

**OFFICE OF THE COMMISSIONER OF EXCISE
GOVT. OF NATIONAL CAPITAL TERRITORY OF DELHI
L & N BLOCK, VIKAS BHAWAN, I.P. ESTATE, NEW DELHI-110002.**

**TERMS AND CONDITIONS FOR GRANT OF L-12/L-12F LICENCE
(Formerly L-53/ L-53F Licence) FOR THE YEAR 2012-13.**

TERMS & CONDITIONS FOR GRANT OF LICENCE IN FORM L-12 (RETAIL VEND OF BEER AND WINE IN DEPARTMENTAL STORES) AND L-12F (RETAIL VEND OF IMPORTED FOREIGN WINE & BEER IN DEPARTMENTAL STORES TO HOLDERS OF L-12 LICENCE) FOR THE EXCISE YEAR 2012-2013 FOR THE RETAIL SALE OF BEER / WINE & IMPORTED FOREIGN BEER / WINE IN THE NATIONAL CAPITAL TERRITORY OF DELHI.

Licence in Form L-12 for retail sale of Beer / Wine in Departmental Stores & in Form L-12F for retail sale of Imported Foreign Beer / Wine in the National Capital Territory of Delhi shall be granted by the Government for the year 2012-2013 in accordance with the following terms and conditions: -

1. LICENCE FEE

- 1.1 L-12 Licence will be issued on payment of Licence Fee of Rs.2,00,000/- (Rupees Two Lakhs only) for the licensing year 2012-13, (payable only in respect of the remaining part of Excise Year including the quarter in which the Licence is granted.) The fee for a quarter would be one-fourth of the Annual Fee. This is further subject to security deposit of Rs. 2, 00,000/- (Rupees Two Lakhs only) in the form of Bank Guarantee in favour of Deputy Commissioner (Excise), Delhi.
- 1.2 L-12 & L-12F Licences so issued shall be for the grant of permission to sell Beer / Wine subject to the payment of Excise Revenue as prescribed under Section 26 of Delhi Excise Act, 2009 and other duties and levies as would be prescribed by the Excise Department.
- 1.3 L-12 Licencee shall pay an additional 10% of Licence Fee for L-12F Licence, in case of grant of L-12F Licence.

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2. ELIGIBILITY TO HOLD LICENCE

2.1(a) A Licence shall be granted to the Departmental stores run by:

- (a) An individual;
- (b) A Body incorporated under Companies Act, 1956;
- (c) A Society registered under the Co-operative Society Act;
- (d) A partnership firm registered under Partnership Act, 1932;
- (e) A limited liability partnership firm registered under Limited Liability Partnership Act, 2008.

(b) When a license is granted to:-

- (a) a partnership firm or a limited liability partnership firm, names of all the Partners;
- (b) a company incorporated under the Companies Act, 1956, names of all the Directors;
- (c) a Co-operative society, names of the President, Secretary and the Treasurer;

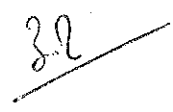
shall be specified in the Licence.

Explanation: - Departmental store should have carpet area of at least 500 (Five Hundred only) Sq. Feet (excluding the office space) and should have different segments of minimum six categories of goods out of the following indicative list of categories.

- (i) Grocery Items, (ii) Vegetables (iii) Frozen Foods, (iv) Sugary & Bakery Items, (v) Toiletries, (vi) Cosmetics, (vii) House hold Goods (viii) Toys, (ix) Sports Items, (x) Electronic Appliances, (xi) Apparels, (xii) Office Stationery, (xiii) Any other Goods

2.2 The applicant should be in actual lawful possession of a Departmental Store having carpet area of more than 500 (Five Hundred only) sq. ft, excluding the office space, in a Commercial Complex /Area recognized as such by the local bodies including DDA/MCD/NDMC. However, no new L-12/L-12F License shall be granted in Convenient Shopping Centres (CSC).



- 2.3 The proposed Departmental Store should not be located within 100 (One Hundred only) meters from the following:-
- a. Major Educational Institutions (Middle and Higher Secondary Schools and Colleges and other Institutions of higher learning, recognized by the Govt. of NCT of Delhi or Govt. of India).
 - b. Religious Places having pucca structure with a covered area of more than 400 (Four Hundred only) sq. ft.
 - c. Hospitals with fifty beds and above.
- 2.4 No application for the grant of L-12/L-12F Licence shall be considered for Departmental Stores functioning at Petrol Pumps.
- 2.5 Only one L-12 license shall be granted to a Company registered under Companies Act, 1956 or a Partnership Firm registered under Partnership Act, 1932 or a Society registered under the relevant Co-operative Society Act or a Sole/ Individual Proprietor. A chain of Departmental Stores having annual turn over of more than Rs.5 Crores (Rupees Five Crores only) in Delhi will be eligible to apply for separate Licenses for each of its Store. The condition of minimum annual turn over of Rs.5 (Rupees Five Crores only) will not apply to a chain of Departmental Store under Public Sector.
- 2.6 The applicant should have pre-existing Departmental Store, operational for at least twelve months prior to the date of application. However this condition shall not be applicable in case of a new / recently opened Departmental Store belonging to a chain of Departmental Stores having annual turnover of more than Rs. 5 Crores.
- 2.7 The applicant should have an annual gross turnover of Rs. 30,00,000/- (Rupees Thirty Lakhs only) or more at the time of making the application and should have at least 50% of turnover relating to sale of taxable goods (taxable as per the provisions of Delhi VAT Act, 2004) while adhering inter alia to all other terms & conditions specified herein.
- 2.8 L-12F license shall be granted only to the holder L-12 Licence.

3. HOURS OF SALE AND DRY DAYS

- 3.1 Sale of Beer / Wine shall be allowed between 10.00 A.M. to 10.00 P.M. only.

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3.2 All days of religious importance and such other days as considered appropriate will be declared as "Dry Days" in addition to Dry Days normally declared. The L-12 Licensee shall not be entitled to any compensation or relief due to any increase in the number of Dry Days or due to change in the hours of sale of Beer / Wine in the Departmental Store during the licencing year.

4. PROCEDURE TO APPLY

- 4.1 The application for grant of L-12 License shall be submitted in the prescribed form (**Annexure - I**) along with requisite documents on any working day in the office of the Deputy Commissioner (Excise), Govt. of NCT of Delhi, along with a fee of Rs.10,000/- (Rupees Ten Thousand only) to be deposited in cash or in the form of Pay Order. The original Treasury Receipt (TR) in r/o fees paid in cash shall be enclosed with the application. Only those applications, which are complete in all respects, shall be considered for grant of the L-12 License. Incomplete applications shall be rejected and the application fee shall stand forfeited.
- 4.2 The applicant shall be required to submit the following documents along with the application: -
- (a) Proof of lawful possession of the Departmental Store i.e. a copy of registered Sale / Conveyance / Gift Deed in case of self owned property or copy of registered Lease / Rent Deed in case of a rented property.
 - (b) An Affidavit in form prescribed at **Annexure II**;
 - (c) An attested copy of Registration Certificate issued by VAT Department;
 - (d) Income Tax Clearance Certificate or a copy of Permanent Account Number (PAN) along with a copy of the latest Income Tax Return filed by the applicant or the latest Income Tax Assessment Order in respect of the applicant;
 - (e) The annual sales (gross turn over) statement for the sales conducted by the Departmental Store clearly specifying the sale of taxable and non taxable goods as per the provisions of Delhi VAT Act, 2004;

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- 4.3 The information as required for this purpose in the application form shall be furnished with complete details truly and faithfully so as to enable processing of the applications for grant of L-12 Licence. The applicants shall not be entitled to any relief or compensation on account of delay in the finalization of case for the grant of L-12 Licence.

5. OTHER CONDITIONS OF LICENCE

- 5.1 Every License shall be granted subject to the condition that the Licensee shall comply with the provisions of the Delhi Excise Act, 2009, the Rules framed there under, Terms and Conditions of grant of L-12 License and orders issued by the Excise Commissioner from time to time.
- 5.2 L-12 Licensee will be entitled to retail sale of Beer / Wine at the retail price fixed by the Excise Department.
- 5.3 The Licensee will ensure that the operation of L-12 Vend is totally computerized having facility of bar-code scanners. Billing should only be through automatic decoding of bar codes through the scanners.
- 5.4 The L-12 Licensee shall procure Beer / Wine from L-1 Licensee only and L-12F Licensee shall procure Foreign Beer and Wine from L-1F Licensee only.
- 5.5 The Departmental Store having L-12/L-12F License shall maintain appropriate records as specified by the Excise Department as in case of L-6/L-7 Vends in Form 2, Form 3 and Form 25.
- 5.6 The Licensee shall furnish to the Deputy Commissioner (Excise) a declaration in writing by the 8th day of every month certifying that he has cleared all the outstanding excise revenues and other dues recoverable from him. The Deputy Commissioner (Excise) or any Assistant Commissioner/Excise officer may refuse to issue any passes or permits to the Licensee in the absence of such declaration or for any sufficient reasons, to be recorded in writing, if he has reasons to believe that the Licensee has not, on demand, paid any dues recoverable or dues payable on account of undue pecuniary benefits obtained by the License holders due to furnishing of wrong information or/and suppressing the material information furnished to the Department at the time of initially applying for the License. The L-12/12F Licensee shall not be entitled to any compensation or relief on account of such refusal.







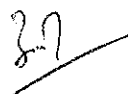
- 5.7 (a) The Licencee shall be allowed to store and sell Beer / Wine in 10% of the carpet area of the Departmental Store, separately earmarked for Beer / Wine.
- (b) L-12F Licencee shall be further allowed to store and sell Imported Foreign Beer & Wine in an additional 5% of the carpet area of Departmental Store.
- (c) Refrigerator up to the capacity of 300 (Three Hundred only) Litres shall be allowed for refrigeration of Beer / Wine.
- 5.8 The applicant shall submit monthly statement as prescribed in Form 11, of sale of Beer / Wine and other products separately by the 7th day of every following month.
- 5.9 The renewal of L-12 Licences will be subject to fulfilling of all the Terms and Conditions applicable for grant of fresh License except clause 2.7 for renewal of L-12 Licenses for the year 2012-13 only, in which case the Annual Gross Turnover shall be Rs. 15, 00, 000/- (Rupees Fifteen Lakhs only) or more.
- 5.10 No person to whom Licence has been granted shall be entitled to claim renewal thereof and no claim shall lie for damages or otherwise in consequence of any refusal to renew a License on the expiry of the period for which the same remain in force.
- 5.11 For Introduction of the Excise Supply Chain Information Management System (ESCIMS), the standard operating procedures for barcode implementation shall be made available to all L-12 & L-12F licensees of the Department of Excise, Entertainment and Luxury Tax of NCT of Delhi, who shall be required to procure, install and make necessary provisions for IT and non IT infrastructure at his licensed premises as may be required for successful implementation of the Excise Supply Chain Information Management System.
- 5.12 The licensee must install a CCTV Camera at appropriate place with the minimum coverage of 50 meters in and around the store and archival period of 30 days.

6. GRANT OF LICENCE

- 6.1 All the applications for the grant of fresh L-12 License shall be subject to the acceptance by the specified Competent Authority. The Licensing Authority or the Government shall be under no obligation to grant any License for which application has been made.







- 6.2 An applicant whose application is accepted shall complete the formalities as prescribed, immediately on being informed.

7. PREMISES

- 7.1 The Licenced premises shall be a pucca building , the land use of which is commercial duly approved by DDA / MCD / NDMC or any other local body and shall conform to the orders and instructions issued by the Excise Commissioner from time to time.
- 7.2 The Licenced premises shall have adequate storage facilities, proper Electrical Fittings and shall be duly insured against Fire and Natural Hazards.

8. PAYMENTS

- 8.1 The Licencee shall make all the payments to the Government in connection with the operation of his Licence in cash or by bank draft drawn in the name of the Deputy Commissioner (Excise), Government of NCT of Delhi.
- 8.2 The Licensee shall pay simple interest @ 12 % p.a. from the date on which any payment recoverable from him, under Section 30 of the Delhi Excise Act 2009, becomes due to the Government until the date such payment is actually made or such amount is actually recovered
- 8.3 The Licensee shall not be entitled to any interest or any other relief or compensation on account of any delay in the payment of any amount due to him by the Government.

9. PROHIBITION

- 9.1 In pursuance of the Directive Principles of the State Policy relating to prohibition as contained in Article 47 of the Constitution of India, the Lt. Governor of the NCT of Delhi may issue orders and directions from time to time and such orders and directions shall be binding on the Licensee and no compensation shall be payable on that account.
- 9.2 The Licencee shall inter-alia abide by the following prohibition measures namely:

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- (i) The Licencee shall display a notice board prominently in front of the licenced premises declaring that "Drinking of Liquor is injurious to Health"
- (ii) The Licencee shall neither sell liquor to persons who are below 25 years of age nor shall employ any person under the age of 21 (twenty one) years or suffering from contagious disease.
- (iii) The Licencee shall not advertise any liquor product or any products having similar nomenclature of a liquor brand in the electronic media, unless such advertisement conforms to the Programme Code and Advertisement Code as laid down in the Cable Television Network (Regulation) Act, 1995 (7 of 1995) and the rules made there under.
- (iv) No person shall print or publish in any newspaper, book, booklet, leaflet or any other publication or otherwise display or distribute any advertisement or other material soliciting the use of or offering any liquor or intoxicating drug or any other product having nomenclature similar to a liquor brand.

10. The Licencee shall be bound to furnish any information in connection with L-12/L-12F License truly and faithfully within the time prescribed by the Commissioner or the Deputy Commissioner or the District Excise Officer or Assistant Commissioner. Any refusal to furnish the information, furnishing of false information or non-compliance of the orders will be regarded as breach of the Terms and Conditions of the Licence. Breach of Terms and Conditions may also result in non-issue of Transport Permits and / or suspension/cancellation of Licence.

11. POWER TO SUSPEND OR CANCEL LICENSE AND FORFEITURE OF SECURITY

- 1) The Authority granting L-12 license may suspend or cancel the license as provided under Section 17 of the Delhi Excise Act, 2009 in the following circumstances, after giving reasonable opportunity of being heard:-
 - a) If the licence is transferred or sublet by the holder thereof without the permission of Licencing Authority;
 - b) If any excise revenue payable by the holder thereof is not duly paid;

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- c) In the event of any breach by the holder of licence or by his servant or by any one acting on his behalf, with his express or implied permission, of any of the Terms and Condition of the licence;
 - d) If the holder of license or his agent or employee is convicted of an offence punishable under Delhi Excise Act, 2009 or any other law for the time being in force, relevant and connected with Excise matter relating to Excise Revenue or of any cognizable and non bailable offence under any other relevant law;
 - e) If the purpose for which the licence was granted, ceases to exist;
 - f) If the licence has been obtained through misrepresentation or fraud.
- 2) The Licencing Authority may order forfeiture of part or whole of Security Amount in case of breach of any of the Terms and Conditions of L-12 / L-12F licence.

12. The Terms & Conditions of the Delhi Excise Act, 2009 and Delhi Excise Rules, 2010 and all orders/directions issued there under shall be deemed to form an integral and inseparable part of the Terms & Conditions as if they were expressly set out in the Terms & Conditions for grant of L-12/L-12F licence. Applicants are also hereby advised to access, read and understand the same before applying.



(A. K. SINGH)
EXCISE COMMISSIONER

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