

352
361

Punjab Small Industries & Export Corporation Limited

(A State Government Undertaking)

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REF:NO:PSIEC:RM:SA:

8595-8599
8600

DATED: 11.7.2017

1. Branch Manager,
PSIEC, RM Depot
Ludhiana
2. Depot Manager,
PSIEC, Suranussi Depot/Mohali Depot
3. Godown Supervisor,
Bajala/Amritsar

Sub:- New policy regarding sale of iron and steel material

Please refer to the subject noted above.

In the 280th meeting of the Board of Directors held on 8.6.2017, a new policy regarding sale of steel material in Raw Material Depots of PSIEC has been approved and an advertisement was released in the The Tribune, Ajit and Punjab Kesari 24.0.617 on the subject and same was uploaded in the web site of the Corporation also. Accordingly, we are forwarding herewith a copy of new policy for record and further necessary action. You are also advised to circulate the same to the various Associations for their information

Encl : As above.

5/c
Yash Kumar
(Hardev Kumar)
Manager (HA)

POLICY GUIDELINES APPROVED FOR THE SALE OF IRON AND STEEL
MATERIAL BY THE BOARD OF DIRECTORS OF PSIEC IN ITS
MEETING HELD ON 08/06/2017

1. BOOKING OF MATERIAL

- **LONG PRODUCTS:-**

Booking from prospective consumers will remain open up to first three quarters of the year.

However, booking will be made effective after 15 days.

- **Flat Products:-**

Booking from prospective consumers will remain open up to first three quarters of the year.

However, booking will be made effective from the immediate next quarter.

- **EMD**

A unit will be required to deposit EMD @Rs. 100/- per MT at the time of the booking of material.

No interest will be paid by the corporation on EMD amount.

- **Registration Amount**

A Unit will be required to deposit one time registration amount of Rs.10,000/-.

No interest will be paid by the corporation on Registration amount.

4/2017

2. STORAGE FACILITIES

A Unit can avail this facility.

Material shall be kept in the depot(s) of PSIEC under the following conditions:-

- Advance booking amount equivalent to 25 % of the value of material.
- 13 % interest to be charged on the difference in value of stored material effective from the date of payment to supplier till realization of the full payment of the material from buyer.
- After 30 days period, 2% per annum additional interest shall be charged.

3. Payment of material

- PSIEC will issue delivery challan/invoice of material after receipt of payment from the unit to be accepted through cheque/ RTGS/ NEFT/Bank draft.
- In case of cheque clearance, no interest shall be charged up to 7 days including date of receipt of cheque.
- However, beyond 7 days period, 13% interest shall be charged from consumers, maximum upto 60 days.

4. JPC Rebate

JPC rebate allowed by Government of India shall be passed on to the consumers as per following pattern:-

Lifting (MTs)	All types of Iron & Steel Material (Rate Rs/ PMT) on yearly lifting basis.
1-110	170/-
111-5000	235/-
5001-8000	280/-
8001-12000	330/-
More than 12000	340/-

5. MoU Benefits

Benefits covering consistency discount, Turnover discount ,IFC, MOU or any other benefits allowed by the SAIL/suppliers shall be passed on to the customers, as the case may be.

6. Introduction of Post Dated Cheque Facility (PDCF)

Units may avail facility of payment of material in the form of Post dated cheque under the following conditions:

- a) Post dated cheque facility shall be allowed for 20 days by charging interest @ 13% per annum from the date of payment to the supplier.
- b) Beyond 20 days period, rate of interest shall be charged @ 15% per annum, maximum upto 60 days.
- c) *This facility will apply to atleast 3 years old customer.*

7. Sale of material against bank guarantee

Delivery of material against bank guarantee shall be given to the customer by charging interest @ 11% per annum from the date of making payment to the supplier till realization of payment from the customer.

8. Bouncing of cheque

In case of cheque bouncing for any reasons, the following penalty shall be levied on the concerned unit:

- a) Penalty @ Rs.3,000/- per cheque.
- b) Interest @ 15% p.a. on the amount of bounced cheque to be charged from the date of payment to supplier of material upto the date of receipt of actual payment from unit.
- c) Total payment including penalty and interest shall be deposited within seven (7) days of the bouncing of cheque to avail continuation of cheque facility failing which no material shall be allocated.

- 353
- d) Bouncing of cheque two times in a quarter will lead to debar from cheque facility in the subsequent quarter.

NOTE

General Conditions

1. Any increase or decrease in prices or any statutory duties and levies i.e. excise, sales tax, octroi and railway freight, VAT, GST etc. as applicable would be payable by the unit.
 2. All the charges as levied by SAIL/suppliers & Credit/Debit Notes issued by the SAIL/suppliers against lifting of the material will be borne by the unit on back to back basis.
 3. In case of any dispute, the jurisdiction will be Chandigarh & Chandigarh only.
 4. Booking amount will be refundable/adjustable at the end of the year.
 5. PSIEC reserves the right to alter, amend, withdraw/cancel any terms and conditions brought out above, without assigning any reason.
- Handwritten signature at the bottom right.