

RAJASTHAN STATE BEVERAGES CORPORATION LIMITED
(A Government of Rajasthan Undertaking)

Circular No. RSBCL/LSP/ 2015-16 / 8260

Dated : 12 March, 2015

Liquor Sourcing Policy for 2015-16

This circular pertains to sourcing of liquor. Manufacturers / Suppliers / Importers (henceforth called manufacturers) are requested to take note of the procedure prescribed in this circular which comes into effect immediately.

1. Submission of Initial Documents

1.1 Manufacturers desirous of supplying liquor FMFL, IMFL, Wine, Beer etc. to the Corporation (short for RSBCL) for subsequent delivery to buyers shall submit the following documents, before their offer can be considered and action initiated.

- (i) Non interest bearing refundable Security Deposit of Rs. 10.00 lac for new Suppliers in the form of Demand Draft in favour of RSBCL, Jaipur
- (ii) Details of the organization of the manufacturer to be given in its letterhead in the format in Annexure 1.
- (iii) A certified copy of the last valid license granted by the concerned Excise Commissioner / competent authority of the concerned State.
- (iv) Details of executives and / or representatives to deal with the Corporation to be given in its letter head as per the format in Annexure 2.
- (v) An agreement as in the format in Annexure-3 duly executed by the authorized signatory of the manufacturer in a stamp paper of denomination of Rs.500/-.
- (vi) If the manufacturer is not the owner of the brands proposed to be supplied, then a copy of the agreement between the manufacturer and the owner of the brand.
- (vii) Certified copy of the latest audited accounts and annual report. If such accounts pertain to a period other than the recently concluded financial year, reasons for not submitting the certified accounts of such year may be explained and justified.
- (viii) An attested / notarized copy of the registered partnership deed / Memorandum and Article of Association (latest) of the manufacturer.

1.2 Suppliers desirous of supplying liquor imported from abroad to the Corporation for subsequent distribution to buyers shall submit the following documents, before their offer can be considered and action initiated.

- (i) Non interest bearing refundable Security Deposit of Rs. 10.00 lac for new Suppliers in the form of Demand Draft in favour of RSBCL, Jaipur.



- (ii) Details of the organization of the supplier to be given in its letterhead in the format in Annexure 1.
- (iii) Authorization of the manufacturer, if any, permitting the supplier to deal with the products proposed to be supplied to the Corporation.
- (iv) Details of their executives and / or representatives authorized to deal with the Corporation to be given in its letterhead as per the format in Annexure 2
- (v) An agreement as in the format in Annexure- 4, duly executed by the authorized signatory of the supplier in a stamp paper of denomination of Rs.500/-.
- (vi) Certified copy of the latest audited accounts and annual report. If such accounts pertain to a period other than the recently concluded financial year, reasons for not submitting the certified accounts of such year may be indicated.
- (vii) An attested copy of the registered partnership deed / Memorandum and Articles of Association (latest) of the manufacturer.

1.3 However, the approved Suppliers/manufacturers for 2015-16 are required to submit following necessary annexures:

- (i) Annexure-1 (ii) Annexure-2 (iii) Annexure-3 or 4
- (iv) Annexure-5 (v) Annexure-6 (vi) Annexure-7/8/9/10 (As the case may be)
- (vii) Approved labels along with competent sanction letter.

2. Registration of Labels

- 2.1 Labels of brands proposed to be supplied / marketed by a manufacturer located in or outside the state have to be approved by the Excise Commissioner, Rajasthan. Such an approval shall be obtained by the manufacturer and submitted to the Corporation.
- 2.2 Manufacturers located outside the state shall submit a copy of the permission for the manufacture of the brands proposed to be supplied, approval for labels as granted by the competent excise authorities of that state and the authorization for exporting from that state to Rajasthan.
- 2.3 In respect of brands imported from outside India, suppliers shall remit necessary fees for label approval to Excise Commissioner and obtain necessary registration approvals.
- 2.4 Where the change of brand name is apparently only a technical one and the basic brand name is same, then the manufacture will, apart from offering the brand of choosing to this state, will also compulsorily offer similar cheapest brand being sold by him elsewhere.

3. Declaration of Prices and Landed Cost
 - 3.1 Manufacturers located within the State or outside are required to declare the price of liquor in prescribed proforma (Annexure - 5). Names of and supply details to all the states and Union Territories shall be included and a certificate to that effect appended. The manufacture shall also submit details in prescribed proformas for all such variants of brands having similar key word, whether registered in Rajasthan or not and sold anywhere within last two years. These details shall be made available to the Corporation at least one week prior to the date on which the manufacturer desires to have the first Order for Supplies (OFS) in respect of these brands.
 - 3.2 The manufacturer / supplier will declare Ex-Distillery Price / Ex-Brewery Price and will provide information relating to minimum EDP / EBP price of Cost Sheets declared in all other states for the same brand.
 - 3.3 A statement for each brand of IMFL /FMFL/ Beer indicating information for label registration of a brand of IMFL /FMFL/Beer shall be submitted in the prescribed proforma (Annexure-6).
 - 3.4 While doing so, manufacturers may ensure that the description of the item in Annexure 5 and 6 is exactly the same as the label approval accorded by the Excise Commissioner. In case of any difference, the Corporation would not act on the details submitted by the manufacturer.
 - 3.5 In respect of brands manufactured in Rajasthan or imported from outside the State, the Corporation is required to declare the price for sale to retailer and the Maximum Retail Selling Price of such products. They shall submit a cost sheet, containing details of basic price and duties in the form as in Annexure 7 or 8.
 - 3.6 Suppliers desirous of supplying liquor imported from abroad shall submit a cost sheet containing details of basic price and duties in the form as in Annexure 9 for stocks imported after payment of Customs Duty and as per the form in Annexure 10 for stocks imported duty free. The price shall be indicated in Indian rupees and shall not be contingent upon any fluctuation in foreign exchange rates.
 - 3.7 Suppliers may please note that they are required to work out the Landed cost, the sale price and the Maximum Retail Selling Price taking due note of the provisions of the different notifications with respect to duties / fees issued by Government of Rajasthan (Excise Department) / Excise Commissioner under Rajasthan Excise Act and rules framed there under. The Corporation reserves the right to decide the extent of differential cost to be allowed to supplier's for Rajasthan.
 - 3.8 The term Landed Cost to the Corporation shall mean: EDP of the manufacturer + ED + Additional Excise Duty. The EDP of case box of Quart, Pint and Nip would be considered individually for determination of MRP. The selling price by RSBCL to the retail seller and maximum retail price will be as per Annexures 7, 8, 9 and 10.
 - 3.9 The Corporation shall charge a margin of 0.33% on the Landed cost. In case of BIO brands (imported foreign liquor), Corporation shall charge a margin of 7% on landed cost. The retailers are allowed a margin as below:



| Margin on Items | Retailer Margin @ |
|--------------------------|-------------------|
| Beer (All pack sizes) | 22% |
| IMFL (in Nip size only) | |
| All other liquor / sizes | 20% |

Above to be incorporated in Annexures 7, 8, 9 and 10.

- 3.10 The MRP in all capacities of bottles will be rounded off as follows:
- Rounding Up of MRP in all capacities of bottles of IMFL and Beer will be done to the next Re.1.
 - Additional Margin due to rounding up the MPR will be retained by RSBCL as Additional RSBCL Margin.
- 3.11 The Corporation would permit revision in EDP / EBP declared by the manufacturer with effect from Next day from date of rates approval. Manufacturers who want to revise their price shall submit revised declaration to the Corporation at least 10 days prior to the day on which they desire the revision. The MRP of stock lying with Corporation shall also be revised accordingly. The revision of MRP will be permissible only after submission of full justification alongwith documentary evidence i.e. production cost sheet etc.
- 3.12 In case of any change in the fee and duty structure, new prices shall become effective from the date of notification issued by the Government. The Corporation would compute the new prices and make necessary changes in prices.
- 3.13 Manufacturers shall submit a revised Maximum Retail Selling Price in respect of their products, after justifying such MRP. Till such time they submit the revised MRP, no fresh OFS shall be issued.
- 3.14 In all such cases, if the rates at which the OFSs would be issued would be revised, all pending OFSs would be cancelled by the Corporation and manufacturers shall surrender all outstanding OFSs and collect revised OFSs immediately.
- 3.15 Any price reduction on account of a revision due to a change in the Declared Price or due to a change in duties shall be borne by the manufacturer. The Corporation would, in respect of the stocks held, debit their accounts with the difference on the day such revision comes into effect.
- 3.16 Manufacturers shall, before introducing any sales promotion or discount scheme communicate to the Corporation, the details of such scheme and its impact on the maximum retail-selling price.
- 3.17 As per Excise Policy issued by Government of Rajasthan for the year 2014-15, the procedure for approval of prices in RSBCL will be made online during the year 2015-16. The procedure will be effective from the date of issuance of detailed circular / guidelines by RSBCL for this purpose.
- 3.18 It shall be the responsibility of the supplier to deposit difference of Excise Duty / Additional Excise Duty on stock lying with RSBCL depots & in transit on the date of approval or revision in MRP. A copy of the challan of such deposited additional ED / AED is required to be submitted to corporation & Excise Department immediately after revision / approval of rates by RSBCL.

3.19 After approval of new MRP for the year 2015-16, the supplier concerned has to affix revised MRP on existing stock lying in RSBCL depots / in transit. If any legal liability arises due to non compliance of the above, the supplier will be held responsible for that.

4. Orders for Supplies (OFS)

4.1 Supplies to the Corporation shall be based on the OFS issued by it. The Corporation shall issue OFS based on the stock requirement of depots after duly considering the quantity held, the sales trend and requests of the manufacturer, if any. To facilitate the process, the supplier may indicate the requirement of its brands and packs in various depots. However, the Corporation reserves its right to decide the quantity for which OFS can be issued. Special requests or difficulties faced by manufacturers regarding issue of OFS may be addressed to the General Manager (Operations).

4.2 Two copies of the OFS will be issued for the exact quantity that the supplier proposes to transport. It is, therefore, imperative that manufacturers indicate their dispatch plan for issue of OFS. The OFS shall be signed by either of the authorized signatories of the Corporation, whose specimen signatures may be seen in Annexure 11.

4.3 The OFS would indicate the validity date within which the manufacturer should complete the delivery. If a manufacturer does not honour the quantity indicated in the OFS within the validity period, then the order for the remaining quantity shall lapse automatically. The Corporation may, at its discretion, extend the validity of the OFS and the manufacturer shall honour the OFS within the extended validity period without fail. However Corporation shall charge a fee for extending validity of each OFS as under:

- | | | | |
|------|---------------------------------------|---|---------------------|
| (i) | For first 4 days or part thereof | - | Rs. 1,000/- per OFS |
| (ii) | For every next 4 days or part thereof | - | Rs. 2,000/- per OFS |

However, these rates may be revised by the MD from time to time.

In exceptional circumstances, where the delay is on accounts of factors beyond the control of Manufacturer like natural calamity, accident of the vehicle carrying quantities under said OFS and contingencies alike, MD RSBCL may condone the extension charges.

4.4 Repeated lapse of supplies against OFS without valid reasons may result in reduction of quantity sourced and may also attract other penalties that the Corporation may specify from time to time.

4.5 In respect of supplies from within State / outside the State or from outside India, the manufacturer or their authorized representatives shall, after the issue of OFS, deposit the Import Fee, Excise Duty and other applicable duties / fees for their respective brands with the Excise Department or through the Corporation. Manufacturers may please take note that they are responsible for remitting / depositing the correct quantum of duties / fees and that they are liable for any short payment of duties (The Corporation shall be entitled to recover any short payment of duty from them, should such instances occur).

4.6 In case the supplies are not effected against any OFS and the same is submitted to Corporation for cancellation, the same shall be cancelled on payment of a fee of Rs.5,000/- per OFS. If the cancellation request is submitted after the validity date, the fee mentioned in clause 4.3 shall be charged from the supplier in addition to the cancellation charges. However, these rates may be revised by the MD, RSBCL from time to time.

5. Duty Free Imports

5.1 The Foreign Trade Policy provides duty credit entitlement to specified Hotels and Restaurants in reference to foreign exchange earned by them (eligible importer) in the preceding year. The procedure detailed below shall be applicable for import of liquor into the state under this provision.

5.1.1 The eligible importer shall declare the brands and the quantity proposed to be imported under this provision. The eligible importer shall also declare the source of import, which shall be a supplier who has submitted initial documents to the Corporation.

5.1.2 The supplier as declared by the importer shall be responsible to complete customs and other formalities so that the goods can be transported to the state.

5.1.3 The eligible importer shall be permitted to import only registered labels approved for consumption in Rajasthan for the relevant excise year. The eligible importer shall produce a copy of eligibility certificate, if any, issued by the Director General of Foreign Trade for duty free import of such stocks.

5.1.4 The Corporation shall be the intender of stocks on behalf of the eligible importer. The Corporation shall issue an order for supplies to the supplier. The rate of supply of the item shall be as indicated by the supplier in the cost sheet for duty free import.

5.1.5 The supplier shall thereafter remit state levies as may be applicable through the Corporation or to the Excise Department. The supplier may note that they are responsible for remitting the correct quantum of duties and that they are liable for any short payment of duties. The Corporation shall be entitled to recover any short payment of duty from them, should such instances occur.

6. Delivery

6.1 As indicated above, manufacturers shall effect supplies within the time period mentioned in the OFS. The stocks shall be delivered at the concerned depot of the Corporation at the cost and risk of the manufacturer and shall conform to the brand, quantity and pack sizes as indicated in the OFS. Any delivery that deviates from the OFS shall not be acknowledged by the Corporation and shall not be unloaded at the depot. The Stock which is not as per OFS shall be drained out in the presence of Excise officials and Company representative after adopting following procedure:-



1. Information is to be given to supplier and H.O.RSBCL immediately.
2. Detailed report alongwith copy of panchnama be sent to Head Office/DEO concerned.
3. MIS be finalized by keeping such stock in 'Off LineStock' category.

4. After getting approval of Excise Department, this stock will be drained out as per procedure laid down in Excise department circular no. E.C. 107 dt. 01.05.2014. No refund of Excise Duty shall be made to suppliers for such drained out stocks.
- 6.2 An exclusive invoice shall be raised for every OFS issued. At the time of effecting delivery, the manufacturers shall invariably quote in their invoice the reference number and date of the OFS issued by the Corporation and surrender the OFS in original to the receiving depot.
- 6.3 In cases of all supplies from manufacturers in the State and in respect of imported brands (both from outside the state and the country), the invoice rate shall be as indicated in the OFS.
- 6.4 The invoice of the Manufacturer / Supplier shall be accompanied by the following documents and shall be submitted to the receiving depot.
- (i) The original OFS issued by the Corporation. If the supplies made are in pursuance of more than one order so issued, all such orders shall be attached;
 - (ii) Copy of the permits issued by the Excise Department;
 - (iii) Lorry Receipt;
 - (iv) Copy of the challans for having remitted / deposited duties and
 - (v) If applicable, a statement of the excise adhesive labels / holograms with details of unique identifying numbers (for each bottle) of the carton boxes delivered, segregated item wise in case of manufacturers in the state.
 - (vi) Batch wise details of quantity of dispatch conforming to FL-6.
 - (vii) Fit for human consumption certificate will be issued by Unit In-charge of Excise Department and Lab Chemist of distillery/ brewery concerned before issue of supply to RSBCL depots.
- 6.5 If applicable, all manufacturers / importers are required to mention the excise adhesive label / holograms identifying numbers on all the liquor carton boxes supplied to the Corporation as required by Excise Department from time to time. Such details may be furnished in each carton box as per the format given below, as a sticker / rubber stamp pasted / affixed on the box.

| | |
|--------------------------------------------|----|
| Supplies to the RSBCL | |
| Name and Address of the Distillery/Brewery | |
| ----- | |
| ----- | |
| Excise adhesive / hologram numbers | |
| From | To |

- 6.6 Manufacturers may please note that the consignment would not be unloaded in the receiving depot if the requirements indicated in paragraphs 6.4 and 6.5 above are not met.

6.7 Manufacturers shall ensure that the carton boxes used by them conform to the specifications of the Bureau of Indian Standards and that the boxes do not become a cause for excessive transit and / or depot damages. The Corporation may, if it so warrants, issue necessary guidelines in case of manufacturers who do not use standard boxes, which shall be followed by them.

6.8 Manufacturers shall also ensure that they do not overload the lorries transporting their goods. Needless to mention, such overloading is a major cause of excessive transit and depot damages. Any instance of overloading noticed by the Corporation may result in appropriate action as may be necessary.

7. Adherence to Quality

7.1 The manufacturer is expected to ensure that the items delivered to the Corporation are fit for human consumption and adheres to the quality as stipulated by the relevant standards of the Bureau of Indian Standards and/or other standards as may be applicable or as desired by Government of Rajasthan. Government of Rajasthan has decided that IMFL, only with ENA as base raw material, would be allowed in Rajasthan.

1. Indian made Beer when delivered to the Corporation shall be within 90 days of date / month of bottling. In exceptional cases, Beer supplied after 90 days may be accepted after recording reasons subject to minimum charges of Rs. 10/- per carton box per day for next 15 days.

2. The BIO Beer which is imported from outside India having expiry period of one year can be accepted by RSBCL depots upto 150 days from the date of manufacturing. Thereafter for next 15 days i.e. upto 165 days it can be accepted after depositing charges by these suppliers as mentioned above.

However, the supply of Beer, which is more than 105 days old in case of Indian & 165 days old in case of BIO Beer from the date of manufacture, would not be accepted by the Corporation.

7.2 The Corporation may periodically test samples of such items as it may decide, to ensure that quality standards are adhered to. If an item does not adhere to the quality standards expected of it, sale in respect of that particular batch of the item (if in stock) would be suspended immediately. A communication would be sent to the manufacturer along with the results of tests carried out with a request to withdraw stocks of the particular batch from the depots at his cost. The manufacturer would also be advised to improve the quality to conform to specifications.

7.3 All other brands of such manufacturer will also be subjected to examination and the cost of testing these samples would be debited to the manufacturer. If any of these products does not conform to specifications, then such products (brands) would be black listed and the Corporation would stop transacting in the same.

8. Transit Risk and Losses

8.1 It is the responsibility of the manufacturer to deliver stocks at the depots of the Corporation. This includes stacking of the liquor in the depot. Therefore any risk during the transit of liquor from the premises of the supplier till the stocks are



unloaded and stacked in the depot shall be borne by the manufacturer, who may, if necessary, seek an insurance cover.

- 8.2 Transit losses would fall in one of the categories described below. Such losses shall be to the account of the manufacturer.

Short Receipt – Receipt of lesser number of items than what is mentioned in the invoice of the manufacturer and/or mentioned in the transport permit would be categorized under this head. Such short receipt would generally be in the nature of missing bottles in carton boxes, though missing of whole carton boxes cannot be ruled out.

Broken Items – Items that are received in broken condition or detected during delivery by RSBCL for further sales or detected during affixation of excise adhesive labels in case of imported items (both from outside the State and from outside the country) would be categorized under this head.

9. Stocks held for sale

- 9.1 The Corporation would take necessary care of the stored stock as is reasonably possible and expected of it.

- 9.2 Damage to stock held for sale as a result of any negligence of the manufacturer or the transporter, it would be to the account of the manufacturer. More particularly, instances of bottles having hairline cracks resulting in steady evaporation of the contents, quantity filled being less than the declared quantity damage due to weak carton boxes, etc., which are controllable by the manufacturer can not be treated as storage losses attributable to the Corporation. Such or other similar losses whenever detected shall be treated as transit losses and the concerned supplier debited accordingly. Any decision of the Corporation as regards the nature and quantum of such losses shall be final. Manufacturers may, if they so desire, depute their representatives to verify such bottles and satisfy themselves.

- 9.3 Manufacturers may appreciate that storage space as a resource has to be optimally utilized and slow moving / non-moving stocks of one manufacturer should not result in limiting market access of others. It is therefore necessary that stocks move regularly and non-moving stocks are weeded out. The stocks held by the Corporation would therefore be categorized as under.

Active stocks – Stocks that are up to 60 days old in case of Beer and upto 120 days in case of IMFL / FMFL (upto 180 days for Wine, Cider and Brandy only) would be treated as active stocks.

Inactive stock – Stocks that are more than 60 and 120 days old in case of Beer and IMFL/FMFL (more than 180 days for Wine, Cider and Brandy only) respectively would be treated as inactive or non-moving stocks.

- 9.4 Inactive stocks shall be charged a Inactive Stock Penalty of Rs.3/- per carton box per day. The Inactive Stock Penalty shall be computed on the basis of carton box days (i.e. one carton box of an inactive item stored for one day is termed as a carton box day and would attract a Inactive Stock Penalty charges of Rs.3/- and adjusted against the payments due to the manufacturer. Any tax / levy (e.g. Service Tax) chargeable on inactive stock penalty with surcharge thereon, if any, will also be recoverable from the manufacturer as per provision in this regard. This penalty will be charged proportionately in case of loose bottle also on the same pattern.

- 9.5 In the beginning of the month, the Corporation would give details of inactive items as at the end of the previous month, with a request to liquidate them within thirty days. If the manufacturer does not take necessary action to liquidate such stocks within the period aforesaid, the Corporation would dispose off the inactive stocks in any manner as may be appropriate and the difference between the price of delivery of liquor and the amount realized shall be borne by the manufacturer. The manufacturer shall not have any further claim against the Corporation in respect of such stocks. In case of any failure of the manufacturer to deposit any RSBCL dues to be recovered from the manufacturer, the stock of manufacturer may also be disposed off in the same manner to recover the dues after giving notice of 15 days.
- 9.5.1 In case manufacturers / suppliers / distilleries make a written request to the Corporation about their intention to withdraw stocks of IMFL from depots for re-processing in view of non-movement, deterioration in quality and packing etc., RSBCL will recommend to the Excise Commissioner to permit the distilleries to take back the stocks for re-processing in the manner to be prescribed by the Excise Department. Corporation margin @ 0.33% plus Inactive Stock Penalty shall be recovered from the supplier in case stock is taken back for reprocessing, just like other stock.
- 9.5.2 If, supplier does not renew the label of their brand and the stock is lying with the Corporation, following actions for disposal of such stock may be taken by the Corporation:
1. Beer & Ready to Drink beverages (IMFL) - It shall be drained out after expiry at the earliest at the depot.
 2. IMFL – Corporation will give reasonable notices to the supplier either to get the brand approved or to take such stock back to distillery. After expiry of one financial year, Corporation will drain out such stock in the presence of the representative of Excise Department as per procedure laid down. No refund of Excise Duty will be payable to suppliers for such drained out stock.

Any dues or expenses incurred by the Corporation in draining out such stock will be recoverable from the supplier.

- 9.6 However, any stock of beer & Ready to Drink beverages (IMFL) lying unsold & expired and declared unfit for human consumption at the depot shall be drained out by the Corporation. Any expenditure incurred by the Corporation towards this shall be recovered from the manufacturer. No compensation shall be payable in respect of such stock. Corporation margin @ 0.33% plus Inactive Stock Penalty (subject to the maximum period of six months from the date / month of bottling in case of drain out) shall be recovered from the supplier in case of such stocks also, just like other stock.
- 9.6.1 In case where such beer is not drained out in the Depot itself, it is further provided that the breweries are allowed to take the old stock of beer back to their factories, which is over six months from the date / month of bottling, and lying with the RSBCL depot, where the same will be drained out under the supervision of Excise Department. The decision with regard to refund / adjustment of Excise Duty on such stocks (taken back to factory) shall be taken by Excise Department as per the provision of Rajasthan Excise Act / Rules. Corporation margin @ 0.33% plus Inactive Stock Penalty shall be recovered from the supplier in case of such stocks also, just like other stock.

10. Inter Depot Transfers

10.1 The Corporation shall have the liberty to effect inter depot transfer of stocks for quick and easy disposal. Manufacturers may also request for such transfers, if in their opinion, such transfers would facilitate disposal of stocks. However, the decision of the Corporation in this regard shall be final.

10.2 Manufacturers shall bear all expenses towards inter depot transfers. If for any reason, the Corporation expends any amount towards the transfer, like permit fees, such amounts shall be immediately debited to the account of the manufacturer. Transit losses due to the transfer shall be borne by them.

10.3 Where any application is presented for issue of Inter Depot Transfer order the supplier shall be required to deposit fee @ Rs. 3/- per CB subject to minimum of Rs. 200/- per T.O.O. or as decided by MD, RSBCL from time to time. However, as regards extension and cancellation of T.O.O., the fees prescribed for extension / cancellation of OFS, as mentioned in relevant clauses shall be applicable.

11. Payment for stocks sold

11.1 The Corporation shall pay the manufacturer only for the stocks sold. Unsold stock shall not be eligible for any payment, except to the extent mentioned in clauses 12 and 13 below.

11.2 The amount payable to a manufacturer for the sales provisionally recorded within the week ending every Wednesday shall be computed and credited through RTGS on the following Monday. Any amounts to be recovered from the manufacturer due to Inactive Stock Penalty, interest, etc. shall be recovered out of the amounts payable. The Corporation would provide a statement of provisional sales recorded to facilitate reconciliation. Any missing data due to delays / failures in electronic transfer of data shall be reckoned in the succeeding week and adjusted.

11.3 The Corporation prefers to transfer the amounts due to the manufacturer directly to their bank account. To facilitate such transfer, manufacturers may open an account with any one of the bankers to the Corporation.

11.4 The Corporation would not be a party to any bill discounting arrangement that the manufacturer may enter into with his bank.

11.5 Once in three months, the Corporation would verify unaudited sales data and rework the payment due to the manufacturer. Any adjustment necessary would be made after such verification.

11.6 The Corporation would provide an extract of all transactions of manufacturer before the 10th of the succeeding month on the RSBCL site. Manufacturers may verify the statement and point out instances of differences, if any, within the next two months. The Corporation would, after confirmation, initiate corrective action. However, the Corporation shall entertain no such difference after two months of the close of the financial year.

11.7 Payment will be released in the manner prescribed below:



- (a) Corporation will release payment preferably to the brand owner who has got the brand registered in its name by Excise Department and only he will issue sale / VAT invoice of the IMFL / Beer supplied to the corporation.
- (b) If, in certain exceptional cases where it is not feasible for him to issue sale / VAT invoice, he will have to produce a mutual agreement (as per Annexure-13) with his supply source(s) specifically authorizing him to receive payment on behalf of his supply source(s) also.
- (c) Additional supply source(s) shall be added only after producing such mutual agreement as per Annexure - 13.

12. Advances towards Duties Paid for Stocks Delivered

- 12.1 The Corporation may advance the Excise Duty and other fees / duties remitted by manufacturers in respect of stocks delivered. The scale of reimbursement would be as per the norms structure of such duties / fees payable to Government of Rajasthan (Excise Department) / the Corporation.
- 12.2 Manufacturers shall specifically express their willingness ten days prior to the date from which they desire the advance and conclude an agreement as may be prescribed and required before the advance can be paid. Any manufacturer who has opted for obtaining the advance may opt out after giving ten days notice. In such a case, the outstanding advance would be recovered as may be decided by the Corporation.
- 12.3 Stocks that have an inventory turnover ratio (the ratio computed as the total sales for the last three months divided by the average stock held during that period, called eligible stock) of 2.5 or above shall alone be eligible for the advance.
- 12.4 The Corporation shall have the first charge on the eligible stocks for which an advance has been paid. The manufacturer shall be obliged to inform this position to the bank with which it has banking arrangements and inform the Corporation accordingly.
- 12.5 Manufacturers may ensure that the value of eligible stocks held by the Corporation is 1.75 times the advance outstanding against them. In the event the value of eligible stock falls below 1.75 times the advance outstanding, proportionate recovery would be made out of the amounts due to the manufacturer on the next payment day.
- 12.6 The advance shall be paid on every Saturday along with the payment for stocks disposed off by the Corporation. The advance shall carry interest at 12 per cent per annum. The advance in respect of the stock sold and the interest payable on the amount outstanding shall be computed every week and adjusted against the payment to be received by the manufacturer.

13. Advance payment of duties for supply of stocks

- 13.1 Manufacturers, who have adequate stocks and/or have sufficient raw material and work in progress and other facilities to supply stock against the OFS issued by the Corporation within three days of drawing the advance, are eligible to avail an advance for payment of Excise duty and other fees / duties as payable to Government of Rajasthan (Excise Department).



- 13.2 Only eligible stock (as defined in para 12.3) shall qualify for the advance. The quantum of advance shall not exceed 30 per cent of the purchase value of the monthly sale quantity of the eligible stock.
- 13.3 Manufacturers intending to avail an advance as aforesaid shall make a written request to the Corporation and conclude an agreement as prescribed by the Corporation before the Corporation considers their request. They shall indicate the amount of advance that they seek, giving details of the brands, sizes and quantities that they intend to supply against the advance requested.
- 13.4 The Corporation shall scrutinize such applications and may make inquiries and call for a confirmation from the Distillery Officer regarding availability of stocks for delivery and/or such other evidence as may be necessary to ascertain the stock position and the capability of the manufacturer to supply against OFS issued and arrive at the actual amount of advance required for payment of ED and other fees / duties applicable by the manufacturer.
- 13.5 The Corporation reserves the right to reject an application completely or partially and make such changes in quantities and brands as it deems fit. The Corporation may, in order to safeguard its interest, attach such additional conditions as may be necessary.
- 13.6 A deposit of 12% of the advance sought / sanctioned shall be retained by the Corporation out of the amount payable before any disbursement of advance is made. Then the Corporation shall provide a demand draft in favour of Excise Commissioner and the distillery officer of the concerned manufacturer shall acknowledge the DD.
- 13.7 Manufacturers shall supply the ordered quantity, against which the advance has been availed as above, within three days from the date of payment of duty. The Corporation may at its sole discretion, extend the time for supply of stock by the manufacturer, but in no case shall it extend beyond seven days from the date of payment of duty.
- 13.8 Manufacturers shall ensure that the goods so delivered are liquidated within ten days from the date of delivery at the depots of the Corporation.
14. Representatives of the Manufacturers
- 14.1 The Corporation would allow collection of OFS and other documents only by authorized representatives of manufacturers. Such representatives (not exceeding three) may be authorized as in the format in Annexure 12, a copy of which shall be delivered to the Corporation for its record. Authorized representatives shall produce another copy before the OFS or documents are handed over.



15. Jurisdiction
- 15.1 All transactions of the Corporation with the Manufacturer shall be subject to the jurisdiction of Jaipur.
16. Review of the Policy
- 16.1 The above policy is subject to periodic review. The Corporation is at liberty to amend it, if the circumstances so warrant.


Managing Director

Copy for information / necessary action:

- (i) Principal Secretary, Finance, Govt. of Rajasthan, Jaipur.
- (ii) Finance Secretary (R), Govt. of Rajasthan, Jaipur.
- (iii) Excise Commissioner, Rajasthan, Udaipur.
- (iv) Executive Director, RSBCL / All GMs
- (v) All Additional Commissioners, Excise / DEOs
- (vi) All Depot Managers / Managers RSBCL.
- (vii) All Manufactures / Suppliers.
- (vii) Circular - Master File


Managing Director


Details of the Organisation of the Manufacturer / Supplier

(To be given on the letterhead of the Organization)

| | | | | |
|---------------------------------------------------------------------------|---------------------------------------------|---------|------------------|------------|
| Name of the organisation: | | | | |
| Type of the organisation: | Company / Partnership / Sole Proprietorship | | | |
| Particulars of the Chief Executive/Managing Partner/Owner | Name | Address | Telephone number | Fax number |
| Particulars of the other Directors / Partners | Name (1) (2) (3) (4) | Address | Telephone number | Fax number |
| Address for correspondence | | | | |
| E-mail id | | | | |
| Bank particulars a) Name of the bank b) Branch c) Account number | | | | |
| TIN No. | | | | |
| CST No. | | | | |
| PAN No. | | | | |

Place:

Date:

Sd/-

Chief Executive / Managing Partner /Owner
(Name)



**Details of Executives Authorized to deal with the Corporation on behalf of the
Manufacturer / Supplier**

(To be given on the letterhead of the Organization)

| | | |
|-----------------------|-----|-----|
| Name of the executive | | |
| Designation | | |
| Postal address | | |
| Telephone number | | |
| Mobile number | | |
| E mail id | | |
| Specimen signature | (1) | (1) |
| | (2) | (2) |

Place:
Date:

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




Agreement to be executed by Manufacturers / Suppliers of Liquor

(To be executed on stamp paper of denomination of Rs. 500/-)

AGREEMENT

This Agreement made at Jaipur on.....day of Two Thousand fourteen between the Rajasthan State Beverages Corporation Limited (RSBCL) having its Head office at "Vitta Bhavan (D Block, 1st Floor), Jan path (Near State Assembly), JAIPUR – 302 005 (Rajasthan) represented by its General Manager (Operations) Shri , (hereinafter called the 'Corporation') which term, unless, repugnant to the context, shall mean and include its executors, administrators, successors-in-interest, assigns, etc., of the ONE PART

AND

M/s..... represented by Shri..... (Hereinafter called the 'Manufacturer', the term includes the Supplier) which term, unless, repugnant to the context, shall mean and include its executors, administrators, successors-in-interest, assigns, etc., of the OTHER PART. That Shri.....has been authorized to represent the Company / Firm / Society in all matters connected with and in relation to the liquor supplies to the Corporation for the year 2015-2016 in the Territory of State of Rajasthan. (Power of attorney attached).

WHEREAS the Corporation registered under the Companies Act, 1956, is a Government Company within the meaning of Section 617 of the said Act.

WHEREAS the Corporation is authorized by the Government of Rajasthan (Excise Department) to exclusively deal with IMFL, Beer, Wine and all liquor items (except Country Liquor),

WHEREAS the Manufacturer is a licensee under Ruleof theRules. (Mention the details of the concerned State Act / Rules). That the said M/s..... (Distillery / brewery / winery / bottling plant) is an individual / a partnership firm/ a public limited company / a private limited company / a co-operative society registered under the Companies Act, 1956 / Partnership Act, 1932 / relevant co-operative societies Act. (Mention the relevant Act / Rules) And the said M/s..... is not ineligible under Rajasthan Excise Act and relevant Rules framed thereunder.

WHEREAS under the authority vested by the Excise Department, Government of Rajasthan, the Manufacturer as a licensee under the relevant rules shall sell wine, beer or Liquor (all of which, i.e., Wine, Beer, IMFL and Liquor are hereinafter collectively and severally referred to as 'Liquor') respectively only to the Corporation.

WHEREAS the parties herein have entered into this Agreement for the distribution of Liquor on the following terms and conditions.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:



1. QUANTITY FOR DISTRIBUTION

- 1.1 The quantity of Liquor to be procured and distributed shall be determined by the Corporation from time to time, keeping in view the demand for Liquor manufactured / supplied by the Manufacturer.
- 1.2 The Manufacturer shall not claim the right for distribution of Liquor through the Corporation.

2. DELIVERY

- 2.1 The Manufacturer shall bottle, seal, pack, load, transport, unload and stack the Liquor at the depots of the Corporation at its cost and risk. The Corporation is not liable for any transit risk and other perils. In its own interest, the Manufacturer may arrange for an insurance coverage for all the risks including transit risk.
- 2.2 The Manufacturer shall ensure that the Liquor is transported in an exclusive vehicle and that other goods are not transported in it.
- 2.3 The Manufacturer shall deliver the Liquor in good condition within such time and at such depots as specified by the Corporation.
- 2.4 The Manufacturer shall bear transit losses and damages as defined in clause 8.2 and 9.2 of LSP 2015-16. The Manufacturers shall not claim for shortages, if any, arising from the difference between the quantities as dispatched by it and the stocks actually delivered.
- 2.5 Delivery shall be in line with the Orders for Supplies placed by the Corporation and shall be completed within the period specified by the Corporation. Short supplies, if any, shall not be carried forward beyond the validity period of the Order for Supplies.
- 2.6 Non-delivery and / or repeated delays in adhering to the delivery schedule may entail in recall of the pending Order for Supplies, suspension of distribution and may attract other penalties as may be imposed by the Corporation.
- 2.7 The Manufacturer shall, as may be required by the Corporation, transfer Liquor from one depot to another depot of the Corporation to enable quick disposal of Liquor and shall bear the cost incurred towards inter depot transfer fee, loading, freight, unloading, etc. Any transit damages that may arise on account of such transfer shall be borne by the Manufacturer.

3. QUALITY

- 3.1 The Corporation may, from time to time, specify the quality of Liquor to be delivered and the Manufacturer shall adhere to such quality specifications. As per orders of Government of Rajasthan, only such IMFL would be marketed in Rajasthan, which are manufactured with Extra-Neutral Alcohol (ENA) as the base raw material. (For example, no IMFL would be sold with Rectified Spirit as the base raw material).

Two handwritten signatures in black ink, one on the left and one on the right, positioned below the text of clause 3.1.

