



THIRTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
SUBORDINATE LEGISLATION
(2011-2014)**

FOURTH REPORT

(Presented on July 5, 2012)

On

**The Action Taken by Government on the
Recommendations/Observations contained
in the Fifth Report of the Committee on
Subordinate Legislation (2006-2008)**

SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2012

THIRTEENTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
SUBORDINATE LEGISLATION
(2011-2014)**

FOURTH REPORT
(Presented on July 5, 2012)

On
**The Action Taken by Government on the Recommendations/
Observations contained in the Fifth Report of the Committee
on Subordinate Legislation (2006-2008)**

1127/2012.

CONTENTS

	<i>Page</i>
Composition of the Committee	.. v
Introduction	.. vii
Chapter I : Report	.. 1
Chapter II : Recommendations and their replies from Government that have been accepted by the Committee	.. 2
Chapter III : Recommendations and their replies from Government that have been accepted by the Committee after further clarification	.. 10
Annexure I : S.R.O. No. 330/1996	.. 11
Annexure II : S.R.O. No. 380/2012	.. 16
Annexure III : S.R.O. No. 381/2012	.. 18

COMPOSITION OF THE COMMITTEE ON
SUBORDINATE LEGISLATION
(2011-2014)

Chairman :

Shri M. Ummer

Members :

Shri V. Chenthamarakshan
,, Chittayam Gopakumar
,, Hibi Eden
,, Ludy Luiz
,, N. A. Nellikkunnu
,, Saju Paul
,, A. K. Saseendran
,, V. Sivankutty.

Legislature Secretariat :

Shri P. K. Muraleedharan, Secretary-in-charge
,, M. Narayanan Potti, Joint Secretary
,, K. S. Anas, Deputy Secretary
Smt. Manju Varghese, Under Secretary.

INTRODUCTION

I, the Chairman of the Committee on Subordinate Legislation having been authorised by the Committee, present this Fourth Report of the Committee (2011-2014) of the Thirteenth Kerala Legislative Assembly, on its behalf, on the action taken by the Government on the recommendations/observations contained in the Fifth Report of the Committee on Subordinate Legislation (2006-08) of the Twelfth Kerala Legislative Assembly.

The Fifth Report of the Committee on Subordinate Legislation of the Twelfth Kerala Legislative Assembly was presented to the House on March 14, 2008. Government furnished their replies to all the recommendations of the Committee contained in the report.

The Committee considered the replies in its meetings held on 5-8-2009, 10-11-2010, 23-5-2012 and 27-6-2012. This report containing the recommendations of the Fifth Report of the Committee on Subordinate Legislation and their replies furnished by the Government was finalised on the meeting held on 27-6-2012.

Thiruvananthapuram,
5th July, 2012.

M. UMMER,
Chairman,
Committee on Subordinate Legislation.

REPORT

CHAPTER I

This Report contains the statements received from the Government regarding the action taken by the Government on the recommendations/ observations contained in the Fifth Report of the Committee on Subordinate Legislation (2006-2008) of the Twelfth Kerala Legislative Assembly.

The Fifth Report of the Committee on Subordinate Legislation (12th KLA) was presented to the House on March 14, 2008. The Report contains the observations, comments and recommendations based on the S.R.Os issued during the years 2004 and 2005 by the Government, under the provisions of the Abkari Act I of 1077. The Government have furnished replies to all the recommendations of the Committee.

Chapter II of this Report contains the recommendations/observations of the Committee in the above said Report and their replies from the Government that have been accepted by the Committee.

Chapter III of this Report contains recommendations of the Committee and their replies from Government that have been accepted by the Committee after further clarifications gathered from the Government.

CHAPTER II

RECOMMENDATIONS AND THEIR REPLIES FROM GOVERNMENT THAT
HAVE BEEN ACCEPTED BY THE COMMITTEE*Recommendation No. 4*

S.R.O. No. 120/2004 [G.O.(P) No. 17/04/TD dated 10-2-2004]

The notification was issued to amend the S.R.O. No. 256/94 dated 3rd March, 1994. The subsequent amendments were not seen included in the S.R.O. No. 256/94. The Committee recommend to intimate the subsequent amendments to S.R.O. No. 256/94.

Reply from Government

Government amended the S.R.O. 256/1994 dated 3rd March, 1994, vide S.R.O. No. 120/2004 dated 10th February, 2004 to include the sub-item (a) of item (3) in order to introduce 'specific duty' in place of the existing advalorem excise duty system as announced in the budget speech for 2004-2005. The item (3) was introduced by subsequent amendment of the S.R.O. 256/1994 vide S.R.O. 330/1996 dated 30th March, 1996 (Annexure I). The details was not included in the explanatory note to S.R.O. 120/2004. As the explanatory note is not a part of the notification there is no statutory defect in the notification issued by the Government. The recommendation of the Committee is noted for future guidance. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 13

S.R.O. No. 431/2004 [G.O.(P) No. 68/04/TD dated 4-5-2004].

The Committee recommend that whenever an SRO is issued in continuation of previous one (SRO) for making amendments to a particular sub-rule of a Rule, the details of the relevant notification which were issued for amending the same sub-rule issued earlier should be mentioned along with the explanatory note.

Reply from Government

Government as per S.R.O. No. 431/2004 dated 4th May, 2004, by invoking the powers under section 18A and 29 of the Abkari Act I of 1077 have amended the sub-rule (2) of rule 7 of the Kerala Abkari Shops Disposal Rules, 2002 to substitute as "Provided further that the restriction in distance from an educational institution, temple, church, mosque, burial ground and SC/ST colonies for locating toddy shops shall not apply to those shops which remained unlicensed for want of any unobjectionable site, but were to be located

at the same place where they were licensed for the year 2001-2002". The 2nd proviso to sub-rule (2) of rule 7 have been amended earlier vide S.R.O. No. 583/2002 and S.R.O. No. 630/2003 to extend the same relaxation during the years 2002-2003, 2003-2004 respectively. The details of the previous notifications were not included in the operative part of the notification by mistake. This is noted for future guidance. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 17, 18 and 19

S.R.O. No. 452/2004 [G.O. (P) No. 69/04/TD dated 7-5-2004]

The Committee suggest to enquire whether any complaints have been received from the public against shop No. 325 of Chavakkad Range of Chavakkad Taluk. (Recommendation No. 17).

The Committee take strong exception to this kind of reason as "Public Interest" and also recommend that whenever a Foreign Liquor shop is to be shifted from one place to another, the Government should specify the exact reason for doing so instead of mentioning the reason as 'Public Interest'. (Recommendation No. 18).

The Committee also opine that this sort of practice which legalises an irregular practice that would derogate the purpose of the Abkari Act, should not be resorted to. (Recommendation No. 19).

Reply from Government

The S.R.O. No. 452/2004 dated 7th May, 2004 was issued for the shifting of the FLI shop No. 325 of Chavakkad Range to Vadanappally Range in Thrissur district. The shifting of the shop was allowed on the recommendation of the MD, KSBC in view of the public protest in the area. The amendments to the respective rules have been made after detailed examination of the proposal of the KSBC. Utmost care will be taken in future while shifting FLI shops. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 25

S.R.O. No. 715/2004 [G.O. (P) No. 110/04/TD dated 9-7-2004]

The Committee recommend that the practice of giving exemption to Toddy shops on the basis of the amendment to 2nd proviso in Sub-rule (2) of Rule 7 of the Kerala Abkari Shops Disposal Rules, 2002 is to be discouraged as otherwise it would be tantamount to regularise an irregular act.

Reply from Government

Government amended the 2nd proviso to sub-rule (2) of Rule 7 of the Kerala Abkari Shops Disposal Rules, 2002 published as S.R.O. No. 198/2002 to grant exemption/relaxation in the distance rule of Toddy shops located in objectionable sites for want of unobjectionable sites which were granted exemption by Government orders/notifications in the previous years. The Committee recommended to specify the period/years for which the relaxation was thus granted in the notification and to mention the previous amendments in the S.R.O.

Government issued the notification for the year 2003-2004 and hence there is no ambiguity as to the period of exemption to be granted in each case. The exemption is given to the existing Toddy shops to avoid closure of the shop for want of unobjectionable sites. No such exemption is granted to the new Toddy shops. This is noted for future guidance. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 30

S.R.O. No. 857/2004 [G.O. (P) No. 128/04/TD dated 9-8-2004]

The Committee desire to be informed of the opinion of the Taxes Secretary as to the substitution of words “as may be decided by the Government”. This would confer upon the Government any arbitrary powers to effect frequent changes on the criteria to be adopted for the selection of Abkari workers. Such provisions may sometimes prove to be detrimental to the interest of the Abkari workers and if so, government may decide the criteria for selection of Abkari workers after calling for any objection from them and giving an opportunity of being heard.

Reply from Government

The Government notification was issued to amend the Kerala Abkari Shops Disposal Rules, 2002 published vide SRO No. 198/2002, to substitute the selection criteria of Abkari workers who lost work due to prohibition of arrack, for providing employment in the Toddy shops. As there were several complaints in respect of the district level seniority list prepared by the Chief Welfare Fund Inspector, KTWWF Board, Government introduced alternate criteria by incorporating the words ‘as may be decided by the government’ in place of ‘the district level seniority’ in Rule 4 Sub-rule (2) of the Kerala Abkari shops Disposal Rules, 2002. The seniority of the Abkari workers is considered on the basis of their date of registration in the KTWW Board and disputes of seniority is settled by affording ample opportunity to the workers to defend their case by observing the principles of natural justice.

The Hon'ble High Court quashed the SRO No. 857/2004 in the Judgement in Kerala Samastha Chethu Thozhilali Union Vs State of Kerala (2006) 4SCC 327. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 35

S.R.O. No. 1359/2004 [G.O. (P) No. 202/04/TD dated 24-12-2004]

The Committee notice that there are enormous number of Rules under the Abkari Act. These Rules appear to be contradictory to one another in many instances. The Committee recommend that the Government should take necessary steps to bring out comprehensive rules under the Abkari Act, avoiding contradiction and complexity.

Reply from Government

As per S.R.O. No. 1359/04 dated 24th December 2004, Government issued notification to amend the sub-rule (1) of rule 3, sub-rule (4) and (5) of rule 4 and sub-rule (3) of rule 7 of the Kerala Abkari Shops Disposal Rules, 2002 by invoking the powers conferred to the Government under Section 18A of the Abkari Act I of 1077, to notify the eluga of the FLI Shop No. 337, as the shop was shifted from Kumbala range in Kasargode Taluk to Bandaduka in Kasargode Range. The Committee observed that the several amendments to the rules under the parent Act are contradictory in nature and hence recommended for comprehensive amendments to avoid contradiction and complexity.

The amendments to the various rules enacted under the Abkari Act I of 1077 are introduced by the Government as and when the situation arise. Government take all attempts to avoid unnecessary amendments to the Acts and rules. The recommendation of the Committee is noted for future guidance. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 40, 44, 46, 47, 49, 50, 51 and 52

S.R.O. No. 66/2005 [G.O. (P) No. 7/05/TD dated 24-1-2005]

In sub-rule (1) of Rule 16, in clause (b) for the words and figures "fee of ₹ 3,000", the words and figures "fee of ₹ 10,000" shall be substituted. The Committee suggest that number and date of notification which enhanced the fee to ₹ 3,000 should invariably be mentioned in this SRO. (Recommendation No. 40).

The Committee notice that Commissioner is empowered to give permission to use discoloured or contaminated ENA/Grape Spirit/Malt Spirit for the manufacture of any items (Indian Made Foreign Spirits) mentioned in Condition No.1. The Committee doubt whether the contaminated or discoloured Spirit can be used for the manufacture of any items specified in Condition No. 1 and whether the competent authority that is the Excise Commissioner can permit such Extra Neutral Alcohol/Grape Spirit/Malt Spirit as it may pose health hazards to the consumers. The Committee therefore suggests that such ambiguity should be avoided. The Committee also recommend that they should be intimated the exact details in this regard. (Recommendation No. 44).

The Committee would like to point out that the first two sentences of condition No. 18 contradict each other. As per the first sentence the licensee shall pay the amount in the first week of each month from the date of licence and the second sentence state that if the licensee fails to remit the amount on the first day of every month interest shall be charged. Therefore the Committee urge the department to bring in more clarity when framing Rules and the ambiguity in this regard should be removed. (Recommendation No. 46).

In the third line of condition No. 18 the Committee recommend to delete the comma between the words "excise and supervision" to make it a meaningful sentence. (Recommendation No. 47).

The Committee observe that this condition allows the licensee to keep the stock with the permission of the Excise Commissioner even if he does not possess a valid licence. It has not been specified whether the licensee is permitted or not to release the stock during this period. The Committee therefore desire to be intimated about the procedure adopted in this regard. (Recommendation No. 49).

The Committee point out that in condition No. 22 the word 'licensee' is wrongly stated as 'licence' in the second line as the subject matter relates to the disposal of stock by the licensee. The Committee therefore recommend that the error be corrected by issuing an erratum notification. (Recommendation No. 50).

The Committee also noticed that in the explanatory note of the notification in the second para the word 'decided' is wrongly spelt as 'deiced'. (Recommendation No. 51).

The Committee reiterated its earlier recommendation that the concerned administrative department should give more attention to avoid printing mistakes in the Gazette notification. The Committee urge the department concerned to avoid errors either factual or printing mistakes in the Notification as occurrence

of mistake in the Gazette Notification is viewed as lack of seriousness on the part of the departments and therefore recommend that the errors should be corrected by issuing necessary erratum Notification wherever necessary. (Recommendation No. 52).

Reply from Government

Government amended the clause (b) of sub-rule (1) of rule 16, of the Kerala Distillery and Warehouse Rules, 1968 to enhance licence fee for Bonded warehouse from ₹ 3,000 to ₹ 10,000 and prescribed the security amount to ₹ 50,000. In the newly introduced Rule A and the conditions 1, 5, 18 and 22 to the Form IVA several discrepancies were occurred due to the issue of the notification in dire situations. Action is being taken to issue erratum notification in the matter. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

While considering the above reply, the Secretary, Taxes Department gave assurance to the Committee that erratum would be issued without delay and the matter be intimated to the Committee within a week.

Reply from Government

Government issued erratum notifications vide S.R.O. No. 380/12 dated 29th May, 2012 [G.O.(P) No. 88/12/TD dated 29th May, 2012] [*Annexure II*] and S.R.O. No. 381/12 dated 29th May, 2012 [G.O.(P) No. 89/12/TD dated 29th May, 2012] [*Annexure III*]. The assurance given before the Committee on 23-5-2012 is thus complied with. (*vide Letter No. 22120/G1/2008/TD dated 8-6-2012 from Taxes Department*).

Recommendation No. 57

S.R.O. No. 107/2005 [G.O. (P) No. 17/05/TD dated 3-2-2005]

The explanatory note of the notification states that Government have noticed the import of Indian Made Foreign Liquor to Mahe on the strength of Transit permit issued from the State is very high when compared with the adult male population in Mahe and hence it was evident that IMFL imported to Mahe in excess was smuggled out to Kerala and the Government was losing crores of rupees per month by way of Sales Tax and Excise Duty. Hence Government have taken preventive measures against the practice by imposing fee on transit of liquor to Mahe through Kerala. The Committee therefore directs the department to intimate whether the number of transit permits issued have come down or not after the amendment and also whether the cases of illegal transits of liquor to Kerala has come down.

Reply from Government

Government as per the notification issued vide S.R.O. No. 107/2005 dated 3rd February, 2005 have amended the Kerala Liquor Transit Rules, 1975 to introduce new proviso in Rule 3 and sub-rule (3) of Rule 5 to prescribe the permit fee on the Transit permit issued to the liquor moved to Mahe through Kerala. The illegal transit of the liquor was reduced after the amendment and Government revenue by way of Transit Permit fee increased tremendously. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 60, 61 and 62

S.R.O. No. 328/2005 [G.O. (P) No. 44/05/TD dated 31-3-2005]

The Committee notice that the usage of “all other powers vested in Government” is vague. Committee are of the opinion that in the face of it one gets an impression that the Government is exercising unlimited power not expressly mentioned either in the relevant rules or Parent Act. The Committee therefore recommend that in order to avoid any ambiguity the Government has to mention clearly the relevant provision of the Act or the Rules as the cases may be which empower the Government to bring out an amendment to the rules in the notification. (Recommendation No. 60).

The explanatory note of the notification states that the Government have decided to continue such relaxation this year also. The Committee observe that the Licensees of Toddy Shops will be eligible for relaxation for this year also but there is an ambiguity as to ‘this year’ means the financial year 2004-2005 since the date of notification is 31-3-2005. If the period of year has been mentioned after the words ‘this year also’ it would have been more clear. The Committee recommend that they may be informed of the reason for the delayed amendment and publication of the Notification. The Committee also desires to recommend the Government to indicate the relevant rule and the period of applicability very clearly in the notifications and to avoid the publication of Notification in the eleventh hour in the future. (Recommendation No. 61).

The Committee also point out that the wording “certain relaxation given to some toddy shops for renewal when they were remained unsold are not given” in the explanatory note is vague and it would be difficult to understand as to which category of Toddy Shops owners are eligible for the benefit of relaxation of rules. The Committee suggest that the eligible category should be explained clearly in the Explanatory note. (Recommendation No. 62).

Reply from Government

As per notification issued vide S.R.O. No. 328/2005 dated 31st March 2005 have amended the sub-rule (1) of rule 3 and 4 of the Kerala Abkari shops Disposal Rules, 2002 to extent certain relaxation to the licensees for the Abkari

year 2004-2005 in order to avoid closure of the Toddy Shops in the event of non takers for the shops on the usual conditions/Abkari Policy announced by the Government. The relaxation was extended to the licensees who are ready to run the unsold toddy shops. The recommendations are noted for future guidance. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 68

S.R.O. No. 329/2005 [G.O. (P) No. 38/05/TD dated 31-3-2005]

The Committee recommend that the notification issued to amend a prior Notification containing the rule or sub-rule should be self contained and self explanatory.

Reply from Government

Government vide notification S.R.O. No. 329/2005 dated 31st March, 2005 have amended the notification issued in S.R.O. No. 199/2002 to extent the privilege to vend the FLI shops for a period of one year from 1st April 2005. The number and date of the previous notification was not included in the notification by mistake. The mistake will be rectified when notifications issued for the purpose in future. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

Recommendation No. 74 and 75

S.R.O. No. 414/2005 [G.O. (P) No. 78/05/TD dated 29-4-2005] &

S.R.O. No. 846/2005 [G.O. (P) No. 127/05/TD dated 30-8-2005]

The Committee recommend that the reason for changing the schedule limit of the Toddy shop should be mentioned in the operative part as well as in the explanatory note of the notification. (Recommendation No. 74).

The Committee would like to offer same remarks to SRO No. 846/2005 [G.O. (P) No. 127/2005/TD dated 30-8-2005]. (Recommendation No. 75).

Reply from Government

Government issued the notification further to amend the provisions of sub-rule (1) of rules 3, 4, 5B and sub-rule (3) of Rule 7 of the Kerala Abkari Shops Disposal Rules, 2002 amended by SRO No. 208/2002 so as to establish the independent toddy shops within the range and for their smooth functioning. The reason for changing the schedule limit has not been mentioned either in the operating part or in the explanatory note by mistake. The recommendation is noted for future guidance. (*vide D.O. Letter No. 22120/G1/2008/TD dated 21-5-2012 from the Secretary, Taxes Department*).

CHAPTER III

RECOMMENDATIONS AND THEIR REPLIES FROM GOVERNMENT
THAT HAVE BEEN ACCEPTED BY THE COMMITTEE
AFTER FURTHER CLARIFICATION*Recommendation No. 6, 7 and 8*

S.R.O. No. 314/2004 [G.O. (P) No. 46/2004/TD dated 31-3-2004]

The Committee noted that the name of the parent Act i.e., Abkari Act I of 1077 and the concerned Sections have not been specified and also the year of the Rule, i.e., Foreign Liquor Rules during which it was brought into effect has not been mentioned. The Committee opine that the relevant provision of the Parent Act should be quoted in the SRO which empowers the Government to make rules including amendments. (Recommendation No. 6).

The Committee therefore recommend that all Government Notifications relating to amendments to Statutory Rules should be self contained, self explanatory and unambiguous. (Recommendation No. 7).

Further, the Committee also recommends that the year shall be mentioned in the short title of the Rules. (Recommendation No. 8).

Reply from Government

The observation of the Committee in Para 6 and 7 are noted for future guidance. Regarding the 8th recommendation the Rules were issued as per notification SR4-1859/52/RD dated 17-1-1953 and therein no short title was given to the Rules. But subsequently the rules have been amended and a short title as "Foreign Liquor Rules" have been incorporated in the rules vide notification G.O. (Rt). No. 99/74/TD dated 25-2-1974, published as SRO 178/74 in the Kerala Gazette No. 11 dated 12-3-74. In the said short title the year '1953' has not been included. Since no year has been incorporated in the short title of the original rules the year may not be specified in the amendment rules. [*Letter No. 22389/A3/08/TD dated 11-11-2008 from Taxes (A) Department*].

Thiruvananthapuram,
5th July, 2012.

M. UMMER,
Chairman,
Committee on Subordinate Legislation.

GOVERNMENT OF KERALA

TAXES (G) Department

NOTIFICATION

G.O.(P) No. 76/96/TD.

Dated, Thiruvananthapuram, 30th March, 1996.

S.R.O. No. 330/96.—In exercise of the powers conferred by section 6, 7, 17 and 18 of the Abkari Act, I of 1077 and in modification of notification issued under G.O.(P) No. 24/94/TD dated 3rd March, 1994 and published as S.R.O. No. 256/94 in the Kerala Gazette Extraordinary No. 180 dated 3rd March, 1994, as subsequently amended, the Government of Kerala hereby direct that the import and export fees, the excise duty and luxury tax under the said sections shall be levied on the following kinds of liquors manufactured in the State and exported outside the State under bond in force or manufactured elsewhere in India and imported into the State by land, air or sea under bond, at the rates mentioned against each kind of liquor.

(2) The excise duty, import fee or luxury tax on liquor manufactured elsewhere in India and imported into the State by land, air or sea otherwise than under bond shall be equal to the duty to which such liquor manufactured in the State are liable under the Act such as import fee, excise duty or luxury tax, namely:—

<i>Kind of liquor</i>	<i>Rate of Excise duty</i>	<i>Rate of Luxury tax</i>	<i>Rate of Import fee</i>	<i>Rate of Export fee</i>
(1)	(2)	(3)	(4)	(5)
I. Indian Made Foreign Liquor including beer except those consumed by Defence Service:				
(1) When exported by distilleries/ Foreign Liquor (Compounding, Blending and Bottling) Units/ Breweries to other State and not reimported into this				Rs. 5 (Rupees Five only) per proof litre in the case of Indian Made Foreign Liquor and Rs. 2 (Rupees Two only) per bulk litre in the case of Beer.

(1)	(2)	(3)	(4)	(5)
<p>State, in cases where the following terms and conditions are satisfied, namely:—</p>	<p>(i) The export is under bond to cover the duty at the rate of an amount equal to 200 per cent of the value of Indian Made Foreign Liquor and gallonage fee at the rate of Rs. 3 per bulk litre in the case of beer.</p>	<p>(ii) No Objection Certificate for import certificate from the excise authorities of the importing State is produced by the Distilleries/ Foreign Liquor (Compounding, Blending and Bottling) Units/ Breweries.</p>	<p>(iii) Excise Duty, Luxury tax and Export Fee paid to Kerala Government before export.</p>	

(1)	(2)	(3)	(4)	(5)
<p>(iv) The verification certificate from the Excise Authorities of the importing State is produced before the Excise Officers in charge of the Distilleries/ Foreign Liquor (Compounding, Blending and Bottling) Units/ Breweries within 42 days of despatch or within such further time as the Excise Commissioner may allow for sufficient cause.</p>				
<p>(v) The duty at the rate of an amount equal to 200 per cent of the value of Indian Made Foreign liquor and gallonage fee at the rate of Rs. 3 per bulk litre in the case of Beer is paid on all quantities unaccounted for; and</p>				

(1)	(2)	(3)	(4)	(5)
(vi) Export is through air, rail, road or ship.				
(2) in the case of,—				
(a) Indian Made Foreign Liquor other than beer imported (bond or under bond)			Rs. 5 per proof litre	
(b) Beer imported (bond or under bond)			Rs. 2 per bulk litre	
(3) In other cases:—				
(a) Indian Made Foreign Liquor including Wine but excluding Beer	An amount equal to 200 per cent of its value			
(b) Beer			Rs. 3 per bulk litre	
IV. Medicated wine and similar Preparations but not including preparations on which duty is leviable under the Medicinal and Toilet Preparations (Excise Duties) Act, 1955	Rs. 12 (Rupees Twelve only) per proof litre			

Explanation:—Where any liquor is chargeable with duty at a rate depending on the value of the liquor, such value shall be the value at which the Kerala State Beverages (Manufacturing and Marketing) Corporation Ltd. purchases such liquor from the suppliers and in case any such liquor is not purchased by the Kerala State Beverages (Manufacturing and Marketing) Corporation, such value shall be the value fixed by the Commissioner.

This notification shall come into force on 1st day of April, 1996.

By order of the Governor,

N. M. SAMUEL,
Secretary to Government.

Explanatory Note

(This does not form part of the notification, but is intended to indicate its general purport.)

As per Abkari (Amendment) Act, 1996, the Government of Kerala have fixed the rate of excise duty of Indian Made Foreign Spirits as Rs. 200 per proof litre or an amount equal to 200 per cent of the value of the liquor. Where any liquor is chargeable with duty at a rate depending on the value of the liquor such value shall be the value at which the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited purchases such liquor from the Suppliers and in case any such liquor is not purchased by the said Corporation such value shall be the value fixed by the Commissioner of Excise, Government as per G.O. (Ms.) No. 39/96/TD dated 2-3-1996 have ordered that the Excise duty on Indian Made Foreign Liquor for the year 1996-97 would be 200 per cent of the value at which such liquor is purchased by the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited. The Government as per G.O. (Ms.) No. 26/96/TD dated 14-2-1996 have enhanced the excise duty on Beer from Rs. 2 to Rs. 3 per bulk litre and export duty on Beer from Re. 1 to Rs. 2 perbulk litre. As per the Abkari (Amendment) Act, 1996 there is no provision to levy excise duty on Beer on bulk quantity. So gallonage fee at the rate of Rs. 3 per bulk litre being luxury tax is charged instead of excise duty on Beer.

This notification is intended to achieve the above objects.

