

KARNATAKA STATE BEVERAGES CORPORATION LIMITED

Circular No: 167

Date: 28th June 2008**“Liquor Sourcing and other Policies for the Excise year 2008-09”**

KSBCL has issued its Liquor Sourcing and other Policies for the Excise year 2007-08 as follows :

Sl. No.	Particulars
I.	IML
	Liquor Sourcing Policy for 2007-08 Circular No.133 dated 19.06.2007
	Liquor Sales Policy for 2007-08 Circular No.134 dated 19.06.2007
II.	SPIRIT
	Sourcing Policy for Rectified Spirit and Denatured Spirit Circular No.135 dated 19.06.2007
	Sales Policy for Rectified Spirit and Denatured Spirit Circular No.136 dated 19.06.2007
	Import Policy for Rectified Spirit and Denatured Spirit Circular No.137 dated 19.06.2007
	Policy on Import of Spirit from abroad Circular No.138 dated 19.06.2007
	Export Policy for Rectified Spirit and Denatured Spirit Circular No.139 dated 19.06.2007
III.	Liquor Sales Policy for 2007-08 Circular No.134 dated 19.06.2007 (KANNADA VERSION)

All the above policies shall continue and be applicable to the Excise year 2008-09 subject to following change :

Circular No.158 dated 23.01.2008 regarding minimum sale value for Beer and Wine and Circular No.166 dated 23.05.2008 regarding maintenance charges for storage of liquor in cold storage shall be read as part of the Liquor Sourcing and Sales Policy for 2008-09.

Further, under Liquor Sales Policy for 2007-08 issued vide Circular No.134 dated 19.06.2007, para 4 with the caption **“Payment for stocks purchased”** shall stand substituted as follows:

“4. Payment for stocks purchased

4.01 Issue of stocks shall be either through Electronic Fund Transfer (EFT) or local Demand Draft or Pay Order. Payment through Bank Challan stands discontinued, and therefore reference to Bank Challan if any in respect of payment by retailers

to KSBCL stands cancelled, wherever it occurs. The preferred mode of payment shall be EFT as it results in immediate fund transfer to KSBCL account unlike DDs. EFTs may be effected through any one of the 13 Banks detailed at Annexure IV.

4.02 Electronic Fund Transfer works as follows:

1. The retailer may open an account with any of branch of the 13 Banks, and seek EFT facility. The Bank gives EFT facility including account holder's ID and Password. The retailer shall inform KSBCL that he has designated this account as his account for transfer of funds to KSBCL.
2. Retailer shall transfer funds electronically to KSBCL Depot account from the said designated account only. He gets a printout of the transaction with unique transaction number (This is called transaction slip).
3. Retailer or his authorised representative goes to the Depot with the said transaction slip and shows it to the Depot Manager.
4. Depot Manager accesses his depot account on the Web, through his password, and verifies whether the credit has come to his account as per the details in the transaction slip and whether it has come from the designated account of the retailer.
5. If the credit has come and it is from the designated account, he delivers the goods to the retailer.
6. The system permits the retailer to transfer funds to KSBCL through any Internet gateways, at their home office, cyber café, bank, depot etc., at their convenience. The system also facilitates transfer of funds at any hour of the day.
7. The EFT facility may include Direct Debit mode of payment, whereby the Retailer, Bank and KSBCL have a tripartite agreement in terms of which the retailer can authorize the Depot Manager to directly debit his account for the value of stocks to be purchased by him. The Bank will allot a password to the Depot Manager to carry out this transaction and the credit will only be to KSBCL's account and not others. Total limits for issue of debit usages can also be fixed for added security.

4.03 Dishonour or back reference of the demand draft/pay order will lead to following action by HO/Depot Manager, whoever notices the default earlier.

- (i) Supplies to the buyer will be stopped forthwith.
- (ii) Further supplies to the retail licensee shall be resumed only with the prior permission of the MD who shall:-

- (a) recover the DD amount in full with interest at 24%
- (b) levy restoration charges of Rs.50,000/-
- (c) Buyer will ensure an interest free initial deposit with KSBCL of Rs.1 lakh for the period of license.

4.04 It is the buyer's responsibility that he takes delivery of goods only after making payment thereof. He should verify at his end that all purchases made by him have duly been paid. If during reconciliation or otherwise it is found that any retailer has taken delivery of goods and has not taken reasonable care to verify or failed to verify from his account whether payment thereof has been made to KSBCL and has not pointed out any discrepancy immediately to KSBCL, it shall be deemed as dishonest practice by the retailer, unless proved otherwise and in such cases the following action shall follow:

- 1) Supplies to the retailer shall stop forthwith.
- 2) Retailer shall pay and KSBCL shall recover the short payment with interest at 24% for the period of delay in payment.
- 3) The supplies to the retailer shall resume only after payment of restoration charges of Rs.25,000/-.

4.05 Buyer may deposit a fixed amount and lift stocks against such deposit. The Corporation would not pay any interest for the deposit. They may replenish the deposit periodically."


(G.V. KONGAWAD)
MANAGING DIRECTOR

To

- i) All Manufacturers & Suppliers
- ii) All Primary & Composite Distilleries
- iii) OSDF/Executive Directors
- iv) CS & ED (A&A) / GM(O)
- v) DGMs/AGM(F)/C(A)/A.A.O./Managers
- vi) All IML Depot Managers
- vii) All Spirit Depot Managers
- viii) Circular – Master File & Spare copies

ANNEXURE – IV

Banks through which retailers can make payment through EFT

1. State Bank of India
2. State Bank of Mysore
3. Axis Bank
4. ING Vysya Bank
5. Syndicate Bank
6. ICICI Bank
7. IDBI Bank
8. Canara Bank
9. HDFC Bank
10. Corporation Bank
11. Bank of Baroda
12. Union Bank
13. Vijaya Bank