

**JAMMU AND KASHMIR PUBLIC WAREHOUSING OF LIQUOR AND
INTOXICATING DRUG RULES, 1970.**

NOTIFICATION.

***SRO-49**.- In exercise of the powers conferred by clause (f) of section 25 read with sub-clause (1) of section 20 of the Jammu and Kashmir Excise Act, Samvat 1958, the Government of Jammu and Kashmir hereby make the following rules, namely :-

1. **Short title** – These shall be called as the Jammu and Kashmir Public Warehousing of Liquor and Intoxicating Drugs Rules, 1970.
2. **Commencement** - These shall come into force from the date these are published in the Government Gazette.
3. **Definition** – In these rules, unless there is anything repugnant in the subject or context :-
 - (a) 'Act' means the Jammu and Kashmir Excise Act, Samvat 1958.
 - (b) 'Warehouse' means public warehouse established under clause (c) of section 13 of the Act wherein liquor or intoxicating drugs or both may be deposited and kept without payment of duty either on Government account or by any other person licensed for the purpose on payment of such rental, staff and other charges as may be determined by the Commissioner from time to time in this behalf.
 - (c) 'Commissioner', 'Dy. Commissioner' and 'Excise and Taxation Officer' means the Officers as defined in the Act.
 - (d) 'Officer Incharge ' means an Officer of the Excise Department posted to supervise work in a warehouse.
 - (e) 'Import', 'Export' and 'Transport' shall have the same meanings as are assigned to them in section 3 of the Act.
 - (f) 'Liquor' includes country spirit, Indian made foreign spirit, rectified spirit and beer whether in bulk or bottled.

* Notification SRO 49 was issued by the FD on 29.1.1970.

- (g) 'Intoxicating Drugs' means opium imported and sold on Government account.
- (h) 'State' means the State of Jammu and Kashmir.
- (i) 'Licensee' means a person to whom a licence has been granted for depositing and keeping of liquor in a warehouse without previous payment of duty.
- (j) 'Division' means the Jammu Province or the Kashmir Province as the case may be.
- (k) 'Form' means a form appended to these rules.

4. **Warehouse building, vats etc-** (a) The warehouse shall consist of a square building round a compound with only one entrance door and no windows in the outer wall. If it is absolutely necessary to have a few windows in the outer wall these should be barred and covered with wire netting. The building should be secure one and consist of separate rooms with vats/shelves provided therein. One or more such buildings whether adjacent to one another or not may be used as a warehouse.

(b) All rooms for storage of liquor and lids and corks of vats, if any, must be secured with 2 padlocks each approved by the Commissioner. The keys of one padlock of the warehouse shall remain with the Officer Incharge and the other with the Excise and Taxation Officer concerned. In case of individual rooms the keys of one padlock shall remain with the Officer Incharge and that of the other with the party (other than the Government) whose liquor has been deposited in the room.

(c) Where it is intended to deposit or keep liquor in bulk in the warehouse two sets of vats one for storage and the other for issues should be provided. Spirit shall be received in casks/ barrels at high strength. It shall then be passed first into one or other of the storage vats after its strength and quantity have been carefully ascertained.

(d) The vats to be provided at the warehouse should be of regular shape and gauged so that the quantity of liquor contained therein may at any time be ascertained by means of dipping rods divided into centimeters and millimeters. They must be fixed at a proper height and fitted with corks so that they can be emptied without being moved. It would be proper to place them on slightly sloped stands or foundations so that they may drain dry through the corks without difficulty. The

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use of casks as vats is forbidden except with the special permission of the Commissioner.

- (e) The vats may be of wood or of metal. If of wood they should be so placed that they can be easily examined so that the fact that no holes have been bored in them and plugged up again can be easily ascertained. Vats shall be so placed as to minimize the chances of their contents being tempered with. For instance they must not be placed against a wall so that a free passage is not let round them and a clear space below them ; and all pipes leading into or from them must be either in a single piece or if in more pieces than one , must be forged so soldered or riveted (not bolted) together. All such pipes must be so fixed that they can be examined throughout their entire length.
5. **Licences** – (a) No person shall be permitted to deposit or keep in a warehouse any liquor or intoxicating drugs without a license duly issued by the Commissioner in this behalf.
- (b) Application for grant of a licence for depositing and keeping of liquor or intoxicating drugs in a warehouse shall be made in Form No. W-1. The application shall be accompanied with a cash security of Rs. 40,000 in the form of cash or small saving certificates pledged to the Excise Commissioner as security for due fulfillment of conditions of the licence.
- (c) On receipt of an application the Commissioner may make such enquiry in the matter as he deems necessary. If he is satisfied that permission sought for should be given he may grant a licence under the rules. The licence shall be in Form W-2 appended to these rules.
- (d) The fee for a grant of a licence as may be prescribed by the Government shall be paid before the licence is issued.
- (e) The period for which a licence shall remain valid shall be one year or such lesser period as may be specified therein, in either case the period not extending beyond the 31st of March of the year in which it is issued.
- (f) A licensee may have his licence renewed for such further period as he may desire subject to a maximum of one year at a time. The fee for each renewal shall be as prescribed from time to time.
6. Each licensee shall pay into the Government treasury such amount as may be determined by the Commissioner on account of rent of premises, and

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the entire cost on account of staff (including watch and ward personnel) posted at the warehouse and premium for Insurance against fire. In case more licensees than one deposit their liquor in the warehouse the charges shall be payable by them in such proportion as the Commissioner may determine.

7. The Commissioner shall post at the warehouse such staff consisting of an Excise and Taxation Officer and as many Inspectors, Sub-Inspectors, Guards and Watch and Ward Personnel as may be deemed necessary by him from time to time. The senior most among them shall be designated as the Officer Incharge of the warehouse.
8. No liquor or intoxicating drug shall be received in the warehouse unless it is accompanied by a pass from the Officer Incharge of a distillery or a bonded warehouse or other place from where it has been issued or imported along with the necessary Transport permit in support thereof. Immediately on arrival of the consignment at the warehouse the Officer Incharge shall be informed by the consignee. The consignment shall not be opened until it has been examined and verified with the documents accompanying it by the Officer Incharge who shall record a note in regard to the results of the verification along with other details in the Register to be maintained for this purpose in Form W-3. Separate entries shall be made for every consignment. A copy of the entries in the Register shall be forwarded by the Officer Incharge to the Excise and Taxation Officer concerned immediately after receipt of the consignment.
9. Liquor shall be imported and transported in bond in accordance with the permits issued by the Deputy Commissioner at the sole risk and responsibility of the licensee. The licensee shall for this purpose execute a bond in Form W-4. The bond shall be discharged after the liquor imported/transported has been duly checked and proved by the Officer Incharge and deposited in the warehouse.
10. The licensee shall deposit the liquor in the warehouse in such manner and subject to such directions as may be given by the Commissioner.
11. Unless otherwise authorised by order in writing by the Commissioner I.M.F.L. and beer shall be stored in the warehouse in sealed bottles and other liquor in sealed barrels.
12. **Allowance for wastage** :- Wastage not exceeding the ceiling indicated below may be allowed for the actual loss that may take place in transit by breakage or leakage of bottles or barrels containing liquor. The allowance shall be determined by making deductions from the number / quantity

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despatched as per entries in the permit / pass issued from the point of origin :-

(a) For import by barrels	Maximum allowance	Percentage <hr style="width: 100%; border: 0.5px solid black;"/>
	Wooden Vessels	Metallic Vessels

- | | | |
|----------------------------------------------------------------------|---|-----|
| (i) For journeys taking not more than two days. | 2 | 1/2 |
| (ii) For a journey taking more than 2 days but not more than 9 days. | 3 | 1 |
- (b) In case of bottled liquor actual wastage found as a result of counting may be allowed subject to the maximum of 1%.
- (c) No wastage shall be allowed in respect of Intoxicating Drugs. In case excessive wastage comes to notice in respect of a consignment the fact shall be reported to the Commissioner through the Excise and Taxation Officer and the Deputy Commissioner for such action thereon as he may deem fit. Cases of repeated excessive wastage claimed by particular licensees shall be specially taken note of and the reasons thereof investigated thoroughly.
13. **Issues from the warehouse:-** Issues from the warehouse shall be covered by a pass and a transport / export permit to be issued in Forms W-5 / W-6.
14. Except as provided for in these Rules, no pass shall be issued for taking out any liquor from the warehouse unless duty in respect thereof as may be payable under the law for the time being in force is paid. Payment of duty may be made either in cash to the Officer Incharge against proper receipt or by remittance into the Government treasury. In the later case the original treasury receipt shall be produced before the Officer Incharge while making an application for issue of a pass.
15. A licensee may be given a pass without payment of duty if he has entered into an arrangement with the Commissioner by making a lump sum advance deposit of such amount as may be prescribed by the Government into the Government treasury or with the Officer Incharge with the stipulation that duty in respect of a consignment taken out of the warehouse shall be debited to and adjusted against the advance. The facility shall however cease to be extended as soon as the amount of deposit gets exhausted unless the licensee pays a further amount as laid
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down hereinbefore. In such a case the Officer Incharge shall maintain an account in a Register in Form W-7. Copies of transaction in respect of each licensee as entered in the Register shall be sent to the Deputy Commissioner by the Officer Incharge at the close of each month through the Excise and Taxation Officer. Copies shall also simultaneously be sent to the Deputy Commissioner (Accounts).
16. Issue from the warehouse shall be made only under the authority of the Officer Incharge who alone shall be competent to issue a pass for issues from the warehouse permits for transport of liquor or intoxicating drugs shall be issued

by the Commissioner or by any other person duly empowered in that behalf by him.

17. Issue of liquor from the warehouse shall be authorised only on application made by the licensee and payment of necessary court fee. Country liquor and intoxicating drugs shall however be authorised to be issued in such manner as may be directed by the Commissioner. The accounts of receipts and issues of the country liquor and intoxicating drugs shall continue to be maintained by the Excise Department as heretofore.
18. At regular intervals not less frequently than once a quarter the Deputy Commissioner shall take stock of liquor and intoxicating drugs in the warehouse. He shall gauge and prove all liquor in each vat or by physically counting the bottles as the case may be. In the case of opium accurate weightment shall be made to ascertain the quantity and exact stock existing in the warehouse. A report of each stock-taking shall be forwarded immediately to the Commissioner with the Deputy Commissioner's detailed remarks thereon. The Officer Incharge and the Excise and Taxation Officer concerned shall do similar stock-taking at the close of every month and record their observations in the Stock Register to be maintained in Form W-8. A copy of entries in the register shall be submitted to the Deputy Commissioner concerned immediately.
19. At the close of each month each licensee shall submit to the Officer Incharge a statement of stocks in the warehouse in Form W-9 in triplicate. The Officer Incharge shall after verification submit two copies thereof to the Excise and Taxation Officer and third being retained by him. The Excise and Taxation Officer shall after check pass on a copy of the statement to the Deputy Commissioner.
20. A warehouse shall ordinarily remain closed on Sundays and on such other days as may be general or special order directed by the Commissioner. If a licensee desires to carry on transactions on any close day he shall do so

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- subject to the payment into the Government treasury of Rs. 20 per day. This amount shall be called over-time fee. Such portion of the over-time fee not exceeding 3% of their pay per day as may be determined by the Commissioner may be allowed to the staff (including the watch and ward personnel) posted at the warehouse in such manner as the Commissioner may direct. The account of levy, recovery and disbursement of the over-time fee shall be maintained by the Officer Incharge in a Register in Form W-10.
21. A licensee shall furnish all such statements and information as may from time to time required by the Commissioner or by any other Officer authorised by him in this behalf. The books maintained by the licensee shall also be open to inspection of the Commissioner or any officer authorised by him in this behalf.

22. The Commissioner may for good and sufficient reasons cancel a licence issued by him or a pass issued by the Officer Incharge in favour of a licensee; provided that before doing so he shall give the licensee an opportunity of showing cause why such action shall not be taken. When a licence or pass is cancelled, the articles kept in deposit in the warehouse shall be taken out by the licensee immediately on payment of full duty thereon. In case the licensee fails to remit duty along with other charges, if any, payable by him within a period of 15 days from the date of cancellation of the licence, it shall be lawful for the Commissioner to seize the stocks and sell these by public auction among persons holding the requisite licence issued by the competent authority. The sale proceeds shall in the first instance be utilized for adjusting the outstanding if any against the licensee. The remaining amount shall be paid to the licensee. The amount payable to the licensee shall be kept in deposit at the warehouse for fifteen days after which if the payee fails to turn up for receiving payment in spite of a notice in writing duly served on him be deposited into the treasury under the head "Revenue Deposit". The Officer Incharge shall maintain a Deposit Register in Form W-11.
23. The Government or any Officer of the Excise Department shall not be held responsible for destruction, loss or damage due to fire, accident, theft or any other cause whatsoever caused to any liquor stored in the warehouse. If on inquiry by the Commissioner it is established that the loss, damage or destruction could have been prevented by reasonable precaution on the part of the licensee he shall be required to pay duty on the liquor that got lost, damaged or destroyed.

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24. (1) Indian made foreign liquor or beer may be removed from the warehouse :-
- (i) under bond ;
 - (ii) for transport to other warehouse ;
 - (iii) for export to other States or Union Territories in India when specially permitted by the Commissioner ;
 - (iv) on payment of duty within the State or outside the State.
- (2) Country liquor and opium may however be removed from the warehouse to the points in bond as heretofore.
- (3) Permits under sub-clause (iii) of clause (i) shall be issued in Form W-6.
25. No Indian made foreign liquor or beer shall be removed from the warehouse until it has been checked and proved by the Officer Incharge.

26. In case of issue of liquor under bond, the licensee shall execute a bond in the Form-W-4 to deliver the spirit at a particular destination and shall furnish proof on his having done so before the bond is discharged.
27. Indian made foreign liquor and beer shall be issued by the Officer Incharge between 10 A.M and 4.P.M in summer and between 10.30 A. M and 4.30 P.M in winter on the same day if the request therefor are received up to 3 P.M and 3.30 P. M respectively. Other liquor or intoxicating drugs shall however be issued as per directions of the Commissioner. The Commissioner may also change the working hours of the warehouse from time to time. Indents received after the time mentioned herein before shall be dealt with on the next working day.
28. A pass for removal from the warehouse of Indian made foreign liquor and beer fit for human consumption may be granted in favour of the following persons only, namely :-
- (a) A person certified to be holding a licence in the Jammu and Kashmir state or any other State or Union Territory in India to sell such liquor by wholesale or retail and when the liquor is to be transported or exported beyond the limits of the district in which the warehouse is situated ; holding a permit signed by the Deputy Commissioner of the Division or any other officer authorised in that behalf in the state of destination as the case may be.
- (b) A person holding a permit signed by the Excise authority of a Union Territory or by the District Authority of a district in any State of
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India for the export of such liquor from Jammu and Kashmir into that Union Territory or state.
- (c) An officer of Government in respect of liquor removed by him in official capacity.
29. If a licensee infringes or abets the infringement of any of the conditions of his licence or any of the provisions of these rules, the Commissioner may forfeit the whole or any part of his security or cancel his licence or both as in the circumstances of the case he may deem fit.
30. All receipts on account of licence fee, renewal fee, over-time fee etc., received under these rules shall be credited to the Account Head "X-State Excise Duties."

By order of the Government of Jammu and Kashmir.

(Sd.) Ved Prakash,

Additional Secretary to Government,
Finance Department.

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FORM W – I

Application Form

{Referred to in rule 5 (b)}

To
The Excise Commissioner,
J&K Government,

Sir,

1. I/We.....on behalf of apply for the issue of a licence for depositing of and keeping without payment of Excise Duty in a public Warehouse established by the Government at
2. I / We undertake to comply, in all respects, with :-

(a) the provisions of the J&K Excise Act, Samvat 1958 and the J&K Public Warehousing of Liquor and Intoxicating Drugs Rules, 1970 and the Instructions thereunder ; and

(b) the terms and conditions subject to which the licence may be granted.

3. I/We furnish herewith security of Rs. in cash/ in the form of small savings certificates duly pledged to the Excise Commissioner, J&K Government for the due fulfillment of conditions of the licence applied for.

4. In the event of the licence being granted I/We purposes to deposit the in the above-mentioned Public Warehouse with effect from

Yours faithfully

(Signature of the applicant)
for and on behalf of

.....
.....

Place

Date

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FORM W-2

[Referred to in Rule 5 (c)]

Licence No..... Dated.....

Licence is hereby granted to Shri / S. Shri / M/s for depositing of and keeping..... without payment of duty in the Public Warehouse at For its subsequent issue on payment of duty, for the period from to

The licence is issued subject to the following terms and conditions :-

1. The licensee shall observe and comply with the provisions of the J&K Excise Act, Samvat 1958 and all rules made and instructions issued thereunder or under any other law for the time being in force applicable to the storage and issue of bottled spirit and beer.

2. The licensee :-

- (a) shall not deposit or keep Indian made foreign spirit in bottles other than 750 ML, 375 ML and 180 ML and beer in bottles other than 650 ML and 325 ML in warehouse;
- (b) shall comply with the directions of the Excise Commissioner regarding the character and purity of the spirit and beer to be deposited and kept in the warehouse and the minimum stocks to be maintained at any time therein.

3.

4.

Excise Commissioner,
J&K Government.

BOND

FORM W-4

(Referred to in Rules Nos. 9 and 26)

Whereas I, a licensee under the Public Warehousing of Liquor and Intoxicating Drugs Rules, 1970, have applied to the Dy. Excise Commissioner of Division to grant a permit to import / export / transport L.P. Litres/ bulk Litres of bottled Indian made foreign spirit / beer in bond, from..... out of his stocks lying in the distillery / brewery / public warehouse at to the public warehouse at without repayment of duty leviable thereon ;

And whereas the said Dy. Excise Commissioner has agreed to grant the permit applied for subject to the condition that the Indian made foreign spirit / beer to be imported / exported / transported thereunder shall be deposited in the public warehouse at after it has been duly checked and proved by the Officer Incharge of the Public Warehouse concerned;

Now, therefore, in consideration of the said grant I, bind myself / my legal representative to fulfil the condition as set forth above and if I fail to deliver the Indian made foreign spirit / beer permitted to be imported / exported / transported as above to the entire satisfaction of the Officer Incharge of the said warehouse on or before the time specified in the permit. I shall on demand by the Dy. Excise Commissioner pay to him a sum of money equal to the amount of duty which would be payable under the provisions of the J&K Excise Act, Samvat 1958, besides, such penalty, if any, as may be imposed by him.

(Signature of the licensee)

.....

Witness :

- 1.
- 2
- 3

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FORM W-6

[Referred to in Rules 13 and 24 (3)]

PERMIT FOR THE TRANSPORT / EXPORT OF INDIAN
MADE FOREIGN SPIRIT / BEER FROM..... WAREHOUSE TO A PLACE
WITHIN THE
DIVISION / IN ANOTHER DIVISION THE STATE.

Permit No Dated

M/s are hereby permitted to transport the
following bottled Indian made foreign spirit / beer lying in the warehouse at
..... to

This permit is valid for.....days.

S.No	Class of Bulk	Litres	Strength	Proof	Litres
	Spirit				

Dated Signature with designation
and seal of the permit issuing authority.

Pass No.....
Dated
for the above mentioned spirit / beer
issued.

(Signature and seal of the
Officer-Incharge Warehouse)

Note – To be printed in triplicate. One copy shall be retained for record in the office of issue. The second copy shall be given by the Officer Incharge to the person removing the spirit to accompany the consignment and the 3rd copy shall be immediately sent to the concerned Excise and Taxation Officer or Excise Inspector.

PART – V

**THE JAMMU AND KASHMIR PUBLIC WAREHOUSING OF LIQUOR AND
INTOXICATING DRUG RULES, 1970.**

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PART – V

The Jammu and Kashmir
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