

TELANGANA STATE BEVERAGES CORPORATION LIMITED
(An Authority on Behalf of Government of Telangana)

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

TSBCL/I/2016-2017/ 3124

Dt. 01-12-2016

CIRCULAR - 161

Sub: Revision in Rates of Excise Duty/Countervailing Duty , Additional Privilege Fee and VAT for IMFL (other than wine) and Beer brands - Intimation of revised Landed Costs, Issue prices, Additional Privilege Fee and MRPs to the Registered Suppliers, IMFL depots, Government and M/s CTEL Infosystems Private Limited., - Implementation w.e.f.02.12.2016 - Reg.

- Ref: 1. G.O.Ms.No.286 Rev (CT.II) Dept., dated 30.11.2016
2. G.O.Ms.No.287 Rev (Ex.II) Dept., dated 30.11.2016
3. G.O.Ms.No.289 Rev (Ex.II) Dept., dated 30.11.2016

The Government through ref 1st, 2nd and 3rd cited issued notifications revising the rate of Excise Duty/ Countervailing Duty, VAT and Additional Privilege Fee for IMFL (other than wine) and Beer brands along with instructions to implement the revised taxes and duties w.e.f. 02-12-2016.

The revised Excise duty/Countervailing Duty, VAT and Additional Privilege Fee to be levied on IMFL (other than wine) and Beer brands are as under:

Revised Excise Duty/ Countervailing for IMFL (other than wine) and Beer Brands:

I. LIQUOR

S. No	Basic Price in Rs. / Case	Rate of Excise Duty / Countervailing Duty	VAT	Additional Privilege Fee (MRP rounding of Portion)
1	Upto450/-	224% of Basic OR Rs.138/- per PL which ever is higher	70	Next higher Rs.5/-
2	> 450 <= 700	240% of Basic OR Rs.190/- per PL which ever is higher	70	Next higher Rs.10/-
3	> 700 <=2000	160% of Basic OR Rs.260/- per PL which ever is higher	70	
4	>2000	50% of Basic OR Rs.495/- per PL which ever is higher	70	

II. READY TO DRINKS (LOW ALCHOLICS)

S. No	Basic price in Rs. Case	Rate of Excise Duty / Countervailing Duty	VAT	Additional Privilege Fee (MRP rounding Of Portion)
1	All Ranges	70% of Basic Price	70	Next higher Rs.10/-

III. BEER

S. No	Alcoholic Strength	Excise Duty per Bulk Ltrs	VAT	Addl. Privilege Fee Per Bottle (Rounding up of MRP)
1	Below 5% v/v	108 % of Basic Price	70	Next higher Rs.10/-
2	5% v/v and above	115 % of Basic Price	70	Next higher Rs.10/-

Further, the Government, informed that consequent to the revision in the Excise Duty/Countervailing Duty and Additional Privilege Fee on IMFL (other than wine) and Beer brands there will be certain difference in issue price and Additional Privilege Fee of the stocks in the inventories of the various IMFL depots of TSBCI as on 02-12-2016 (opening balance) and the stock in transit (dispatched before 02-12-2016 and reaching the depots on or after 02-12-2016) on the one hand and the stocks that will be dispatched by the manufacturers after the revision on the other. In order to avoid dual pricing of IMFL (other than wine) and Beer brands during the transition from the pre-revised rates to the revised rates, the Government ordered that the Excise Duty / Countervailing Duty, Special Privilege Fee and additional privilege fee be worked out based on the revised rate of Excise Duty / Countervailing Duty, VAT and Additional Privilege as specified in the above table and shall be remitted to the Government by the licensees, including imbedded notified rate of Value Added Tax on purchasing such stock, under the relevant heads. However, payments to the suppliers be made at the existing landed cost (Basic Price + Excise Duty / Countervailing Duty) only, in respect of stocks held by TSBCI IMFL depots including of in transit (i.e. dispatched before 02.12.2016 and reaching the depots).

Further, the IMFL (other than wine) and Beer stocks held by all the depots as on 01-12-2016 (closing balance) and the stocks in transit i.e. dispatched by the manufacturing units on or before 01-12-2016 and reaching the depots on or after 02-12-2016, with old MRP rates are to be sold at revised prices and they need not have a sticker/stamping indicating revised prices since the revision In

rates is on account of change in government levy as stipulated under sub-rule 4 of Rule 23 of Standards of Weights and Measures (Packaged Commodities) Rules, 1977.

All the suppliers are also instructed to circulate notices to all the licensees showing the revised MRPs of each brand and keep sufficient numbers of copies of such notices in each IML Depot, for distribution to the licensees as required under the provisions of Standards of Weights and Measures (Packaged Commodities) Rules, 1977. However, all the Chief Managers / Managers are directed to serve the notice as per the format enclosed to this Circular as Annexure-II for the convenience of all retailer licensees.

Henceforth, the billing of all such IMFL (other than wine) and Beer brands shall be done at revised rates with effect from w.e.f. 02.12.2016. The Revised Rates i.e. Issue Prices, MRPs, Additional Privilege Fee are worked out for all **existing IMFL (other than wine) and Beer brands including stock in transit and of future arrivals and enclosed herewith as Annexure-I**. The soft copy of which shall be got downloaded through file "Revised Rates" at web site tsbcl.nic.gov.in.

All the Chief Managers / Managers are further informed that the above revised Item master pertaining to revised IMFL (other than wine) and Beer brands selling rates both i.e. applicable for stock held by depots including of in transit and of future arrivals will get automatically updated into the depot HPFS Item Master which will automatically enable all the retailers to indent all category of IMFL (other than wine) and Beer brands at revised selling rates w.e.f. 02.12.2016. However, all the Chief Managers / Manager shall personally verify the ICDCs raised for revised selling rates, before the delivery of the stocks to the licensees.

Further, it is clarified that the Existing stock of IMFL (other than wine) and Beer brands including stock in transit and future arrivals will have existing brand codes only, but few will have different selling rates.

The "Orders for Supply" released w.e.f. 02.12.2016 will have new Landed cost/OFS price, and MRP rates but for few brands / sizes consequent to revision in ED/CVD rates, rate of VAT and MRP rounding up. Hence, all the Chief Managers/Managers are directed to make arrangements for storing such stocks i.e. brands having new MRP rates in separate lots and not to mix them up with existing lots under any circumstances. **The stock of a particular brand received with new MRPs shall be billed only after exhausting the stock of that particular brand having old MRPs. The necessary steps have been taken by Corporate office for releasing "Orders for Supply" only after the existing stocks inventory is exhausted or on reaching very meager level.**

As per Rule 45 of Telangana Excise (Grant of license of selling by shops and conditions of licence) Rules 2012, the consignment shall be opened by the licensees in the presence of Excise Officers only and the Excise Officers concerned should verify the receipt of consignment. The SHOs should closely monitor the implementation of Existing MRPs for the stocks purchased on or before 01-12-2016. They are requested to obtain the information every day from the licensees in Form-R1 and Form - R2 as per Rules 48 and 49 of Telangana Excise (Grant of license of selling by shops and conditions of licence) rules 2012, and submit the same to the Prohibition and Excise Superintendents/Chief Managers/Managers IMFL depots/Deputy Commissioner's of Prohibition and Excise concerned.

The, Commissioner of Prohibition & Excise during earlier revision in selling rates, issued the following instructions vide Cr.No.1731/2015/CPE/G1, Dt.06-04-2015 to the field officials of P& E department, as the stocks purchased by the retail licensees on or before the date of such revision shall be sold at old MRP rates only and so that consumers are not charged extra rates other than MRP for such stocks. (Copy enclosed).

1. The retail licensees shall place indents, only for the brands which are already exhausted.
2. The Retail Licensees shall submit such indents to the SHO concerned, specifying the brands to be purchased.
3. The SHOs concerned on receipt of such indents shall certify the same.
4. The Retail licensee shall have to submit such certified indents to the Chief Managers / Managers of the IMFL depots for billing the required brands at revised rates.

Therefore, it is decided to adopt same procedure for selling IMFL (other than Wine) and Beer Brands w.e.f. 02.12.2016 with revised rates.

Hence, all the Chief Managers/Mangers of IMFL depots are directed to follow the following operational procedures :

1. While accepting such certified indents i.e. in respect of **IMFL (other than Wine) and Beer brands** Certification from the concerned SHO shall be insisted invariably. For all such subsequent purchases by such retailers, normal procedure be followed in honoring the indents.
2. While generating the ICDCs, a letter shall be handed over to the Retailer specifying the name of the brand, size and the **NEW MRP**. A format

which is to be issued to the retailers by the Chief Managers/Managers is enclosed as **Annexure-II** to the Circular.

3. The above letter shall be confined only to such of those brands billed against certified indents.
4. The letter addressed to the retailer shall be in quadruplicate. One copy shall be pasted on the Notice Board of the Liquor Shop, Second copy shall be retained with the Retailer, Third copy shall be given to the SHO concerned and the Fourth copy shall be retained in the Depot for record.
5. The above letter should be signed personally by the Chief Managers/Managers in pre printed forms and to avoid computer printing.

In view of the above all the Chief Managers/ Managers of the IMFL depots are directed to exercise personnel supervision in implementing the above instructions without deviation of any sort and report compliance.

**Sd/-
Managing Director**

Encl:a/a

To

All the Chief Managers / Managers of IMFL depots in the State.
All the Registered (Other than Wine) suppliers - for information and with a direction to circulate notices to the licensees showing the revised MRPs of each brand/size lying in the TSBCL depots as per sub-rule 4 of Rule 23 of Standards of Weights and Measures (Packaged Commodities) Rules, 1977.
CC: The GM(P&A), GM(MIS & F&A) at C.O. Hyderabad.
CC: The Commissioner of Prohibition and Excise, Telangana, Hyderabad.
CC: The Director, Prohibition & Excise (Enforcement), Telangana, Hyderabad.
CC: All the Deputy commissioners and P&E Superintendents in the state.
CC: All the Assistant Commissioners of Distilleries & Breweries, Distillery Officers, Brewery Officers in the state for taking further action.
Copy submitted to the Principal Secretary to Government, Revenue (Ex.II) Department, Telangana, Hyderabad.
Copy to : M/s CTEL Intosystems Pvt Limited, Hyderabad - with a direction to upload revised rates in the HPFS system.

// Attested //


General Manager (MM)

