

**DELHI (SALE OF DUTY FREE INDIAN MADE FOREIGN
LIQUOR TO DIPLOMATS/FOREIGN EMBASSIES/UNITED
NATION AND OTHER ALLIED AGENCIES IN DELHI) BONDED
WARE HOUSE RULES, 1975**

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¹1. Notified vide Delhi Admn. Notfn. No. F. 10/13/73-Fin.(G) dated the 9th Sept., 1975. DELHI (SALE OF DUTY FREE INDIAN MADE FOREIGN LIQUOR TO DIPLOMATS/FOREIGN EMBASSIES/UNITED NATION AND OTHER ALLIED AGENCIES IN DELHI) BONDED WARE HOUSE RULES, 1975

1. Short title :-

These rules may be called the Delhi (Sale of Duty Free Indian Made Foreign Liquor to Diplomats/Foreign Embassies/United Nation and Other Allied Agencies in Delhi) Bonded Ware-house Rules, 1975.

2. Definitions :-

In these rules, unless the context otherwise requires:

(a) "Act" means the Punjab Excise Act, 1914 (1 of 1914) as in force in the Union Territory of Delhi;

(b) "authorised agent" means an agent other than a L-1 or L-2 licence authorised by a manufacturer on his behalf;

(c) "Bonded Ware-house" means a ware-house approved and licensed by the Excise Commissioner as a Bonded Ware-house for the receipt/storage under bond of IMFL imported into the Union Territory of Delhi from any place in India, on which excise duty has not been paid;

(d) "Chemical Examiner" means the officer appointed by the Lt. Governor as Chemical Examiner to the Excise Control Laboratory, Delhi and includes the Assistant Chemical Examiner of the Central Revenues Control Laboratory or Chemical Examiner or Central Forensic Science Laboratory, New Delhi;

(e) "District Excise Officer" means the Officer appointed as such under the Act;

(f) "form" means a form appended to these rules;

(g) "Manufacturer" means any person or company who runs a distillery or brewery under licence from the Competent Authority and where the process of manufacture is defined in Sec. 3(16) of the Act is carried out;

(h) "Officer-in-charge" means an officer to the Excise Deptt. appointed by the Excise Commissioner to supervise work in the Bonded Ware-house.

(i) "Proper Officer" means the Collector and any officer of the Excise

Deptt. of Delhi appointed or invested with the powers of the Proper Officer by the Commissioner of Excise under these rules to supervise and control the working of all Bonded Ware-houses in the Union Territory of Delhi and includes the Officer-in-Charge.

3. Procedure for obtaining licence :-

(1) Any manufacturer or his authorised agent desiring to establish a private Bonded Ware-house for the deposit and storage under bond of Indian Made Foreign

(2) Every application for a Bonded Ware-house licence under these rules shall be made in writing in form FLW-1 and shall be accompanied by:

(a) a correct plan of the premises which the applicant proposes to use for the purposes of his business under his licence, and of the entire building. The plan shall be submitted in duplicate, drawn to scale on tracing cloth, showing the plan and elevation of the premises and the position of the various rooms almirahs, racks and all important details connected with the ware-house;

(b) a 'no objection' certificate from the landlord in reeard to the use of the premises for the storage of Indian Made Foreign liquoi, if it is not owned be the applicant;

(c) court fee stamps of Rs. 5/-.

4. Grant of a licence :-

(1) The licence for the establishment of Bonded Ware-house for supply of duty free I.M.F.L. will be granted to the manufacturers or their authorised agents.

(2) The licence in form FLW-2 will be granted by the Lt. Governor, Delhi.

(3) On receipt of the application, the Collector after making such enquiries for the verification of the details stated in the application and also such other enquiries as he deems necessary shall, submit the application with his report for orders to the Excise Commissioner. The Excise Commissioner, shall if he is satisfied that the conditions for the grant of a licence applied for have been complied with and that there is no objection to the grant of the licence applied for, submit the case alongwith his comments to the Lt. Governor.

(4) Any person to whom a licence is granted in form FLW-2 shall be required to furnish a security not exceeding Rs. 25,000/- (Rupees twenty five thousands) for the due execution of these rules and the payment of all sums chargeable against him. The Excise Commissioner may determine the nature and amount of security and may also change the same if the amount originally fixed should prove unsuitable.

(5) After the applicant has deposited the aforesaid security or a bond has been executed by him in form FLW-3 for the same amount as security for the fulfilment of the conditions of the licence, the Excise Commissioner may grant the licence in form FLW-2.

(6) In case any existing foreign liquor Bonder is authorised by a manufacturer as his agent, he shall have to maintain a separate Bonded Ware-house and separate account for this Bond under these rules.

5. Period of licence and the fee :-

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(1) The licence in form FLW-2 may be granted or renewed on payment of a fee of Rs. 10,000 (Rupees five thousands) for the period not exceeding one year but in no case shall such period extend beyond 31st March, following the date of grant or renewal of licence.

(2) An application for the renewal of the licence shall be made at least 60 days before the expiry of the licence.

1. Sub. Delhi Gazette (Extra) Part IV Dated 2.4.1984.

6. Limitations :-

(1) Every licence granted or renewed under these rules shall have reference only to the premises prescribed in the licence.

(2) Every licence shall be deemed to have been granted or renewed personally to the licensee and no licence shall be sold or transferred.

(3) Authority competent to renew the licence in the form of FLW-2 shall be Excise Commissioner.

Provided further that the Excise Commissioner when satisfied regarding the delay in making an application for renewal of licence

may renew the licence subject to payment of a late fee, maximum of which shall not exceed Rs. 500/-.

7. Levy of duty :-

(1) No Indian made foreign Liquor shall be removed from the bonded ware-house except on presentation of an application in the proper form FLW-4 and on obtaining the permission of the proper officer in form FLW-13.

(2) If any Indian made Foreign Liquor is, in contravention of sub-rule (1), removed from any bonded ware-house, the licence shall be liable for cancellation under section 36 or a penalty under sub-section (2) of section 80 of the Act in addition to imposition of duty on such removal from the bond.

8. Indian made foreign liquor lost or destroyed :-

(1) If any goods are so lost or destroyed, notice thereof shall be given by the licensee to the officer-in-charge of the ware-house and the Collector immediately on discovery of such loss or destruction.

(2) If a fire or theft or any other accident causing destruction, loss or damage to the Indian made foreign liquor stored in a bonded ware-house takes place, the Collector shall immediately cause an enquiry to be held by such Gazetted Officer as may be approved by the Excise Commissioner in order to determine the liability of the licence to pay the duty on the Indian made foreign liquor and shall submit his recommendation alongwith the report of the enquiry officer to the Excise Commissioner for necessary action.

9. Regulation of licence of licensee :-

(1) The licensee shall conduct his business under this licence either personally or by an agent authorised by him in writing in this behalf.

(2) The licensee shall provide a visit book paged and stamped by an officer approved by the Excise Commissioner in this behalf, in which the visiting officer may record any remarks when inspecting the bonded ware-house. The licensee shall on termination of the period of the licence deliver up the visit book and the licence to the Collector.

10. Procurement of Indian made foreign liquor :-

The Indian made foreign liquor may be obtained in bond without payment of duty from any distillery under orders of the Excise Commissioner and on an import-in-bond pass issued by the Collector.

11. Verification of liquor :-

No liquor shall be received in the bonded ware-house unless accompanied by a pass from the officer-in-charge of the distillery or bonded ware-house from which it has been imported or transported. Immediately on arrival of a consignment at the bonded ware-house the officer-in charge shall be informed and the consignment shall not be opened until the same has been examined and verified with the pass by the officer-in-charge who shall also note the results in the register maintained for the purpose and also on the pass covering the consignment. One copy of the pass with entries of receipt shall be immediately returned to the Collector, who issued the pass, and other copy with entries thereon shall be kept in the ware-house.

12. Wastage :-

A wastage allowance not exceeding 1% shall be made for the actual loss in transit by leakage or breakage of bottles containing liquor. The allowance shall be determined by for each consignment by deducting from the quantity despatched, the quantity received at the destination, both quantities being stated in terms of proof litres of spirit contents.

13. Duty on excessive wastage :-

If the report of the Officer-in-charge shows that wastage exceeds the prescribed limit, the licensee shall be liable to pay duty at the prescribed rate as if the wastage in excess of the prescribed limit had actually been removed from the ware-house. Provided that each case of excessive wastage shall be reported to the Excise Commissioner, for orders, who may, in his discretion, on good cause being shown, remit the whole or a part of the duty leviable on such wastage.

14. Import/transport of liquor under bond :-

No liquor shall be imported/transported under bond except in accordance with the Delhi Liquor Permit Pass Rules at the sole risk and responsibility of the licensee. The bond in form FLW-3 shall be discharged, after liquor has been duly checked and proved by the officer-in-charge and deposited in the ware-house.

15. Inquiry on destruction, loss etc :-

The Government shall not be held responsible for the destruction, loss or damage by fire, accident, theft or any other cause whatsoever occurring to any liquor stored in the ware-house, or during its transit to the ware-house. In such case, an enquiry shall be held by the Collector or by any Gazetted Officer deputed by him in this behalf. A report shall be submitted to the Excise Commissioner for his orders. If it is found that such a loss could have been prevented by reasonable precautions on the part of the licensee, he may be required to pay duty for loss on liquor thus caused. The decision of the Excise Commissioner in the matter will be final and binding on the licensee.

16. Storage of liquor under bond :-

(1) Unless the Excise Commissioner gives special order to the contrary, all liquor shall be stored in sealed bottles or sealed vessels.

(2) The bottles/vessels to be used for storage of the liquor in bond shall be determined by the Excise Commissioner.

(3) Labelling on such containers shall be distinct so as to make it abundantly clear that the goods are meant for diplomats.

17. Provision and main tenance of locks :-

All rooms used for storage of liquor and doors of the ware-house shall be so fitted as to enable them to be closed with two locks, the keys for which shall not be inter-changeable of which one lock shall be a revenue lock (ticketted) in the charge of the officer-in-charge and the other lock in the charge of the licensee. The keys of all the revenue locks shall be kept by the officer-in-charge in whose absence no door or vessel in the ware-house may be unlocked or remain unlocked. The account of revenue locks shall be maintained in the form FLW-5.

18. Restriction on removal of liquor :-

No liquor shall be removed from any store until an account of the quantity and strength has been taken by the Officer-in-charge.

19. Samples :-

The licensee shall submit, if required, samples of all or any liquor or of the preparations for chemical analysis, with a view to ensuring the purity and strength of such preparations.

20. Maintenance of registers :-

An account of all receipts and issues of liquor from the ware-house shall be maintained in registers in form FLW-6. All issues shall be made only on application in form FLW-4 by the licensee bearing necessary court fee stamp.

21. . :-

(a) The liquor shall be issued from the bond against the exemption certificates issued by the officer/officers authorised by the Protocol Division of the Ministry of External Affairs, Govt. of India, New Delhi.

(b) The payment against the liquor issued from the bond shall be in foreign currency bonded stock account at the approved exchange rate. No payment shall be accepted in the Indian currency. The payment will be made by the applicant in advance as in case of foreign liquor bond.

22. Submission of statement :-

(1) The licensee shall submit at the end of each month a statement in form FLW-7 in duplicate, to the Officer-in-charge who shall, after verification, submit them to the Collector. One copy shall be retained by him and the other shall be forwarded to the Excise Commissioner for his information and record in his office.

(2) The Collector shall forward a copy of the same statement to the Protocol Division, Ministry of External Affairs, who after scrutinising the same shall within a

period of 15 days intimate to the Collector whether or not the issues made from the bond tally with the exemption certificates given by the Ministry.

(3) The licensee shall furnish all such statements and the information as may, from time to time, be required by the Excise Commissioner or any other officer deputed by him on his behalf.

23. Method of transport/export of liquor :-

The Indian made foreign liquor may be removed from the ware-house;

(1) Under bond

(a) for transport/export to other bonded ware-house;

(b) for export to other States when specially permitted by the Excise Commissioner; and

(2) (a) On payment of duty within the Union Territory of Delhi or outside the territory.

24. Liquor accompanied by pass :-

No Indian made foreign liquor shall be removed from the warehouse, until it has been checked by the officer-in-charge and a transport or export pass in form FLW-8 as the case may be, has been granted. Such passes shall only be issued on the proof of execution of bond by the licensee/or on production of treasury receipt to the effect that the required amount of duty has been paid into the Govt. treasury.

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(2) In case of issue of Indian made foreign liquor under bond, the licensee shall execute a bond form FLW-12 to deliver the spirit at a particular place or destination and shall furnish proof of his having done so, before the bond is discharged.

25. Supply of forms :-

All registers and forms prescribed under these rules shall be supplied by the licensee free of charge. Forms bound together shall bear printed serial and consecutive numbers. Loose sheets of such forms as are necessary shall also be supplied to the officer-in-charge.

26. . :-

Stock taking of Indian made foreign liquor shall be made by the officer-in-charge on the last working day of each month after all the transactions for the day have been completed. This stock will also be checked on the last working day of each month by the District Excise Officer/Proper officer.

27. Fittings :-

All fittings or articles connected with the supply, storage, handling and issue of Indian made foreign liquor shall be provided by the licensee. The licensee shall be responsible for the safe custody of the stock of the Indian made foreign liquor.

28. Supervision of storage etc :-

All processes for the storage and issue of Indian made foreign

liquor shall be conducted within the ware-house premises, under the direct supervision of the Officer-in-charge.

29. Packages :-

All packages in which consignments of Indian made foreign liquor are issued, shall be sealed by the officer-in-charge with his official seal before they are allowed to leave the ware-house. The packages shall bear a label in which the following particulars shall be specified:

- (a) Name of the licensee.
- (b) Contents including quantity in proof and bulk litres of Indian made foreign liquor.
- (c) Kind of Indian made foreign liquor contained.
- (d) In bond or duty paid.

30. Maintenance of diary, register etc :-

- (1) The officer-in-charge shall maintain a diary in form FLW-9 in which he shall record from day to day all entries regarding operations carried on in the ware-house.
- (2) The officer-in-charge shall also maintain a general register in form FLW-10.
- (3) The officer-in-charge shall maintain a list in form FLW-11 containing the particulars of all employees in the ware-house as furnished by the licensee.

31. . :-

In case any Indian made foreign liquor becomes unpotable due to any cause whatsoever it will not be brought into any other use, and shall be destroyed under the orders of the Excise Commissioner in the presence of the District Excise Officer. The same shall thereafter be struck off from the registers.