

GOVERNMENT OF JAMMU & KASHMIR
OFFICE OF THE EXCISE COMMISSIONER, J&K
EXCISE AND TAXATION COMPLEX, RAIL HEAD, JAMMU
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Subject: Export, Import, Transportation, Processing, Maturation and Sale of Special spirits.

Ref: Para 1.7 and Para 6 of the J&K Excise Policy 2023-24 (S.O No. 172 dated 28.03.2023).

Order No: 82 - EC of 2023

Date: 08 .05.2023

In the interest of government revenue and in terms of provisions under para 1.7 and para 6 of the J&K Excise Policy 2023-24 (S.O No. 172 dated 28.03.2023) and as per recommendations of the designated Committee, the procedure for grant of permission to existing liquor manufacturing units (Annexure forming part of this order) in Jammu & Kashmir (existing Distilleries, Bottling plants and Wineries) for export, import, transportation, processing, maturation and sale of special spirits is hereby issued/notified.


08.05.23

Pankaj Kumar Sharma) JKAS
Excise Commissioner, J&K Govt.

Encl: A/A

No: EC/Exc/Misc/F-130/ 1366-85

Date: 08 -05-2023

Copy for information to the:

1. Deputy Excise Commissioner (Executive), Jammu/Kashmir.
2. Deputy Excise Commissioner (Distilleries), Jammu.
3. Deputy Excise Commissioner (Accounts), Jammu.
4. Private Secretary to the Administrative Secretary, Finance Department, Civil Secretariat, J&K Jammu for kind information to Administrative Secretary.
5. Excise and Taxation Officer, City Excise Range, (North/South), Jammu, Excise Range Udhampur-Reasi, Doda-Kishtwar-Ramban, Kathua, Samba, Rajouri-Poonch, Srinagar-Budgam-Ganderbal, Distilleries, Eradication Wing Jammu, Accounts Kashmir, Anantnag-Pulwama-Kulgam-Shopian, Baramulla-Kupwara-Bandipora, Distilleries.
6. Sr. Programmer I/c website Jkexcise.nic.in
7. Order file/concerned file.

ANNEXURE

Procedure for Issuance of Permission for Export, Import, Transportation, Processing, Maturation and sale of Special Spirits.

Clause 6 of the Excise policy 2023-2024 issued vide S.O. 172 dated 28-03-2023, provides that the Excise Department shall grant permission in favour of existing manufacturing units viz., Distilleries, Bottling Plants and Wineries for export, import transportation, processing, maturation and sale of Bulk Spirits, Mixtures, Concentrates etc.

Definition:

Special Spirits shall include Vatted Malt Spirit (VMS), Matured Malt Spirit (MMS), Cane Juice Spirit (CJS), Grape Spirit, High Bouquet Spirit (HBS) and other special spirits used for liquor manufacturing, excluding Neutral Spirits, Rectified Spirits and other non-potable alcohols.

Procedure for grant of Permission:

1. D-2/JKEL-6/W-1 Licensee shall apply to the Excise Commissioner for permission for additional activity of export, import, transportation, processing, maturation and sale of Special Spirits. The application shall be accompanied by a detailed project report including description of the area demarcated for the proposed activity, details of vessels, apparatus and physical and financial forecasts.
2. Excise Commissioner shall seek the feasibility/potential report from the Deputy Excise Commissioner Distilleries.
3. Deputy Excise Commissioner, Distilleries, after examining the case shall submit a detailed viability report to the Excise Commissioner.
4. If viable, the Excise Commissioner shall ask the Deputy Excise Commissioner, Distilleries to process the case.
5. Deputy Excise Commissioner, Distilleries shall ask the licensee to submit following documents for further processing of the case: -
 - i. Proposed Blue prints (5 Nos.).
 - ii. Permission for additional line of activity from J&K Industries and Commerce Department.
 - iii. Complete list of plant & machinery to be used for the proposed activity.
 - iv. Certificate of verification of Vats, Vessels and measuring instruments from J&K Department of Legal Metrology.
 - v. Processing fee of Rs.5000/- under Rule 39(a) of J&K Liquor License and Sale Rules 1984, if addition/alteration of the existing licensed premises is required.
6. The Deputy Excise Commissioner, Distilleries shall recommend the case to the Excise Commissioner along with all the documents.
7. After scrutinizing the case, the Excise Commissioner may issue order for grant of permission for Export, Import, Transportation, Processing, Maturation and Sale of Special Spirits which shall be subject to payment of Rs 1.00 lakh as annual fee by the licensee.
8. Premises/ setup should be compliant to fire safety and pollution control norms.
9. Any other document desired by the Excise Commissioner.

CONDITIONS OF OPERATION

1. The unit shall have separate rooms properly secured for Storage, maturation, Processing and Debonding of spirits to be called Spirit Store Room, Maturation Hall, Processing Room and Bond respectively. The rooms shall have single entry/exit with double locks, and one key shall remain with Excise Officer. In case the licensee intends to use the existing Spirit Store Room for storage of special spirits, the licensee shall have legibly painted on tanks and vessels its name, number and use to which it is applied, so that Special Spirits should not get intermingled or stored in tanks/vessels being used for bottling operations.
2. The licensee shall be allowed to source Special Spirits through import or from local manufacturing units holding valid Excise License, for further processing/maturation and sale in bulk to liquor manufacturing units holding valid Excise License within and outside Jammu and Kashmir.
3. Separate Vats/Containers/Vessels shall be used for storage of each kind of spirit/concentrate, specifying the serial number and its capacity.
4. The Special Spirits received in the unit shall be stored in the **Spirit-Store Room**. The Excise Officer shall maintain a Vat wise register in form SS-1, for the spirit received in the Spirit Store Room and Spirit further issued to Maturation Hall, Processing Room or Bond as the case may be.
5. Spirits meant for maturation shall be issued to the **Maturation Hall** and the Excise Officer shall enter the details of the spirit received in the Maturation Hall and spirits further issued from Maturation Hall to Blending Room and/or Bond in register in form SS-2 and SS-2A.
6. Spirit in the Maturation Hall shall be stored in the cask which shall be legibly painted in progressive numbers and so arranged as to allow easy access to them, in order that a correct account of their contents may be taken at any time and leakage may be readily discovered.
7. An application for the removal of spirit from Spirit Store Room/Maturation Hall/ Processing Room to any other room/hall/bond must be made in writing to the Excise Officer by the licensee specifying the details of spirit/container to be removed.
8. No cask of less than eight gallons capacity shall be removed from Maturation Hall for de-bonding. Record of part removal of the contents from the casks, issued to the Processing Room shall be maintained in register in form SS-2.
9. After removal of spirit from Maturation Hall, the casks shall be safely deposited back in the Maturation Hall.
10. The Licensee shall ensure that the casks, while in the Maturation Hall, are not tampered with, unless, in the presence of the Excise Officer, for necessary repairs, or for examination of the spirit by the licensee or his manager.
11. Spirits meant for Processing shall be issued to the **Processing Room** where different kinds of spirits are mixed together to make desired spirit/concentrate.
12. The Excise Officer shall maintain SS-3 Register to keep the record of spirits received from Maturation Hall and/or Store Room, concentrates prepared and further issued to the Bond.
13. Debonding of spirit shall be done from the **Bond**. The Excise Officer shall maintain record of the spirits received in the Bond from Spirit Store Room,

Maturation Hall and Processing Room, and further issued for sale or for use in the same unit, in register in form SS-4.

14. Every requisition for the debonding of spirit (including for bottling operations in the same unit) shall be made to the Excise Officer accompanied by the applicable duty/fee, mentioning details of the Spirit to be removed.
15. Spirit shall be de-bonded only after its quantity and strength have been verified by the Excise Officer in the presence of a representative of the licensee.
16. No spirit shall be de-bonded in quantities of less than four gallons, except when spirit is issued as a sample.
17. No spirit shall be issued, except under a valid transport pass in form SS-4A.



VAT wise register for Spirit Store Room (room SS-1)

S. No.	No. & Date of Pass	Kind of Spirit Received	Strength of OP ⁰	Quantity		Passed into VAT/Number	Initial of Excise Officer
				BL	LPL		
1	2	3	4	5		6	7

Issued				Balance				
Room name	Kind of Spirit	Quantity		Strength in OP ⁰	Kind of Spirit	Quantity received		Strength in OP ⁰
		BL	UPL			BL	UPL	
8	9	10		11	12	13		14

Register for maturation Hall (Room SS-2)

For ascertaining full capacity of casks										
Date of receiving of spirits	Progressive numbers of casks	Year in which deposited in Maturation hall	Weight in casks (Lbs.)			Proof.				
			Empty	Full.	Of. Spirit	Temperature	Hydrometer Indication	Hydrometer Indication	Obscuration	Actual Strength
1	2	3	4	5	6	7	8	9	10	11

Maturing

Proof. _____

Full Capacity	Quantity (if any) drawn off per measure	Ullage Quantity	Bund diameter	Wet inches.	L.P Litres	Observations
12	13	14	15	16	17	18

Removal

Date of removal	Bund diameter	Wet inches.	Name of Room issued to	Name & No. of the Cask from which full quantity issued	Quantity of full content issued		Strength of OP ⁰	Name and No. of the cask from which part contents issued	Quantity of part content issued		Strength of OP ⁰
					BL	LPL			BL	LPL	
<u>19</u>	<u>20</u>	<u>21</u>	<u>22</u>	<u>23</u>	24	25	<u>26</u>	27	28		

Register for Maturation Hall (Room SS-2)

For ascertaining quantity of Bund Rod.			Proof				Wastage			
Full Capacity	Ullage Capacity	Temperature	Hydrometer Indication	Hydrometer Strength	Obscuration	Actual Strength	Quantity	Percentage allowed	Actual percentage allowable	Observation
29	30	31	32	33	34	35	36	37	38	39

FORM SS-2A

WEIGHTMENT REGISTER.

Date	Number of the cask	Tare weight of cask (lbs.) or seers	Calculated gross weight of cask filled with spirit (lbs.) or seers	ACTUAL WEIGHT OF CASK, FILLED WITH SPIRIT (LBS.) OR SEERS.	Difference (lbs.) or seers.	Remarks
1	2	3	4	5	6	7

VAT/ Tank wise register of spirit Processing Room (Form SS-3)

Name of the Room from which received	Name & No. of VAT / cask from which received	Date of receiving	Class of spirit received	Quantity		Strength in OP ⁰
				BL	LPL	
1	2	3	4	5		6
			VMS MMS CIS Grape Spirit Other Special Spirit Total			

Kind of spirit prepared after processing	Processing		Strength in OP ⁰	Name and No. of tank in which stored	Storage		Strength in OP ⁰
	Quantity				Quantity		
	BL	LPL			BL	LPL	
7	8		9	10	11		12

Issued			Balance		
Quantity		Strength in OP ⁰	Quantity		Strength in OP ⁰
BL	LPL		BL	LPL	
13		14	15		16

Bond Register (Form SS-4)

Received					Issued			Remarks		
Date of Receiving	Name of the Room received from	Kind of spirit	Quantity		Strength in OP ⁰	Kind of Spirit	Quantity			
			BL	LPL			BL		LPL	
1	2	3	4		5	6	7		8	9

FORM SS-4A

Pass No. _____ for removal of _____ Spirit in Bulk litres from _____ Unit.

Issued to _____

For removal to _____

No. of days for which for which pass will remain in force _____

S. No.	Kind of Spirit	Strength in OP ⁰	Quantity		Degrees of obscuration	Total duty charged	Details of seals on each package	Weight of each package with packing etc. as issued.	Remarks
			BL	LPL					
1	2	3	4		5	6	7	8	9

Date on which the spirit is cleared from the Unit _____

Excise Officer

This pass is issued on the following condition:-

- (1) The consignor shall dispatch the spirit direct to its destination.
- (2) Bulk shall not be broken in the way until the consignment has reached its destination and been checked there by the Excise Officer to inspector.
- (3) The consignor shall cause immediate information of the arrival of the consignment to be furnished to the Excise officer or inspector of the District of destination.

Note:- To be printed in triplicate. One copy shall be retained for record in the office of issue. One copy shall be given by the Excise Officer to the person removing the spirit to accompany the consignment and duplicate copy shall be sent at once to the Excise officer or inspector of the District of destination.