

KARNATAKA STATE BEVERAGES CORPORATION LTD

SPIRIT SOURCING POLICY- 2017-18

CONTENTS (Circular No 218 A)

Clauses	Particulars	Page Nos
1	Initial documents	
	• Details of organisation of the manufacturer	
	• Certified copy of licence	
	• Registration details	1
	• Storage facility	
	• Details of authorised signatories	
	• Undertaking	
2	Declaration of stock available for delivery	
	• Details of Spirit for Potable purpose only to be declared	2
	• Wastage	
3	Basic Declared Price and Landed Cost	2
	Bulk Sales	
	• Categories of basic declared price	2
	• Margin	
	• Revised declaration of price	
4	Captive consumption	
	• Margin for Captive Consumption	3
	• Drawal of Spirit	
	• Maintenance of register	
5	Forward contracts – supply against tenders	
	• Agreement	4
	• Supply	
	• Remittance of sale consideration	
	• Delivery	
6	Forward contracts – negotiated supplies	4
	• Supply	
7	Forward contracts – obligations of the manufacturer	5
8	Order for Supplies	
	• Validity date / Supply	
	• Default charges	5 & 6
	• Cancellation of OFS	
	• Recovery of Loss	
	• Revised OFS	

9	Delivery	6 & 7
	• Remittance of duties/taxes	
	• Time of delivery	
	• Fitness of vehicle	
	• Raising of invoice	
	• Documents	
	• Excess drawal	
	• Ownership	
10	Adherence to quality	7
	• Items delivered to adhere to quality	
	• Indemnity	
	• Sampling	
	• Testing	
11	Payment for stocks sold	8
	• Computation	
	• Payment through RTGS/NEFT facility	
	• Recovery of Taxes / Duties	
12	Facilities to be offered	8
13	Compliance with laws	8
14	Force Majeure	8
15	Arbitration	8
16	Indemnity	9
	• Third party claims	
	• Non-compliance	
17	Accounts	9
	• Details of transactions	
18	Margin	9
19	Jurisdiction	9
20	Review of the Policy	10

Annexures	Particulars	Page Nos
I	Details of the organization of the manufacturer/supplier	11
II	Details of Spirit for Potable purpose only storage details	12
III	Details of authorised signatories to deal with the Corporation on behalf of the manufacturer	13
IV	Undertaking to be given by manufacturers/suppliers	14
V	Format for declaration of stock available	15, 16 & 17
VIA	Declaration of Basic Declared Price of Spirit for Potable purpose only by the manufacturer (Bulk Quantity)	18
VIIA	Request for drawing Spirit for Potable purpose only for captive consumption	19
VIIB	Captive consumption register	20
VIII	Clauses to be incorporated in the agreement between the buyer and the manufacturer selected through a tender / negotiation process	21
IX	Letter of indemnity	22
X	Sample Test Certificate of Spirit for Potable purpose only delivered	23
XI	Details of banks where the Corporation has its accounts	24

KARNATAKA STATE BEVERAGES CORPORATION LIMITED

Circular No. 218A

Date: 11/06/2018

Sourcing policy of Rectified Spirit only for Potable purpose for the year 2017-18

A detailed procedure for sourcing of Rectified Spirit (RS) has been prescribed in various circulars issued by the Corporation from time to time. This circular supersedes all previous procedures, so far as it pertains to sourcing of rectified spirit only for potable purpose. Suppliers are requested to take note of the procedure prescribed in this circular.

1.Submission of initial documents

1.01 All manufacturers of RS for potable purpose shall submit the following initial documents.

- a) Details of the organization of the manufacturer to be given in its letter head in the format in Annexure I, along with a copy of the certificate of incorporation, Memorandum and Articles of Association or partnership deed and registration from the Registrar of Firms as the case may be.
- b) A Certified copy of licence granted by Excise Commissioner under Rule 4 of the Karnataka Excise (Distillery & Warehouse) Rules, 1967/ Memorandum Of Understanding (MOU) between distilleries and Excise Commissioner.
- c) Registration details, if any, under the Karnataka Sales Tax Act and/or the tax index number (TIN) under VAT/Central Sales Tax Act / Goods & Service Tax (GST).
- d) PAN No issued by IT authority.
- e) Details of storage facility available for RS for potable purpose as in format in Annexure-II with copies of calibration certificates issued by the Department of Legal Metrology.
- f) Details of authorised signatories of the manufacturer, who would deal with the Corporation, to be given in its letter head as per the format in Annexure III.
- g) An undertaking in its letterhead as in Annexure-IV

1.02 A manufacturer who is a supplier of liquor to the Corporation and has submitted documents in accordance with the Liquor Sourcing Policy shall submit all other documents, except (a) of para 1.01.

1.03 All initial documents shall be signed by the Managing Director/Managing Partner/ Proprietor, in case of a Company/ Firm/ Proprietary concern. In case the Company does not have a Managing Director, then the documents shall be signed by the Chief Executive Officer or any other person duly authorized by the Board of Directors of the Company/Power of Attorney

2. Declaration of stock available for delivery

- 2.01 As per the directions of the Excise Commissioner vide letter number ECE/80/RS-2/2016-17 dated 27.07.2017 manufacturers of Spirit only for Potable purpose are required to declare details of molasses and spirit held by them in Form 01. A copy of Form 01 may be seen in Annexure-V. A copy of such declaration duly attested by the Distillery Officer shall be delivered to the depot, everyday.
- 2.02 Rule 25 of the Karnataka Excise (Distilleries and Warehouse) Rules, 1967 stipulates a limit of 1 per cent of wastage. Wastage in this context would imply quantity of spirit lost in process or during storage and issue. Such details would have to be declared by the distillery in the appropriate column in Form 01.
- 2.03 The declaration in Form 01 shall be received in the depot of the Corporation located in the distillery before 10 am everyday and the same will be signed by Depot Manager with time and date. Delay in giving the declaration may result in delay in transmission of details electronically to the head office and cause a consequent delay in the issue of Order for Supplies (OFS).

3. Basic Declared Price and Landed Cost

- 3.01 Manufacturers shall indicate the Basic Declared Price at which they are willing to deliver RS for potable purpose to the Corporation. The Basic Declared Price so indicated by the manufacturer plus the applicable duties and taxes thereon shall be called the Landed Cost. The Corporation shall source RS for potable purpose at the Landed Cost.
- 3.02 **Bulk Sales :** Manufacturers shall intimate their Basic Declared Price and the Landed Cost to the depot located in their premises in Annexure-VIA. Such declarations shall be made at least one day prior to delivery on the date on which they would like the prices to be made effective and the manufacturers shall give a distinct cost sheet for each product to be issued by them. Manufacturer is free to alter prices as frequently as they may desire.
- 3.03 The Depot Manager in-charge of the depot shall obtain the declaration(s) in Annexure-VI, enter necessary particulars in the system and give a confirmation copy of the prices so entered.
- 3.04 Manufacturers shall declare the basic prices for each category of deliveries which shall be classified as follows:
- a) Delivery of 3000 liters or more of RS only for potable purpose against one Order for Supplies (OFS) shall be called bulk delivery.

- b) Delivery of a quantity less than 3000 liters of RS only for potable purpose against one OFS shall be called retail delivery.
- 3.05 The Corporation is entitled to charge a margin money on the quantity of spirit. Manufacturers may note the margin money and the price of their produce accordingly.
- 3.06 In case of change in duty / tax structure from prospective effect, no sales shall take place nor any fresh OFS shall be issued, unless the revised declaration of price in Annexure-VI is submitted by the manufacturer, for effecting revised landed cost and the sale price, from the effective date of change of duty / tax structure as per Government Notification. In case of change of duty / tax structure with retrospective effect, or with immediate effect, no fresh OFS shall be issued and sales shall be stopped unless the revised declaration of price is submitted in Annexure-VI, within 3 days of the Notification.

4. Captive consumption

- 4.01 The Manufacturer may, as allotted by the Excise Commissioner, draw spirit for any bona fide use including manufacture of potable products by the manufacturer. Such issue (called captive consumption) shall also be canalized through the Corporation. The following procedure shall apply for drawing spirit for captive consumption.
- 4.02 Except in cases of captive consumption within the same premises, captive consumption quantity shall be subject to margin payable to the Corporation.
- 4.03 For drawing the requisite quantity, the manufacturer shall submit a request countersigned by the concerned distillery officer, duly signed in Annexure-VIIA and a copy of the allotment order of the competent authority to the depot. The Depot Manager shall maintain "Captive Consumption Register" in Annexure-VIIB and record the transactions therein with his initials. Entry in this register shall be made only if there is a bulk order by competent Excise Authority and drawal against such order is in phases.
- 4.04 The depot would supervise the drawal of spirit in the presence of distillery officer. Any margin payable to the Corporation for such quantity would be debited to the manufacturer and adjusted against payments due.

5. Forward contracts – supply against tenders

- 5.01 The Corporation would not participate in any tender inviting offers for supply of spirit, either within the country or outside. Manufacturers may respond to such solicitations, clearly indicating that the spirit would be issued through the Corporation and is subject to the extant policies of the government and the Corporation. If a manufacturer obtains an order for such supply, then it shall be specific to it.
- 5.02 Any agreement concluded between the manufacturer and the buyer shall contain the clauses indicated in Annexure VIII and a copy of the concluded agreement shall be submitted to the Corporation for record.
- 5.03 In such cases, the price accepted by the buyer through the tender process shall be deemed to be the Sale Price and the Landed Cost and the Basic Declared Price shall be computed taking due note of the margin of the Corporation and the duties and taxes applicable. Any OFS issued shall be at the computed Landed Cost.
- 5.04 The manufacturer shall be responsible for adhering to the conditions/commitments of the tender. He shall be liable for any consequence arising out of non-compliance of such conditions/commitments and shall keep the Corporation fully indemnified in this regard.
- 5.05 All buyers of Spirit only for potable purpose shall be required to remit the sale consideration in advance as per the Sales Policy of the Corporation.
- 5.06 The buyer is at liberty to demand delivery at the destination. However, in such cases, the buyer, may either have an agent to transport the consignment or designate the manufacturer as its agent. The agent/manufacturer would have to bear all transit risks and ensure transportation without misuse/tampering enroute. Any dispute that may arise in course of the transportation would have to be separately dealt with by the buyer and the agent/manufacturer. The Corporation shall not be a party to such disputes, as the ownership of the consignment would have passed on to the buyer immediately upon delivery at the distillery.

6. Forward contracts – negotiated supplies

- 6.01 Apart from responding to tenders, manufacturers may contact prospective customers and conclude contracts for issue of RS for potable purpose at a predetermined price. (Negotiated forward contracts are not in practice now)

7. Forward contracts – obligations of the manufacturer

- 7.01 The manufacturer shall be obliged to comply with the terms of the forward contract, including delivering RS for potable purpose at the price contracted. In case of any breach of the contract, he shall be responsible for all consequences, including compensating the buyer, and shall keep the Corporation fully indemnified in this regard. In case of any breach by the buyer, the manufacturer shall have no claim against the Corporation.

8. Issue of Order for Supplies

- 8.01 The head office of the Corporation in case of bulk delivery and the depot in case of retail delivery of spirit for potable purpose only. shall place an Order for Supplies (OFS) to the manufacturer. A copy of the OFS (whether issued by the head office or the depot) shall be signed by the depot manager and delivered to the manufacturer while taking delivery.
- 8.02 The OFS would indicate the validity date within which the buyer shall take delivery of the item and the manufacturer is obliged to deliver the quantity indicated in the OFS to the buyer as indicated therein.
- 8.03 If any manufacturer fails to give delivery against an OFS issued by the Corporation, after the latter has made all arrangements to obtain delivery, delivery default charges of Rs.10,000/- per OFS would be recovered. Manufacturers are therefore advised to inform well in advance about any likely delay/inability in honouring the OFS issued.
- 8.04 The Corporation shall have the discretion to foreclose/cancel any OFS issued. The Corporation may terminate any or all Orders for Supplies placed, if the manufacturer or any of his representatives, workers, employees, agents etc.
- (a) indulge in any unfair trade practice; or
 - (b) indulge in any activity which is directly or indirectly prejudicial to the interests of the Corporation; or,
 - (c) indulge in forgery, falsification, fabrication of any document, bill, voucher or delivery challan or commit any offence in connection with the manufacture and supply of spirit, which offence is punishable under law.
- 8.05 All losses incurred by the Corporation on account of the manufacturer, his agents, workmen, employees etc., committing the above said acts shall be recovered from the manufacturer.
- 8.06 In case of revision in Landed Cost due to change in duties / taxes applicable, pending OFS would be revised or cancelled and fresh OFS issued. Manufacturers may note that such revised OFS issued by the Corporation shall be honoured by them at the basic declared price as mentioned in the original OFS.

8.07 The Corporation is only a canalizing agency for Spirit for potable purposes and is not involved in the marketing of the produce. It would issue OFS to a manufacturer. Accumulation of RS for potable purpose in the premises of the Manufacturer / supplier shall not be the ground for issue of OFS.

9. Delivery

9.01 Manufacturers shall deliver RS for potable purpose as per the OFS issued by the Corporation. It shall be their responsibility to remit duties / taxes applicable to government.

9.02 Delivery shall ordinarily be between 10 am and 4 pm on working days. Delivery shall be given on the same day, on all working days, in all cases where the buyers report to the Depot before 4 pm, with valid documents viz. valid request letter for escort, OFS , Invoice, Excise permit and the vehicle for taking delivery.

9.04 Every vehicle coming for taking delivery of Spirit for potable purpose shall be inspected by the manufacturer for its fitness for transportation of spirit including OTL compatibility. After confirming that the vehicle is fit for delivery, the vehicle shall be weighed before loading (the tare weight) and after loading (the gross weight). Copies of the weights recorded shall be produced to the depot, only after which documents for sale would be released.

9.05 An exclusive invoice shall be raised by the manufacturer for every consignment against OFS issued and they shall invariably quote the reference number and date of the OFS issued by the Corporation in their invoice. The invoice rate shall be as indicated in the OFS. No revision in price, either contemplated or actually made effective, shall be reckoned for deliveries made for pending OFS.

9.07 Delivery of the quantity indicated in an OFS may be through single invoice or more than one invoice.

9.08 The following documents shall be submitted while giving delivery.

- (i) Sales invoices for the quantity delivered;
- (ii) Copies of weights recorded as per para 9.04; and
- iii) "Sample Test Certificate of the RS for potable purpose issued by the Manufacturer as in Annexure-X".

9.09 In any case, the quantity of spirit drawn shall not be in excess of OFS issued by the Corporation. Drawal of such excess i.e. more than OFS / EC allotment quantity shall be reported to the Distillery officer as violation. However, in case, the excess drawn is more than the invoice quantity, but, within the limit of OFS, for the excess drawn, a supplementary invoice and all other requisite documents shall be raised. Such excess shall not be termed as waste. Each such supplementary invoice shall carry an additional supplementary invoice charge of Rs.1000/- per such invoice.

- 9.10 Ownership of RS for potable purpose delivered to buyers, shall pass on to them immediately after delivery at the depot. The buyer shall be responsible for transporting the delivered spirit to its premises of use. All risks during the transit would therefore be borne by the buyer.

10. Adherence to quality

- 10.01 The manufacturer is expected to ensure that the items delivered to the Corporation adhere to the quality as stipulated by the relevant standards of the Bureau of Indian Standards and/or other standards as may be applicable.
- 10.02 Manufacturers shall be liable for any action that may arise due to non adherence to quality parameters. Any dispute/claim arising from the delivery of the spirit to the buyer shall be settled by the manufacturer. They shall keep the Corporation indemnified at all times in this regard.
- 10.03 Every consignment delivered by the manufacturer shall be subjected to joint sampling by the Depot Manager and manufacturer at the distillery before filling to the delivery vehicle. Two samples of 375 ml each shall be jointly drawn from each storage Tank/Vat from which the delivery is effected. If more than one tank/vat is used for delivery, then samples from each such tank/vat shall be drawn. The sample bottles shall be sealed, the identification label provided by the Corporation affixed, signed by the representative of the manufacturer and the depot manager and handed over to the depot.
- 10.04 After delivery of the consignment to the tanker, three samples of 375 ml each shall be jointly drawn from the delivered consignment by drawing samples from all the sub-tanks of the tanker, mixed and filled to bottle at the distillery. This shall be done at the distillery. Two of the samples shall be sealed, the identification label provided by the Corporation affixed, signed by the representative of the manufacturer and the depot manager and handed over to the depot. The third sample shall be tested by the manufacturer and a certificate as in Annexure-X given to the depot before dispatch.
- 10.05 The Corporation may, in case of dispute, test the sample in its custody to confirm the declared test results. If the test result varies substantially, the third sample would be tested in a reputed laboratory and if such testing confirms the variation in quality, the Corporation may initiate such action as may be appropriate in the circumstances.

11. Payment for stock sold

- 11.01 The amount payable to a manufacturer/supplier for the sales of Spirit for potable purposes provisionally recorded during a certain period (called the payment cycle) shall be computed and paid on the pay out day. The payment cycle and the pay out day may be suitably modified to reckon intervening holidays.
- 11.03 Any amounts to be recovered from the manufacturer shall be recovered out of the amounts payable. Any missing data due to delays/failures in electronic transfer of data shall be reckoned in the succeeding week and adjusted.

11.04 Payment by the Corporation would only be through a transfer directly to the bank account of the manufacturer. To facilitate such transfer, manufacturers /suppliers shall open an account with any one of the bankers to the Corporation or maintain an account with a bank having RTGS / NEFT facility. No payment by any other mode is allowed. Details of the banks where the Corporation has its accounts may be seen in Annexure- XI.

11.05 In case of any revision in duties / taxes by the Government, the same shall be recoverable from the manufacturer / supplier out of the amount payable to them.

12. Facilities to be offered

The Distilleries for whom licence is given for manufacture of RS for potable purpose shall offer all facilities to the corporation at the respective depots established at their premises to supervise the activities relating to the issue of spirit. More particularly, the Corporation shall have unhindered access to all manufacturing and appurtenant facilities for recording details as per the administrative instructions of the Excise Commissioner issued from time to time.

13. Compliance with laws

13.01 The manufacturer/supplier shall comply with the requirements of all laws, which are applicable, including timely remittance of tax dues and filing of returns.

14. Force Majeure

14.01 The manufacturer/supplier shall without delay notify the Corporation about any event of force majeure.

14.02 In the event of any failure in performance due to any force majeure condition, such as war, strike, fire, natural disaster, or any other cause whatsoever beyond the control of the manufacturer/supplier or the Corporation, the party so affected shall be exempted from performance during the period of such occurrence.

15. Arbitration

15.01 Any dispute that may arise between the manufacturer/supplier and the Corporation may be submitted to arbitration by a sole arbitrator to be selected by the Corporation from amongst any retired judge of the Supreme Court of India or the High Court of Karnataka. The arbitration shall be conducted in accordance with the Arbitration and Conciliation Act, 1996 as amended or substituted from time to time. The venue for arbitration shall be Bangalore. The arbitral award shall be conclusive, final and binding on both the parties.

16. Indemnity

16.01 The Manufacturer/Supplier shall keep the Corporation harmless and indemnified in all matters arising from supply of spirit to the Corporation and its subsequent disposal. Any third party claims arising from any buyer shall be settled by the Manufacturer/Supplier at his cost.

16.02 More specifically, the Manufacturer/Supplier shall indemnify the Corporation and keep it harmless with respect to:-

- (i) Non-compliance with the policy of the Corporation / regulatory authorities.
- (ii) Non compliance with the standard specified by the regulatory authorities.
- (iii) Non confirmation in the provisions of various law in force and consequence, losses, claims (Including claims of additional duty / taxes raised by the Govt of Karnataka) more specifically the non remittance and short remittance towards the duties / taxes statutorily payable.
- (iv) Quality claims that may be raised by any user or the ultimate consumer of spirit.
- (v) Claims for damages that may be raised by any user are the ultimate consumer due to delay in delivery of spirit by the manufacturer.

17 Accounts.

The Corporation would provide details of transactions to manufacturer. They may verify the same and indicate the variations, if any. Any adjustment necessary would be made after such verification. However no such difference shall be entertained by the Corporation after lapse of two weeks from the date of payment to the manufacturer / supplier.

18 Margin

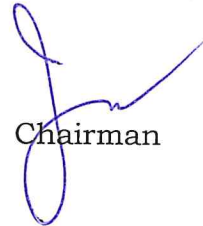
18.01 The Corporation would charge a margin of Rs. 0.20 per Bulk Liter of Spirit handled, w.e.f 01.04.2018, except in cases of Captive Consumption within the same premises.

19 Jurisdiction.

19.01 All transactions of the Corporation with the Manufacturer shall be subject to the exclusive jurisdiction of Bangalore.

20 Review of the Policy

- 20.01. The above policy is subject to periodic review. If the circumstances so warrant, the Corporation may, at its sole discretion amend this policy and the same shall be binding on all manufacturers.



Chairman

To,

1. All Spirit Suppliers / Buyers
2. Executive Directors
3. General Managers
4. CS
5. DGM (Audit)
6. IML/Spirit / Remote Virtual Depot Managers
7. All Managers, HO
8. Circular - Master File & Spare Copies

Annexure I

Details of the Organization of the manufacturer/supplier

(To be given in the Letterhead of the Organization)

Name of the Organization:				
Type of the Organization:	Company/Partnership/Sole Proprietorship			
PAN No.				
Documents enclosed	Certificate of incorporation and Memorandum and Articles of Association/Partnership deed and registration from the registrar of firms			
Particulars of the Chief Executive/Managing Partner/Owner	Name	Address	Landline & Mobile number	Fax number
Particulars of the other Directors/ Partners	Name	Address	Landline & Mobile number	Fax number
	(1)			
	(2)			
	(3)			
	(4)			
	(5)			
Address for correspondence				
E mail id				
Particulars of the bank (with RTGS / NEFT facility) where payments are to be credited				
a) Name of the bank				
b) Branch				
c) Account No				
GST Number				

Place:
Date:

Sd/-
Chief Executive/Managing Partner/Owner
(Name)

Karnataka State Beverages Corporation Ltd.
Circular No.218A

Dated: 11/06/2018

Annexure II

Storage Details of Spirit for Potable purpose
(to be given in the letter head of the organization)

Sl. No	Description of the product	Storage tank identity	Locking Enclosures Yes/No	Capacity (in liters)	Calibrated on
1					
2					
3					

Place:

Date:

Sd/-

Chief Executive/Managing Partner/Owner

(Name)

Karnataka State Beverages Corporation Ltd.
Circular No.218A

Dated: 11/06/2018

Annexure III

**Details of Authorised signatories to deal with the Corporation on behalf
of the Manufacturer / supplier:
(To be submitted in the Letterhead of the Organisation)**

Name of the signatory		
Designation		
Address		
Telephone Number		
Mobile Number		
e-mail ID		
Specimen Signature	1	1
	2	2

We certify that the action of the signatory / ies is binding on the manufacturer.

Place:

Date:

(Signature)

Name of the Chief Executive
/Managing Partner/ Owner

Annexure IV

Undertaking to be given by manufacturers/suppliers

(To be given in the Letterhead of the Organization)

To

The Executive Director (Operations),
M/s Karnataka State Beverages Corporation Ltd.,
4th Floor, TTMC Building 'A' Block
BMTC Complex, Shanthinagar
Bangalore 560 027.

Dear Sir,

Sub: Supply of spirit – reg.

Ref: Sourcing policy of the Corporation for the excise year
2017- 18

Please refer to the above.

We are in receipt of the Corporation's sourcing policy for spirit relating to the excise year 2017-18 and have gone through the same in detail.

In this connection, we hereby undertake to supply spirit to the Corporation in accordance with the Corporation's sourcing policy and the Government rules and regulations as applicable.

Thanking you,

Yours faithfully,

(Signature)

Name of the Chief Executive
/Managing Partner/ Owner

Karnataka State Beverages Corporation Ltd.
Circular No.218A

Dated: 11/06/2018

Annexure V

Format for declaration of stock available

Form 01

Distillery Name :
 Date :

Sl No	Item	On the day of report	From 1 st of the month	From 1 st July to date of report
I	MOLASSES			
1	Opening balance			
2	Receipt from sugar factory attached to the distillery			
3	Receipt from other sugar factories and Khandsari units			
4	Total 1+2+3			
5	Issue for distillation	Grade A		
		Grade B		
		Grade C		
	Total			
6	Closing Balance	Grade A		
		Grade B		
7	Total			
8	Storage losses			
II RECTIFIED SPIRIT (Above 66 OP)				
1	Opening Balance			
2	Production			
	Redistilled			
3	Total			
4	Issues (Details given below)			
	Sl No	Name of licensee	Allotment Order No	Purpose
				Redistillation
				IML
				Chemical / Manufacture of DS
				Others
				Export
5	Total			
6	Closing Balance			
7	Storage Losses			

Sl No	Item	On the day of report	From 1 st of the month	From 1 st July to date of report
III	RECTIFIED SPIRIT (BELOW 65 OP)			
1	Opening Balance			
2	Production in distillery			
3	Total			
4	Issues (details given below)			
Sl No	Name of licensee	Allotment Order No		
		Arrack		
		Redistilled		
		IML		
		Chemical/Manu facture of		
		DS		
		Others		
		Export		
5	Closing Balance			
6	Storage Losses			
7	Losses			
VI	DENATURED SPIRIT			
1	Opening balance			
2	Quantity of RS below/above 65 UP received for DS			
3	Absolute alcohol received for DS			
4	Quantity of DS manufactured			
	TOTAL			
5	Issue of Details given below			
	Sl No	Name of licensee	Allotment Order No	Purpose
6	Closing Balance			
7	Losses			
V	NEUTRAL SPIRIT			
1	Opening balance			
2	Quantity of RS received from distillery for distillation			
3	Quantity of Neutral spirit manufactured			
4	Quantity of RS below 65 op manufactured			
5	Quantity of NS received from distillery and other distilleries			
6	Total			

Karnataka State Beverages Corporation Ltd.

Circular No.218A

Dated: 11/06/2018

Sl No	Item	On the day of report	From 1 st of the month	From 1 st July to date of report
7	Issues (details to be given)			
	Sl No	Name of licensee	Allotment Order No	Purpose
				Others
				Export
8	TOTAL			
9	Closing balance			
10	Losses			
VI	ABSOLUTE ALCOHOL			
1	Opening balance			
2	Production in the distillery			
3	Total			
4	Issues (details to be given)			
	Sl No	Name of licensee	Allotment Order No	Purpose
	TOTAL			
5	Closing balance			
6	Storage Losses			
VII	MALT SPIRIT			
1	Opening balance			
2	Production in the distillery			
3	Total			
4	Issues (details to be given)			
	Sl No	Name of licensee	Allotment Order No	Purpose
	Total			
5	Closing balance			
6	Storage losses			

Signature of the Distillery Officer

Signature of the Licensee

Karnataka State Beverages Corporation Ltd.

Circular No.218A

Dated: 11/06/2018

Annexure VIA

**Declaration of Basic Declared Price of Spirit only for Potable
purpose by the manufacturer
(Bulk Quantity)**

(To be given in the Letterhead of the Manufacturer)

(i) Basic Declared Price for Potable Spirit:

Particulars	Category of Delivery
	Bulk
i) Basic Declared Price of the manufacturer	
ii) Duty / GST / any Taxes as applicable	
iii) Landed Cost to KSBCL (i) + (ii)	

Place:

Sd/-

Date:

Chief Executive/Managing Partner/Owner

(Name)

Karnataka State Beverages Corporation Ltd.

Circular No.218A

Dated: 11/06/2018

Annexure VII (A)

(To be given in the Letterhead of the manufacturer)

**REQUEST FOR DRAWING SPIRIT FOR POTABLE PURPOSE FOR
CAPTIVE CONSUMPTION**

Request Number :
(to be serially numbered for the year)

Request date :

Allotment Order of Excise Commissioner :

Quantity Allotted (bulk liters) :

Description of the Product :

Quantity already drawn :

Balance available for drawal :

Quantity proposed (bulk liters) to be
drawn :

Sl. No.	Purpose	Quantity proposed to be drawn	Proposed Date of drawal
	Total		

Place:

Date :

Sd/-

Chief Executive/Managing Partner/Owner

(Name)

Karnataka State Beverages Corporation Ltd.

Circular No.218A

Dated: 11/06/2018

Annexure VIII

**Clauses to be incorporated in the agreement between the buyer
and the manufacturer selected through a tender/negotiation
process**

- 1) The parties hereby agree that the seller shall issue and the buyer shall purchase Spirit only for Potable purpose as the case may be only through the Karnataka State Beverages Corporation Limited, the distributor licensee under the Karnataka Excise Act and the Rules made there under and shall be subject to the policies prevailing from time to time.
- 2) The seller shall be liable for any consequences arising out of non-compliance of such conditions/commitments of the contract and he shall keep the Corporation fully indemnified for any consequences that would arise due to breach of contract by either of the parties.
- 3) More specifically, the Corporation shall not be liable and shall be kept indemnified by the seller at all times against any claims for losses/damages due to non-delivery of spirit by the seller or default in payment of contracted price by the buyer.

Karnataka State Beverages Corporation Ltd.

Circular No.218A

Dated: 11/06/2018

Annexure IX

**Letter of indemnity
(To be given on the letterhead of the seller)**

To:

The Executive Director (Operations),
KSBCL,
Bangalore.

Dear Sir,

Sub: Letter of indemnity

Under NOC No. _____ dated _____
issued by the Excise Commissioner, Government of Karnataka, we are
transporting _____ bulk liters of Spirit for Potable purpose from
our premises to M/s. _____.

As per Sourcing Policy 218A, we are acting as the agent for
transporting the above consignment. We shall make arrangements for
transportation and insurance in respect of the above consignment at
our cost and risk.

We hereby agree to indemnify and keep the Corporation indemnified
from any and all claims that may arise in respect of transportation of -
----- bulk liters of Spirit for Potable purpose lifted by us. We
further undertake to pay all losses, damages, costs, charges and
expenses which the Corporation may suffer and keep the Corporation
indemnified in all other respects on account thereof.

Thanking you,

Yours faithfully,
for (Name of the Company {Supplier})

Karnataka State Beverages Corporation Ltd.

Circular No.218A

Dated: 11/06/2018

Annexure X

**Sample Test Certificate of Spirit for Potable Purpose delivered
(To be given on the letter head of the manufacturer)**

Date & time of dispatch	
Vehicle number	
Fitness of the vehicle	Satisfactory / Poor
KSBCL OFS No.	
Manufacturers invoice number and date	
Serial No. of the security seals in the vehicle	
Type of spirit	
Quantity delivered	
Temperature of the delivery	
Strength of spirit (in ° OP)	
Specific gravity of spirit delivered	
Tare weight of the vehicle (in kgs)	
Gross weight of the vehicle (in kgs)	
Weight of the spirit delivered (in kgs)	

Place:
Date:

Sd/-
(Authorised signatory)

Karnataka State Beverages Corporation Ltd.

Circular No.218A

Dated: 11/06/2018

Annexure XI

Details of Bank where the Corporation has its accounts

Name of the Bank	HDFC Bank, Mumbai
Current Account Number	855500XXXXX
IFSC Code	HDFC0000240