

KARNATAKA STATE BEVERAGES CORPORATION LIMITED

Circular No. 233

Date: 14.02.2015

Sales Policy for rectified spirit and denatured spirit

Subject: Levy of escort penalty on the buyers / suppliers of Spirit- Reg.,

01. The Spirit Sales policy (Circular No. 219 Sales policy for rectified spirit and denatured spirit) which specifies the penalty to be imposed on the buyer for delay in unloading the Spirit Consignment even after reaching buyer's place during official working hours of the buyer at Para No.10.13.

02. Para No.10.13 of the Circular 219 Sales policy for rectified spirit and denatured spirit is reproduced as under:

"The buyer shall promptly arrange for unloading of the consignment on the day of receipt if it reaches during the official working hours of the buyer. If not, the consignment shall be unloaded on the next working day. In the event of any delay beyond the permissible limit, the Corporation, at its sole discretion, may levy a penalty of Rs. 10,000/- per day per fleet of tankers escorted by the security personnel provided by the Corporation."

03. Since the phrase "Sole discretion of the Corporation" in the above mentioned para provided scope for being interpreted differently, the subject was placed before the Board in its 54th meeting vide subject No.12 and the Board approved a clarificatory note.

04. The Board also decided that the "Managing Director" is authorized to issue necessary clarification in this regard.

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05. Accordingly, the following Clarificatory Note is issued:

“ the Corporation, at its sole discretion, may levy a penalty of Rs. 10,000/- means and it always meant, that the penalty amount not exceeding Rs.10,000/- but it should not be less than the additional cost the Corporation might have incurred or may incur due to delay in unloading”.


Managing Director