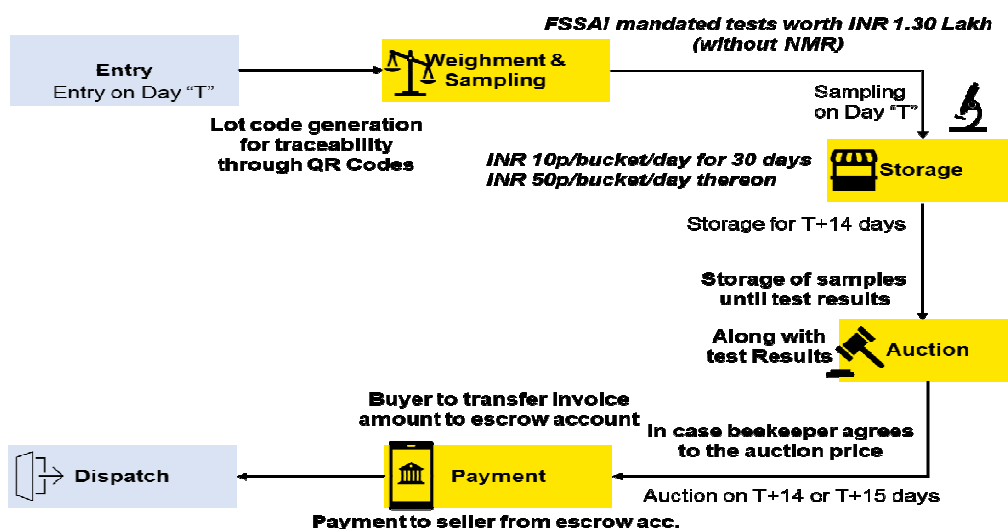


**Department of Horticulture, Haryana**  
**Integrated Beekeeping Development Centre, Ramnagar,**  
**Kurukshetra**

**Honey Trade Centre (HTC) Operational Norms and Guidelines**

1. Schematic representation/process flow and operation at HTC:

Once the honey enters into HTC, there would be weighing, sampling, storage, auction, dispatch and payments to beekeepers. The schematic representation here as under:



*Figure 1: Schematic Process Flow of Honey Trade Centre (HTC)*

(i) **Arrival of Honey:**

- Seller to bring at least 2.5 MT of honey at HTC. Honey would be accepted in food grade bucket.
- Grade verification/ platform tests (like visual examination, sample clarity, aroma/ flavour/ colour/ texture evaluation, moisture content) would be undertaken by trained personnel.
- Registration of sellers would be done based on MadhuKranti Portal Application Id. This would enable

creation of lot code for honey along with QR Code for traceability of honey.

- A registration fee of INR 10,000 per beekeeper would be levied. Similarly, buyers would be registered through PAN / Aadhar cards, with a provision of bank guarantee / security deposit of INR 10 lakhs (for exporters) or INR 5 lakhs (for small packers) to protect beekeepers from buyers defaulting on payments. Buyer(s) would not be allowed to trade beyond their bank guarantee limit.

(ii) **Weighment and Sampling:**

- Post registration, honey would be unloaded, for weighment and sample collection in the presence of beekeeper and HTC In-charge to ensure transparency.
- The lot generated would be updated with weight. Further, the collected samples from the lot(s) would be sent to empanelled testing labs like Punjab Biotechnology Incubator (PBTI), Mohali, CALF (Analytical and Research Laboratory), Anand or InterTek, Gurgaon.
- It is expected that test results would be received within 14 days. Honey sample test report shall be uploaded on the official website of IBDC, Ramnagar.
- Testing charges of INR 1.30 Lakh per lot is expected to be incurred for tests prescribed by FSSAI. NMR (Nuclear Magnetic Resonance) test is optional as it is not mandated under FSSAI and may be opted by the buyer at their own cost and discretion.
- Testing charges may be subsidized by the government in the first year, however entire cost is to be borne by buyer from second year onwards.

- In the initial year, govt. may provide upto 75% subsidy on assaying charges, remaining 25% to be borne by buyer. Provision of referral laboratory, in case of variation in test results from 2 laboratories.

**(iii) Storage:**

- HTC is equipped with 2500 MT storage space, which may be leveraged by buyers and sellers at nominal cost of INR 10p/bucket/day for 30 days and INR 50p/bucket/day thereafter.
- However, buyers need to compulsorily dispatch their lot after 30 days of storage.
- If in case samples fail on any parameter, stored lot would be returned to the respective beekeeper within the week, and it would be the responsibility of the beekeeper.
- Further, if a lot remains unsold for 60 days, seller will forfeit the right to the lot and the same may be disposed of by HTC at market rate and sales realization transferred to the seller after deduction of appropriate charges.

**(iv) Auction:**

- Auction of the lot would be undertaken along with test results. Traders/exporters would bid for lots through online/offline modes.
- There would be a provision for seller to set a minimum reserved price.
- In case seller doesn't agree to the price offered by the buyer, the lot would be re-auctioned.
- Weighment of successfully auctioned lot would be undertaken, any loss in weight between unloading and auction would be borne by beekeeper.

(v) **Payment:**

- In case beekeeper agrees to auction price of the lot, final invoicing may be done by buyer.
- To ensure payment settlement with buyer and seller, payment should be made through escrow account of HTC.
- In case of transfer of fund to escrow account, payment would be made to sellers account within (T+1) working days of remittance.

(vi) **Dispatch:**

- Lot would be dispatched after payment is transferred by buyer to escrow account of HTC.

2. HTC operational calendar:

- Given the time taken between honey lot arrival and auction is at least 14 days in initial year due to time elapsing due to quality testing, it is envisaged that honey arrival and lot generation would be undertaken during the first 10 days of the month (1<sup>st</sup> to 10<sup>th</sup> of the month).
- Sampling and test report generation for the arrived lots would be undertaken between 11<sup>th</sup> and 24<sup>th</sup> day of the month. 25<sup>th</sup> day would be for auction only, and 26<sup>th</sup> – 30<sup>th</sup> would be time for dispatch of auctioned lots and payment settlement.
- Thus, instead of sampling, auctioning few lots each day, this would ensure auction of higher volume and attract more buyers.

3. Roles and responsibilities of stakeholders

The major stakeholders in transaction through HTC would be –

- (i) Apex committee.
- (ii) Governing agency (HSHDA).

- (iii) Special Purpose Vehicle (SPV).
- (iv) HTC
- (v) Sellers,
- (vi) Buyers,
- (vii) Third party quality assaying lab.

4. Charges levied by HTC-Operating Agency

- (i) Service charge of 2% would be levied on buyer.
- (ii) In addition, seller to pay charges for storage at INR 10p / bucket / day for initial 30 days and INR 50p / bucket / day, management charges at INR 5 / bucket, unloading charge of INR 5 / bucket respectively. Nominal quality assaying charge of INR 1 / bucket. These charges can be amended based on trade volume and decision taken by the Committee.
- (iii) In case of successful auction, loading charge at INR 5 / bucket would be borne by buyer and in case of no sale of honey, loading charge would be borne by seller.

5. Grievance redressal

- To address grievances, disputes between parties, provision is to be made by the SPV for a first level in house committee with select members of SPV and HSHDA on nomination basis.
- In case the mediation fails at this level, the grievance would be referred to the apex committee under the chairmanship of Secretary Agriculture.
- Post this the dispute shall be finally decided by reference to arbitration. Arbitration shall be subject to the provisions of the Arbitration & Conciliation Act, 1996 as amended from time to time.

6. Opening of escrow account for facilitating payment settlement through HTC

- To ensure payment settlement between buyers and sellers and avoidance of dispute, HTC would facilitate payment through escrow account, wherein buyers would need to transfer invoiced amount to the HTC escrow account prior to dispatch.
- The amount would then be transferred to seller account from escrow account within a day.

7. **Role and Responsivities of Stake Holders**

7.1. Honey Trade Centre/Operating Agency:

- HTC would ensure registration of buyers and sellers, providing services such as storage, auction platform etc.
- Service charge 2% including 0.1% for settlement guarantee corpus (provision for dispute) would be levied on buyers.
- Further HTC would formalise grade verification at entry, weighment, lot generation, sample collection and quality test at empanelled testing labs.
- HTC would facilitate disposal of unsold honey and ensure payment settlement through escrow account.

7.2. Beekeeper and Seller:

- Seller to bring in honey at HTC, minimum 2.5 MT, and in food grade buckets.
- Seller(s) registration based on MadhuKranti Portal Id; registration fee of INR 10,000 applicable.
- Storage charges at INR 10p / bucket / day for initial 30 days and INR 50p / bucket / day thereon in case of no sale.
- In case of no sale in 60 days, honey to be disposed by HTC. Unloading charges of INR 5 / bucket applicable on sellers.

- In case of no sale, loading charges of INR 5 / bucket would be applicable on seller. Seller liable to pay INR 5 / bucket as management charge, and nominal quality assaying charge of INR 1 / bucket.
- Seller may set minimum reserved price in auction.
- In case of default due to adulteration by corn syrup, registration fee of INR 10,000 would be imposed as penalty.
- Re-registration would be applicable, however in case of further default, seller would be blacklisted for a year.

7.3. Buyer:

- Buyer(s) to bid for the lots for auction.
- Buyer registration based on PAN/ Aadhar card, and bank guarantee of INR 10 lakh (exporters) or INR 5 lakh (packers) as applicable.
- Storage facility available to buyers at nominal charge of INR 10p/bucket/day for 30 days, however compulsory dispatch of lot after 30 days. In case successful auction, loading charges (INR 5/bucket) applicable on buyers.
- Buyers would bear 2% service charge levied at HTC.
- In the initial year, it is envisaged that 25% of the quality assaying cost would be levied on buyers which would be 100% from second year onwards.

7.4. IBDC/Quality Assaying Lab:

- Quality Assaying Lab to ascertain quality of honey samples as per FSSAI parameters.
- Test report would be shared with buyer, seller and displayed on IBDC website.
- Quality assaying to be done via empanelled testing labs like Punjab Biotechnology Incubator (PBTI), Mohali, CALF

(Analytical and Research Laboratory), Anand or InterTek, Gurgaon during the initial 2 years.

- Thereafter, state of the art lab at IBDC may be leveraged for quality testing of honey.
- Provision of referral lab, in case of variation in test results from two labs.

Note: Beekeepers/traders shall have to submit an undertaking on Rs 100 stamp paper to accept the above norms, terms and conditions along with registration Fee/Bank Gurantee