

KARNATAKA EXCISE (LEASE OF THE RIGHT OF RETAIL VEND OF BEER) RULES, 1976

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KARNATAKA EXCISE (LEASE OF THE RIGHT OF RETAIL VEND OF BEER) RULES, 1976

Whereas a draft of the Karnataka Excise (Lease of the Right of Retail Vend of Beer) Rules, 1976 was published as required by sub-section (1) of Section 71 of the Karnataka Excise Act, 1965 (Karnataka Act 21 of 1965) in Notification No. GSR 179 (HD 16 PES 76(II)), dated 30th June, 1976 in Part IV, Section 2C(i) of the Karnataka Gazette, Extraordinary, dated 30th June 1976 inviting objections and suggestions from all persons likely to be affected thereby before 15th July, 1976; And, whereas, the Gazette was made available to the public on 30th June, 1976; And, whereas, no objections or suggestions have been received on the said draft by the State Government; Now, therefore, in exercise of the powers conferred by Section 71 of the Karnataka Excise Act, 1965 (Karnataka Act 21 of 1966), the Government of Karnataka, hereby makes the following rules, namely:-

1. Title, extent and commencement :-

- (1) These Rules may be called the Karnataka Excise (Lease of the

Right of Retail Vend of Beer) Rules, 1976.

(2) They shall extend to the whole of the State of Karnataka.

(3). They shall come into force from 1st July, 1976.

2. Definitions :-

In these rules, unless the context otherwise requires,

(a) "Act" means the Karnataka Excise Act, 1965;

(b) "Beer" means any liquor prepared from malt or grain with or without the addition of sugar and hops and includes ale, black beer, porter, stout and spruce beer;

(c) "Form" means a form appended to these rules;

(d) "Licence" means a licence issued under these rules;

(e) "Year" means year commencing on the first day of July and ending June 30th;

(f) "Shop" means the shop licensed for retail vend of Beer under these rules;

(g) "Lease" means a lease granted under these rules for retail vend of Beer in a shop.

3. Lease of Retail Vend of Beer :-

A person desiring to obtain a lease for retail vend of Beer under these rules, may make an application to the Deputy Commissioner in Form I. The application shall be accompanied by a Treasury Challan for having credited the lease amount prescribed in Rule 5.

4. Grant of Lease of Retail vend of Beer :-

On receipt of the application under Rule 3, the Deputy Commissioner may after making such enquiry for purpose of verification of the particulars furnished by the applicant ¹ [and having regard to the provisions of Rule 4-A, if he is satisfied] that there is no objection to lease the right of retail vend of Beer, he may with the previous sanction of the Excise Commissioner, grant the lease.

1. Substituted for the words "and if he is satisfied" by GSR 63, dated 8-4-1991, w.e.f. 8-4-1991.

4A. Matters to be taken into account while granting lease :-

¹ [The Deputy Commissioner, shall, while granting lease under

these rules, have regard to,

- i) the availability of rooms for serving Beer along with eatables for consumption;
- ii) adequate seating arrangements;
- iii) the provision for separate toilet with running water facilities.]

1. Rule 4-A inserted by GSR 63, dated 8-4-1991, w.e.f. 8-4-1991.

5. Lease amount :-

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[(1) The lease amount for the Right of Retail Vend of Bulk Beer shall be rupees thirty thousand per annum and lease amount for vending Bulk Beer by holder of Bar Licence shall be rupees fifteen thousand per annum, and

(2) The lease amount for the Right of Retail Vend of Bottled Beer shall be rupees four thousand five hundred per annum.]

1. Rule 5 substituted by Notification No. FD 3 PES 99(i), dated 9-6-1999, w.e.f. 1-7-1999.

5A. Additional Lease Amount :-

1 [In respect of a lease granted under these rules an additional lease amount equivalent to fifteen per cent as specified under Rule 5 shall be levied for a period of two years with effect from the First day of July, 1998 for the purpose of equity investment in the Karnataka Infrastructural Development and Finance Corporation.]

1. Rule 5-A substituted by Notification No. FD 7 PES 98(v), dated 18-6-1998, w.e.f. 1-7-1998.

6. Duration of Lease :-

1 [The lease shall be for a period of three years subject to annual renewal and also subject to good behaviour and payment of lease amount as specified in Rule 5.]

1. Rule 6 substituted by GSR 298, dated 11-10-1980, w.e.f. 11-10-1980.

7. Licence :-

On granting lease under Rule 4, of the Deputy Commissioner shall issue a licence to the licensee in Form No. II. The said licence shall be subject to the conditions specified thereon.

7A. Number of licences to be fixed :-

[(1) The maximum number of licences to be granted in an area shall be determined from time to time by the Excise Commissioner with the previous approval of the State Government.

(2) The number of retail vend of Beer licences to be granted in a taluk shall be determined with reference to the population of such taluk and probable demand.

(3) The number of retail vend of Beer licences to be granted in a taluk shall be as follows.

(a) One retail vend of Beer licence for every 20,000 population in urban area or a fraction thereof exceeding 10,000 and one retail vend of beer licence for every 30,000 rural population or a fraction thereof exceeding 15,000.

(4) Notwithstanding anything in sub-rule (3) the Excise Commissioner may, with the previous approval of the State Government grant for any area such number of licences not exceeding one half of the total number of licences granted for such area under sub-rule (3) on the basis of increase in consumption of Beer and demand for such licences.

Explanation. For the purpose of this rule,

(i) "Population" means the population as ascertained at the last preceding Census and includes the projected annual growth subsequent to the last preceding Census;

(ii) "Urban area" means the areas included within the limits of a city declared under the Karnataka Municipal Corporations Act, 1976 or a City Municipality or a Town Municipality declared under the Karnataka Municipalities Act, 1963.]

1. Rule 7-A inserted by GSR 63, dated 8-4-1991, w.e.f. 8-4-1991.

8. Duration of Licence :-

A licence shall be valid for the year or where a licence is obtained on any date after the first July until the 30th June thereafter.

9. Renewal of Lease :-

A lessee in whose favour the lease has been granted desiring to renew the lease on expiry of the lease, may make an application in Form No. I to the Deputy Commissioner at least one month before the expiry of the lease already granted. The application shall be

accompanied by a Treasury challan for having credited the lease amount prescribed in Rule 5.

10. Grant of Renewal of Lease :-

On receipt of application under rule 9, the Deputy Commissioner may grant the renewal of lease.

11. Renewal of Licence :-

On grant of lease under Rule 10 to the lessee, the Deputy Commissioner shall renew the licence for the period mentioned in the lease. The renewal shall also be in Form No. II.

12. Cash Security :-

The lessee before grant of a licence shall furnish a cash security of Rs. 1,000 or Government Securities or the Securities recognised by the Government for fulfilment of licenced conditions.