

U/H

TELANGANA STATE BEVERAGES CORPORATION LIMITED
(An Undertaking of Government of Telangana)

'D' Block, 2nd Floor, Prohibition & Excise Complex, 9 & 10-Eastern, M. J. Road, Hyd-500 001.

TSBCL/1/2016-2017/

Dt. 17-01-2017

CIRCULAR - 114

Subj: Grant of License for selling FL & Premium IMFL brands at Elite outlets -
Certain conditions - Intimated - Reg.,

Ref: G.O.Ms.No.271 Revenue (Excise-II) Department dated 26.10.2016

The Government vide G.O. cited in the reference, issued orders notifying the Telangana Excise (Grant of License for selling Foreign Wine, Foreign Liquor & Foreign Beer and premium Indian Made Foreign Liquor & Wine at "Elite outlet" and conditions of License) Rules, 2016. As per the said notification "Elite outlet" will be established in the State of Telangana as per the requirements under rules as mentioned therein. The important and major rules are as follows:

1. The outlets permitted under the said notification will be called "Elite outlets".
2. The notified license fee for these "Elite outlet" would be Rs.1.25 crores per annum.
3. The license period will be five (5) years commencing from 1st of September 2016 and ending with the 31st day of August of the 5th calendar year OR part thereof.
4. The "Elite outlet" is not liable to pay any privilege fee on the sale of exclusively Foreign Wine, Foreign Liquor & Foreign Beer excluding Premium Indian Made Foreign Liquor & wine in "Elite outlet" for a period of Three (3) years only from the date of issue of license initially i.e. for the years 2016 to 2019.

After completion of three years period, licensee shall be required to pay privilege fees @ 8% plus applicable value added tax (VAT) thereon, on the sale price of Foreign wine, Foreign Liquor & Foreign Beer purchased from TSBCL when the cumulative value of his purchase during the year exceeds nine (9) times of the annual license fees.

The licensee shall be required to pay privilege fees @ 8% plus applicable value added tax (VAT) thereon, on the sale price of Premium Indian Made Foreign Liquor & Wine purchased from TSBCL when the cumulative value of their purchase during the year exceeds five (5) times of the annual license fees excluding the privilege given for sale of Foreign Wine, Foreign Liquor & Foreign Beer.

5. The said notification "Premium IMFL & Wine" means Indian Made Foreign Liquor and Wine produced in India with a basic price of Rs.2000 and above in case of Indian Made Foreign Liquor and Rs.1000/- and above in case of Wine, and as the Commissioner of Prohibition & Excise may prescribe from time to time.

The Commissioner of Prohibition & Excise in exercise of the powers conferred under Rule 2 (1) (v) of "The Telangana Excise (Grant of License for selling Foreign Wine, Foreign Liquor & Foreign Beer and premium Indian Made Foreign Liquor & Wine at "Elite outlet" and conditions of License) Rules, 2016" also permitted the "Elite outlet" to purchase IMFL Beer brands of basic price of Rs.300/- per case of 650ml and its connected sizes.

In view of the above, the following instructions are issued for its strict compliance.

- a. The License holder of "Elite outlet" shall be permitted to purchase all variety of Foreign Wine, Foreign Liquor & Foreign Beer brands.
- b. The License holder of "Elite outlet" shall be permitted to purchase only, the following range of IMFL premium brands:
 - i. All IMFL brands of basic price of Rs.2000/- per case and above.
 - ii. All IMFL Wine brands of basic price of Rs.1000/- per case and above.
 - iii. All IMFL Beer brands of basic price of Rs.300/- per case of 650ml and its all connected sizes / packs i.e. 330ml Glass or Tin, 500ml Glass or Tin of that brand.

The list of IMFL brands to be permitted to purchase by "Elite outlet" is enclosed as Annexure for ready reference. (as per attached)

Further, a suitable software module is being provided to all the depots for implementing the above, conditions.

The O/O Prohibition & Excise Superintendent, Hyderabad has issued a license bearing NO.01/2016-17/ESH dated.14.12.2016 to an "Elite outlet" which is at present purchasing liquor from IMFL depot Hyderabad-II. The License holder has been already provided with a list of IMFL premium brands which only, can be indented and purchased by him. However, the Chief Manager, Hyderabad-II depot is hereby directed to check each and every indent placed by this Elite outlet till the required module covering all the related rules and conditions are developed and rolled over to the depot(s).

Managing Director
12/1

To

The Chief Manager, IMFL depot Hyderabad-II.

Copy to: All the Chief Managers/ Managers, IMFL depots.

Copy to: M/s CTEL Infosystems Pvt Ltd., - with a direction to develop related software modules / options to implement the related rules and conditions as indicated above i.e. as at Sl.NO.4, a, b (i), (ii) & (iii).

Copy submitted to: The Commissioner for Prohibition & Excise, Hyderabad - for kind information.

Copy to : The General Manager(F&A, MIS) - for necessary action.