

JHARKHAND STATE BEVERAGES CORPORATION LIMITED
(A Government of Jharkhand undertaking)
Regd. Office: T.A. Building, Near Gol Chakkar, Sector-3, Dhurwa, Ranchi- 834 004

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Circular No.

Dated :

LIQUOR POLICY

This Circular pertains to supply of Liquor to Jharkhand State Beverages Corporation Limited (in short 'JSBCL').

1. Definitions:

In this circular, unless the context otherwise requires,-

- (1) **“Act”** means the Jharkhand Excise Act 1915;
- (2) **“Beer”** means beer as defined under section 2 (1) of the Jharkhand Excise Act, 1915 and includes beer imported into India under the authority of a license in Excise Form 19D;
- (3) **“Board”** means the Board of Directors of the Jharkhand State Beverage Corporation Ltd., Ranchi;
- (4) **“Board of Revenue”** means the Board of Revenue, Jharkhand;
- (5) **“Brands”** means the different types of liquor such as whisky, brandy, rum, gin, vodka, beer and wine manufactured and sold in the market under different trade-names;
- (6) **“Case”** means 9 bottles of 1000 ml, 12 bottles of 750 ml, 24 bottles of 375 ml and 48 bottles of 180 ml or any other suitable package of IMFL, beer and wine as may be prescribed by the Board of Revenue by rules made under section 90 (1) (b) of the Jharkhand Excise Act, 1915;
- (7) **“Corporation”** means the Jharkhand State Beverages Corporation Ltd., Ranchi;
- (8) **“Country spirit”** means plain spirit made from materials recognized in the State of Jharkhand as bases for country spirit and declared to be deemed to be “Country Liquor” under Order 1 (3) in Government Notification No. 470-F., dated 15th January, 1919 published under section 4 of the Jharkhand Excise Act, 1915;
- (9) **“Depot”** means warehouse, place of storage or godown of the Corporation where liquor may be stored;

- (10) **“Distributor”** means a person who has been granted under the Jharkhand Excise Act, 1915 distributor’s license either in Excise Form 19C for selling wholesale India made foreign liquor and beer or in Excise Form 19D for selling wholesale foreign beer;
- (11) **“Excise Commissioner”** means the officer appointed under section 7, clause (a) of the Jharkhand Excise Act, 1915;
- (12) **“Excise Officer”** means the Collector or officers of the Excise Department or any other person appointed under section 7 of the Jharkhand Excise Act, 1915 and vested with such powers as the State Government may think fit;
- (13) **“FMFL”** means any liquor imported by land, sea or air into India and declared to be deemed to be “Foreign liquor” under Order 1(3) in Government Notification No. 470-F., dated 15th January, 1919 published under section 4 of the Jharkhand Excise Act., 1915;
- (14) **“Government”** means the Government of Jharkhand;
- (15) **“Hologram”** means hologram as defined under rule 2 (gha) of the Jharkhand Hologram Rules, 2011;
- (16) **“India Made Foreign Liquor (IMFL)”** means liquor manufactured in India such as whisky, brandy, rum, gin, vodka, liqueur, wine etc., and declared to be deemed to be foreign liquor under Order 1 (3) in the Government Notification No. 470-F., dated 15th January, 1919 published under section 4 of the Jharkhand Excise Act;
- (17) **“JSBCL”** means the Jharkhand State Beverages Corporation Ltd., Ranchi;
- (18) **“License”** means license granted under the Jharkhand Excise Act, 1915;
- (19) **“Liquor”** means alcoholic liquor as defined under section 2 (14) of Jharkhand Excise Act, 1915;
- (20) **“M.D., JSBCL”** means the Managing Director of the Jharkhand State beverages Corporation Ltd., Ranchi;
- (21) **“Maximum Retail Price (MRP)”** means the price fixed by the Board of Revenue for final sale of liquor to the consumers.
- (22) **“Manufacturer”** means a person who has been granted under section 22 (1) (a) (ii) of the Jharkhand Excise Act, 1915 the exclusive privilege of manufacturing and supplying wholesale any country liquor including spiced country liquor within any specified local area;
- (23) **“OFS”** means order of supply of liquor issued by the Jharkhand State Beverages Corporation Ltd., Ranchi;
- (24) **“Pass”** means the document which authorizes the removal of liquor;

- (25) **“Permit”** means a “no objection statement” issued by an officer concerned in removal of but not empowered to authorize it;
- (26) **“Retailer”** means a person who has been granted under the Jharkhand Excise Act, license for the retail vend of liquor in Excise Form 2A, 3A, 26D, 26E or 26F;
- (28) **“Spiced country spirit”** means spiced country spirit as defined in Order 1(3)(b) in Government Notification No. 470-F., dated 15th January, 1919 published under section 4 of the Jharkhand Excise Act, 1915;
- (29) **“State”** means the State of Jharkhand;
- (30) **“Wholesale price”** means the price fixed by the Board of revenue for sale of liquor by way of wholesale;

Note:-The words used but not defined here shall have the same meaning which has been assigned to them in the Jharkhand Excise Act, 1915 or the rules made there under.

2. Jharkhand State Beverages Corporation Limited, Ranchi (a Government of Jharkhand Undertaking) will obtain supplies of different types of liquor including FMFL, IMFL, Beer, Wine, and Country Liquor including Country spirit and Spiced Country Spirit etc. from the persons holding licenses under the Jharkhand Excise Act, 1915 (hereinafter called distributors and manufacturers) for subsequent sale of liquor to retail licensed vendors. Such distributors/manufacturers desirous of supplying liquor to the Corporation for subsequent sale/distribution of liquor to retailers shall give their offers to the Corporation.

3. SUBMISSION OF INITIAL DOCUMENTS

1. For supply of liquor to the Corporation for subsequent sale to the retailers, the distributors/manufacturers shall submit the following documents to the Corporation-

- (i) Details of the organization of the distributors to be given in its letter head in the format in Annexure 1.
- (ii) A certified copy of the license granted by the competent authority and label registration by the Excise Commissioner of Jharkhand.
- (iii) Details of executives and/or representatives authorized to deal with the Corporation to be given in its letter head as per the format in Annexure 2 and 3, respectively.
- (iv) An agreement in the format as in Annexure 4 duly executed by the authorized signatory of the distributor/manufacturer on a stamp paper of denomination of Rs. 100/-
- (v) If the distributor is not the owner of the brands proposed to be supplied, then a copy of the agreement between the distributor and the owner of the brand.

4. LABELS OF BRANDS`

- (a) Labels of brands of liquor to be supplied in Jharkhand have to be registered and approved or renewed by the Excise Commissioner, Jharkhand, Ranchi. Such registration and approval shall be obtained by the distributor and submitted to the Corporation.
- (b) The distributor shall offer for sale only such brands in respect of which the labels are registered and approved or renewed by the Excise Commissioner, Government of Jharkhand, as on the date of submission of offer.

A statement furnishing information about label registration of each brand of FMEL/IMFL/Beer/Wine shall be submitted in the prescribed Performa in Annexure 5.

5. PRICE AND COST OF LIQUOR

- (a) The distributors/manufacturers shall have to supply liquor to the Corporation on the prices fixed by the Board of Revenue.
- (b) Distributors/manufacturers have to incur the entire expenditure till the consignment is received, unloaded and stacked at the designated depots of the Corporation or any other location within Jharkhand, as specified in the permit/pass. Unloading and stacking of the goods at the depots shall be the responsibility of the distributors/manufacturers.
- (c) All the consignments have to be dispatched under valid passes issued in the name of the M/s Jharkhand Beverages Corporation Ltd., Ranchi by the Assistant Commissioner of Excise/Superintendent of Excise.
- (d) The distributor/ manufacturer have to affix holograms as approved by the Excise Commissioner of Jharkhand on all the bottles/sachets of the stock to be supplied.
- (e) In case of change in the fee and duty structure, new prices shall become effective from the date of notification issued by the Government;
- (f) In such cases, the rates at which the supply order is to be issued would be revised, all pending orders for supply would be cancelled by the Corporation and distributors/manufacturers shall surrender all outstanding orders for supply and collect revised orders for supply immediately.
- (g) Due to change in the duty and fee structure, the effect on price shall be borne by the distribution/manufacturer.

6. ORDER FOR SUPPLY OF LIQUOR TO THE CORPORATION

- (a) Supplies to the Corporation shall be based on the order for supply (OFS) issued by it. The Corporation shall issue OFS based on the stock requirement of depots after duly considering the quantity held in the stock, the sales trend and requests of the

- distributors/manufacturers, if any. To facilitate the process, the distributors/manufacturers may indicate the requirement of its brands and pack sizes in various depots. However, the Corporation reserves its right to decide the quantity for which OFS can be issued. The difficulties faced by distributors/manufacturers regarding issue of OFS may be addressed to the Managing Director of the Corporation.
- (b) The Corporation shall be under no obligation to procure any specified minimum quantities of any brand of FMFL/IMFL/Beer/Wine during the period of currency of the contract. The quantity to be procured from time to time shall depend upon the demand for the product.
 - (c) The Corporation shall issue order for supply of liquor on the basis of actual sales of the previous month.
 - (d) The Corporation shall maintain the minimum quantity of stock at its depot as may be prescribed or fixed by the Excise Commissioner, Jharkhand. The closing stock of any brand at any depot shall not exceed the quantity anticipated to be sold in 15 days.
 - (e) The required permits shall be issued on the requisition made by the Corporation at headquarter level. The permit shall be issued by designated Asst. Commissioner of Excise.
 - (f) Two copies of the OFS will be issued for the exact quantity that the distributor/manufacturer requests to transport. The OFS shall be signed by either of the authorized signatories of the Corporation.
 - (g) The OFS would indicate the validity date by which the distributor/manufacturer should complete the delivery. If the distributor/manufacturer does not supply the entire quantity indicated in the OFS within the validity period, then the order in respect of the remaining quantity shall lapse automatically. The Corporation may, at its discretion, extend the validity of the OFS and distributors/manufacturers shall be bound to honour the OFS within the extended validity period without fail.
 - (h) In respect of supplies from within State or outside the State, the distributors/manufacturer or their authorized representatives shall, after the issue of OFS, deposit Excise Duty, VAT and other applicable duties/fees, if any, with the Excise Department and obtain passes for transport of liquor to ensure delivery.

7. SUPPLIES

- (a) The distributors/manufacturers shall deliver supplies within the time period mentioned in the supply order. The stocks shall be delivered at the concerned depot of the Corporation

- at the cost and risk of the distributors/manufacturers and shall conform to the brand, quantity and pack sizes as indicated in the OFS and permit issued by the designated officer of Excise Department. Any delivery that deviates from the OFS shall not be acknowledged by the Corporation and shall not be unloaded at the depot.
- (b) An exclusive invoice shall be raised for every OFS issued. They may indicate the price of liquor and the excise duty imposed thereon separately for every item. At the time of effecting delivery, the distributors/manufacturers shall mention the reference number and date of the order of supply issued by the Corporation in their invoice and surrender the OFS in original to the receiving depot.
 - (c) Every consignment shall be accompanied by the following document and shall be submitted to the receiving depot.
 - (i) The original permit issued by the designated Excise Officer.
 - (ii) The copy of original order of Corporation for such supply.
 - (iii) The copy of the pass issued by the Excise Officer.
 - (iv) Lorry/transport Receipt;
 - (v) A statement of the excise adhesive labels/hologram with details of unique identifying numbers (for each bottle) of the cartoon boxes delegated, segregated item wise.
 - (d) The consignment would not be unloaded in the receiving depot if the requirements indicated *supra* are not fulfilled.
 - (e) The transportation of liquor shall be done by the vehicles made available by transporters. Intimation to this effect shall be given to Excise Department, Jharkhand and to the Corporation well in advance.
 - (f) All damages and breakages of the goods supplied due to defective and improper packing or manufacturing defects shall be accounted to the distributors/manufacturer.
 - (g) The distributors/manufacturers should communicate the following particulars to the consignee (Depot) within twenty four hours of the dispatch of goods:-
 - (i) Permit/Pass No. & Date.
 - (ii) No. of cases dispatched and mode of dispatch brand-wise.
 - (h) The stocks should be delivered during the working hours of the Depots and on working days only. The location of the depot where the consignments are to arrive may undergo change and the Corporation may open additional depots and include the same in the list.
 - (i) The Corporation will not receive stock at the depots during holidays. In case the consignments arrive at the depots on a holiday they shall have to wait till the next

working day for unloading. The responsibility of safe keeping of the stock till it is received at the depot shall be that of the distributor/ manufacturer.

- (j) The distributor/manufacturer shall be responsible for all legal and financial implications arising out of the delay in dispatch, or delay in reaching the depot destined for or deviation from the terms and conditions of the permit/passes issued by the competent authority.
- (j) The distributors/manufacturers shall make adequate arrangements for transport and delivery of consignment at the designated depots. In case of any accidents en-route the distributor/ manufacturer should immediately lodge a complaint before the local police as a proof of the accident. Such proof may be required to be furnished in case of revalidation of passes or for any other legal formalities to be complied with.

8. QUALITY CONTROL

- (a) The distributor/ manufacturer is expected to ensure that the items delivered to the Corporation are fit for human consumption and adhere to the quality as stipulated by the relevant standards of Bureau of Indian Standards and/or other standards as may be applicable or as desired by Government of Jharkhand.
- (b) The Corporation may periodically test samples of such items as it may consider necessary 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. The distributor/manufacturer shall be apprised of the results of tests carried out and requested to withdraw the stocks of particular batch from the depots at his cost.
- (c) In respect of the FMFL/IMFL not conforming to the standards, the distributor/ manufacturer will be responsible for all consequences of subsequent sale or supply of the goods to the retailers. All other brands of such distributor/manufacturer will also be subjected to examination and the cost of testing these samples shall be borne by the distributor/manufacturer. If such items do not conform to specifications, the Corporation may recommend to Excise Commissioner, Jharkhand for blacklisting such items and taking appropriate action against such distributor/manufacturer. The Corporation shall also ban the sale of the same

9. TRANSIT RISK AND LOSSES

- (a) It is the responsibility of the distributor/ manufacturer to deliver stock at the designated depots of the Corporation. It includes stacking of liquor in the depot. Therefore, any risk

- or losses which may occur during the transit of liquor from the premises of the distributor/ manufacturer till the stocks are unloaded in the depot shall be borne by them.
- (b) Any damage caused to stock as a result of any negligence of the distributor/ manufacturer or the transporter shall be to the account of the distributor/ manufacturer.
 - (c) Losses on account of bottles having hairline cracks resulting in steady evaporation of the contents, receipt of lesser number of items than what is mentioned in the invoice or transport pass, quantity filled in bottles or sachets being less than the declared quantity, damage due to weak carton boxes, etc shall be treated as transit losses.

10. STOCK FOR SALE

- (a) The supply of liquor to the Corporation against Order for Supplies shall be construed as an agreement to sell under sub-section 3 of Section 4 of Sale of Goods Act, 1930. The Corporation shall take necessary care of the stored stock as is reasonably possible and expected of it.
- (b) The stock of IMFL which is more than 120 days old and stock of Beer which is more than 60 days old from their date of manufacture beyond which the quality may start deteriorating in storage, would be treated as dumped and non-selling stock. In the beginning of the month the Corporation would give details of such dumped and non-selling stock and items as at the end of the previous month, with a request to liquidate or withdraw such items within thirty days.
- (c) If the distributor/ manufacturer do not take necessary action to liquidate or withdraw such stocks within the period aforesaid, the Corporation would dispose of such stocks in accordance with the rules framed under the Jharkhand Excise Act, 1915. The difference between the price of delivery of liquor and the amount realized after disposal shall be borne by the distributors/manufacturer. The distributor/manufacturer shall not have any claim against the Corporation in respect of such stock or items.
- (d) In case distributors/manufacturers/distillers make a written request to the Corporation of their intention to withdraw such stock of FMFL/IMFL/WINE from depots for re-processing in view of the non-movement of the product, deterioration in its quality and packing etc., the Corporation will recommend to the Excise Commissioner to permit taking back the stock. The Corporation margin, and dumped stock penalty, if any, shall be recovered from the distributor/manufacturer if the stock is so taken back.
- (e) However, any stock of beer lying at the depot unsold for a period of over six months from the date of bottling or stocks declared unfit for human consumption shall, with the

consent of the distributor, be destroyed in accordance with the provisions of Rule 153 of the rules made by the Board of Revenue in Notification No. 23-137-2 dated 29th April, 1919. The expenditure incurred on destroying liquor shall be accounted to the distributor/manufacturer and no compensation shall be paid for such stock. An appropriate demurrage shall also be recovered from the distributor/manufacturer.

- (f) In case where such beer is not destroyed in the Depot itself, the distributors are allowed to take the old stock of beer back to their premises after getting permission from Excise Department on their own cost for destroying the same in accordance with the said rule.

11. INTER DEPOT TRANSFERS

- (a) The Corporation shall have the liberty to effect inter depot transfer of stocks for quick and easy disposal of stocks. The distributor/manufacturer may also request for such transfer, if in their opinion such transfers may facilitate disposal of stocks. Such transfer shall be made in accordance with the provision contained in section 12 of the Act. The decision of the Corporation regarding quantity of inter depot transfer of stock shall be final.
- (b) Distributor/manufacturer shall bear the expenses towards inter depot transfer.

12. PAYMENT FOR STOCKS

- (a) The Corporation shall pay the distributors/manufacturers only for the stock sold subsequently to the retailers. The amount payable to distributors/manufacturers for the sales recorded within the week shall be computed and paid to the distributors/manufacturers in the next week. The Corporation would provide a statement of provisional sales recorded to facilitate reconciliation. Any missing data due to delays/failures in electronic transfer of the data shall be reckoned in the succeeding week and adjusted accordingly.
- (b) The Corporation, distributors/manufacturers shall be liable to pay all license fees and taxes, if any, as per the provisions of the Act and VAT at the rates as applicable under Jharkhand VAT Act.
- (c) The Corporation prefers to transfer the amounts due to the distributors/manufacturers, directly to their bank account. To facilitate such transfer, distributors/manufacturers may open an account with anyone of the bankers to the Corporation.

- (d) Once in three months, the Corporation would verify un-audited sales data and the payment due to the distributors/manufacturer. Any adjustment necessary would be made after such verification.
- (e) The Corporation would provide an extract of all transactions of distributors/manufacturers before the 10th of the succeeding month to the Excise Department and to the distributors/manufacturers for reconciliation of the sales figures and payments. The distributors/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.
- (f) The Corporation shall maintain and duly update at all depots all the registers/forms prescribed by the Excise Department.

13. WITHDRAWAL OF THE OFFER

If the offer is withdrawn within one year of the contract, the Corporation shall be at liberty to cancel the contract subject to the approval of Board of Directors.

14. POSTAL DELAYS

The Corporation shall not be responsible for any postal delays.

15. The contract is not assignable by either party.

16. Furnishing of incorrect information shall entitle the Corporation to suspend the supply orders immediately.

17. NON-WAIVER

Failure on the part of the Corporation to abide by or perform any of the terms and conditions of the contract or failure or delay to exercise any rights or remedies provided herein or under any other law the acceptance of or payment for any goods, shall not release the distributor/manufacturer from any of the warranties or obligations of the contract and shall not be deemed to be a waiver of any rights of the Corporation.

18. PREJUDICIAL ACT

If during the currency of the contract any distributor/manufacturer or any of his representatives, workers or agents is found indulging in any activity, which directly or indirectly is prejudicial to the interest of the Corporation or the Government or found offering illegal gratification of any kind including a bribe, reward or advantage, pecuniary or otherwise, to any officer or employee of the Corporation or indulging in any malpractice such as forgery, falsification or fabrication of any documents, bills, vouchers, delivery challans etc. or introduction of any liability in connection with the supply of FMFL/IMFL and beer/wine which amounts to an offence

punishable under I.P.C. or the Jharkhand Excise Act, 1915, the Corporation without prejudice to other legal rights shall have the right to terminate the contract and may, with the permission of the Board of Directors, initiate other appropriate action against such distributor/manufacturer.

- 19.** The distributors/manufacturers shall be bound by the provisions of Jharkhand Excise Act 1915 and rules made thereunder from time to time and shall also be bound by the provisions any other relevant enactments like the Standards of Weights & Measures Act, 1976 (Enforcement) Act 1986/and Packaged Commodities Regulations, 1975 etc., so far as they relate to him.

20. FORUM FOR LEGAL PROCEEDINGS

The courts at Ranchi alone shall have jurisdiction to deal with any suit or other legal proceedings arising from or relating to the contract.

21. INSPECTION

The Corporation or its authorized representative shall have the right to inspect, test and expedite supply or get inspected, tested and expedited the supply of liquor at the Depots as and when it may be considered expedient by the Corporation.

22. REPRESENTATIVES OF THE DISTRIBUTORS/MANUFACTURERS

The Corporation would allow collection of O.F.S. and other documents only by authorized representatives of distributors/manufacturers. Such representatives (not exceeding three) may be authorized as in the format in Annexure 3, a copy of which shall be delivered to the Corporation for its record.

23. INDEMNITY

- (a) The distributors/manufacturers shall keep the Corporation harmless and indemnified in all matters arising from supply of liquor to the Corporation and its subsequent disposal.
- (b) The distributors/manufacturers shall specifically indemnify the Corporation and keep it harmless with respect to
 - (i) Non-compliance with the standards specified by the Corporation.
 - (ii) Non-conformation to the provisions of various laws in force; as also consequences, losses or claims (including claims of additional duty raised by the Government of Jharkhand) and more specifically, the non-remittance and short remittance towards the duties statutorily payable.
 - (iii) Any claims for infringement of patent, trademarks etc., relating to liquor delivered.

24. JURISDICTION

All transactions of the Corporation with the distributors/manufacturers shall be subject to the jurisdiction of Ranchi.

25. REVIEW OF THE POLICY

The above policy is subject to periodic review. The Corporation is at liberty to amend or modify it, if the circumstances so warrant.

Managing Director
JSBCL, Ranchi.

ANNEXURE-1.

Name of the Organization				
Type of the Organization	Company/ Partnership/ Sole proprietor ship			
Particulars of the Chief Executive/managing Partner/Owner	Name	Address	Telephone no.	Fax no.
Particular of the other Directors Partner/	Name	Address	Telephone no.	Fax no.
Address for correspondences				
Email id				
Bank Particulars 1- Name of the Bank 2- Branch 3- Account no.				

Place : sd/-

Date : Chief Executive/Managing Partner/Owner

ANNEXURE 2

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

(To be given in the letterhead of the Organization)

Name of the executive		
Designation		

Address		
Telephone number		
Mobile number		
E mail id		
Specimen signature		

Place :

sd/-

Date:

Chief Executive/Managing Partner/Owner

(Name)

ANNEXURE 3

Details of representatives, if any, authorized to deal with the JSBCL on behalf of the Manufacturer/Distributor

(To be given in the letterhead of the Organization)

Name of the Representative		
Organization of the Representative		
Address		
Telephone number		
Mobile number		
E mail id		
Specimen signature		

Place :

Date:

Sd/-

Chief Executive/Managing Partner/Owner

ANNEXURE-IV

Agreement to be executed by Distributors/manufacturers of Liquor
(To be executed on stamp paper of denomination of Rs. 100/-)

AGREEMENT

This Agreement is made at Ranchi on thisday ofTwo Thousand..... between the Jharkhand State Beverages Corporation Limited (JSBCL) having its Head Office at T.A. Building, Sector-3, Dhurwa, Ranchi-4 represented by its.....(hereinafter called the 'Corporation') which term, unless repugnant to the context, shall mean and include its executors, administrators, successors-interest, assigns, etc., of the

ONE PART AND

M/s.....represented by Shri (Hereinafter called the 'Distributor/Manufacturer', the term including 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 within the territory of the State of Jharkhand (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 Jharkhand (Excise Department) to exclusively deal in FMFL, IMFL, Beer, Wine, Country Spirit, Spiced Country Spirit and all liquor items except *tari* and *pachwai*.

WHEREAS the 'Distributor/Manufacturer' is a licensee under section 20 and section 13 of the Jharkhand Excise Act, 1915.

That the said M/s..... (Distributor/Manufacturer') is an individual/ a partnership firm/ a public 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 Jharkhand Excise Act and relevant Rules framed thereunder.

WHEREAS under the authority vested by the Excise Department, Government of Jharkhand, the Distributor/Manufacturer under the authority and subject to the terms and conditions of the license

granted to him under the Act shall sell wine, Beer, IMFL and Liquor Country Spirit, Spiced Country Spirit (hereinafter collectively and severally referred to as 'Liquor') respectively only to the Corporation

WHEREAS the parties herein have entered into this Agreement to sell Liquor for its distribution Liquor on the terms and conditions set forth hereinafter:

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. QUANTITY FOR DISTRIBUTION

The quantity of Liquor to be supplied and distributed shall be determined by the Corporation from time to time. The Distributor/ Manufacturer shall not claim the right for distribution of Liquor through the Corporation.

2. DELIVERY

(a) The Distributor/ Manufacturer shall bottle, seal, pack, load, transport, unload, and shall stack the Liquor at the depots of the Corporation at its own cost and risk. The Corporation is not liable for any transit risk and other perils. In their own interest, Distributor/ Manufacturer may arrange for an insurance coverage for all the risks including the transit risk.

(b) The Distributor/ Manufacturer shall ensure that the Liquor is transported in an exclusive vehicle and that other goods are not transported in it.

(c) The Distributor/ Manufacturer shall deliver the Liquor in good condition within such time and at such depots as specified by the Corporation.

(d) The Distributor/ Manufacturer shall bear transit losses as defined in clause 9 of Liquor Policy. They shall not claim for shortages, if any, arising from the difference between the quantities as dispatched by it and the stocks actually delivered at the depot.

(e) Delivery shall be in line with the Order for Supplies placed by the Corporation. Short supplies, non-delivery and/ or repeated delay in adhering to the delivery schedule may entail recall of the pending Order for Supplies.

(f) The Corporation may transfer Liquor from one depot to another depot to enable quick disposal of Liquor.

3. QUALITY

(a) The Corporation may, in conformity with the directions/orders issued in this regard from time to time, specify the quality of Liquor to be delivered and the Distributor/ Manufacturer shall adhere to such quality specifications.

(b) The Corporation may reject the Liquor that does not conform to the quality specified by it. If the Liquor is found to be unfit for human consumption, the same shall be destroyed by Excise

Authorities in accordance with the rules framed under the Jharkhand Excise Act. Distributor/ Manufacturer shall not entitled to claim any amounts there from

4. CANCELLATION OF ORDERS

The Corporation shall, without prejudice to other legal rights, have the right to suspend order for supply and terminate the contract besides initiating other appropriate action with the permission of the Board of Directors, if the distributor/ manufacturer or any of his representatives, workers, employees, etc.,

- (a) Indulges in any activity which is directly or indirectly prejudicial to the interest of the Corporation; or
- (b) Indulges in forgery, falsification or fabrication of any document, bill, and voucher or delivery challan or commit any offence in connection with the distribution/ manufacturer or supply of Liquor, which offence is punishable under the IPC or the Jharkhand Excise Act, 1915 or any other Act.

5. PRICE

- (a) The distributor/ manufacturer shall have to supply the liquor to the Corporation at the prices fixed by the Board of Revenue.
- (b) The distributor/ manufacturer has to incur the entire expenditure till the consignment is received and unloaded and stacked at the designated depots of the Corporation or any other location within Jharkhand, as specified in the permit and passes. Unloading and stacking of the goods at the depots shall be the responsibility of the distributor/ manufacturer.
- (c) All the consignments have to be dispatched under permit/passes issued in the name of the M/s Jharkhand Beverages Corporation Ltd., Ranchi by the designated Assistant Commissioner of Excise.
- (d) The distributor/ manufacturer have to affix holograms as approved by the Excise Commissioner of Jharkhand on all the bottles/sachets of the stock to be supplied.
- (e) In case of change in the fee and duty structure, new prices shall become effective from the date of notification issued by the Government;
- (f) In such cases, the rates at which the supply order is to be issued would be revised, all pending orders for supply would be cancelled by the corporation and distributors/manufacturers shall surrender all outstanding orders for supply and collect revised orders for supply immediately.
- (g) Due to change in the duty and fee structure, the effect on price shall be borne by the distributors

6. PAYMENT

- (a) The Corporation shall pay the distribution/manufacturer only for the stock sold subsequently to the retailers. The amount payable to distribution/manufacturer for the sales recorded within the week shall be computed and paid to the distribution/manufacturer in next week.
- (b) The Corporation and distribution or manufacturer shall be liable to pay all license fees and all taxes as per the provisions of the Jharkhand Excise Act, 1915 and VAT at the rates applicable under the Jharkhand VAT Act.
- (c) The Corporation would prefer to transfer the amount due to the distribution/manufacturer, directly to their bank account.
- (d) Once in three months, the Corporation would verify un-audited sales data and the payment due to distribution/manufacturer. Any adjustment necessary would be made after such verification.
- (e) Payment for the Liquor delivered shall be made only after the disposal of Liquor, and is subject to any periodicity that may be specified by the Corporation.

8. STOCK HELD FOR SALE

- (a) The supply of liquor to the Corporation against Order for Supplies shall be construed as an agreement to sell under sub-section 3 of Section 4 of Sale of Goods Act, 1930. The Corporation would take necessary care of the stored stock as is reasonably possible and expected of it.
- (b) As regards the stock of IMFL which is more than 120 days old and the stock of Beer which is more than 60 days old from the date of manufacture beyond which quality may start deteriorating in storage, they would be treated as dumped and non-selling stock and in the beginning of every month the Corporation would give details of such dumped and non selling stock and items as at the end of the previous month, with a request to liquidate or withdraw such items within thirty days.
- (c) If the distributor/ manufacturer does not take necessary action to liquidate or withdraw such stocks within the period aforesaid, the Corporation would dispose of such stock in accordance with the rules framed under the Jharkhand Excise Act, 1915. The difference between the price of delivery of liquor and the amount realized after disposal shall be borne by the distributors/manufacturer.
- (d) In case distribution/manufacturer makes a written request to the Corporation about his intention to withdraw such stock of FMFL/IMFL/Wine from depots for re-processing in view of non-movement of the product, deterioration in its quality and packing etc., the Corporation will recommend to the Excise Commissioner to permit taking back the stock. The appropriate demurrage shall be accounted to the distributors/ manufacturer. The Corporation margin,

dumped stock penalty, if any, shall be recovered from the distributor/ manufacturer if the stock is so taken back

- (e) However, any stock of Beer lying at the depot unsold for a period of over six months from the date of bottling or stocks declared unfit for human consumption shall, with the consent of the distributor/ manufacturer, be destroyed in accordance with the provisions of Rule 153 of the rules made by the Board of Revenue in Notification No. 23-137-2 dated 29th April, 1919. The expenditure incurred on destroying liquor shall be accounted to the distributor/manufacturer. The expenditure shall be accounted to the manufacturer/Distributors. No compensation shall be payable in respect of such stock. The appropriate demurrage shall be recovered from the distribution/manufacturer.
- (f) In case where such Beer is not drained out in the Depot itself, the distribution/manufacturer are allowed to take the old stock of Beer back to their premises after getting the permission of the Excise Department for destroying the same in accordance with said rule.

10. COMPLIANCE WITH LAWS

The distribution/manufacturer shall comply with the requirements of all laws so far as they relate him including timely remittance of fees, tax dues and filing of returns.

11. FORCE MAJEURE

Upon the occurrence of any event of Force Majeure, the Party being affected by such event shall, without delay, notify the other Party in writing.

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 Party being affected, the Party so failing shall, to that extent, be exempted during the period of such happening from the liabilities that would otherwise result from its failure. The occurrence of the event of Force Majeure will not relieve either party from performing its obligations at such times and to the extent as may be possible after the intervention of the event of Force Majeure.

12. ARBITRATION

Any dispute, which may arise between the Parties herein, shall be submitted to arbitration. The arbitral award shall be conclusive, final and binding on both the Parties herein. The distributor/manufacturer has agreed with the Corporation to provide for the nomination of a sole arbitrator by the Corporation only from amongst the following:-

- (a) Any retired Judicial Commissioner or Additional Judicial Commissioner of Civil Court of Jharkhand;
- (b) Any retired Chief Secretary or Additional Chief Secretary to Government of Jharkhand

(c) Any retired Member, Board of Revenue, Jharkhand.

13 INDEMNITY

The distributor/manufacture shall keep the Corporation harmless and indemnified in all matters arising from supply of the Liquor to the Corporation and its subsequent disposal. For any third party claims, the distributor/manufacture shall settle the matter with retailer or consumer at his cost.

Without prejudice to the generality of the circumstances stated in above, the distributor/manufacture shall specifically indemnify the Corporation and kept it harmless with respect to

- (i) Non-compliance with the standards specified by the Corporation.
- (ii) Non-conformation to the provisions of various laws in force; and consequences, losses or claims (including claims of additional duty raised by the Government of Jharkhand more specifically, the non-remittance and short remittance towards the duties statutorily payable.
- (iii) Any claims for infringement of patent, trademarks etc., relating to Liquor delivered.

14. JURISDICION

Both the parties are amenable to the jurisdiction of the Ranchi Civil Court only Irrespective of where the cause of action or a part of it arises.

15. LIQUIDATED DAMAGES

- (a) Notwithstanding any clause hereinabove, the Manufacturer/Distributors/Supplier is liable to pay liquidated damages of Rs. 100,000 (Rupees One Lakh Only) for each breach of this agreement. Further, if the liquidated damages are not paid within fifteen days from the date of the receipt of the demand intimation, the distributor/manufacture is liable to pay interest@ 12% per annum on the quantified liquidated damages at prevalent rate.
- (b) It is further agreed upon that, any term and condition, which is related to the Corporation and distributor/manufacture, but not indicated herein, shall be as per specific provisions of Liquor Policy 2012-13.

16. DUES RECOVERY PROCESS

Any outstanding liability or dues of the Corporation (JSBCL) shall be recovered according to provision of Public Debt Recovery Act.

IN WITNESS WHEREOF, the Corporation and distributor/manufacturer have set and subscribed their signatures and seals on the day, month and year aforementioned in the presence of the following attesting witnesses.

For JSBCL

For Distributor/ Manufacturer

WITNESSES :

1

Signature of Distributor/Manufacturer

2

Designation

Seal

ANNEXURE-5

Statement indicating information for registration of a Label /Brand of FMFL/IMFL/Beer/Wine etc.

(Note:- Separate Statement to be enclosed for each brand of IMFL/Beer/Wine etc.)

1. Name of the brand	
2. Name of the manufacturer with complete address (Distillery / Brewery/ Winery/ Bottling Unit)	
3. Spirit base quality of the brand whether rectified spirit, malt spirit, ENA or admixtures of the two- Please describe the proportionate % of each type of blending i.e., scotch or malt and in case of a BEER brand please describe the quality / specific gravity etc. Please enclose a certificate of the Excise Official in charge of the manufacturing unit in support of the spirit base and quality of the brand.	
4. Whether the brand confirms to BIS specifications, (enclose a certificate by local excise authority) chemical composition report indicating inter alia, ethyl alcohol, ash, solids, esters, aldehydes, volatile acids, higher alcohol, furfural etc. content.	
5. Whether the Trade Mark Registration Certificate/ agreement made in accordance with the Trade and Merchandise Mark Act, 1958 in respect of the brand is attached.	
6. Whether the labels of the brand are approved by the Excise Authorities of the manufacturing state. If so, attach approved copy of the label for	

each size bottle (in triplicate).	
7. Whether the labels of brands have been approved by Excise Commissioner, Jharkhand, if so attach approved copy of the label for each size of bottle in triplicate.	

Part II Sales

8. Combined all India sale including supplies to CSD including Jharkhand during the last two year (in Cases)	
9. Whether the brand is sold in CSD, if so, sale to CSD during he last two years (in cases)	
10. Total Sale in Jharkhand	
11. Export to other countries, if any, during the last two years (in cases).	

Name, signature and seal of the firm

ANNEXURE-6

Specimen signatures of the Officers Authorized to sign and issue		
Order For Supply (O.F.S.)		
Name of the officer	Designation	Specimen Signature
(1)		
(2)		
(1)		
(2)		
(1)		
(2)		

ANNEXURE-7

Authorization letter for collecting O.F.S / other Documents from JSBCL (To be issued in the letterhead of the distributors/manufacture) (Paste attested photograph of the person here)

We hereby authorize Shri(Name of the person) whose signature is attested below to collect O.F.S. / other documents on our behalf from JSBCL.

Palce:-

Date:-

Authorized Signatory

(Name)

Signature of Shri (name of the person)

Attested

Authorized signatory

GENERAL INSTRUCTIONS AND GUIDELINES FOR FILING SUBMISSION OF OFFERS

1. The Offer should be signed (in all pages) by the Chief Executive of the distributor/manufacture or his power of attorney holder and shall bear the seal of the distributor/manufacture.
2. The Annexure-5, for each brand offered in separate sheet should be typed in duplicate in the letter head of distributor/manufacture and should be signed on every page by the Chief Executive of the distribution/manufacture or his power of attorney holder and shall bear the seal of the distribution/manufacture.
3. Enclosure wherever found necessary must be attached
4. The offer along with all relevant annexure and other documents as per the Liquor Policy should be sent in sealed cover on which should be superscribed “ OFFER FOR SUPPLY OF FMFL/IMFL/BEER/WINE/ COUNTRY SPIRIT/SPICED COUNTRY SPIRIT TO JSBCL FOR.....(mention year)” and addressed to the Managing Director, Jharkhand State Beverages Corporation Ltd. so as to reach on or before AM/P.M on..... The offer will be opened at.....AM/PM on

Note:

1. Only offers submitted by the Chief Executive of the distributor/manufacture or his power of attorney holder would be accepted.
2. In case the offer is submitted by the power of attorney holder, the original power of Attorney should be enclosed along with the offer.