

GOVERNMENT OF ODISHA  
EXCISE DEPARTMENT

No. 1393 / Ex., dated 28.03.2022 \*\*  
IIEx-180/2021

From

Shri S.B.K.Pradhan,  
Additional Secretary to Government

To

The Excise Commissioner,  
Odisha, Cuttack.

Sub:

Excise Policy (Excise Fee, Duty and Margin Structure along with  
Regulatory Guidelines) for the year 2022-23.

Sir,

I am directed to say that Government, after careful consideration,  
have been pleased to approve the Excise Policy (Excise Fee, Excise Duty and  
Margin Structure along with Regulatory Guidelines) for the year 2022-23. The  
Excise Policy (Excise Fee, Duty and Margin Structure along with Regulatory  
Guidelines) for the year 2022-23 so approved is enclosed for necessary action.

Yours faithfully,

Encl : As above

  
28-3-2022

Additional Secretary to Government

Memo No. 1394 / Ex Dated 28.03.2022

Copy forwarded to All Collectors/All EDCs/All Supdts. of Excise for  
information and necessary action.

  
28.3.2022

Additional Secretary to Government

Memo No. 1395 / Ex., dated 28.03.2022

Copy forwarded to the Principal Secretary to Government, Finance  
Department for information and necessary action.

  
28.3.2022

Additional Secretary to Government

Memo No. 1396 / Ex Dated 28.03.2022

Copy forwarded to the Private Secretary to Chief Minister/ P.S to  
Minster, Excise / OSD to Chief Secretary / PS to DC-Cum-ACS for kind  
information of Hon'ble Chief Minister/ Hon'ble Minister, Excise / Chief Secretary,  
Odisha / DC-Cum-ACS, Odisha.

  
28-3-2022.

Additional Secretary to Government

**Memo No** 1397 / **Ex Dated** 28.03.2022

Copy forwarded to the Managing Director, OSBC Ltd., Bhubaneswar for information and necessary action.

  
28-3-2022

**Memo No** 1398 / **Ex Dated** 28.03.2022 Additional Secretary to Government

Copy forwarded to the Head, State Portal, IT Centre, Lok Seva Bhawan Building for information and necessary action.

  
28.3.2022

Additional Secretary to Government

**GOVERNMENT OF ODISHA  
EXCISE DEPARTMENT**

*Excise fee, Excise Duty & Margin Structure along with Regulatory Guidelines for the year 2022-23*

1. PREAMBLE

The guidelines related to Excise fee, Excise Duty & Margin Structure along with Regulatory aspects aims at striking a balance between 3 key objectives:

- a. Financial: Plugging revenue gap through appropriate policy and Enforcement measures and also by boosting farmers' income.
- b. Social : Ensuring supply of legitimate goods to meet consumer demand and minimize the social cost of consumption through premiumization.
- c. Responsible: Creating awareness among people on impact of alcohol abuse and inculcating a sense of responsibility among consumers.

These guidelines shall be in force from 01.04.2022 to 31.03.2023.

The salient features are as follows:

These guidelines seek to improve the efficiency of process associated with manufacture, import, export, transport and sale of alcoholic beverages while attaching due priority to health and well being of the citizens of the State. The key features are as follows;

1. There has been nominal increase in License Fee, MGQ, Application Fee for Manufacturers, Suppliers as well as Retailers in this year's Policy.
2. In order to reduce disparity in MRP with neighbouring states and also to promote high quality Foreign Made Foreign Liquor and low strength wine the duty on Wine and FMFL has been reduced. However, Excise Duty for IMFL & Beer has been kept unchanged.
3. Observing the encouraging response of Premium "OFF" shops opened in BMC & CMC areas in 2021-22, some more Premium "OFF" shops have been introduced in Bhubaneswar Municipal Corporation, other Municipal Corporations and selected Municipalities.



4. In order to encourage low alcoholic drinks, the microbrewery policy has been redesigned. A separate License Fee slab for standalone Micro Brewery has been introduced without Restaurant "ON" License.
5. In order to improve compliance the fees for Temporary Bar License has been reduced. Similar Fee for Additional Bars in "ON" shops has been rationalized.
6. In order to promote Ease of Doing Business, the emphasis on Automation of various processes like issue of permit/ Passes/ Licenses/ Payments will continue under 5T Action Plan of Government of Odisha.
7. Enforcement activities will be further strengthened through improved intelligence collection, better infrastructure and resources, enhanced deployment of enforcement staff as well as use of technology for monitoring and supervision.
8. In order to restrict entry of inexperienced suppliers or Brands with unverified credentials in Odisha market, certain qualifying criteria for Brand Registration has been introduced in this year's Policy.

#### Structure of Excise Policy, 2022-23

The Excise Policy documents has been divided into three parts for better appreciation.

- Part- A : Describes all the fees (Excise License Fee/ Application Fee/ Registration Fee/ Penalty etc) covering production, wholesale and retail trade in alcoholic beverages.
- Part- B : Describes the Excise duties/ Countervailing duties/ vend fees on alcoholic beverages along with administered profit margins of retails.
- Part - C : Describes key regulatory measures/ guidelines.

## 2. PART- A

This section describes various fees related to application, renewal, registration etc. imposed on manufacturers/ suppliers, wholesalers & retailers. To clarify, Country Liquor is the terminology used for liquor which does not fall under the category of Beer & Foreign Liquor (including India Made Foreign Liquor/ Ready- To-Drink/ Low-Alcoholic-Beverages) and Wine. ENA based Country Liquor manufactured by private players as well as by ACSIL, Mohua based Beer or liquor supplied through OSBC fall under the definition of Country Liquor (CL) and sold through OSBC. Liquor made from

Mohua flower in Out-Still units & sold through Out-Still shops shall also fall under the category of Mohua based Out Still Country Liquor.

## 2.1 All Types of Application Fees, Registration Fees & Penalties

SL	Category (non-refundable)	Amount (₹)
1	Application fee for granting new/ renewal of License for Brewery/ winery/ Distillery/ bottling units in the State	1,00,000
2	Application fee for granting new/ renewal of License for a Micro-Brewery	30,000
3	Application fee for granting new/ renewal of licenses for trading of molasses	50,000
4	Application fee in respect of licenses for new/ renewal of units using molasses for purposes other than trading	30,000
5	Application fee for label registration per label per annum (for all types of alcoholic beverages)	10,000
6	Application fee in respect of new/ renewal of Foreign Liquor 'OFF' Shops, Foreign Liquor 'ON' Shops (all categories), Country Liquor shops	1,10,000
7	Application fee in respect of new/ renewal of Out-Still units	1,30,000
8	Application fee in respect of new/ renewal of Military Canteen Licenses	20,000
9	Application fee in respect of new/ renewal of Bhang, Tari, Pochwai shops	2,000
10	Annual Composite Label registration fee for FL'OFF' Shops, FLON (all categories) for sale of all brands through the shop	40,000
11	Annual Composite Label registration fee for Country Liquor shops for sale of all brands through the shop	35,000



12	Annual Composite Label registration fee for manufacturing unit/ supplier for exporting IMFL (incl. Wine, LAB/ RTD)/Beer outside the State (per supplier for all export brands)	50,000
13	Application fee obtaining NOC/Extension of NOC/permission for establishment of Brewery/Winery/Distillery/Bottling units etc.	1,25,000
14	Penalty with fine amount on FL OFF shops for non - supply of cash memo on consumer demand or charging above MRP to the consumers, on each occasion.	1,00,000
15	Penalty amount on Supplier/Retailer for supplying/ selling liquor without affixture of EAL issued by State Excise Department, on each occasion.	10,00,000
16	One-time transfer fee applicable on transfer/ part transfer of FL-OFF /FL- ON/ O.S shop ownership (per shop per incident of transfer) (except to NOK due to death of licensee) *	3,00,000
17	One-time transfer fee applicable on transfer/ part Transfer of CL shop ownership (per shop per incident of transfer) (except to NOK due to death of licensee) *	50,000
18	Fee applicable on shifting of FL-OFF / FL -'ON' / O.S shops (per shop per incident of shifting)	2,00,000
19	Fee applicable on shifting of CL shops (per shop per incident of shifting)	50,000

**\*Provided the existing licensee is not a defaulter and new licensee meets the provision of Rule 35 of Odisha Excise Rules 2017.**

## **2.2 License Fee-Distillery Producing Rectified Spirits (RS), Extra Neutral Alcohol (ENA), Grain Neutral (GNS) etc. from molasses, grains, mohua flower or any other inputs of agriculture origin, meant for supply to potable alcohol manufacturing units.**

The license fee for existing distilleries for 2022-23 is calculated based on actual production of Alcoholic Beverages taken place in these units from Jan-Dec last year (2021), or ₹ 15 Lakh per annum, whichever is higher. License fee is to be calculated based on following BL slabs, with respective slab rate applicable on actual production levels. For example, a unit producing 60 lakh BL pays License fee @ 1.1 per BL for first 50 lakh



BL produced, and @ 0.85 per BL for remaining 10 lakh BL. Total Production in the unit i.e. production meant for consumption within the State of Odisha as well as for export outside Odisha is considered for calculation of License fee.

SL	License fee slabs for existing distillery units	License Fee rate applicable (₹ per BL)
1	Production up to 50 Lakh BL	1.1
2	Additional production above 50 Lakh BL and till 100 Lakh BL	0.85
3	Additional production above 100 Lakh BL	0.6

### 2.3 License Fee - IMFL, Beer, Wine & Country Liquor for Production and Compounding & Blending

The license fee for existing units i.e. Brewery/ Foreign Liquor Bottling units/ Country Liquor bottling units/ Winery etc. for 2022-23 is calculated based on actual production of Alcoholic Beverages taken place in these units from Jan-Dec last year (2021), or ₹ 15 Lakh per annum, whichever is higher. License fee is to be calculated based on following LPL (for IMFL, RTD/ LABs, CL & Wine) and BL (for Beer) slabs, with respective slab rate applicable on actual production levels. For example, a unit producing 60 lakh LPL/ BL pays License fee @ 2.2 per LPL/ BL for first 50 lakh LPL/ BL produced, and @ 1.7 per LPL/ BL for remaining 10 lakh LPL/ BL. Only the production meant for consumption within the State of Odisha is considered for calculation of License fee.

SL	License fee slabs for existing production units	License Fee rate applicable (₹ per LPL/ BL)
1	Production of alcoholic beverages up to 50 Lakh LPL/ BL	2.2
2	Additional production above 50 Lakh LPL/ BL and till 100 Lakh LPL/ BL	1.7
3	Additional production above 100 Lakh LPL/ BL	1.2

For new units, storage units, export units and microbreweries, following rates are applicable:

SL	Annual License fee for new production units & others	Category-wise amount (₹ in Lakh)
1	Annual license fee for a new Distillery (including ENA columns)	15.0
2	Annual license fee for a new mohua flower-based Distillery or a new production line for mohua flower distillation in an existing distillery	1.0
3	Annual license fee for a new Bottling unit	15.0
4	Annual license fee for a new Brewery	15.0
5	Annual license fee for a new Mohua flower-based brewery or a new production line for Mohua flower-based beer in an existing brewery	1.0
6	Annual license fee for Microbrewery with 'ON' license	At Clause-2.4.1
7	Annual license fee for a new wine producing units	3.0
8	Annual Export License fee for IMFL (Incl. RTD/ LAB)/ Wine/ Beer brands per supplier	2.0
9	Annual license fee for separate warehouse made for storage of IMFL (incl. RTD/ LABs)/ Wine/ BEER meant for export	1.0

**2.4 Other License Fees - Retail ON&FL OFF Shops, Country Liquor, Bhang, Tari and Pochwai shops, Warehouses, Denatured Spirit etc.**



2.4.1 FL "ON" Retails.

SL No	'ON' Category of Retails	Annual License Fee based on Area Category (₹ Lakh per annum)				
		Bhubaneswar Municipal Corporation	Other Municipal Corporations and Puri Municipality	Municipalities (Except Puri)	NACs	Other Areas
1	3 Star & above Category Hotels	15.0	13.0	11.0	10.0	9.0
2	Other Hotels (with lodging)	12.0	11.0	11.0	9.0	8.5
3	Hotels/ Restaurants without lodging	14.0	13.0	12.5	12.0	11.5
4	Clubs	8.0	8.0	6.5	6.0	5.5
5	Beer Parlours	8.0	8.0	7.0	6.5	6.0
6	Micro Brewery with IMFL Restaurant 'ON'	16	15	14.5	14	13.5
7	'ON' Micro Brewery	5	5	4.5	4	3.5

- A. "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. No such concession is allowed for O.T.D.C/ I.T.D.C hotels leased to private individuals
- B. Temporary licenses for liquor sale will be issued to OTDC at the eco-retreat venues at promotional rate as communicated vide this department letter No.5313 dated 07.12.2020.
- C. For the purpose of tourism promotion, serving of liquor in Beach Shacks is allowed in Odisha.

- The license for location and the number of Beach Shacks allowed for serving liquor will be based on the approval given by Government in Tourism Department.
- The Beach Shacks will be allowed to operate throughout the year or for a period as decided by Tourism Department, depending on climatic conditions.
- The operations of the beach shacks will be either through OTDC directly or through Beach Shack operators engaged by OTDC.
- The Annual 'ON' license fee for each Beach Shack will be Rs.50,000 per annum and will be granted to OTDC.
- OTDC will select the beach shacks operators through an appropriate method.
- All liquors lifting will be done by OTDC only.
- OTDC would also be responsible for ensuring that only Odisha registered duty paid liquor is served in such Beach Shacks.
- Common infrastructure for the beach shacks such as power connection water supply, sewerage connections solid waste management etc will be provided by OTDC and / or the relevant agency".
- Beach Shack license will be treated as a special category of 'Restaurant ON' license.
- OTDC as a licensee will be responsible for ensuring compliance to all the licensing conditions as per the statute.

8. Annual License fee for each additional Bar/ Bar Counter or each additional serving premise at Hotels/ Clubs/ Restaurants would be as per the following table; subject to meeting other terms and conditions of regular ON license. A Hotel or a Restaurant with ON license should serve liquor only in the permitted premises (as applicable during license approval). For serving in any additional premise with or without a bar counter, license fee applicable in this section should be paid. The additional premise should be part of the existing primary establishment for which the ON license is taken.

Annual License Fee for additional bar based on area category (Rs Lakh per annum)				
Bhubaneswar Municipal Corporation	Other Municipal Corporations and Puri Municipality	Municipalities (except Puri)	NACs	Other Areas
1.0	0.75	0.5	0.5	0.5



9. 'Beer Parlours' category would have an option to pay the differential license fee amount compared to 'Hotel / Restaurant without lodging' 'ON' category and convert into Hotel / Restaurant without lodging 'ON' category on permanent basis. Other mandatory conditions applicable for 'Hotels / Restaurants without lodging' license would be applicable during this conversion also.

10. Below fee per structure would be applicable for temporary 'ON' license granted for private functions.

SL	Category (non-refundable)	Amount (₹ Lakh)
10.1	Up to 200 persons per day	0.05
10.2	From 201 - 500 persons per day	0.10
10.3	From 501 - 1000 persons per day	0.15
10.4	Above 1000 persons per day	0.20

#### 2.4.2 Fee on Denatured Spirits

SL	Category (non-refundable)	Amount (₹ Lakh per annum)
1	Annual license fee on D.S- I	0.42
2	Annual license fee on D.S- II	0.35
3	Annual license fee on D.S- III (Carpentry)	0.25
4	Annual license fee on D.S- III (Industrial use)	0.42

#### 2.4.3 License fee for Military Canteen, CL Retails, Out Still Units, FL- OFF Retails, Bhang, Tari and Pochwai Shops

SL	Category (non-refundable)	Amount (₹ Lakh)
1	Annual license fee for Military Canteen.	0.20
2	Monthly License fee for branch Out Still shop.	0.40

3	Licenses of Bhang, Tari and Pochwai shops shall be Renewed for 2022-23 without any increase in existing consideration money with necessary formalities.
4	Annual License Fee for Premium Liquor OFF Shops will be 50% of the license fee of IMFL 'OFF' shops in the respective location. Additional license fee for wine tasting room in such shops would be ₹0.25 lakh for Bhubaneswar and ₹10, 000/- for Cuttack, Sambalpur, Berhampur, Rourkela, Balasore, Jharsuguda ,Barbil and Angul. License fee for such shops at Airports would be ₹4.50 lakh & license fee for additional wine tasting room in such shops at air port would be ₹0.25 lakh (refer part C for guidelines).
5	Licenses of Out-Still shops operating in 22 Excise districts shall be renewed for the year 2022-23 from 1st April 2022 to 31st March 2023 with 10% increase in existing C. Money and 10% increase on overall MGQ along with necessary formalities.
6	Licenses of existing FL-OFF shops shall be renewed for the year i.e. from 1st April 2022 to 31st March 2023 with monthly C. Money structure as specified in this section, as per the terms and conditions decided by Government.
7	Licenses of CL shops selling ENA based country liquor shall be extended for the next year i.e. from 1st April 2022 to 31st March 2023 with monthly C. Money structure as specified in this section, as per the terms and conditions decided by Government.

9. MONTHLY CONSIDERATION MONEY (C. MONEY) STRUCTURE FOR FL-OFF				
C. MONEY/ Month (INR)	Shops in Municipal Corporations	Shops in Municipalities of following Districts	Shops in Notified Area Councils of following districts	Shops in Other localities of following districts
Category -1 2,20,000	Bhubaneswar Municipal Corporation	None	None	None

<b>Category - 2</b> 1,47,400	Rourkela Municipal Corporation, Berhampur Municipal Corporation	Angul, Bhadrak, Jagatsinghpur, Jajpur, Kendrapara, Puri	None	None
<b>Category - 3</b> 1,17,800	Sambalpur Municipal Corporation, Cuttack Municipal Corporation	Balasore, Bargarh, Deogarh, Dhenkanal, Gajapati, Ganjam, Jharsuguda, Kalahandi, Kand mahal, Keonjhar, Khordha, Koraput, Mayurbhanj, Nabrangpur, Sundergarh	Angul, Kendrapara	None
<b>Category - 4</b> 90,000	None	Municipalities of remaining districts(not mentioned above)	Balasore, Bhadrak, Dhekanal, Gajapati, Ganjam, Kandhamahal, Khordha, Koraput, Mayurbhanj, Nayagarh, Nuapada, Puri, Rayagada, Sambalpur	None
<b>Category - 5</b> 72,100	None	None	NACsof remaining districts not covered above	Angul, Balasore, Bhadrak, Deogarh, Jajpur, Kendrapada, Nayagarh, Puri, Sundergarh

Category - 6	None	None	None	Other areas of remaining districts not covered above
61,480				

**9. Monthly consideration Money (C. Money) Structure for Country Liquor (ENA based) shops**

Category / Geographical Location of the shop	Monthly C. Money of CL shop
<b>Category-1</b> Municipal Corporation and Puri Municipality	1,45,200/-
<b>Category-2</b> Municipality areas except Puri	1,21,000/-
<b>Category-3</b> Notified Areas Councils (NACs)	96,800/-
<b>Category-4</b> Other areas	39,920/-

**2.5 Label Registration Fee and Excise Adhesive Label (EAL) Fee:**

**2.5.1 Label Registration Fee**

The existing supplier would need to pay one time Annual Composite Label Registration fee for 2022-23 based on total number of cases supplied to OSBC Depots during Jan-Dec 2021; the amount is calculated basing on the formula provided below including new suppliers. Once the composite Label Registration Fee is paid for the year, the existing supplier can bring in as many labels, without any additional label registration fee, after getting them duly approved from Excise Commissioner. Excise office should ensure that the applicable duty rate as mentioned in part B of the policy is communicated at the time of label registration.



Annual Composite Label Registration Fee (ACLRF)	Fee amount for Existing Suppliers (₹)	Fee amount for New Suppliers (₹)
Foreign Liquor Supplier (FMFL/ IMFL/ Wine)	6 times the total number of cases (all labels included) sold to OSBC by the supplier last year (Jan-Dec), for both civil & defense [ACLRF = 6*No. of cases supplied to OSBC in 2021]  <u>OR</u> ₹ 1,00,000, whichever is higher	₹1,00,000 per annum
Beer Suppliers (Beer/ RTD/ LAB)	5 times the total number of cases (all labels included) sold to OSBC by the supplier last year (Jan-Dec), for both civil & defense [ACLRF = 5*No. of cases supplied to OSBC in 2021]  <u>OR</u> ₹ 1,00,000, whichever is higher	₹1,00,000 per annum
Country Liquor Supplier	4 times the total number of cases (all labels included) sold to OSBC by the supplier last year (Jan-Dec), for both civil & defense [ACLRF = 4*No. of cases supplied to OSBC in 2021]  <u>OR</u> ₹ 1,00,000, whichever is higher	₹ 1,00,000 per annum

To ensure that popular and quality alcoholic beverages are available in the State and to reduce the operational inefficiencies related to non-moving IMFL/ Beer products, for registration of new labels / brands in the State the new labels/ brands of various categories of liquor must qualify the following eligibility criteria.

- A. **IMFL Labels/ Brands with Offer Price per standard case\* < ₹ 2000/- India made Beer and India made RTD Labels/ Brands with Offer Price per case < ₹ 550/-**

The label/ brand shall be allowed for registration in Odisha only if the label/ brand has sold a minimum of 60,000 (Sixty Thousand ) cases in any of the three preceding

financial years i.e. 2019-20 or 2020-21 or 2021-22 in India. The label/ brand owner must provide the year-wise details of sale of such brand in other States.

**B. IMFL Labels/ Brands with Offer Price per standard case\*  $\geq$  ₹ 2000/-  
India made Beer and India made RTD Labels/ Brands with Offer Price  
per case  $\geq$  ₹ 550/-**

The label/ brand shall be allowed for registration in Odisha only if the label/ brand has sold a minimum of 25,000 (Twenty Five Thousand) cases in any of the three preceding financial years i.e. 2019-20 or 2020-21 or 2021-22 in India. The label/ brand owner must provide the year-wise details of sale of such brand in other States.

C. Above criterion for label registration is not applicable for India Made Foreign Liquor with offer price per case  $>$ Rs.5,000/- (Rupees Five Thousand), India Made Wine or liquor Imported in Bulk and Bottled in India brands (BII) or Country Liquor brands and such label of the brands can be registered as per the existing process.

D. Above criterion for label registration is also not applicable for new BIO (Bottled-In-Origin) brands i.e.

- i. Foreign Made Foreign Liquor & Liqueurs.
- ii. Foreign Made Foreign Wine.
- iii. Foreign Made Foreign Beer.
- iv. Foreign Made Foreign RTD.

E. Existing labels/ brands (labels currently approved for excise year 2021-22) of all beverage brands are automatically eligible for label registration next year.

F. To boost "Make-In-Odisha", the Entrepreneurs/ Companies, who have invested in Odisha through own brewery, microbrewery, distillery, Winery or bottling units are also exempted from new label registration criteria. They can introduce Odisha specific labels/ brands to cater to the choice of local consumers. This exemption is not applicable for labels/ brands manufactured through franchise/ tie-ups in the State.

G. The other terms and conditions related to Label/Brand registration will be applicable as per the Odisha Excise Rules, 2017.

*\*A standard case contains 9 BL of IMFL and 7.8 BL of Beer/ RTD. All other case sizes would be appropriately proportioned while determining effective case price for above criteria for label/ brand registration*





## 2.5.2 Excise Adhesive Label (EAL) Fee

Cost of each EAL supplied from Excise Department will be ₹ 1.00

## 2.6 Import, Export and Transport Fee

SL	Category (Non-refundable)	Category- wise Amount (₹)
1	Import fee on RS/ENA procured from outside the state (per BL)	12.00
2	Export fee on Rectified Spirit/ENA (per BL)	1.00
3	Transport fee on Rectified Spirit/ENA for preparation of IMFL/CL (per BL)	1.00
4	Transport fee on Rectified Spirit/ENA for purposes other than preparation of IMFL/CL (per BL)	1.00
5	Import/ Export and Transport PASS fee on IMFL, Beer and CL per transport pass	300.00
6	Import, Export and Transport Fee for Denatured Spirit (per BL)	9.00
7	Import, Export and Transport fee for Methanol for industrial use (per BL)	7.00
8	Export fee on Beer (including RTDs/ LABs) (per BL)	1.00
9.1	Import Fee on Beer(including RTD/ LABs) (per BL) above 5% v/v strength	9.00
9.2	Import Fee on Beer (including RTD/ LABs) (per BL) below 5% v/v strength	6.00
10	Export Fee on IMFL (including wine) (per LPL)	1.00
11	Import Fee on IMFL (including wine) (per LPL)	15.00

## 2.7 License Fee for Lifting and Use of Molasses

SL	Category: Units using Molasses for purposes indicated below (non-refundable)	Category-wise amount (₹)
1	For other than distilleries, i.e. industrial uses	2,50,000
2	Cattlefeed	50,000
3	Guddakhu and similar small-scale purposes	75,000
4	Trading for industrial purposes	12,00,000
5	Storage, possession and sale by sugar industry	1,75,000

## 2.8 Utilization Fee, transport, import, export for Molasses

SL	Category (non-refundable)	Category-wise amount (₹ per-ton)
1	Utilization fee on molasses for Distillery	280
2	Utilization fee on molasses for Industrial and other purposes	320
3	Import fee on molasses	160
4	Export fee on molasses	250
5	Transport fee on molasses	45

## 2.9 Mohua Flower Storage fee for OS Manufacturers

SL	Storage in quintals (non-refundable)	Category-wise amount (₹)
1	Upto 500 quintals	16,000
2	501 to 1000	30,000
3	1001to 2000	60,000
4	2001to 5000	1,15,000
5	5001 to 7500	1,40,000
6	7501 to 10,000	1,50,000
7	More than 10,000	1,65,000



### 2.10 Mohua Flower Storage fee for Mohua Flower traders

SL No	Storage in quintals (non-refundable)	Category wise amount (₹)
1	<b>NOT TO BE SUPPLIED BELOW 501 quintals</b>	
2	501 to 1000	50,000
3	1001to 2001	1,00,000
4	2001to 5000	1,75,000
5	5001 to 7500	2,50,000
6	7501 to 10,000	2,55,000
7	More than 10,000	2,60,000

### 2.11 Mohua Flower: Utilization, Export, Import & Transport for OS Manufacturers

SL	Category (non-refundable)	Category wise amount (₹per quintal)
1	Utilization/ Non- utilization fee on Mohua Flower	1250
2	Mohua export fee	230
3	Mohua transportation fee	60
4	Mohua import fee	40

### 2.12 Mohua Flower: Export, Import & Transport for Mohua Flower traders

SL	Category (non-refundable)	Category-wise amount (₹per- quintal)
1	Mohua export fee	1400
2	Mohua transportation fee	90
3	Mohua import fee	110

### 2.13 Wholesale License fee

OSBCL shall pay an annual non-refundable fee of ₹2.0 Crore towards wholesale license fee.

### 2.14 Depot License fee for Wholesale trade

SL No	Category (non-refundable)	Category-wise amount (₹ Lakh per Annum)
1	Wholesale Depots with Foreign Liquor (including IMFL), Wine & BEER storage facility only (without Country Liquor)	40
2	Wholesale Depots with Foreign Liquor (including IMFL), Wine, BEER & Country Liquor storage facility	50

### 3. PART-B

#### 3.1 Excise Duty/ Countervailing Duty/ Vend Fee

Excise duties, Countervailing duties (levied on products imported from other States) and Vend Fees (levied on products imported from other Countries) on various products will be as mentioned below:

##### 3.1.1 Beer- Civil

SL	Category of BEER	Strength	ED/ CVD/ VF =Specific Component*BL+ Ad Valorem	
			Specific Component (₹ Per BL)	Ad valorem Component (₹ as % on landing Cost)
1	All types of India made Beer	Up to 5% v/v	45	50%
		Above 5% v/v, but below 8% v/v	70	50%



2	All types of Beer imported from other countries (Foreign Made Foreign Beer - FMFB)	Up to 5% v/v	45	30%
		Above 5% v/v, but below 8% v/v	70	30%
3	Beer produced inside Microbreweries	Below 8% v/v	15	NA
4	Drought beer supplied in kegs	Up to 5% v/v	45	25%
		Above 5% v/v, but below 8% v/v	70	25%

### 3.1.2 Beer manufactured from locally sourced millet/ sorghum- Civil

SL	Category	Strength	ED/ CVD/ VF = Specific Component*BL + Ad Valorem	
			Specific Component (₹ Per BL)	Ad valorem Component (₹ as % on landing Cost)
1	Millet/ Sorghum based beer manufactured from crop produced and procured within the State of Odisha	Up to 5% v/v	45	50%
		Above 5% v/v, but below 8% v/v	70	50%

For alcoholic beverages to be qualified on above taxation category, following parameters must be satisfied:

- o Such alcoholic beverage must be manufactured within the State of Odisha in a Brewery



- At least 75% of product ingredient/ composition should have contribution from millet/ sorghum
- Only millet/ sorghum produced within the State of Odisha should be used in making such alcoholic beverages

### 3.1.3 Ready to Drink Beverages of low alcoholic strength (RTDs) - Civil

SL	Category	Strength	ED/ CVD/ VF = Specific Component*BL + Ad Valorem	
			Specific Component (₹ Per BL)	Ad valorem Component (₹ as % on landing Cost)
1	India made Ready to Drink Low Alcoholic Beverages	Up to 5% v/v	45	50%
		Above 5%v/v, but below 8% v/v	70	50%
2	Ready to Drink Low Alcoholic Beverages imported from other countries	Up to 5% v/v	45	30%
		Above 5%v/v, but below 8% v/v	70	25%

### 3.1.4 Beer, RTD/ LAB& distilled liquor manufactured for Mohua flowers- Civil

SL	Category	Strength	ED/ CVD/ VF = Specific Component*BL + Ad Valorem	
			Specific Component (₹ Per BL)	Ad valorem Component (₹ as % on landing Cost)
1	Mahua based beer/ ready to drink fermented alcoholic beverage	Up to 8% v/v	5	5%
2	Mahua based fermented alcoholic beverage (having characteristics of wine)	Up to 16% v/v	10	10%
3	Mahua based Distilled Liquor(having characteristics of CL/ IMFL)	75° Proof Strength	100	40%

For alcoholic beverages to be qualified on above taxation category, following parameters must be satisfied:

- Such alcoholic beverage must be manufactured within the State of Odisha in a Brewery/ Distillery
- At least 50% of the product ingredient/ composition should have contribution from mohua flower
- Only Mohua produced within the State of Odisha should be used in making such alcoholic beverages
- Such products would be supplied through OSBC and could be sold in all FL/CL (ON/ OFF) Retails



### 3.1.5 WINE - CIVIL

SL	Category of Liquor	Strength (Degree Proof)	ED/ CVD/ VF = Specific Component*LPL + Ad Valorem	
			Specific Component (₹ Per LPL)	Ad valorem Component (₹ as % on landing Cost)
1	India Made Wine including imported in bulk and bottled in India	12° to 36°	200	30%
2	Wine Imported from other countries (Foreign Made Foreign Wine- FMFW)	12° to 36°	200	30%

### 3.1.6 Foreign Liquor (Including IMFL & FMFL) - CIVIL

SL	Category of Liquor	Strength (Degree Proof)	ED/ CVD/ VF = Specific Component*LPL + Ad Valorem	
			Specific Component (₹ Per LPL)	Ad valorem Component (₹ as % on landing Cost)
1	India made whisky, Gin, Rum, Brandy, Vodka & other liqueurs	75°	500	55%
2	Whisky, Gin, Rum, Brandy, Vodka & other liqueurs imported in bulk & bottled in India	75° to 80°	500	55%



3	Whisky, Gin, Rum, Brandy, Vodka & other liqueurs imported from other countries (Foreign Made Foreign Liquor - FMFL)	any strength prevalent globally	300	20%
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### 3.1.7 Excise Duty on CL other than OS i.e. ENA based CL from all players including ACSIL

SL	Category of Liquor	Strength (under proof)	ED/ CVD/ VF = Specific Component*LPL + Ad Valorem	
			Specific Component (₹ Per LPL)	Ad valorem Component (₹as % on landing Cost)
1	Country Liquor- ACSIL	40° UP	160	40%
2	Country Liquor- ACSIL	50° UP	125	40%
3	Country Liquor- ACSIL	60° UP	100	40%
4	Country Liquor from other suppliers	50° UP	160	40%
5	Country Liquor from other suppliers	60° UP	125	40%

### 3.1.8 FMFL/ IMFL/Wine/Beer Supplies to Troops and Military Bodies

Excise duties (or Countervailing duties or vend fee) on FMFL, IMFL, Wine & Beer supplied to troops & military bodies would be levied at 70% of rate of duties applicable on corresponding/ similar civil products, except for rum. For rum, the applicable defense duty rate would be 60% of the civil duty rate.

### 3.1.9 Excise Duty on Others

SL	Category of IMFL	Strength	Excise Duty (₹)
1	Bhang		500 (per Kg)
2	DS supplied to agencies other than Government Organization within the state		9.0 (per BL)
3	Liquor Cordial imported in bulk and bottled in India	60° proof or any globally accepted strength	300 (per BL)

### 3.2 Additional Rounding off Excise Duty (AROED)

The liquor MRP in the State would be rounded off to next ₹ 10 to make cash transactions convenient at the retail outlets. The Excise Department would charge the Additional Rounding-off Excise Duty (AROED) where required at such a rate to ensure that the liquor prices are rounded off to next ₹ 10.

This AROED shall be a part of MRP build-up just like Excise Duty and would be included in total Excise Duty payable while issuing the permits. It shall be applicable at such value and in such a manner that after application of VAT and retailer margin on wholesale issue price, the MRP arrived is exactly a multiple of ₹ 10.

### 3.3 Profit Margins

1. The offer price for any brand/pack size (IMFL, FMFL, Beer, Wine and ENA based CL shall not be changed without the prior approval of the Price Fixation Committee
2. The wholesaler margin would be 1% of the landing cost for all products or as may be decided by the Board of the OSBC from time to time when a change in margin is needed
3. The Retailer margin would be as follows:

Items	Retailers' margin on (Issue Price + VAT)
All BEER & RTDs	12%
Country Liquor (from ACSIL & others)	10%
IMFL (incl. imported in bulk and bottled in India and India made Wine)	12%
Foreign Liquor (FMFL) & Wines imported from other countries	10%

#### 4. PART- C

#### 4.1 MGQ ON RETAIL SHOPS/ OUT STILL UNITS

The MGQ for the IMFL "OFF" shops, CL "ON" & OS shops are detailed below:

#### 4.1.1 MGQ OF FL-OFF SHOPS, CL SHOPS, ON SHOPS

FL-OFF SHOP		
Area Type	BEER MGQ-BL per ₹ 100 C. Money	IMFL MGQ-LPL per ₹100 C. Money
All areas	5.64	3.76
COUNTRY LIQUOR SHOP (ENA based)		
Area Type	CL MGQ-LPL per ₹ 100 C. Money	
All areas	6.32	
HOTELS AND RESTAURANTS WITHOUT LODGING		
Area Type	BEER MGQ-BL Per month	IMFL MGQ-LPL per month
URBAN	504	176
RURAL	462	165
BEER PARLOURS		
Area Type	BEER MGQ-BL per month	
URBAN	880	
RURAL	715	

4.1.2 No MGQ is imposed on Premium FL-OFF shops.

#### 4.1.3 MGQ OF OUT STILL SHOP

OS SHOP	
Area Type	Mohua Flower MGQ (in quintal) per 1000 CM
All Areas	0.756

- a. MGQ of Beer could be fulfilled by way of lifting Beer/ LABs/ RTDs
- b. MGQ of IMFL could be fulfilled by way of lifting FMFL/ IMFL/ Wine
- c. MGQ of CL could be fulfilled by way of lifting CL from all suppliers
- d. The Beer Parlour ON shops are allowed to lift wine also.
- e. A committee formed under Excise Commissioner shall consider MGQ related issues faced by Licensees. In case of genuine difficulties, Excise Commissioner could relax up to 10% MGQ on the recommendation of the committee.

#### 4.1.4 MGQ FOR MOLASSES

The MGQ for lifting and use of molasses by the distilleries shall be fixed as per the formula as fixed for the year 2021-22. In case of short lifting, the unit must pay utilization fee as fixed by Government from time to time.

#### 4.2 OTHER REGULATORY GUIDELINES

The following regulatory guidelines are to be followed under each regulatory head.

##### 4.2.1 CONDITIONS FOR RENEWAL OF EXISTING FL-OFF AND CL (ENA based) LICENSES

There will be no increase in number of FL-OFF & CL shops for the year 2022-23. Number of additional premium foreign liquor OFF shops proposed to be opened is three in BMC, one each in Sambalpur, Berhampur and Rourkela Municipal Corporations and one each in Balasore, Jharsuguda, Barbil and Angul Municipality.

The license of existing FL-OFF & CL (ENA based) EP holders would be renewed for a period of one year i.e. up to end of March, 2023 as mentioned in PART- A

##### 4.2.2 WHOLESALER (OSBC)

Wholesaler should:



- a. Ensure availability of at least 10% free space in all their depots all the time
- b. Implement end to end computerization i.e. capturing movement of goods, information as well as payments to OSBCL via an online portal for suppliers and retailers
- c. Initiate destruction of unsalable goods (damaged or any other factor leading to non-sale of goods) in the Depot at the earliest
- d. Should open more depots at appropriate locations to minimize the logistics cost of retailers.

It will be the wholesaler's responsibility to implement the above points.

#### 4.2.3 IMFL 'ON' SHOPS AND BEER PARLOUR

- I. For new 'ON' licenses to be granted/ renewed in urban or rural areas, shops must adhere to basic infrastructure and hygiene requirements from consumer point of view.
- II. Beer parlours would be allowed to sell Beer as well as LABs/ RTDs and wine.
- III. All FL-OFF, IMFL Restaurant 'ON' as well as IMFL Hotel ON Licensees could lift all the label registered Stock Keeping Units (SKUs) sizes of Foreign Liquor (50 ml, 60 ml, 90 ml, 180 ml, 187 ml, 375 ml, 700 ml, 750 ml, 1000 ml etc.) & Beer/ RTD/ LAB (275 ml, 330 ml, 355 ml, 500 ml, 650 ml etc.) from OSBC depots for the type of alcoholic beverages allowed for that shop. Only FL ON Licensees are eligible for lifting Beer Kegs from OSBCL.
- IV. "ON" shops are not allowed for Counter Sale like "OFF" shops.
- V. The License Fee could be paid in 4 equal installments.
- VI. District Collector shall be the competent authority for issuing Temporary license as per fee structure specified in Part-A.

#### 4.2.4 COUNTRY LIQUOR SHOPS

- I. CL includes, CL manufactured by ACSIL of strength 400 UP/ 500 UP/ 600 UP and other ENA based CL of 500 UP/ 600 UP strength.
  - o Pack size allowed for CL from ACSIL-200 ml, 300 ml, 600 ml.
  - o Pack size allowed for CL from other manufacturers-300 ml and 600 ml.



- II. Keeping health interest of consumer in mind, ACSIL should also start manufacturing low strength CL of 500 UP and 600 UP strength. It is strongly recommended that ACSIL should completely move towards 500 UP and 600 UP strength CL at the earliest possible.

#### 4.2.5 OUT STILL SHOPS

The license of all existing Out Still Shops operating in 22 Excise districts namely, Sambalpur, Bargarh, Jharsuguda, Deogarh, Sundargarh, Rourkela, Bolangir, Sonapur, Kalahandi, Nuapada, Boudh, Koraput, Rayagada, Malkangiri, Nabarangpur, Angul, Keonjhar, Mayurbhanj, Ganjam, Berhampur, Gajapati and Dhenkanal could be renewed for a period and C. Money structure as mentioned in Part A.

- I. All OS product i.e. OS liquor sold through Out-Still units & branch shops should be of 70 UP strength only. OS Licensees should adhere strictly to this.
- II. No Trade license shall be granted in areas outside the availability of Mohua flower
- III. It is mandatory to produce VAT registration certificate for obtaining a Mohua flower trading license.
- IV. No Mohua flower storage and sale license shall be granted by the Superintendent of Excise in areas where illicit distillation is prevalent. Also, the Superintendent of Excise shall keep a close watch on all Mohua flower storage and transport license holders to stop any kind of supplies being permitted for illicit distilleries
- V. License holders of OS shops shall only be charged a transport fee for quantity of Mohua flower used for distillation. Transport fee shall not be charged for any unutilized quantity of Mohua flower. However, fines and non-utilization fee shall be collected from any OS license holder failing to utilize the MGQ of Mohua flower
- VI. The Collectors may allow up to 10 (ten) branch shops to be operated by each Exclusive Privilege license holder with license fee of specified in part A
- VII. Any shop once settled and started operating shall not be shifted ordinarily within a given financial year.
- VIII. Any Mohua flower transaction beyond the limits of possession should be accompanied by a transport pass.
- IX. Additional guidelines for OS Shop would require them to include in the packet.



- a. Name of the shop
  - b. Date/Month/Year of manufacturing of liquor
  - c. Net content
  - d. Code number along with identification mark of the shop approved by the Superintendent of Excise
  - e. All OS shops must ensure cleanliness and hygiene in their compound
  - f. No OS shop should use Gur in place of Mohua. Use of Gur or any substitute is strictly prohibited. The EPHs found to be using any substance other than Mohua flower for making OS shall be held guilty of violation of legal provisions and the license shall be cancelled forthwith.
- X. Collectors shall ensure that random samples of OS liquor are drawn & tested at regular interval.

#### 4.2.6 IMFL OFF SHOPS

1. It will be mandatory for an 'OFF' shop to display prominently the following:
  - I. Rate list.
  - II. Opening /Closing time.
  - III. Age group which is not allowed to buy.
  - IV. Health warning i.e. "Consumption of alcohol is injurious to health"
2. IMFL should only be sold in Glass bottles or Tetra Packs in specified SKU sizes
3. To reduce the chances of adulteration, IMFL manufacturers can supply their products in tetra packaging apart from glass packaging
  - I. Only 180 ml and below SKUs can be supplied in tetra packs
  - II. The tetra packs must have six protective layers and must have the shelf life or the date fit for consumption clearly mentioned
  - III. Before using the Tetra Packs for packaging of liquor, the manufacturing units must take certification from the Central Food Technology Research Institute or Indian Institute of Packaging or any such institute as notified by Excise Commissioner
4. Regarding the name of FL shops:



- I. No license shall be granted to a liquor shop having the name of deities / eminent personalities (Living on dead) which can hurt the sentiments of the people.
- II. It is also observed that still some liquor shops are using the word 'Sarkari' in the name of the shop. No OFF shop should use 'Sarkari/Government' in their name. The license holder may use 'Licensed FL OFF shop' signage.
- III. Home delivery of liquor shall continue in addition to counter sale.
- IV. All guidelines issued earlier relating to Social Distancing to contain the spread of COVID-19 Virus shall be observed.

#### **4.2.7 MAXIMUM RETAIL PRICE**

Maximum Retail Price (MRP) will be displayed on each bottle of FMFL, IMFL, Wine, Beer and Country Liquor and sold accordingly. The vendors are required to issue cash memo to all consumers and not charge above MRP, failing which the vendors shall be penalized with fine specified in PART A. All IMFL 'OFF' shops & CL shops are required to display up to date MRP chart.

- I. The MRP shall be decided on the principle of landing cost + all taxes/duties/ Other Fees + wholesale margin + retailer margin.
- II. Any modification request on offer price of the brands will be decided by the Price Fixation Committee
- III. Any MRP violation may also result in suspension of license for a period of 1 month without any adjustment against MGQ

#### **4.2.8 STANDARDIZATION OF EXCISE SHOPS**

- I. The physical infrastructure of the excise shops should be standardized.
- II. There should be display boards showing statutory information.
- III. The staff should be with identity card and uniform.
- IV. Proper background check of the staff should also be done.
- V. All guidelines issued earlier relating to Social Distancing to contain the spread of COVID-19 Virus shall be observed.

#### **4.2.9 PREMIUM FOREIGN LIQUOR OFF SHOP IN SELECTED CITIES AND ODISHA AIRPORTS**

In addition to the existing three duty paid premium foreign liquor 'OFF' shops in Bhubaneswar Municipal Corporation, one in Cuttack Municipal Corporation and Odisha





Airports (Arrival / Departure) at Bhubaneswar, three more duty paid premium foreign liquor 'OFF' shops in BMC one each in Berhampur, Sambalpur and Rourkela Municipal Corporation and one each in Balasore, Jharsuguda, Barbil and Angul Municipalities will be opened.

Following terms and conditions are applicable on such shops:

- I. Such shops will be permitted to sell
  - a. All types of Foreign Made Foreign Liquor (FMFL) i.e. whisky, gin, rum, brandy, vodka and other liqueurs imported from other country.
  - b. All types of Foreign Made Foreign Wine (FMFW) i.e. Wine imported from other countries.
  - c. All types of Foreign Made Foreign Beer (FMFB) i.e. all types of Beer imported from other countries and includes Ready To Drink (RTD) alcoholic beverages also.
  - d. All types of India Made Wines.
  - e. All types of Premium India Made Foreign Liquor (IMFL) having landing cost of Rs.320.00 per BL and above.
  - f. All types of Premium India Made Beer having land cost of Rs. 64.00 per BL and above and includes Ready To Drink (RTD) alcoholic beverages also.
  - g. Any other types of alcoholic beverages as may be decided by the Government from time to time.
- II. Liquor to be sold at MRP on such shops in sealed bottles, for consumption off the premises, except the wine tasting room
- III. Separate wine tasting room would be permitted on payment of additional license fee as specified in PART A. Annual license fee for the shop is as prescribed in Part A.
- IV. Such shops must have minimum carpet area of 750 sq. feet except for shops located inside Airport.
- V. Such shops could be part of a shopping mall/ complex or a standalone building
- VI. Products in the shop should be on display and easily browsable for customers.
- VII. Such shop premises should be air-conditioned along with quality flooring i.e. wooden/ vitrified tiles/ granite etc.



- VIII. The license period of such shops would be 5 years, subject to renewal terms and conditions specified by Government on annual basis
- IX. Since limited category of products can be sold in such shops, no MGQ would be imposed on such shops for the year
- X. For the newly sanctioned premium 'OFF' shops application would be floated by District Collectors for interested parties for each of these locations at an application fee of INR 1.1 Lakh. In case multiple applications are received against each location, the licensee would be selected through a draw of lottery as per the procedure prescribed vide this Department order number 1029 dated 26.02.2021.
- XI. Such shops should not ordinarily be shifted during the tenure of the license. In case shop is required to be shifted because of financial, legal or operational challenges, shifting would happen only in the respective area identified during grant of license or as decided by Excise commissioner
- XII. Such shops can dedicate up to 10% of their space to sell ancillary products as such Cigars, liquor chocolates etc., high-end art paintings, high value merchandise such as bottle openers, ice boxes, bar glasses etc.
- XIII. Other applicable general terms and conditions w.r.t to liquor license would be applicable on such shops.

#### **4.2.10 MICRO BREWERY**

To cater to "Freshly Crafted Beer" demand of the consumers in the State, and to wean consumers away from hard liquor, licenses for "ON Microbrewery" for the retail vend of freshly crafted beer manufactured in Microbreweries in Restaurants and Airports in Odisha shall be granted for the Year in accordance with the following terms and conditions:

- I. A microbrewery may be set up where beer is manufactured and the same is served to the customers for consumption within the premises.
- II. The "ON Microbrewery" license will have the license to produce fresh beer and serve the same to customers for consumption within the premises. For sanction of license, the procedure prescribed for 'ON' shop has to be followed.
- III. The "Microbrewery with IMFL Restaurant ON" license will have the license to produce fresh beer and serve the same to customers for consumption within the premises. In addition he is allowed to function as a Restaurant 'ON' shop. For sanction of license, the procedure prescribed for 'ON' shop has to be followed.

- IV. The license fee for setting up an "ON Microbrewery" and "Microbrewery with IMFL Restaurant ON" is as prescribed in PART A.
- V. The license premises must have adequate space not less than 1000 sq. feet, with a functioning restaurant and required parking facility (not applicable on Airports). NOC from local statutory authorities including Odisha Pollution Control Board, Fire Department should be obtained for the purpose
- VI. A Licensee shall submit a detailed lay out plan of the area in which the microbrewery is located
- VII. The licensee shall arrange to check the quality of raw materials used and the beer produced in the microbrewery by a chemist holding a degree in science with chemistry as one of the subjects preferably organic chemistry or bio chemistry or specialization in alcohol technology
- VIII. The beer so produced shall not be sold outside the premises
- IX. The beer so produced in the microbrewery shall be released for sale only after the chemist certifies that such beer sample is fit for human consumption
- X. The shelf life of Beer produced should also be specified by the chemist with necessary storage and handling conditions
- XI. The licensee shall arrange to draw the beer samples once in every month and forward the same to laboratory for analysis
- XII. The report so obtained shall be displayed in the premises of the microbrewery
- XIII. The licensee shall submit a list of different categories of beer (ale, stout, lager, wheat, strong etc) proposed to be manufactured in the microbrewery.
- XIV. The alcohol content of the product consumed shall not exceed 8% v/v.
- XV. Under no circumstances is beer or any alcoholic drinks is to be served to person below the legal drinking age fixed by State Government.
- XVI. The rate of duty shall be on the installed production capacity at the rate prescribed in annual Excise Policy of the State for the year. This duty shall be paid every quarter in advance. For a duty rate of 15/BL, a Micro-Brewery with an installed capacity of 300BL per day would be required to pay  $15 \times 300 \times (30 + 31 + 30) = \text{Rs. } 4,09,500$  by March 31st for the period Apr-Jun as advance Excise Duty for Beer production (all figures in INR)
- XVII. An electronic flow meter shall be installed between the fermentation tanks and storage tanks and the flow meter shall be under the provision of the excise



inspector. The flow meter shall be as per the specifications as fixed by the Excise Commissioner

- XXVIII. The PH, temperature and gravities of the Brews up to maturation stage should be recorded and subject to inspection as and when called for by competent authority.
- XXIX. The premises must be maintained neat and clean with proper ventilation, lightning and to meet all safety and emergency standard.
- XX. The beer dispensing system including glasses and serving table must be maintained to ensure proper hygiene.
- XXI. The Commissioner reserves the right to halt/suspend the manufacturing and sale of beer in the microbrewery and suspend or cancel the licence for reasons to be recorded as per provisions of the Odisha Excise Act and Rules
- XXII. All general provisions contained in the prevalent Excise Act & Rules shall be made applicable to establishment of Micro Breweries.
- XXIII. That the applicant or his/her company/society/firm does not have any interest in any distillery/bottling plant/brewery in the State of Odisha
- XXIV. That the applicant or his company/society/firm or any of his family members or any of the family members of the persons interested in his/her company/society/firm does not hold any other FL-OFF or CL retail vend of liquor in the State of Odisha
- XXV. Applicant shall provide relevant Income Tax Receipts for last 3 years

#### **4.2.11 DRAUGHT BEER TO BE SOLD FROM KEGS/CASKS**

Draught beer may be imported/supplied in Kegs through OSBC in containers of 20/25/30/50 BL confirming to FSSAI standards to be sold for ON consumption in IMFL ON Restaurants in the State by mounting on standardized vending machines with tamper proof unidirectional flow system duly certified and installed by the concerned Beer supplier. The ON Licensees proposing to sell such Draught beer must have suitable sitting / lounge facilities.

The manufacturers to apply for permit through OSBC Ltd. on pre payment of duty / VAT as admissible. On recommendations of OSBC, the OIC of the manufacturing unit will issue permit for supply of the draught beer directly to the retailers under proper invoice.



#### **4.2.12 EXCISE ADHESIVE LABEL APPROVED BY GOVERNMENT**

- I. Affixing of Excise Adhesive Label (EAL) shall be compulsory on FMFL, IMFL, Wine Beer and Country Liquor bottles/cans/ tetra packs/ Kegs etc.
- II. Non- affixture of polyester/ paper-based hologram Excise Adhesive Label by any company will invite penalty as specified in PART A, in addition to legal actions as per law.
- III. Excise administration shall be fully digitized, each EAL shall be tracked from source to point of sale. Excise commissioner would be taking appropriate steps to ensure the complete digitization of Excise Commissionerate & other Excise offices.

#### **4.2.13 ADVANCE CONSIDERATION MONEY FOR FL-OFF/ CL/ OS/ TARI/ PACHWAI/ BHANG SHOPS**

Advance consideration money of 3 (three) months for the existing FL 'OFF' / ENA based CL / Out-Still/Tari/ Pochwai and Bhang licensees shall be collected by 31.03.2022 from those EP holders who have applied for renewal of their license. No license shall be issued if this is not complied with.

In addition to above advance Consideration Money, each licensee must pay one-time interest free security deposit equivalent to one-month Consideration Money in case of renewal of their license for the year 2022-23. The O.S licensees are also required to furnish bank guarantee to the tune of three months' Consideration Money of the shop subject to maximum of Rs.10,00,000/- per shop. The FL 'OFF' and ENA based CL shop are also required to furnish bank guarantee to the tune of three months' Consideration Money of the shop. For renewal of the shops for the whole year the bank guarantee should be valid for 15 months from date of renewal of license.

#### **4.2.14 LOCATION OF LIQUOR SHOP AND GUIDELINES BY HON'BLE SC AND HON'BLE HC ON NATIONAL/ STATE HIGHWAYS**

- i. Guidelines from Hon'ble Supreme Court regarding liquor vends along National Highways & State Highways must be strictly adhered to while granting new Licenses
- ii. No signage will be used by any licensed permits located along NH/SH, as directed by the Hon'ble Supreme Court on 15.12.2016.
- iii. No shop shall be allowed to be shifted before it starts functioning at its original location.



- iv. A shop situated in rural area will be allowed to be shifted to another location in the rural areas only. Similar principle shall be followed in case of urban areas / wards. Shifting shall be allowed within the same excise station area. Invariably, public objection shall be invited for the new location before shifting.
- v. Collectors shall strictly adhere to the provisions of the PESA Act, 1996 and the detailed guideline issued by the Excise Department vide Letter No. 7026, Dt. 7.12.2017 and No. 5724/ 29.11.2018 at the time of renewal of existing shops and opening of new liquor shops in Schedule Areas of the State. No shop in Schedule Area shall be renewed if the Gram Sabha has any objections.
- vi. To incentivize investments by prominent hospitality brands in Bhubaneswar and other key locations across the State, it is decided to exempt four Star and above category of hotels from restrictions mentioned under Rule 26 of Odisha Excise Rules 2017 regarding location of ON licenses. Licensed premises in Star Hotels have minimum risk of law and order and therefore shouldn't draw public objections. As liquor license is a key component of Star category hotel, removing such restrictions would enable potential hospitality sector investment in to the State.

#### **4.2.15 CSR ACTIVITIES BY MANUFACTURERS/ SUPPLIERS**

As alcohol is a sin good with wider social implications, CSR measures by liquor companies operating in the State would help in minimizing certain social issues. Therefore, it is strictly expected from each of these companies to do their share of social contribution in the State to an extent possible.

Excise commissioner office should closely monitor various CSR related activities carried out by Manufacturers/Suppliers operating in the State. Companies are expected to submit a copy of CSR activities carried by them in the State of Odisha on an annual basis to Excise Commissioner. Excise commissioner should submit an annual report of various CSR activities carried out by liquor companies in the State to the Government.

#### **4.2.16 IT INITIATIVE FOR EASE OF DOING BUSINESS**

For Ease of Doing Business the following G2B Services of Excise Department and OSBC Ltd. are being provided online through e-Abkari Portal and OSBC online Portal developed by NIC.

1. Application for grant of new FL 'OFF' / CL / O.S shop license
2. Grant of New "ON" shop license



3. Renewal of IMFL 'OFF' / O.S / CL / 'ON' shops with Online Payment
4. Renewal of Distillery / Brewery / Bottling plants
5. Issue of L.O.I for setting up new Distilleries / Breweries / Bottling plants
6. Issue of wholesale vendor license
7. Issue of permits for import / transport of Spirit
8. Issue of NOC for import / transport of Spirit
9. Label / brand Registration
10. Grant of new Mohua flower storage & sale License
11. Accounting and import, export and transport of mohua flower
12. Transfer and shifting of 'OFF' / CL / O.S / 'ON' shops
13. Public grievance monitoring system
14. SIR module
15. Integrate of CCIS with CCTNS
16. Grant of temporary Bar License
17. Permission for late closing / serving
18. Daily Enforcement
19. Criminal case Information System
20. Indent application by supplier to permit generation by Superintendent of Excise Khordha
21. Real time tracking of goods in transit from bottling unit to depot
22. Online issue of NOC for export of IMFL and Beer to outside the State
23. Inventory management and real time MIS report generation
24. Online purchase order generation by the retailers for lifting of IMFL / Beer / CL from OSBC depot
25. Online issue of transit pass to the licensed retailers by the OIC of depot

The following modules are under development stage for rolling out during the coming financial year.

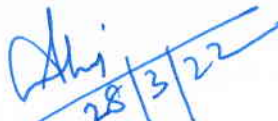
1. EAL Accounting Module and planning for detail production Module



2. Molasses - Storage Accounting and with transport, import and export having facilities for issue, extension and cancellation of permits.
3. Integration of OSBC online portal with eAbkari portal for getting details of the label registration of IMFL / Beer / CL and online supplier registration
4. Issue of EVC to the suppliers after the IMFL / Beer stocks are received at the depot.

## 5. MISCELLANEOUS

- I. Typographical error(s) & inconsistencies in this document, if any shall be clarified by Excise Department / Excise Commissioner in consonance with the Act & the Rules.
- II. This policy is subject to changes, if any, due to Court directions or as decided by State from time to time.

  
28/3/22  
(S.K. Lohani)

Principal Secretary to Government