

EXCISE POLICY OF HARYANA STATE FOR THE YEAR 2017-18

Preface:

There are four major stakeholders in the excise policy of the State i.e. the State Government, the distillers and brewers, the wholesale and retail licensees and ultimately the consumers and citizens of the State. It is a major challenge to frame an excise policy which addresses the concerns of all these stakeholders. The Excise and Taxation Department has to give due weightage to the health and well being of the citizens of the State. At the same time, the department has also to ensure that revenue interests of the government are not compromised. Therefore, a fine balance has to be struck between the diverse interests of all the stakeholders. It is also to be simultaneously ensured that the Excise Policy has to be attractive enough for wholehearted participation of the private sector players like the manufacturers and wholesalers and retailers.

The Excise Policy should also aim at achieving and strengthening the long term objectives of breaking the cartels and unethical dominance of liquor mafia, broad-basing the trade by facilitating more competition, simplifying/unifying the structure of wholesale supply of liquor by giving wholesale licenses to retail licensees, establishing a transparent system of allotment of retail outlets, imposing complete check on manufacture/sale of spurious liquor, thwarting attempts of evasion of Excise levies, plugging the leakage/pilferage, optimization of revenue, creating ambience for legitimate and responsible drinking and providing good quality liquor at reasonable price to those who drink.

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 an Excise policy, social considerations and ramifications also assume paramount importance.

The Excise Policy for the year 2017-18 aims at weeding out the deviations, providing greater stability in the trade, catering to the emerging requirement in a fast changing scenario and clientele and enhancing

government revenue. Increase in the VAT rate on liquor and rationalization of excise duty structure and to encourage consumption of low alcoholic content liquor as compared to hard liquor and providing incentives to the local manufactures and consideration of the concerns of all the key stakeholders are some of the notable features of the new Excise Policy. The detailed features of the Excise Policy for the year 2017-18 are as under:-

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

1.1 TOTAL NUMBER OF VENDS:

The maximum number of retail outlets of Country Liquor and IMFL is fixed at 3500 for the year 2017-18.

1.2 LOCATION OF VENDS AND SUB-VENDS:

1.2.1 ESTABLISHMENT OF VENDS AND SUB-VENDS:

No person to whom a license for retail liquor outlet is granted can 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). Further, in urban areas, the retail liquor outlets may preferably be located in the market places. However, this provision will not apply in such cases where a new recognized school/ College/ main bus stand or a place of worship comes up within a distance of 150 meters during the currency of the year subsequent to the establishment of vend in the year 2017-18.

1.2.2 RESTRICTION OF LOCATION ON SCHEDULED ROADS ETC:

No license for sale of liquor shall be granted to a shop that is:

- (i) Visible from a National or State Highway;
- (ii) Directly accessible from a National or State Highway and
- (iii) Situated within a distance of 500 meters of the outer edge of the National or State Highway or of a service lane along the highway.

The above provisions are in compliance of and to give effect to the directions of the Supreme Court in Civil Appeal No. 12168 of 2016.

The liquor vends which are not located on National/State Highways or the service lanes running along such Highways, shall comply

with the provisions of the Punjab Scheduled Roads and Controlled Areas Restriction of Unregulated Development Act, 1963 (41 of 1963) or any other law applicable.

Note: It shall be the responsibility of the DETC (Excise) of the district concerned to ensure the strict compliance of the above stipulated restrictions.

1.2.3 PROVISION FOR OFFERING PLACES FOR LIQUOR VENDS:

The Department shall offer some locations to the licensees for setting up of liquor vend having high revenue potential in HUDA area, land of Haryana Tourism Corporation/ Urban Local Bodies.

However, the rent thereof, as decided by the respective Department, shall be paid by the licensees to the Department. The DETC (Excise) shall monitor and ensure its compliance on a quarterly basis.

However, in case of Haryana Tourism Complexes, only L-2 vend will be allowed. No Anumat Kaksh will be allowed with the L-2 vend in the tourist complexes.

1.2.4 NO VEND WHERE KANYA GURUKUL IS FUNCTIONING:

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

1.3 COMMAND AREA OF A ZONE:

1.3.1 The vend in urban and rural areas, for the purpose of allotment, shall be grouped into Zones. The command area of a Zone shall be the geographical area specified for the Zone in the excise arrangement.

The command area for a Zone may include both rural and urban areas. DETC (Excise) will be the competent authority to determine such command area as part of the excise arrangement.

The licensee shall have the freedom to locate his vend(s) at any place within the command area of the Zone, subject to approval of the DETC (Excise).

The licensee is required to make his own arrangement for opening of the vend(s) and sub-vend(s), except as provided under clause 1.2.3, with prior approval of site plan by the DETC (Excise) of the district.

1.3.2 MANNER OF GRANT OF SUB-VENDS:

On the specific request from the licensees and to avoid smuggling and possibility of illicit distillation or sale of spurious liquor into his command area, sub-vend may be allowed by the Deputy Excise and Taxation Commissioner (Excise). Sub-vends may be allowed within the command area of the Zone for both rural and urban areas. For urban areas, upto two sub-vends per Zone may be allowed, subject to prior approval of the DETC (Excise). For sub-vends in rural areas, the provisions as prescribed in paragraph 1.3.5 shall apply.

The sub-vend shall be granted on the payment of fixed license fee of Rs. 1.25 Lac per sub-vend in rural areas except as provided in Para 1.3.5(d). Sub-vends in urban area shall be granted on the payment of a fixed license fee of Rs. 10 Lac per sub-vend.

1.3.3 The DETC(Excise) is required to decide an application for establishment of sub vend within 10 days from the date of receipt of application and if no decision is taken by him in the stipulated period, the applicant licensee can make an appeal to the Collector and DETC(Excise) concerned shall be liable to disciplinary action.

1.3.4 The licensee can shift a sub-vend with prior approval of the Deputy Excise & Taxation Commissioner (Excise) 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. However, the license fee deposited for sub-vend shall not be refundable or adjustable towards any other liability of the licensee if the sub-vend has to be closed down due to court order, local resistance or any other reason.

1.3.5 PERMISSIBLE SUB-VENDS:

- a) Sub-vends may be permitted for each Gram Panchayat with a population more than 1000 (as per 2011 census).
- b) Sub-vends for a Gram Panchayat having population less than 1000 (as per 2011 census), may be allowed with the consent of the Gram Panchayat, by the Collector (Excise), on the recommendation of the DETC (Excise).
- c) A sub-vend may also be allowed in a Gram Panchayat where the main vend is located, if the population of such Gram Panchayat is more than 5000 (as per 2011 census).
- d) The fee for a sub vend located in a Gram Panchayat having population less than 2000 (as per 2011 census) shall be Rs.50,000 per sub-vend.

1.3.6 Location of Sub-Vends:

There has to be a minimum distance of 2.5 KMs between the sub-vend and vend/ sub-vend of any other licensee. The sub-vend shall also be subject to all other provisions of law. The sub-vend is required to be preferably located in the 'phirni' of the village. All the provisions with regard to location of vends shall apply to the sub-vends also. Preference shall be given to the vend over the sub-vend. In other cases, preference shall be given to the sub-vend set up earlier in time.

1.4 ANUMAT KAKSH:

1.4.1 The authorized drinking place will be known as "Anumat Kaksh". In order to prevent rowdy and drunken behavior in public, one Anumat Kaksh with each retail vend, may be allowed by the Deputy Excise & Taxation Commissioner (Excise) 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 and sub-urban areas falling within 5 KMs from the outer limit of respective Municipal Corporation/Council/Committees and borders with other States.

1.4.2 The DETC (Excise) shall decide an application for establishment of Anumat Kaksh within 10 days from the date of receipt of application and if no decision is taken by him in the stipulated period, the applicant licensee can make an appeal to the Collector.

1.4.3 The license fee for Anumat Kaksh during the current year is fixed as under:-

The license fee of an Anumat Kaksh will be 0.5% of the license fee of the Zone, subject to a minimum of Rs two lac.

1.4.4 The licensee is required to have proper structure and furniture and to maintain cleanliness and hygienic environment.

Anumat Kaksh shall not be operated in an open space without boundary. The space has to be confined and enclosed and shall not be a thorough fare or a crossing being used by general public. The space shall not be ordinarily visible to the passersby and the access to such a space should be through a well defined entry. The overall objective is to prevent drinking in public in full view of the passersby. Anumat Kaksh can only be operated from adjoining place to the vend and in the same premises. The area of Anumat Kaksh shall be approved by DETC (Excise) at the time of approval of the Anumat Kaksh and licensee shall not encroach beyond the area approved. Liquor shall not be sold or served in any manner in the Anumat Kaksh.

1.5 SALE OF LIQUOR AT VENDS:

The licensee shall have the flexibility to determine the type of liquor(s) i.e. Country Liquor only or IMFL only or IMFL and Country Liquor, to be sold at each vend within his Zone, and inform the DETC (Excise) of the district within seven days of allotment, alongwith submission of site plans to the Department.

The licensee shall be required to get the site plan of each vend and sub-vend approved by DETC (Excise) of the district before bringing the vend/ sub-vend in operation.

Note: IMFL will include Beer.

1.6 MODERN SHOPS:

Some of the retail vends of IMFL (L-2) in the posh markets or shopping malls of the urban areas shall be identified to be allotted as Modern Shops. The Modern Shops shall be identified by the Department keeping in view the clientele and potential of the area. These Modern Shops shall have to be air conditioned and should have good quality flooring i.e. wooden/vitrified tiles/ granite etc. The vends should be well decorated with shelves so that various brands are displayed in shelves with systematic layout plan. The brand wise rates shall be displayed by the licensee. The licensee shall issue machine generated invoices (POS).

Further, any L-2 licensee in urban areas having license fee equal to or above Rs two crore, shall have the option to convert his vend into a Modern Shop after allotment of vends, by making an application to the Department. Such application shall be examined and considered for approval by a committee comprising of the DETC (Ex), DETC (ST) and two senior most ETOs of the district.

The customers shall have the facility to walk in the shops and select his/ her choice of brand from the shelves. The Modern Shops shall be located in shopping malls or SCO/ SCF or well constructed prefabricated structure of equal quality only in posh market areas. The Modern Shops shall have separate section for IFL (BIO). The Modern Shops shall be entitled to lift an additional quota upto 10% of his basic quota without any additional excise duty i.e. at the rate of excise duty as applicable to basic quota i.e. from the slab of 50% additional quota.

1.7 ISSUE OF INVOICE:

It shall be mandatory for all the retail licensees to issue an invoice where the total sale price of liquor exceeds Rs 1,000.

In case the total sale price of liquor is less than Rs 1,000, the licensee shall issue an invoice if so demanded by the customer

In case of violation of this provision, a penalty of Rs 500 per incident shall be imposed on the licensee, after enquiry by the DETC (Excise) concerned.

2. MANNER OF DISPOSAL OF RETAIL OUTLETS OF LIQUOR:

2.1 THE PERIOD OF ALLOTMENT:

The retail licences (L-2 and L-14A) will be allotted for a period of one financial year i.e. 2017-18.

2.2 UNIT OF ALLOTMENT (ZONE):

The allotment of retail outlets of country liquor and IMFL shall be done in units of Zones. A Zone may comprise of a maximum number of six (06) retail vends. The licensee shall have the flexibility to decide the type of vend i.e. CL only or IMFL only or both CL and IMFL, as well as the location of these vends within the command area of Zone, subject to the overall limit of six (06) retail vends, and the licensee may also decide the proportionate quota for each individual vend for CL/IMFL as the case maybe.

2.3 MODE OF ALLOTMENT:

The allotment of Zone of vends shall be made by inviting e-tenders through a Departmental portal in a completely secure and transparent manner. The detailed procedure for e-tendering shall be finalized by the ETC which shall be displayed by uploading the same on the website of the Department www.haryanatax.gov.in

2.4 RESERVE PRICE:

The reserve price for the Zone of vends shall be fixed in advance. The DETCs (Excise) shall make a fresh assessment of reserve price for Zone of vends of their respective districts and get it approved from the ETC(FC).

2.5. ALLOTMENT COMMITTEE:

The process of allotment shall be conducted by a committee headed by the Deputy Commissioner with Deputy Excise and Taxation Commissioner (Excise), Deputy Excise and Taxation Commissioner (ST) of the respective district as its members, in the presence of the participants who wish to be present on the date of evaluation of e-bids to be published by the Department in the newspapers. The allotment shall be done by way of inviting e-bids.

2.6. RESERVATION OF ZONES OF LIQUOR VENDS:

Ten percent (10%) of the Zones of vends of country liquor and IMFL shall be reserved for Haryana Scheduled Castes and five percent (5%) for Backward Classes ('A' Category). These reserved Zones of vends shall be allotted by inviting e-bids from the respective categories. However, if no bids are received after the first offer, that particular Zone of vends shall be de-reserved.

2.7 DISPLAY OF EXCISE ARRANGEMENTS:

The excise arrangements shall contain the Name of the Zone, Zone Code, Command area of the Zone, Number of vends in the Zone, Quota of IMFL, Quota of CL, Type of Zone i.e. Urban only or Rural only or Urban and Rural mixed, Reserve Price of the Zone, whether the Zone belongs to reserved category etc.

The District wise excise arrangements shall be prominently displayed in the offices of the Deputy Commissioner, DETC (Excise) and DETC (ST) of the concerned District, JETC (Range) concerned as well as on the website of the Department www.haryanatax.gov.in .

2.8 INVITATION OF BIDS:

The detailed procedure regarding invitation of e-bids will be finalized by the ETC (FC) which shall be displayed on the website of the Department www.haryanatax.gov.in

2.9 SECURITY DEPOSIT (5% OF BID AMOUNT) ON THE DAY OF ALLOTMENT:

The successful bidder shall have to deposit 5% of the bid amount on the day of allotment as the first part of security. In case he/ she

fails to deposit the 5% of the bid amount on the said date, his bid shall be cancelled and earnest money deposited by him shall be forfeited. Such bidder shall be blacklisted for five years. Further, the allotment of such Zone of vends shall be made afresh by e-bids as in the case of un-allotted Zone of vends. A bidder shall be treated as an allottee of a Zone when he deposits 5% of the bid amount on the date of opening of bid itself or immediately thereafter.

2.10 LIST OF SUCCESSFUL ALLOTTEES:

The list of successful allottees shall 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.gov.in

2.11 SUBMISSION OF DOCUMENTS BY THE SUCCESSFUL ALLOTTEES:

All the successful allottees, before the start of operation of vends in his Zone, shall file an affidavit and a solvency certificate. Affidavit is required to be on a non-judicial stamp paper of the value of Rs.3/- in the prescribed format. The affidavit is required to the effect that he has not been convicted of any non-bailable offence by any criminal court or of any offence punishable 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 as applicable to Haryana or the Narcotic Drugs and Psychotropic Substances Act, 1985. The affidavit shall also be required 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 is sufficient ground for cancellation of license; which shall be re-allotted at his cost and risk.

2.12 VERIFICATION OF DOCUMENTS:

The verification of particulars of the successful allottees shall be made 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 shall be signed by the Excise and Taxation Officer (Excise) / Assistant Excise and Taxation Officer(Excise), before the license is actually granted.

2.13 GRANT OF LICENSES:

2.13.1 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 ETC (FC), Haryana.

2.13.2 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.

Note: - All allotments of licenses are subject to the approval of the Excise & Taxation Commissioner (Financial Commissioner). The ETC (FC) may reject, without assigning any reason, any allotment in public interest as the case may be, within 10 days of the date of allotment. In case no decision of Excise and Taxation Commissioner (FC) is conveyed within the stipulated period of ten days, the allotment shall be deemed to have been approved by the ETC (FC).

2.14 GENERAL CONDITIONS:

2.14.1 DRY DAYS:

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 they relate to hours of sale of liquor in the case of licensed premises. Such licensed premises, however, will be required to remain closed on the Republic Day (26th January), Independence Day (15th August), Mahatma Gandhi's Birthday (2nd October). The liquor shops shall also be required to remain closed during any State Assembly or Parliament elections as per the directions of the Election Commission of India and for elections to Panchayati Raj Institutions/ Urban Local Bodies in Haryana as per directions of the Haryana State Election Commission. The licensee shall not be entitled to any compensation of any kind or relief in license fee or quota on account of such closure.

2.14.2. WEEKLY REST FOR EMPLOYEES:

The employees working at the retail liquor outlets shall be entitled to a weekly rest and their daily working hours are limited to 8 hours per day.

2.14.3. BAR ON EXHIBITION OF PHOTOGRAPHS:

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The 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- cannot be exhibited on any premises licensed under the Punjab Excise Act, 1914 in the state of Haryana.

2.14.4. BAR ON ADVERTISEMENT:

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

All signages and advertisements of the availability of liquor shall be prohibited.

2.14.5. COMPENSATION:

No compensation of any kind or relief in license fee on account of natural calamity such as fire, floods, drought, earthquake etc. or on

account of riots or as a result of preventive closure ordered by the District Magistrate or as a result of any remission by a court order beyond the specific relief given, shall be admissible to the licensee.

Explanation:- For the purpose of this sub-clause, the executive instructions 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.

2.14.6. The closure of any liquor outlet in any area on account of any reason, whatsoever, shall not entitle the licensee to any rebate/reduction/refund of the license fee.

2.14.7 SURETY BONDS:

Every successful allottee shall furnish two sets of surety bonds in form M-75 before the commencement of business.

2.14.8. PROHIBITION OF LOCATION AT CERTAIN PREMISES:

The retail vends of L-2 and L-14A licenses shall not be run on premises used as hotels or restaurants or at places providing eatables.

2.14.9 All levies as prescribed under Excise Policy 2016-17, 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.

2.14.10. The Country Liquor of the 50 degree proof shall be double pot distilled spiced made from Extra Neutral Alcohol (ENA) to be sold in sealed bottles for consumption off the premises. The distilleries are required to use pilfer-proof seals on bottles of country liquor and further comply with the standardization norms fixed in this regard from time to time.

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

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

The statutory warning of "Excessive Use of Liquor is deleterious to Health." shall be inscribed more prominently on all the labels. ETC (FC) may issue guidelines stating the manner in which the legend "Excessive Use of Liquor is deleterious to Health." shall be inscribed to make it more prominent.

2.14.13. The retail licensees shall maintain cleanliness and hygiene in and around the shop. Adequate number of dustbins shall be put up inside and out side the vend and Anumat Kaksh. Proper lighting shall be ensured at the night time. Moreover, a signboard shall also be put up containing the

following details:

Do not drink and Drive
Name and Contact number of Licensee
License number and duration

Contact number of Excise Inspector and DETC (Ex) office
Time of opening and closing of vend
In addition, the licensee shall display the sale price of various brands.

2.15 APPLICATION/ PARTICIPATION FEE:

A bidder shall have to deposit a participation fee @ of Rs.60,000/- for each Zone.

The participation fee is non refundable and non adjustable. The participation fee shall be deposited through cash or demand draft in the office of DETC (Excise) of the district of his registration. In case of cash, a duly signed receipt shall be issued by the office of DETC (Excise)

2.16 EARNEST MONEY:

Each bidder has to furnish the Earnest Money along with his bids. The Earnest Money shall be payable in the form of bank draft only. The demand draft shall be payable in favour of Excise and Taxation Commissioner, Haryana, Panchkula. The amount of earnest money shall be as under: -

Sr. No.	Reserve Price of Zone	Earnest Money
(i)	Less than Rs. 5 Cr	Rs. 20 lac
(ii)	Rs. 5 Cr & above but less than Rs. 10 Cr	Rs. 40 lac
(iii)	Rs. 10 Cr & above but less than Rs. 25Cr	Rs. 60 lac
(iv)	Rs. 25 Cr & above	Rs. 80 lac

The earnest money shall be refunded in the case of unsuccessful bidders, unless it is forfeited. However, no interest shall be payable on the earnest money so refunded. In case of successful allottee, it shall be adjusted towards the security amount to be deposited by the allottee.

2.17 FIXATION OF PHOTOGRAPHS OF PROPRIETOR / PARTNERS AND OTHER REQUIREMENTS:

Subsequent to the success of bid, every successful allottee shall submit certain documents in the office of Deputy Excise and Taxation Commissioner (Ex) of the District namely proof of identity having his/ her photograph like voter ID card, passport, ration card, driving license, Aadhar card (UID) etc, non conviction affidavit and an affidavit to the effect that he/she is not a defaulter of any arrears of excise revenue, solvency certificate and surety in the form of M-75. All the documents have to be duly attested by

a Notary Public or Gazetted Officer and duly stamped with his name and designation. The documents shall be submitted before the start of his/ her business. The successful allottee shall provide a photocopy of his PAN Card issued by the Income Tax Department alongwith other documents.

2.18 PROCESS OF ALLOTMENT OF UN-ALLOTTED ZONES OF VENDS:

Those Zones of vends which remain unallotted at the start of the financial year, shall be allotted by inviting e-bids again following the same procedure even after the commencement of the financial year. Efforts shall be made to allot such Zones of vends at the earliest possible.

The process of inviting tenders shall be continued by successively reducing the reserve price in the slab of 5% of the original reserve price or Rs. 25 Lac, whichever is lower till it is allotted or upto 25th April, or the next working day in case 25th April happens to be a holiday, whichever is earlier. In case where the Zone of vends remains un-allotted by 31st March 2017, the Deputy Excise and Taxation Commissioner (Ex), with the approval of Collector (Ex), may allow the existing licensee, of such Zone of vends during the previous year 2016-17, at his option, to continue operating the same till the time it is allotted. The quota and license fee payable by such licensee for such period shall be computed for the days of his operation beyond 31st March, 2017 proportionately on the basis of incidence and quota of such vend for the year 2016-17. This license fee shall be payable on daily basis in advance. The unsold stock of such vend as on 31st March, 2017 shall be allowed to be carried forward on payment of difference of excise duty, if any, on such stock. However, no stock transfer fee shall be levied on such carried forward stock.

In case any Zone of vends still remains un-allotted upto 25th April or the next working day in case 25th April happens to be a holiday, the Group/vend shall be disposed of by the Excise and Taxation Commissioner by taking appropriate measures as he may deem fit in the interest of revenue, in consultation with the Collector (Excise) and the DETC (Excise) concerned.

2.19 PROCESS OF RE-ALLOTMENT OF ZONE OF VENDS:

Consequent upon the cancellation of a license, the process of re- allotment shall be initiated by inviting e-bids through advertisement immediately. The reserve price for re-allotment shall be computed proportionately for the remaining period for which the Zone of vends is to be re-allotted using the original license fee. In case no bid is received, the reserve price shall be further reduced by 10% of the above mentioned original reserve price or Rs. 50 lac, whichever is lower and, the process of inviting e-bids may be repeated till the Zone of vends is re-allotted. The re-allotment shall be done at the risk and cost of original allottee. The original licensee/ allottee shall be liable to make up any deficiency incurred by the State as a consequence thereof. However, in case a bid higher than the original bid is received, no benefit shall be given to the original allottee.

No re-allotment shall be made after the month of February, 2018.

Note: In the case of re-allotment of the Zone of vends, there shall be no reduction in the original quota or balanced quota of that Zone of vends, as the case may be.

3. PROVISIONS REGARDING QUOTA AND ITS DISTRIBUTION [C.L. AND IMFL]:

3.1 MAXIMUM BASIC QUOTA OF C.L AND IMFL:

The maximum basic quota for country liquor shall be 950 Lac PL and for IMFL it shall be 550 Lac PL.

3.2 DISTRIBUTION OF COUNTRY LIQUOR QUOTA:

40% of the basic quota of country liquor shall be fixed which shall be distributed equally among all the distilleries operating from Haryana. Remaining 60% of basic quota, irrespective of the fact as to whether liquor is grain based or molasses based, will be open quota and shall be 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. The 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.

Each distillery shall make a request for district-wise distribution of its share of quota to Excise and Taxation Commissioner, Haryana who may distribute the quota of each distillery for each District out of fixed allocation made to the Distillery from the fixed quota on the basis of request of Distillery, report of DETC (Excise) and recommendation of the Collector. His order of distribution shall be final.

In case any distillery fails to supply its quarterly fixed basic quota of CL, the shortfall may be transferred to the open quota, with the approval of the Excise & Taxation Commissioner, alongwith penal proceeding against the distillery as per law.

3.3 LIFTING OF QUOTA:

3.3.1 BASIC QUOTA:

The licensee shall lift the basic quota allotted to his Zone of vends as per prescribed quarterly schedule failing which penal provisions shall be invoked. A licensee shall lift the entire basic quota allocated to his/her Zone of vends during the financial year 2017-18 in accordance with the following schedule of lifting:-

Cumulative lifting	Quarter	Month-wise	
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%	

3.3.2. PENALTY ON SHORT LIFTING OF BASIC QUOTA:

The non compliance of the provision regarding lifting of quarterly quota shall attract a 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.

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Note:- Licensee should preferably lift quota month-wise, but he shall not be penalized if he fails to meet month-wise quota lifting provision provided he adheres to the quarterly stipulation of quota lifting.

3.3.3. RESTRICTIONS TO LIFT QUOTA BEFORE PAYMENT OF SECURITY:

The licensees shall not be allowed to lift any quota before the deposit of initial security amount of 10%. Further, even after the deposit of initial security amount equal to 10% of the bid amount, the licensee shall be allowed to lift only upto 5% of his annual basic quota till the time he deposits the entire security amount equal to 21% of the total license fee of the Zone of vends.

3.3.4. PROPORTIONATE QUOTA OF ZONE OF VENDS ALLOTTED DURING CURRENCY OF YEAR:

The Zone of vends allotted during the currency of the financial year shall comply with the provision of quota lifting schedule and their schedule shall be worked out by dividing the quota allotted to the Zone of vends in the remaining full quarters of the financial year and the fraction of the quarter of allotment proportionately from the quota allotted. The penal provision for deficient lifting shall be the same as given in para 3.3.2 above.

3.4 ADDITIONAL QUOTA FOR RETAIL OUTLETS OF LIQUOR ON PAYMENT OF ADDITIONAL EXCISE DUTY:

3.4.1 The licensees of retail outlets of L-14A and L-2 shall be entitled to lift additional quota upto 50% of basic quota on payment of additional excise duty @ Rs 18 per PL for country liquor and @ Rs 45 per PL in case of IMFL.

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

3.4.3 After having lifted his mandatory basic quota of a particular quarter, any quota lifted in addition would attract payment of additional Excise Duty. Further, the maximum additional quota that can be allowed to be lifted at any point of time shall be in proportion to the basic quota lifted and that too only when due license fee upto date has been paid in full.

3.4.4 FACILITY OF QUOTA TRANSFER

The licensee desiring to transfer his basic quota, which he is not able to dispose of, to another licensee of the same type, may be allowed such transfer of quota on a quarterly basis. The transferor licensee shall make a request along with the consent of the transferee licensee to the DETC of his district. The terms of sales and purchase shall be decided by both the transferor and transferee licensees mutually. On approval of the request of the transferor licensee, the quota agreed upon to be transferred by him shall be deducted from his quota and shall be deemed to have been lifted and it will be added as a transfer quota in the account of the transferee licensee. This quota will be over and above the original quota of the transferee licensee and his obligations regarding lifting of his original quota shall not be affected. A quota transfer fee of Rs. 3 per PL. for country liquor and Rs. 6 per PL. in case of IMFL shall be payable by the transferor licensee at the time of making such request.

Provided that the total quota transferred under this provision during the entire year, shall not exceed 20% of the basic quota of the transferor licensee. Similarly the transferee licensee shall not be entitled to receive such transferred quota, during the entire year, in excess of 20% of his basic quota.

4. SUPPLY OF CL FROM WHOLESALE LICENSED OUTLETS OF CL (L-13 LICENSE):

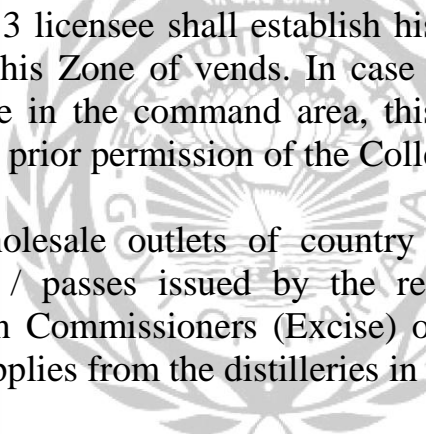
4.1 The maximum number of L-13 licenses, to be granted in each district, shall be decided by the ETC. The L-13 licenses shall be granted on the basis of revenue contribution amongst the applicant licensees, as determined on the last date for receiving such applications for grant of L-13, as decided by the ETC. A licensee shall be allowed only one L-13 license in a district.

4.2 The annual license fee for L-13 shall be Rs 20 Lac along with a refundable security of Rs. 5 Lac for each L-13.

All L-13 licensees shall meet the requirement of liquor of the retail licensees both in terms of brand and quantity.

4.3 The licenses for the wholesale outlets of L-13 shall be granted/approved by the Collector with the prior consent of ETC (FC).

4.4 The licenses for wholesale outlets of country liquor (L-13) shall be granted as per Rules and provisions of the Punjab Excise Act, 1914 and the Rules framed thereunder as per the following conditions:-

- 
- (a) The L-13 licensee shall establish his vend within the command area of his Zone of vends. In case no suitable storage point is available in the command area, this condition may be relaxed with the prior permission of the Collector (Excise).
- (b) The wholesale outlets of country liquor (L-13) shall obtain permits / passes issued by the respective Deputy Excise & Taxation Commissioners (Excise) of the districts for receiving their supplies from the distilleries in the State.
- (c) The stock of country liquor at the stage of L-13 shall be duty paid.
- (d) The wholesale outlets of country liquor (L-13) shall maintain a minimum stock equal to one month's quota of the District divided by the number of L-13 in the District at all time.
- (e) 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).
- (f) The applicant shall furnish proof of ownership, lease, rental deed of the premises at which the wholesale outlet of CL (L-13) is proposed to be opened.
- (g) The applicant shall furnish NOC from the Fire Officer of the respective district.

4.5 For the sake of convenience of L-13 licensees the method of calculation of the rate at which they shall supply country liquor to the L-14A licensees is given below. The calculations have been done for one case of PET Quart bottle and similar calculations can be obtained from DETC (Excise) office for other sizes/types of bottles.

The rate of supply of Country Liquor to L-14A Licensees (Ex. L-13 Godown).

	<u>Price per case of PET Quart Bottle</u>
I. Basic Price E.D.P. (Ex-Distillery Issue Price)	Rs. 261.00
II. Excise Duty @ Rs. 28/- per P.L.	Rs. 126 (To be Paid by the L-13 Licensee to the State)
III. Transportation, Handling Charges Including freight/ security and other Insurance charges etc.	Rs. 16.30 (To be paid by the L-13 licensee to the distilleries for F.O.R. supply to their L-13 godown)
IV. Total (I +II+III)	Rs. 403.30
V. VAT @ 13% plus 5% surcharge (i.e. 13.65%)	Rs. 55.05 (to be paid by distillery to the State)
VI. Total (IV+V)	Rs. 458.35
VII. Service Tax on Transportation or any other Government levy including TCS to be paid by the distillery/ L-13 licensee to the Income Tax department.	As per applicable rate
VIII. L-13 Commission	Rs. 10.00

EXCISE & TAXATION DEPARTMENT, HARYANA

4.6 The DETC (Excise) of the district concerned shall visit the premises of all L-13 at the time of grant of L-13 license and subsequently at least once a month to ensure that:

- a) the premises of L-13 licensees of the district are not located in neighbourhood of each other and definitely not in the same building/nearby building to each other;
- b) no cartelization of any sort takes place;
- c) brands of all distilleries are available with the L-13 licensees granted to retail outlet licensees of country liquor (L-14);
- d) all L-14A licensees are getting liquor of their brand and choice and are not being compelled to buy the brands of any particular distillery by the L-13 licensees.

If the DETC (Excise) finds violation of any of the stipulations listed at (a), (b), (c), or (d) above, he shall recommend initiation of the proceedings for the cancellation of the license of the L-13 licensee. Further, in case of any sort of cartelization of L-13 licensees which compels retail licensees to buy brands of a particular distillery in lieu of the brand of their choice, the DETC (Excise) shall recommend initiation of proceedings for cancellation of license of that particular distillery also.

4.7 In case any L-13 licensee is found to be indulging in the illegal or clandestine sale of liquor in order to avoid additional excise duty, the amount becoming due on account of penalty etc. towards such L-13 licensee shall also be recoverable from the security deposits of the retail outlets (L-14A) of the said licensee.

4.8 The Excise and Taxation Commissioner may, at any time during the year 2017-18, invite applications for grant of unallotted L-13 licenses in the district if he is satisfied that availability of Country Liquor is scarce, either in brand or quantity or both. The applications for grant of L-13 shall follow the same process as mentioned in paragraph 4.1.

5. SUPPLY OF IMFL FROM WHOLESALE LICENSED OUTLETS OF IMFL (L-1 LICENSE):

5.1 The maximum number of L-1 licenses, to be granted in each district, shall be decided by the ETC. The L-1 licenses shall be granted on the basis of revenue contribution amongst the applicant licensees, as determined on the last date for receiving such applications for grant of L-1, as decided by the ETC. A licensee shall be allowed only one L-1 license in a district.

The annual license fee for L-1 shall be Rs 1.25 crore along with a refundable security of Rs. 20 lac for each L-1.

5.2 The licenses shall be granted for wholesale outlets of IMFL (L-1) under the Haryana Liquor License Rules, 1970, on the following conditions:

- a) The L-1 licensee shall establish his vend within the command area of his retail Zone of vends. In case no suitable storage point is available in the command area, this condition may be relaxed with the prior permission of the Collector (Excise).
- b) 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 Haryana Tax on Entry of Goods into Local Areas Act, 2008.
- c) The applicant shall furnish authorization certificates from at least three distilleries and breweries for selling their products in wholesale.
- d) 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.

- e) The applicant shall furnish NOC from the Fire Officer of the respective district.
- f) The applicant shall deposit an annual license fee of Rs. 1.25 crore 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.
- g) The stock of IMFL at the stage of L-1 shall be duty paid.

5.3 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.

5.4 The wholesale outlets of IMFL (L-1) shall receive their supplies of liquor from the L-1B, L-1B1, L-1AB, L-1AB1, L-1BF, L-1-B1-A & L-1W licenses and other licenses as provided under other provisions of the law.

5.5 The wholesale outlets of IMFL (L-1) shall make their sales to the retail outlets of IMFL (L-2) of the District on the strength of permits / passes issued by the respective Deputy Excise & Taxation Commissioners (Excise) of the district.

5.6 In case any L-1 licensee is found to be indulging in the illegal or clandestine sale of liquor in order to avoid additional excise duty, the amount becoming due on account of penalty etc. towards such L-1 licensee shall also be recoverable from the security deposits of the retail outlets (L-2) of the said licensee.

5.7 The Excise and Taxation Commissioner may, at any time during the year 2017-18, invite applications for grant of unallotted L-1 licenses in the district if he is satisfied that availability of IMFL is scarce, either in brand or quantity or both. The applications for grant of L-1 shall follow the same process as mentioned in paragraph 5.1.

6. SECURITY AND INSTALMENTS:

6.1 SECURITY:

Every successful allottee of retail Zone of vends shall deposit a security amount equal to 21% of the annual license fee of the Zone of vends, out of which, 5% of the license fee shall be deposited on the day of evaluation of e-bids; 5% of the license fee within seven days of the allotment or on or before 31st March, whichever is earlier; and the remaining security equal to 11% of the license fee shall be deposited by 7th of April, 2017.

6.2 In case of bids that exceed the reserve price by more than 25%, the bidder shall be required to have balance of minimum amount equal to 21% of his bid amount deposited as Earnest Money Deposit (EMD) with the

DETC (Excise) of the district concerned. In case of successful bid, 21% of his bid money shall be deducted by the system and shall be deposited as 21% security.

6.3 The security amount payable by the companies shall be the same as for other allottees as explained in Para 6.1 above.

6.4 INSTALLMENT OF LICENSE FEE:

All the successful bidders shall deposit 21% of their bid money as security. 82% of his bid money shall be payable by him in ten equal monthly installments equal to 8.2% of the bid money; each payable by 20th of each month starting from the month of commencement of operation of vends in their Zones, and every subsequent month. The payment shall continue till full amount of 82% is paid by the licensee by way of monthly installments. A part of his security, equal to 18% of his bid money, shall be adjusted towards his license fee after the payment of installments amounting to 82% of his bid money. The adjustment shall be made over a period of two months in two equal installments; each equal to 9% of his bid money.

The balance security equal to 3% of his bid money shall be refunded after adjusting any amount found outstanding or unpaid towards him by the 15th April, 2018. This amount shall be refunded by the Deputy Excise and Taxation Commissioner (Excise) of the District.

If an allottee / licensee fails to make the full payment of security in the prescribed time, his license shall be cancelled automatically and security deposited, if any, forfeited. In case of failure to adhere to the prescribed time for payment of any of the ten installments, interest on late payment shall be charged from the first day of the month of default till the date of payment @ 18% per annum.

6.5 In the event of failure to pay the installment or installments alongwith the interest, as the case may be, by the due date, the Zone of vends shall cease to be in operation on the first day of the following month and shall ordinarily be sealed by the Deputy Excise and Taxation Commissioner (Excise) in-charge of the district or any other official authorized by him and his license may be cancelled.

6.6 SECURITY AND INSTALLMENTS IN CASE OF ALLOTMENT/ RE-ALLOTMENT DURING CURRENCY OF THE YEAR:

In case of Zone of vends which are allotted/ re-allotted during the currency of the financial year, the security equal to 10% of bid money shall be deposited on the day of allotment and remaining security equal to 11% of bid money shall be deposited within 10 days of the date of allotment. The Zone of vends shall come into operation from the day following the date of allotment/ re-allotment. The license fee for the month in which the allotment/re-allotment is made shall be payable by the end of the month, in proportion to the remaining days of that month. The remaining amount out of 82% of the license fee shall be payable upto January, in equal monthly installments. Thereafter, his security shall be adjusted as in case of other

allotments as described above in para 6.4. In case of his failure to deposit the license fee as per the schedule, the provisions of para 6.5 shall be invoked and the interest for late payment shall be charged @ 18% per annum.

In case the allotment or re-allotment takes place after December, 2017, the 82% of his bid money shall be recovered upto the last date of month in which it is allotted/ re-allotted. The installment for the month of allotment/ re-allotment shall be computed treating it as a full month.

The date of payment for the month of allotment/ re-allotment shall be 20th if allotment takes place before 20th or the last day of the month if allotment takes place on or after 20th.

6.7 No interest shall be payable on the security amount.

7. MINIMUM RETAIL SALE PRICE FOR THE YEAR 2017-18:

7.1 The minimum retail sale price shall be as under:-

S.No.	Liquor	Size of Bottles		
		Quart	Pint	Nip
1	Country Liquor	130	70	40
2	IMFS / FL:-			
2.1	Foreign Liquor Bottled in Origin or in India			
2.1A	Premium Brands Yrs. & above Age or spirits of comparable quality & Standards (Black Dog 18 Yrs. & above, Chivas Regal 18 Yrs. & above etc.),	3000	-	-
2.1B	Deluxe Brands: scotches / Spirits of 12 Yrs. & above But less than 18 Yrs. Age or spirits of comparable quality & Standards (Black Dog 12 Yrs. Teacher Highland etc.),	1800	1000	550
2.1C	Regular Brands: Scotches / Spirits of 8 Yrs. & above but less than 12 Yrs. Age or spirits of comparable quality & standards	1500	800	450

	(Black Dog 8 Yrs., Teachers, Black & White, Old smuggler, Passport, Haig etc.),			
2.2	Super Deluxe Brands : (Antiquity Blue, McDowell's Single Malt etc.),	850	500	250
2.3	Deluxe Brands: (Antiquity Rare Whisky etc.),	700	400	200
2.4	Semi Deluxe Brands: (Signature Whisky, Smirnoff Vodka, Bacardi Rum, Peter Scot, Blenders Pride etc.),	600	325	175
2.5	Premium Brands: (Royal challenge, DYC Royal Stag, McDowell's No. I Platinum, Red Knight etc.),	450	250	135
2.6	Prestige Brands : (McD No. I, AC Black, Whyte Hall, Imperial Blue, Magic Moment etc.),	350	180	100
2.7	Semi Prestige Brands: (New Approved ACP, New Approved AC Old Reserve, Mughal Monarch, 8 PM, Green Label, London Duet, Royal Arm, White Mischief Vodka, Romanov Vodka, Raffles, Blue Diamond Duet, WMP Gin, Old Smuggler Rum, B R Gin, BP Gold,	300	160	90
2.8	Regular Brands: (AC Sek C, AC Extra Dry Gin, Director's Special, Officer's Choice, Bagpiper,	260	140	80

	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.,			
2.9	Economy Brands: (Aristocrat, Bonnie Special, Hayward, Golden Border, Benson, etc.),	225	120	65
2.10	Cheap Brands : (Goldy, Studd, Champion Whisky, Rum & Gin etc.)	200	100	60
2.11	In addition to above the minimum retail sale price of following packs of IMFS (Prestige Brands & above) is fixed as under:- Size 4.5 Liters 2 Liters 1000 ml. 700 ml. 500 ml. 275 ml. (RTB) 90 ml. 60 ml. (Scotch)			Price Rs. 2200/ Rs. 1000/- Rs. 550/- Rs. 375/- Rs. 300/- Rs. 70/- Rs. 60/- Rs. 140/-
3.	BEER:-			
3.1	Mild Beer containing alcoholic content upto 5.5%			Rs. 65/- per bottle of 650 ml.
3.2	Strong Beer containing alcoholic content above 5.5%			Rs. 75/- per bottle of 650 ml.
3.3	Canned Beer a. Mild b. Strong			Rs. 75 per 500 ml can Rs. 85 per 500 ml can

7.2 No maximum sale price is fixed for any of the above for the year 2017-18.

7.3 Categorization as approved by the department at the time of registration of brand labels will be applicable. For the purpose of categorization the DETC (Excise) concerned shall indicate the category in which a particular label of the brand shall be approved at the time of sending his/ her recommendation for the approval of the label of the brand.

7.4 PENALTY FOR NON MAINTENANCE OF MINIMUM RATES:

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 & Taxation Commissioner and Excise Collector. The sealing of the vend shall be in addition to any other penal proceedings under the Law that may be initiated.

8. LEVIES:

8.1 EXCISE DUTY AND PERMIT FEE FOR THE YEAR 2017-18 :

The rates of Excise Duty and Permit Fee shall be as under:-

Sr. No.	Item	Rate of Excise Duty (in Rs.)	Rate of Permit Fee (in Rs.)
1	Country Liquor	28 per PL	Nil
2	IMFS		
	2.1 Brands with EDP upto Rs 1000 per case	45 per PL	3 per PL
	2.2 Brands with EDP from Rs 1001 up to Rs 1500 per case	61 per PL	3 per PL
	2.3 Brands with EDP from Rs 1501 upto Rs 2500 per case	78 per PL	3 per PL
	2.4 Brands with EDP from Rs 2501 upto Rs 3500 per case	100 per PL	3 per PL
	2.5 Brands with EDP from Rs 3501 upto Rs	110 per PL	3 per PL

	5000 per case		
	2.6 Brands with EDP from Rs 5001 upto Rs 7000 per case	150 per PL	3 per PL
	2.7 Brands with EDP above Rs 7000 per case	200 per PL	3 per PL
3	BEER		
	i) Beer containing alcoholic content upto 5.5%	31 per BL	2 per BL
	ii) Beer containing alcoholic content more than 5.5%	36 per BL	2 per BL
	iii) Canned Beer:		
	a. Mild	41 per BL	2 per BL
	b. Strong	46 per BL	2 per BL
4	Ethanol for use in automobile fuel	Nil	1 per BL
5	Draught Beer	36 Per BL	2 per BL
6	Cider	2.50 Per Bottle size 350ml	
7	Wine	10 Per BL	
8	Ready to Drink Beverages (RTB)	31 Per BL	2 Per BL
9	Potable RS and ENA for CL and IMFL	15 Per PL	Nil
10	Denatured spirit/Ethanol Except for use in automobile fuel	Nil	3 Per BL
11	RS and ENA for industrial use	Nil	3 per BL

Excise duty shall be paid by L-13, L-1B, L-1AB, L-1B-1, L-1W,

L-1AB1 & L1-B1-A for respective types of liquor. Permit Fee on IMFS and Beer shall be paid by L-1 licensees for all types of permits obtained for liquor.

EDP shall be submitted by the company at the time of approval of the label which shall be approved by the ETC (FC) keeping in view the rates of these brands in the previous year, rates in the neighbouring states and other cost components.

Note: Where the rates of excise duty in the Excise Policy for the year 2017-18 have been increased in case of any type of liquor over the rates of excise duty for the years 2016-17, the differential excise duty on the unsold stock as on 01.04.2017 shall be payable, in addition to the stock transfer fee, if any.

8.2 IMPORT DUTY FOR THE YEAR 2017-18:

The import duty shall be levied as under:-

Sr No	Item	Import Duty
1	CL	Rs 5 per PL
2	Beer	Rs 10 per BL
3	RTB	Rs 10 per BL
4	Draught Beer	Rs 5 per BL
5	Potable RS and ENA for CL and IMFL	Rs 10 per BL
6	RS and ENA for industrial use	Rs 3 per BL
7	Absolute Alcohol	Rs 6 per BL
8	Denatured Spirit except as at Sr. No 9	Rs 3 per BL
9	Denatured Ethanol/Denatured spirit for Automobile fuel	Rs. 1 per BL
10	IMFS, Rum	Rs 20 per PL
11.	Wine, Cider	Rs. 5 per BL

8.3 EXPORT DUTY FOR THE YEAR 2017-18:

The rates of export duty shall be as under:-

S.No	Item	Export Duty
1.	CL	Rs. 1.50/- per PL
2.	Beer	Rs. 0.75 per bottle of 650 ml

3.	Potable RS / ENA	Rs. 0.25/- per BL
4.	IMFS/IMFL	Rs. 1.50/ Per PL
5.	RTB	Re. 1/- per BL
6.	Draught Beer	Re. 1/- per BL
7.	Absolute Alcohol	Rs. 1.50/-per BL
8.	Denatured Spirit	Re. 0.75/-per BL
9.	Ethanol/ Denatured spirit for Automobile fuel	Rs. 1.50/-per BL

8.4 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. 16 per P.L.

Beer Rs. 12 per B.L.

Franchise fee wherever applicable, shall be leviable on liquor for exports as well as on liquor for local consumption.

8.5 LEVIES ON SUPPLIES TO DEFENCE PERSONNEL:

The rates of Excise Duty and Assessment Fee leviable in case of supplies to defence personnel shall be as under:-

Sr No.	Item	Excise Duty	Assessment fee in Rs.
1	IMFS	235 per PL	Nil
2	Rum	85 per PL	Nil
3	BEER	44 per BL	Nil
4	Draught Beer	44 per BL	Nil
5	Cider	9.5 per BL	Nil
6	Wine	10 per BL	Nil
7	Ready to Drink Beverages (RTB)	17 per BL	Nil
8.	IFL (BIO)	Nil	300 per BL

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	Rs. 7/- per PL	Rs. 2/- per PL
Wine/Cider	Rs. 7/- per BL	Rs. 2/- per BL
Beer	Rs. 3/- per BL	Rs.0.50 per bottle of 650 ml

8.6 BRAND-LABEL FEE:

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

- 
- (i) Whisky/Scotch Rs. 85,000 per brand.
 - (ii) Beer Rs. 65,000 per brand.
 - (iii) Rum Rs. 45,000 per brand
 - (iv) Gin/ Vodka Rs. 30,000 per brand
 - (v) Wine/Brandy Rs. 20,000 per brand.
Cider/Champagne
 - (vi) Vodka/Brandy/Cider/Wine Rs. 10,000 per brand.
and Champagne for supply
to CSD
 - (vii) Country Liquor Rs. 85,000 per brand
 - (viii) Ready to Drink Beverages Rs. 75,000 per brand
(RTB)
 - (ix) Brand label fee for Rs. 50,000 per brand
exports out of State
(for all types of brands)

It is further provided 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 neighbouring 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.

8.7 BOTTLING FEE:

The bottling fee on IMFS during 2017-18 shall be levied as under:-

a)	For D2 licensees bottling their own brands:	@Rs 10 per PL.
b)	For Bottling plants bottling their own brands:	@Rs 14 per PL.
c)	For bottling of brands not covered in a) and b) above and where no franchise fee is levied:	@Rs 16 per PL.
d)	For bottling of Beer by the brewers	@ Rs 5 per BL

Bottling fee is leviable on liquor for export as well as on liquor for local consumption if no franchise fee is levied.

8.8 STOCK TRANSFER FEE:

A stock transfer fee shall be levied at the rate of Rs 6 per PL for country liquor, Rs 12 per PL for all brands of IMFL and Rs 10 per BL for Beer.

Any quantity of liquor in physical possession of the outgoing licensee at the termination of the contract for the year 2016-2017 and transferred to an incoming licensee for the year 2017-2018 in accordance with the provisions of the Haryana Liquor License Rules, 1970 shall not be counted towards lifting of annual quota for the year 2017-2018.

8.9 RECOVERY OF COST OF SUPERVISORY EXCISE STAFF:

The salary cost of supervisory staff as required by Law/ Rule/ Policy to be posted in any manufacturing licensee's premises/ facility shall be recovered from the said manufacturer on quarterly basis.

9. FIXED FEE LICENSES:

9.1 L-1B LICENSES: ON DEPARTMENT, HARYANA

9.1.1 A distiller of repute willing to market its brands in the State of Haryana shall 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 license may be granted on the recommendations of this Committee.

9.1.2 L-1B shall make its supplies to L-1s of the State. L-1B licensee shall 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-1B license.

9.1.3 The license fee of L-1B is fixed at Rs. 30 lac per annum. In addition, the excise duty leviable on IMFS shall also be paid by L-1B licensees while obtaining permits.

9.1.4 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 shall be registered under the provisions of the policy.

**9.2 L-1B-1 LICENSE FOR WHOLESALE OF BEER/
WINE:**

9.2.1 A brewer/wine manufacturer (except local manufacturer of wine from State of Haryana) shall obtain a license in the form of L-1B1 to market its products in the state of Haryana. L-1B1 for brewers shall be granted and renewed at an annual fee of Rs 30 Lac and L-1B1 for wine manufacturers shall be granted and renewed at an annual fee of Rs 20 Lac. Further, excise duty levied on beer/ wine shall also be paid by L-1B1 licensees while obtaining permits.

9.2.2 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.

9.2.3 The brewers shall be allowed to sell draught beer in kegs of different sizes through their L-1B1 depots directly to bar licensees in the State without routing it through L-1/L2.

9.2.4 For the local manufacturer of wine, a license in the form of L-1W shall have to be obtained. A local manufacturer of wine taking license in form of L-1W shall not be required to take the license in the form of L-1B1.

**9.3 WHOLESALE LICENSE FOR READY TO DRINK
BEVERAGES (RTB) L1-B1-A:**

Wholesale license for Ready to Drink Beverages (RTB)L1-B1-A shall be granted and renewed at a fixed fee of Rs 30 Lac per annum.

9.4 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 has been 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 50 Lac per annum. The license shall be granted to those persons who have exclusive sale rights of any brand for sale in the state of Haryana. The licensees shall also pay excise duties and

other levies as applicable to L-1B licensee in the State. The licensee shall get the brands registered as mentioned in para 8.6.

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

9.5 L-1BF LICENSE FOR IFL:

9.5.1.1 A wholesale license in the form of L-1BF for Imported Foreign Liquor (BIO) has been 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 laws. The licensee shall be authorized to import IFL (BIO) including Beer from other countries and supply it to L-1s, L-4&L-5s, L-12Cs and L-12Gs of the State. The licensee shall get the brands registered as in case of IMFL and Beer.

9.5.1.2 There will be only one wholesale license in the form of L-1BF in the State for wholesale of Imported Foreign Liquor (BIO). The license will be granted by inviting e-tenders through the departmental portal in a completely secure and transparent manner. The reserve price for the lone L-1BF license in the State shall be Rs 50 Crore.

The detailed procedure for e-tender shall be finalized by the ETC which shall be displayed by uploading the same on the website of the department www.haryanatax.gov.in. The prospective bidder shall be required to deposit an earnest money of 5% of the reserve price alongwith with his e-bid, which shall be adjustable against the security in case the bid is successful, else it shall be refunded. No interest shall be payable on the amount of earnest money.

In case no eligible bid equal to or above the reserve price is received for the lone L-1BF license, the same shall be allotted exclusively to a Government owned entity on the terms and conditions as decided by the Government.

9.5.2 THE FEE STRUCTURE FOR L-1BF LICENSE FEE:

9.5.2.1 Security and License Fee:

The bid amount of the successful allottee shall be the annual license fee of L-1BF. The successful allottee of L-1BF license shall have to deposit a security equal to 21% of the license fee as per the Clause 6.1 of the Excise Policy. The licensee shall be required to deposit his license fee as per the schedule of payment of instalments mentioned in Clause 6.4 of the Excise Policy.

9.5.2.2 Permit Fee:

The permit fee on Imported Foreign Liquor shall be levied as under:-

- | | |
|---------------------------------|-------------------|
| (a) Scotch, Whisky, Rum, Vodka, | Rs. 60/- per P.L. |
|---------------------------------|-------------------|

- Gin, Brandy etc.
 (b) Wine, Liqueur, Beer and Cider Rs. 20/- per B.L.

The permit fee will be deposited at the time of issuance of permit.

9.5.2.3 Brand-Label Fee:

L-1BF licensee shall get his brand labels approved from the Excise and Taxation Commissioner before marketing brands in the State of Haryana at the following fee:-

(a)	Scotch/Whisky	Rs. 60,000 per brand
(b)	Beer	Rs. 50,000 per brand
(c)	Rum/ Vodka/Wine	Rs. 25,000 per brand
(d)	Gin/Brandy/ Cider/Champagne/Liqueur	Rs. 15,000 per Brand

General Provisions/Conditions for L-1BF:

- (i) The L-1BF shall not be allowed to be located at a distance of less than 10 km from any Custom Bonded Warehouse.
- (ii) An online transit slip from the website of the department (transport permit), in such manner as may be prescribed by the ETC, shall be required to be accompanied with all consignments of IFL (BIO) to be carried through or within the territory of the State, from such date as may be decided by the ETC, for all transactions above the individual possession limit.
- (iii) The L-1BF licensee shall have to affix a hologram which shall be issued by the department, at the time of and in accordance with the permit. The hologram shall have to be affixed at the time of commencement of the movement in the State or entry into the state of Haryana.
- (iv) The L-1BF licensee shall have to issue an online invoice from the website of the department while making sales, from such date as may be decided.
- (v) The L-1BF licensee shall be required to keep sufficient stock of all such brands as are demanded by the procuring licensees and all such brands as were registered with the department in 2016-17.
- (vi) The licensee will have to submit pricing of each brands at the time of approval of the brand and department will approve his maximum sale price factoring in the landing price, expenses, profit margin, prevalent rates of same or equivalent brands in the neighboring States and the Government levies. The licensee shall do this preferably in the first quarter of the financial year.
- (vii) In case of default in payment of security or license fee or any other violation, the license shall be liable to suspension or cancellation. In case the license is cancelled, the process of re-allotment shall be repeated at the risk and cost of the defaulting licensee.
- (viii) Notwithstanding anything contained in any other provision of the

policy, the stock remaining unsold on 31.03.2017 with the outgoing licensees of L-1BF for the year 2016-17 shall be transferred to the incoming L-1BF licensee for the year 2017-18. The stock shall be transferred at the price computed on the basis of landing cost as per invoice, expenses and Government levies. In case of any dispute in the price, the decision of the department of Excise and Taxation shall be final. A stock transfer fee shall be levied @ Rs 12 per PL for Whisky, Scotch, Rum, Vodka, Gin and Brandy etc. and @ Rs 10 per BL for Beer, Wine, Liqueur and Cider.

- (ix) VAT as prescribed in paragraph 12.6 shall be payable by the L-1BF licensee.

9.6 L-10B LICENSE FOR PROMOTION OF WINE AND IFL (BIO):

In order to facilitate supply of IFL (BIO), Wine and Indian Canned Beer, a license in form L-10B has been prescribed for retail sale 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. 15 Lac. The L-10B licensee shall be allowed to conduct sales of IFL (BIO) as well. The licensees shall procure their supplies of IFL (BIO), Wine and Indian Canned Beer from any L-1 in the district.

L-2 licensees in whose area a shopping mall is located shall be allowed one L-10B license for sale of wine and IFL (BIO) inside the mall if they so desire and apply for the same. Such L-10B outlet shall be allowed with minimum carpet area of 500 sq. feet. The license fee for L-10B outlet allowed to L-2 shall be Rs.7.5 Lac.

9.7 D-2, B-1, BWH-2, L-12, L-17, L-11, L-15 AND S-1 LICENSES:

9.7.1 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	2	3	4
1	Distillery License	D-2	Rs 1 Crore + Rs. 1.25 Lac per Kilo Liter of installed capacity
2	Brewery License	B-1	Rs 75 Lac + Rs. 15 Lac per Lac HLPAs of installed capacity
3	Bonded Ware House	BWH-2	Rs 15 lac
4	Bottling of IMFS	L-11	Rs 50 lac
5	Bottling of CL	L-15	Rs 40 lac

6	Bottling of IMFS & CL	L-11 & L-15	Rs 75 lac
7	Medicated wine outlet	L-12	Rs 1,000/-
8	Denatured Spirit outlet	L-17	Rs 25,000/-
9	Winery License	S-1	Rs. 10,000/-

9.7.1(A) The use of the infrastructure of a distillery/bottling plant for another party/ person, whether by lease/ rent or any other arrangement (in case of both existing and new arrangement) shall be allowed subject to payment of capacity utilization fee, payable by the lessee etc. @ Rs 25 lac per annum for bottling of IMFL.

Note: Setting up of new bottling plants may be allowed subject to approval of the Government.

9.7.2 FEE FOR LETTER OF INTENT (LOI):

A person who desires to set up a Distillery, Brewery, Winery or a Bottling plant in the State of Haryana shall obtain a Letter of Intent (LOI) before he starts putting up his plant. The LOI shall be issued with certain terms and conditions with a specified period of validity. It shall be issued with the permission of the Government. A fee per annum for grant and renewal of LOI has been introduced for the first time which shall be as under:-

Fee for LOI to be issued for the first time and for one year:

- a) Distillery Rs 50 Lac
- b) Brewery Rs 30 Lac
- c) Winery Rs 10 Lac
- d) Bottling Plant Rs 20 Lac
- e) Fee for revalidation of LOI for the first extension of one year shall be at the rate equal to the fee for grant of LOI and for each subsequent extension of one year the revalidation fee will be 125% of the previous year's fee.

The fee for revalidation of LOI where previously no fee for LOI or its revalidation was charged shall be as given above from (a) to (d) and subsequent revalidation would be as per (e) above.

9.8 L-4/L-5/L-12C/ L-12G BAR LICENSES:

9.8.1 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 the district head quarter cities, except as provided hereunder, having infrastructure and level of facilities required to meet the parameters and conditions prescribed by the District Level Committee constituted for this purpose.

Bar licenses shall also be granted to three star and above categories of star hotels located anywhere in the State. In addition to it, L-4/L-5 shall also be granted in places where HSIIDC has developed Industrial Model Townships (IMT) and Theme/ Specialized Parks like IMT Manesar, IMT Bawal, IMT Rohtak, IT Park Manesar, Technology Park Panchkula etc. L-4/L-5 may also be granted in emerging licensed residential townships.

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 which will be headed by Dy. Excise and Taxation Commissioner (Excise). This committee shall assess the eligibility of an applicant for the grant of a Bar License (L-4/ L-5/L-12C/L-12G) for the first time. The aforesaid committee shall make recommendation to the Excise & Taxation Commissioner for grant of L-4/L-5/L-12C/ L-12G license.

9.8.2 L-4/L-5/L-12C/L-12G licenses operative during 2016-17 and fulfilling the criteria laid down under the new excise policy for the year 2017-18 will be eligible for renewal for the year 2017-2018 without referring their cases to the district level approval committee. The renewal of L-4/L-5/L-12C/L-12G licenses, otherwise eligible, shall be done by the DETC (Excise) of the district, on behalf of the Collector.

9.8.3 The license fee for grant or renewal of L-4/L-5/L-12C/L-12G licenses shall be charged as under:

(a) L-4/ L-5 granted to Hotels of 5 star grading and above – Rs 40 Lac.

Such licensee shall be allowed one main bar and three additional points, alongwith room service (L-3), without any further fee. They shall be allowed to operate the main bar round the clock. By virtue of having L-3 license, these hotels are allowed to keep liquor in the refrigerators kept in the hotel rooms along with other food articles and beverages.

(b) L-4/ L-5 granted to Hotels having grading of 4 star – Rs 33 Lac.

Such licensee shall be allowed one main bar and two additional points, along with room service (L-3), without any further fee. They shall be allowed to operate the main bar round the clock. By virtue of having L-3 license, these hotels are allowed to keep liquor in the refrigerators kept in the hotel rooms along with other food articles and beverages.

(b1) L-4/ L-5 granted to Hotels having grading of 3 star – Rs 18 Lac.

Such licensee shall be allowed one main bar, along with one additional point and room service (L-3), without any further fee. By virtue of

having L-3 license, these hotels are allowed to keep liquor in the refrigerators kept in the hotel rooms along with other food articles and beverages.

The L-4/L-5 licensees of the category (a), (b) and (b1) mentioned above shall also be allowed to serve liquor in functions, parties, events and meetings, held in upto three (03) of their identified and approved halls including banquet halls and ground floor lawns, sourced from the main bar, on payment of a one-time fee equal to 50% of his annual license fee.

(c) All other L-4/ L-5 and L-12C licenses in the State:

(c.1)	Revenue District Gurugram	Rs. 15 Lac
(c.2)	District Faridabad	Rs. 12 Lac
(c.3)	All other Districts in the State except Gurugram and Faridabad	Rs. 09 Lac

(d)	For Bars operated by Haryana Tourism Corporation.	A composite fee of Rs. 1.5 Crore.
(e)	Bars operated by HUDA in their Gymkhana and Golf Clubs	A composite fee of Rs. 75 Lac.
(f)	Fee for L-12G exclusively for Golf Clubs	Rs. 25 Lac with 03 points.

Golf Clubs shall have to obtain a license in the form of L-12G to operate bars. They shall not be permitted as an additional point attached to any hotel or any other type of bar license.

(g) Notwithstanding anything mentioned above, a license for L-4/L-5 may also be granted to a rural L-2 licensee in his own name for opening a bar cum restaurant in a banquet hall within his command area, on payment of an annual license fees as provided in clause 9.8.3 for one year only. The procedure regarding grant of such license shall remain the same as provided in clause 9.8.1.

Note 1: Any additional point above the points already allowed, shall be allowed on payment of a fee equal to 15% of the annual license fee for each such point.

Provided that a maximum number of three additional points per license shall be allowed.

Further provided that any additional point in category (d) and (e) above shall be allowed on payment of a fee equal to Rs 1 lac for each such point.

Note 2: Provisions for additional point in Open area/ Terrace/Balcony:

i) The open space should not be such as is open to passersby which means that it should be surrounded by four walls with a

provision for regulated entry/exit. The open space should not have a direct access/opening to the main road.

- ii) If the open space happens to be a rooftop/terrace/balcony, it should be so surrounded by a wall/strong immovable fencing of a minimum height of 06 feet, so that a person, whether under the influence of liquor or otherwise, may not fall down accidentally or by mischief.
- iii) The act of drinking in the open space, by the persons sitting therein, should not be visible to the passersby so as to create nuisance or inconvenience or a bad feeling. In addition, if the open space is visible from other nearby high places, whether within the same building or in the surroundings, additional measures will be taken to prevent visibility from such high places. The licensee shall ensure that the persons using the open space do not indulge in any activity such as throwing articles outside which may be a cause of disturbance to the outsider/passersby.
- iv) No music or performance shall be allowed in the open space. No person less than the age of 25 years shall be allowed to enter in such open space.
- v) The open space shall not be allowed at such places which are located in residential area.
- vi) No open space shall be allowed in the vicinity of a waterpool of more than 02 feet depth if it happens to be within the same surrounded premises.
- vii) Only one such additional point in open area/ terrace shall be allowed, subject to the overall limit as provided in Note 1 above.
- viii) The provision for open space shall not be in contravention of any laws/Rules applicable in the State.
- ix) While recommending case for granting additional point in an open space the map of the open space shall be personally certified by the DETC (Excise) of the district concerned.

Note3: No liquor shall be served in any open areas including poolside etc, except where it is specifically allowed as mentioned in the above paragraph.

9.8.4 SECURITY AND LICENSE FEES OF BARS:

A security of Rs. 4 Lac shall be taken from the L-4/L-5/L-12G/L-12C licensees in addition to the license fee as mentioned above. For Haryana Tourism Corporation and HUDA a composite security of Rs.5 lacs each shall be taken in addition to the composite license fee, as mentioned above in para 9.8.3.

9.8.5 The annual license fee for a bar (L-4/L-5/ L-12C/L-12G) license shall be paid in four equal quarterly installments, payable in the beginning of first week of each quarter, failing which the license shall be liable to be cancelled and security forfeited.

9.8.6 Any new license obtained in Form L-4/L-5/L-12C/L-12G during the year 2017-2018 shall not be required to pay license fee for the quarter(s) already elapsed, but it shall be required 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 2018. In case the licensee surrenders the license with the approval of the DETC (Excise) concerned, before the last quarter, the installment(s) of the license fee for the remaining quarter(s) shall not be payable.

9.8.7 Except as provided otherwise, L-3 License with a fixed fee of Rs. 1,00,000 per annum shall be allowed to H.T.C complexes intending to serve liquor in the rooms. However, no liquor shall be served in any open areas including poolside etc. HTC complexes shall be allowed to take supply of liquor from their own L-1.

9.8.8 HOURS OF SALE IN BARS AND PUBS:

L-4/L-5/L-10E/L-12C/L-12G, license bars can remain open upto 12:00 hours (midnight). The timings of bars can be extended by one hour on payment of additional annual fee of Rs 8 lac per annum.

9.8.9 PROCUREMENT OF STOCK:

Bar licensees, L-4/L-5/L-12C/L-12G, shall be allowed to get their supplies from any retail outlet of IMFL (L-2) within the Zone where such L-4/L-5/L-12C/L-12G license(s) is/are located. However, if the L-2 licensee of his Zone tries to exploit or is not able to supply as per demand, then these licensees can procure liquor from an L-2 of a different Zone, with the approval of the DETC (Excise). 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 the bar licensee can make a written request to the DETC(Ex.) concerned. The DETC(Ex.) after obtaining a non availability certificate from the L-2 concerned, shall be required to make requisite arrangement for supply of such brands from any other L-2 of that district or from any other L-2 of the State in case it is not available in the district.

L-2 vend can charge upto 10% profit on his sale to L-4/L-5 after

taking into account his purchase price and incidence of license fee or the retail sale rates being charged by the L-2, whichever is less. In case, L-2 charges exorbitant rates from bars (L-4/L-5/L-12C/L-12G, L-10E), collector may determine the reasonability of rates and pass an appropriate order keeping in view the EDP rates of the brands, all Government levies and incidence of the retail outlet and his profit margin. The charging of exorbitant rate by L-2, more than the rates prescribed above, shall constitute a breach case against the licensee. The Collector may compound such breaches by imposing a penalty of not less than Rs 50,000/- for the first breach and double the amount of previous breach for subsequent breaches.

9.8.10 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.

9.8.11 The bars are 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).

9.8.12 The bar licensees are also allowed to take their supplies of IFL (BIO) from L-1BF in the State.

9.8.13 All IMFL (brands with MRP equal to or above that of Premium Brands) and IFL (BIO) including whisky / scotch /rum / brandy/ vodka etc. but excluding Wine/Beer/RTB/Cider/Liqueur shall be sold only in pegs through all L-4/L-5/L-12C/L-12G bar licensees in the State.

9.8.14 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 @ 18% + Surcharge @5% on VAT.

9.9 ICE BAR:

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

9.10 L-10C LICENSE FOR MICROBREWERY:

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 a Microbrewery. The license shall be granted to holders of L-4/5 license on payment of Annual License Fee of Rs. 10 Lac. The excise duty shall be charged on the basis of its annual installed capacity of fermenting tanks, computed @ Rs 25 per BL annually and paid in equal quarterly installments in advance. A security of Rs 2 Lac shall be paid by the L-10C licensee in addition to the license fee.

9.11 LICENSE IN THE FORM OF L-10E (PUB LICENSE):

To promote consumption of low alcohol content drinks, pubs are allowed to be opened in the city of Gurugram, Faridabad and Panchkula on payment of fixed annual license fee of Rs. 6 Lac. A security of Rs 2 Lac shall be paid by the L-10E licensee in addition to the license fee. The license shall be allowed to restaurants of repute only and all other conditions of L-4/L-5 license apply on them. The procurement of supplies shall be made as in the case of other bars.

9.12 TEMPORARY LICENSE IN FORM L-12A:

A license in form L-12A shall be granted by DETC (Excise) of the respective district. L-12A shall be granted for serving liquor during a day beyond the possession limit. However, liquor cannot be sold on the strength of this license.

For individual obtaining the licensee to serve liquor at private place beyond possession limit for a day Rs 500

The commercial places like banquet halls, farm houses, community centres, dharamshalas holding functions, get-togethers shall have to be registered with the Deputy Excise and Taxation Commissioner(Ex) of the District on payment of a registration fee of Rs.25000/ per annum.

The fee structure in such cases shall be as under:-

- (a) For persons serving liquor at commercial venues which are registered with the Excise Department: Rs 5000/- per day per function.
- (b) For persons serving liquor at commercial venues not registered with Excise Department: Rs 10, 000/- per day per function

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The commercial venues holding functions shall also have to be registered under the Haryana Tax on Luxuries Act, 2007. The commercial venues not registered with the Department shall not be issued more than 5 licenses per month. The application for grant of L-12A at all the commercial venues shall mention the details of caterer i.e. Name and style, TIN etc and the approximate number of guests.

The supplies of liquor shall be made from nearest two L-2 vends to the venue. The supplies can be procured from any other L-2 vend of the District in case the requisite brands are not available at any of the nearest L-2 vends with the approval of DETC (Ex).

L-12A licensee shall procure his supplies from any of two nearest L-2 vends. L-2 vend can charge upto 10% profit on his sale to L-12A holder after taking into account his purchase price and incidence of license fee or the retail sale rates being charged by the L-2, whichever is less. In case, L-2 charges exorbitant rates, collector may determine the reasonability

of rates and pass an appropriate order keeping in view the EDP rates of the brands, all Government levies and incidence of the retail outlet and his profit margin. The charging of exorbitant rate by L-2, more than the rates prescribed above, shall constitute a breach case against the L-2 licensee. The Collector may compound such breaches by imposing a penalty not less than Rs 50,000/- for the first breach and double the amount of previous breach for subsequent breaches.

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

L-12A licensee obtains its supplies of liquor from one of the two L-2 vends nearest to the venue. However if they belong to same group he will have a choice to go to the third L-2 vend of different licensee.

9.13 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 the DETC (Excise) of the respective district to a bonafide consumer of IMFL for the purchase, possession and transportation on payment of a license fee at the rate of Rs 1500 per year, or for a life time, on payment of a license fee of Rs 20,000. L-50 licensee is authorized to keep a stock of liquor given below:-

IMFL	IFL- 12 bottles of 750 ml IMFS- 24 bottles of 750 ml.
Beer	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.

9.14 LICENSE IN THE FORM OF L-1AB1:

A license in form L-1AB1 is granted to those persons who are non brewer and hold exclusive rights for the sale of brands of beer and wine in the State of Haryana. The license fee shall be Rs. 25 Lacs per annum. The licensee is required to pay excise duty and other levies as applicable to L-1B1 licensees in the State. The licensee shall get the brands registered as mentioned in para 8.6.

10. EX-DISTILLERY PRICE OF COUNTRY LIQUOR: (Amount in Rs.)

Sr. No.	Item	Quarts (In case)	Pints (In case)	Nips (In case)

1	New Glass Bottles	288.00	309.00	347.00
2	Old Glass Bottles	269.00	289.00	327.00
3.	PET	261.00	282.00	320.00

11. INCENTIVES FOR LOCAL MANUFACTURING OF WINE:

11.1 Winery License: A Winery License in form S-I shall be granted/renewed on the payment of license fee of Rs. 10,000/- per annum.

11.2 L-1W License: A local wine manufacturer from the State of Haryana shall be required to obtain a license in form L-1W to market its products in the State of Haryana. The L-1W license is granted and renewed at an annual fee of Rs. 1 Lac by the Excise Commissioner. The L-1W licensee shall make its supplies to the L-1s of the State. Further excise duty levied on wine shall be paid by L-1W licensees while obtaining permits.

11.3 Sale of wine at Winery (License S-1A):

To promote consumption of wine in comparison to hard liquor, a separate license in form S-1A for retail sale of wine shall be granted to the local wineries of the State for selling their own indigenously manufactured products in the adjoining premises of the winery. The stock of wine under this license shall be duty paid stock. An annual license fee of Rs. 5000/- shall be charged for this license.

11.4 Wine tasting at Winery (License S-1B):

A separate license in form S-1B for "Wine Tavern", meaning a place for consumption of own indigenously manufactured wine, with or without eatables, on the premises of S-1A licensee, shall be granted to the license holder of S-1A license, at an annual license fee of Rs.1000.

12. MISCELLANEOUS PROVISIONS

12.1 INTRODUCTION OF HOLOGRAM ON COUNTRY LIQUOR AND IMFL BOTTLES:

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

12.2 GLASS BOTTLES:

To ensure use of glass bottles for country liquor as an institutional measure, the distilleries shall provide at least 18% of the total quota on demand to the licensees in new glass bottles. This 18% shall be

equally spread over all the distilleries, who are allotted quota equally and all of them comply with the provision.

12.3 INSTALLATION OF CCTV CAMERAS IN THE DISTILLERIES, BREWERIES AND BOTTLING PLANTS:

In order to monitor the manufacturing and bottling operations and dispatches of liquor, the CCTV cameras shall be installed in the Distilleries, Breweries and Bottling Plants in the State. The position of the cameras shall be identified and checked by DETC (Ex) on fortnightly basis. The distillery/ brewery / bottling plant shall make available the CCTV footage, in an electronic format every month, to the office of the Collector. The permits and passes shall be issued online by the Department.

12.4. HOURS OF OPERATION FOR DISPATCHES IN THE DISTILLERIES, BREWERIES AND BOTTLING PLANTS:

The hours of operation for dispatches from distilleries, breweries and bottling plants shall be limited from 09:00 hours to 17:00 hours.

12.5. STRENGTH OF COUNTRY LIQUOR AND IMFL:

Country Liquor of the strength of 50⁰ proof and IMFL of 75⁰ proof shall be allowed in the state of Haryana. However, IMFS below 75⁰ proof may be allowed with the permission of Excise & Taxation Commissioner, Haryana.

12.6 Value Added Tax (VAT):

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

12.6.2 Notwithstanding anything contained in the foregoing para, VAT shall also be levied on all types of liquor sold by Bar licensees (L-4/L-5/L-12C/L-12G), L-10C, Pub licensee L-10E and L-4A.

12.6.3. The rate of VAT shall be as under:-

VAT shall be charged at the incidence of sale in the State when sold for the first time in the state at the hands of distilleries in the case of country liquor, L-1B & L-1AB in the case of IMFS; L-1-B1, L-1W & L-1-AB-1 in the case of beer & wine; L-1AB-A for RTB at the following rates:

- | | | |
|-------|--------------------|------------------------|
| (i) | Country Liquor | 13% + Surcharge @ 5% |
| (ii) | Beer, RTB and Wine | 13.5% + Surcharge @ 5% |
| (iii) | IMFL | 14% + Surcharge @ 5% |

No Input Tax Credit (ITC) shall be admissible for the above mentioned categories to subsequent sellers.

(iv) VAT shall be charged @ 33% alongwith surcharge @ 5% when IFL (BIO) is sold for the first time in the state of Haryana except bar licensees. No Input Tax Credit shall be admissible to any buyer subsequent to L-1BF.

(v) VAT shall be charged @18% along with surcharge @5% on all types of liquor when sold by Bar and Pub licensees- L-4/L-5, L-12C, L-12G, L-10E, L-4A and L-10C on beer from microbrewery.

12.7 DRY DAYS:

Liquor licensees shall keep their vend closed as per the schedule given below:-

- i) On Republic Day (26th January), Independence Day (15th August), Mahatma Gandhiji'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 notified by Election Commission of India or State Election Commission 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.

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

12.8 HOURS OF SALE:

The sale hours at retail outlets of liquor shall be observed as under:-

In Rural Areas

Sale Hours are 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.

12.9 EXCISE ARRANGEMENTS:

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

12.10 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. Thanesar will remain as defined vide notification dated 19th September, 2002 subject to the areas excluded vide notification dated 23rd April, 2003.

12.10A EXTENDING BOUNDARIES OF MUNICIPAL CORPORATION/MUNICIPAL COMMITTEES/ COUNCILS:

For the purpose of determination of command area of the rural country liquor/ IMFL vends, the municipal limits will be deemed to be as they were as on 31.03.2015. Accordingly, the liquor vends situated outside such un-extended old M.C. limits before 31.03.2015 shall be treated as rural liquor vends and will be entitled to have a command area for opening sub-vends.

12.11 COMPENSATION:

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

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

The municipal bodies shall be paid @ Rs. 5/- per bottle of C.L of 750 ml. or equivalent, Rs. 7/- per bottle of IMFS of 750 ml. or equivalent and Rs. 3/- per bottle of beer of 650 ml. capacity or equivalent. A similar provision shall be applicable to Gram Panchayats, Panchayat Samitis and Zila Parishads on sale of C.L, IMFL in their respective jurisdiction. This payment shall be subject to the condition that the local bodies shall not impose any tax/ octroi or levy on C.L, IMFL within their jurisdiction. This payment shall be made from the State exchequer. The ratio for sharing the said payment among Gram Panchayats, Panchayat Samitis and Zila Parishads shall 70:20:10.

Provided that penal action may be recommended against such a Gram Panchayat where a resolution of the Gram Panchayat has been accepted under section 31 of the Haryana Panchayati Raj Act, 1994 and within whose jurisdictional area instance(s) of illegal or illicit sale of liquor are reported.

Rupee one per bottle on sale of beer shall be provided as financial support to encourage barley cultivation among farmers of Haryana through Agriculture Department.

12.13 PAYMENT TO SPORTS DEPARTMENT:

Rupee one per bottle on the sale of Country Liquor, IMFS and Beer shall be provided for the promotion of sports activities in the State.

12.14 SAMPLE BY HEALTH DEPARTMENT:

Sampling of liquor by Health Department shall be done jointly with officers of the Excise and Taxation Department not below the designated level and sampling process shall be videographed.

12.15 TRANSIT SLIPS:

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

12.16 POSSESSION/ TRANSPORTATION LIMIT FOR CL & IMFL:

The possession limit for an individual is as indicated in the following 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 IMFL- 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 defence personnel, the possession limit shall be as decided by the Army authorities.

12.17 PROVISION OF SPACE FOR RUNNING OF VENDS IN URBAN AREAS:

The Government and its agencies shall strive to provide spaces to the licensees for running of vends in urban areas wherever required and available at reasonable rates for operating liquor vends in pre-fabricated structures.

12.18 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).

12.19 POLICE AUTHORITY TO INSPECT THE VEND:

A police officer not below the rank of Deputy Superintendent of Police can check the excise vends after taking an Excise Officer along with him.

12.20 GRANT OF ADDITIONAL GODOWNS:

Additional godown shall be granted in exceptional cases on extra fee of Rs. two lac, within one hundred meters of an existing vend. Additional godown have to comply with all the regulations and stipulations of opening retail outlets with regard to location. Additional godown shall also be allowed to L-1, L-13, L-1B, L-1B1, L-1AB, L-1AB1 & L-1BF licensees for storage of IMFS/Beer/Country Liquor on the same set of conditions.

12.21 ENFORCEMENT WING OF THE DEPARTMENT:

An Enforcement Wing may be created within the department, at the Head Office as well as in all the District Excise Offices. This may comprise of one officer of the rank of DIG at the Head Office, aided by four DSPs, and a team of four to six police officials at the level of SI/ASI alongwith necessary supporting staff at the District level. The police officers and officials shall be taken on deputation with the department. The DIG and his team at the Head Office shall report to the ETC and the team of police officials at the district level shall report to the DETC (Excise).

The enforcement wing shall be responsible for checking and curbing illegal sale, transportation, possession and manufacturing of all types of liquor and intoxicants in the State of Haryana, as per the provisions of the Punjab Excise Act, 1914 and Rules framed thereunder as well as NDPS Act, 1985 and its Rules.

12.22 POWER TO REMOVE DIFFICULTIES:

If any difficulty arises in giving effect to the provisions of the Excise Policy, the Government, with the approval of the Chief Minister, may, by order, make such provisions, including any adaptation or modification of any provision of this Policy, as appear to the Government to be necessary or expedient for the purpose of removing such difficulty.

Sd/-

(Shyamal Misra)

Excise and Taxation Commissioner, Haryana