

The delivery schedule of CMR shall be regulated as under:-

Up to Dec. 2019	=	30%	of the allotted Paddy.
January, 2020	=	20%	-do-
February, 2020	=	20%	-do-
March, 2020	=	20%	-do-
April, 2020	=	10%	-do-

In the event of miller's failure to deliver Custom milled rice, within the stipulated period as mentioned above, the miller as a penal provision, shall be liable to pay interest @ **CCL rate of interest** for delayed period on the delivery of CMR from the date it becomes due till the date of actual realisation towards the left over quantity/stocks of paddy .

In the event of failure of due delivery of the CMR by the rice miller against the paddy issued to him, the miller shall be liable to pay the cost of such short quantity of rice @ **110%** of the rates of CMR as fixed by the Govt. of India along with interest @ **12% p.a.** on the actual payable amount from 1st April till the date of actual payment. However, the waiving off the penalty is not appealable.

8. The Miller/Second Party shall get the entire stocks of paddy and rice duly insured. In case of his failure to do so, he shall be responsible for all consequences/ damages arising on this account.
9. For ensuring orderly milling operations, the miller/ Second Party agrees to furnish any other information as may be demanded by the Government/**Haryana State Warehousing Corporation/ First Party** from time to time.
10. The miller/Second Party agrees to shell/process the paddy at the rates fixed by the Government of India from time to time. The terms of shelling/processing shall include all operations related to or co-incidental to the process of milling of paddy and which shall also include the following operations:
 - (i) Drying of paddy stocks.
 - (ii) Katai of paddy bags before dehusking.
 - (iii) Dehusking of paddy stocks.
 - (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 charges for transportation of paddy from mandis/purchase centre to mills and for rice from mills to FCI godowns will be payable on the basis of the rates fixed by the District Collectors of the State or FCI's rate whichever is lower from 0 KM onwards for the actual distance as per Govt. of India letter No. 192(14)/2015-FC A/cs dated 30.09.2015
 - (vii) Transportation of milled rice to railway station and loading into wagons, inspection, weighment and sampling as per directions of the Government/ **Haryana State Warehousing Corporation/First Party/FCI**.
 - (viii) Transportation of milled rice to the storage point of the **First Party/Haryana State Warehousing Corporation** and Food Corporation of India including those of hired godowns as per directions of the Government/FCI, **Haryana State Warehousing Corporation/First Party**, unloading of trucks and delivery after inspection.
 - (ix) Weighment, sampling at scale point will be at the cost of the miller/ Second Party .
 - (x) Delivery of A-note, weight checks memo and other relevant documents for claiming payment from Food Corporation of India.
 - (xi) The miller/Second Party shall stitch a raxin slip/canvas slip with each bag bearing name of the mill/ Centre/ District/ category of rice/net weight/ contact No./ crop year on the bags.
 - (xii) **Driage charges will be payable @ 1% of MSP of paddy on raw rice. No Driage charges will be payable on parboiled rice.**
 - (xiii) **The liability of quality cuts on rice, if any, and other deductions made by FCI, shall be that of the miller.**
 - (xiv) **Goods & Services Tax (GST) would be payable by the millers at applicable rate on all types of amount recoverable from millers.**
 - (xv) **The liability of deductions relating to penalty/interest etc. shall be borne by the miller.**

11. (i) The miller/Second Party agrees to pay to the **First Party/Haryana State Warehousing Corporation** a sum of **Rs.10,00,000/- (Rs. Ten lakh only)** as security for first one tonne capacity; and **additional Rs.5,00,000/- (Rs. Five lakh only)** for every additional one tone capacity or proportionately. The security will be obtained in the shape of FDR pledged in favour of **First Party/Haryana State Warehousing Corporation** before signing of the agreement and shall be valid till the final execution of agreement.

Provided, further that if the miller/Second Party performs and completes the contract in all respects and presents a "No Objection Certificate" from officer/official nominated by the **First Party/Haryana State Warehousing Corporation** for this purpose, interest payable by the bank on FDR will be allowed in the miller's/second party account.

- (ii) In addition to the above security, the miller/Second party agrees to provide additional guarantee in the shape of signed MICR post dated cheque drawn in favour of the **First Party/Haryana State Warehousing Corporation** for Rs. 50.00 lakh for each tonne milling capacity. **The cheque should be complete in all respect. The name of the firm must be printed on the cheque.** The Second Party/ Miller is not allowed to cancel/ alter the cheques without prior written consent of **First Party/Haryana State Warehousing Corporation**.
- (iii) The Miller/Second Party agrees to provide **two "Third Party" sureties of Arthias of the same mandi/purchase centre having reliability and good reputation.** The reputed Arthias shall stand surety for the loss that may accrue to the **First Party/Haryana State Warehousing Corporation** by any act of omission & commission of the miller/second party under this agreement. The sureties will be held liable jointly and severally for the loss caused to the State exchequer/ **Haryana State Warehousing Corporation** and the **loss will be made good through recovery suits or through District Collector under arrears of Land Revenue Act 1881.**
- (iv) **The signature on the cheque will be got verified by the miller from his banker.**
- (v) **A certificate must be issued by the miller/ second party that the guarantors to the agreement are not his family members.**
- (vi) The second party agrees to an additional guarantee from the owner of rice mill taken on lease and from owner of other two operational rice mills in the District for allotment of paddy to such millers for milling if the rice mill is taken on lease by the second party. The second party (lease mill) also agrees to give four post dated cheques as guarantee equivalent to the cost of paddy entrusted for milling which shall have no limitation of money endorsed on cheques for withdrawal purposes.
- (vii) Each lessee rice millers shall furnish a guarantee of the owner of the rice mill taken on a lease by him (lessee) and a guarantee of the owners of two other rice mills on a stamp paper of minimum of Rs. 300/- as per Performa attached with the policy **(Annexure-iii).** District Manager of **Haryana State Warehousing Corporation** shall create equitable mortgage on the property of owner guarantor of such mills. The value of the property should be greater than the value of the paddy being stored in such mills.

- (viii) Paddy /rice is the property of the procurement agency and any charge on it of bank/financial institution by the rice miller is a criminal breach of trust, and for that the miller would be liable to be prosecuted.
- (ix) An affidavit is to be taken from the miller to the fact that he/she is the owner/lessee of the mill/ premises.
12. In case the miller/Second party fails or neglects to observe or perform any of his obligations under the contract, it shall be lawful for the **First Party/Haryana State Warehousing Corporation** to forfeit the security amount after granting due opportunity and get the work executed at the miller's/Second Party's risk and cost. In case loss is caused to the **First Party/Haryana State Warehousing Corporation**, over dues, or damage to its property/ stocks etc., and the total losses caused to **Haryana State Warehousing Corporation/ First Party** shall be recoverable through concerned District Collector under arrears of land revenue Act of 1881 from the miller/Second Party/Sureties. In addition, such Miller and his Mill premises shall be liable to be blacklisted for future.

Provided further that **Haryana State Warehousing Corporation/First Party** shall be within its right to recover the losses or damages from the millers as well as from the sureties jointly and severally in accordance with law.

13 The delivery of rice by miller will be regulated as under:

- (i) The Miller/Second Party shall not mill paddy without release order. Theft or misappropriation shall tantamount to defalcation and agency will be entitled to initiate civil/criminal action against the miller/ second party. In addition, the Miller/Second Party and the mill premises will also be blacklisted.
- (ii) The Miller/Second Party agrees to mill the paddy kept at any other storage point of the **First Party/Haryana State Warehousing Corporation** by way of mutual consent.
- (iii) The Miller/Second Party shall process the paddy within five days of issuance of Release Order.
- (iv) In case, rice miller fails to deliver the CMR of KMS 2019 of **Haryana State Warehousing Corporation** as per the stipulated schedule and the **Haryana State Warehousing Corporation** has to shift the Paddy stocks, it would be done at the risk and cost of the miller concerned giving him 7 days notice for this purpose. The miller and his mill premises shall also be blacklisted.
- (v) There will be complete ban on the miller to mortgage, gift, sell or transfer the mill through any means to any other person till the dues of Custom Milled Rice are cleared (Affidavit from the miller should be taken in this regard in advance)
- (vi) In case of sole proprietorship, partnership firm, Private Limited company and Societies there shall be a complete ban on change of proprietor, partners, Directors or Members of Societies, once an agreement has been entered into for Custom Milling of Paddy or mill is allotted for Custom Milling or Paddy is stored in the mill for Custom Milling till the entire Custom Milled Rice due is delivered to

FCI and account is settled with Haryana State Warehousing Corporation.

14. (i) The Miller/Second Party agrees to deliver rice to FCI directly as per prescribed quality specifications and in accordance with the out turn ratio @ 67% in case of raw rice and @ 68% in case of par-boiled rice or prescribed by the First Party from time to time.
- (ii) The bye-products of the milling operations viz broken rice, rice kanki, rice husk and rice bran etc. shall be the property of the miller/Second Party and in case of losses caused to the first party by the second party, the bye-products mentioned above are liable to be confiscated to the first party. The second party (Miller) shall be responsible for payment of any Central or State taxes, duties, levies, cess etc. including any new tax levied by the Government of India/ State wherever applicable on bye-products obtained from milling of paddy.
15. The miller/Second Party shall be entitled to the milling charges after completion of the entire milling operations and satisfactory delivery of rice to the FCI on behalf of the **First Party/ Haryana State Warehousing Corporation** as per rates prescribed by the Government of India i.e. milling charges payable will be @Rs. 10/- and Rs. 20/- per qtl of paddy for Raw and Parboiled rice respectively. **In case, milling charges are changed by the Govt. of India, the millers will get the payment accordingly.**
16. The delivery of rice shall be deemed to have been completed by the miller/ Second Party after the stocks are loaded into wagons or delivered into the godowns as per directions of the authorised/responsible official of the **First Party/Haryana State Warehousing Corporation/Government** after necessary weighment/ inspection and approval of the quantity in accordance with the prescribed procedure of the First Party at the cost of the miller/Second Party . It will be the responsibility of the miller/Second Party to supply 'A' note, weight check memo and all other relevant documents to the **Haryana State Warehousing Corporation** immediately but not later than 7 (Seven) days after the delivery of rice for claiming payment from Food Corporation of India failing which he shall be liable to pay interest @ 12% p.a. for the delayed period. All the expenditure including labour, loading, unloading, any other expenditure etc. incurred in connection with the delivery of rice, shall be borne by the miller/Second Party. **Transportation/Cartage charges for transportation of rice from mills to FCI godown will be payable on the basis of the rates fixed by the Deputy Commissioners of the State or FCI's rates whichever is lower from 0 KM onwards for the actual distance .**
17. Stocks articles (tarpaulin and Polythene covers etc) which may be supplied by the procurement agencies to the Rice Millers for proper storage of paddy must be returned progressively to the agency concerned after the liquidation of paddy and rice . In case the miller fails to return the same, procuring agency will claim its costs, along with compound interest @ 21% per annum. In case, procurement agencies fails to provide adequate number of tarpaulins/ wooden crates on the demand of the miller, the miller will arrange the same from his own resources for which he will be paid rent/usage charges for the period of storage of paddy as fixed by the Government of India or the Department. The rent /usage charges for wooden crates will be paid after production of non-availability certificate of stock articles issued by the District Manager concerned_@ Rs. 15/- per tonne of the paddy w.e.f KMS 2019-20 stored by Haryana State

warehousing Corporation Further, rates for tarpaulin w.e.f KMS 2019-20 will be got fixed from the Government.

18. (i) The rice shall be delivered in new jute gunny bags of 50 Kg and in accordance with the instructions to be issued by the State Government from time to time.
- (ii) The miller/Second Party agrees to abide by the instructions issued by the **HSWC/First Party/Govt.** in regard to the cost and disposal of the gunny bags used for delivery of paddy/rice.
19. This agreement shall remain in force till 15.07.2020 or clearance of the CMR and other dues of Haryana State Warehousing Corporation whichever is later. Thereafter, extension will be automatic and at discretion of the First Party/ Managing Director, Haryana State Warehousing Corporation. However, Haryana State Warehousing Corporation reserves the following right:
 - (a) to terminate the agreement with the miller/Second Party for shelling of paddy into rice at any time during its period without assigning any reason. In that event, the miller/Second Party shall render complete accounts of paddy, rice and gunny bags to the **First Party/ Haryana State Warehousing Corporation** which is in his custody and also return the stocks as per specifications and as per direction of the **Haryana State Warehousing Corporation/ First Party.**
 - (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 miller, if he considers, it is necessary to do so. The decision of the **Managing Director, Haryana State Warehousing Corporation** in this regard shall be final and no claim shall be entertained against the **First Party/ Managing Director, Haryana State Warehousing Corporation** for any loss or damage suffered or alleged to have been suffered by the miller/Second party on account of such withdrawal of the work.
 - (c) to terminate the contract at the risk and cost of the rice miller if a minimum required paddy allotted to him is not milled as per capacity and also at liberty to initiate action against him as per agreement.
20. **In case of death of owner of rice mills, the guarantors/sureties or their legal heirs/successors /assigns shall inherit assets and liabilities of the deceased.**
21. The **Managing Director, Haryana State Warehousing Corporation** shall be at liberty and have right to relax any clause of the agreement in case of genuine emergency after recording reasons in writing.
22. Any deviation from these clauses shall be considered breach of the agreement which will entitle the **First Party/ Haryana State Warehousing Corporation** to take suitable remedial action in terms of this agreement and as per law.
23. Food Corporation of India (FCI) shall provide space for delivery of Custom Milled Rice to the Rice Millers in proportion to the paddy allotted to them by

the procurement agencies for custom milling of paddy procured by them under Minimum Support price (MSP) Scheme of the Government of India . For this, FCI at district level (revenue district Haryana) will issue linkages of Rice Millers with storage points, in consultation with all the procurement agencies by the end of October, 2019. The concerned District Food and Supplies Controller will submit month wise requirement of space in the storage points mentioned above in consultation with all the procurement agencies in the district (including FCI) in the first week of November, 2019. **The schedule circulated will take care of entire delivery of CMR by 30.04.2020.** In case, FCI due to space crunch, loading of specials, paucity of staff or strike of staff or labour in FCI, will issue certificates stating clearly the time period for which it was not able to offer space or accept delivery of rice. These certificates should be issued in the same month and should be counter signed by the Area Manager, FCI of the District. On the basis of these certificates DM, HSWC, will pass speaking orders in the respect of penal provision with regard to late delivery of CMR. In case, where FCI has not given such certificates and the facts clearly establish that delay is not on the part of the rice mills, district heads of procurement agencies will send a comprehensive detail of facts to their headquarters and with the permission/approval of headquarters will pass speaking orders. However, in case where delay is attributable to rice mills penalty in the form of penal provision shall be enforced.

24. All the minor disputes relating to interest, penalty, holding charges, milling charges and differences arising out of interpretations or in any manner touching or concerning this agreement whatsoever shall be referred to the sole arbitration of the **Managing Director, Haryana State Warehousing Corporation** 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 **Haryana State Warehousing Corporation** and he 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 both the parties to this contract. It is a term of this contract that in the event of transfer, vacation of office or being unable to act for any reason of a person appointed as an arbitrator by the **Managing Director, Haryana State Warehousing Corporation** at the time of such transfer, vacation of office, death or inability shall appoint another person to act as an arbitrator. Such a person shall be entitled to proceed with reference from the stage where it was left by his predecessor.

Provided that any demand for arbitration in respect of any claim(s) of the millers/Second Party, under the contract shall be in writing and made within one year of the date of completion or expiry of the period of contract. If the demand is not made within the period, the claim(s) of the miller/Second Party shall be deemed to have been waived off and released of all liabilities under the contract in respect of these claims. The cost for and in connection with arbitration shall be the discretion of the arbitrator who may make suitable orders in his award.

Subject as aforesaid, the Arbitration and Conciliation Act, 1996, shall apply to the arbitration provided under this clause. However, the cases of fraud, theft, or misappropriation etc. on the part of Second party/ Miller are not covered under this clause and in such cases legal proceedings as deemed

fit will be initiated by the First Party/ Haryana State Warehousing Corporation against the Second party as well as against the sureties.

25. If anything has been missed/left inadvertently regarding process of procurement of paddy and CMR delivery in the Procurement Policy 2019-20 / Agreement then policy of FCI will prevail.

IN WITNESS WHEREOF both the parties have subscribed their respective hands and signed this agreement on these presents on the place, date, month and year first above mentioned in the presence of the following witnesses:

<p>Sign. of Manager</p> <p>_____ Name _____ Date _____ Designation _____</p> <p>Counter signed by DM</p> <p>Sign.</p> <p>_____ Name _____ Date _____ Designation _____</p> <p>for & on behalf of the Managing Director, Haryana State Warehousing Corporation (First Party)</p>	<p>(1)</p>	<p>Witness:</p> <p>Signature _____ Name _____ Date _____ Designation _____</p>
<p>Signature _____ Name _____ Date _____ Designation _____</p> <p>for & on behalf of the Miller (Second Party)</p>	<p>(2)</p>	<p>Signature _____ Name _____ Date _____ Designation _____</p>
<p>Signature _____ Name _____ Date _____ Designation _____</p> <p>Surety No.1</p>	<p>(1)</p>	<p><u>Witness</u></p> <p>Signature _____ Name _____ Date _____ Designation _____</p>
<p>Signature _____ Name _____ Date _____ Designation _____</p> <p>Surety No.2</p>	<p>(2)</p>	<p>Signature _____ Name _____ Date _____ Designation _____</p>

SECURITY BOND BY A SURETY

By this Bond Shri/M/s. _____ s/o
 Shri _____ residing at _____
 _____ hereinafter
 referred to as the Surety acknowledges himself to be bound to Haryana State
 Warehousing Corporation, Bay No.15-18, Sector-2, Panchkula hereinafter referred
 to as the "First Party" for the performance of the contract of milling of paddy for the
 Kharif Marketing Season with M/s. _____
 _____ hereinafter referred to as "Second Party".

WHEREAS:

1. The First Party has executed an agreement with Second Party for milling of paddy for the Kharif Marketing Season to be completed till 30.04.2019.
2. That for the said agreement being executed between the two parties for performance of the said contract, is being secured by a mortgage of the property of the surety described in the Schedule here under written and which the surety has made at the request of "Second Party".

NOW THIS DEED WITNESSETH that in pursuance of the request made by Second Party to the surety, the surety do hereby guarantor and covenants with the first party that in default of the performance of the said contract by the Second Party, the Surety shall indemnify the first party for the losses so incurred. Surety, doth hereby grant and transfer by way of mortgage the said property described in the Schedule hereunder written TO HAVE and TO HOLD the same unto the First Party subject to the covenant for redemption hereinafter contained and it is agreed and declared that in the event of the Surety being required to pay the losses on default by the Second Party and on the surety so paying the said amount or any part thereof due and payable to the First Party, the First Party shall release and re-convey the said property to the Surety but at the costs of the surety and it is further agreed that in the event of the surety becoming liable and failing to pay the said amount or any part thereof as aforesaid, the First Party will be entitled to sell the said property through a Court of law and to appropriate or apply the net sale proceeds thereof towards payment of the amount to the First Party by the surety and/or the Second Party including costs of the suit and sale proceedings and to pay the balance if any to the surety.

And the Surety covenants with the First Party that he has full right to mortgage the said property as aforesaid.

And the condition of the Bond is that it will be void if the second party pays the said amount to the first party with interest as aforesaid, within the time stipulated otherwise, and failing which this Bond will remain in full force and effect.

DETAILS OF PROPERTY:

Signed and delivered by the within named surety Mr. _____ In the presence of	_____ _____ _____
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i) _____

ii) _____

