

KARNATAKA STATE BEVERAGES CORPORATION LIMITED

Circular No. 168

07.07.08

Sub: Recovery of differential duty on the ground Stocks and Stocks in transit held at the depots of the Corporation and stocks in transit.

The Government of Karnataka, vide its Notification No.FD 02 PES 2008 dated 01.04.2008, has modified the DP range and the consequent AED payable on different slabs for IML effective 01.04.2008. Consequent to the above, the revised landed cost & selling prices of KSBCL were worked out in respect of those distilleries who submitted revised DP/Cost cards. The revised pricing was given effect to after the approval by the Excise Commissioner of Karnataka.

Consequent to the above change, the differential duty on the closing stocks held at the depots of the Corporation as on 31.03.2008 (including OFS issued up to 31.03.2008 and accounted subsequently during the current financial year) would be debited to the account of the concerned manufacturer/supplier and recovered out of their weekly sale proceeds in one lumpsum.

Henceforth, in case of any upward revision of DP/MRP by the manufacturer/supplier or if there is any shift to next higher duty slab on account of revision of duty by the Government, the following action shall be taken:

1. In case of revision of duty by the Government, the concerned manufacturers need to submit to the KSBCL, revised DP with the approval of Excise Commissioner in case of local brands and revised cost sheet in respect of other than local brands. Until this is done, stocks will stand valued at Rs.Zero and no sale shall take place in respect of such brands.
2. In case of local brands after receipt of revised DP and in case of imported brands after receipt of revised cost card, the prices shall be revised by Joint Manager, Pricing with the approval of appropriate authorities.
3. DGM (Liquor) shall intimate the Manager (Accounts), with a copy to Joint Manager, Pricing the following :
 - (a) Ground stock as on the date of revision of prices and
 - (b) the stock in transit as on the date of revision which has suffered pre-revised duty.
4. The Manager (Accounts) on the basis of information furnished as above by the DGM(O) shall calculate the differences in duty, get it audited and approved and then, deduct the same in the next Weekly Payment.

The entire process should not take more than 2 weeks from the date of price updation.



(G.V.KONGAWAD)
MANAGING DIRECTOR

To

All Manufacturers & Suppliers
OSD(F) / ED(O)/ CS&ED
GM(O) / DGM (L) / DGM (S)
Consultant (Audit) / SEO (F&A)
Circular - Master File