

GOVERNMENT OF ODISHA  
EXCISE DEPARTMENT

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No. 2011 / Ex., Dated, Bhubaneswar, 31<sup>st</sup> March, 2014  
I Ex-35/2013

From

Shri S.P. Thakur, IAS  
Principal Secretary to Government

To

The Excise Commissioner,  
Odisha, Cuttack

**Sub: EXCISE DUTY, FEE STRUCTURE AND GUIDELINES FOR THE YEAR 2014-15.**

Sir,

I am directed to invite a reference to your letter No.6299 dated 04.12.2013 on the above subject and to say that Government after careful consideration have been pleased to decide to adopt the Excise Duty, Fee Structure and Guidelines for settlement of Excise Shops and establishments for the year 2014-15 in the following manner:-

**1. LICENCE FEE FOR BREWERIES.**

Licence may be renewed for the year 2014-15 on payment of licence fees as follows.

Sl. No.	Production capacity (in Bulk Liters)	Annual Licence Fee (₹ in Lakhs)
1.	Up to 1,20,00,000	₹ 72.00
2.	1,20,00,001 to 1,80,00,000	₹ 96.00
3.	1,80,00,001 to 4,00,00,000	₹ 132.00
4.	4,00,00,001 and above	₹ 156.00

**2) BOTTLING FEES (FORM NO.F.L. 14)**

- i. @ ₹ 7.00 per BL of BEER manufactured
- ii. @ ₹ 8.00 per BL of Beer manufactured of brands other than the own brand.

**3) LICENCE FEE FOR DISTILLERIES & BOTTLING UNITS.**

**COMPOUNDING AND BLENDING (ONE OR MORE OPERATIONS).**

Licence may be renewed for the year 2014-15 on payment of license fees as follows:

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(a) License fee for Distilleries

Sl. No.	Production capacity (In Proof Liters)	Annual Licence Fee (₹. In lakhs)
1.	Upto 10,00,000	₹ 18.00
2.	10,00,001 to 30,00,000	₹ 40.00
3.	30,00,001 to 60,00,000	₹ 54.00
4.	60,00,001 to 1 Crore	₹ 68.00
5.	1 Crore one and above	₹ 90.00

(b) License fee for Bottling Units (Compounding and Blending)

Sl. No.	Production capacity (In Proof Liters)	Annual Licence Fee (₹. In lakhs)
1.	Upto 10,00,000	₹ 18.00
2.	10,00,001 to 30,00,000	₹ 40.00
3.	30,00,001 to 60,00,000	₹ 54.00
4.	60,00,001 to 1 Crore	₹ 68.00
5.	1 Crore one and above	₹ 90.00

4) **BOTTLING FEES FOR IMFL.**

1	Bottling fee in respect of own brand.	₹.8.00 per LPL of IMFL manufactured.
2	Bottling fee in respect of brands other than own brand	₹ 13.00 per LPL of IMFL manufactured.

5) **ANNUAL LICENCE FEE FOR E.N.A. COLUMNS - ₹ 7.20 lakh**

6) **ANNUAL LICENCE FEE FOR WINE PRODUCING UNITS - ₹ 2.40 lakh**

7) **APPLICATION FEE (NON-REFUNDABLE) FOR GRANT OF LICENCE FOR BREWERY, WINERY, BOTTLING UNITS, DISTILLERY ETC. - ₹ 90,000/-**

8) a. **Application fee (non-refundable) for renewal of licence of Brewery Distillery, Bottling Units etc. - ₹ 36,000/-**

b. **Application fee (non-refundable) for grant of NOC/ Extension of NOC for establishment of new Distilleries/ Bottling Unit. - ₹ 36,000/-**

9) The MGQ for lifting and use of molasses by the Distilleries shall be fixed at the formula at par with last year. In case of short lifting, the unit has to pay utilization fee as fixed by the Govt. from time to time.

*S. S. Shrivastava*  
a) Licence fees for Trading on Molasses - ₹ 3,60,000/-

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- b) Units using molasses for other than Distilleries i.e. for industrial purposes will pay an Annual Licence Fee of ₹ 1,20,000/-.
- c) Units using molasses for cattle feed purposes will pay an Annual Licence Fee of ₹ 24,000/-.
- d) License fee for trading of molasses for Industrial purpose of ₹ 6,00,000/-.
- e) The application fee (Non-refundable) in respect of licenses for the above purpose shall be ₹ 12,000/- except for Trading for which the application fee shall be ₹ 24,000/-.
- f) "Gudakhu" and similar small scale purpose, arrival license fees will be ₹ 36,000/-.

**10) EXCISE DUTY ON IMFL AND BEER.**

1)	BEER	STRENGTH	EXCISE DUTY
a)	Beer made in India	Up to 5% v/v Above 5% v/v	₹ 30/- Per BL ₹ 30/- per BL
b)	Beer Imported from Foreign Countries		₹ 30/- Per BL
c)	Draught Beer	Up to 5% v/v Above 5%v/v	₹ 30/- Per BL ₹ 30/- Per BL
d)	Diet Beer	Up to 5% v/v Above 5%v/v	₹ 30/- Per BL ₹ 30/- Per BL
e)	Canned Beer	Up to 5% v/v Above 5%v/v	₹ 30/- Per BL ₹ 30/- Per BL
f)	Breezer/ Low Alcoholic Beverage	Up to 5% v/v	₹ 30/- Per BL

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2)	IMFL	Strength	Excise Duty
a)	India made Whisky, Gin, Rum, Brandy and Vodka (Landing cost at Odisha State Beverages Corporation less than ₹ 850/- per case)	75 <sup>0</sup>	₹ 204/- per LPL
b)	India made Whisky, Gin, Rum, Brandy and Vodka(Landing Cost at Odisha State Beverages Corporation between ₹851/- to 1500/- per case)	75 <sup>0</sup>	₹ 240/- per LPL
c)	India made Whisky, Gin, Rum, Brandy and Vodka(Landing Cost at Odisha State Beverages Corporation between ₹.1501/- to 2500/- per case)	75 <sup>0</sup>	₹ 270/- per LPL
d)	India made Whisky, Gin, Rum, Brandy and Vodka (Landing cost at OSBC at ₹.2501/- or more per case.	75 <sup>0</sup>	₹ 300/- per LPL

e)	Whisky, Rum, Brandy, Gin and Vodka imported in bulk and bottled in India.	70 <sup>0</sup> – 80 <sup>0</sup>	₹ 420/- per LPL
f)	Liquor, Cordial imported in bulk and bottled in India.	60 <sup>0</sup>	₹ 270/- per LPL
g)	Wine imported in bulk and bottled in India.	12 <sup>0</sup> – 36 <sup>0</sup>	₹ 198/- per LPL
h)	India made wine.	40 <sup>0</sup> & below	₹ 66/- per LPL
i)	Canned IMFL	40 <sup>0</sup> and below	₹ 330/- per LPL

**11) FEES FOR LABEL REGISTRATION, IMPORT AND EXPORT OF IMFL/ BEER, RECTIFIED SPIRIT AND DENATURED SPIRIT, FRANCHISE FEE FOR IMFL AND VEND FEE ETC.**

A) Application fee for Label Regd.: Beer per Brand ₹ 24,000.00

B) -do- : IMFL Per Brand Pack Size ₹ 18,000.00

**12) LABEL REGISTRATION FEE:-**

- i) Foreign Liquor (Imported from beyond Custom barrier)- ₹ 60,000/- per label per annum.
- ii) Foreign Liquor imported in bulk and bottled in India. – ₹ 60,000/-per label per annum.

**A) IMFL / BEER supplied to OSBC per annum  
(January to December of preceding year)**

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*21/2/14*

i) Upto 10000 cases per annum	-	₹ 60,000/- per label per annum
ii) From 10001 to 20000 cases per annum	-	₹ 72,000/- per label per annum
iii) From 20001 to 40000 cases per annum	-	₹ 95,000/- per label per annum
iv) From 40001 to 70000 cases per annum	-	₹ 1,44,000/-per label per annum.
v) From 70001 to 1,00,000 cases per annum	-	₹ 1,92,000/-per label per annum.
vi) From 1,00,001 and above	-	₹ 2,64,000/-per label per annum

B) LABEL REGISTRATION FOR MILITARY CANTEENS. ₹ 12,000/- per Label

C) LABEL REGISTRATION FOR WINE (manufactured in India) ₹ 12,000/- per Label

D) Import fee on R.S / ENA ₹ 6.00 per BL

E) Export Fee on Rectified Spirit/ENA ₹ 4.00 per BL

- F) Import fee on Ethanol/Power spirit for blending in petrol ₹ 0.30 per BL
- G) Transport Fee on Rectified Spirit/ ENA for preparation of IMFL or CS. ₹ 5.00 per BL
- H) Transport Fee on Rectified Spirit/ENA for purposes other than preparation of IMFL or C.S. ₹ 7.00 per BL
- I) Import, Export & Transport fee on Denatured Spirit. ₹ 6.00 per BL
- J) Import, Export & Transport fee on Methanol for Industrial use. ₹ 4.00 per BL

**K) ANNUAL LICENCE FEE ON DENATURED SPIRIT / METHANOL**

a)	D.S.-I	₹ 24,000/-per annum
b)	D.S.-II	₹ 18,000/-per annum
c)	D.S.-III (Carpentry)	₹ 14,400/- per annum
d)	D.S.-III (Industrial use)	₹ 24,000/- per annum
e)	Excise Duty on D.S supplied to agencies other than Government organization within the State.	₹ 5.00/- per BL

L)

a)	Import fee on Beer	₹ 12/- per BL
b)	Import fee on IMFL	₹ 24/- per LPL
c)	i) Vend fee on foreign liquor imported into India from outside the Country (Not bottled in India)	₹ 360/- per LPL
	ii) Vend fee on Beer imported into India from outside the country	₹ 18/- per BL
	iii) Vend fee on wine imported into India from outside the Country	₹ 12/- per BL

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**13) LICENCE FEE.**

- (a) All the Depots established by the OSBC will pay an amount of ₹ 15 lakhs each per annum towards annual Depot licence fee for storage of IMFL/ Beer.. The Collector of concerned districts will issue depot licences. OSBC will open at least 12 more Depots.

- (b) In addition to the above, OSBC will pay separate license fee of ₹ 10 lakhs each per annum towards annual Depot license fee for storage of C.S. where Country Spirit is prevailed.

**14) IMFL 'ON' SHOPS AND BEER PARLOURS.**

All the existing IMFL "ON" and Beer Parlours (ON) licences may be renewed for the year 2014-15 on payment of the annual licence fee indicated below provided they fulfil all the stipulated conditions, with the MGQ noted against each category:-

Sl. No	CATEGORY OF THE HOTEL	M.G.Q.		LICENCE FEE
		IMFL	BEER	
1.	Three Star Hotels and above	75 LPL	200 BL	₹ 5.00 lakhs
2.	Hotels in Six major cities namely Cuttack, Bhubaneswar, Puri, Sambalpur, Rourkela and Berhampur with lodging.	100 LPL	300 BL	₹ 6.00 lakhs
3.	For other Urban Areas with lodging.	100 LPL	300 BL	₹ 5.00 lakhs
4.	Hotels & Restaurants without lodging	150 LPL	400 BL	₹ 7.20 lakhs

- i) New 'ON' License for Star Hotels, other Hotels with or without Lodging accommodation and duly financed by Banks and other recognized agencies may be allowed with above License Fee.
- ii) License fee for Beer Parlour (ON) shall be at ₹ 3.60 lakhs in six major cities namely Cuttack, Puri, Bhubaneswar, Sambalpur, Rourkela and Berhampur, ₹ 3.00 lakhs in other urban areas and ₹ 2.50 lakhs for rural areas.
- iii) 'ON' license may be granted to O.T.D.C / I.T.D.C Hotels at half the rates applicable as above for license fee based on where the said Hotels are located. The Hotels of OTDC/ ITDC and tourism Department leased out to private individuals may not be allowed such concessions.
- iv) The Beer Parlour "ON" may be allowed to sell Wine.
- v) All Beer Parlour "ON" may lift minimum 10 LPL wine per month.
- vi) The MGQ of Beer Parlour in Urban areas shall be 700 BL per month and in rural areas, 600 BL per month.
- vii) The licence fee of 'ON' shops may be realized in two equal instalments.
- viii) The MGQ fixed earlier in respect of 'ON' shops, if more than the MGQ now fixed, shall not be reduced.

**15) IMFL 'ON' CLUBS AND MILITARY CANTEEN**

- A) The existing licences of 'ON' Clubs shall be renewed with a licence fee on the basis of consumption during the year 2013-14 as follows:-

*A. Thakur*  
*31/07/14*

	CONSUMPTION	LICENCE FEE
i)	Up to 500 LPL per month	₹ 1.80 lakh per annum
ii)	501 LPL to 800 LPL per month	₹ 2.40 lakhs per annum
iii)	801 LPL and above per month	₹ 3.00 lakh per annum

- (B) In addition to above, Military Canteen shall pay composite label Registration Fee and User Charges and non-refundable Application Fee at the time of new / renewal of license for the year 2014-15.
- (C) New licences to ON Clubs may be granted on fulfilment of the following conditions.
- The Clubs must be a registered club under the Societies Registration Act / any other law for the time being in force.
  - The Club must be at least 50 permanent members.
  - The Club must be having facility of outdoor games like Tennis and badminton etc and at least Indoor games of two or more.
  - There must be adequate facilities for food and drinks.
- (D) Licence fee for Military Canteens may be renewed on payment of annual licence fee of ₹ 10,000/- The Superintendents of Excise will issue the permits only after obtaining the strength of the Unit/Cantonment and the norm of supply.
- (E) The application fee for all kinds of 'ON' shops and Beer Parlour (Non-refundable) shall be ₹ 50,000/- and for renewal of the said shops the application fee shall be ₹ 50,000/-.
- (F) The Composite Label Registration Fee of ₹.10,000/- per annum and User Charges of ₹ 5,000/- per annum shall be realized from each Military Canteen for new/ renewal of license for the year 2014-15.

**16) LICENCE FEE FOR M & T.P. UNITS**

The existing licence fee and policy will continue for 2014-15 by way of renewal of licences or as may be decided by the Central Government.

**17) LICENCE FEE FOR BONDED WAREHOUSE OF MANUFACTURING COMPANIES.**

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*31/3/14*
- The existing licenses of the Bonded Warehouse of manufacturing companies, license fee shall be ₹ 8.00 lakhs per annum for the year, 2014-15.
  - In case Distilleries, the Unit has to pay annual license fee of ₹ 6.00 lakhs per annum towards storage of spirit in the premises of the Unit for possession and sale.

**18) LICENCE FEE ON WHOLESALE DISTRIBUTION.**

The wholesale license of Odisha State Beverages Corporation may be renewed for 2014-15 on payment of a licence fee of ₹ 125.00 Crores per annum.

**19) BHANG/ TARI / POCHWAI SHOPS**

All the existing licences of Bhang, Tari & Pochwai shops shall be renewed for the year 2014-15 with 20% increase over and above the existing consideration money after observing the formalities in this regard.

In case any existing Bhang, Tari and Pochwai shops remain unsettled, the Collector may take steps for settlement of the same by way of inviting fresh applications. In case more than one applications are received, the shops will be settled by way of draw of lottery.

The Excise Duty on Bhang shall be ₹ 300/- per Kg.

New / renewal of all types of above shops, non-refundable application fee shall be ₹ 1000 per annum.

**20) COUNTRY SPIRIT SHOPS: -**

- a) The licensee of existing C.S. shop will be granted extension for four months i.e. April, 2014 to July, 2014 with a hike of 20% in Consideration Money and thereafter C.S. shops will be settled by e-Auction for the year 2014-15 as per the Policy already approved by the Cabinet.
- b) The excise duty of Country Spirit may be fixed @ of ₹ 26/- per LPL.
- c) M.G.Q of Country Spirit: @ 65 LPL per 1000 Rupees of Consideration Money.
- d) In case any existing Country spirit shops remain unsettled the Collector may take immediate steps for settlement by e-Auction.
- e) Unsettled Country Spirit shops in the relevant districts may be given to Aska Co-Operative Sugar Industries Ltd. (ACSI), Odisha Small Scale Industries Corporation (OSIC), Odisha Tourism Development Corporation (OTDC) and other State Government Undertakings and Co-operative Organization at the reserve price fixed by the Govt., if the same is not settled by the prescribed process during the year. However, they will operate these shops under their own management. They will not be allowed to sub-lease these shops under any circumstances.
- f) The application fees (Non-refundable) for new License of C.S. shops shall be ₹ 24,000/- and for renewal, it shall be ₹ 18,000/-.
- g) Country Sprit of 40 degree UP strength of 200 ML will be supplied and sold in glass or Pet bottles.
- h) The PET bottle must conform to Food Grade Plastic specified in rule 49 (5) (v) of the prevention of Food Adulteration Rules, 1955.
- i) The Licence fee for manufacture and supply of Country Spirit will be 30.00 lakh per annum.
- j) Bottling Fee at the rate of ₹ 0.30 per Glass bottles will be charged.
- k) Before supplying the Country Spirit in Glass Bottles the manufacturer will have to get the labels registered and the label registration fee of ₹ 18,000/- per annum per label will be charged.
- l) The authorized supplier of C.S will be penalized to the extent of ₹ 10 lakhs, if he fails to make timely delivery of C.S supply.
- m) In each district where Country Spirit is prevalent, a Committee for prevention of illicit liquor should be formed with Collector as Chairman Superintendent of Police as the Vigilance Officer and the Superintendent of Excise as the Convener-Cum-Secretary. The Committee will review

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*31/7/14*



from time to time regarding the functioning of the Country Spirit shops and formulate strategies to prevent illicit distillation of liquor and detect the sources of spurious and non-duty paid liquor.

**21) OUT-STILL SHOPS.**

- a) The licenses of all the existing Out Still shops operating in 21 districts namely, Sambalpur, Bargarh, Jharsuguda, Deogarh, Sundargarh, Bolangir, Sonapur, Kalahandi, Nuapara, Boudh, Koraput, Rayagada, Malkanagiri, Nabarangpur, Angul, Keonjhar, Mayurbhanj, Ganjam, Berhampur, Gajapati and Dhenkanal shall be renewed for a period of four months w.e.f April, 2014 to July, 2014 with 20% increase over and above the existing consideration money and while renewing VAT clearance may be called for.
- b) In case any existing O.S systems remain unsettled the Collector may take immediate steps to settlement of the same in prescribed manner.
- c) The Collectors may allow (10) ten branch shops to be operated by each exclusive privilege holder with a monthly licence fee of ₹ 10,000/- per branch shop up to 5 branch shops & ₹ 6,000/- for each of the subsequent branch shops.
- d) Persons interested to apply shall have to deposit a sum of ₹ 30,000/- towards non-refundable application fee for new licenses and ₹ 25,000/- for renewal.
- e) The utilization fee of Mahua Flower will be ₹ 390/- per quintal.
- f) Any shop once settled and starts functioning shall not be shifted ordinarily within a given financial year.
- g) In the notice inviting applications for settlement of O.S. shops through lottery, the MGQ shall be 1.5 Qtl. of Mahua Flower per 1000 rupees of consideration money.

**22) IMFL OFF SHOPS:**

- a) The licensees of existing IMFL 'OFF' shops of 2013-14 will be granted extension for four months i.e. April, 2014 to July, 2014 with a hike of 20% in Consideration Money and thereafter IMFL 'OFF' shops will be settled by e-Auction for the year 2014-15 as per the Policy already approved by the Cabinet. In case the shops remain unsettled the same will be settled by way of re-e-Auction. Those shops which remain unsettled may be allowed to run by other Government agencies and Co-operative organizations with the license fee as decided by the Govt.
- b) Persons interested to apply have to deposit a sum of ₹ 50,000/- towards non-refundable application fee for new licenses and ₹ 50,000/- for renewal.
- c) Any shop once settled and starts functioning shall not be shifted ordinarily within the financial year.
- d) The M.G.Q of I.M.F.L Off shops shall be as follows :
  - I. FOR URBAN AREAS - 30 LPL of IMFL and 40 BL of Beer per ₹ 1000/- of Consideration Money.
  - II. FOR RURAL AREAS - 25 LPL of IMFL and 35 BL of Beer per ₹ 1000/- of Consideration Money.

*A. P. Sharma*  
*31/7/14*

**23) ENA BASED CHEAP LIQUOR:-**

Extra Neutral Alcohol (ENA) based cheap liquor will be introduced in the State during the year 2014-15. The excise duty, fee structure and other guidelines for introduction of ENA based cheap liquor will be prescribed separately.

**24) MAXIMUM RETAIL PRICE:**

Maximum Retail Price (MRP) will be displayed on each bottle of IMFL, Beer and Country Spirit and sold accordingly. The vendors will issue Cash Memo on demand to the consumers, failing which the vendors shall be penalized with fine upto ₹10,000/-.

- A. The MRP shall be decided on the principle of landing cost + all taxes / duties + OSBC Margin. + Retailer Margin.
- B. While the landing cost will be decided by the Price Fixation Committee and OSBC margin will be decided by OSBC Ltd., the Retailer margin will be decided in the following manner.

IMFL upto ₹ 850/- landing cost per case.	IMFL above ₹ 850/- landing cost per case	FMFL / Scotch	Beer
25%	20%	15%	25%

**25) FOREIGN MADE FOREIGN LIQUOR / IMPORTED WINE / BEER.**

- Importers or authorized representatives of foreign distilleries / company will register themselves with OSBC under intimation to Excise Commissioner, Odisha.
- They will be required to pay necessary registration fees to OSBC as may be specified.
- For sale of Foreign Made foreign liquor, Wine/Beer Made from imported base, OSBC will import the same, on request of authorized Representative / Importer, for supply to authorized vendors, who have made necessary registration of such labels.
- Authorized vendors will lift the material from OSBC depots. They will maintain a separate account of the sale and proceed of these products.
- All the IMFL shops having valid licence and permit may lift the Foreign Made Foreign Liquor, Imported Wine or imported Beer from OSBC Ltd. after paying composite registration charges of ₹ 6,000/- to the concerned district Collector.
- All other rules and procedures applicable to IMFL will also be applicable to Foreign Made Foreign Liquor.

*D. Pradhan  
31/3/14*

**26) MODEL WINE SHOP**

It is proposed to allow Model Wine Shops attached to Star Hotel & in Luxury Hotels / Shopping Malls & Complexes with Licence fee of ₹ 1,20,000/- only permitting sale of Wine and Low Strength Liquor / Beer below 5% V/V in order to

boost up sale of wine and Low Strength drinks in the State compared to hard drinks.

**27) MOHUA FLOWER UTILISATION, STORAGE, TRANSPORTATION AND EXPORT FEE.**

The license fee for the following items will be levied at the following rates:-		
a)	Utilisation fee per quintal of Mohua Flower.	₹ 390/-
b)	Mohua flower storage fee Upto 500 quintals.	₹ 6000/-
	501 to 1000 quintals	₹ 12,000/-
	1001 to 2000 quintals.	₹ 24,000/-
	2001 to 5000 quintals	₹ 48,000/-
	More than 5000 quintals	₹ 60,000/-
c)	Mohua Export Fee	₹ 120/-per quintal.
d)	Mohua Transportation Fee	₹18/- per quintal.
e)	Mohua Transportation Fee Outside the State	₹ 12/- per quintal.
f).	Mohua Import fee	₹ 18/- per quintal

**28) UTILIZATION FEE ON MOLASSES:**

The following fees are fixed as utilization of molasses during the year 2014-154.		
1.	Molasses Used for Distillery	₹156/- per Tonne.
2.	Molasses used for Industrial & other purposes	₹ 180/- per Tonne.
3.	Import Fee	₹ 90/- per Tonne.
4.	Export Fee	₹ 60/-per Tonne.
5.	Transport fee	₹ 24/- per Tonne
6.	Grains of any kind used for production of Sprit and ENA	₹ 210/ per Tonne.

**29) EXCISE ADHESIVE LABEL FEE/HOLOGRAM APPROVED BY GOVT.**

Polyester based hologram Excise Adhesive Label fee for each bottle on IMFL, Beer and C.S. pouch / bottles shall be 0.75 paise. Affixing of Polyester based hologram Excise Adhesive Label shall be compulsory. Non-affixture of Polyester based hologram Excise Adhesive Label by any Company will invite penalty of ₹ 50,000.00. Any retailer found selling any IMFL, Beer and C.S. without affixture of Polyester based hologram Excise Adhesive Label supplied by the Excise Administration shall invite penalty upto ₹ 50,000.00. The above fine will be in addition to other legal action as per law.

*C.P. Shrivastava*  
*31/7/14*

**30) EXCISE POLICY FOR TRIBAL AREA.**

Concessions granted in tribal areas to brew liquor for personal consumption and not for sale will continue. The provisions of Section 26-A of the Bihar and Odisha Excise Act 1915 requiring approval of Gram Sasan in the scheduled areas may be strictly followed

**31) DELEGATION TO COLLECTORS TO GRANT LICENCE.**

The Collector of the District would continue to exercise the powers to grant licence for exclusive privilege for retail sale of IMFL and Country Liquor / OS as per the delegation made vide this Department Notification No. 3308 dated 16.05.2001 where the consideration money achieved is equal to or more than the reserve price.

The Collector of the Districts will also issue licence for Bhang, Tari & Pochwai shops where the consideration money achieved is equal to or more than the reserve price.

In case of the unsettled IMFL Off, Country Spirit, Out Still, Bhang, Tari & Pochwai shops, the Collectors may record the reasons for non-settlement of these shops and furnish such proposals to Govt. through the Excise Commissioner for appropriate orders for settlement of these shops.

**32) EXCISE DUTY ON IMFL TO BE SUPPLIED TO TROOPS AND MILITARY BODIES.**

Sl. No	Name of the article	Strength	Unit for levy of duty	Rate of duty
i)	India made foreign liquor (Rum only), landing cost of which at Odisha State Beverages Corporation is less than ₹ 550/- per case and which is issued from the depots of Odisha State Beverages, Corporation to troops and military bodies in Odisha.		London Proof Litre.	₹ 96/-
ii)	IMFL (Rum only) landing cost of which at OSBC is ` 551/- and above.		-do-	₹ 120/-
iii)	India made foreign liquor other than Rum issued from the depots of Odisha State Beverages Corporation to troops and military bodies in Odisha.		-do-	₹ 132/-
iv)	India made Wine issued from the depots of O.S.B.C to troops and military bodies in Orissa.		-do-	₹ 30/-

*S. Prakash*  
*31/3/14*

**33) IMPORT AND TIE-UP OF IMFL.**

- a) There will be no purchase / import of brands of the manufacturers from outside Odisha who are having their tie-up and franchise with local units in Odisha.
- b) IMFL/ Canned IMFL will be sold in bottles of 1000ml, 750ml, 375ml, 180ml, 90ml and any other suitable size prevalent in National/ International market after label registration of the brand by the Excise Commissioner, Odisha.

- c) IMFL having proof strength upto 85 degree may be allowed for import and manufacture. A provision for higher duty for IMFL upto 85 degree proof strength shall be made and for the purpose additional duty of 10% over and above the prescribed Excise duty shall be levied / charged.
- d) Any unit may be allowed to enter tie up arrangement with the manufacturing units in Odisha.
- e) In addition to glass bottles, introduction of IMFL in PET bottles may be accepted in capacity of 1000 ml, 750 ml, 375 ml, 180 ml and 90 ml subject to conformation of CFTRI and ISI standards. Further, it shall be stored by OSBC Ltd. upto one year only, beyond which it shall be taken back by the manufacturer/supplier.

The strength of IMFL in PET Bottles shall not exceed 42.8% (V/V). PET bottles must conform to Food grade plastic specified in Rule 49(5)(v) of the prevention of Food Adulteration Rules, 1955.

**34) USER CHARGES.**

Each licensee and successful bidder / auction holder of IMFL/CS/O.S shops will pay a non-refundable user charge of ₹ 6000/- per annum per shop. The amount will be remitted to the consolidated fund of the State and such amount as and when required shall be released on recommendation of the Excise Commissioner for infrastructure and other welfare measures of the Excise administration.

**35) LABEL REGISTRATION.**

The retail licensees have to register the label of different brands of IMFL/BEER at the district level. Each retail licensee will deposit a composite label registration fee of ₹ 12,000/- (for each shop) per annum with the concerned Collector.

**36) ADVANCE CONSIDERATION MONEY:**

Advance consideration money 4 (four) months for the existing IMFL 'OFF'/ Country Spirit and 4 (four) months from the existing Out-Still / Tari / Pochwai and Bhang licensees shall be collected by 31.03.2014 who will apply for renewal of their licences. No licence shall be issued if the above is not complied with.

In addition to above, advance consideration money, each licensee has to pay interest free security deposit equivalent to one time of monthly consideration money in case of renewal of their license for the year 2014-15.

Provided that one month Consideration money should be treated as interest free security deposit instead of advance Consideration money to be refunded to the licensee if he is default free or else his default amount shall be realised or adjusted against the security deposit.

**37) EXCLUSIVE PRIVILEGE (E.P) AREA.**

The exclusive privilege area of all IMFL OFF shops shall be the specified location of the shop itself. The location of IMFL 'OFF' shop can be shifted to another place in the same locality with the prior approval of the Excise Commissioner, Odisha.

**38) EXPORT POLICY OF IMFL /BEER.**

The export Policy of IMFL and Beer may continue for 2014-15 with the same terms & conditions as approved by the State Govt. with revision from time to time, subject to the following:

- a) There shall be separate label registration for export items with the legend "Not for sale in Odisha". The label registration fee shall be extra @ ₹ 12,000/- per item / brand.
- b) A separate provision for warehouse to be made for storage of export brands and products on payment of warehouse charge of ₹ 60,000/-.
- c) For export brands the manufacturer will have to pay the additional licence fee of ₹ 1.20 lakh.
- d) The export fee shall be ₹ 2.40 per LPL of IMFL /BL of Beer and the bottling fee shall be ₹ 2.40 per LPL of IMFL / BL of Beer only.
- e) It has been decided to ensure that Breweries in Odisha should utilize their capacity to the full and the surplus produce may be allowed to be exported. Accordingly, the Excise Commissioner will propose an export policy.

*Handwritten signature and date:*  
A. S. Sharma  
31/3/14

- 39) New Distilleries, Breweries, Winery and Bottling units will be encouraged.
- 40) Before grant or renewal of license for exclusive privilege, the provisions of sections 22 and 26-A of the Bihar and Odisha Excise Act, 1915 will be complied with in relation to public notice and approval of the Gram Panchayat respectively.
- 41) No person shall have a right of renewal of license or exclusive privilege but such renewal shall be subject to the fulfilment of terms and conditions and the provisions of law to the satisfaction of the competent authorities under the Act.
- 42) With a view to benefiting farmers of the State, the excise duty on Beer with at least 75% Sorghum content will be given 25% concession.
- 43) At the time of renewal, the Collector will consider and recommend the change of location of shops where serious objections have been received after due enquiry.
- 44) New excise shops will be opened on the basis of need and to cover vacuum areas as assessed and recommended by the Collectors.
- 45) The Excise Commissioner/ all Collectors/ all Excise Deputy Commissioners should take up regular checks and raid to detect illicit distillation or manufacturing of spurious liquors and collection of excise revenue and action should be taken against the offenders under excise law.

- 46) The Excise Commissioner should explore more innovative proposals during the year to bring in more revenue.
- 47) Detail procedure for e-Auction for IMFL 'OFF' shops and C.S. shops will be issued separately after disposal of pending SLP in the Hon'ble Supreme Court of India.

Yours faithfully,

*[Signature]*  
Principal Secretary to Government 31/3/14

Memo No. 2012 / Ex., Dated 31/3/14  
Copy forwarded to the Secretary, Board of Revenue, Odisha, Cuttack/ all Collectors/ All Deputy Commissioners of Excise/ all Superintendents of Excise for information and necessary action.

*[Signature]*  
Additional Secretary to Government 31.3.14

Memo No. 2013 / Ex., Dated 31/3/14  
Copy forwarded to the Additional Chief Secretary, Finance Department for information and necessary action.

*[Signature]*  
Additional Secretary to Government 31.3.14

Memo No. 2014 / Ex., Dated 31/3/14  
Copy forwarded to the Private Secretary to Chief Minister/ P.S. to Minister, Excise/ O.S.D to Chief Secretary/ P.S. to DC-cum-A.C.S. for kind information of Hon'ble Chief Minister, Hon'ble Minister, Excise, Chief Secretary and D.C.-cum-A.C.S.

*[Signature]*  
Additional Secretary to Government 31.3.14

Memo No. 2015 / Ex., Dated 31/3/14  
Copy forwarded to the Managing Director, OSBC Ltd., Bhubaneswar for information and necessary action.

*[Signature]*  
Additional Secretary to Government 31.3.14

Memo No. 2016 / Ex., Dated 31/3/14  
Copy forwarded to the Head State Portal, IT Centre, Secretariat Building/ Prasanta Senapati, DEO, Excise Deptt. for information and necessary action.

*[Signature]*  
Additional Secretary to Government 31.3.14