

GOVERNMENT OF JAMMU & KASHMIR
OFFICE OF THE EXCISE COMMISSIONER, J&K
EXCISE AND TAXATION COMPLEX, RAIL HEAD, JAMMU
E-mail: excise.commr@jk.gov.in

Subject: Rationalization of Production and Sale of JK Special Whisky and JK Country Liquor.

Reference: 1. The J&K Excise Policy 2023-24 notified by the Finance Department vide S.O. 172 dated 28-03-2023.
2. Deputy Excise Commissioner (Distilleries), Jammu's letter No. DECDJ/3746 dated 31-03-2023.

ORDER No.: 23 - EC OF 2023

DATED: 10 - 04 - 2023

The Finance Department, Government of J&K, vide S.O. 172 dated 28-03-2023 notified the J&K Excise Policy 2023-24 with one of the Policy objectives at *para 1.2* dealing with the initiatives to be taken to encourage transition from high to low alcoholic content beverages and *para 1.7* calls for rationalization of production and sale of JK Special Whisky and JK Country Liquor to curb illicit distillation;

AND WHEREAS, *para 13.5* calls for introduction of low alcohol content country liquor by the name of 'JK Country Liquor' to prevent the illegal distillation and sale of illicit liquor. The relevant part of the *para 13.5*, is reproduced hereunder:

"To prevent the illegal distillation and sale of illicit liquor, the department shall introduce low alcohol content country liquor by the name of 'JK Country Liquor' having alcohol strength of 45-degree proof with all Duties/Fees as applicable to JK Special Whisky."

AND WHEREAS, *para 16* of the J&K Excise Policy 2023- indicates rationalization of Production and Sale of JK Special Whisky and JK Country Liquor reads as under. *Para 16* is reproduced as under:

Rationalization of Production and Sale of JK Special Whisky and JK Country Liquor:

"In order to have fair business practices and to discourage any kind of cartelization and monopolistic practices in the liquor Trade, the Excise Department shall rationalize the production, distribution and sale of JK Special Whisky/JK Country Liquor. A quota equivalent to 40% of the total production of JK Special Whisky in the year 2022-23, shall be equally distributed among the operational Distilleries/Bottling Plants during the year 2023-24 for production of JK Special Whisky and JK Country Liquor. An undertaking shall be submitted by the Distilleries/Bottling Plants about the timely production and supply of JK special whisky/JK Country Liquor. However, in case of any default the quota shall be withdrawn in respect of defaulting units and the Excise Department shall redistribute the quota

[Handwritten signature]

equally among other compliant Distilleries/Bottling Plants. Lifting of the 40% quota of JK Special Whisky/JK Country Liquor by the JKEL-1 and JKEL-2 vends shall be notified separately by the Excise Commissioner."

AND WHEREAS, to implement the Excise Policy 2023-24, the department vide Order No. 363-EC of 2023 Dated 10.03.2023 constituted the following Committee to examine and recommend steps in the matter

1. Deputy Excise Commissioner (Distilleries) Jammu
2. Excise & Taxation Officer, Distilleries, Jammu
3. Excise & Taxation Officer, Trade, Jammu
4. Presenting Officer, (Law)
5. Departmental Chemist
6. Inspector Trade

AND WHEREAS, the designated Committee vide letter No. DECDJ/3746 dated 31-03-2023 submitted its recommendations regarding Rationalization of Production and Sale of JK Special Whisky and JK County Liquor;

NOW THEREFORE, in view of the above provisions of the J&K Excise Policy 2023-24, recommendations of the designated Committee and to end the monopolistic trade practices in Production and distribution of JK Special Whisky and JK County Liquor, following guidelines/actions at various levels viz. operational Distilleries & Bottling Plants, JKEL-1 and JKEL-2 licenses are hereby issued for immediate compliance:

(A). Action by Distilleries/Bottling Plants:

1. As provided for in the Excise Policy 2023-24, a quota equivalent to 40 % of production of JK Special Whisky during the year 2022-23 shall be distributed among operational D-2/JKEL-6 licensees in equal proportion for production of JK Special Whisky/JK Country Liquor during the year 2023-24.
2. All the D2/JKEL-6 licensees shall furnish an undertaking for timely production and supply of JK Special Whisky/JK Country Liquor. Units not furnishing such undertaking shall not be allowed to produce/supply JK Special Whisky/JK Country Liquor for the year 2023-24.
3. Fixed quota shall have to be supplied by the manufacturing units to the JKEL-1 Trades as per schedule prescribed at point No. 5.
4. Production of JK Special Whisky/JK Country Liquor beyond the fixed quota shall remain open for all the manufacturing units as per their capacity and demand in the market.
5. Quota allotted to a manufacturing unit shall have to be achieved on quarterly basis as per following schedule:-

Quarter	Months	Month-wise Percentage	Quarterly Percentage
1 st Quarter	April	7%	24%
	May	9%	
	June	8%	
2 nd Quarter	July	9%	25%