

## **EXCISE POLICY FOR THE YEAR 2011-12.**

### **PREAMBLE:**

Maximization of Government Revenue to generate resources that can be utilized to finance developmental projects is always accorded a high priority on the agenda by the policy planners. However when it comes to framing a policy such as Excise Policy, social considerations and ramifications also assume paramount significance. An ideal Excise Policy, therefore, has to strike a delicate balance between the twin objectives of preventing dominance of liquor mafia or social degeneration on the one hand and securing an optimum revenue for the Government on the other.

The Excise Policies since 2006-07 have successfully achieved and strengthened the long term objectives of breaking the cartels and unethical dominance of liquor mafia, broad basing the trade by facilitating the entry of new players of even modest means, plugging the leakage, optimization of revenue, creating ambience for legitimate and responsible drinking and providing good quality liquor at reasonable price to those who drink. Like previous year, now in the year 2011-12, the policy aims at taking the previous gains to a higher level by further consolidation, weeding out the deviations, providing greater stability in the trade, catering to the emerging requirements in a fast changing scenario & clientele and enhancing government revenue.

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

### **2.1 MANNER OF DISPOSAL:**

(i) The allotment of retail liquor outlets of country liquor and IMFL shall be done individually and separately. Sealed tenders shall be invited for each vend of the district. The reserve price for these vends will be fixed in advance. The DETCs (Excise) will make a fresh assessment of reserve price for vends of their respective districts and get it approved from the ETC(FC). The process of allotment shall be conducted by a committee comprising of Deputy Commissioner, Deputy Excise and Taxation Commissioner (Excise), Deputy Excise and Taxation Commissioner (ST) of

the respective district in the presence of the participants who wish to be present on the date of allotment to be published by the Department in leading newspapers.

(ii) 15% of the retail outlets of country liquor (L-14A) and IMFL (L-2) of the District which were reserved for Haryana Scheduled Castes (10%) and Backward Classes ('A' Categories) (5%) during the year 2009-10 shall be reserved for Haryana Scheduled Castes (10%) and Backward Classes ('A' Categories) (5%) for the year 2011-12. These reserved vends would also be allotted individually and separately by inviting sealed bids from the respective categories.

However, if no bids are received after invitation of bids twice, that particular vend will be deserted.

(iii) The list of vends having details such as vend name, vend code, urban/rural classification, location, command area if applicable, quota, reserve price and category i.e General, SC or BC(A) shall be widely published. The District wise lists of vends of Country liquor and IMFL shall be prominently displayed in the offices of Deputy Commissioner, DETC (Excise) and DETC (ST) of the concerned District, JETC (Range) concerned and official website of the Department i.e [www.haryanatax.com](http://www.haryanatax.com).

(iv) The vend shall be allotted to the highest eligible tenderer quoting **equal to or above** the reserve price of the vend. In case of more than one bid quoting the same highest price, the successful bidder shall be determined by **draw of lot** among the tenderers quoting the same highest amount. In case there is no bid or no eligible bid equal to or above the reserve price, the bids shall be invited again.

(v) The bids shall be invited individually and separately for each vend of the state to be processed in the concerned District. Separate bids shall be invited for Country Liquor and IMFL vends. The bidder is required to furnish his/her bid only **in the prescribed format** individually and separately for each vend he/ she intends to bid for. A bidder can apply for any number of vend(s) of any district and of the state.

(vi) The bid shall be sealed in an envelop containing only the financial bid and one photograph of the bidder affixed on to that and D.D. as per sub-clause (c) below, if applicable. The bid amount shall be in multiple of ten thousands only. In case the bid amount is not in multiple of ten thousands, it will be upgraded to next multiple of ten thousands and treated as such for the bid. The bid shall constitute of the following:

(a) Participation fee of Rs.15,000/- in the form of cash or demand draft.

- (b) Earnest money as applicable depending upon the reserved price of the vend, in the form of demand draft in favour of DETC (Excise) of the district.
- (c) A demand draft in favour of DETC(Excise) of the district of an amount equivalent to 20% of his bid amount, in case his bid exceeds the reserve price by more than 25%. This D.D. will be kept in the sealed envelope containing the financial bid itself.
- (d) A caste certificate issued by the competent authority of the Government of Haryana in case of persons belonging to SC and BC(A) category intending to bid for the vends reserved for their respective categories, and
- (e) Sealed envelop containing the financial bid amount in the prescribed format and a photograph affixed onto that and D.D. as per sub-clause (c) above, if applicable..

Note:- Earnest money, participation money and caste certificate, wherever applicable, shall **not be** put in the sealed envelop and shall be furnished separately.

(vii) A tenderer will have to enclose a demand draft in favour of DETC(Excise) of the district of an amount equivalent to 20% of his bid amount alongwith the sealed financial bid, in case his bid exceeds the reserve price by more than 25%. In case such tenderer fails to submit the D.D. of required amount alongwith the financial bid, his tender shall be deemed cancelled on the spot i.e. at the time of opening of tenders and the tenderer next in row will be considered. The earnest money of such cancelled bids shall be forfeited.

(viii) The bids should be submitted in the office of DETC (Excise) concerned before the last date and time for submission of bids as publicized by the Department. The bids received after the expiry of last date and time shall not be accepted.

(ix) The bid shall be duly entered in a page numbered and indexed register to be maintained in the prescribed format in the office of DETC (Excise) by an officer not below the rank of AETO. The register shall be authenticated by DETC (Excise). Separate register shall be maintained for country liquor vends and IMFL vends. Vend wise receipt of all tenders shall be recorded in the register. There will be one leaf (2

sides/pages) for each vend. Vend code, name of vend and category shall be recorded on top of the page of the register. Each bid for a vend shall be entered in a date wise manner. It will record Serial number in a running ascending order, Date of submission, Name of bidder, amount, name of bank and demand draft number for earnest money, Details of participation money, Box Number, signature of bidder and signature of the excise official.

(x) The serial number of register shall be recorded on the label to be affixed on the cover of sealed financial bid envelop also. Thereafter, the envelope shall be signed by the bidder and put in the Box.

(xi) A duly signed receipt from receipt book shall be granted to the bidder/participant which will be **his/her pass for entry** into the allotment hall on the date of allotment.

(xii) The complete process shall be video graphed.

(xiii) The sealed bids shall be put in the box by the bidder himself/ herself. The box shall be of suitable size as approved by the committee. It will have one slit through which the bids shall be put in the box. There will be one opening of the Box which shall be locked and sealed by the committee. The keys shall remain with the chairman of the committee i.e Deputy Commissioner of the concerned District.

(xiv) Each Box shall be prominently marked for type of vend for which the bids are to be placed in the box like CL or IMFL. Each box shall be prominently marked with box number also. There will be separate Boxes for CL and IMFL vends. There will be one Box for each slab of 50 vends. One box for CL and IMFL each may have less than 50 vends for the remaining vends in the last slab. There will be one Box of Country Liquor and one Box of IMFL vends reserved for SC & BC(A) in respective categories of CL and IMFL. These will be marked as CL-SC/BC(A) and IMFL-SC/BC(A). All the boxes shall be placed on suitably mounted place.

(xv) Each box shall be sealed by the committee before the start of process of receipt of tenders in the presence of all those who wish to be present. A notice to this effect shall be given by DETC (Excise) locally under intimation to the chairman of the committee.

(xvi) The boxes shall be opened on the date of allotment by the committee in the presence of all participants who wish to be there. A separate enclosure shall be arranged for media at suitable distance. The proceedings may be allowed to be broadcast live on cable by the committee.

(xvii) **Police guard** of one NGO, one head constable and 4 constables shall be deployed throughout the bid process where the boxes are kept and stored. The boxes will move to the allotment hall under police guard.

(xviii) The allotment shall take place at the duly publicized venue on the **date and time** to be fixed by the Excise & Taxation Commissioner, Haryana. Entry to the venue of allotment shall be regulated by pass issued to bidders. If any such person commits misconduct at the venue, he shall be debarred from participating in the proceedings and the amount of Earnest Money deposited by him along with the application shall be forfeited by the Dy. Excise and Taxation Commissioner, (Excise) of the respective district.

(ixx) Lists of vend wise bidders shall be displayed on the previous day of the date of allotment during the first tender process. If more than one round of tender is required, than it would be sufficient to display the list of vend-wise bidders before the stipulated time for opening of tenders. Allotment of IMFL vends shall be taken up before the country liquor vends. The boxes shall be taken up in ascending order of its marked number and opened/ processed one at a time. It will be brought before the committee for its examination. The box shall be opened after announcement with regard to vends concerned and number of bidders. The vend wise list of bidders should be kept ready for reference and should be prominently displayed. Thereafter, with the permission of the committee, the seal of the Box shall be opened. The bids shall be brought out and processed vend wise. Vend wise number of bids received from box shall again be announced. Thereafter, vend wise financial bids shall be opened in full view of the audience in ascending order of vend code. The vend shall be allotted to the highest bidder quoting **equal to or above** the reserve price subject to provision 2.1.vii of the policy. The result shall be announced and recorded. In case, there is more than one bid of highest amount, the successful bidder shall be determined by draw of lot. A transparent jar shall be kept ready for the purpose. The slips of equal size and color shall be used for the purpose of draw of lot. The slip will contain serial number of bidders quoting the highest amount. Slips shall be folded in such a manner that written part shall be not be visible. All slips shall be folded in same manner. No written part on any slip should be visible. The slips shall be properly mixed. The draw shall be conducted by a person from public to be chosen at random by the Chairman of the committee. Rectangular slips of sufficient length be

got printed by DETC (Excise), one slip for each serial number. Such slips be got printed well before the date of allotment.

(xx) The successful bidder shall be required to deposit 5% of the bid amount on the day of allotment. In case he/ she fails to deposit the 5% of the bid amount on the said date, his bid shall be deemed cancelled and earnest money deposited by him shall be forfeited and such bidder shall be blacklisted for five years. Further, the allotment of such vend would be done by inviting sealed tenders as in the case of unallotted vends.

(xxi) All successful allottees, before the start of operation of vend, shall be required to file an affidavit and a solvency certificate. Affidavit shall be on a non-judicial stamp paper of the value of Rs. 3/- in the format prescribed in the form. The affidavit will be to the effect that he has not been convicted of any non-bailable offence by a criminal court or of any offence under the Punjab Excise Act or the Opium Act, the East Punjab Opium Smoking Act, 1948, the East Punjab Molasses (Control) Act, 1948, the Indian Power Alcohol Act, 1948 applicable to Haryana or the Narcotic Drugs and Psychotropic Substances Act, 1985. The affidavit will also be to the effect that he is not a defaulter and has paid all past dues of excise revenue in Haryana. The failure to furnish the affidavit or solvency certificate prescribed herein or furnishing false affidavit shall be sufficient ground for cancellation of license, which shall be reallocated at his cost and risk.

(xxii) Verification of particulars would be made in respect of the successful allottees before the license is actually granted. The verification of documents furnished by the successful allottee shall be made by the Excise Inspector of the respective circle and counter signed by the Excise and Taxation Officer (Excise) / Assistant Excise and Taxation Officer(Excise), before the licence is actually granted. The list of successful allottees shall also be displayed at a conspicuous place in the office of the Deputy Excise and Taxation Commissioner (Excise) of the respective district. The list shall also be displayed on official website of the Department i.e. [www.Haryanatax.com](http://www.Haryanatax.com).

(xxiii) The licenses shall be granted by the Deputy Excise and Taxation Commissioner (Excise) of the district on behalf of the Collector after the approval of the Excise & Taxation Commissioner, Haryana.

(xxiv) All licenses, whether for wholesale or for retail sale, shall be granted subject to the provisions of the Punjab Excise Act, 1914 and the Rules/ Regulations/

Instructions/ Policies framed there under from time to time as applicable to the State of Haryana.

(xxv) No interest shall be payable on the security amount.

**Note:- All allotments of licenses shall be subject to the approval of the Excise & Taxation Commissioner-cum-Financial Commissioner. The Financial Commissioner may reject, without assigning any reason, any allotment in public interest as the case may be, within 10 days of the date of allotment.**

## **2.2 GENERAL CONDITIONS:**

The location of each retail outlet shall be specified. The licensee shall make his own arrangements for opening of the retail outlet.

The provisions of the Punjab Shops and Commercial Establishment Act, 1958 in the areas wherein it is in force, shall remain inoperative so far as it relates to hours of sale of liquor in the case of licensed premises. Such licensed premises, however, shall remain closed on the Republic Day (26th January), Independence Day (15th August), Mahatma Gandhi's Birthday (2nd October). The liquor shops shall remain closed in the areas within the concerned constituency and in the adjoining areas of the Constituency for the period where polling is held for State Assembly or Parliament as per directions of Election Commission of India and election to Panchayat/Local Bodies in Haryana as per directions of the Haryana State Election Commission.

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

The employees working at the retail liquor outlet will be entitled to a weekly rest and their daily working hours will be limited to 8 hours.

Pictures and Photographs of Mahatma Gandhi, Acharya Vinoba Bhave and other National leaders, as notified by the Excise and Taxation Commissioner, Haryana, from time to time, shall not be exhibited on any licensed premises in Haryana under the Punjab Excise Act, 1914.

The licensees shall at no time advertise the sale of liquor by announcing it on loud-speakers or by any other means.

No Compensation of any kind or relief in license fee and quota shall be admissible to any licensee on account of natural calamities such as fire, floods, drought, earthquake or riots etc.

*Explanation:-* For the purpose of this sub-clause, the executive instruction of the Financial Commissioner embodied in paragraph 3.19(e) of the Punjab Excise Manual Volume-III, relating to concession to license holders, shall not be applicable.

Every successful allottee shall be required to furnish two sets of surety bond in form M-75 before the commencement of business.

No person to whom a license for retail liquor outlet is granted shall establish the same on such premises as is situated at a distance of less than 150 meters from the main gate of a recognized school/ College/ main bus stand and a place of worship. However, Excise Commissioner can relax such distance for the location of retail liquor outlet from 150 meters to 75 meters on the recommendations of the Deputy Excise and Taxation Commissioner (Excise).

The retail liquor outlet on National Highway/ State Highways (except in case of retail liquor outlets located in the areas of Municipal Committees/Municipal Corporations/Councils/Housing Boards or any other local authority/Urban Estates/the areas developed by the colonizers with the approval of the Government) shall be located at a distance as stipulated in the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 (41 of 1963). However, regarding location the retail liquor outlet shall also have to conform to the conditions laid down in any other Act/rules as well.

However, in urban areas, the retail liquor outlets may preferably be located in the market places.

No wholesale and retail liquor outlet shall be opened in the municipal limits of the towns of Kurukshetra, Thanesar (except Pipli alongside G.T. Road) as defined by vide notification dated 19<sup>th</sup> September 2002 subject to the areas excluded vide notification dated 23<sup>rd</sup> April 2003 and Pehowa falling in the district of Kurukshetra.

Licenses in form L-2 and L-14-A shall not be run on premises used as hotels and/or restaurants or at places providing eatables.

The closure of one or more retail outlets in the specified area shall not entitle the licensee to any rebate/reduction in the license fee.

All levies as prescribed under Excise Policy 2011-12, Punjab Excise Act, 1914 and the Rules/ Regulations framed there under from time to time as applicable to the State of Haryana shall be attracted.

Doubled pot distilled Country spiced spirit of the 50 degree proof shall be sold in sealed bottles for consumption off the premises.



The distilleries shall use pilfer-proof seals on bottles of country spirit of the strength of 50 degree proof and further comply with the standardization norms fixed in this regard from time to time. The distilleries shall affix such HOLOGRAM on country liquor and IMFS bottles and in such manner as may be prescribed by the Department.

The bottles used in the bottling of country spirit of 50 degree proof and Indian Made Foreign Spirit 75 degree, shall be of pucca glass or PET ones manufactured on fully automatic machines and shall be moulded as provided under the rules.

All labels affixed on bottles of country spirit and IMFS shall bear the inscription "For Sale in Haryana Only" and the statutory warning "Excessive Use of Liquor is Injurious to Health."

### **2.3. APPLICATION/ PARTICIPATION FEE AND EARNEST MONEY:**

A bidder shall have to deposit a participation fee equal to Rs 15,000/- for each bid separately for country liquor and IMFL vends. The participation fee shall be non refundable and non adjustable. The participation fee shall be deposited either in cash in the office of DETC (Excise) concerned or by demand draft in favor of DETC (Excise). In case of cash, a duly signed receipt shall be granted by the office of DETC (Excise). Each bid shall be accompanied with an earnest money payable in the form of bank draft only. The demand draft shall be drawn in favor of DETC (Excise). Depending upon the reserve price, the earnest money shall be as follows:

For vends with reserve price:

- |  |          |
|--|----------|
| i) 0 to less than Rs. 50 lacs          | Rs.1 Lac |
| ii) Rs.50 Lacs to less than Rs.100 Lac | Rs.2 Lac |
| iii) Rs.100 Lac and above              | Rs.5 Lac |

The earnest money shall be refunded in case of unsuccessful bidders. In case of successful allottee, it will be adjusted in the manner prescribed.

### **2.4. FIXATION OF PHOTOGRAPHS OF PROPRIETOR / PARTNERS AND OTHER REQUIREMENTS**

Each successful allottee shall submit proof of identity having his/ her photograph like voter ID card, passport, ration card, driving license etc. He / she will submit non conviction affidavit and an affidavit to the effect that he/she is not a

defaulter of any arrears of excise revenue. All the documents duly attested by a Notary Public or Gazetted Officer, duly stamped with his name and designation shall be submitted before the start of his/ her business.

It would be desirable that the successful allottee provides a photocopy of his PAN Card issued by the Income Tax Department alongwith other documents.

## **2.5. PROCESS OF ALLOTMENT OF UN-ALLOTTED VENDS AND RE-ALLOTMENT OF VENDS:**

### **Un-allotted Vends**

Those vends for which, there are no takers and could not be allotted before the start of the financial year, shall again be advertised and after inviting tenders and following the same procedure, shall be allotted at the earliest.

The process of inviting tenders shall be adopted and continued by successively reducing the reserve price in the slab of 5% of original reserve price till it is allotted or upto 30<sup>th</sup> June, which ever is earlier. In case any vend still remains unallotted upto 30<sup>th</sup> June, the vend shall be disposed off by the Excise and Taxation Commissioner taking appropriate measures as he may deem fit in the interest of revenue in consultation with the Excise Collector and the DETC(Excise) concerned.

### **Re-allotment of vends**

In case of re-allotment the process shall begin with inviting tenders on the reserve price computed from original license fee or the balanced license fee of the vend by reducing it in the successive slabs of 10% of original license fee or the balanced license fee of vend till it is allotted in the manner prescribed for fresh allotment in the currency of the year. The re-allotment shall be done at the risk and cost of original allottee. In case of a bid higher than the original bid, no benefit is to be given to the original allottee.

**Note:-** In the case of re-allotment of the vend, there will be no reduction in the original quota or balanced quota, as the case may be, of that vend.

**2.6. 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 area specified subject to other provisions of law. 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 sub vends. The location of business premises shall also have to conform to the provisions of any other Act/Rules, as may be applicable.

No liquor vend or sub vend shall be located in the villages where ‘KANYA GURUKUL’ are functioning.

**2.7. NUMBER OF 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 Joint Excise and Taxation Commissioner (Range), in any of the villages 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. A maximum of three sub-vends can be granted with any main vend having less than five villages in its command area. The vends whose command area contains 5-7 number of villages, they can be granted a maximum number of four sub-vends and those vends which have 8 or more villages in their command area, they can be granted a maximum number of five sub-vends. 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 preferably located in the ‘phirni’ of the village. No sub vend shall be allowed to operate on Scheduled Roads/ State High Ways/ National High Ways.

The licensee may shift a sub-vend with prior approval of the Joint Excise & Taxation Commissioner (Range) within his command area, in case the existing sub-vend has to be closed down due to court orders, local resistance or any other reason beyond the control of the licensee.

## 2.8. PERMIT KAKSH:

One permit kaksh, authorized place of drinking with retail vend, shall be allowed by the Jt. ETC(Range) strictly as per the provisions of the Excise Policy and relevant Excise Rules / Intoxicants License & Sales Orders 1956, for each retail outlet of liquor (L-14A/L-2 ) in urban areas, sub-urban areas falling within 5 KMs from the outer limit of respective Municipal Committees and borders with other states to prevent rowdy and drunken behaviour in public. The license fee for PERMIT KAKSH shall be fixed at the rate of 2% of the annual license fee incase of the urban area vends and @ 1% of the annual license fee for the sub-urban area / border vends respectively. The licensee should have proper structure and furniture, shall maintain cleanliness and hygienic environment and would not serve liquor in the permit kaksh.

## 2.9. 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 at country liquor vends only in rural areas where no L-2 vend has been allotted. It will broad base the availability of Beer, a low alcoholic drink.

## 2.10. 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 2011-12 in accordance with following schedule of lifting:

	Quarter	Monthwise	
25% of annual basic quota	April	9%	} 25%
	May	8%	
	June	8%	
45% of annual basic quota	July	7%	} 20%
	August	7%	
	September	6%	
75% of annual basic quota	October	10%	} 30%
	November	10%	
	December	10%	
100% annual basic quota	January	9%	} 25%
	February	8%	
	March	8%	

Non compliance of the provision regarding lifting of quarterly quota shall attract penalty at the rate of Rs 20/- and Rs 65/- per PL for country liquor and IMFL (on quarterly basis) respectively for the deficient quantity.

Note:- Licensee should preferably lift quota monthwise, but he would not be penalized if he fails to meet monthwise quota lifting provision.

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 quota at any point of time shall be allowed only to the extent of actual basic quota lifted and only 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 as above.

The licensees shall not be allowed to lift any quota before the deposit of initial security amount of 10%. Further after the deposit of 10% initial security amount the licensee would be allowed to lift at most 5% of his annual basic quota till the time he deposits the entire security amount of 20% of the total license fee of the vend.

#### **2.11. GRANT OF ADDITIONAL GODOWNS:**

Additional godown may be granted in exceptional cases on extra fee of Rs. Two Lac within One Hundred meters of an existing vend. Additional Godown shall not to be allowed/located on National High/State High Way/ Scheduled Roads. Additional Godown may also be allowed to L-1, L-1B, L-1B1, L1AB & L1BF licensees for storage of IMFS/Beer on the same set of conditions.

#### **2.12 SUPPLY OF CL FROM WHOLESALE LICENSED OUTLETS OF CL (L-13 LICENSE):**

The license in form L-13 shall be granted to the retail licensees of country liquor on the basis of the amount of revenue contributed by them in terms of L-14A license fee on that particular district for the year 2011-12, on an annual fixed license fee of Rs. 5 Lac and refundable security of Rs. 2 Lac for each L-13. The maximum number of such L-13 licenses in every district would be restricted to eight. The

mandatory quota of 45% which is to be divided equally amongst the various distilleries, would be divided equally amongst all the L-13 licensees of the district. All L-13 licensees shall ensure to meet the requirement of liquor of the retail licensees both in terms of brand and quantity.

For the purpose of computation of revenue contribution, only direct involvement of the licensee in the allotment of retail outlets of CL of the district is to be taken into account.

The licensees 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 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.
- (b) The stock of country liquor at the stage of L-13 shall be duty paid.
- (c) 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.
- (d) The wholesale outlets of country liquor (L-13) shall obtain permits / passes issued by the respective Deputy Excise & Taxation Commissioners (Excise) of the districts.
- (e) The L-13 licensee shall be bound to abide by the rules and provisions laid down in the Punjab Excise Act, 1914 and rules framed there under.
- (f) The applicant shall furnish proof of ownership, lease, rental of the premises at which the wholesale outlet of CL (L-13) is proposed to be opened.
- (g) The applicant shall furnish no objection certificates from the municipal committee, chief medical officer, fire officer of the respective district.
- (h) The licenses for the wholesale outlets of CL (L-13) shall be granted by the Collector Excise with prior approval of the Excise & Taxation Commissioner (F.C.) on recommendation of the Dy. Excise and Taxation Commissioners (Excise) of the respective district.

### 2.13 L-1 LICENSE, WHOLE SALE OF IMFL:

The license in form L-1 shall be granted on the basis of the amount of revenue contributed by the applicants in terms of L-2 license fee of the districts for the year 2011-12 on an annual fixed license fee of Rs. 35 Lac. For the purpose of computation of revenue contribution, only direct involvement of the applicant in the allotment of retail outlets of IMFL of the district shall be taken into account. The maximum number of such licenses in the each district shall be as under:-

S.No	District	The number of L-1 licenses for the year 2011-12
1.	Ambala	9
2.	Bhiwani	6
3.	Faridabad	14
4.	Fatehabad	5
5.	Gurgaon	12
6.	Hisar	7
7.	Jagadhri	6
8.	Jhajjar	5
9.	Jind	5
10.	Kaithal	5
11.	Karnal	6
12.	Kurukshetra	5
13.	Mewat	3
14.	Narnaul	5
15.	Panchkula	5
16.	Panipat	6
17.	Palwal	5
18.	Rewari	7
19.	Rohtak	5
20.	Sirsa	7
21.	Sonepat	6
	TOTAL	134

The applicant should 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 wholesale outlets of IMFL (L-1) shall be granted, on payment of application fee of Rs. Five Thousand and security of Rs. 5 (Five) Lac.

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. 35 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, L-1B1, L-1AB, L-1AB1, L-1BF & L-1-B1-A 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 against payment of permit fee.

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

#### **2.14. 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	Size of Bottles		
		Quart	Pint	Nip
<b>1</b>	<b>Country Liquor</b>	80	45	30
<b>2</b>	<b>IMFS / FL</b>			
2.1	Foreign Liquor Bottled in Origin or in India			
2.1A	Premium Brands : Scotches / Spirits of 18 Yrs. & above age or spirits of comparable quality & standards (Black Dog 18 Yrs. & above, Chivas Regal 18 Yrs. & above, etc.)	2200	-	-
2.1B	Deluxe Brands : Scotches / Spirits of 12 Yrs. &	1250	-	-



	above but less than 18 Yrs. age or spirits of comparable quality & standards (Black dog 12 Yrs., Teacher Highland, etc.)			
2.1C	Regular Brands : Scotches / Spirits of 8 Yrs. & above but less than 12 Yrs. age or spirits of comparable quality & standards (Black Dog 8 Yrs., Teachers, Black & White, Old Smuggler, Passport, Hiag, etc.)	950	-	-
2.2	Super Deluxe Brands (Antiquity Blue, McDowell's Single Malt etc.)	500	280	150
2.3	Deluxe Brands (Antiquity Rare Whisky etc.)	400	210	115
2.4.	Semi Deluxe Brands (Signature Whisky, Smirnoff Vodka, Bacardi Rum, Peter Scot, Blenders Pride etc.)	380	200	110
2.5.	Premium Brands (Royal challenge, DYC etc.)	330	170	100
2.6	Semi Premium Brands (Royal Stag, McDowell's No.1 Platinum, Red Knight etc.)	270	160	90
2.7.	Prestige Brands [MCD No. 1, AC Black, Whyte Hall, Imperial Blue, Magic Moment etc.)	200	110	70
2.8.	Semi Prestige Brands (New Approved ACP, New Approved AC Old Reserve, Mughal Monarch, 8PM, Green Label, London Duet, Royal Arm, White Mischief Vodka, Romanov Vodka, Raffles, Blue Diamond Duet, WMP Gin, Old Smuggle Rum, BR Gin, BP Gold, 100 Times, DSP Black etc.	190	100	65
2.9.	Regular Brands (AC SEK C, AC Extra Dry Gin, Director's Special Officer's Choice, Bagpiper	180	95	60

	Old Monk Rum, White House, Royal Crest, Diplomat, Gold Riband, John-Silver Rum, White Lace Gin, B.D. Gin, Silver Grand, Silver Peg, Bermuda, Blue Moon Gin etc.			
2.10	Economy Brands (Aristocrat, Bonnie Special, Hayward, Golden Border, Benson, etc.)	160	90	55
2.11	Cheap Brands (Goldy, Studd, Champion Whisky, Rum & Gin etc.)	130	70	40
2.12	In addition to above the minimum retail sale price of following packs of IMFS (Prestige Brands & above) is fixed as under:-			
	<u>Size</u>	<u>Price</u>		
	4.5 Liters	Rs. 1100/-		
	2 Liters	Rs. 500/-		
	1000 ml	Rs. 250/-		
	700 ml	Rs. 200/-		
	500 ml	Rs. 150/-		
	275 ml.(RTB)	Rs. 30/-		
	90 ml.	Rs. 40/-		
	60 ml. (Scotch)	Rs. 100/-		

### 3 **BEER**

- |     |   |                               |
|-----|---|-------------------------------|
| 3.1 | Mild Beer containing<br>alcoholic contents upto 5%    | Rs 50/- per bottle of 650 ml. |
| 3.2 | Strong Beer containing<br>alcoholic contents above 5% | Rs 55/- per bottle of 650 ml. |

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**Note :** (i) No Maximum sale price is fixed for any of the above.  
(ii) Categorisation as approved by the department at the time of registration of brand labels will be applicable.

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 (Excise) for this period with prior intimation to Excise Collector and Excise & Taxation Commissioner. The suspension shall be in addition to any other penal proceedings under the law.

### **2.15. SECURITY AND INSTALMENTS:**

Every successful allottee of retail licensed liquor outlet shall be required to deposit a security amount equal to 20% of the annual license fee of the licensed outlet,

out of which, 5% of the license fee has to be deposited on the day of opening of tender; 5% of the license fee within seven days of the allotment or on or before 31<sup>st</sup> March 2011 which ever is earlier; and another 10% of the license fee shall be deposited by 7<sup>th</sup> of April 2011.

In case of bids exceeding the reserve price by more than 25%, the bidder is required to attach a D.D. of 20% of the bid amount alongwith the bid itself . In such cases, this amount of 20% would be treated as security.

The remaining eighty percent shall be deposited in **nine** equal monthly installments payable by **20<sup>th</sup>** of the month starting from the month of commencement of operation of vend and every subsequent month till entire license fee is realized. If an allottee / licensee fails to make the full payment of security in the prescribed time, his license shall be deemed to have been cancelled automatically and security deposited, if any, forfeited. In case of failure to adhere to the prescribed time for payment of any of the nine installments, 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.

In the case of companies, the total annual license fee shall be paid on the day of allotment.

Rs. 1 Lac in case of retail vends having license fee upto Rs. 75 Lacs and Rs. 2 Lac in case of vends having license fee of more than Rs. 75 Lacs will be taken as **Additional Security** amount to be refunded after the close of the year when nothing is due against the licensee. The amount of additional security would be refunded by the DETC(X) of the district concerned after the expiry of the year but before 15<sup>th</sup> April. **In case of successful allottee, the earnest money in excess** of Rs.1 lac for vends with license fee upto Rs.75 lacs and Rs.2 lacs where license fee is more than Rs.75 lacs shall be adjusted towards the security amount equal to 20% of the bid amount payable by the allottee.

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 of allotment. Thereafter, installment of license fee shall be

computed by dividing the balance from 80% of license fee by dividing it 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.

#### **2.16. QUOTA FOR CL AND IMFL RETAIL OUTLETS:**

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.

#### **2.17. ADDITIONAL QUOTA FOR RETAIL OUTLETS:**

To meet any unforeseen demand, in cases of both CL and IMFL, a provision of additional quota upto 50% of basic quota on payment of additional duty @ Rs 7 Per PL and @ Rs 17 Per PL in case of country liquor and IMFL respectively, has been made.

The additional quota of C.L. shall be supplied to the licensees as per their choice of distillery and brand.

The additional excise duty shall be payable on quota lifted in excess of permissible basic quota i.e computed @ 11% per month on cumulative basis, till the entire basic quota is permissible i.e December, 2011. In the last quarter, the additional duty shall be charged from the licensees on the quota lifted after exhausting his entire basic quota.

### 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.	Permit Fee in Rs
1	Country Liquor	11 Per PL	Nil
2	IMFS / FL		
	2.1 Foreign Liquor Bottled in India		
	2.1A Premium Brands	57 per PL	3 per PL
	2.1B Deluxe Brands & Regular Brands	47 per PL	3 per PL
	2.2 All other brands like Super Deluxe Brands, Deluxe Brands, Semi-Deluxe Brands, Premium Brands, Semi-Premium Brands, Prestige Brands, Semi Prestige Brands, Regular Brands Economy Brands & Cheap Brands etc.	37 per PL	3 per PL
3	BEER	20 per BL	2 per BL
4	Ethnol For use in automobile fuel	Nil	
5	Draught Beer	18 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	11 Per BL
9	Rectified Spirit	15 Per PL	
10	Denatured spirit/Ethanol Except for use in automobile fuel	Nil	3 Per BL

Excise duty shall be paid by L-13, L-1B, L-1AB, L-1B-1, L-1AB1 & L1-B1-A for respective types of liquor. Permit Fee on IMFL and Beer shall be paid by L-1 licensees for all types of permits obtained for liquor.

### 3.2. IMPORT DUTY:

The import duty shall be levied as under:

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

### 3.3. EXPORT DUTY:

The applicable rates of export duty are tabulated beneath:

Sr No	Item	Export Duty
1	CL	Rs 3 per PL
2	Beer	Rs 1.50 per Bottle 650 ml
3	RTB	Rs 2 per BL
4	Draught Beer	Rs 2 per BL
5	Potable RS for CL	Rs 3 per PL
6	Potable RS otherwise	Rs 3 per PL
7	Absolute Alcohol	Rs 3 per PL
8	Denatured Spirit except as at Sr No 9	Rs 3 per PL
9	Ethanol/Denatured spirit for Automobile fuel	Rs 3 per BL
10	IMFS	Rs 3 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:-

IMFS	Rs. 8.00 per P.L.
Beer	Rs. 5.00 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	Nil
		with spirit more than 25 degree	4 Per BL	Nil
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 is 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 are also required to get their labels approved on the same terms and conditions. Additional label fee is payable for each additional label in case liquor is obtained from more than one source. The fee structure is as under:

- |        |   |                                    |
|--------|---|------------------------------------|
| (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<br>Cider/Champagne                          | Rs. Ten Thousand per brand.        |
| (vi)   | Vodka/Brandy/Cider/Wine<br>and Champagne for supply<br>to CSD | Rs. One Thousand per brand.        |
| (vii)  | Country Liquor  | Rs. Fifty Thousand per brand       |
| (viii) | Ready to Drink Beverages<br>(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. 8/- per PL shall be charged on bottling of IMFS to be bottled by bottling plants and distilleries both, where no franchise fee is leviable.

### **3.8. STOCK TRANSFER FEE:**

A transfer fee @ Rs. 1/- per PL from country liquor, Rs. 2/- per PL from IMFS, Rs. 22/- per PL from Premium Brands FL (Black Dog 18 Yrs. & Chivas Regal 18 Yrs. etc.) and Rs. 12/- per PL from Deluxe Brands FL (Black Dog 12 Yrs. & Teacher Highland etc.) & Regular Brands FL (Black Dog 8 Yrs., Teachers, Black & White, Old Smuggler, Passport & Hiag etc) and @ Rs. 2/- per BL from beer on closing stock remaining with the licensees on 31.3.2011 and allowed to be carried over to the next year 2011-12.

Any quantity of liquor in physical possession of the outgoing licensee at the termination of the contract for the year 2010-2011 and transferred to an incoming licensee for the year 2011-2012 in accordance with the provisions of the Haryana Liquor License Rules, 1970 shall not be counted towards lifting of annual quota for the year 2011-2012.

### **3.9. RECOVERY OF COST OF SUPERVISORY EXCISE STAFF:**

It has been decided to recover the salary cost of supervisory staff required by Law/ Rule/ Policy to be posted in any licensee's premises/ facility on quarterly reimbursement basis.

## **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 license fee of L-1B is fixed at Rs. 6 lacs per annum. Further excise duty levied on IMFS shall also be paid by L-1B licensees while obtaining permits.

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.

#### **4.2 L-1B-1 LICENSE, WHOLE SALE OF BEER/WINE:**

A brewer / wine manufacturer 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 annual fee of Rs 6 Lac. Further excise duty levied on beer/ wine shall also be paid by L-1B1 licensees while obtaining permits.

The 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.

It has also been decided to allow the brewers to sell draught beer in kegs of different sizes through their L-1B1 depots against duty paid permits directly to bar licensees in the State.

#### **4.3. WHOLESALE VEND OF READY TO DRINK BEVERAGES (RTB) (L1-B1-A) TO TRADE ONLY**

L-1B1A license shall 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 license for whole sale of IMFS is prescribed in the form of L-1AB to be granted by Excise and Taxation Commissioner under the provisions of excise law. The license shall be granted on payment of license fee of Rs 22 lac per annum. The license shall also be granted to those persons who have exclusive sale rights of any brand for sale in the state of Haryana. The licensees shall have to pay excise duties and other levies as applicable to L-1B licensee in the State.

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 6 Lac per annum.
For Every subsequent slab of 10,000 cases in the financial year	Rs 6 Lac per annum.

#### **4.6 L-10B LICENSE FOR PROMOTION OF WINE AND IFL (BIO):**

In order to facilitate supply of IFL (BIO) & Wine, a license in form L-10B is prescribed for retail sale of wines to be given to the departmental stores located in shopping malls having minimum carpet area of 500 sq feet. The license shall be granted on an annual license fee of Rs. Three Lac. The L-10B licensees shall be

allowed to conduct sales of IFL (BIO) as well. The licensees shall procure its supplies of IFL (BIO) from any of two nearest L-2 vends.

#### **4.7 D-2, B-1, BWH-2, L-12, L-17, L-11, L-15 AND S-1 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.

<b>SR NO</b>	<b>Name of License</b>	<b>Abbreviation</b>	<b>Fee per annum</b>
1	Distillery License	D-2	Rs 1.25 crore
2	Brewery License	B-1	Rs 1crore
3	Bonded Ware House	BWH-2	Rs 15 lac
4	Bottling Of IMFS	L-11	Rs 20 lac
5	Bottling Of CL	L-15	Rs 20 lac
6	Bottling of IMFS + CL	L-11 + L-15	Rs 30 lac
7	Medicated wine outlet	L-12	Rs 100/-
8	Denatured Spirit outlet	L-17	Rs 10000/-
9	Winery License	S-1	Rs. 1,00,000/-

**Note:-** In future no license for new bottling plant either for country liquor or for IMFS shall be granted. However two existing bottling plants of IMFS would continue to operate.

#### **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 charged as under:

- (I) L-4/ L-5 granted to Hotels with grading of 4 star - Rs. 25 Lac  
having 75 rooms and above and Hotels with 5 start  
grading and above.

Such licensee shall be allowed three points and room service (L-3) without any further fee. Such licensee shall further be allowed to operate one of his sale points round the clock.

- (II) Hotels having grading of 4 star and not falling in category I, - Rs.15 Lac.

Such licensee shall be allowed two points and room service (L-3) without any further fee. Such licensee shall further be allowed to operate one of his sale points round the clock.

- (III) All other L-4/ L-5 and L-12C licenses in the State - Rs. 6 Lac

- (IV) For Bar(s) operated by Haryana Tourism Corporation. - A composite fee of Rs. One Crore.

- (V) Bars operated by HUDA in their Gymkhana and Golf Clubs - A composite fee of Rs. 50 Lacs.

(VI) A license in Form L-12G exclusively for Golf Clubs is introduced with following fee:-

- i) Upto 9 holes Rs. 10 Lacs with 2 points  
ii) Above 9 holes Rs. 15 Lacs with 4 points

The license in the form of L-12G shall be granted in a manner similar to L-12C and shall be liable to pay all levies as applicable to L-12C licenses. The licensees shall procure its supplies as in case of L-12C licensees.

Note:- Any additional point above the points already allowed, will be allowed on payment of Rs. 1 Lac per point in case of category (I) and (II) above, and for all other category each additional point will be allowed on payment of Rs. 25, 000 per point.

L-4/L-5/L-10E/L-12C/L-12G, license bars shall remain open upto 12:00 hours (midnight).

The timings of bars may be extended by two hours on payment of additional annual fee of Rs 5 lacs per annum.

L-4/L-5/L-12C/L-12G 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. A representative 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/L-12G). The aforesaid committee shall make recommendation to the Excise Commissioner for grant of L-4/L-5/L-12C/ L-12G license.

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

Except as provided other wise, 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 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/L-12G, bar licensees would get their supplies from any two distinct nearest retail outlets of IMFL (L-2) of the district in which L-4/L-5/L-12C/L-12G 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/ L-12G 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, the liquor brands in Premium brands range like McDowell's No. 1, AC Premium and all 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/L-12G, 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 along with other brands of liquor allowed for sale ( in pegs) through L-4/L-5/L-12C/L-12G 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-10E/L-12C/L-12G outlets (bars & clubs) shall attract VAT @ 25%.

L-4/L-5/L-12C licenses operative in 2010-2011 and fulfilling the criteria laid down under the new excise policy may be renewed for the year 2011-2012 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 2011-2012 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 31<sup>st</sup> March 2012.

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 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 MICROBREWERY PROJECT:**

In order to promote healthy drinking habit of liquor with low alcoholic content a license in form L-10C is granted for retail sale of beer to be manufactured by Microbrewery Project. The license shall be granted to holders of L-4/5 license on

payment of Annual License Fee of Rs. 2.50 Lac. The excise duty shall be charged on the basis of its daily installed capacity @ Rs 18 per BL.

#### **4.11. NEW LICENSE IN THE FORM OF L-10E (PUB LICENSE):**

To promote consumption of low alcohol content drinks, pubs would be allowed to be opened in the city of Gurgaon, Faridabad & Panchkula for payment of fixed annual license fee of Rs. 4 Lac. However these will be allowed to restaurants of repute only and all conditions of L-4/L-5 license shall apply.

#### **4.12 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.

#### **4.13 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.

#### 4.14 EX-DISTILLERY PRICE OF COUNTRY LIQUOR :

The Ex-distillery Issue Price of country liquor as fixed for the year 2011-2012 is given as under:-

Sr.No.	Item	Quarts (In case)	Pints (In case)	Nips (In case)
1	New Glass Bottles	238.00	259.06	297.00
2	Old Glass Bottles	218.50	239.00	277.00
3.	PET	211.00	232.00	270.00

#### 4.15 DISTRIBUTION OF COUNTRY LIQUOR\_QUOTA:

45% of the basic quota shall be distributed among all the distilleries operating from Haryana in equal measure. Remaining 55% of basic quota irrespective of the fact as to whether liquor is grain based or molasses based shall be open quota and supplied to the licensees as per their choice of distillery and brand.

The distilleries shall mark "Grain Based" on the label of country liquor manufactured from rectified spirit produced from grain. The distilleries shall maintain separate accounts and storage tanks for molasses based and grain based spirit and country liquor. Such accounting system shall be approved by the Department and

books and entries thereof shall be certified by the officer in charge of the distillery. The label of grain based country liquor bottles shall bear the legend "Grain Based" on the top left corner of the label mentioned diagonally in black colour against white background.

#### **4.16 INTRODUCTION OF HOLOGRAM ON COUNTRY LIQUOR AND IMFS BOTTLES:**

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

#### **4.17 GLASS BOTTLES:**

To ensure use of glass bottles for country liquor as an institutional measure, the distilleries may provide at least 40% of the fixed quota allocated individually on account of proportional distribution of the 45% quota of C.L. into new glass bottles i.e. 40% of 45% = 18% of the total quota on demand to the licensees. This 18% shall be equally spread over all the distilleries, who shall be allotted quota equally and all of them shall comply with the provision.

#### **4.18 INSTALLATION OF CCTV CAMERAS IN THE DISTILLERIES, BREWERIES AND BOTTLING PLANTS**

In order to monitor the operations and dispatches of liquor, the CCTV cameras would be installed in the Distilleries, Breweries & Bottling Plants.

#### **4.19 LICENSE IN THE FORM OF L-1AB1:**

A new license was created for whole sale of Beer in the State last year. It will continue to be granted to those persons who are non brewer and hold exclusive rights for the sale of brands in the State of Haryana. The license fee shall be Rs. 22 Lacs per annum. The licensee shall have to pay excise duty and other levies as applicable to L-1B1 licensees in the State.

## **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<sup>0</sup> proof and IMFL of 75<sup>0</sup> proof shall be allowed. However, in case of IMFL, with the permission of Excise & Taxation Commissioner, IMFL below 75<sup>0</sup> proof may also be allowed.

### **5.3. VAT:**

VAT shall be levied on all types of liquor on the incidence of first sale in the State i.e. in the hands of distilleries in the case of country liquor, L-1B and L-1AB in the case of IMFS, and L-1-B1 and L-1-AB-1 in the case of beer & wine etc., L-1AB-A for RTB, L-1BF for IFL.

Notwithstanding anything contained in the foregoing para, VAT shall also be levied on all types of liquor sold by Bar licenses (L-4/L-5/L-12C/L-12G).

The VAT so levied shall be charged at the rate of 4% except when levied on sale made by IFL (BIO) and all types of liquor sold by Bar licenses (L-4/L-5/L-12C/L-12G) wherein it will be levied at the rate of 25%.

### **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 Gandhiji's Birthday (2nd October)

If any breach of dry day is detected, in addition to the penal proceedings, the licensed vend shall be automatically sealed for Seven Days commencing from the

next day of the dry day by DETC (Excise) under intimation to the Excise and Taxation Commissioner and Excise Collector.

- ii) Every licensee for the sale of liquor shall keep his vend closed in the areas within the concerned constituency and in adjoining areas of the constituency where polling is held for the State Assembly or Parliament as per the direction of the Election Commission of India and in case of elections to Panchayats or local bodies in Haryana as per the directions of the Haryana State Election Commission.

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

#### **5.5. HOURS OF SALE :**

The sale hours shall be observed as under:-

##### In Rural Areas

Sale Hours should be 9.00 A.M. to 11.00 P.M. (Night) from April to October and from 9.00 A.M. to 10.00 P.M. from November to March.

##### In Urban Areas

From 9.00 A.M. to 12.00 P.M. (Night) throughout the year

#### **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. The area of M.C. will remain as defined vide notification dated 19<sup>th</sup> September, 2002 subject to the areas excluded vide notification dated 23<sup>rd</sup> April, 2003.

**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. 3/- per bottle of C.L of 750 ml. or equivalent, Rs. 5/- per bottle of IMFS of 750 ml. or equivalent and Rs. 2/- 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.

Re. 1/- per bottle on sale of beer (Rs. Ten Crore approximately) shall be provided as a fund to encourage barley cultivation among farmers of Haryana through Agricultural Department.

The above amount shall be provided by the State Government from the overall collection of excise revenue.

**5.10. PAYMENT TO SPORTS DEPARTMENT:**

Re. 0.50 (Fifty Paise) per bottle on the sale of Country Liquor, IMFS and Beer (Rs. Twenty Crore approximately) shall be provided for the promotion of sports activities in the State. The above amount shall be provided by the State Government from the overall collection of excise revenue.

### 5.11. 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. When sampling is done by the Health Department, videography will be done to capture the sampling process.

### 5.12. 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.

### 5.13 POSSESSION/TRANSPORTATION LIMIT FOR CL & IMFL:

The possession limit for an individual will be as indicated in the table:

Name of liquor	Possession limit
<i>Country liquor</i>	6 bottles of 750 ml - For different sizes, total quantity not exceeding 6 X 750 ml= 4500 ml.
<i>IMFL</i>	IFL- 6 bottles of 750 ml IMFS- 12 bottles of 750 ml.
<i>Beer</i>	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.

### 5.14 PROVISION OF SPACE FOR RUNNING OF VENDS IN URBAN AREAS:

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

### 5.15 SIZE OF BOTTLES:

In addition to regular sizes of excise bottles as prevalent in the State, sizes of 4.5 liters, 2 liters, 1 liters, 700 ml., 500 ml., 275 ml. falling in Ready to Drink

Beverages (RTB) , 90 ml. in IMFS/ IFL for premium brands and above and 60 ml. pack in scotches which are bottled in India shall be allowed. The Excise & Taxation Commissioner is authorized to allow all sizes of bottles in respect of IFL (BIO).

**5.16. POLICE AUTHORITY TO INSPECT THE VEND:**

It has been decided that a police officer, not below the rank of Deputy Superintendent of Police, can check the excise vends after taking an Excise Officer alongwith him.

**(ANURAG RASTOGI, IAS)**  
**Excise and Taxation Commissioner,**  
**Haryana.**