

EXCISE POLICY FOR THE YEAR 2008-2009

1. PREAMBLE:

Excise policies since 2006-07 have been focused on mitigating the evils arising from cartelization, decimating liquor mafia and unethical trade practices. It has been decentralizing retail network of liquor vends and providing employment avenues to unemployed youth. The current policy strives to consolidate the gains of previous policies, providing good quality liquor at affordable price to consumers and introduce new concepts in tune with modern Haryana.

2. RETAIL OUTLETS OF COUNTRY LIQUOR (L-14A) AND IMFL (L-2)

2.1 MANNER OF DISPOSAL:

The Retail country liquor (L-14A) and IMFL (L-2) licenses shall be granted on application in the prescribed application form and in case of more than one application, through transparent draw of lot to be held after proper publicity and in the presence of members of public. The retail outlet for country liquor and IMFL shall be allotted singly and separately. For allotment and making available the application form, a public notice in prominent newspapers shall be given. The draw of lot, if necessary shall be conducted by a committee consisting of Deputy Commissioner, a representative of Excise and Taxation Commissioner, Deputy Excise and Taxation Commissioner(Excise), Deputy Excise and Taxation Commissioner(ST) and Excise and Taxation Officer (Excise) or Assistant Excise and Taxation Officer (Excise) of the respective district. The license fee of the retail vend shall be determined depending on the location, profitability, command area, population and other factors. These applications shall be scrutinised and a list of all the eligible applicants shall be published in the DETC(X) offices and on the website of the department. The draw of lot for those vends for which, there are more than one application, shall be conducted by the aforesaid committee. No official of the department directly or indirectly shall be permitted to apply for allotment of liquor vend in the existing policy.

2.2. APPLICATION FORM FOR ALLOTMENT OF RETAIL VENDS:

For allotment of both C.L. and IMFL vends, the application form, which shall be priced Rs. 5000/- (non-refundable and non-adjustable) and shall be accompanied with a detailed brochure containing brief features of the policy and indicating the location, license fee, quota of vends, command area wherever applicable, etc and shall be made available to the applicant in all the district excise offices of the state. The applicant shall be required to submit filled forms in the office of concerned Deputy Excise and Taxation commissioner along with earnest money of Rs. 1 lac and Rs 2 lac in case of vends with license fee less than Rs 50 lac and all others vends respectively by the last date of

submission of forms. The earnest money shall be adjusted towards payment of security in the case of successful allottees and to be refunded in the case of unsuccessful applicants.

2.3 FIXATION OF PHOTOGRAPHS OF PROPRIETOR / PARTNERS

Each applicant shall be required to furnish his two latest photographs, alongwith proof of residence in the form of copies of voter identity card/ ration card. However, each successful allottees shall submit all the above documents duely attested by a gazetted officer, duly stamped with his name and designation before the start of his/ her business.

2.4. PROCESS OF ALLOTMENT OF UN-ALLOTTED VEND AFTER THE DRAW OF LOT AND DURING THE CURRENCY OF THE POLICY:

Those vends for which, there are no takers and could not be allotted at the time of draw of lot, shall again be advertised and after inviting applications and following the same procedure, shall be allotted at the earliest. The Excise and Taxation Commissioner may take appropriate measures to allot such vend but the procedure of allotment shall remain same i.e. through advertisement, inviting applications and draw of lot if needed.

Even in case of Re allotment of vends during the currency of the financial year, **the same procedure shall be followed. The applications shall be invited by giving public notice in prominent news papers. The license fee shall be computed from original license fee on proportionate basis for the balance period. If no application is received, the license fee shall be deducted @5% and the process of inviting applications shall be repeated till it is re-allotted.**

2.5. LOCATION OF VENDS AND COMMAND AREA:

The command area shall be prescribed for all rural country liquor vends. The command area will include the area of main vend. Location of each vend shall be indicated in all cases and the vend shall be located within the location specified subject to other provisions of law. A licensee shall locate his/her vend at any place within the stipulated location. The licensee shall make his own arrangement for opening of the retail outlet with prior approval of site plan by the Department. Prior approval of site plan of vend shall have to be obtained from concerned DETC(X) both in case of vends as well as subvends. The location of business premises shall also have to conform to the provisions of any other Act/rules, as may be applicable. The licensee may shift a sub-vend with prior approval of the collector within his command area, in case the sub-vend has to be closed due to court orders, local resistance or any other reason beyond the control of the licensee.

2.6. SUB-VENDS:

In the case of rural C.L. vends, on specific request from the licensees to avoid smuggling and possibility of illicit distillation or sale of spurious liquor into his command area, sub vend may be allowed by the Excise and Taxation Commissioner, **in each of the village within the command area and the license fee of sub vend shall be fixed flat at Rs. 25000/- per sub vend in case of license fee of main vend is upto Rs 10 lac and Rs 50,000/- per sub vend in all other cases. However, there will be a stipulation of a minimum distance of 2.5 KM between the sub vend and vend/ sub vend of any other licensee. The sub vend shall be subject to all other provisions of law. The sub vend shall be preferable located in the 'phirni' of the village.**

2.7 PERMIT ROOM:

The authorized drinking place with vend, previously known as AHATA, has been renamed as **PERMIT ROOM**. One permit room may be allowed per retail outlet of liquor (L-14A/L-2) in urban areas and borders with other states to prevent rowdy and drunken behaviour in public. The license fee for PERMIT ROOM shall be fixed at the rate of 3% of the annual licence fee of the vend, whose annual license fee is more than Rs. 75 lacs and above and 2% for those vends, whose licence fee is more than 50 lacs and upto Rs. 75 lacs and 1% for those liquor vends, whose license fee is Rs. 50 lacs and less. **The department shall devise a set of norms which shall be mandatory for running a PERMIT ROOM to ensure the standards of hygiene, health and cleanliness.**

2.8 ALLOWING BEER AT COUNTRY LIQUOR VENDS IN RURAL AREAS:

In order to avoid smuggling and also to promote healthy drinking habits, The sale of Beer shall be allowed by L-2 vends and C.L. vends only in rural areas where there is no L-2 vend. It will broad base the availability of Beer, a low alcoholic drink and fetch higher revenue.

2.9 LIFTING OF QUOTA:

To plug leakage of liquor and safeguard government revenue, lifting of basic quota is stipulated. The current policy provides that the licensee shall lift basic quota allotted to his vend as per prescribed quarterly schedule failing which penal provisions shall be invoked. A licensee shall be required to lift entire basic quota allocated to his/her vend during the financial year 2008-09 in accordance with following schedule of lifting:

20% of annual basic quota	upto 30-6-2008
40% of annual basic quota	computed on cumulative basis upto 30-9-2008
70% of annual basic quota	computed on cumulative basis upto 31-12-2008
100% annual basic quota	computed on cumulative basis upto 20-3-2009

Non compliance of the provision shall attract penalty at the rate of Rs 20/- and Rs 65/- per PL for country liquor and IMFL respectively for the deficient quantity.

The licensee shall not be allowed to lift at the end of every month of the financial year basic quota in excess of a limit computed at the rate of 11% per month on cumulative basis after May onwards unless license fee in full has been paid. Additional and incentive quota at any point of time shall be allowed only to the extent of actual basic quota lifted when upto date due license fee has been paid in full.

In case of allotment and reallocation of vends during the currency of financial year, the quarter wise quota for the remaining quarters of the year including the fraction of quarter of allotment, shall be computed on proportionate basis from the quota allotted. The penal provision for deficient lifting will remain same.

2.10 GRANT OF ADDITIONAL GODOWNS:

Additional godown may be granted in exceptional cases on extra fee of Rs. Fifty Thousands within One Hundred meters of an existing vend.

2.11. MINIMUM RETAIL SALE PRICE:

In keeping with the objectives of the policy to facilitate conditions conducive to responsible drinking at reasonable rate for those, who drink, the minimum retail sale price is fixed as under:

S.No.	Liquor	Quart	Pint	Nip
1	Country Liquor	60	35	20
2	IMFL			
2.1	Scotch	1000	-	-
2.2	Super Deluxe Brands (Antiquity, Signature etc.)	400	225	125
2.3.	Deluxe Brands (RC whisky, Smirnoff Vodka, Bacardi Rum, Peter Scot, Blenders Pride etc.)	300	160	90
2.4.	Semi Deluxe Brands Royal Stag, Red Knight etc.	200	120	65
2.5.	Premium Brands [MCD No. 1, AC Gold, White Hall ACP, Mughal Monarch, 8PM, Green Label, London Duet, Royal Arm, WMP Vodka, Blue Diamond Duet, WMP Gin, Old Smuggler Rum, Br Gin, BP Gold, 100 Times, AC Black, DS Black etc.)	160	90	55
2.6.	Regular Brands (Aristocrat, Director's Special, Officer's Choice, Bagpiper, Old Monk Rum, White house, Royal Crest, Diplomat, Gold Riband, John-silver Rum White lace Gin, B.D. Gin, Silver Grand Gin etc)	140	80	50

2.7.	Economic Brands (Bonny Scot, Hayward, Benson, etc.)	120	70	40
2.8.	Cheap Brands (Goldy, Studd, Champion Whisky, Rum & Gin)	100	55	30
3	Beer Minimum retail sale price of Beer shall be Rs 35/- per bottle of 650 ml.			

No maximum sale price is fixed.

The retail sale license shall be automatically suspended on detection of breach of conditions of minimum retail sale rates for the day of detection and two days following it. The vend shall be sealed by DETC(x) for this period with prior intimation to excise collector and ETC. The suspension shall be in addition to present penal proceedings under the law.

2.12 SECURITY AND INSTALMENTS:

Every successful allottee of retail licensed liquor outlet shall be required to deposit a security equal to 20% of the annual license fee of the licensed outlet, out of which, five percent of the license fee has to be deposited on the day of draw of lot, five percent of the license fee within seven days of the allotment/draw of lot or on or before 31st March, 2008; which ever is earlier, another ten percent of the license fee by 7th of April, 2008 and the remaining eighty percent in **nine** equal monthly installments payable by **20th** of the month starting from the month of commencement of operation of vend and every subsequent month till entire license fee is realized failing which interest on late payment shall be charged from the first day of the month of default till the date of payment @ 1.5% per month. However, the allotment of license shall be deemed to be confirmed in case the allottee heard nothing adverse within 10 days of the draw of lot or 31st March, 2008 whichever is earlier. If a allottee / licensee failed to make the full payment of security in time, his license shall be deemed to have been cancelled automatically and security deposited, if any, forfeited. In the case of companies, the total annual license fee shall be paid on the day of draw of lots.

In case of vends which are allotted/ re-allotted during the currency of the financial year, the 10% security shall be deposited on the day of allotment and remaining 10% within 10 days of the date of allotment. The vend shall come into operation from the day following the date of allotment. Proportionate license fee for the month of allotment shall be calculated from 80% of the annual license fee and remaining period of payment upto December, which shall be deposited by the last working day of the month. Thereafter, installment of license fee shall be computed by dividing the balance from 80% of license fee dividing by the number of remaining months upto December. It will be payable as in case of other vends. In case the vend is re- allotted after December, complete fee shall be deposited within one month. No re-allotment shall be made after the month of February of the financial year

2.13. QUOTA for CL and IMFL outlet:

A basic quota for each retail sale liquor outlet of country liquor as well as IMFL shall be prescribed before inviting applications for its allotment. The licensee shall lift basic quota allotted to his vend as per quarterly schedule failing which penal provisions may be invoked.

To meet any unforeseen demand, in cases of both CL and IMFL, a provisions of additional quota equal to 10% of basic quota on same duty, another quota, called incentive quota, equal to 10% of basic quota on payment of additional duty @ Rs 10/- per PL and another incentive quota equal to 10% of basic quota on payment of additional duty @ Rs 20/- per PL have been made.

3. LEVIES

3.1 EXCISE DUTY and PERMIT FEE:

Excise duty on various categories of liquor shall be levied in the manner as tabulated below:

Sr No	Item		Rate of Duty in Rs
1	Country Liquor		6 Per PL
2	IMFL		25 Per PL
3	BEER		12 Per BL
4	Ethnol		Nil
	For use in automobile fuel		
5	Draught Beer		16 Per BL
6	Cider		2.50 Per Bottle 350ml
7	Sweet Wine	with spirit upto 25 degree	3 Per BL
		with spirit more than 25 degree	4 Per BL
8	Ready to Drink Beverages(RTB)		1 Per BL
9	Rectified Spirit		15 Per PL
10	Denatured spirit/Ethnol Except for use in automobile fuel		Nil

Excise duty shall be paid by L-1B and L-1B-1 in respect of IMFS and Beer respectively.

Excise duty for country liquor shall be paid by L-13. A **permit fee @ Rs 1/- per PL shall be charged on all permits for duty paid country liquor and IMFL and @ Rs 5/- per case on all permits for duty paid Beer. The permit fee @ Rs 1/- per BL on denatured ethanol used for automobile fuel has been withdrawn keeping in line with the frequent requests from GOI. However, permit fee @ Rs 3 per BL on denatured spirit / Ethnol for use other than automobile fuel and @ Rs 11 per BL on Ready to Drink Beverages (RTB) shall be levied.**

The permit fee shall be paid by L-1 and retail sale licensee for IMFS and Beer. It will be paid by retailers in case of country liquor.

3.2 IMPORT DUTY:

The import duty shall be levied as under:

Sr No	Item	Import Duty
1	CL	Rs 0.5 per PL
2	Beer	Rs 3 per BL
3	RTB	Rs 3 per BL
4	Draught Beer	Rs0.5 per BL
5	Potable RS for CL	Rs0.5 per PL
6	Potable RS otherwise	Rs 5 per PL
7	Absolute Alcohol	Rs 5 per PL
8	Denatured Spirit except as at SrNo 9	Rs 2 per BL
9	Denatured Ethanol/Denatured spirit for Automobile fuel	nil
10	IMFS	Rs 7 per PL

3.3. EXPORT DUTY:

The applicable rates of export duty are tabulated beneath:

Sr No	Item	Export Duty
1	CL	Rs0.25 per PL
2	Beer	Rs0.25 per Bottle 650 ml
3	RTB	Rs 0.25 per BL
4	Draught Beer	Rs0.25 per BL
5	Potable RS for CL	Rs0.25 per PL
6	Potable RS otherwise	Rs0.25 per PL
7	Absolute Alcohol	Rs0.25 per PL
8	Denatured Spirit except as at Sr No 9	Rs0.25 per PL
9	Ethanol/Denatured spirit for Automobile fuel	Rs0.25 per BL
10	IMFS	Rs0.25 per PL

3.4 Franchise Fee and Brand Registration fee:

A Brand Registration fee of Rs. Five lakh for bottling of each brand on franchise basis in the State of Haryana shall be charged. In addition, franchise fee shall also be charged as given below:-

Country Liquor	Re. 0.50 per P.L.
IMFS	Rs. 7.00 per P.L.
Beer	Rs. 3.00 per B.L.

3.5. LEVIES ON SUPPLIES TO DEFENCE PERSONNEL:

The rate of Excise Duty and Assessment Fee leviable in case of supplies to defense personnel shall be as under:

Sr No	Item	Excise Duty in Rs	Assessment Fee in Rs
1	IMFS	22.5/- Per PL	30/- per BL
2	Rum	22.5/- Per PL	15 per BL
3	BEER	12/- Per BL	2/- per bottle of 650 ml
4	Draught Beer	16/- Per BL	2/- per bottle of 650 ml
5	Cider	2.50 Per Bottle 350ml	2/- per BL
6	Sweet Wine	with spirit upto 25 degree	3 Per BL
		with spirit more than 25 degree	4 Per BL
7	Ready to Drink Beverages(RTB)	12 Per BL	2/- per bottle of 650 ml
8	IFL (BIO)	Nil	200/- per Bottle

Rate of Import Duty and Export Duty on liquor imported or exported by L-9 licensees shall be as under:

Item	Import	Export
IMFL/Rum/Wine/Cider/etc	Rs. 7/- per PL	Rs. 2/- per BL
Beer	Rs. 3/- per BL	Rs.0.50 per bottle of 650 ml

3.6 BRAND-LABEL FEE:

Any distillery/brewery/winery or bottling plant which wants its products to be sold in the State of Haryana has to get its Brand-Labels approved from the Excise Commissioner before marketing brands in the State of Haryana. The Distilleries and Bottling Plants situated in the State of Haryana shall also be required to get their labels approved on the same terms and conditions. Additional label fee will be payable for each additional label in case liquor is obtained from more than one source. The fee structure is as under:

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|--------|--|------------------------------------|
| (i) | Whisky/Scotch | Rs. Fifty Thousand per brand. |
| (ii) | Beer | Rs. Forty Thousand per brand. |
| (iii) | Rum | Rs. Forty Thousand per brand |
| (iv) | Gin | Rs. Twenty Five Thousand per brand |
| (v) | Vodka/Wine/Brandy
Cider/Champagne | Rs. Ten Thousand per brand. |
| (vi) | Vodka/Brandy/Cider/Wine
and Champagne for supply to CSD | Rs. One Thousand per brand. |
| (vii) | Country Liquor | Rs. Fifty Thousand per brand |
| (viii) | Ready to Drink Beverages (RTB) | Rs. Forty Thousand per brand |

It is further required that in case of any change/ alteration in labels for any reason(s), the label registration fee in full shall be charged again. In case any alteration/amendment in the labels is made during the currency of the financial year, the same rate of label fee shall be charged. While submitting application for registration of labels, the applicant shall submit the ex factory rates of the said product alongwith its prevalent ex factory rates in neighboring States and thereafter the brand shall be registered. In case of any unreasonable difference in rates prevalent in neighboring States, the department shall be at liberty to not register or deregister the brand in Haryana. Further, in case of a brand registered in Haryana and any change in its ex factory price, the approval of the department shall be obtained by the concerned licensee.

3.7 BOTTLING FEE.

A bottling fee @ Rs 4 per PL shall be charged on bottling of IMFS to be bottled by bottling plants where no franchise fee is leviable.

4. FIXED FEE LICENSES:

4.1 L-1B Licenses:

A distiller of repute willing to market its brands in the State of Haryana shall have to obtain a license in the form of L-1B except as provided under the provision of L-1AB license. The brands of distillers having dubious reputation and known/suspected for indulging in malpractices shall not be permitted. For this purpose, a Committee of Officers shall be constituted to examine the request of new entrants wanting to market their products in Haryana. This Committee shall look into the facilities at the distillery and reputation and quality of their produce and the opinion of the licensees and public about the produce of these distilleries. Fresh L-1B licenses will be granted on the recommendations of this Committee.

L-1-B shall make its supplies to L-1s of the State. L-1-B licensee shall ensure to meet the requirement of liquor both in terms of brand and quantity through L-1 licensees. Failure on this account shall make him liable for cancellation of his L-1-B license.

The fee structure for license fee of L-1B is provided as under:

	<u>Amount in Rs.</u>
For sale volumes below 10000 cases in the financial year	4 lac per annum
For sale volumes from 10000 to 35000 cases in the financial year	8 lac per annum
For sale volumes above 35000 cases and upto 1 lac case in the financial year	18 lac per annum

For sale volumes above 1 lac cases and upto 5 lac case in the financial year	30 lac per annum
For sale volumes above 5 lac cases and upto 10 lac case in the financial year	50 lac per annum
For sale volumes above 10 lac cases in the financial year	75 lac per annum

Excise and Taxation Commissioner may determine the reasonability of rates to be charged by L-1B licensees by way of fixing sale price of their products or profit margin/value addition keeping in view, all relevant factors including the rates for such products in other states. Each brand to be marketed in the State of Haryana is required to be registered under the provisions of the policy.

Provided that owner of brands having sales below Ten Thousand cases per annum shall have the option not to take L-1-B license but he shall have to operate under license in the form of L-1AB. He shall pay **double the normal rate of excise duty in case of IMFS**. They shall be required to get the brand labels approved but no brand label fee shall be charged. In case the cumulative sale of various brands of a company exceeds the above limit, L-1B license and L-1C license (label fee) shall be required to be taken but no refund/adjustment would be allowed for the double excise duty paid prior to the license.

Provided further that in case the sale of a L-1-B licensee exceeds the quantum for which he has taken the license, then he shall pay the differential license fee of the next higher slab.

4.2 L-1B-1 License, whole sale of Beer/Wine:

A brewer shall obtain a license in the form of L-1B1 to market its products in the state of Haryana. Supplies to L-1 shall be made only through L-1B1 which will be granted and renewed at a fee as provided below:

	<u>Amount in Rs.</u>
For sale volumes upto 25000 cases in the financial year	2.5 lac per annum
For sale volumes above 25000 cases and upto 1 lac case in the financial year	7.5 lac per annum
For sale volumes above 1 lac cases and upto 5 lac case in the financial year	15 lac per annum
For sale volumes above 5 lac cases and upto 10 lac case in the financial year	25 lac per annum
For sale volumes above 10 cases and upto 20 lac case in the financial year	50 lac per annum
For sale volumes above 20 lac cases	100 lac per annum

Provided that the applicants shall have the option not to take L-1-B-1 license subject to the condition that he shall have to pay **one and a half times of the normal rate of excise duty**. They may be required to get the brand labels approved but no brand label fee shall be charged. In case the cumulative sale of various brands of a company exceeds the prescribed limit, L-1B1 license and L-1C license (label fee) shall be required to be taken but no refund/adjustment would be allowed for the one and a half times of excise duty paid prior to the license. Excise and Taxation Commissioner may determine the reasonability of rates to be charged by L-1B-1 licensee by way of fixing sale price of his products or profit margin/value addition keeping in view, all relevant factors including the rates for such products in other states.

4.3 L1-B1-A License of Whole Sale of READY TO DRINK BEVERAGES (RTB):

L-1B1 A license may be granted and renewed at a fixed fee of Rs. Two Lakh Fifty Thousand per annum.

4.4 L-1AB LICENSE FOR NON DISTILLERS BRANDS:

To allow other brands of repute with low sale volumes or reputed brands owned by non distillers, a new license for whole sale of IMFS is introduced in the form of L-1AB to be granted by Excise and Taxation Commissioner under the provisions of excise law. No brand fee may be charged from L-1AB licensees. The following fee and duty structure is fixed:

Fee	Duty	Condition
Nil	Rs 50 per PL	Sale volumes upto 10000 cases
4 lac	Rs 35 per PL	When sale exceeds 10000 cases a year for non distillers upto 25000 cases
8 Lac	Rs 40 per PL	When sale exceeds 25000 cases a year for non distillers

Excise and Taxation Commissioner may determine the reasonability of rates of liquor as in case of L-1B licensees.

4.5 L-1BF License for IFL:

The consumption of liquor imported from outside the country is growing particularly in NCR region. To facilitate greater consumer choice for quality liquor and to regulate distribution of foreign liquor imported from outside the country, a wholesale license in the form of L-1BF for such liquor is prescribed. The license shall be granted to firms/companies or persons having import license by Excise and Taxation Commissioner subject to the provisions of excise law. The licensee shall be authorized to import IFL including Beer from other countries and supply it to L-1s, L-4&L-5s and L-12Cs of the

State. The licensee shall be required to get the brands registered as in case of IMFL and Beer. The fee structure is fixed as under:

For sale volumes below 10,000 cases in the financial year Rs 5 Lac per annum.

For Every subsequent slab of 10,000 cases in the financial year Rs 5 Lac per annum.

4.6 L-10B License for Promotion of Wine and IFL (BIO):

In order to promote healthy drinking habit of liquor with low alcoholic content, a license in form L-10B is prescribed for retail sale of wines to be given to the departmental stores located in shopping malls in the cities having a turnover of more than Rs.50 lacs per annum on an annual license fee of Rs. 25000/-. The L-10B licensees shall be allowed to conduct sales of IFL (BIO) as well. The licensee shall procure its supplies of IFL (BIO) only from nearest L-2 vend.

4.7 D-2, B-1, BWH-2, L-12, L-17, L-11 and L-15 Licenses

The licenses as described under column 2 of the table beneath shall be granted or renewed on the payment of license fee per annum as specified there against under column 4.

SR NO	Name of License	Abbreviation	Fee per annum
1	Distillery License	D-2	Rs 50 lac
2	Brewery License	B-1	Rs 50 lac
3	Bonded Ware House	BWH-2	Rs 8 lac
4	Bottling Of IMFS	L-11	Rs 15 lac
5	Bottling Of CL	L-15	Rs 15 lac
6	Bottling of IMFS + CL	L-11 + L-15	Rs 20 lac
7	Medicated wine outlet	L-12	Rs 100/-
8	Denatured Spirit outlet	L-17	Rs 10000/-

4.8. L-4/L-5/L-12C Bar Licenses

The license fee for grant or renewal of L-4/L-5/L-12C licenses shall be Rs. Six Lakhs per annum. However, the license fee for bars in hotels having grading of 4 star and above shall be Rs. **10 lac**.

The timings of bars may be extended by two hours on payment of additional annual fee of Rs 5 lacs per annum. Round the clock operation of bars may be allowed on additional annual payment of Rs 10 lac subject to the compliance of any other law as may be applicable.

L-4/L-5/L-12C licenses shall be granted to the tourist complexes run by Haryana Tourism Corporation, hotels/clubs and restaurants of repute situated in and around the big cities having infrastructure and level of facilities required to meet the parameters and conditions prescribed by the District Level Committee Constituted for this purpose. A district level committee consisting of three members i.e. Nominee of Deputy Commissioner, Deputy Excise and Taxation Commissioner (Excise) and Excise and Taxation Officer(Excise)/ Assistant Excise and Taxation Officer(Excise) of the respective districts shall be constituted. Dy. Excise and Taxation Commissioner (Excise) will head the Committee. This committee shall assess the eligibility of an applicant for the

grant of a Bar/a Club License (L-4/L-5/L-12C). The aforesaid committee shall make recommendation to the Excise Commissioner for grant of L-4/L-5/L-12C license.

The annual license fee for a bar/a club (L-4/L-5/ L-12C) license shall be paid in four equal quarterly installments, payable in the beginning of 1st week of each quarter, failing which the license shall be cancelled and the entire license fee for the year shall be recovered.

For every additional point in an enclosed, demarcated, approved area or open space (except on the poolside) where liquor is served within the premises of a Hotel/ restaurant, with rating of three star and above, a fixed fee of Rs. 1,00,000 per additional point per annum has been fixed, subject to a maximum of five additional points.

A maximum of three additional points can be allowed on payment of additional annual license fee of Rs. 25000/- per additional point to a Hotel/ Restaurant, rated below three stars, within the premises of a Hotel and Restaurant in an enclosed, demarcated, approved area or open space (except the pool side).

L-3 Licence with a fixed fee of Rs. 25,000 per annum is allowed to the Hotels of three star rating and above and H.T.C complexes intending to serve liquor in the rooms. However no liquor is to be served in any open areas including poolside etc. HTC complexes are allowed to **take supply of liquor from their own L-1**. HTC complexes have been allowed to pay a fixed license fee of Rs. **1.25 crore** in four equal quarterly installments for opening bars in such of the tourists complexes as they feel necessary after obtaining due permission from the Excise & Taxation Commissioner subject to payment of application fee of Rs. 1000/- per application.

L-4/L-5/L-12C, bar licensees would get their supplies **from any two nearest retail outlets of IMFL (L-2) of the district** in which L-4/L-5/L-12C license(s) are located. The collector may fix rates whenever necessary. In case costly brands above Rs. 500 per bottle or wines are not made available to L-4/L-5/L-12C by L-2 licensee of the district then licensee would be allowed to take their supply from other L-2 licensee(s) within the State.

The liquor brands like, Royal Stag, Red Knight/Bacardi Rum/ Old Monk Rum/Smirnoff Vodka RANGE and brands falling in RANGE above, including Ready to Drink Beverages (R.T.B.) shall be allowed for sale in pegs through all L-4/L-5/L-12C, bar licensees in the state.

The bars will be allowed to serve imported foreign liquor (Whisky/ Wine/Beer/Cider etc.) covered within the meaning of imported foreign liquor alongwith other brands of liquor allowed for sale (in pegs) through L-4/L-5/L-12C licenses issued to bars and clubs. Such bars and clubs may be allowed to import foreign imported liquor directly from outside the State with the permission of Collector.

Sale of liquor including Imported foreign liquor made through L-4/L-5/L-12C outlets (bars & clubs) shall attract VAT @ 20%.

L-4/L-5/L-12C, bar license shall remain open upto 12:00 hours (midnight).

L-4/L-5/L-12C licenses operative in 2007-2008 and fulfilling the criteria laid down under the new excise policy may be renewed for the year 2008-2009 without referring their cases to the district level approval committee.

Any new license obtained in Form L-4/L-5/L-12C during the year 2008-2009 shall not be required to pay license fee for the quarter(s) already elapsed, but he shall have to pay license fee in full for the quarter in which the license is granted and for the succeeding quarters till the quarter ending 31st March 2009.

L-12C licenses which are effectively and substantially managed by the Government or through their instrumentalities may get their supplies of liquor from the wholesale outlet of IMFL (L-1) of Haryana Tourism Corporation Ltd.

4.9 ICE BAR:

In order to promote Ice bar, any L-4/5 licensee may be allowed to open Ice Bar subject to such terms and conditions as may be prescribed by the Department. Ice Bar shall be allowed on the strength of new license in the form of L-4A, which shall be granted on annual fee of Rs. 1 lac.

4.10 L-10C LICENSE FOR PROMOTION OF PUB/MICROBREWERY PROJECT:

In order to promote healthy drinking habit of liquor with low alcoholic content a new license in form L-10C is introduced for retail sale of beer to be manufactured by Pub Microbrewery Project. The license shall be granted to holders of L-4/5 licensees on payment of Annual License Fee of Rs. 2.50 Lac per annum. The excise duty shall be charged on the basis of its daily installed capacity @ Rs 12 per BL.

4.11 Temporary License in Form – L-12A

Licenses in form L-12-A may be granted by DETC (Excise) of the respective district, without any restriction on the number of days but the applicant shall be required to disclose the quantity of liquor (CL and IMFL separately) which would be consumed during the period of grant of license on the payment of fee as described below:-

At all premises other than Individual's own house/private premises: Rs.1500/- per day per function.

The fee and license required for Individual's own house/private premises is nil.

An individual does not need to seek any permission for serving liquor in his own house within the possession limit. However, beyond the possession limit, he shall give prior intimation to the department.

No provisional license in form L-12A shall be granted to clubs, hotels and restaurants.

4.12 L-50 License

(Permit for the purchase, Transport, and Possession of Foreign Liquor exceeding the limit for retail sale and private possession.)

The license in form L-50 shall be granted by DETC(X) of the respective district to a bonafide consumer of IMFL for the purchase, possession and transportation for a life time on payment of Rs. 2000/- and for a period of one year on payment of Rs. 200/- as license fee. L-50 licensee shall be authorized to keep a stock of liquor given below:-

<i>IMFL</i>	IFL- 12 bottles of 750 ml IMFS- 24 bottles of 750 ml.
<i>Beer</i>	Beer-24 bottles of 650 ml Rum-12 bottles of 750 ml Wine-24 bottles of 750 ml Vodka/gin/CIDER- 12 bottles of 750 ml.

4.13 L-13 License, Whole sale of Country Liquor

All distilleries located in the State may apply for the supply of doubled distilled, spiced, pot, country liquor, of 50 degrees proof strength, in bottled form, as per the conditions prescribed.

DISTRIBUTION OF C.L. QUOTA:

75% of the free quota shall be distributed among all the distilleries operating from Haryana in equal measure. However, the next 25% quota of the free quota shall be open and shall be supplied as per the market demand.

INTRODUCTION OF HOLOGRAM ON C.L. BOTTLES:

In order to promote safety and guard against spurious and adulterated liquor, the manufacturers of country liquor are required to affix such hologram as approved by the Department of Excise and Taxation in the manner prescribed.

GLASS BOTTLES:

To ensure glass bottles for country liquor as an institutional measure, the distilleries are required to provide at least 30% of the fixed quota allocated individually on account of proportional distribution of the 75% quota of C.L. into new glass bottles i.e. 30% of 75% = 22.5% of the total quota is to be supplied in new glass bottles. This 22.5% shall be equally spread over all the distilleries, who shall be allotted quota equally and all of them shall comply with the provision.

L-13 LICENSES:

The distilleries shall be granted licenses for wholesale outlets of country liquor (L-13) under the Haryana Liquor License Rules, 1970, as per the following conditions:-

a). The L-13 License shall be granted to the distilleries to be operated by persons to be approved by the Government.

b). The distilleries shall be required to open wholesale outlets of country liquor (L-13) in every district headquarter of the State to maintain regular and ready supply of country liquor to the retail liquor outlets of country liquor (L-14A).

c). The supplies to the retail outlets of country liquor (L-14A) shall be made from the wholesale outlets of country liquor (L-13) located in the district on permits/passes issued by the respective Deputy Excise & Taxation Commissioners (Excise) of the districts.

(d) The stock of country liquor at the stage of L-13 shall be duty paid.

(e) The wholesale outlets of country liquor (L-13) shall maintain a ready stock equal to the five percent of the fixed annual quota of the respective district.

(f) The wholesale outlets of country liquor (L-13) shall obtain permits / passes issued by the respective Deputy Excise & Taxation Commissioners (Excise) of the districts.

(g) The annual license fee for the wholesale outlets of country liquor (L-13) shall be Rs. 1.25 lac per outlet per district to be paid in cash or by bank draft in the name of Dy. Excise and Taxation Commissioner (Excise) of the district.

(h). The approved distilleries shall be required to deposit a security amount of Rs. 1 lakh per L-13 outlet per district, in the form of bank draft in the name of Dy. Excise and Taxation Commissioner, (Excise) of the respective district, for the performance of contract of supply of double distilled, spiced, pot, country liquor, of 50 degrees proof strength, in bottled form.

(i) The approved distilleries shall be bound to abide by the rules and provisions laid down in the Punjab Excise Act, 1914 and rules framed there under.

(j) The approved distillery shall, in addition to maintaining the required records and furnishing of statements given in the rules ibid shall in addition be required to e-mail via the internet to the Excise and Taxation Commissioner, Haryana at haryanatax.com, daily figure showing the production and dispatch of country liquor.

4.14 L-1 License, Whole sale of IMFL

The wholesale outlets of IMFL (L-1) shall granted, on payment of application fee of Rs. Five thousand and security of Rs. 5 (Five) lac and annual license fee of Rs. Twenty five Lac.

The number of such licenses in a district shall be 4 per district in all districts of the State of Haryana except Gurgaon and Faridabad, where it will be 8 each. The license may preferably be granted on the basis of amount of revenue contributed in terms of L-2 license fee of the District for the year.

A cut off date shall be prescribed and published/ pronounced well in time for the purpose of determining the revenue contribution.

The applicant shall not be a defaulter of any dues under the Punjab Excise Act, 1914, Haryana General Sales Tax Act, 1973, CST Act, 1956, Haryana Value Added Tax Act, 2003, Haryana Local Area Development Tax Act, 2000.

The applicant shall furnish authorization certificates from at least three distilleries and breweries for selling their products in wholesale.

The applicant shall furnish proof of ownership, lease, rental of the premises at which the wholesale outlet of IMFL (L-1) is proposed to be opened.

The applicant shall furnish no objection certificates from the municipal committee, chief medical officer, fire officer of the respective district.

The applicant shall deposit an annual license fee of Rs. 25 lakhs by means of bank draft in favour of the Deputy Excise and Taxation Commissioner (Excise) of the respective district and shall furnish the requisite proof along with the application.

The supplies to the retail outlets of IMFL (L-2) shall be made from the wholesale outlet of IMFL (L-1) located in the district on permits / passes issued by the respective Deputy Excise & Taxation Commissioners (Excise) of the district.

The stock of IMFL at the stage of L-1 shall be duty paid.

The wholesale outlets of IMFL (L-1) shall receive supplies of liquor from the L-1B and L-1B1 licenses and other licenses as provided under other provisions of the law.

(The wholesale outlets of IMFL (L-1) shall obtain permits/ passes issued by the respective Deputy Excise & Taxation Commissioners (Excise) of the district for receiving supplies.

The licenses for the wholesale outlets of IMFL (L-1) shall be granted by the Excise & Taxation Commissioner on recommendation of the Dy. Excise and Taxation Commissioners (Excise) of the respective district.

5 MISCELLANEOUS

5.1. IMPORTED FOREIGN LIQUOR (BIO) TO DEFENCE PERSONNEL:

In addition to the facilities prevalent in the current financial year for the defence personnel, Imported Foreign Liquor (BIO) may also be allowed to be sold through Canteen Stores Department. CSD shall be allowed to procure IFL from any approved source on payment of assessment fee to be levied @Rs 200/- per bottle of 750 ml or equivalent.

5.2. STRENGTH OF COUNTRY LIQUOR AND IMFL:

Country Liquor of the strength of 50* proof and IMFL of 75* proof shall be allowed. However, in case of IMFL, with the permission of Excise Commissioner, IMFL below 75* proof may also be allowed

5.3. VAT:

VAT shall be charged only on liquor sold by L-4/L-5 or L-12 C licensees and on sale of imported foreign liquor @20%. Sale of CL & IMFL will be exempted from VAT unless sold by L-4/L-5 or L-12 C licensees.

5.4. DRY DAYS:

Dry days shall be observed when licensees shall be required to keep his/her vend closed as per the schedule given below: -

- i) On Republic Day (26th January), Independence Day (15th August), Mahatma Gandhi ji's Birthday (2nd October)
- ii) Dry days on account of any direction of Election Commission of India or State Election Commission in the eventuality of any election in Haryana or in the adjoining States, where polling is held for State Assembly or Parliament as per the directions of the Election Commission of India.

No compensation of any kind or relief in license fee on such account shall be given.

5.5. HOURS OF SALE:

The sale hours for the liquor outlets shall be observed from 9.00 a.m. to 12.00 (Mid night) except as provided for Bars.

5.6. EXCISE ARRANGEMENTS:

Excise and Taxation Commissioner is authorised to take all necessary steps for smooth conduct of allotment and opening of licensed outlets keeping in view the recommendations of District officers.

5.7. CLOSURE OF LIQUOR VENDS IN THE TOWN OF KURUKSHETRA, THANESAR AND PEHOWA:

No liquor vend shall be allowed in Kurukeshtra, Thanesar (except Pipli along side G.T.Road) and Pehowa.

5.8. COMPENSATION:

No compensation of any kind or relief in license fee on account of natural calamity, such as fire, floods, drought, earthquake, riots etc. or as a result of any remission by a court order beyond the specific relief given, is admissible to the licensee.

5.9. PAYMENT TO LOCAL BODIES IN LIEU OF THE TAXES/LEVIES IMPOSED BY THEM :

Municipal bodies shall be paid @ Re. 1.5/- per bottle of C.L of 750 ml. or equivalent, Rs. 2/- per bottle of IMFS of 750 ml. or equivalent and Rs.1.00/- per bottle of beer of 650 ml. capacity or equivalent. A similar provision has been made for payment to Panchayats and Panchayat Samitis on sale of C.L, IMFL in their respective jurisdiction. This payment is subject to the condition that the local bodies would not impose any tax/ octroi or levy on C.L, IMFL within their jurisdiction. This payment shall be made from the State exchequer. Zila Parishads to get 10% of the payment on this account to be made to the Panchayati Raj Institutions. The ratio for sharing the said payment between Gram Panchayats, Panchayat Samitis and Zila Parishads shall be 70:20:10.

5.10. SAMPLE BY HEALTH DEPARTMENT:

Sampling by Health Department has to be done jointly with Excise and Taxation Department and officers, not below the designated level are to be authorised to take sample of liquor.

5.11. TRANSIT SLIPS:

To keep control over the vehicles carrying liquor for other States/Union Territory through the State of Haryana, transit slips have to be carried in such cases so that liquor meant for other States may not be unloaded in the State of Haryana.

5.12 POSSESSION/TRANSPORTATION LIMIT FOR CL & IMFL:

The possession limit will be as indicated in the table:

Name of liquor	Present Possession limit	Proposed Possession limit
<i>Country liquor</i>	<i>4 bottles-750 ml. or 8 bottles- 375 ml or 12 bottles-180 ml.</i>	6 bottles of 750 ml - For different sizes, total quantity not exceeding 6 X 750 ml= 4500 ml.
<i>IMFL</i> <i>Beer</i>	<i>6 bottles</i> <i>12 bottles of 650 ml.</i>	IFL- 6 bottles of 750 ml IMFS- 12 bottles of 750 ml. Beer-12 bottles of 650 ml Rum-6 bottles of 750 ml Wine-12 bottles of 750 ml Vodka/gin/CIDER- 6 bottles of 750 ml.

For defense personnel, the possession limit shall be as per Army orders.

5.13. NEW SIZE OF BOTTLES:

New sizes of 700 ml., 500ml., 100ml., 90 ml., and 60ml bottles are allowed in IFL/IMFL.

5.14 EX-DISTILLEY PRICE OF COUNTRY LIQUOR

The Ex-distillery price of country liquor shall be Rs 146.6/- per case of PET quart. The rates of various packs of country liquor per case shall be as under:

Quart (750 ml)	Rs 173.60/- in new glass bottles
Pint (375 ml)	Rs 194.60/- in new glass bottles
Nip (180 ml)	Rs 232.60/- in new glass bottles
Quart (750 ml)	Rs 153.60/- in old glass bottles
Pint (375 ml)	Rs 174.60/- in old glass bottles
Nip (180 ml)	Rs 212.60/- in old glass bottles
Quart (750 ml)	Rs 146.60/- in PET
Pint (375 ml)	Rs 167.60/- in PET
Nip (180 ml)	Rs 205.60/- in PET

5.15 PROVISION OF SPACE FOR RUNNING OF VENDS IN URBAN AREAS IN GURGAON AND PANCHKULA:

It has been decided that the Government and its agencies will try to provide space for running of vends in urban areas of Gurgaon and Panchkula wherever available and possible at reasonable rates for operating liquor vends in pre-fabricated structure.
