

Government of Jammu & Kashmir
Finance Department,
Civil Secretariat, Srinagar/Jammu

Subject: Adherence to the provisions J&K Excise Policy 2023-24 for operationalization of liquor vends.

Circular

Dated: 15 -09-2023

The Jammu and Kashmir Excise Department is one of the revenue earning departments of the Government of Jammu and Kashmir as excise revenue is realized through excise duties/fees on account of manufacture and sale of liquor in the UT of J&K. Every year, duties and fee are revised to raise the revenue of the Government. This revision in rate of taxes/duties/fee is made through the notification of the Excise Policy on annual basis. In the year 2023-24, the J&K Excise Policy was issued by the Finance Department, vide S.O 72 dated 28.03.2023 wherein among other objectives of the department, provisions related to sale/regulation of liquor and allotment procedure for issuance of JKEL-2 license (wine shop) through e-auction mode, were also notified.

In the Excise Policy, 2023-2024, obligations have been explicitly defined on part of Excise Department and the District Administration to facilitate immediate opening of JKEL-2 vends after payment of full bid amount so that there is no loss of time in opening of vends, causing any loss to the government Exchequer.

However, unfortunately few incidents have come forth where Tehsildars/SDMS on the direction of District Magistrate(s) have arbitrarily sealed the wine shops or stop their functioning without any legal grounds just citing the reason that no NOC has been obtained from concerned District Magistrate. All such incidents are inflicting fear in the minds of the licensees to work at the Government notified vends for sale of duty paid liquor. This unauthorized sealing of vends is causing huge loss to the Government exchequer and this arbitrary action not only impacts the daily revenue earned by the Government on the sale of liquor but is also against the principles of ease of doing business and in contravention of para 2.3.8 of JK Excise Policy 2023-2024.

Kind attention is drawn towards para 2.3.8 of JK Excise Policy 2023-2024 which is reproduced as under: -

The bidder shall make his own arrangement for a shop/ premises in the specified area (owned/leased/rented). The bidder shall ensure that the premises selected/identified by him meet the requirements of the J&K Excise Act and rules Notifications made here under, including directions. If any, issued by

the Court of competent jurisdiction in this regard. The bidder shall apply for clearance of the premises from the District Magistrate within 05 working days from being declared as H1. The regular license on the newly Identified/ selected premises/shop shall be issued only after getting clearance from the District Magistrate concerned. District Magistrate shall convey the clearance or otherwise of the newly identified premises within a period of 15 days from the receipt of application from the H1 bidder, in case of non- disposal of application, the premises shall be deemed to have been cleared by the District Magistrate.

However, in order to ensure against any loss of revenue to the Government, due to delays in Operationalization of vends, no clearance of District Magistrate shall be required for the premises chosen by the H1 bidders where vends were operational in the year 2022-23.

Further, licensing authority in the interest of government revenue, may proceed under sub-rule-8 of rule-30 of J&K Liquor License and Sale Rules 1984 for making vends operational immediately after determination of existing licensees to avoid loss of time in arranging for the NOCs or requisite documents by the successful bidders for opening of vend.

Successful bidders who are not able to establish their vends in suitable private building may approach the concerned District Magistrate who shall ensure. In the interest of government revenue, that such licensees/H1 bidder are provided with the government land within 15 days where they can build their temporary structures with reasonable rent. Further Electricity Department (Le concerned Power Distribution Corporation Ltd) shall also provide electricity in such temporary structures within 05 days where such retail vends are being run and the license shall be bound to pay the electricity bills. After determination of license, the property shall be restored to the Government with removal of temporary structures.

To ensure against any loss to the Government due to delay in operationalization of vends, it is explicitly defined in the policy that temporary licenses under sub-rule 8 of Rule 30 of J&K Liquor License and Sales Rule, 1984 shall be issued for four months which shall be converted into regular license on obtaining clearance from District Magistrate. Further, no clearance of District Magistrate shall be required for the premises chosen by the H1 bidder where vends were operational in the year 2022-23.

It is imperative that the officers understand the importance of fostering a conducive environment for licensees to carry out their businesses in compliance with the relevant laws and regulations. This will not only protect their rights but also prevent any loss to the government exchequer. It will also serve as a deterrent


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and sent a clear message that the Government revenue is of utmost importance while fostering a culture of responsibility and accountability among concerned authorities.

Therefore, all District Magistrates should facilitate opening/smooth functioning of duly auctioned vends in respective Districts in the interest of Government revenue. All District Magistrates should adhere to the provisions of J&K Excise Policy 2023-24 and facilitate in the matter regarding issuance of Solvency Certificates/NoCs and opening of vends by the successful bidder/vendor in the interest of Government Revenue.

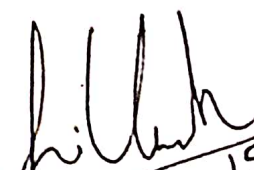
Sd/-

(Santosh D. Vaidya), IAS
Principal Secretary to the Government,
Finance Department, J&K
Dated:- 15-09-2023

No: 7226603 FD-ET/19/2023-03-FD

Copy to:

1. All Financial Commissioners (Additional Chief Secretaries).
2. All Principal Secretaries to the Government.
3. Director General, J&K Institute of Management & Public Administration & Rural Development.
4. Principal Secretary to the Hon'ble Lieutenant Governor, J&K.
5. Joint Secretary (J&K) Ministry of Home Affairs, Government of India, New Delhi.
6. All Commissioner/Secretaries to the Government, J&K.
7. Divisional Commissioner, Jammu/Kashmir.
8. All Deputy Commissioner, J&K.
9. Director, Information, J&K.
10. Excise Commissioner, J&K.
11. Director Archives, Archaeology and Museums, J&K.
12. General Manager, Government Press, Srinagar/Jammu.
13. Private Secretary to Advisor (B) to the Lieutenant Governor.
14. Private Secretary to Chief Secretary, J&K.
15. Private Secretary to Principal Secretary to Government, Finance Department.
16. Circular file/ IC. Website (w.2.s.c).


15/09/2023
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Finance Department