
ANDHRA PRADESH EXCISE (LEASE OF RIGHT OF SELLING BY SHOP AND CONDITIONS OF LICENCE) RULES, 2005

CONTENTS

1. Short title, extent, commencement and application
2. Definitions
3. Lease of Right to sell Indian Liquor and Foreign Liquor
4. Establishment of Shops
5. Auction Notice
6. Declaration etc.
7. Entry Pass
8. Persons not eligible to participate in auction
9. Benami tenders not allowed
10. Disqualification
11. Officers authorised to conduct auctions
12. Lease amount to be offered in Tenders
13. Auction of shop
14. Submission and finalisation of tenders
15. Removal of certain persons from the place of auction
16. Signature in the Register
17. Auction purchaser shall obtain Licence
18. Payment of lease amount by the Auction Purchaser
19. Other requirements
20. Re-auction in case of failure to deposit moneys
21. Sale by outlets of A.P.B.C.L. and the Distillery/ Brewery Licenceholders
22. Counterpart Agreement
23. Commencement of lease
- 23A. Bar on claim of renewal
24. Death of auction Purchaser
25. Period of the lease and commencement of business
26. Issue of Licence
27. Selection of Premises
28. Transport pennit
29. Sale permitted at the licensed premises only
30. Licence to be exhibited
31. Hours of Business
32. Dry days
33. Leaseholder not to declare any person to be or not to be his partner
34. Lease holder not to stock unauthorized Indian Liquor and Foreign Liquor
35. The lease holder not to stock Indian Liquor and Foreign Liquor unauthorized place

36. Lease holder to sell Indian Liquor and Foreign Liquor of specified Strength
37. Indian Liquor or Foreign Liquor not to be adulterated
38. Adulterated Indian Liquor or Foreign Liquor to be seized
39. Indian Liquor and Foreign Liquor shall not be given or sold to certain persons
40. Bottles for sale to carry labels
41. Sale of only duty paid Indian Liquor or Foreign Liquor
42. Maximum Retail Price
43. Harboursing of certain persons prohibited
44. Employment of servants
45. Intimation to Excise Officer
46. Consignments to be opened only in the presence of the Excise Officer
47. No breakages or losses in transit allowed
48. Lease holder to maintain accounts
49. Leaseholder to maintain brand-wise accounts
50. Entries in the daily accounts register
51. Statements of accounts to be furnished
52. Monetary transactions with officers prohibited
53. Officers authorized to inspect premises
54. Inspection book to be maintained
55. Licence to be surrendered to the Prohibition and Excise Superintendent on expiry
56. Lease holders to abide by the provisions of the Act etc.
57. Suspension, withdrawal or cancellation of a lease, licence or permit
58. Stocks on cancellation or withdrawal of a lease or licence
59. No Remission for closure
60. Removal of difficulties

ANDHRA PRADESH EXCISE (LEASE OF RIGHT OF SELLING BY SHOP AND CONDITIONS OF LICENCE) RULES, 2005

In exercise of the powers conferred by Section 72 read with Sections 17, 2 and 29 of the Andhra Pradesh Excise Act, 1968 (Act 17 of 1968) and Ordinance 5 of 2005. The Governor of Andhra Pradesh hereby makes the following Rules:

1. Short title, extent, commencement and application :-

- (1) These rules may be called the Andhra Pradesh Excise (Lease of Right of Selling by Shop and Conditions of Licence) Rules, 2005.
- (2) They shall extent to all the areas where the Andhra Pradesh Excise Act, 1968 is in force.
- (3) They shall come into force at once.
- (4) These rules shall apply for the grant of privilege by shop,

conditions governing thereof and transport of Indian Liquor and Foreign Liquor by such leaseholder.

2. Definitions :-

(1) In these rules unless the context otherwise requires,

(a) "Act" means the Andhra Pradesh Excise Act, 1968 (Act 17 of 1968);

(b) "Auction" means grant of lease by way of inviting sealed tenders from the Public.

(c) "Auctioning Authority" means the officer authorised to conduct auction and call for tenders under Rule 11.

(d) "Auction Purchaser" means the person whose tender is accepted by the Auctioning Authority;

(e) "Dry day" means a day on which no liquor shall be sold in the licensed premises;

(f) "Excise Adhesive Label" means the label designed and approved, printed and supplied by under the supervision and control of the Commissioner of Prohibition and Excise, from time to time in different forms for the purpose of its affixture to sealed bottles of different varieties and sizes containing liquor.

(g) "Foreign Liquor" means every liquor imported into India, other than the Indian Liquor;

(h) "Form" means a form appended to these Rules;

(i) "Highest Tenderer" means a person who offers the highest lease amount by tender;

(j) "Highway" means a National Highway or a State Highway but shall not include the part of the National Highway or State Highway which passes within the limits of a Municipal Corporation, Municipal Council or the Gouthan in any village or panchayat area;

(k) "Indian Liquor" means Liquor produced, manufactured or compounded in India after the manner of Gin, Brandy, Whisky or Rum imported from foreign countries and includes Wine and Beer and Milk Punch and other liquors consisting of or containing any such spirits but does not include foreign liquor.

(l) "Lease amount" means the amount payable in respect of a shop

as part of sum in consideration of the grant of lease payable under Section 23 of the Andhra Pradesh Excise Act, 1968 read with Section 17 of the Andhra Pradesh Excise Act, 1968 .

(m) "Lease Period" means the actual lease period in the lease year or part thereof.

(n) "Lease Year" means the period of twelve months commencing from 1st July of the year and ending with 30th June, of the succeeding year;

(o) "Licence" means a licence issued to a leaseholder under these Rules;

(p) "Licensed premises" means where IL and FL is permitted to be sold by the leaseholder.

(q) "Maximum Retail Price" (MRP) means the price indicated by the Andhra Pradesh Beverages Corporation Limited or any other agency authorized by the Government for declaration in each variety of Label by the Manufacturers of Indian Liquor or Brewers as required under S.39 of the Standards of Weights and Measures Act, 1976 read with clause (r) of R.2 of the Standards of Weights and Measures (Packaged Commodities) Rules, 1977.

(r) "Permit" mean a permit issued under these rules.

(s) "Population" means the figure of population as officially published in the latest census.

(t) "Shop" mean a privilege granted under these rules for sale of Indian Liquor or Foreign Liquor in sealed or capsuled bottles or packages or tins to an individual in quantities not exceeding the limits as prescribed without permitting consumption on the licensed premises.

(u) "Sealed" in relation to the bottles containers or other receptacles means closed with a capsule and wrapped by wire or closed with a cork or lid and wrapped with a lining around it.

(v) "Tenderer" includes his power of attorney holder.

(w) "Transport Permit" means a permit issued by the competent officer for transport of IL and FL from the A.P.B.C.L. depot to the licensed premises.

(2) The words and expressions used but not defined in these rules

shall have the meanings assigned to them in the Andhra Pradesh Excise Act, 1968 and Andhra Pradesh Excise (Import, Export and Transport of Indian Liquor and Foreign Liquor-Permits) Rules, 2005.

3. Lease of Right to sell Indian Liquor and Foreign Liquor :-

Subject to the provisions of these rules the grant of lease of right to sell Indian Liquor and Foreign Liquor by shop shall ordinarily be granted by inviting sealed tenders from the public after due notification. The lease shall be for a period of one year or part thereof:

Provided that where the Commissioner considers it expedient to grant the lease of right to sell Indian Liquor and Foreign Liquor by shop in any other manner, he shall for the reasons to be recorded in writing, do so.

4. Establishment of Shops :-

The Commissioner of Prohibition and Excise having due regard to requirement, public order, health, safety and other factors as he thinks fit, may fix the number of shops to be established in an area/locality before the publication of the Auction Notice under Rule 5.

5. Auction Notice :-

(1) Where it is proposed to grant the lease for sale of Indian Liquor and Foreign Liquor by shop a notice of the proposed auction containing the particulars mentioned in sub-rule (2) shall be published, at least (7) seven days in advance of the date of auction, by the Collector of the District in the District Gazette or in such other manner as the Collector may deem fit.

(2) The auction notice shall contain the following particulars:

(i) Serial Number and the name of the area/locality where the shop will be established;

(ii) The last date, time and place for receipt of tenders;

(iii) The place of auction with time and date;

(iv) The conditions governing the auction;

(v) The lease period; and

(vi) Any other matter which may be considered necessary by the auctioning authority.

6. Declaration etc. :-

A Tenderer shall submit the following attached to the exterior of the sealed tender.

(i) A declaration in Form A-1 made on Non-judicial Stamp paper of the requisite value as per the provisions of the Indian Stamp Act, 1899 and attested by the Mandal Revenue Officer or Gazetted Officer of the Prohibition and Excise Department under his official seal;

(ii) A duly notarised affidavit in Form A-2 made on non-judicial stamp paper of the requisite value as per the provisions of the Indian Stamp Act, 1899 containing the particulars of his own immovable property and the present market value thereof and encumbrances existing if any disclosing all necessary particulars thereof for an amount not less than one lakh rupees or a Bank Guarantee for an equal amount.

(iii) A declaration in Form A-3 made on non-judicial stamp paper of the requisite value as per the provisions of the Indian Stamp Act, 1899 attested by the Mandal Revenue Officer or Gazetted Officer of the Prohibition and Excise Department declaring that he is not disqualified under any of the provisions of Rule 8.

7. Entry Pass :-

No person other than the officers on duty and persons duly authorised by the auctioning authority shall enter the place of auction without presenting an Entry Pass which will be issued to the tenderers who have already filed tenders.

8. Persons not eligible to participate in auction :-

The following persons shall not be eligible to participate in the auction.

(a) A person who is below the age of 21 years;

(b) A person who has been convicted of any offences specified in clause (d) of sub-section (1) of Section 31 of the Andhra Pradesh Excise Act, 1968 in respect of which he has been penalised or convicted within the preceding three years;

(c) A person who has been convicted or whose licence has been cancelled for breach of any of the conditions of licence granted under Section 31 of the Andhra Pradesh Excise Act, 1968 within the preceding three years;

(d) A person who has been held guilty either in a departmental proceeding or in a Court, of an offence under Section 37 of the Andhra Pradesh Excise Act, 1968 for adulteration of toddy by mixing any article injurious to public health or otherwise within the preceding three years.

(e) A person who is suffering from any contagious disease;

(f) A person who is a defaulter of excise revenue; or

(g) A person who is adjudged as an insolvent by a competent Court.

9. Benami tenders not allowed :-

No person shall submit tender on behalf of any other person unless he holds a power-of-attorney from such person.

10. Disqualification :-

(1) No lease shall be granted to a person who is found ineligible under Rule 8 and who does not comply with the conditions prescribed under Rule 6.

(2) If any person who is disqualified under this rule is found to be holding a lease the licence thereof shall be withdrawn in accordance with Section 32 of the Andhra Pradesh Excise Act, 1968 and the lease shall be re-auctioned;

Provided that if such disqualification comes to the notice of the auctioning authority before the lease is granted but after the tender is accepted, the auctioning authority may accept the next highest tender if it is above the upset price or conduct re-auction as the case may be.

11. Officers authorised to conduct auctions :-

The Collector shall be the auctioning authority.

Provided that the Commissioner or the Collector may in his discretion authorise the Deputy Commissioner of Prohibition and Excise or any other officer of the Prohibition and Excise Department not below the rank of a Prohibition and Excise Superintendent to conduct auction and accept tenders;

Provided further that the Commissioner of Prohibition and Excise may authorise any Collector to conduct auctions and accept tenders in more than one district.

12. Lease amount to be offered in Tenders :-

Lease amount shall be offered in the tender for the lease period in respect of a shop and put up for auction as notified. They shall also furnish Form A-1 declaration and Form A-2 affidavit and Form A-3 declaration in accordance with the Auction Notification, which should be attached to the exterior of the sealed tender.

13. Auction of shop :-

(1) Right to sell Indian Liquor and Foreign Liquor may ordinarily be auctioned shop-wise as notified in the District Gazette.

(2) The Commissioner may withdraw any shop from the auction before the auction is commenced.

(3) The auctioning authority may, for sufficient cause, adjourn the auction or postpone the date of auction of a shop as may be necessary;

14. Submission and finalisation of tenders :-

(1) The tenders shall be submitted by the tenderer in a sealed envelope addressed to the auctioning authority on or before the last date and time notified for receipt of tenders along with the following particulars;

(i) Name of the tenderer and his father's name and tenderer's address;

(ii) Serial number in the Gazette, Name of the area/locality of the shop for which he has offered his tender;

(iii) Lease amount offered for the lease period in figures as well as in words.

(iv) Challan for Rs.5,000/- (Rupees five thousand only) being non-refundable participation fee.

Provided that the non-refundable application fee which was remitted by the applicants in response to the Notifications issued in furtherance of G.O.Ms. No.184, Rev. (Ex.II) Dept, dt.7-2-2005, will be adjusted towards the participation fee if such applicant filed tender in the auctions for the lease year 2005-06.

(2) The closed envelope containing the tender shall be superscribed with the words Tender for the lease of right for the years 2005-06 to sell Indian Liquor and Foreign Liquor by shop at

(Sl.No. of the Gazette, Name of the Locality/ area). The tenderer may obtain acknowledgment for the envelope presented.

(3) Every tender shall be taken into consideration if it is presented on or before the prescribed date and time and no tender shall be received after the prescribed date and time notified by the Auctioning Authority.

(4) The auctioning authority may if he so desires first announce at the commencement of the auction, the names of persons and the number of persons who had sent tenders for a particular shop.

(5) The tenderer, at the time of the auction, shall be required to furnish as earnest money a sum equal to 10% of upset price fixed and notified by the auctioning authority for each shop notified for auction, in the form of demand draft(s) obtained from a scheduled bank in favour of auctioning authority or in favour of Commissioner of Prohibition and Excise before opening the tender. If, the tenderer does not furnish earnest money, such tender shall be forthwith rejected by the auctioning authority before opening the sealed tenders offered for that shop.

(6) The auctioning authority shall open the sealed tenders for each shop notified for auction. The highest tender may be accepted if the lease amount offered is higher than the upset price notified for the shop and Provided that when on the opening of the sealed tenders it is found that two or more tenderers have quoted the same highest amount, the successful auction purchaser among such tenderers shall be selected by drawal of lots:

Provided that if the highest tender is less than the upset price notified, the auctioning authority may provide an opportunity to the highest tenderer to increase his offer to an amount higher than the upset price and accept the offer. If the highest tenderer is not willing to increase his offer to an amount higher than the upset price, the second highest tenderer may be given a similar opportunity. If both the tenderers are not willing to increase the offer to an amount higher than the upset price, all the tenders in respect of that shop shall be rejected and it shall be put to re-auction.

Provided that in the case of a person whose tender for a shop is not accepted, the earnest money deposited by him in respect of such tenders shall, if he so desires, be treated as earnest money for other shop at the same auction. Provided further that if the

auctioning authority considers that the auction should be postponed for a future time and date for any reason he may do so without opening the tenders.

Provided also that it shall be open to the auctioning authority to refuse to knock down the auction in favour of the highest tenderer if such authority is satisfied after a perusal of the affidavit that such tenderer cannot reasonably be expected to discharge his/her liabilities in terms of the lease.

Provided also that where the highest tender is not accepted the auctioning authority shall record the reasons thereof.

(7) The auctioning authority, may by order reject any tender on the ground that the tender is of benami in nature or that there is collusion among the tenderers who participated in the auction for the lease of any shop.

(8) After rejecting, the highest tender the auctioning authority may either accept the next highest tender if it is higher than the upset price or dispose off the shop afresh at any subsequent notified auction as the case may be.

(9) No person shall be entitled to obtain the lease of more than one shop. In the event of a person being successful auction purchaser of a shop, all the other tenders filed by him in respect of any other shop/shops shall automatically become invalid.

15. Removal of certain persons from the place of auction :-

When it comes to the notice of auctioning authority that any person at the place of auction and during the time of auction behaves or acts in a disorderly or riotous manner or in such other manner as it is likely to cause loss to the Government or forbids any person from participating, the auctioning authority may cause his removal from the place of auction.

16. Signature in the Register :-

Every person whose tender has been accepted shall sign his name or affix his thumb-impression against the relevant entry in the register maintained for the purpose. The auctioning authority shall also obtain the signature of the next two highest tenderers in a separate register maintained for the purpose.

17. Auction purchaser shall obtain Licence :-

The successful auction purchaser shall obtain licence in Form A-4

after fulfilling the required formalities and subject to rules in respect of the premises where the shop will be located.

18. Payment of lease amount by the Auction Purchaser :-

The auction purchaser shall pay a sum equal to 1/3rd of the lease amount for the shop on the day of the auction immediately after the acceptance of the tender. The Demand Draft(s) furnished by the auction purchaser as earnest money may be adjusted towards the above. In case of failure to remit 1/3rd of the lease amount on that day the shop shall be allotted to the next highest tenderer if the tender amount is equal to or higher than the up-set price or be re-auctioned as the case may be. In the event of re-auction, if it results in monetary benefit to the Government, the original auction purchaser shall have no claim over it. If it results in monetary loss due to allotment to the next highest tenderer or re-auction or the right remains unsold for want of tenderers, the original auction purchaser shall be liable to pay to the Government the resultant loss.

19. Other requirements :-

(1) The auction purchaser shall submit a Bank Guarantee in Form A-5, issued by the Scheduled Bank situated in Andhra Pradesh or Fixed Deposit Receipt for the remaining 2/3rd of the lease amount within seven days of knocking down of the shop in his favour and obtain the licence. The Bank Guarantee shall be valid for a period of 7 months. The Licensee shall remit the 2nd instalment of 1/3rd of the lease amount into the Government Treasury on or before 30th September and the remaining 1/3rd (final instalment) on or before 31st Dec., of the lease year. In case of default, the fixed deposit receipt or the Bank Guarantee proportionate to that amount shall be adjusted against the instalments of lease amount on the due dates.

(2) All interest accruing on fixed deposit receipts shall vest in the Government and may be adjusted towards the Government dues including interest, if any outstanding against the auction purchaser and if there be no such dues it shall be refunded to the auction purchaser at the end of the lease period.

20. Re-auction in case of failure to deposit moneys :-

(1) In case of failure to pay the 1/3rd of the lease amount and/or furnish the F.D.Rs. or B.Gs. as required under Rule 19 within the time specified the auction shall be cancelled by the auctioning

authority and amounts already paid shall be forfeited to the Government and the right of sale may be given to the next highest tenderer if the tender amount is equal to or higher than the up-set arrangements made at the risk of the original auction purchaser who shall continue to be liable to respect of the lease till the next auction purchaser takes over.

(2) If the re-auction or the other arrangement results in monetary benefit to the Government the original auction purchaser shall have no claim over it, but, if it results in monetary loss or if the right remains unsold for want of takers, the original auction purchaser shall be liable to pay to the Government the resultant loss.

(3) The provisions of sub-rules (1) and (2) shall apply in relation to the auction purchaser in any re-auction mutatis mutandis as they apply in relation to the auction purchaser in an original auction.

21. Sale by outlets of A.P.B.C.L. and the Distillery/ Brewery Licenceholders :-

(1) The auctioning authority with the approval of the Commissioner of Prohibition and Excise may permit the A.P.B.C.L. or a holder of a Distillery/ Brewery licence under the Act to open outlets for the sale of IL and FL in such areas/localities where the privilege of sale by shop could not be disposed off in the auction or when a lease already granted is cancelled and the same could not be re-auctioned for any reason.

(2) The Commissioner of Prohibition and Excise may permit the A.P.B.C.L. to open outlets for the sale of IL and FL anywhere in the State whenever he deems necessary in public interest.

22. Counterpart Agreement :-

After tendering the deposit and advance amount it shall be the duty of the lessor and the auction purchaser to execute a counterpart agreement in conformity with the tenor of the lease in Form A-6 on the stamp paper of the requisite value as per the provisions of the Indian Stamp Act, 1899 before taking out a licence for the sale of Indian Liquor and Foreign Liquor. The counterpart agreement shall come into force with effect from the 1st July, of the year to which the auction relates in respect of leases auctioned on or before 30th June, and in case where the auction takes place on or after the 1st July, the counterpart agreement shall come into force from the date of auction.

23. Commencement of lease :-

The lease for the sale of Indian Liquor and Foreign Liquor granted to the auction purchaser shall not take effect until he obtains a licence from the Prohibition and Excise Superintendent. It shall be the responsibility of the auction purchaser to execute the counterpart agreement referred to in Rule 22 and also complete other formalities contemplated in Rule 17, RULE 18 and RULE 19 within the time specified and obtain a licence in respect thereof if the auction purchaser fails to do so the said lease shall stand cancelled.

23A. Bar on claim of renewal :-

No person to whom a lease has been granted under these Rules shall have any claim to the renewal of such lease.

24. Death of auction Purchaser :-

If the auction purchaser dies after the acceptance of his tender or during the currency of lease for sale of Indian Liquor and Foreign Liquor by shop his heirs shall be entitled to grant of lease or to hold the lease as the case may be after complying with the provisions of the rules in regard to execution of counterpart agreements and deposits. If the heirs do not intend to hold the lease, they shall within fifteen days from the date of the death of the lessee communicate in writing their unwillingness, to the Prohibition and Excise Superintendent of the district. In such case the auctioning authority or the Prohibition and Excise Superintendent shall make alternate arrangements or re-auction the lease and any loss of revenue sustained by the Government in such a case shall be recoverable as arrears of land revenue from the property of the original auction purchaser.

25. Period of the lease and commencement of business :-

(1) Every lease shall, ordinarily, be valid for one year commencing from 1st July and ending with 30th June of the succeeding year.

Provided that the lease granted after 1st July shall be valid upto the end of 30th June of the succeeding year. Provided further that a lease granted for a part of a lease year shall be valid for such period as may be specified by the auctioning authority.

Provided further that every lease holder shall commence his business from 1st July or such other date as may be specified in the licence and shall keep the licenced premises open every day during the hours fixed till the expiry of the terms of lease with sufficient

stock of liquor unless the closure of the Licenced premises is ordered by the competent authority for the period specified.

26. Issue of Licence :-

The Prohibition and Excise Superintendent of the district shall be competent to issue licence once the lease is granted by the Auctioning authority. The prohibition and Excise Superintendent shall issue the Licence in the prescribed Form A-4.

27. Selection of Premises :-

(1) The successful tenderer subject to the approval of the Prohibition and Excise Superintendent, shall select suitable premises for sale of IL and FL within the Municipal Corporation, Municipality, village/town/city or area/locality as the case may be as notified in the District Gazette. It shall be at least 100 meters away from the places of Public worship, Educational Institutions, Hospitals and 50 meters away from Highways except in Municipal Corporations and 5 kms. belt area of the periphery of Municipal Corporations.

Explanation:- For the purpose of this rule -

(a) "Place of public worship" means a temple registered with the Endowment Department, Mosque registered with Wakf Board and Church and includes such other religious institutions, as the State Government may by order specify in this behalf,

(b) "Educational Institutions" means any Primary School, Middle School and High School recognized by the State Government or Central Government, Junior College or any College affiliated to any University established by law;

(c) "High Way" means National High Way or State Highway and shall not pass within the limits of Municipal Corporation, Municipal Council or the Gouthan in any village or Panchayat area.

(d) "Hospital" means any hospital which is managed or owned by a local authority, State Government or Central Government or any private hospital having a provision of at least thirty (30) beds.

(2) The distances referred above shall be measured from the mid-point of the entrance of the Licenced premises along with the nearest path by which pedestrian ordinarily reaches to the mid-point of the nearest gate of the institution or a place of public worship, if there is a compound wall and if there is no compound

wall to the mid-point of the nearest entrance of the institution/place of public worship.

(3) The boundaries of the premises shall be indicated in the Licence.

(4) There shall be a single door for entry and exit and sales shall be conducted through without giving entry to the customers inside the premises.

28. Transport pennit :-

The transport permit may be issued authorizing movement of Indian Liquor and Foreign Liquor within the State from the units of the Andhra Pradesh Beverages Corporation Ltd. to the licensed premises. Such transport shall be governed by Andhra Pradesh Excise (IMPORT, EXPORT AND TRANSPORT OF INDIAN LIQUOR AND FOREIGN LIQUOR-PERMIT) RULES, 2005

29. Sale permitted at the licensed premises only :-

(1) The lease holder shall sell the liquor only at the premises specified in the licence.

(2) No change or alteration of the licensed premises shall be made nor the licensed premises shifted elsewhere.

(3) Shifting of the licensed premises may be permitted for valid reasons and subject to conditions as may be specified by the Commissioner of Prohibition and Excise within the same area/locality where it was originally established subject to payment of Rs. 10,000/- as fee.

30. Licence to be exhibited :-

The proforma licence shall be exhibited in a conspicuous place in the licensed premises.

31. Hours of Business :-

The lease holder shall transact business from 10.00 a.m. to 11.00 p.m. only.

32. Dry days :-

The Licensed premises shall be closed and no business transacted on the following days declared as dry days:-

(i) 26th January - Republic day

(ii) 15th August - Independence day

(iii) 2nd October - Gandhi Jayanthi.

Provided that the licensee shall not be entitled to any compensation whatsoever for the closure of the licensed premises.

33. Leaseholder not to declare any person to be or not to be his partner :-

No leaseholder shall, except with the prior permission of the Commissioner of Prohibition and Excise get any other person included as partner to his business, or get an existing partner excluded.

34. Lease holder not to stock unauthorized Indian Liquor and Foreign Liquor :-

The lease holder shall not stock or sell in the licensed premises Indian Liquor and Foreign Liquor of any kind which he is not authorized to buy, stock or sell under the provisions of Act or Rules, Regulations or Orders made thereunder.

35. The lease holder not to stock Indian Liquor and Foreign Liquor unauthorized place :-

The lease holder shall not stock Indian Liquor and Foreign Liquor in any place other than the licenced premises. The lease holder shall be held responsible for any Indian Liquor and Foreign Liquor unauthorizedly kept outside or nearby the licensed premises.

36. Lease holder to sell Indian Liquor and Foreign Liquor of specified Strength :-

The Commissioner may, authorize the sale of any special brands of Indian liquor of weaker strength in a particular area, in a particular category of liquor, if he is satisfied with the wholesomeness or purity of such liquor.

37. Indian Liquor or Foreign Liquor not to be adulterated :-

The Indian Liquor and Foreign Liquor offered for sale or stored in the licensed premises shall not be of substandard, deteriorated, spurious or adulterated and the licensee shall not tamper with the Indian Liquor and Foreign Liquor in any manner so as to alter their quality, strength, nature of quantity.

38. Adulterated Indian Liquor of Foreign Liquor to be seized :-

It shall be competent for the inspecting officer, on finding any Indian Liquor and Foreign Liquor unfit for use, substandard, adulterated or spurious or in respect of which it is believed that

some substance has been admixed so as to make it unfit for consumption by any process or manner, to stop it from being sold and to seize the same forthwith and take necessary further action as per rules.

39. Indian Liquor and Foreign Liquor shall not be given or sold to certain persons :-

No liquor shall be sold or given to the following persons namely-

- (i) Lunatics;
- (ii) Persons known or believed to be in a state of drunkenness;
- (iii) Persons about whom it is known or suspected that they are likely to participate in the commission of sedition, insurrection, breach of peace or any other similar offence threatening public peace and tranquillity;
- (iv) Soldiers in uniform and the camp servants of military officers in their uniform;
- (v) Persons below (21) years of age.

40. Bottles for sale to carry labels :-

Every bottle of Indian Liquor or Foreign Liquor in a licensed premises shall carry Excise Adhesive label on the cap of the bottle in addition to the manufacturer's label as approved by the Commissioner of Prohibition and Excise.

41. Sale of only duty paid Indian Liquor or Foreign Liquor :-

(1) The leaseholder shall sell only duty paid Indian Liquor and Foreign Liquor.

(2) The lease holder shall purchase Indian Liquor and Foreign Liquor from the allotted depot of the APBCL only on such terms as may be prescribed. However, the Commissioner of Prohibition and Excise may permit the leaseholder to purchase the requirement of Indian Liquor and Foreign Liquor from any other Depot of the APBCL.

42. Maximum Retail Price :-

The leaseholder shall sell Indian Liquor at prices not exceeding the Maximum Retail Price indicated on the labels of the bottles and issue bills to the customers accordingly.

43. Harboursing of certain persons prohibited :-

Persons, who are known or believed to have been convicted of any non-bailable offences, who are reputed prostitutes and habitual offenders, shall not be employed nor shall they be allowed to assemble or remain in the licensed premises, and if such persons visit licensed premises the matter shall be forthwith reported to the nearest Police Station by the Leaseholder.

44. Employment of servants :-

(1) No women shall be employed for sale of Indian Liquor and Foreign Liquor without the special permission of the Commissioner of Prohibition and Excise. No male person shall be appointed for such a purpose without the prior permission of the Prohibition and Excise Superintendent and every such person whether male or female before being employed shall obtain from the Prohibition and Excise Superintendent, a Nowkarnama in Form N-1 on payment of a fee of Rs.100/-.

(2) No nowkarnama shall be granted to the following persons:

(i) Persons below twenty one years of age;

(ii) Women,

(iii) Persons suffering from any infectious or contagious diseases,

(iv) Persons of unsound mind.

(v) Persons who in the opinion of the Prohibition and Excise Superintendent is on bad character,

(vi) Persons whose Nowkarnama or licences has previously been cancelled within the preceding three years,

(vii) Persons convicted of any offence under the Andhra Pradesh Excise Act, 1968 (Act of 17 of 1968) or the Narcotics Drugs and Psychotropic Substances Act, 1985 (Central Act 61 of 1985) within the preceding three years,

(viii) Persons convicted under Section 482 of the Indian Penal Code, 1860 Section 483 of the Indian Penal Code, 1860 Section 484 of the Indian Penal Code, 1860 Section 485 of the Indian Penal Code, 1860 Section 486 of the Indian Penal Code, 1860 Section 487 of the Indian Penal Code, 1860 Section 488 Of the Indian Penal Code, 1860 Section 489 Of the Indian Penal Code, 1860 (Central Act 45 of 1860).

(ix) Defaulters in payment of an amount due to the State Government under the Andhra Pradesh Excise Act, 1968 or the Rules made thereunder.

(3) All illegal things done in connection with the transport, possession or sale of Indian Liquor and Foreign Liquor or known to have been done in contravention of the provisions of the Act or the Rules made thereunder by the servants of the Leaseholder shall forthwith be reported to the Prohibition and Excise Superintendent by the leaseholder and such orders regarding continuance or otherwise of such servants in service as may be issued by the Prohibition and Excise Superintendent shall be carried out by Leaseholder.

(4) Every act of the authorized agent or servant shall be deemed to be an act of the leaseholder.

45. Intimation to Excise Officer :-

The lease holder, shall give notice of three clear days about the arrival of any consignment to the Excise Officer concerned so that he may have reasonable time and opportunity to inspect the consignment before the seals or packages are opened. If the consignment is not verified within the stipulated time mentioned in the rule the leaseholder can take the stocks into account and sell them.

46. Consignments to be opened only in the presence of the Excise Officer :-

The leaseholder shall open the boxes or packages of all Indian Liquor and Foreign Liquor received in the licensed premises only in the presence of and after inspection by the local Excise Officer or in his absence by any other Excise Officer duly authorized in this behalf. If any box, packet, package or bottle is found doubtfully, carelessly or insufficiently sealed, the leaseholder shall produce it forthwith before the Excise Officer for noting down such damages. The articles insecurely sealed or fastened may be returned by the leaseholder to the consigner with the prior approval of the Commissioner of Prohibition and Excise. The Commissioner of Prohibition and Excise may allow in such an event, replenishment of stock without fresh payment of duty. The Commissioner of Prohibition and Excise shall be competent to relax the application of this rule in special circumstances.

47. No breakages or losses in transit allowed :-

The leaseholder is not entitled as against the Government, of any compensation or refund or reduction of duty for any loss in breakage while stocks are in transit.

48. Lease holder to maintain accounts :-

The lease holder shall maintain full and day- to-day accounts of IL and FL received and disposed of in Form R-1 the pages of which are machine numbered serially. He shall also maintain such other returns as may be required by the Commissioner of Prohibition and Excise and he shall, for each month, send monthly statements and returns before the 5th of the following months in the forms as may be fixed by the Commissioner to the Prohibition and Excise Superintendent and local Prohibition and Excise Inspector. All registers should be got authenticated before use by the Prohibition and Excise Superintendent.

49. Leaseholder to maintain brand-wise accounts :-

The lease holder shall also maintain in the Daily Brand-wise account in Form R-2 and furnish a statement before the 5th of each month to the Prohibition and Excise Superintendent and local Excise Inspector. The register shall be got authenticated by the Prohibition and Excise Superintendent before use and the pages.

50. Entries in the daily accounts register :-

The lease holder shall enter in the register in Form R-1 the full particulars of transport permit of passes and documents or trip sheets, pertaining to the stocks received by him.

51. Statements of accounts to be furnished :-

The leaseholder shall furnish on requisition any statement of accounts, statistics or other particulars to the Prohibition and Excise Superintendent or to any other officer of the Prohibition and Excise Department not below the rank of a Sub- Inspector.

52. Monetary transactions with officers prohibited :-

Any kind of monetary transactions unconnected with the official purpose between the leaseholder and the personnel of the Prohibition and Excise, Police, Revenue Department and the personnel of the APBCL is strictly prohibited.

53. Officers authorized to inspect premises :-

Any officer not below the rank of an Prohibition and Excise Sub-Inspector may enter and inspect the licensed premises during the working hours and inspect and verify all the accounts, registers and stocks. It shall be competent for such inspecting officer to take

such sampled as might be necessary, or to take charge of such records and registers as might be necessary, and it shall be incumbent on the leaseholder to offer reasonable assistance for such inspecting officers to inspect, verify and to take samples. For any records removed from the premises, the Prohibition and Excise Officer should give a receipt or in the alternative make an entry in the inspection book in this regard.

54. Inspection book to be maintained :-

An inspection book in Form 1B-1 with machine numbered pages shall be kept in the shop for the use of the inspecting officers, and the leaseholder shall be responsible for the safe custody of it. The inspection book shall be the property of the Government and shall be handed over to the Prohibition and Excise Officer concerned on expiry of the lease period.

55. Licence to be surrendered to the Prohibition and Excise Superintendent on expiry :-

Every licence issued under these rules issued either Jointly or severally to the leaseholder (s) named therein and shall on its expiry be deemed to have been surrendered by the leaseholders to the Prohibition and Excise Superintendent.

56. Lease holders to abide by the provisions of the Act etc. :-

Every holder of the lease under these rules shall comply promptly with all orders or directions issued from time to time under the Act, and the rules and orders made thereunder and shall abide by all the conditions of the lease/permit.

57. Suspension, withdrawal or cancellation of a lease, licence or permit :-

A lease, licence or permit may be suspended, cancelled or withdrawn in accordance with the provisions of Section 31 of the Andhra Pradesh Excise Act, 1968 or Section 32 of the Andhra Pradesh Excise Act, 1968 and the lease may be re-auctioned.

58. Stocks on cancellation or withdrawal of a lease or licence :-

If a lease or licence is cancelled or withdrawn during the currency of the lease period the whole stock of IL and FL found in the shop shall be seized. The stock so seized shall be sold by the Prohibition and Excise Superintendent to any other leaseholder and the proceeds of the sale shall after deduction of the expenses and any

other sum due to the Government shall be refunded to the leaseholder provided that the licence is not cancelled on account of a Criminal case.

59. No Remission for closure :-

The leaseholder shall not be entitled for remission of lease amount or compensation on account of closure of licensed premises when the same is ordered to close under Section 20 of the Andhra Pradesh Excise Act, 1968

60. Removal of difficulties :-

If there is any doubt or dispute regarding the application or interpretation of any of these rules, the decision of the Commissioner of Prohibition and Excise thereon shall be final.