

GOVERNMENT OF ODISHA  
EXCISE DEPARTMENT

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No. 2098 / Ex.,  
EXC-POL-POL-0011-2024

Date. 15.03.2024

From

Smt. Archana Das Pattanaik,  
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 2024-25 (up to 31<sup>st</sup> July, 2024).

Sir,

I am directed to say that Government, after careful consideration, have been pleased to approve the Excise Policy (Excise Fee, Duty and Margin Structure along with Regulatory Guidelines) for the year 2024-25. These regulatory guidelines and various fees shall be effective from 1st April, 2024 and will continue up to 31st July, 2024.

The Excise Policy (Excise Fee, Duty and Margin Structure along with Regulatory Guidelines) for the year 2024-25 so approved is enclosed herewith for necessary action.

Encl: As above

Yours faithfully

*ADP Pattanaik*  
15/03/2024  
Additional Secretary to Government

Memo No. 2099 / Ex., dated... 15.03.2024

Copy forwarded to Additional Secretary to Hon'ble Chief Minister/ P.S to Hon'ble Minister, Excise/ OSD to Chief Secretary, Odisha/ P.S to DC-cum-ACS, Odisha/Sr. P.S. to Principal Secretary to Govt., Excise Department for kind information.

*ADP Pattanaik*  
15/03/2024  
Additional Secretary to Government

Memo No. 2100 / Ex., dated... 15.03.2024

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

*ADP Pattanaik*  
15/03/2024  
Additional Secretary to Government

P.T.O.

**Memo No.** 2101 / **Ex., dated...** 15.03.2024

Copy forwarded to the Managing Director, OSBC Ltd., Bhubaneswar/ FA-cum-Joint Secretary to Government, Excise Department for information and necessary action.

*A. Pattnaik*  
15/03/2024  
Additional Secretary to Government

**Memo No.** 2102 / **Ex., dated...** 15.03.2024

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

*A. Pattnaik*  
15/03/2024  
Additional Secretary to Government

**Memo No.** 2103 / **Ex., dated...** 15.03.2024

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

*A. Pattnaik*  
15/03/2024  
Additional Secretary to Government

**GOVERNMENT OF ODISHA  
EXCISE DEPARTMENT**

*Excise fee, Excise Duty & Margin Structure along with Regulatory Guidelines for the  
year 2024-25*

**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
- b. Social : Ensuring supply of legitimate goods to meet consumer demand and minimize the social cost of consumption
- c. Responsible: Creating awareness among people on alcohol abuse and inculcating a sense of responsibility among consumers.


These guidelines shall be in force from **01.04.2024 to 31.07.2024**.

**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. 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. Enforcement activities will be further strengthened through improved intelligence collection, better infrastructure and resources, augmentation of Enforcement staff as well as harnessing modern technology for monitoring and supervision.

**Structure of Excise Policy Document, 2024-25**

The Excise Policy document has been divided into five parts.

- 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: Stipulates the MGQ for different segments
  - Part- D: Describes key regulatory measures/ guidelines
  - Part - E: Miscellaneous
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## PART-A

### LICENSE FEE, CONSIDERATION MONEY APPLICATION FEE ETC.

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 (Non-refundable):**

| SL NO | Category  | Amount<br>(In ₹) |
|-------|---|------------------|
| i.    | Application fee for granting new license for Brewery/Winery/Distillery/Bottling units in the State or renewal of existing license of Brewery/ Winery/ Distillery/ Bottling Units in the state | 1,10,000/-       |
| ii    | Application fee for granting new/renewal of license for a Micro-Brewery   | 30,000/-         |
| iii   | Application fee for granting new/renewal of licenses for trading of Molasses  | 60,000/-         |
| iv    | Application fee in respect of licenses for new/renewal of units using Molasses for purposes other than trading  | 35,000/-         |
| v     | Application fee for label Registration per label per annum (for all type of alcoholic beverages)  | 12,000/-         |
| vi    | Application fee in respect of new Foreign liquor OFF/ON shop (all categories)   | 2,00,000/-       |
| vii   | Application fee for renewal of existing Foreign liquor OFF shops, renewal of existing FL ON shops (all categories), new/renewal of Country Liquor shops                                       | 1,25,000/-       |
| viii  | Application fee in respect of new/renewal of Out Still units.   | 1,50,000/-       |
| ix    | Application fee in respect of New/renewal of Military Canteen licenses  | 25,000/-         |
| x     | Application fee in respect of New/renewal of Bhang, Tari, Pochwai shops.  | 2,000/-          |
| xi    | Annual composite Label Registration fee for FL OFF shops, FL ON shops (all categories) for sale of all brands through the shops.  | 50,000/-         |

|       |   |             |
|-------|---|-------------|
| xii   | Annual composite Label Registration fee for Country liquor shops for sale of all brands through the shop  | 35,000/-    |
| xiii  | Annual Composite Label Registration fee for manufacturing units/suppliers for exporting IMFL (incl. Wine, LAB/RTD/Beer) outside the State(per supplier for all export brands) | 50,000/-    |
| xiv   | Application fee for obtaining NOC/Extension of NOC/Permission for establishment of Brewery/Winery/Distillery/Bottling Units etc. from existing applicant                      | 1,50,000/-  |
| xv    | Penalty with fine amount on all excise shops for non-supply of cash memo on consumer demand on each occasion/ charging above MRP to the consumers on each occasion.           | 1,00,000/-  |
| xvi   | Penalty amount on Retailer / supplier for supplying/selling liquor without affixture of EAL issued by State Excise Department, on each occasion.                              | 10,00,000/- |
| xvii  | One time transfer fee applicable on transfer/part Transfer of FL- OFF/FL-ON/OS shop ownership(per shop per incident of transfer) (except to NOK due to death of licensee)*    | 3,00,000/-  |
| xviii | 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)*                 | 75,000/-    |
| xix   | Fee applicable on shifting of FL -OFF/FL - ON/OS shops (per shop per incident of shifting)  | 2,50,000/-  |
| xx    | Fee applicable on shifting of CL shops(per shop per incident of shifting)   | 75,000/-    |

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

\* The provision above for transfer/ part-transfer of FL- OFF/FL-ON/OS shop/ CL shop ownership may result in single person taking over the Excise Shops in a particular area under ghost ownership. So, Excise Commissioner, Odisha and Collectors shall ensure that transfer of ownership is permitted only after verifying the genuineness of grounds.

**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 agricultural origin, meant for supply to potable alcohol manufacturing units.**

The license fee for existing distilleries for 2024-25 is calculated based on actual production of Alcoholic Beverages taken place in these units from Jan-Dec last year (2023), 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 @ ₹ 1.35 per BL for first 50 lakh BL produced, and @ ₹ 1.25 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. Total production will also include the production on behalf of the tie-up or franchisee units.

| SL  | License fee slabs for existing distillery units             | License fee rate applicable<br>(₹ per BL) |
|-----|---|---|
| I   | Production up to 50 Lakh BL                                 | 1.35                                      |
| ii  | Additional production above 50 Lakh BL and till 100 Lakh BL | 1.25                                      |
| iii | Additional production above 100 Lakh BL                     | 0.90                                      |

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

The license fee for existing units i.e. Brewery/ Foreign Liquor Bottling units/ Country Liquor bottling units/ Winery etc. for 2024-25 is calculated based on actual production of Alcoholic Beverages taken place in these units from Jan-Dec last year (2023), or ₹ 15 Lakh per annum, whichever is higher. Actual production will also include the production of Alcoholic beverages by the licensee on behalf of the tie-up or franchisee units.

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, which includes the production meant for consumption within Odisha as well as outside Odisha. For example, a unit producing 60 lakh LPL/ BL pays License fee @ ₹2.5 per LPL/ BL for first 50 lakh LPL/ BL produced, and @ ₹2.0 per LPL/ BL for remaining 10 lakh LPL/ BL.

| SL  | License fee slabs for existing production units                       | License Fee rate applicable<br>(₹ Per LPL/BL) |
|-----|---|---|
| I   | Production of alcoholic beverages up to 50 lakh LPL/BL                | 2.5   |
| ii  | Additional production above 50 lakh LPL/ BL and till 100 Lakh LPL/ BL | 2.0   |
| iii | Additional production above 100 lakh LPL/BL                           | 1.5   |

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

| SL | Annual License fee for new production units & others          | Category-wise amount<br>(₹ In Lakh) |
|----|---|-------------------------------------|
| I  | Annual license fee for new Distillery (including ENA columns) | 15.0                                |

|      |   |                        |
|------|---|------------------------|
| ii   | 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                    |
| iii  | Annual license fee for a new Bottling Unit  | 15.0                   |
| iv   | Annual license fee for a new Brewery  | 15.0                   |
| v    | 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                    |
| vi   | Annual license fee for Microbrewery with 'ON' license   | At Clause - 2.4.1 (vi) |
| vii  | Annual license fee for a new wine producing unit  | 3.0                    |
| viii | Annual export license fee for IMFL (Incl. RTD/LAB)/WINE / BEER brands for supplier  | 2.0                    |
| ix   | Annual license fee for separate warehouse made for storage of IMFL (Incl. RTD/LABs)/WINE / BEER meant for export                            | 1.0                    |

An existing licensee, when enters into a tie-up with another unit or takes up franchise of another unit, will pay one-third of the Annual License as mentioned above, for the first year of production.

**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.**

| Annual License Fee based on Area Category |                                      |                                   |  |   |          |             |
|---|--------------------------------------|-----------------------------------|--|---|----------|-------------|
| (₹ Lakh per Annum)                        |                                      |                                   |  |   |          |             |
| Sl No                                     | "ON" Category of Retails             | Bhubaneswar Municipal Corporation | Other Municipal Corporations and Puri Municipality | Municipalities (Except Puri Municipality) | All NACs | Other Areas |
| i   | 3 star & above Category Hotels       | 15.0                              | 13.0   | 11.0                                      | 10.0     | 9.0         |
| ii.                                       | Other Hotels (with lodging)          | 12.0                              | 11.0   | 11.0                                      | 9.0      | 8.5         |
| iii                                       | Hotels/Restaurants (without lodging) | 14.0                              | 13.0   | 12.5                                      | 12.0     | 11.5        |
| iv  | Clubs                                | 8.0                               | 8.0  | 6.5                                       | 6.0      | 5.5         |

|     |   |     |     |      |     |      |
|-----|---|-----|-----|------|-----|------|
| v   | Beer Parlours                           | 8.0 | 8.0 | 7.0  | 6.5 | 6.0  |
| vi  | Micro Brewery with IMFL Restaurant "ON" | 16  | 15  | 14.5 | 14  | 13.5 |
| vii | '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.
  - Beach shacks to water bodies in the hinterland of Odisha are applicable to different water bodies such as rivers, lakes, dams, etc.



- New beach shack license to O.T.D.C. cannot be sanctioned unless the existing IMFL Hotel/Restaurant/Beer Parlour ON licenses of OTDC at the same location is renewed.

ix. Annual License fee for each additional Bar/ Bar Counter or each additional serving premise at Hotels with lodging / Clubs would be as per the following table; subject to meeting other terms and conditions of regular ON license. A Hotel (with lodging) or club 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/ bar counter/ serving premises based on area category |  |                              |      |             |
|---|--|------------------------------|------|-------------|
| (₹ 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         |

x. '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.

xi. Temporary "ON" License

Below fee structure would be applicable for temporary 'ON' license granted for each private function/occasion.

| Sl. No | Category (non-refundable)     | Amount (₹ Lakh) |
|--------|-------------------------------|-----------------|
| a      | Up to 200 persons per day     | 0.10            |
| b      | From 201-500 persons per day  | 0.15            |
| c      | From 501-1000 persons per day | 0.20            |
| d      | Above 1000 persons per day    | 0.25            |

#### 2.4.2 Fee on Denatured Spirits

| Sl. No | Category (non-refundable)                        | Amount<br>(₹ 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<br>(Carpentry)     | 0.25                         |
| 4      | Annual license fee on DS-III<br>(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. No | Category (non-refundable)  | Amount<br>(₹ Lakh) |
|--------|--|--------------------|
| i      | Annual license fee for Military Canteen  | 0.25               |
| ii     | Monthly license fee for branch Out still shop  | 0.50               |
| iii    | Licenses of Bhang, Tari and Pochwai shops shall be Renewed for 2024-25 without any increase in existing consideration money with necessary formalities   |                    |
| iv     | Annual license fee for premium liquor OFF shops will be 75% of the license fee of IMFL OFF shops in the respective location. Additional license fee for wine tasting room in such shops would be ₹ 0.30 lakh for Bhubaneswar and Rs.15,000/- for other locations. License fee for such shops at Airports would be ₹ 5.00 lakh & license fee for additional wine tasting room in such shops at Airport would be ₹ 0.30 lakh (Please refer to Part-C for guidelines) |                    |
| v      | Licenses of Out still shops operating in 22 Excise Districts shall be renewed for the year 2024-25 from 1 <sup>st</sup> April 2024 to 31 <sup>st</sup> July 2024 with 15% increase in existing C. Money & increase in MGQ as per the stipulations in Part-C of this document.  |                    |
| vi     | License of existing FL OFF shops shall be renewed for the year i.e., from 1 <sup>st</sup> April 2024 to 31 <sup>st</sup> July 2024 with monthly C. Money structure as specified in next sub-section and as per the terms and conditions decided by Government.   |                    |
| vii    | License of existing CL shops selling ENA based Country Liquor shall be renewed for the year i.e., from 1 <sup>st</sup> April 2024 to 31 <sup>st</sup> July 2024 with monthly C. Money structure as specified in next sub-section and as per the terms and conditions decided by Government.  |                    |

2.4.4 Monthly Consideration Money (C. Money) Structure for FL-OFF Shops:

| Category    | C. MONE Y/ Month (INR) | Location of the Shop   |   |  |  |
|-------------|------------------------|--|---|--|--|
|             |                        | 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 | 2,66,200               | Bhubaneswar Municipal Corporation                                | None  | None   | None   |
| Category -2 | 1,78,200               | Rourkela Municipal Corporation , Berhampur Municipal Corporation | Angul, Bhadrak, Jagatsinghpur, Jajpur, Kendrapara, Puri   | None   | None   |
| Category -3 | 1,43,000               | Sambalpur Municipal Corporation , Cuttack Municipal Corporation  | Balasore, Bargarh, Deogarh, Dhenkanal, Gajapati, Ganjam, Jharsuguda, Kalahandi, Kandhamal, Keonjhar, Khordha, Koraput, Mayurbhanj, Nabrangpur, Sundergarh | Angul, Kendrapara                                      | None   |
| Category -4 | 1,11,100               | None   | Municipalities of remaining districts (not  | Balasore, Bhadrak, Dhenkanal,                          | None   |

|            |        |      |                  |   |   |
|------------|--------|------|------------------|---|---|
|            |        |      | mentioned above) | Gajapati, Ganjam, Kandhamal, Khordha, Koraput, Mayurbhanj, Nayagarh, Nuapada, Puri, Rayagada, Sambalpur |   |
| Category-5 | 89,100 | None | None             | NACs of remaining districts not covered above   | Angul, Balasore, Bhadrak, Deogarh, Jajpur, Kendrapada, Nayagarh, Puri, Sundergarh |
| Category-6 | 78,100 | None | None             | None  | Other areas of remaining districts not covered above                              |

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

| Category / Geographical Location of the shop                   | Monthly C. Money of CL shop ((INR) |
|--|------------------------------------|
| Category-1<br>All Municipal Corporations and Puri Municipality | 1,59,720/-                         |
| Category-2<br>All Municipality areas except Puri Municipality  | 1,39,700/-                         |
| Category-3<br>Notified Areas Councils (NACs)                   | 1,12,200/-                         |
| Category-4<br>Other areas                                      | 46,200/-                           |

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

### 2.5.1 Label Registration Fee

As per Rule-102 (3) (c) of Odisha Excise Rules, 2017, the pack sizes prevalent in National or International Market are allowed for Registration of the Label. The existing supplier would need to pay one-time Annual Composite Label Registration fee for 2023-24 based on total number of cases supplied to OSBC Depots during Jan-Dec 2023; 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 (₹) per annum |
|--|---|--|
| Foreign Liquor Supplier<br>(FMFL/ IMFL/<br>Wine) | 8 times the total number of cases (all labels included) supplied to OSBC by the supplier last year (Jan-Dec), for both civil & defence [ACLRF = 8*No. of cases supplied to OSBC in 2023]<br><br><u>OR</u><br><br>₹ 2,00,000, whichever is higher      | 1,50,000                                   |
| Beer Suppliers<br>(Beer/ RTD/ LAB)               | 7 times the total number of cases (all labels included) supplied to OSBC by the supplier last year (Jan-Dec), for both civil & defence [ACLRF = 6*No. of cases supplied to OSBC in 2023]<br><br><u>OR</u><br><br>₹ 2,00,000, whichever is higher      | 1,50,000                                   |
| Country Liquor Supplier                          | 4 times the total number of cases (all labels included) supplied to OSBC by the supplier last year (Jan-Dec 2023), for both civil & defence [ACLRF = 4*No. of cases supplied to OSBC in 2023]<br><br><u>OR</u><br><br>₹ 1,50,000, whichever is higher | 1,00,000                                   |

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 and have business in at least in three states in any of the three preceding financial years in India. The label/ brand owner must provide the year-wise details of sale of such brand in other States along with an affidavit to this effect.

**B. IMFL Labels/ Brands with Offer Price per standard case\* from ₹ 2000/- to ₹ 5000/- 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 25,000 (Twenty Thousand) cases in any of the three preceding financial years in India. The label/ brand owner must provide the year-wise details of sale of such brand in other States along with an affidavit to this effect.

- 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 2023-24) of all beverage brands are automatically eligible for label registration next year. A registered label product has to be supplied within the financial year to become eligible for renewal of Label Registration in the succeeding financial 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. Other usual 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 ₹ 1.10, which may be revised during the financial year 2024-25, depending upon any extraneous factors.

## 2.6 Import, Export and Transport Fee

| SL   | Category (Non-refundable)   | Category-wise Amount (₹) |
|------|---|--------------------------|
| i    | Import fee on RS/ENA procured from outside the state (per BL)                                 | 12.00                    |
| ii   | Export fee on Rectified Spirit/ENA (per BL)   | 1.00                     |
| iii  | Transport fee on Rectified Spirit/ENA for preparation of IMFL/CL (per BL)                     | 1.00                     |
| iv   | Transport fee on Rectified Spirit/ENA for purposes other than preparation of IMFL/CL (per BL) | 1.00                     |
| v    | Import/ Export and Transport PASS fee on IMFL, Beer and CL per transport pass                 | 300.00                   |
| vi   | Import, Export and Transport Fee for Denatured Spirit (per BL)                                | 9.00                     |
| vii  | Import, Export and Transport fee for Methanol for industrial use (per BL)                     | 7.00                     |
| viii | Export fee on Beer (including RTDs/ LABs) (per BL)  | 1.00                     |
| ix   | Import Fee on Beer (including RTD/ LABs) (per BL) above 5% v/v strength                       | 9.00                     |
| x    | Import Fee on Beer (including RTD/ LABs) (per BL) below 5% v/v strength                       | 6.00                     |
| xi   | Export Fee on IMFL (including wine) (per LPL)   | 1.00                     |
| xii  | 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<br>(non-refundable) | Category-wise amount (₹) |
|-----|---|--------------------------|
| i   | For other than distilleries, i.e. industrial uses                               | 2,60,000                 |
| ii  | Cattlefeed  | 55,000                   |
| iii | Guddakhu and similar small-scale purposes                                       | 80,000                   |

|    |   |           |
|----|---|-----------|
| iv | Trading for industrial purposes                 | 13,00,000 |
|    | Storage, possession, and sale by sugar industry | 1,85,000  |

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

| SL  | Category<br>(non-refundable)                                  | Category-wise amount<br>(₹ per-ton) |
|-----|---|-------------------------------------|
| i   | Utilization fee on molasses for Distillery                    | 280                                 |
| ii  | Utilization fee on molasses for Industrial and other purposes | 320                                 |
| iii | Import fee on molasses  | 160                                 |
| iv  | Export fee on molasses  | 250                                 |
| v   | Transport fee on molasses                                     | 45                                  |

### 2.9 Mohua Flower Storage fee for OS Manufacturers

| SL  | Storage in quintals (non-refundable) | Category-wise amount<br>(₹) |
|-----|--------------------------------------|-----------------------------|
| i   | Upto 500 quintals                    | 17,000                      |
| ii  | 501 to 1000                          | 32,000                      |
| iii | 1001 to 2000                         | 65,000                      |
| iv  | 2001 to 5000                         | 1,20,000                    |
| v   | 5001 to 7500                         | 1,50,000                    |
| vi  | 7501 to 10,000                       | 1,60,000                    |
| vii | More than 10,000                     | 1,80,000                    |

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

| SL No | Storage in quintals (non-refundable)  | Category wise amount (₹) |
|-------|---------------------------------------|--------------------------|
| i     | NOT TO BE SUPPLIED BELOW 501 quintals |                          |
| ii    | 501 to 1000                           | 50,000                   |
| iii   | 1001 to 2001                          | 1,00,000                 |
| iv    | 2001 to 5000                          | 1,75,000                 |
| v     | 5001 to 7500                          | 2,50,000                 |



|     |                  |          |
|-----|------------------|----------|
| vi  | 7501 to 10,000   | 2,55,000 |
| vii | More than 10,000 | 2,60,000 |

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

| SL  | Category (non-refundable)                             | Category wise amount (₹ per quintal) |
|-----|---|--------------------------------------|
| i   | Utilization fee/ Non- utilization fee on Mohua Flower | 1670                                 |
| ii  | Mohua transportation fee                              | 90                                   |
| iii | Mohua import fee                                      | 40                                   |

**N.B:** No O.S. manufacturer is allowed to export mohua flower. An O.S. manufacturer has to obtain a separate Trade License for the export of Mohua Flower; if he intends to export Mahua Flower.

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

| SL  | Category (non-refundable) | Category-wise amount (₹ per quintal) |
|-----|---------------------------|--------------------------------------|
| i   | Mohua export fee          | 1600                                 |
| ii  | Mohua transportation fee  | 110                                  |
| iii | Mohua import fee          | 125                                  |

### 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) |
|-------|---|---|
| i     | Wholesale Depots with Foreign Liquor (including IMFL), Wine & BEER storage facility only (without Country Liquor) | 40                                      |
| ii    | Wholesale Depots with Foreign Liquor (including IMFL), Wine, BEER & Country Liquor storage facility               | 50                                      |

## PART-B

### EXCISE DUTY ETC.

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

Excise duties, Countervailing duties (levied on products from other States and levied on products from other countries without paying customs duty to the Govt. of India) and Vend Fees (levied on products imported from other Countries) on various products will be levied as mentioned below. However, Import Fee will not be levied on those items for which Vend fees have been imposed. Provided that Foreign liquors bottled in Nepal and Bhutan would be treated at par with foreign liquor imported from other state of India; implying that Countervailing Duties and Import fee will be levied on them.

#### 3.1.1 Beer- Civil

| SL  | Category of BEER   | Strength                             | ED/ CVD/ VF =Specific Component*BL+ Ad Valorem |   |
|-----|--|--------------------------------------|--|---|
|     |  |                                      | Specific Component<br>(₹ Per BL)               | Ad valorem Component (₹ as % on landing Cost) |
| i.  | All types of India made Beer   | Up to 5% v/v                         | 45   | 50%   |
|     |  | Above 5%<br>v/v, but below<br>8% v/v | 70   | 50%   |
| ii  | All types of Beer imported from other countries (Foreign Made Foreign Beer - FMFB) | Up to 5% v/v                         | 45   | 30%   |
|     |  | Above<br>5%v/v, but below<br>8% v/v  | 70   | 30%   |
| iii | Beer produced inside Microbreweries  | Below 8% v/v                         | 15   | NA  |
| iv  | Drought beer supplied in kegs  | Up to 5% v/v                         | 45   | 25%   |
|     |  | Above 5%<br>v/v, but below 8%<br>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) |
| i  | 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
- o At least 75% of product ingredient/ composition should have contribution from millet/ sorghum
- o 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) |
| i  | 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%   |
| ii | 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 from Mohua flowers- Civil

| SL  | Category  | Strength              | ED/ CVD/ VF = Specific Component*BL<br>+ Ad Valorem |  |
|-----|---|-----------------------|---|--|
|     |   |                       | Specific Component<br>(₹ Per BL)                    | Ad valorem Component<br>(₹ as % on landing Cost) |
| i   | Mahua based beer/ ready to drink fermented alcoholic beverage             | Up to 8% v/v          | 5   | 5%   |
| ii  | Mahua based fermented alcoholic beverage (having characteristics of wine) | Up to 16% v/v         | 10  | 10%  |
| iii | Mahua based Distilled Liquor(having characteristics of CL/ IMFL)          | 75° Proof<br>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<br>(Degree Proof)            | ED/ CVD/ VF = Specific Component*LPL + Ad Valorem |   |
|----|--|---------------------------------------|---|---|
|    |  |                                       | Specific Component (₹ Per LPL)                    | Ad valorem Component (₹ as % on landing Cost) |
| i  | India Made Wine including imported in bulk and bottled in India      | 12.3° to 24.5°                        | 200   | 30%   |
| ii | Wine Imported from other countries (Foreign Made Foreign Wine- FMFW) | Any strength<br>prevalent<br>globally | 200   | 30%   |

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

| SL  | Category of Liquor   | Strength<br>(Degree Proof)            | ED/ CVD/ VF = Specific Component*LPL<br>+ Ad Valorem |  |
|-----|--|---------------------------------------|--|--|
|     |  |                                       | Specific Component<br>(₹ Per LPL)                    | Ad valorem Component<br>(₹ as % on landing Cost) |
| i   | India made whisky,<br>Gin, Rum, Brandy,<br>Vodka & other<br>liqueurs   | 60° to 75°                            | 550  | 55%.   |
| ii  | Whisky, Gin,<br>Rum, Brandy, Vodka<br>& other liqueurs<br>imported in bulk &<br>bottled in India   | 75° to 80°                            | 550  | 55%  |
| iii | Whisky, Gin,<br>Rum, Brandy, Vodka<br>& other<br>liqueurs imported<br>from other countries<br>(Foreign<br>Made Foreign Liquor<br>- FMFL) | Any strength<br>prevalent<br>globally | 300  | 25%  |

### 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<br>(under proof) | ED/ CVD/ VF = Specific<br>Component*LPL<br>+ Ad Valorem |   |
|-----|--|---------------------------|---|---|
|     |  |                           | Specific Component<br>(₹ Per LPL)                       | Ad valorem Component<br>(₹ as % on<br>landing Cost) |
| i   | Country Liquor- ACSIL                  | 40° UP                    | 160   | 40%   |
| ii  | Country Liquor- ACSIL                  | 50° UP                    | 125   | 40%   |
| iii | Country Liquor- ACSIL                  | 60° UP                    | 100   | 40%   |
| iv  | Country Liquor from<br>other suppliers | 50° UP                    | 160   | 40%   |
| v   | Country Liquor from<br>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 (₹) |
|-----|---|---|-----------------|
| i   | Bhang   |   | 500 (per Kg)    |
| ii  | DS supplied to agencies other than Government Organization within the state |   | 9.0 (per BL)    |
| iii | 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 MRP of the liquor 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

- 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.
- 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.
- 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%                                      |

## PART- C

### MGQ STIPULATIONS

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

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

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

###### a) FL OFF Shops:

| Area Type | BEER MGQ-BL per Rs. 100 Consideration Money<br>per month | IMFL MGQ-LPL per Rs. 100 Consideration Money<br>per month |
|-----------|--|---|
| All areas | 5.77   | 3.30  |

Premium OFF shops will have no MGQ prescribed for them.

###### b) Country Liquor Shop (ENA Based):

| Area Type       | CL MGQ-LPL per Rs. 100 Consideration Money<br>per month |
|-----------------|---|
| All ULBs        | 5.64  |
| All Rural Areas | 5.8   |

###### c) Hotels and Restaurants without Lodging:

| Area Type | BEER MGQ-BL<br>Per month | IMFL MGQ-LPL<br>per month |
|-----------|--------------------------|---------------------------|
| URBAN     | 600                      | 225                       |
| RURAL     | 570                      | 210                       |

###### d) Beer Parlours:

| Area Type | * BEER MGQ-BL per month |
|-----------|-------------------------|
| URBAN     | 1050                    |
| RURAL     | 900                     |

#### 4.1.2 Premium FL-OFF Shops:

No MGQ is imposed on Premium FL-OFF Shops.

#### 4.1.3 OUT STILL SHOPS:

| Area Type | Mohua Flower MGQ (in quintal) per 1000 C. Money |
|-----------|---|
| All Areas | 0.657   |

- 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 of Country Liquor (ENA based)
- d. The Beer Parlour ON shops are allowed to lift wine also.
- e. A Committee under the Excise Commissioner shall consider MGQ related issues faced by Licensees. In case of genuine difficulties, Excise Commissioner may relax up to 10 % MGQ on the recommendations 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 2023-24. In case of short lifting, the unit must pay utilization fee as prescribed vide clause 2.8. of the Policy framework.

### PART-D

#### GENERAL REGULATORY GUIDELINES

The following regulatory guidelines are prescribed for the licensees, E.P. Holders, Retailers and other stake-holders.

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

There will be no increase in number of FL-OFF, premium FL-OFF & CL shops for the year 2024-25. The license of existing FL-OFF & CL (ENA based) EP holders would be renewed up to end of July, 2024.

#### **ii) 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 strive to open at least one depot in each Excise district at appropriate locations to improve the ease of doing business by retailers.

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

### iii) IMFL 'ON' SHOPS AND BEER PARLOUR

- a. No new 'ON' shop license shall be granted for rural areas till 31<sup>st</sup> July 2024. In urban areas new 'ON' shop license can be granted for only star hotels and other hotels having such minimum number of rooms as prescribed by Excise Department.
- b. Beer parlours would be allowed to sell Beer as well as LABs/ RTDs and wine.
- c. All FL-OFF licensees, Club ON licensees and FL- ON Shop Licensees of Hotels of 3 star and above categories can lift all the label registered Stock Keeping Units (SKUs) of all sizes. However, all IMFL Restaurant 'ON' as well as IMFL Hotel ON Licensees of categories not covered above can d lift the label registered Stock Keeping Units (SKUs) sizes of IMFL (375 ml, 700 ml, 750 ml, 1000 ml etc.), FMFL of all pack sizes and 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.
- d. "ON" shops are not allowed for Counter Sale like "OFF" shops.
- e. The License Fee could be paid in 4 equal instalments.
- f. District Collector shall be the competent authority for issuing Temporary license as per fee structure specified in Part-A.

### iv) COUNTRY LIQUOR SHOPS

a) CL includes, CL manufactured by ACSIL of strength 40° UP/ 50° UP/ 60° UP and other ENA based CL of 50° UP/ 60° 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.

b) Keeping health interest of consumer in mind, ACSIL should also start manufacturing low strength CL of 50° UP and 60° UP strength. It is strongly recommended that ACSIL should completely move towards 50° UP and 60° UP strength CL at the earliest possible.

### v) 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.

- a) All OS products 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.
- b) All OS manufacturers must move towards modernization of their production units including packaging units and quality control equipments, so that they can offer products of assured quality. The OS shops must maintain a hygienic atmosphere not only for the consumers, but also for their own workforce.
- c) 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
- d) The MRP must be mentioned clearly on each packet. Wherever the consumer wishes, he should be able to pay via UPI interface. Accordingly, the licensees must make provisions for facilitating digital payments. Selling above MRP will invite stringent penal action with fine as prescribed herein and cancellation of license in case of repeated violations.
- e) No Trade license shall be granted in areas outside the availability of Mohua flower.
- f) It is mandatory to produce VAT registration certificate for obtaining a Mohua flower trading license.
- g) 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.
- h) License holder of OS shops shall only be charged transport fee for quantity of Mohua flower to be procured for storage. Transport fee shall not be charged for any unutilized quantity of Mohua flower. However, non-utilization fee shall be collected from any OS license holder failing to utilize the MGQ of Mohua flower.
- i) The Collectors may allow up to 10 (ten) branch shops to be operated by each Exclusive Privilege license holder with license fee as specified in part
- j) Any shop once settled and started operating shall not be shifted ordinarily within a given financial year.
- k) Any Mohua flower transaction beyond the limits of possession should be accompanied by a transport pass.
- l) Additional guidelines for OS Shop would require them to mention the following on the packet.



- A. Name of the shop
- B. Date/Month/Year of manufacturing of liquor & Expiry Date
- C. Net content in terms of mililiter
- D. Maximum Retail Price
- E. Code number along with identification mark of the shop approved by the Superintendent of Excise
- F. The Maximum Retail Price (In English, Hindi and Odia) must be prominently displayed in the shop premises.

m) Collectors shall ensure that random samples of OS liquor are drawn & tested at regular interval

**vi) IMFL OFF SHOPS**

a) It will be mandatory for an 'OFF' shop to display prominently the following:

- A. The Rate chart of all available brands. (The rates of the brands which constitute 2/3<sup>rd</sup> of their annual sale must be prominently displayed in a bigger font size).
- B. Opening /Closing time.
- C. Age group which is not allowed to buy.
- D. Health warning i.e. "Consumption of alcohol is injurious to health"

b) IMFL should be sold only in Glass bottles or Tetra Packs in specified SKU sizes.

c) 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

d) Regarding the name of FL shops:

- i. No license shall be granted to a liquor shop having the name of deities / eminent personalities (Living or dead) or in a name which will amount to an advertisement, or which can hurt the sentiments of the people.
- ii. No OFF shop should use 'Sarkari/Government' in their name. The license holder may use 'Licensed FL OFF shop' on signage board.
- iii. Home delivery of liquor shall be offered only by a licensee having the license for this particular purpose.

**vii) 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.

- a) The MRP shall be decided on the principle of landing cost + all taxes/duties/ Other Fees + wholesale margin + retailer margin.
- b) Any request for modification on offer price of the brands will be decided by the Price Fixation Committee.
- c) Price Fixation Committee should schedule meeting at least once in a quarter.
- d) Any MRP violation may also result in suspension of license for a period of 1 month without any adjustment against MGQ in addition to fine imposed as described in preceding paragraph.

**viii) STANDARDIZATION OF EXCISE SHOPS**

- a) The physical infrastructure of the excise shops should be standardized.
- b) There should be display boards showing statutory information.
- c) The staff should be with identity card and uniform.
- d) Proper background check of the staff should also be done.

**ix) PREMIUM FOREIGN LIQUOR OFF SHOP IN SELECTED CITIES AND ODISHA AIRPORTS:**

Following terms and conditions are applicable on existing premium FL-OFF 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 BI, and above.

- f. All types of Premium India Made Beer having landing 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 of 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. 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.
  - XI. Such shops can dedicate up to 10% of their space to sell ancillary products such as liquor chocolates, high-end art paintings, high value merchandise such as bottle openers, ice boxes, bar glasses etc.
  - XII. Other applicable general terms and conditions w.r.t to liquor license would be applicable on such shops.

**x) 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:

- a. A microbrewery may be set up, where beer is manufactured and is served to the customers for consumption within the premises.

- b. 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.
- c. 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.
- d. The license fee for setting up an "ON Microbrewery" and "Microbrewery with IMFL Restaurant ON" is as prescribed in PART A.
- e. 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.
- f. A Licensee shall submit a detailed lay out plan of the area in which the microbrewery is located.
- g. 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.
- h. The beer so produced shall not be sold outside the premises.
- a. 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.
- j. The shelf life of Beer produced should also be specified by the chemist with necessary storage and handling conditions.
- k. The licensee shall arrange to draw the beer samples once in every month and forward the same to laboratory for analysis.
- l. The report so obtained shall be displayed in the premises of the microbrewery.
- m. The licensee shall submit a list of different categories of beer (ale, stout, lager, wheat, strong etc) proposed to be manufactured in the microbrewery.
- n. The alcohol content of the product consumed shall not exceed 8% v/v.
- o. Under no circumstances beer or any alcoholic drinks is to be served to person below the legal drinking age fixed by State Government.
- p. 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  $15 \times 300 \times (30 + 31 + 30) = ₹ 4,09,500$  by March 31st for the period Apr-Jun as advance Excise Duty for Beer production (all figures in INR)
- q. An electronic flow meter shall be installed between the fermentation tanks and storage tanks and the flow meter shall be under the supervision of the excise inspector. The flow meter shall be as per the specifications as fixed by the Excise Commissioner.
- r. 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.

- s. The premises must be maintained neat and clean with proper ventilation, lightning and to meet all safety and emergency standard.
- t. The beer dispensing system including glasses and serving table must be maintained to ensure proper hygiene.
- u. 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
- v. All general provisions contained in the prevalent Excise Act & Rules shall be made applicable to establishment of Micro Breweries.
- w. 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
- x. 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
- y. Applicant shall provide relevant Income Tax Receipts for last 3 years

**xi) 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 conforming 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.

**xii) EXCISE ADHESIVE LABEL APPROVED BY GOVERNMENT**

- a. Affixing of Excise Adhesive Label (EAL) shall be compulsory on FMFL, IMFL, Wine, Beer and Country Liquor bottles/cans/ tetra packs/ Kegs etc.
- b. 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.
- c. 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.

**xiii) 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



**31.03.2024** from those EP holders; who have applied for renewal of their license. Payment of Advance Consideration Money is a pre-requisite for renewal of license.

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 2024-25. 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 shops 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.

**xiv) LOCATION OF LIQUOR SHOP AND GUIDELINES BY HON'BLE SC ON NATIONAL/ STATE HIGHWAYS**

- a. Guidelines prescribed by Hon'ble Supreme Court regarding liquor vends along National Highways & State Highways must be strictly adhered to while granting new Licenses.
- b. No signage will be used by any licensee, which is located along NH/SH, as directed by the Hon'ble Supreme Court on 15.12.2016.
- c. No shop shall be allowed to be shifted, before it starts functioning at its original location.
- d. 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. Invariably, public objection shall be invited for the new location before shifting.
- e. 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 objection.
- f. 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 investment in hospitality sector in the State.

**xv) 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 making liquor consumption and eradicating harmful effects of liquor consumption. Therefore, every company is expected to do their share of social contribution in the State to the maximum extent possible.

Various CSR related activities carried out by Manufacturers/Suppliers operating in the State should be monitored in the Excise Directorate. Companies are expected to submit a copy of CSR activities carried out 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.

**xvi) IT INITIATIVE FOR EASE OF DOING BUSINESS**

For Ease of Doing Business, several G2B Services of Excise Department and OSBC Ltd. are being provided online through e-Abkari Portal and OSBC online Portal developed by NIC. The following modules are under development for rolling out during the coming financial year.

1. Integration of OSBC online portal with e-Abkari portal for getting details of the label registration of IMFL / Beer / CL and online supplier registration
2. Grant of license for Micro-Brewery
3. NOC & Permit for export of spirit
4. NOC for Methanol to be used for industrial purpose.
5. EAL Track and Trace system

**PART-E: 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 directions from any Court of Law or as per decision by the State from time to time.

  
E/3/24  
(S.K. Lohani)

**Principal Secretary to Government**

10/10

A. J. [unclear]