

MOLASSES SALE POLICY

S.No.	Existing Policy
1.	Presently sale of molasses will be done at mills level consisting of the following members:- a) General Manager. b) Elected Director nominated by BOD of Mills by rotation for one year. c) Chief Accounts Officer. d) Chief chemist. e) Sugar Sale Incharge. Presence of at least three members of the committee will be essential for conducting sale of molasses. However presence of Elected Director and General Manager will be must and General Manager will ensure compliance of Molasses Sale Policy in letter and spirit. Sugar Mills where elected BOD is not in place, a nominee of Managing Director, Sugarfed Punjab not below the rank of General Manager will be member of Molasses Sale Committee.
2.	All traders will be eligible to participate in e-tenders. The defaulter traders who have not lifted the purchased quantity of molasses from earlier sales will not be entertained unless loss has been paid by them or recovered from them.
3.	Molasses Sale Committee will carry out following functions:- a) Decide the quantity of molasses to be sold in tender, keeping in view financial requirements of the mills, market trends, future forecast, carrying cost of molasses and interest on working capital etc. b) Decide the frequency of tendering, keeping in view the molasses stocks/demand/storage capacity in the mill for molasses. Entire molasses stock of a crushing season should be sold before the start of next crushing season. c) Molasses shall be sold on 'as is where is' basis and tenderer is free to inspect the quality & quantity of molasses. No dispute regarding quality & quantity of molasses shall be entertained thereafter. d) Sale letter will be issued immediately after finalization of tender.
4.	As per existing terms & conditions, each tenderer is required to deposit Rs.50/- per quintal of Bid quantity of molasses as Earnest Money along with the tender.

	In case the highest bidder does not bid for entire quantity of tender, the sale committee may offer him to increase the quantity upto the maximum tendered quantity on deposit of additional EMD on same day upto 5.00 PM. If the highest bidder refuses to increase the bid quantity, ultimate the next highest bidders one by one as per the descending sequence of their bids can be offered to increase bid quantity at the highest bid rate upto maximum tendered quantity on same terms & conditions as explained in para above. If the Sale Committee is of the view that the bid amount is not optimum keeping in view the prevailing market trends, the Sale Committee will be competent to reject the tender.
5.	Lifting will be allowed in 32 days plus 28 days with penalty @ Rs.5.00 per qtl. per week. But lifting will be allowed on all the days, which is presently all working days only. No extension will be allowed beyond 60 days (32+28) Un-lifted quantity will be retendered / sold at the risk & cost of bidder at the earliest but not later than two months.
6.	Sale Committee would have the right to sell molasses at the last successful tender rates finalized by the Committee, to Government Bodies/Cooperative Department such as Milkfed, Markfed/ PSU/Corporations and Boards etc. on receipt of their request.
7.	E-tendering system/ E-auction will continue to be followed for sale of molasses and minimum three members of the committee should have authorization of opening of e-tender.
8.	Loading of molasses in Tankers will be the responsibility of mills. Arrangement of transportation shall be made by the purchaser. Hence transportation and all other charges upto destination will be borne by the purchasers.
9.	Export and domestic sale of molasses would be made keeping in view the market trends. DNIT made for export sale of molasses by the Batala Cooperative Sugar Mills vide tender published on 28 & 29 November 2019 would largely be followed. However the concerned Sale Committees may consider to amend the same as per prevailing market trends.
10.	Earnest money deposit shall be adjusted in the last consignment and no interest will be paid on this amount.
11.	The tenderers are required to quote the rates of molasses excluding

	the taxes. Excise Duty and other taxes would be payable by the tenderers as per rules. The purchaser shall incur all transport costs and incidental charges.
12.	Utilization of molasses and all such transactions in this regard would be subject to the Acts and Rules issued by the Department of Excise & Taxation, Punjab and also would be governed by the provisions of the East Punjab Molasses Control Act, 1948 as amended from time to time and all provisions of other laws in force.
13.	It will be purchaser's responsibility to get permission from the Excise & Taxation Department for lifting of molasses. No extension/delay on this account shall be considered by the mill.
14.	The Committee reserves the right to accept or reject one or all tenders without assigning any reason.
15.	Any dispute, difference or controversy of whatever nature regarding validity, interpretation, implementation or rights and obligations arising out of, or in relation to, or howsoever arising under or in relation to this agreement between parties, and so notified in writing by either party to other party ("Dispute") shall, in first instance, be attempted to be resolved amicably by the concerned Sale Committee. In case of non-settlement of dispute through Sale Committee, either party can approach the BODs of concerned sugar mill. Board of Directors will be competent to settle the dispute. In case the dispute still remains unsettled the same can be referred to the Dispute Resolution Committee. The Dispute Resolution Committee shall consist of three members comprising the Managing Director, Sugarfed Punjab, General Manager of concerned CSM and a member to be nominated by the BODs of concerned sugar mill. The Committee will be headed by the Managing Director, Sugarfed Punjab. In case of any dispute, differences, claims and questions whatsoever, arising from or under this contract between the parties, are not resolved amicably as provided in clause above or the parties do not accept the decision of the Dispute Resolution Committee, either party can opt for arbitration. The Registrar Cooperative Societies Punjab or his nominee shall be the Sole Arbitrator. The arbitration proceedings shall be initiated by filing a claim petition before the Sole Arbitrator and shall be decided in accordance with provisions of the Arbitration and Conciliation Act, 1996 as in force at present. The Arbitration proceedings shall be held at Chandigarh.
16.	If any party is unable to perform its part due to occurrence of act, event, beyond the control of the said either party such as acts of God

	such as floods or earth quakes and riots, war, strikes etc. the time fixed under the contract can be extended. The decision as to whether a force majeure event has occurred or not shall be taken by the Molasses Sale Committee, whose decision shall be final. In addition to this if any exigency condition eg. Death or major accident in the first family of tenderer occurs, the Sale Committee will be competent to take appropriate decisions regarding extension/ annulment of contract.
17	As per procedure adopted by all Haryana coop sugar mills:- Lifting of molasses will be done by the party or by authorized person appointed by the purchasing party or by any registered party/dealer to lift molasses on behalf of purchaser. Tenderres will be allowed for lifting in name of actual buyers/lifters from the sugar mills. However, party is fully responsible for any legal/financial liability on this account.

In the review of above system committee proposed in addition to our existing Molasses sale policy.

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