

Government of Jammu and Kashmir
Civil Sectt: Finance Department

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Subject: Excise Policy.

Government Order NO: 99 / F of 2003
Dated:- 7 /04/2003

Whereas the State in principle is committed to adopt a pro-prohibition policy in conformity with the Directive Principles enshrined in the Constitution of India and Jammu and Kashmir, a total prohibition in a state of the country in isolation has proved counterproductive and therefore it is expedient to provide for restrictive and regulated trade in liquors till the time it is considered appropriate to bring about complete prohibition.

Whereas the laws relating to import, export, transport, manufacture, sale and possession of liquor and intoxicating drugs are already codified and the procedures well defined in the rules formulated to give effect to the statutory provisions, the guidelines issued hereinafter have the limited purpose of ensuring uniformity and transparency in decision making and shall not in any manner whatsoever override or come in conflict with the provisions of law or the rules made there under.

Whereas the need for restricted and regulated authorization is considered imperative to address the menace of manufacture of spurious liquors, arrest bootlegging, prevent interstate smuggling thereof into the state and service the requirements of tourism, the public sensitivities have to be of paramount consideration in deciding the contours of the policy regulations on the subject.

Now, therefore, subject to the law, rules, and regulations applicable on the subject, the Government notifies the following policy decisions in matters relating to grant of licenses for

manufacture and sale of liquor (excluding country liquor) in the state.

1. DISPOSAL OF APPLICATIONS RECEIVED

All applications pending consideration, with the Excise Department or the Finance Department including those in which the Finance Department has issued NOC but have not been acted upon in view of the stay orders or directions passed by the Hon'ble Courts, shall be treated as fresh applications with precedence as per date of receipt and processed afresh under the laws, rules, regulations and these policy guidelines.

2. MANUFACTURE--BOTTLING

- A) No letter of intent for establishment of a Distillery, Brewery or a bottling plant shall issue in or around a residential area presently inhabited or earmarked for development as a residential colony.
- B) A letter of intent shall issue only if it is viable and justifiable after the assessment of requirement of demand and capacity with due cognizance of the existing capacities and the market potential. Each proposal for establishment of the unit shall accompany with the project containing the analysis of physical and financial forecasts linked with the demand and market data and the consequential viability.
- C) The entrepreneur shall give a clear undertaking for use of anti-pollution devices and installation of treatment plant. Each proposal shall be accompanied with a no objection certificate from the civic authority having jurisdiction and clearance certificate from the Pollution Control Board.

3. SALE OF LIQUOR

- A) The licences for wholesale trade be it in JKEL-1 or JKEL-IA shall issue on need basis in accordance with the provisions of the Act and the rules there under but in authorizing the same utmost care
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shall be taken in site selection vis-à-vis the place of worship, educational/health institution and related factors.

- B) A highly restrictive approach shall be pursued for issue of "off-license". In such cases the proposals received or to be received, apart from the fulfillment of procedures and formalities provided for, shall be:
 - i) evaluated minutely with reference to the requirement of distance from a place of worship, health/educational institution, railway station or a place where religious congregations take place. The assessment of reasonable distance shall be made with conservative standards;
 - ii) put to public notice for invitation of objections from the general public within a period of one month of the receipt of complete proposal. The objections if any received within the stipulated date, shall be disposed of on merits by the competent authority within a period of one month from the date of receipt thereof.

In processing the requests for grant of 'off-licenses' the consideration of un-serviced arrears, arresting the menace of bootlegging, the demand potential and the relevance from tourism point of view shall be of paramount importance,

A clear precedence shall be drawn in the processing of such applications with the priority consideration for educated unemployed youth and the ex-servicemen.

- C) The issue of bar licenses shall apart from the requirements contained in the law and rules be restricted to:
 - i) hotels with not less than ten rooms located at tourist places:
 - ii) hotels with not less than twenty five rooms in areas other than the tourist places.



- iii) bar with restaurants with high standards of hygiene and sanitation located at tourist places.
- iv) bar with bouquets

By order of the Government of Jammu and Kashmir

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Spl. Secretary to Government
Finance Department

NO:-ET/Estt/31/2001

Dated:- 7-4-2003

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1. Principal Secretary to Government, General Admn. Deptt.
2. Excise Commissioner, J&K, Jammu.
3. Commissioner Sales Tax J&K, Jammu
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5. Pvt. Secretary to Financial Commissioner (Finance)
6. P.A. to Special Secretary to Government, Finance Deptt.
7. Govt. Order file/stock file.