

Recently Government of Punjab launched a scheme of Fortified Atta for APL consumers the details of the same are attached.

Government of Punjab
Department of Food, Civil Supplies & Consumer Affairs
(Food Distribution Branch)

Scheme for distribution of whole wheat fortified atta under TPDS

In order to provide whole wheat fortified atta (WWFA) (whole wheat atta fortified with iron & folic acid) at subsidized rate to the consumers in the State, the State Government has decided to launch a scheme called "Scheme for distribution of whole wheat fortified atta". Under this scheme, the State Government, through its nodal agency will issue wheat, out of the monthly allocation received from the GOI under the TPDS, to those roller flour mills, which enter into an agreement with the nodal agency for manufacturing and supplying whole wheat fortified atta. Initially, this scheme is being launched for the APL consumers; therefore, the district wise allocation of wheat for this scheme will be made on the basis of the existing APL ration cards. This scheme can be extended to BPL & AAY categories too, at a later stage. The whole wheat fortified atta will be distributed only through the registered Public Distribution System (PDS) network in the State. This scheme is being launched as per Govt. of India's letter no. 4-7/2005-Py.IV/PD.I(Pt) dated 17th January, 2008.

Nodal agency

Punjab State Grains Procurement Corporation Ltd. (PUNGRAIN) will act as the nodal agency of the State Government for this scheme.

Definition of Roller Flour Mill

Roller Flour mill is an undertaking capable of processing wheat into different products like Maida, Rawa, Atta, Bran by gradual reducing system using series of chilled cast iron break and reduction rolls as against sudden death system prevalent in stone chakkis. Roller Flour Mill is also capable of making different types of Maida and Atta to suit customer's specifications and also vary the product mix as per the market needs.

A roller flour mill essentially consist of cleaning and conditioning cleaning and milling sections with principal machines mentioned below:

1. Cleaning and Conditioning section

- A) Separators
 - B) Magnetic separators
 - C) Aspirators
 - D) Complete conditioning unit
 - E) De stoners
 - F) Scourer/ Dust machines
2. Milling Sections
- A) Break Rolls and reduction Rolls with minimum ten passages
 - B) Plan sifters
 - C) Purifiers
 - D) Bran dusters
 - E) Aspiration systems

3 Packaging Sections

This section consists of facilities for milling weighing and stitching the product bags, the process can be automatic, semi automatic or manual.

Allocation of wheat to the Roller flour mill

Any Roller flour mill in the State of Punjab, as per the above mentioned definition can apply for allocation of wheat under this scheme. He/ She will be required to pay a refundable security of Rs. 25,000/-, which will not carry any interest at the time of refund, to PUNGRAIN and also enter into an agreement with PUNGRAIN and submit the documents regarding ISO, HACCP certification, electricity connection and other documents as annexed at Annexure A. In case, at any stage, any information furnished by the miller is found to be false or incorrect, he/ she will not be entitled to get any wheat under this scheme and the agreement signed will get null & void and his/ her security shall stand forfeited.

If it is found that certain districts have higher concentration of roller flour mills than other districts, the flour mills in high concentration district will supply whole wheat fortified atta to the deficit districts, as per the decision of Managing Director, PUNGRAIN. The quantity of wheat allocated to different mills during a month, can vary keeping in view the milling capacity, time schedule, transportation charges, other logistics and performance of the mill. All decisions regarding allocation will be the discretion of MD, PUNGRAIN and his decision will be final.

Any roller flour mill, which is defaulter of the Government/ State agency or any criminal proceedings are pending against the mill, shall not be entitled to get wheat

under this scheme. In case, the flour miller also happens to be the owner of a rice mill, which has been declared defaulter by the State Govt. / agency, he/ she too will not be entitled to get wheat under this scheme.

Forwarding & monitoring agency

PUNGRAIN can appoint a Forwarding & monitoring agency' for implementation and monitoring of the distribution of whole wheat fortified atta under this scheme. The forwarding and monitoring agency will be responsible for:

- i. Checking the wheat stocks after the same are unloaded by the miller in his/ her premises in order to ensure the quantity and proper storage.
- ii. Ensuring that the miller does not undertake any other work during the period of manufacturing whole wheat fortified atta for PUNGRAIN.
- iii. Ensuring that the miller does not prepare or take out any by product e.g. dalia, maida etc. from the wheat received from the PUNGRAIN.
- iv. Taking samples of fortified atta from each batch of fortified atta manufactured by the miller and countersigning the sealed samples (3 nos. of 250 g each). These samples are to be kept in the in house lab of the mill.
- v. Ensuring that the bags used by the miller for packing the fortified atta, are exactly as per the specifications and design approved by the Department of Food, Civil Supplies & Consumer Affairs, Punjab. It must also be ensured that the miller is getting the bag manufactured by the manufacturer approved by PUNGRAIN.
- vi. Informing the miller about the delivery schedule along with the list of FPS/ ration depots where the atta is to be supplied and quantity to be supplied to each FPS/ ration depot.
- vii. Ensuring that the mills deliver the required quantity of fortified atta at the designated FPS/ ration depot as per the delivery schedule.
- viii. Monitoring the system of keeping record for in/ out of wheat and fortified atta to and from the mills.
- ix. Receiving the bills from the millers and immediately forwarding the same to PUNGRAIN, after verifying the quantity of fortified atta supplied by the mill.
- x. Maintaining proper record of the wheat supplied to each mill and quantity of atta supplied by them.
- xi. Ensuring that wheat and atta in flour mill and FPS/ ration depots is stacked properly in hygienic conditions.

- xii. Immediately informing PUNGRAIN in case any discrepancy is found in the quantity or quality of wheat or fortified atta.

Procedure of allocation of wheat and manufacturing & distribution of whole wheat fortified atta

1. The miller shall deposit the 100% cost of the wheat to be lifted by him with the Managing Director, PUNGRAIN, in advance and obtain release orders. The miller shall lift the stocks from the storage centre as informed by the District Manager, PUNGRAIN, at his own cost and will not charge any additional charges, in addition to the charges fixed for the miller in the costing sheet issued by the Managing Director, PUNGRAIN.
2. The miller after receiving the stocks shall stack this wheat separately in mill premises, in hygienic conditions and shall get the same verified at his premises, by the Forwarding & monitoring agency appointed by PUNGRAIN.
3. The miller shall not undertake any other work during the period of his receiving the wheat from PUNGRAIN and grinding & packing the same to make whole wheat fortified atta bags (10 kg each). The whole wheat fortified atta bags must be stacked in proper hygienic conditions separately in the mill premises, till the delivery of the same to the Fair Price Shops (FPS) as per the details provided by the Forwarding & monitoring agency appointed by PUNGRAIN. In case, the miller wishes to undertake some other work, parallel during this period, he will be required to take prior permission from Managing Director, PUNGRAIN by submitting the details of the work to be undertaken by him.
4. The miller shall not prepare or take out any by product e.g. dalia, maida etc. from the wheat received from the PUNGRAIN, under this scheme.
5. The miller shall maintain record of the quantity of wheat received and atta supplied by them and shall be required to submit a monthly report in the prescribed format to the concerned District Manager, PUNGRAIN through the Forwarding & monitoring agency appointed by PUNGRAIN.
6. The miller shall not be entitled to lift fresh wheat stocks, until he delivers 90% fortified atta for the wheat lifted by him during the previous month.
7. The miller shall be responsible for the safe custody of wheat & atta (both quantity and quality) till the delivery to the retail outlets.

8. The official authorized by Managing Director, PUNGRAIN or concerned District Manager, PUNGRAIN or the Forwarding & monitoring agency appointed by PUNGRAIN can inspect the stocks at any time.
9. The miller shall convert and supply 100% wheat received, as whole wheat fortified atta, in quantity equal to the wheat received by him/ her. The fortified atta shall be packed & supplied in 10 kg poly bags (as approved by the Government), clearly mentioning the batch number, date of manufacture and MRP. The packaging bags must adhere to the design & specifications approved by the State Government. The bag manufacturer, from whom the miller wishes to prepare bags will take prior permission from the Managing Director, PUNGRAIN for using the State Government logo on the bag, through the concerned miller. Bag manufacturer will have to register himself with PUNGRAIN through roller flour mill owner/ association. Bag manufacturer shall be approved by Managing Director, PUNGRAIN for each district/ as decided by MD, PUNGRAIN and the millers can only supply fortified atta in these bags specifically. The manufacturer of Bag will follow directions of PUNGRAIN from time to time.
10. The miller must maintain a record of in/ out for the wheat received and atta delivered by them, in triplicate and regularly submit a copy of the same to PUNGRAIN and Forwarding & monitoring agency appointed by PUNGRAIN.
11. The miller shall be responsible for packaging and distributing fortified atta to the authorized retailers/ FPS owners as per the details provided by the Forwarding & monitoring agency appointed by PUNGRAIN.
12. District Manager, PUNGRAIN will issue FPS/ ration depot wise allocation of fortified atta and sent a copy of the same to the Forwarding & monitoring agency. The FPS/ ration depot owners will deposit the requisite amount with PUNGRAIN in designated account, as per the allocation made to them and inform about the same the Forwarding & monitoring agency.
13. The Forwarding & monitoring agency will inform the miller about the delivery schedule and provide the list of FPS/ ration depots along with quantity of fortified atta to be supplied to each FPS/ ration depot.
14. The miller shall submit a fortnightly/ monthly bill for the quantity of atta supplied/ delivered by him to the retail outlets, to the Forwarding & monitoring agency appointed by PUNGRAIN. The Forwarding & monitoring agency will verify the quantity mentioned in the bill and further submit the same to PUNGRAIN for payment to the miller.

15. The Forwarding & monitoring agency will also be paid for its services, according to the quantity of fortified atta supplied by the miller.
16. The miller and the forwarding & monitoring agency shall not be paid any extra/ other expenses/ charges by the Managing Director, PUNGRAIN, other than the charges fixed for them in the costing sheet of whole wheat fortified atta, issued by PUNGRAIN.
17. The whole wheat fortified atta supplied by the miller must adhere to the PFA standards and the nutrition facts printed on the bag. The miller shall have in house facility to check the quality of the fortified atta. In case of any complaint, the official authorized by Managing Director, PUNGRAIN or concerned District Manager, PUNGRAIN or the Forwarding & monitoring agency appointed by PUNGRAIN can draw random samples and sent the same for analysis to the laboratory designated by MD, PUNGRAIN, in order to ascertain the quality of the atta supplied. The cost of such testing/ analysis will be borne by the miller. The bag used by the miller can also be sent for testing, in order to ensure that the same is as per the approved design & specifications.
18. The miller will keep sealed samples of fortified atta (250 g each in triplicate) from each batch prepared and supplied by them. These samples must be taken in the presence of the authorized person from the forwarding & monitoring agency and countersigned by both miller and the authorized person. These samples must be retained in the house lab of the mill, for a minimum period of two months.
19. (a) In case, miller causes any loss to the wheat stocks because of misappropriation, theft etc. he/ she will be liable to make good the entire loss at the value of wheat stock at market rate.
(b) In such an eventuality Managing Director, PUNGRAIN shall be at liberty to launch criminal and civil proceedings against the concerned miller for recovery of Government dues.
20. In case the miller fails or neglects to observe any of his obligations under the contract, it shall be lawful for the Government/ agency to forfeit the security after granting due opportunity to the miller and the mill can also be black listed, if MD, PUNGRAIN deems fit.
21. Managing Director, PUNGRAIN does not guarantee any definite volume of work relating to conversion of wheat to whole wheat fortified atta, through the period of contract.

22. No flour miller will pledge the wheat received under this scheme, with the banks for availing cash credit limit for his business transactions. If any miller indulges in this malpractice, he/ she will be immediately blacklisted and the stocks of wheat/ atta shall be lifted from the mill to other mills at his/ her risk and cost.

23. The Managing Director, PUNGRAIN reserves the right :-

(a) to terminate the agreement with the flour mill at any time and the flour mill owner shall return the stocks of wheat/atta in his custody. In case of change of policy of State Government or Govt. of India, lead period of 10 days will be given.

(b) to withdraw from the contract, at any time, if he considers it necessary to do so.

The decision of the Managing Director, PUNGRAIN in this regard shall be final and no claim shall be entertained against the Government/ agency for any loss or damage suffered or alleged to have been suffered by the miller on account of such withdrawal of work.

24. All the disputes and difference arising out of or in any manner touching or concerning this agreement whatsoever (except as to any matter the decision of which is expressly provided for the contract) shall be referred to the sole arbitrator of the Principal Secretary/ Secretary to Govt. of Punjab, Department of Food, Civil Supplies & Consumer Affairs 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, Civil Supplies & Consumer Affairs Department, Punjab / PUNGRAIN 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 and Supplies Department, Punjab / PUNGRAIN 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, Principal Secretary/ Secretary to Govt. of Punjab, Department of Food, Civil Supplies & Consumer Affairs, 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.

Provided further that any demand for arbitration in respect of any claim(s) of the miller, 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 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 provisions for the same in his award.

Subject to as aforesaid, the Arbitration & Reconciliation Act, 1996 shall apply to the arbitration provided under this clause.

Specification of bag to be used for packing whole wheat fortified atta

The bag must adhere to the design approved by the Department of Food, Civil Supplies & Consumer Affairs, Punjab. The bag will consist of two layers of LDPE & LLDPE. Outer layer (16"X 21.5") milky & weighing 30 gms \pm 7% and inner layer/ lining (16" X 22.5") weighing 10 gms \pm 7%.

Only Food grade packaging material and ink (branded) should be used for manufacturing the bag.

Bag manufacturer shall be approved by Managing Director, PUNGRAIN for each district/ as decided by MD, PUNGRAIN and the millers can only supply fortified atta in these bags specifically. In case, the manufacturer of bag fails to keep pace with the production & delivery schedule of the millers, he can be debarred from any further work. The bag manufacturer will have to follow the directions of MD, PUNGRAIN from time to time.

&

Sd/-
Director, Food, Civil Supplies
Consumer Affairs, Punjab

NNEXURE A

INFORMATION/ DOCUMENTS REQUIRED FROM FLOUR MILL OWNERS

1. Name/ Location of the mill
2. Correspondence address
3. Permanent address
4. Details of the partners and their address (Separately for each partner)
5. PAN number
6. VAT number/ licence
7. Capacity of the flour mill, along with details of machinery
8. SSI (Small Scale Industries) registration/ Factory Act Licence
9. International Organization for Standardization (ISO) & [Hazard Analysis Critical Control Point \(HACCP\)](#) certification/ AF papers
10. Connected load of the flour mill
11. Pollution Certificate no. and its validity
12. Details of liabilities
13. Proof of electricity connection in the name of the mill
14. Last year's audited balance sheet
15. Last year's Income tax return
16. An affidavit stating that the flour mill is not defaulter of Government/ State agency, in any way, the proprietor/ partners have never been punished under the EC Act and no criminal proceedings are pending against the proprietor/ partners.

17. If lessee, a No Due Certificate from the owner be produced on a Stamp paper worth Rs 100/- (to be executed by Executive Magistrate)

AGREEMENT

This agreement is made on _____ two thousand nine between the Managing Director, Pungrain (hereinafter called the Government/agency) on behalf of Governor of Punjab which expression includes its successor and assignees of the one part and _____ (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 distributing whole wheat fortified atta to the consumers in the State and the miller agrees to provide the same on the terms and conditions hereinafter contained:-

1. The miller shall pay a refundable security deposit of Rs. 25,000/-. The security will not carry any interest at the time of refund.
2. The miller shall submit papers regarding ISO, HACCP certification, electricity connection and other documents as listed in 'Annexure A'. In case, they have applied for the same, the proof regarding the same must be submitted. In case the miller fails to procure ISO / HACCP certification within a period of 6 months, the MD, Pungrain would reserve a right to cancel the agreement for milling of whole wheat fortified atta.
3. The miller shall deposit the 100% cost of the wheat to be lifted by him with the Managing Director, Pungrain, in advance and obtain release orders from the Managing Director, Pungrain. The miller shall lift the stocks from the storage centre as informed by the District Manager, Pungrain, at his own cost and will not charge any additional charges, in addition to the charges fixed for him in the costing sheet issued by the Managing Director, Pungrain.
4. The miller after receiving the stocks shall stack this wheat separately in mill premises, in hygienic conditions and shall get the same verified at his premises, by the Forwarding & monitoring agency appointed by the agency.
5. The miller shall not undertake any other work during the period of his receiving the wheat from the agency and grinding & packing the same to make whole wheat fortified atta bags (10 kg each). The whole wheat fortified atta bags must be stacked in proper hygienic conditions separately in the mill premises, till the delivery of the same to the Fair Price Shops (FPS) as per the details provided by the Forwarding & monitoring agency appointed by the agency. In case, the miller wishes to undertake some other work, parallelly during this period, he will be required to take prior permission from the

Managing Director of the agency by submitting the details of the work to be undertaken by him.

6. The miller shall not prepare or take out any by product e.g. dalia, maida etc. from the wheat received from the agency, under this scheme.
7. The miller shall maintain record of the quantity of wheat received and atta supplied by them and shall be required to submit a monthly report in the prescribed format to the concerned District Manager, Pungrain through the Forwarding & monitoring agency appointed by the agency.
8. The miller shall not be entitled to lift fresh wheat stocks, until he delivers 90% fortified atta for the wheat lifted by him during the previous month.
9. The miller shall be responsible for the safe custody of wheat/ atta (both quantity and quality) till the delivery to the retail outlets.
10. The official authorized by the Managing Director, Pungrain or concerned District Manager, Pungrain or the Forwarding & monitoring agency appointed by the agency can inspect the stocks at any time.
11. The miller shall convert and supply 100% wheat received, as whole wheat fortified atta, in quantity equal to the wheat received by him/ her. The fortified atta shall be packed in 10 kg nitrogen flushed poly bags (as approved by the Government), clearly mentioning the batch number, date of manufacture and MRP. The packaging bags must adhere to the design & specifications approved by the State Government. The bag manufacturer, from whom the miller wishes to prepare bags will take prior permission from the Managing Director for using the State Government logo on the bag, through the concerned miller.
12. The miller must maintain a record of in/ out for the wheat received and atta delivered by them, in triplicate and regularly submit a copy of the same to PUNGRAIN and Forwarding & monitoring agency appointed by PUNGRAIN.
13. The miller shall be responsible for packaging and distributing fortified atta to the authorized retailers/ FPS owners as per the details provided by the Forwarding & monitoring agency appointed by the agency. The miller shall recover the MRP cost of fortified atta minus retailer margin, from the agency before delivering the same to the authorized retailers/ FPS owners at their doorstep.
14. The miller shall not be paid any extra/ other expenses/ charges by the Managing Director, Pungrain, other than the charges fixed for them in the costing sheet of whole wheat fortified atta, issued by PUNGRAIN

15. The whole wheat fortified atta supplied by the miller must adhere to the PFA standards and the nutrition facts printed on the bag. The miller shall have in house facility to check the quality of the fortified atta. In case of any complaint, random samples can also be drawn and sent for analysis, by the official authorized by the Managing Director, Pungrain or concerned District Manager, Pungrain or the Forwarding & monitoring agency appointed by the agency, in order to ascertain the quality of the atta supplied. The cost of such testing/ analysis will be borne by the miller.
16. The miller will keep sealed samples of fortified atta (250 g each in triplicate) from each batch prepared and supplied by them. These samples must be taken in the presence of the authorized person from the forwarding & monitoring agency and countersigned by both miller and the authorized person. These samples must be retained in the house lab of the mill, for a minimum period of two months.
17. The miller shall ensure supply of fortified atta as per the time schedule provided by the Forwarding & monitoring agency appointed by the agency.
18. (a) In case, miller causes any loss to the wheat stocks because of misappropriation, theft etc. he/ she will be liable to make good the entire loss at the value of wheat stock at market rate.
(b) In such an eventuality, the Managing Director, Pungrain shall be at liberty to launch criminal and civil proceedings against the concerned miller for recovery of Government dues.
19. In case the miller fails or neglects to observe any of his obligations under the contract, it shall be lawful for the Government/ agency to forfeit the security after granting due opportunity to the miller and he shall be black listed, if MD, Pungrain deems fit.
20. No flour miller will pledge the wheat received under this scheme, with the banks for availing cash credit limit for his business transactions. If any miller indulges in this malpractice, he/ she will be immediately blacklisted and the stocks of wheat/ atta shall be lifted from the mill to other mills at his/ her risk and cost.
21. The Managing Director, Pungrain does not guarantee any definite volume of work relating to conversion of wheat to whole wheat fortified atta, through the period of contract.
22. The Managing Director, Pungrain reserves the right :-

- (a) to terminate the agreement with the flour mill at any time and the flour mill owner shall return the stocks of wheat/atta in his custody. IN case of change of policy of State Government or Govt. of India, lead period of 10 days will be given.
- (b) to withdraw from the contract, at any time, if he considers it necessary to do so.

The decision of the Managing Director, Pungrain in this regard shall be final and no claim shall be entertained against the Government/ agency for any loss or damage suffered or alleged to have been suffered by the miller on account of such withdrawal of work.

23. All the disputes and difference arising out of or in any manner touching or concerning this agreement whatsoever (except as to any matter the decision of which is expressly provided for the contract) shall be referred to the sole arbitrator of the Principal Secretary/ Secretary to Govt. of Punjab, Department of Food, Civil Supplies & Consumer Affairs 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 & Supplies Department, Punjab /Pungrain 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 and Supplies Department, Punjab /Pungrain had expressed views on all or any of the mater 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, Principal Secretary/ Secretary to Govt. of Punjab, Department of Food, Civil Supplies & Consumer Affairs, 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.

Provided further that any demand for arbitration in respect of any claim(s) of the miller, 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 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 provisions for the same in his award.

Subject to as aforesaid, the Arbitration & Reconciliation Act, 1996 shall apply to the arbitration provided under this clause.

In witness there of 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

Witness : 1 _____

2 _____

(Name in Capital letters)

(Name in Capital letters)

Flour Miller : M/s _____