

EXCISE POLICY FOR THE YEAR 2013-14

The alcoholic beverages sector under the Constitution is a state subject and accordingly various States/ U.T's frame their own policies/taxation regime. The policy to tax and regulate the sale of liquor must meet the following objectives :

- Directive Principles of the State Policy as spelt out under Article 47 of the Constitution.
- Health and Safety concerns. The World Health Organization's Global Status Report on Alcohol has found that alcohol causes as much death and disability as measles and malaria and causes loss of far more years of life than tobacco or illegal drugs. Hence the availability of liquor cannot be unfettered. However, at the same time a highly restricted access leads to sale of spurious liquor and endangers human life.
- Consumer's choice i.e. those who drink responsibly must be able to exercise their preference.
- To encourages responsible drinking habits and create an environment where consumption of alcohol is subject to regulation of domestic budget.
- To wean away people from hard liquor to low content alcohol such as wines and beer by making their availability relatively easier.
- Revenue maximization so that resources can be used to finance developmental activities.
- To have a decent and dignified premises for sale and consumption of liquor in the city.

In short, the Excise Policy must ensure that the objectives of "minimization of consumption and maximization of revenue are achieved without putting unreasonable restrictions on the individual's freedom of choice and unreasonably high taxation. Raising rates beyond the threshold, would lead to evasion of taxes, smuggling and illicit distillation. Therefore, efforts should be to rationalize tax and policy regimes so as to plug leakages and realize full revenue due to the State for genuine and responsible drinking."

The Excise Policy of year 2012-13 has worked well. The department has collected revenue of Rs.276.47 Crores upto 31st March 2013, as against Rs.206.97 crore in the year 2011-12

The present system of granting licenses by inviting tenders commenced in year 2011-12. This system has ensured more transparency, provided opportunity to new entrants and has also resulted in maximization of revenue without increasing the consumption levels. As such, the present system of granting retail sale licenses of foreign liquor (L-2) & Country Liquor (L-14A) by inviting tenders is to be continued.

The Excise Policy for 2013-14 for the period commencing from 1st May, 2013 to 30th April, 2014 is detailed as under: -

COUNTRY LIQUOR

1. No. of retail sale Country Liquor (L-14A) licenses: - The maximum permissible number of retail sale Country Liquor (L-14A) licenses is fixed at 65. Retail sale country liquor (L-14A) licenses will be offered/granted at locations, which will be specified by the Department. However, the licenses will be granted only to those successful tenderers/allottees, who have the spaces in their possession & control, where they can start the liquor vend.

2. Country Liquor Quota: - The basic quota of country liquor for the period of twelve months commencing from 1st May, 2013 to 30th April, 2014 is fixed at 27 Lac Proof Litres, which will be divided equally amongst the maximum permissible number of 65 retail sale country liquor licenses. The licensee will have the option to lift additional quota @60% of basic quota on payment of additional license fee @Rs.3.50/- per PL. The retail sale country liquor licensee will have to lift the basic quota fixed for his vend and in case of nonlifting of the basic quota, he will be required to deposit the excise duty on unlifted quota. No ratio of quarts, pints and nips is however fixed.

3. Strength of Country Liquor: -The strength of country liquor is kept unchanged at 50 degree of Country Liquor and 60 degree of IMFL (Rum, Gin, Whisky) and the licensees will be allowed to lift the quota in ratio of their choice of both the degrees. The packing of Country Liquor shall be in glass/pet bottles.

4. Fixation of Retail Sale Price: - The minimum retail sale price of Country Liquor 50 degree & IMFL 60 degree allowed to be sold at country liquor shops is fixed as under

size	Country Liquor (50 Degree)	IMFL (60 Degree)
Quart (750 ML)	105	115
Pint (375 ML)	55	65
Nip (180 ML)	30	35

However, Administration reserves the right to intervene, regulate and control the retail sale prices in certain situations of economic distortion, overpricing etc.

5. Ex. Distillery Issue Price: - The Ex- distillery issue price of country liquor 50 degree and IMFL (Rum-Gin-Whisky) of 60 degree will be fixed by inviting tenders for these supplies from various distilleries/bottling plants, as done presently also. Only those distilleries/bottling plants whose rates are approved by the Chandigarh Administration will be allowed to sell their products in U.T., Chandigarh.

6. Excise Duty on Country Liquor: - The Excise Duty on Country Liquor is fixed at Rs.25/- per PL. An additional license fee of Rs.3.50/- per PL will be charged on lifting of additional quota from the retail sale country liquor licensees.

7. Grant of L-13 (Wholesale) license of Country Liquor: - The L-13 licenses will be granted only to the approved suppliers of Country Liquor to market their products in Chandigarh at license fee of Rs.3.50 lacs for period of twelve months commencing from 1st May, 2013 to 30th April, 2014.

8. Import and Export fee: - The Import and Export Fee on Country Liquor is fixed at Rs.3.10 /- per PL and Rs.0.30/- per PL respectively.

FOREIGN LIQUOR AND BEER

1. **No. of retail sale Foreign Liquor (L-2) licenses:** - The maximum permissible number of retail sale Foreign Liquor (L-2) licenses is fixed at 152. Retail sale foreign liquor (L-2) licenses will be offered/granted at locations, which will be specified by the Department.. However, the licenses will be granted only to those successful tenderers/ allottees, who have the spaces in their possession & control, where they can start the liquor vend

2. **Excise Duty on IMFL:** - The Excise Duty on IMFL (75 Degree) is fixed as under: -

Sr No	Category of Brands	Rate of Excise Duty
1	Cheap, Economy & Medium brands	Rs. 30/- per PL
2	Premium	Rs 33/- per PL
3	Ultra premium	Rs 42/- per PL
4	Semi Deluxe	Rs 61/- per PL
5	Deluxe	Rs 107/-per PL
6	Super Deluxe	Rs 128/-per PL
7	Ultra Deluxe Brands	Rs 247/- per PL

3. Excise Duty on Beer: - The Excise Duty on Beer is fixed as under: -

	Bottled Beer	Draught Beer
Beer having alcoholic contents up to 5.25 %v/v	Rs 26/- per bottle of 650 ML	Rs 50 Per BL
Beer having alcoholic contents exceeding 5.25 % and up to 8.25 %v/v	Rs 26/- per bottle of 650ML	Rs 50 per BL

4. Excise Duty on Wines, Champagne, Cider, RTD and Liqueurs: - Excise Duty on Wine, Champagne, Cider, RTD and Liqueurs is fixed at Rs. 18/- per BL.

5. Excise Duty on Rum/IMFL, Beer and Wine, etc. & Additional License fee on Imported Foreign Liquor supplied to Troops : - The excise duty on Rum/IMFL, Beer and Wine etc. supplied to troops is fixed as under: -

- 1 Rum/IMFL : - Rs.24/- per PL
2. IFL : - Rs.24/- per PL
3. Beer having alcoholic contents upto 5.25% v/v : - Rs. 11/- per bottle of 650 ML
4. Beer having alcoholic contents exceeding 5.25% & upto 8.25% v/v : - Rs. 18/- per bottle of 650ML
5. Wine, Cider, Champagne and RTD, etc. : - Rs. 15/- per BL

6. Assessed Fee on Liquor Supplied to Troops/Military Canteens: - Assessed fee on liquor supplied to Troops/Military Canteens is fixed as under:

1. IMFL & IFL : - Rs. 36/- per BL.
2. Rum : - Rs. 14/- per BL
3. Beer : - Rs. 1.5 /- per BL
4. Wine, Cider, Liqueurs & RTD, etc. : Rs. 1.5 /- per BL

7. Additional License fee on Imported Foreign Liquor, Beer, Wine, Cider & Liqueurs, etc. (Bottled In Origin Brands): - Additional license fee will be charged at the following rates on Imported Foreign Liquor, Beer, Wine, Cider & Liqueurs, etc.

1. Imported Foreign Liquor : - Rs. 247 /- per PL.
2. Imported Beer having alcoholic

contents upto 5.25% v/v :- Rs. 26 /- per Bottle of 650 ML

3. Imported Beer having alcoholic contents exceeding 5.25% & upto 8.25% v/v :- Rs. 26 /- per Bottle of 650 ML

4. Imported Wine, Cider & Liqueurs etc. :- Rs. 18 /- per BL

8. Wholesale license of IMFL, Beer and Wine etc: - The wholesale license of IMFL, Beer and Wine manufactured/bottled in India will be granted to only those companies having their manufacturing distilleries/bottling plants, breweries and wineries. The wholesale license of Imported Wine (L-1DF) and Imported Foreign Liquor and Beer (L-1F) will be granted to only those firms/persons who are holding a custom approved Bonded Ware House license (or having space allocated in the Custom approved Bonded Ware House or any other BWH license) any where in India. The license fee of wholesale licenses for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014 is fixed as under:

1	Wholesale License of IMFL (L-1B)	Rs. 7 lacs + Rs. 2 lacs per brand for those brands having sale volume of 2,000 cases or above and Rs. 36,000/- for those brands having sale volume below 2,000 cases in UT, Chandigarh during the financial year 2012-13.
2	Wholesale License of Beer (L-1C)	Rs. 1,10,000/- per brand
3	Wholesale License of RTD (L1-C1)	Rs. 72,000/- per brand (All flavors to be treated as single brand)
4	Wholesale License of Indian Wines (L-1D)	Rs. 4500/- per brand

5	Wholesale License of Imported Wines (L-1DF)	Rs. 4500/- per brand
6	Wholesale License of Imported Foreign Liquor & Beer (L-1F)	Rs. 4 Lacs

09. **Permit Fee:** - The Permit fee shall be charged only on permits issued to L-1B /L-1C/L-1F/L-9 licensees and is fixed as under: -

1. IMFL & IFL 75 degree @ Re. 2/- per PL
2. Beer @ Rs. 8- per case of 7.8 BL

10. **Import Fee:** - The Import fee on IMFL/IFL is fixed as under: -

1. IMFL & IFL @ Re. 3/- per PL
2. Beer @ Rs. 2.75/- per case of 7.8 BL
3. Draught Beer @ 50 paise per BL
4. Wines, Cider, Liqueur & RTD @ Rs. 4.50/- per case of 9 BL.

11. **Approval of Labels:** - The registration fee for various brands of liquor for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014 is fixed as under, keeping in view the sale figures of the brands sold during the financial year 2012-13: -

IMFL & Beer brands having sale volume above 20 thousand cases in U.T., Chandigarh : - Rs.2 lacs.

IMFL & Beer brands having sale volume exceeding 10 thousand cases & upto 20 thousand cases in U.T., Chandigarh: - Rs. 100,000/-

IMFL & Beer brands having sale volume exceeding 1 thousand cases & upto 10 thousand cases in U.T., Chandigarh: - Rs. 30,000/-

IMFL & Beer brands having sale volume upto 1 thousand cases in U.T., Chandigarh : - Rs. 15,000/-

Imported Foreign Liquor/Imported Beer: - Rs. 7000/- per brand

Wine, Cider, Champagne, Liqueur & RTD: - Rs. 4000/- per brand.

The Collector (Excise) will be the competent authority to approve the labels. The L-1F/L-1DF licensees will have to pay the brand registration fee in respect of each brand he desires to market in UT Chandigarh. The wholesale licensees will be required to maintain a reasonable price line. Any abnormal increase in prices would invite the intervention of the Excise Commissioner.

12. Bar-Coding: - In order to encourage responsible drinking habits and to create an environment where consumption of alcohol is subject to regulation, a barcode will be encouraged on all brands of IMFL, Wine, Beer, RTD and Country Liquor. Since some of the wholesalers have already introduced a Bar-code on their products, it is, therefore, proposed to encourage the system of Bar- Coding.

13. Minimum Retail Sale price of IMFL & Beer: - The minimum retail sale price of IMFL 75 degree & Beer is categorized & fixed as under for the period of twelve months commencing from 1st May, 2013 to 30th April, 2014: -

IMFL

Brand	Quart (in Rs)	Pint (inRs)	Nip (in Rs)
Cheap Brand	145	75	45
Economy Brand	170	95	60
Medium Brand	195	105	65
Premium Brand	215	115	70
Ultra Premium Brand	245	130	80
Semi-Deluxe Brand	310	175	95
Deluxe Brand	410	215	120
Super Deluxe Brand	460	240	135
Ultra Deluxe Brand	650	350	185

BEER

Beer having alcoholic contents upto 5.25% v/v	Rs 65/- per bottle of 650ML
Beer having alcoholic contents exceeding 5.25% & upto 8.25% v/v	Rs 72/- per bottle of 650ML

The categorization of the brands for purpose of levy of Excise Duty & determination of minimum retail sale rates of IMFL are revised & fixed as under:-

1. All IMFL 75 degree liquor brands which cost less than or equal to Rs 650/- per case of quarts and are bottled in the bottling plants of U.T. Chandigarh (self owned brands only), inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Cheap Brand.
2. All IMFL 75 degree liquor brands which cost less than or equal to Rs 650/- per case of quarts and are not bottled in bottling plants of U.T. Chandigarh, inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Economy Brand.
3. All IMFL 75 degree liquor brands which cost more than 650/- and less than or equal to 1000/- per case of quarts inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Medium Brands.
4. All IMFL 75 degree liquor brands which cost more than 1000/- and less than or equal to 1350/- per case of quarts inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Premium Brands.
5. All IMFL 75 degree liquor brands which cost more than 1350/- and less than or equal to 1550/- per case of quarts inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Ultra- Premium Brands.
6. All IMFL 75 degree liquor brands which cost more than 1550/- and less than or equal to 2450/- per case of quarts inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Semi- Deluxe Brands.
7. All IMFL 75 degree liquor brands which cost more than 2450/- and less than or equal to 3650/- per case of quarts inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Deluxe Brands.
8. All IMFL 75 degree liquor brands which cost more than 3650/- and less than or equal to 4500/- per case of quarts inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Super Deluxe Brands.
9. All IMFL 75 degree liquor brands which cost more than 4500 /- per case of quarts inclusive of all the levies except license fee/assessed fee to L-2 licenses will fall under the category of Ultra Deluxe Brands.

However, Administration reserves the right to intervene, regulate and control the retail sale price in certain situations of economic distortion, overpricing etc

--

14. Liquor Bar/ Pub/ in a Hotel/ Restaurant/Club (L-3/L-4/L-5, L-10A & L-10AA licences): -

The license fee of L-3, L-4 & L-5 licenses and other bar licenses for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014 is fixed as under: -

L-3, L-4 & L-5 license : - Rs.5 lacs

L-10 A (Retail vend for Beer & Wine for consumption on the premises)

1. Independent : - Rs. 50,000/-
2. For a Hotel/Restaurant having L-3, L-4&L-5 license and club : - Rs. 50,000/-
having L-12 C license

L-10AA (Retail vend of Wine for consumption on the premises): -Rs.

30,000/-

The bar license of L-3, L-4 & L-5 and L-12-C will be allowed to sell IMFL having landing cost of Rs. 1,000/- and above per case and Rum, Gin, Vodka of Rs. 500/- and above per case.

The L-3, L-4 & L-5 licensees of 5 star hotels and above category will be allowed to procure their requirements of Imported liquor (BIO Brands) also from authorized sources out side U.T. Chandigarh on payment of additional license fee/permit fee/import fee/brand fee as payable by the L-1DF/L-1F licensees.

The bar licensees to be allowed to have (i) an additional bar in the establishment on payment of 50% of the license fee of the bar and (ii) an additional place to serve liquor from the bar on payment of 10% of the license fee of the bar.

The starred hotels and restaurants will be allowed to apply the license in form L-3/L-4/L-5, L-10A and L-10AA on the commencement of their operations . However in the case other restaurants and Hotels , the above said license would be applied after six months of their commencement of the operations and further the license will be given if they have paid a minimum of Rs 30,000 as VAT for the corresponding period.

15. Bar License to Clubs: -The license fee of bar licenses issued to clubs (L-12C) for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014 is fixed as under: -

Clubs having upto 1500 members	Rs 2 lacs
Clubs having members from 1501 to 2500	Rs 4 lacs
Clubs having members from 2501 to 3500	Rs 8 lacs
Clubs having members above 3500	Rs 16 lacs

Members will include all temporary & honorary members also.

16. Bar Timings: - The bar timings are kept unchanged & the bars will be allowed to remain open from 11:00 AM to 01:00 AM (past mid-night) throughout the year, except on dry-days.

17. Assessed fee on liquor sold in Bars: - The assessed fee on liquor sold through bars (L-3/L-4/L-5/L-10A/L-10AA and L-12C) is fixed as under: -

IMFL/IFL	Rs 165/- per BL
Wines/Cider, Liqueur, Ready To Drink Beverages, etc. (domestic & imported)	Rs 15/- per BL
Beer (domestic & Imported)	Rs 18/- per BL

The assessment fee will be charged at the time of issuance of liquor passes to these licensees.

18. Assessed fee on liquor sold at retail sale Foreign Liquor (L-2) vends
: Assessed fee on IMFL/IFL sold at L-2 vends is fixed @ Rs.15 /- per BL. The assessed fee on Beer allowed to be sold at L-2 & L-14A vends is fixed @Rs. 6.50 /- per bottle of 650 ml.

19. Wine and Liquor Stores (L-10B): - The license fee of L-10B license is enhanced from Rs.3.50 lac per annum to Rs.4.50 lacs for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014. The L-10B licensees

will be allowed to sell only Imported Foreign liquor, Imported Beer, Imported Wines, Domestic Wines & Ready to Drink Alcoholic Beverages upto 20 degree proof strength (except Indian Made Beer). The new L-10B license will be granted to a departmental store having minimum annual turnover of Rs.25 lacs of non-alcoholic items & in case of renewal of existing licences, it would be ensured that the share of sale of liquor products is not more than 50% of the total turnover in the preceding year. For the grant of new license It would be necessary for the departmental store to be in existence for the last two years ie if a Departmental Store wants to apply for a L-10 B license in the year 2013-14 , then it should have been operational in 2011-12 and 2012-13. For the renewal of the existing L-10B license , VAT amounting to Rs 50,000 must have been paid. Tasting Sessions will also be allowed in a departmental store, provided that the licensee erects a separate screened enclosure in the store for this purpose.

The assessed fee on liquor sold at these stores is fixed as under

Sr no	Particulars	Rate
1	Imported Foreign Liquor	Rs 165/- per BL
2	Imported Beer	Rs 18/- per BL
3	Imported wine ,Cider , Ready to Drink Alcoholic Beverages and Liqueur	Rs 15/- per BL
4	Domestic Wine & Ready to Drink Beverage upto 20 degree (except Indian Made Beer)	Rs 15/- per BL

20. Cash Memo: -The retail sale Foreign Liquor (L-2) licensees will be required to issue cash memo on demand for the sale transaction at their vends.

GENERAL

1. Mode of Grant: - The following procedure is to be adopted for grant of Retail sale country liquor (L-14A) & retail sale foreign liquor (L-2) licenses: -

(i) All the retail sale foreign liquor (L-2) & retail sale country liquor (L-14A) licenses will be granted by inviting sealed tenders by issuing a public notice for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014.

(ii) Tenders are to be invited separately for each retail sale license. The bidder will be required to furnish bid only in the prescribed format individually and separately for each vend/license. A bidder can apply for any number of vends/licenses, however each bidder will be allowed to submit only one bid for a particular vend. In case multiple tenders are submitted by a tenderer for a particular vend, all his bids will be liable for rejection/cancellation. The retail sale foreign liquor (L-2) licenses will have two categories namely , Modern Liquor

Shops & Liquor Shops in SCO's/SCF's/Shops/Booths, etc.. The retail sale country liquor (L-14A) licenses will have one category namely ie Liquor Shops in SCO's/SCF's/Shops/Booths, etc. The number & category of licenses to be offered in various localities/sectors will be specified at the time of issuance of public notice inviting tenders.

(iii) The minimum reserve price for retail sale foreign liquor (L-2) or a retail sale country liquor (L-14A) license is fixed/kept equivalent to the license fee of that particular license for the last year ie Excise year 2012-13., provided that in case of similarly situated sites within a sector/NAC/village/locality etc. of the same category which falls under -SCO/SCF/Shops/Booths etc., category of L-2 & L-14A licenses or modern liquor shop category of L-2 licenses, the minimum reserve price shall be fixed by averaging the license fee of the last year (excise year 2012-13) of such licenses and the reserve price of the unallotted licenses of will also be taken into account while calculating the average reserve price in case of similarly situated sites In case of L-14A licenses for which no bid was received last year (i.e. Excise Year 2012-13) the minimum reserve price is fixed at Rs 40 Lacs for SCO/SCF/Shop/Booth etc category.. In case, no bid is received by the Department for a particular license, that particular license will be offered again at the initial minimum reserve price. However, if no bid is received for second time for a particular license, the minimum reserve price will be fixed by reducing it off by 5% and bids will be invited again. Again if no bid/tender is received by the Department even after the third attempt for a particular license, then the amount of minimum reserve price of such license or the manner in which the amount of minimum reserve price of such license is to be re-fixed, for the purpose of its allotment/allocation, will be decided by a committee headed by Finance Secretary-cum-Secretary Excise & Taxation with ETC, Additional ETC, AETC as its members and it will be done after the final approval of the Advisor to Administrator.

(iv) The category wise detailed list mentioning localities/sectors of retail sale foreign liquor licenses & country liquor licenses, for which tenders are to be invited will be got advertised/published after getting it approved from Excise & Taxation Commissioner-cum-Financial Commissioner.

(v) The tenderer will be required to submit pay order/demand draft of Rs.35,000/- as participation fee with each tender at the time of submission of tender, which will be non-refundable & non-adjustable.

(vi) In case of individuals or partnership firms, the tenderer will be required to submit Photograph, age proof, residence proof, proof of identity, copy of PAN of self or of all partners of a partnership firm/partnership firm and eligibility affidavit under order 7 of Punjab Intoxicants License & Sales Orders, 1956 (as applicable to U.T. Chandigarh) along-with the tender document containing bid.

(vii) In case of companies, the tenderer will be required to submit Registration Certificate issued by the Registrar of Companies under the Companies Act, 1956, a copy of PAN in the name of company, list of Board of Directors, a resolution passed by the Board of Directors authorizing any person to apply on behalf of the company and eligibility affidavit under order 7 of Punjab Intoxicants License & Sales Orders, 1956 (as applicable to U.T. Chandigarh) along-with the tender document containing bid.

(viii) The tender document containing bid amount shall be signed by an individual or by all partners of a partnership firm or by authorized person on behalf of a company, as the case may be.

(ix) Participation Fee & Earnest Money along-with requisite documents shall be submitted by the tenderer in an open envelope marked "Technical Bid". The financial bid quoting the bid amount shall be sealed by the tenderer in a separate envelope marked "Financial Bid". Both these envelopes shall be marked "TENDER FOR RETAILSALE FOREIGN LIQUOR OR COUNTRY LIQUOR LICENCE" by clearly mentioning the name of the license applied for with code, category & sector/locality as mentioned in the public notice. The same should reach the office of Asstt. Excise & Taxation Commissioner, U.T. Chandigarh before last date & time fixed for submission of tender documents, as publicized by the Department. The receiving officer will check the particulars of technical bid at the time of receipt of tender and if, technical bid is found in order, only then the prospective tenderer will be allowed to submit financial bid. In case, the applicant tenderer insists for submission of financial bid where the technical bid is not in order, the same will be accepted by receiving officers, however such tender will be liable to be rejected later on. The wrong mentioning of details on the envelope will render the application liable to be rejected. No tender document containing bid will be received after the expiry of last date & time. In case of non-submission of participation fee or requisite earnest money, the tender will be considered invalid & the amount of participation fee or earnest money submitted with the tender document will stand forfeited.

(x) The tenders once submitted can not be withdrawn. The tender document containing incomplete bid Performa or wrongly filled bid Performa will render the application/tender liable to be rejected and the earnest money in such cases will be forfeited.

(xi) The license will be allotted to the highest eligible tenderer (offering highest bid), quoting bid equal to or above the reserve price for a particular license /vend. In case, more than one bid quoting the same highest price are received, the successful tenderer/bidder will be determined by a draw of lots amongst the tenderers quoting the same highest amount. In case, there is no bid or no eligible bid equal to or above the reserve price, the bids will be invited again. However, the licenses will be granted only to those successful tenderers/allottees, who

have the spaces in their possession & control, where they can start the liquor vend.

(xii) Each tenderer will be required to furnish pay order/demand draft of the following amount as earnest money i.e. Range of minimum reserve price Amount of earnest money

Upto Rs 60 lacs	Rs 7 lac
Upto Rs. 1 Crore	Rs 10 lac
Above Rs. 1 Crore to Rs 1.5 crore	Rs 13 lac
Above Rs. 1.5 Crore to Rs 2.5 crore	Rs 25 lac
Above Rs 2.5 crore	Rs 35 lac

The successful tenderer will be further required to deposit 30% of total bid amount within seven days from the date of finalizing the tenders (the exact date will be mentioned in the public notice inviting tenders) failing which the earnest money will stand forfeited. In such case, the liability of the highest tenderer will be limited only to the extent of earnest money tendered by him with the tender document. Bids for such licenses will be invited again by calling fresh tenders. The earnest money paid with the application/tender document will be adjustable in initial 30% amount of license fee. e.g. if a tenderer submits a bid of Rs.50 lacs, for which he has paid an earnest money of Rs 7 lacs, the initial 30% amount which works out to be Rs 15 lacs will include Rs 7 lacs paid as earnest money earlier with the tender document

(xiii) The licenses will be granted at the locations advertised in the tender notice. These licenses will be granted in the sectors, Industrial Areas, NAC, Rehabilitation colonies, already existing Pucca Structures in the areas where such structures are allowed by the Administration in the villages, etc. However, the licenses will be granted only to those successful tenderers/allottees, who have the spaces in their possession & control, where they can start the liquor vend.

(xiv) The successful tenderer shall be solely & fully responsible for arrangement/possession of premises for operating a liquor vend. The Department will have no responsibility, whatsoever, in case a successful tenderer fails to make an arrangement for a premises. However, the licenses will be granted only to those successful tenderers/allottees, who have the spaces in their possession & control, where they can start the liquor vend. In case, a successful tenderer fails to arrange suitable/eligible premises up to 30th May, 2013, 30% of bid money paid by him will be forfeited and the bids will be invited again for the said license after re-fixing the minimum reserve price for the remainder period of the license. Liability of a bidder in such case will be limited upto 30% of bid money. In case of allotments made after 30th April, 2013, a period of 30 days from the date of finalization of the tenders, will be granted to a

successful bidder for arranging the suitable premises/space for operating the liquor vend instead of the date of 30th May, 2013.

(xv) The Excise & Taxation Commissioner-cum-Financial Commissioner will be the competent authority for approving any additional clause in term & condition of the tender or procedure to be adopted for finalizing the tenders.

(xvi) The process of allotment shall be conducted by a committee comprising of Collector (Excise) & a Sub-Divisional Magistrate. The Chandigarh Administration shall appoint Senior Officer from the Administration, as observer, who will supervise the proceedings.

(xvii) The tender document shall be duly entered in page numbered & indexed register or registers to be maintained in the office of AETC by an officer or officers not below the rank of ETO. Each register shall be authenticated by AETC. Vend wise receipt of all tenders shall be recorded in the register. Vend code, name of vend and category shall be recorded on top of the page of the register. Each tender for a vend shall be entered in a date wise manner. There shall be serial number in a running ascending order, date of submission, name of tenderer/bidder, details of earnest money & participation fee, signature of bidder/tenderer and receiving officer.

(xviii) The serial number of register shall be recorded on a label to be affixed on the cover of the sealed 'Financial Bid' envelope also. Thereafter, the envelope shall be signed by the bidder or their representative and put in the sealed box.

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

(xx) The whole process of allotment shall be video graphed.

(xxi) The sealed bids shall be put in the box by the bidder himself/herself or their representative.

(xxii) Each box should have one slit through which the bids can be put in the box. There shall be one opening of the box, which shall be locked & sealed by a Sub-divisional Magistrate & the keys shall remain with him.

(xxiii) Each box shall be numbered & marked prominently for the type of vend, for which the bids are submitted.

(xxiv) Each box shall be sealed by the Sub-divisional Magistrate before the start of the process of receiving tenders in the presence of all those, who wish to be present. This should be done under intimation to the Excise & Taxation Commissioner.

(xxv)The boxes shall be opened on the date of allotment by the committee comprising of Collector (Excise) & a Sub-divisional Magistrate in the presence of all participants, who wish to be present there. A separate arrangement for media shall also be made during the allotment process.

(xxvi)Adequate security personnel shall be deputed throughout the bid process, where the boxes are kept & stored. The boxes will move to the allotment hall under adequate police security.

(xxvii)The allotment shall take place at duly publicized venue on the date & time to be fixed by Excise & Taxation Commissioner, U.T. Chandigarh.

(xxviii)Entry to the venue of allotment shall be regulated by pass issued to the bidders, if any person commits misconduct at the venue, he shall be debarred from participating in the proceedings and his/her earnest money will be liable to be forfeited.

(xxix)List of vend wise bidders shall be displayed on a day prior to the date of allotment in the O/o AETC. If more than one round of tender is required, then it would be sufficient to display the list of vend-wise bidders before the stipulated time for opening of tenders. Allotment of retail sale foreign liquor (L-2) vends shall be taken up before the retail sale country liquor (L-14A) vends. The boxes shall be taken up in ascending order of its marked number and opened/processed one at a time. It will be brought before the committee for its examination. The box shall be opened after announcement with regard to vends concerned and number of bidders. The vend wise list of bidders should be kept ready for reference and should be prominently displayed. Thereafter, with the permission of the committee, the seal of the Box shall be opened. The bids shall be brought out and processed vend wise. Vend wise number of bids received from box shall again be announced. Thereafter, vend wise financial bids shall be opened in full view of the audience in ascending order of vend code. The vend shall be allotted to the highest bidder quoting equal to or above the reserve price. The result shall be announced and recorded. In case, there is more than one bid of highest amount, the successful bidder shall be determined by draw of lot.

(xxx)Verification of particulars would be made in respect of the successful allottees before the license is actually granted. The verification of documents furnished by the successful allottee shall be made by the Excise Inspector of the respective circle

(xxxi)The list of successful allottees shall also be displayed at a conspicuous place in the office of the AETC

(xxxii)The licenses shall be granted by the Collector (Excise) after the approval of the Excise & Taxation Commissioner, U.T. Chandigarh.

(xxxiii) All licenses, whether for wholesale or for retail sale, shall be granted subject to the provisions of the Punjab Excise Act, 1914 and the Rules/Orders/Regulations/Instructions/Policies framed there under from time to time as applicable to U.T. Chandigarh

(xxxiv) No interest will be payable on the earnest amount.

(xxxv) In case of any situation, where re-allotment of a license is required, the minimum reserve price will be fixed by computing it from the original license fee for the remainder period or the balance license fee as may be decided by the Department. In case no bid is received at this minimum reserve price, the procedure prescribed for un-allotted licenses will be followed for allotment of that license. The re-allotment will be done at the risk and cost of original allottee. In case of any deficiency in the revenue, the balance/deficient amount will be recoverable from the original allottee as arrears of land revenue but in case a higher bid is received, no benefit will be given to the original allottee.

(xxxvi) Every successful allottee shall be required to furnish surety bond in Form M-75 with two sureties before the commencement of business.

2. Categorization of Retail Vends (L-2/L-14A): - The retail sale foreign liquor (L-2) licenses will have two categories namely, Liquor shops in SCO/SCF/Shops & Booths etc., & Modern liquor shops. The retail sale country liquor (L14A) licenses will have only one category ie Liquor shops in SCO/SCF/Shops & Booths etc.

The following criteria is fixed for defining MODERN liquor shops:-

- a. The licensed premises should be located in any SCO/SCF/Bay Shop in an approved commercial market or in a shop in a mall having minimum carpet area of 500 sq. ft. This whole area should be exclusively used for a liquor shop and shall not be clubbed with departmental store areas, if such license is granted in a departmental store.
- b. The premises should be air-conditioned with quality flooring i.e. wooden/vitrified tiles/granite, etc.
- c. Computerized system of issuing cash memos
- d. Systematic layout of liquor in shelves which can be accessed by the walk in consumers.
- e. These MODERN liquor shops would also be allowed to have liquor tasting sessions wherein the shop owner would be allowed to promote liquor by offering tasting of the same and there would be no need to take a separate licence for Tavern.
- f. Sale of IMFL/IFL/Beer/Wine and other bar accessories will be allowed.

3. Mode of Recovery of License Fee for L-2/L-14A licenses: The licensee will be required to pay 30% of license fee (bid amount) within seven days from the date of finalizing the tenders, which will also include the earnest money tendered by him with the tender document. The remaining 70% of the license fee will be payable in equal 7 installments of 10% each by the close of the last working day of each month starting from 30th June 2013. In case of late payment of any installment an interest @1.5% per month to be calculated on daily basis shall be charged . The license shall be deemed to have been suspended and the vend/ vends will be closed if the entire license fee of the month is not paid by 15th day of the next month. The licensee shall have to pay the balance installment, interest to get his license operational.

4. Quota of Indian Made Foreign Liquor: - - The basic quota of Foreign Liquor for retail sale foreign liquor (L-2) licenses only is fixed at 2 crore proof litres for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014 which will be distributed equally amongst the maximum permissible number of 152 retail sale foreign liquor (L-2) licenses. This quota will include Imported Foreign Liquor also. Each licensee will be required to lift the basic quota allocated to his vend and in case of non-lifting of basic quota, the licensee will have to pay Excise Duty @Rs.30 /- per proof litre on unlifted quota. Each L-2 licensee will have an option to lift an additional quota upto 50 % of his basic quota on extra payment of additional license fee @ Rs. 4/ per P.L. An outgoing licensee will be allowed to transfer the left over stock on 30th April, 2013 to an incoming licensee (in accordance with the provisions of Punjab Liquor License Rules, 1956 as applicable to UT, Chandigarh) on payment of stock transfer fee @ Rs. 1/- per P.L. however, this quota shall not exceed two month's basic quota of an incoming licensee of year 2013-14 and this quota will be in addition to the quota fixed for that vend for the year 2013-14 Further any difference in the rate of Excise Duty and Assessment fee over the last year's Excise Duty & Assessment fee on left over liquor will be recoverable as fee from the incoming licensee. The lifting of Beer by retail sale foreign liquor (L-2) vends will not be a part of above said quota fixed for L-2 licenses. Similarly, wines, champagne, cider, ready to drink beverages, liqueurs, etc .will not be a part of above said quota for L-2 licenses.

5. Possession limit: - Quantity of purchase and possession of liquor by an individual from L-2/L-14-A for Country liquor, IMFL, Beer and Wine is kept unchanged & fixed as under:

1. Country Liquor : - 2 Bottles of 750 ML
2. IMFL/IFL : - 18 Bottles of 750 ML
3. Beer : - 36 Bottles of 650 ML
4. Wine : - 18 Bottles of 750 ML

6. Private Possession permit (L-50): -The possession of liquor by L-50 permit

Along with fee is fixed as under: - The fee for the grant of L-50 shall be Rs 500/ for a year and Rs 3000/ for life time . The private possession limit will be as under.

1	IMFL/IFL	36 Quarts of 750 ML
2	Beer	72 Bottles of 650 ML
3	Wine	36 Bottles of 750 ML

7. Dry Days: - The dry days of 15th August and 26th January to be observed upto 05:00 PM and 2nd October for whole day. The dry-days as notified/directed by the Election Commission of India/State Election Commission will also be observed as Dry Days.

8. Working Hours: - 10 AM to 11 PM throughout the year.

9. Excise Duty on Denatured Spirit: - The Excise Duty on denatured spirit will be leviable @Re.1.25/- per BL.

10. Fee of Permit on Functions/Celebration (L-42): - Permit fee @ Rs. 1500/- per day per function is to be charged on the permit allowing service of liquor on special occasions.

11. Location of Liquor vends: - No liquor vend shall be permitted to be opened near (not less than 50-meters from main gate of any) place of worship, educational institution & place of public entertainment. The liquor vend on the National Highway/ State Highway are required to be located strictly as per the provisions stipulated in the Punjab Scheduled Roads & Controlled Area (Restriction of Unregulated Development) Act, 1963. No liquor vend shall be allowed to be opened at a distance of less than 150 meters of National Highway (except within Municipal Corporation) limits. The distance shall be measured from the main entrance of the liquor vend. Administration reserves the right to refuse permission for a particular location for the reasons of public morality, public health and public order

12. Checking by Health Department: -No officer of any other department to take action or check the quality of liquor produced and sold in U.T., Chandigarh except along with the Excise Officer not below the rank of Excise Inspector.

13. VAT on Country Liquor/IMFL/ Beer/Wine, etc.: - VAT on Country Liquor, IMFL, Beer, Wine, etc. is kept unchanged @12.5%.

14. Tavern: - Tavern to continue both with Country Liquor (L-14A) and IMFL (L-2) vends at license fee of Rs. 70,000/- and Rs. 1.50 lacs respectively for a

period of twelve months commencing from 1st May, 2013 to 30th April, 2014. The Tavern shall be located in separate premises from the vend by metes and bounds. Tavern attached to L-2 vend to have eight tables (minimum) with seating capacity of 40 persons, to have temperature control system within the premises, clean and modern toilets and cutlery and crockery of good standard. Tavern attached to country liquor vends to have attached toilets, neat & clean premises and cutlery and crockery of good standard. In order to further improve the ambience and functioning of Tavern attached to L-2 vends the following conditions will be mandatory for grant of the license.

- i) To have provision for metered electric and water supply.
- ii) To have proper system of garbage collection and disposal.
- iii) To have a separate kitchen.
- iv) To have tiled flooring in kitchen, seating hall and toilets.
- v) To have family enclosures
- vi) To provide meal (Dal + 4 Chapatis for Rs.25/-)

The Collector may refuse to grant a license for Tavern in exercise of the powers conferred under section 35 of the Punjab Excise Act, 1914 as applicable to UT, Chandigarh.

15. Grouping and clubbing of vends: - No grouping and clubbing of vends will be allowed.

16. Strength of liquor to be sold: - Standard strength of IMFL to be sold in U.T. Chandigarh shall be 75 degree. However Excise Commissioner is empowered to allow sale of IMFL/IFL of any strength other than the standard strength to facilitate opening up market to all reputed/popular brands of low alcohol content.

17. Checking of vends by Police Officer: - Gazetted officers of the rank of DSP and above to check the excise vends after taking with him an excise officer not below the rank of Excise Inspector.

18. Revalidation Fee of Permits: - Revalidation fee @ of Re.0.75/- per B.L. is to be charged for the revalidation of the Permits whose validity has expired.

19. Size of Excise Bottles: - The size of bottles to be as given below

1	750 ML: -	All type of liquor except beer.
2	375 ML: -	All type of liquor except beer.
3	180 ML: -	All type of liquor except beer.
4	90 ML: -	All type of liquor except beer.
5	1000 ML: -	IMFL/IFL.
6	1.25 L: -	IFL.
7	2.25 L: -	IFL.

8	4.5 L: -	IFL.
9	650 ML: -	Beer.
10	325/330 ML: -	Beer.
11	500 ML: -	Beer.
12	275 ML: -	RTD & Wine.
13	60 ML: -	IMFL/IFL

The Excise & Taxation Commissioner may allow any other size in case of imported liquor and reputed/popular IMFL brands.

20. Bottling Plants: - The renewal fee of B.W.H.-2 (Bottling Plant License) is fixed at Rs. 8.5 lacs for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014. Further, the bottling plant licensees will be granted D-2 license to redistill the rectified spirit to improve the quality of their products on the payment of license fee of Rs.2.5 lacs for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014. In case of new B.W.H.-2 licenses, a fee of Rs.13.00 lacs will be charged for issuing Letter Of Intent (LOI) for establishing a B.W.H.-2 license in U.T.. The license fee for new B.W.H.-2 license is fixed at Rs.32 lacs and the fee of LOI will be adjustable if the applicant fulfills the conditions of LOI within 6 months of the date of issue of the LOI within the same financial year. Further, the license fee of L-11 & L- 15 licenses issued to the B.W.H.-2 licenses is fixed at Rs.1,50,000/- & Rs.40,000/- respectively for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014.

21. License fee of Wholesale and Retail sale license of denatured spirit (L-17): - The annual license fee of Wholesale & Retail sale License of Denatured Spirit for a period of twelve months commencing from 1st May, 2013 to 30th April, 2014 is fixed as under: -

1. Wholesale : Rs.22,000/-
2. Retail sale : Rs.4500/-

22. Introduction of Holograms :- The use of Holograms on packings/bottles of country liquor, Indian Made Foreign Liquor & Imported Foreign Liquor (excluding Beer, Wine, Champaign, Liqueurs and RTD etc.) will be introduced during the Excise year 2013-14 and the cost of Holograms will be borne by the licensee. However, this provision will not be applicable on liquor sold at L-9 licensees.