

**Andhra Pradesh Distillery (Manufacture of Spirits)
Rules, 2006 (Telangana Adaptation) Order, 2015**

[G.O.MS.No. 204, Revenue (Ex-II) Department, Dated: 13-11-2015]

Read the following:-

1. The Andhra Pradesh Distillery (Manufacture of Spirit) Rules, 2006 issued in G.O.Ms.No.91, Revenue (Ex.III) Dept., dated 27.01.2007
2. The Andhra Pradesh Reorganisation Act, 2014 (Central Act No.6 of 2014)

ORDER:

Whereas, by virtue of Section 3 of the Andhra Pradesh Reorganization Act, 2014 (Central Act No.6 of 2014), the State of Telangana comprising the territories specified therein has been formed on and from the appointed day i.e., 02.06.2014;

2. And whereas, in section 101 of the Andhra Pradesh Reorganization Act, 2014, a provision has been made for the purpose of facilitating the application of any law (as defined in Section 2 (f) of the Act), made before the appointed day, in relation to the State of Andhra Pradesh or the State of Telangana, the appropriate Government may before expiration of two years from 02.06.2014, by order, make such adaptations and modifications of the law, whether by way of repeal or amendment, as may be necessary or expedient, and thereupon every such law shall have effect subject to the adaptations and modifications so made until altered, repealed or amended by a competent Legislature or other competent authority;

3. And whereas, the Andhra Pradesh Distillery (Manufacture of Spirit) Rules, 2006, made in exercise of the powers conferred by Section 72 of the Andhra Pradesh Excise Act, 1968 vide G.O. first read above, are in force as on 01.06.2014;

4. Now therefore, after careful examination, Government have decided to adapt the Andhra Pradesh Distillery (Manufacture of Spirit) Rules, 2006, which are in force as on 01.06.2014;

5. Accordingly, the following Notification will be published in an Extraordinary issue of the Telangana State Gazette dated 17-11-2015:-

NOTIFICATION

In exercise of the powers conferred by Section 101 of the Andhra Pradesh Reorganization Act, 2014 (Central Act No.6 of 2014), the Government of Telangana hereby makes the following Orders, namely:-

1. (1) This Order may be called the Andhra Pradesh Distillery (Manufacture of Spirits) Rules, 2006 (Telangana Adaptation) Order, 2015.

(2) It shall be deemed to have come into force with effect from the 2nd June 2014.

2. For the purpose of this Order and the rules adapted herein, the expression “the State” shall have the meaning and areas specified in section 3 of the Andhra Pradesh Reorganisation Act, 2014.

3. In the Andhra Pradesh Distillery (Manufacture of Spirit) Rules, 2006,-

(i) throughout the Rules, for the expression “Andhra Pradesh”, occurring otherwise than in a citation or description or in title of other enactments, the word “Telangana” shall be substituted.

(ii) in rule 7, in sub-rule (3), for the table there under, the following table shall be substituted, namely,-

Annual Production Capacity	Annual Licence Fee
1. Up to 20 Lakh BLs	Rs.8,00,000/-
2. For every additional 10 Lakh BLs or part thereof;	Rs.2,00,000/-

(iii) in rule 10, in sub-rule (3), for the table there under, the following table shall be substituted, namely,-

Annual Production Capacity	Annual Licence Fee
1. Up to 20 Lakh BLs	Rs.8,00,000/-
2. For every additional 10 Lakh BLs or part thereof;	Rs.2,00,000/-

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(iv) in rule 13, in sub-rule (3), for the table there under, the following table shall be substituted, namely,—

Annual Production Capacity	Annual Licence Fee
1. Up to 20 Lakh BLs	Rs.8,00,000/-
2. For every additional 10 Lakh BLs or part thereof;	Rs.2,00,000/-

2. THE TELANGANA DISTILLERY (MANUFACTURE OF SPIRITS) RULES, 2006

[G.O.Ms.No. 91, Revenue (Ex.III) Dept., dt. 27-1-2007]

[Published in A.P. Gazette RS to Part-I (Ext) No. 8 dated 29.1.2007]

In exercise of the powers conferred by Section 72 read with Sections 16, 17, 18, 21, 22, 23, 28, 29 of the Telangana Excise Act, 1968 (Act 17 of 1968), and in supersession of all the rules on the subject, the Government of Telangana hereby make the following rules:-

PART-I

PRELIMINARY

1. (1) These rules may be called the Telangana Distillery (Manufacture of Spirits) Rules, 2006.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

(2) They shall extend to all areas where Telangana Excise Act, 1968 is in force.

(3) They shall come into force at once.

2. (1) **In these rules unless the context otherwise requires:—**

- (a) ‘Act’ means Telangana Excise Act, 1968.
- (b) ‘Assistant Commissioner’ in relation to these rules means an officer appointed under Section 5(1) of the Act.
- (c) ‘Attenuation’ means the action of yeast in ‘thinning’ or converting sugar from a fermenting sugary liquid into Alcohol.
- (d) ‘Distillery’ means a manufactory where spirits are manufactured from fermenting sugars or carbohydrates by distillation for potable purpose or for industrial purpose or for both and includes redistillation of spirits.
- (e) ‘Distillery Officer’ means an Excise Officer appointed by the Commissioner to be in-charge of a Distillery or Manufactory or Winery and includes Assistant Distillery Officer so appointed.
- (f) ‘Excise supervision’ means supervision over operations including manufacture of spirits at a distillery by the members of staff of the Prohibition and Excise Department appointed in that behalf by the Commissioner or any Excise Officer duly empowered by the State Government or the Commissioner in that behalf.

- (g) “*Extra Neutral Alcohol*” means the alcoholic liquid obtained by re-distilling spirits and having the specifications prescribed in these rules.
- (h) ‘*Fermentative base*’ means molasses or the variety of grain or any other substance containing sugar or carbohydrates as may be notified by the Government from time to time from which manufacture of spirit is allowed.
- (i) ‘*Form*’ means a form appended to these rules.
- (j) ‘*Gauge*’ means to determine the quantity of spirit contained in or taken from, any casks or receptacle or to determine the capacity of any cask or receptacle.
- (k) ‘*Licence*’ means a licence granted for different purposes by the Commissioner under these rules in:-
- (i) FORM-D2 (PM) to construct and work a distillery to manufacture spirits from Molasses as fermentative base for potable purposes.
 - (ii) FORM-D2 (PG) to construct and work a distillery to manufacture spirits from Grains as fermentative base for potable purposes.
 - (iii) FORM-D2 (PMGO) to construct and work a distillery to manufacture spirit from Molasses and grain or from any other fermentative base for potable purpose.
 - (iv) FORM-D2 (MS) to construct and work a distillery to manufacture Malt spirit from fermenting malt for potable purpose either for commercial or captive needs.
 - (v) FORM-D2 (RM) to construct and work a distillery to manufacture Spirits from Molasses as fermentative base for Industrial purposes wholly or partly.
 - (vi) FORM-D2 (RG) to construct and work a distillery to manufacture spirits from Grains as fermentative base for Industrial purposes wholly or partly.
 - (vii) FORM-D2 (RMGO) to construct and work a distillery to manufacture spirits from Molasses and Grains or from any other fermentative base for Industrial purpose wholly or partly.
 - (viii) FORM-D2 (EM) to construct and work a distillery to manufacture Extra Neutral Alcohol by re-distilling molasses based Rectified spirit for potable purpose.

- (ix) FORM-D2 (EG) to construct and work a distillery to manufacture Extra Neutral Alcohol by re-distilling Grain based Rectified Spirit for potable purpose.
- (x) FORM-D2 (EMGO) to construct and work a distillery to manufacture Extra Neutral Alcohol by re-distillation of Molasses based and Grain based Rectified spirit or Rectified spirit obtained from any other fermentative base for potable purpose either for commercial or for captive needs.
- (l) '*Licensee*' means a person who holds a licence under these rules.
- (m) '*Prove*' means to test the strength of the spirit by hydrometer or other suitable instrument.
- (n) '*Receiver*' means any vessel into which the wort of a still discharges.
- (o) '*Rectified spirit*' means spirit having strength of 500 or more Over Proof.
- (p) '*Spent less*' means the residue left after un-finished spirit has been re-distilled.
- (q) '*Spent wash*' means the residue left after the wash has been exhausted of spirit.
- (r) '*Spiced spirit*' means spirit re-distillated after the addition of flavors and spices to plain spirit.
- (s) '*Spirit*' means any liquor containing alcohol and obtained by distillation, whether it is denatured or not;
- (t) '*Spirit room*' means that portion of distillery which is set apart for the storage of spirit.
- (u) '*Still*' means an apparatus or equipment in which the process of distillation is carried out.
- (v) '*Wash*' includes fermented wort or a dilute solution of sugar from which spirit is distilled.
- (w) '*Wash back*' means a vessel used for storage of wash during its fermentation.
- (x) '*Wort*' means sugary solution prepared from a fermentative base and water, in which fermentation has not started.

(2) The words and expressions used but not defined in these rules shall have the meaning assigned to them in the Telangana Excise Act, 1968.

3. Classification of Distilleries:— The provisions of these rules shall apply to the Distilleries for the following purposes:-

- (1) Manufacturing spirits from Molasses as fermentative base for potable purpose.
- (2) Manufacturing spirits from Grains as fermentative base for potable purpose.
- (3) Manufacturing spirits from Molasses and grains or any other fermentative base as notified by the Government from time to time for potable purpose.
- (4) Manufacturing Malt spirit from fermenting malt for potable purpose either for commercial or for captive needs.
- (5) Manufacturing spirits from Molasses as fermentative base for Industrial purposes wholly or partly.
- (6) Manufacturing spirits from Grains as fermentative base for Industrial purposes wholly or partly.
- (7) Manufacturing of spirits from Molasses and Grains or from any other fermentative base as notified by the Government from time to time for industrial purposes wholly or partly.
- (8) Manufacturing Extra Neutral Alcohol by re-distilling molasses based Rectified spirit for potable purpose either for commercial or for captive needs.
- (9) Manufacturing Extra Neutral Alcohol by re-distilling Grain based Rectified Spirit for potable purpose either for commercial or for captive needs.
- (10) Manufacturing Extra Neutral Alcohol by re-distilling Molasses based and Grain based Rectified Spirit or Rectified spirit obtained from any other fermentative base as notified by the Government from time to time either for commercial or for captive needs.

PART-II

PROVISION RELATING TO NOTIFICATION AND GRANT OF LICENCE FOR MANUFACTURE OF SPIRITS & MALT SPIRIT FOR POTABLE PURPOSE

4. (1) No Letter of Intent for establishment of any new distillery or expansion of the production capacity of an existing distillery shall be issued without previous notification issued by the Government expressing the intention to grant the same from time to time.

(2) A notification shall be issued by the Government separately from time to time for grant of Letter of Intent for establishment of new distillery or

expansion of the production capacity of an existing distillery for different purposes mentioned in rule 3.

(3) Notwithstanding any thing contained in sub rules (1) and (2), the Government may grant letter of intent for establishment of distilleries for the following purposes, on production of sanction or permission from Government of India.

- (a) Manufacturing spirits from Molasses as fermentative base for industrial purpose wholly or partly;
- (b) Manufacturing of spirits from grains as fermentative base for industrial purpose wholly or partly;
- (c) Manufacturing spirits from Molasses and grains or from any other fermentative base for industrial purpose wholly or partly.

(4) The Government may, by notification issued from time to time, withdraw their intention of granting letter of intent for establishment of new distillery or expansion of the production capacity of an existing distillery for any of the purposes separately.

Comment

[The Government in their G.O.Ms.No.748, Revenue (Ex.III) Dept., dt.04.6.2007 issued the notification as required under Rule 4 (2) above. Copy of the G.O. is appended at the end of these Rules]

5. (1) No licence for manufacture of spirits or malt spirits for potable purpose shall be granted unless the same is notified and sanctioned under sub rules (1) and (2) of Rule 4 of these rules.

(2) Procedure for obtaining Sanction of the Government:

- (a) On the notification issued by the Government under rule 4 (1) and (2), any person intending to construct and work such distillery, may apply in Form D-1(P) along with his scheme to the Government through the Commissioner.
- (b) No application mentioned in Clause (a) above shall be entertained unless a non-refundable and non-adjustable fee of Rs.20.00 Lakhs is paid into Government treasury and the challan in original in support of such payment is produced along with the application.
- (c) When the Government are satisfied of the proposed scheme, they may accord the sanction and communicate it in the form of a Letter of Intent in Form D1-(SP). This Letter of Intent shall be valid for a period of two years from the date of issue.

[Provided that in the Scheduled Areas notified under paragraph 6 of the Fifth Schedule of the Constitution of India, the Letter of Intent shall be issued only after obtaining the opinion of the Gram Sabha of the concerned village.]

[Proviso added by G.O.Ms.No. 85, Rev. (Ex-III), Dept., dt. 6-2-2013.]

- (d) It shall be lawful for the Government to accept or reject without assigning any reason any application made for grant of Letter of Intent in pursuance of the notification under rule 4 (1) and (2) of these rules.
- (e) The holder of Letter of Intent shall obtain a licence in Form D2-(PM) or D2-(PG) or D2-(PMGO) or D2-(MS) as the case may be, from the Commissioner of Prohibition and Excise within six months from the date of issue of Letter of Intent.
- (f) If the holder of the Letter of Intent fails to obtain a licence within a period of Six months from the date of issue of Letter of Intent, he ceases to have any right on the Letter of Intent.
- (g) If the holder of the Letter of Intent and licence fails to commence production within two years from the date of issue of the Letter of Intent, he forfeits his right over Letter of Intent and on the licence.
- (h) The Letter of Intent communicated under clause (c) shall not confer any right or privilege for grant of a licence and is liable to be revoked or withdrawn by the Government at any time without giving any notice to its holder, if the Government so desire.
- (i) No compensation for damage or loss shall be payable when a Letter of Intent is rejected under clause (d) or revoked or withdrawn under clause (h).

6. Grant of Licence:— (1) The holder of Letter of Intent shall obtain licence from Commissioner within six months from the date of sanction of the Government in the form of Letter of Intent referred to in rule 5.

(2) The holder of Letter of Intent shall apply in Form D1 (PA) and the application shall be accompanied by:

- (a) Copy of the sanction (Letter of Intent) accorded by the Government.
- (b) Description and plans for the construction of the proposed distillery.
- (c) Statement of plant and machinery proposed to be erected.
- (d) No objection certificate from the local body competent to grant the same.

- (e) 'No objection certificate' from the competent authority under Factories Act, 1948.
- (f) Clearance Certificate from the [Telangana](#) Pollution Control Board.
- (g) An under taking in the prescribed form on a non-judicial stamp paper of the requisite value as per Indian Stamp Act binding himself that he shall erect the plant and machinery as per the standards as may be prescribed by the Commissioner from time to time for maintaining the specifications and quality of products.
- (h) Counterpart Agreement in Form-D(1)(C) as required under sub-rule (3).

(3) No licence shall be granted unless the applicant deposits Rs.50,000/- (Rupees Fifty thousands only) as a security in the shape of a cash deposit or fixed deposit receipt or bank guarantee from any scheduled bank situated in [Telangana] as a security for fulfilment of all the conditions of licence and enter into a counterpart agreement in Form-D1(C).

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

(4) (a) Where the Commissioner is satisfied that the applicant for a new distillery has fulfilled the conditions specified in sub-rules (1) to (3) above, he may grant a licence in Form D2-(PM) or D2-(PG) or D2-(PMGO) or D2-(MS) as the case may be.

(b) The "Distillery Excise Tax" for a new distillery shall be Rs. 20,000/- per annum till the commencement of production or expiry of two years period from the issue of letter of intent which ever is earlier.

[The words "Distillery Excise Tax" subs. for "Licence Fee" by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

(c) Where the Commissioner is satisfied that the applicant for expansion of production capacity of an existing distillery has fulfilled conditions specified in sub-rules (1) to (3) above, he may endorse the sanction of expansion on the existing licence.

(5) The licensee shall, before expiry of two years from the date of grant of Letter of Intent, report to the Commissioner, the date on which the construction of the building and erection of plant and machinery of the unit is completed and the date from which its working is commenced.

(6) In case the licensee fails to construct and work the distillery before expiry of two years from the date of grant of Letter of Intent, the new licence or the expansion sanctioned under sub-rule (4)(a) or (4)(c) as the case may

be shall be liable for cancellation without compensation for any damage or loss.

7. “Distillery Excise Tax” structure:— (1) The Government shall fix the Production capacity of the Distillery.

(2) The capacity of the equipment and devices of the Distillery shall be according to the production capacity as fixed for the Distillery and shall be as per the specifications and norms as may be prescribed by the Commissioner from time to time.

(3) The annual “*Distillery Excise Tax*” shall be fixed by the Commissioner basing on the production capacity in accordance with the “*Distillery Excise Tax*” structure prescribed here under.

Annual Production Capacity	Annual “Distillery Excise Tax”
1. Upto 20 lakh BLs :	[Rs.8,00,000/-]
2. For every additional 10 lakh BLs or part thereof:	[Rs.2,00,000/-]

[Subs. for “Rs.4,00,000/-” and “Rs.1,00,000/-” respectively by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

Provided that the production capacity fixed shall not be reduced under any circumstances.

Provided further that in case of new licence granted under Rule 6(4) (a), the licensee commences manufacture from such date specified therein and the “*Distillery Excise Tax*” shall be as prescribed in sub-rule (3) proportionately on the production capacity for the remaining period of the licence:

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

Provided also that in case of expansion as granted under Rule 6(4)(c) the licensee commences manufacture from the expanded production capacity from such date as specified therein and the license fee shall be paid proportionately as prescribed under sub-rule (3) on such expanded capacity for the remaining period of licence.

(4) Whenever the fixed production capacity is fully utilized by the licensee before the completion of licensed year and if the licensee desires to have additional production during the remaining part of the licence year the licensee shall take special permission from the Government for causing additional production over and above the fixed production capacity by submitting the requirement through Commissioner. On grant of such permission, the licensee shall pay the additional

“Distillery Excise Tax” on such additional production as per the rates specified in sub-rule (3).

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

PART-III

PROVISION RELATING TO GRANT OF LICENCE FOR MANUFACTURE OF SPIRITS FOR INDUSTRIAL PURPOSE WHOLLY OR PARTLY

8. Procedure for obtaining sanction of the Government:— (1) No Letter of Intent, to construct and work of a new distillery or expansion of production capacity of an existing distillery for manufacture of spirits for industrial purpose wholly or partly, shall be granted unless the applicant obtains a sanction or permission from the Government of India as specified in sub-rule (3) of Rule 4, and submit an application in Form-D1(R) to the Government.

(2) No application for grant of such Letter of Intent by the Government shall be entertained unless a non-refundable and non-adjustable special fee of Rs.20 Lakhs (Rupees twenty lakhs only) is paid into Government treasury and the challan in original in support of such payment is produced along with the application:

Provided that in case distilleries intend to produce spirits exclusively for industrial purpose, the special fee shall be Rs.5 Lakhs (Rupees Five lakhs only).

(3) When the Government are satisfied of the proposed scheme they may accord sanction and communicate it in the form of Letter of Intent in Form D1 (SR). This Letter of Intent shall be valid for a period of two years from the date of issue.

(4) The holder of Letter of Intent shall obtain a licence in Form D2-(RM) or D2-(RG) or D2-(RMGO) as the case may be, from the Commissioner within six months from the date of issue of Letter of Intent.

(5) If the holder of the Letter of Intent fails to obtain a licence within a period of Six months from the date of issue of Letter of Intent, he ceases to have any right to claim on the letter of intent.

(6) If the holder of the letter of intent and licence fails to commence production within two years from the date of issue of the Letter of Intent, he forfeits his right over letter of intent and on the licence.

9. Grant of licence:— (1) The holder of Letter of Intent shall obtain licence from the Commissioner within a period of six months from the date of obtaining sanction of Letter of Intent from the Government under Rule 4.

(2) The holder of letter of intent shall apply in Form D1 (RA) and the application shall be accompanied by:-

- (a) Copy of the sanction (Letter of Intent) accorded by the Government.
- (b) Description and plans for the construction of the proposed distillery.
- (c) Statement of plant and machinery proposed to be erected.
- (d) No Objection Certificate from the local body competent to grant the same.
- (e) 'No Objection Certificate' from the competent authority under Factories Act, 1948.
- (f) Clearance Certificate from the T.G Pollution Control Board.
- (g) An Under Taking in the prescribed form on a non-judicial stamp paper of the requisite value as specified in Indian Stamp Act binding himself that he shall erect the plant and machinery as per the standards as may be prescribed by the Commissioner from time to time for maintaining the specifications and quality of products.
- (h) Counterpart agreement in Form-D1 (C) as required under sub-rule (3).

(3) No licence shall be granted unless the applicant deposits Rs.50,000. (Rupees Fifty thousands only) in the shape of cash deposit or Fixed Deposit Receipt or Bank Guarantee from any Scheduled Bank situated in [Telangana] as security for fulfilment of all the conditions of licence and enter into a counterpart agreement in Form-D1(C).

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

(4) (a) Where the Commissioner is satisfied that the applicant has fulfilled the conditions specified in sub-rules (1) to (3) he may grant a licence to the applicant in Form D2-(RM)or D2-(RG) or D2-(RMGO) as the case may be.

(b) The "Distillery Excise Tax" for a new distillery shall be Rs. 20,000/- per annum till the commencement of production or expiry of two years period from the issue of letter of intent which ever is earlier.

(c) Where the Commissioner is satisfied that the applicant for expansion of production capacity of an existing distillery has fulfilled conditions specified in sub-rules (1) to (3) above, he may endorse the sanction of expansion on the existing licence.

(5) The licensee shall, before expiry of two years from the date of grant of letter of intent report to the Commissioner, the date on which the construction

of the building and erection of plant and machinery of the unit is completed and the date from which it's working is commenced.

(6) In case the licensee fails to construct the building and work the plant and machinery and commences manufacture before the expiry of two years from the date of Letter of Intent, the new licence or the sanction for expansion granted under sub-rule 4(a) or (c) shall be liable for cancellation without compensation for any damage or loss.

10. "Distillery Excise Tax" structure:— (1) The Government shall fix the Production capacity of the Distillery.

(2) The capacity of the equipment and devices of the Distillery shall be according to the production capacity as fixed for the Distillery and shall be as per the specifications and norms as may be prescribed by the Commissioner from time to time.

(3) The annual "*Distillery Excise Tax*" shall be fixed by the Commissioner basing on the production capacity in accordance with the "*Distillery Excise Tax*" structure prescribed here under.

Annual Production Capacity	Annual "Distillery Excise Tax"
1. Upto 20 lakh BLs :	[Rs.8,00,000/-]
2. For every additional 10 lakh BLs or part thereof:	[Rs.2,00,000/-]

[Subs. for "Rs.4,00,000/-" and "Rs.1,00,000/-" respectively by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words "Distillery Excise Tax" subs. for "Licence Fee" by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

Provided that the production capacity fixed shall not be reduced under any circumstances:

Provided further that in case of new licence granted under Rule 9(4) (a), the licensee commences manufacture from such date specified therein and the "*Distillery Excise Tax*" shall be as prescribed in sub-rule (3) proportionately on the production capacity for the remaining period of the licence:

Provided also that in case of expansion as granted under Rule 9(4) (c) the licensee commences manufacture from the expanded production capacity from such date as specified therein and the license fee shall be paid proportionately as prescribed under sub-rule (3) on such expanded capacity for the remaining period of licence.

(4) Whenever the fixed production capacity is fully utilized by the licensee before the completion of licensed year and if the licensee desires to have additional production during the remaining part of the licence year the licensee shall take special permission from the Government for causing additional production over and above the fixed production capacity by submitting the requirement through Commissioner. On grant of such permission, the licensee shall pay the additional "Distillery Excise Tax" on such additional production as per the rates specified in sub-rule (3).

[The words "Distillery Excise Tax" subs. for "Licence Fee" by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

PART-IV

PROVISION RELATING TO GRANT OF LICENCE FOR MANUFACTURE OF EXTRA NEUTRAL ALCOHOL FOR POTABLE PURPOSE

11. (1) No licence for manufacture of Extra Neutral Alcohol by redistilling spirits shall be granted unless the same notified and sanctioned under sub-rules (1) and (2) of rule 4 of these rules.

(2) Procedure for obtaining Sanction of the Government:

- (a) On the notification issued by the Government under Rule 4(1) and (2) any person intending to construct and work such a distillery may apply in Form D1 (E) along with his scheme to the Government through the Commissioner.
- (b) No application mentioned in Clause (a) above shall be entertained unless a non-refundable and non-adjustable special fee of Rs.20.00 Lakhs is paid into Government treasury and the challan in original in support of such payment is produced along with the application.
- (c) When the Government are satisfied of the proposed scheme, they may accord the sanction and communicate it in the form of Letter of Intent in Form D1-(SP). This Letter of Intent shall be valid for a period of two years from the date of issue.
- (d) It shall be lawful for the Government to accept or reject without assigning any reason any application made for grant of Letter of Intent in pursuance of the notification under Rule 4(1) and (2) of these rules.
- (e) The holder of the Letter of Intent shall obtain a licence in Form D2-(EM) or D2-(EG) or D2-(EMGO) as the case may be, from

the Commissioner within six months from the date of issue of Letter of Intent.

- (f) If the holder of the Letter of Intent fails to obtain a licence within a period of six months from the date of issue of Letter of Intent, he ceases to have any right to claim on the letter of intent.
- (g) If the holder of the Letter of Intent and licence fails to commence production within two years from the date of issue of Letter of Intent, he forfeits his right over Letter of Intent and on the licence.
- (h) The Letter of intent communicated under Clause (c) above shall not confer any right or privilege for grant of a licence and is liable to be revoked or withdrawn by the Government at any time without giving any notice to its holder, if the Government so desire.
- (i) No compensation for damage or loss shall be payable when a Letter of Intent is rejected under Clause (b) or revoked or withdrawn under Clause (h) above.

11-A A person holding a licence in Form-D2 (PM), D2 (PG), D2 (PMGO), D2 (RM), D2 (RG) or D2 (RMGO) need not take a separate licence for manufacture of Extra Neutral Alcohol of respective fermentative base by re-distillation.

[Rule 11-A inserted by G.O.Ms. No.416, Revenue dated 2.4.2007]

12. Grant of Licence:— (1) The holder of letter of intent shall obtain a licence from the Commissioner within six months from the date of sanction of the Government in the form of Letter of Intent referred to in Rule 13.

(2) The holder of letter of intent shall apply in Form D1(PA) and the application shall be accompanied by :

- (a) Copy of the sanction (Letter of Intent) accorded by the Government.
- (b) Description and plans for the construction of the proposed distillery.
- (c) Statement of plant and machinery proposed to be erected.
- (d) 'No Objection Certificate' from the local body competent to grant the same.
- (e) 'No Objection Certificate' from the competent authority under Factories Act, 1948.
- (f) Clearance Certificate from T.G Pollution Control Board.
- (g) An Undertaking in the prescribed form on the non-judicial stamp paper of the requisite value as per the Indian Stamp Act binding

him that he shall erect the plant and machinery as per the standards as may be prescribed by the Commissioner from time to time for maintaining the specifications and quality of products.

- (h) Counterpart agreement in Form – D1 (c) as required under sub-rule (3).

(3) No licence shall be granted unless the applicant deposits Rs.50,000/ (Rupees Fifty thousands only) in the shape of a cash deposit or fixed deposit receipt or Bank guarantee from any scheduled bank situated in Telangana as a security for fulfilment of all the conditions of licence and enter into a counterpart agreement in Form-D1 (c).

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

(4) (a) Where the Commissioner is satisfied that the applicant for a new Distillery has fulfilled the conditions specified in sub-rules (1) to (3) above, he may grant a licence in Form-D2(EM)/D2(EG)/D2(EMGO) as the case may be.

(b) The licence for a new Distillery shall be Rs. 20,000/- per annum till the commencement of production or expiry of two years period from the issue of Letter of Intent which ever is earlier.

(c) Where the Commissioner satisfied that the applicant for expansion of production capacity of an existing distillery has fulfilled conditions specified in sub-rules (1) to (3) above, he may endorse the sanction of expansion on the existence licence.

(5) The licensee shall before expiry of two years from the date of grant of Letter of Intent report to the Commissioner, the date on which the construction of the building and erection of plant and machinery of the unit is completed and the date from which it's working is commenced.

(6) In case the licensee fails to construct and work the distillery before expiry of two years from the date of grant of Letter of Intent, the new licence or the expansion sanctioned under sub-rule (4)(a) or (4)(c) as the case may be shall be liable for cancellation without compensation for any damage or loss.

13. “Distillery Excise Tax” structure:— (1) The Government shall fix the Production capacity of the Distillery.

(2) The capacity of the equipment and devices of the Distillery shall be according to the production capacity as fixed for the Distillery and shall be

as per the specifications and norms as may be prescribed by the Commissioner from time to time.

(3) The annual “*Distillery Excise Tax*” shall be fixed by the Commissioner basing on the production capacity in accordance with the “*Distillery Excise Tax*” structure prescribed here under.

Annual Production Capacity	Annual “Distillery Excise Tax”
1. Upto 20 lakh BLs :	Rs.8,00,000/-
2. For every additional 10 lakh BLs or part thereof:	Rs.2,00,000/-

[Subs. for “Rs.4,00,000/-” and “Rs.1,00,000/-” respectively by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

Provided that the production capacity fixed shall not be reduced under any circumstances.

Provided further that in case of new licence granted under Rule 12(4) (a), the licensee commences manufacture from such date specified therein and the “*Distillery Excise Tax*” shall be as prescribed in sub-rule (3) proportionately on the production capacity for the remaining period of the licence.

Provided also that in case of expansion as granted under Rule 12(4) (c) the licensee commences manufacture from the expanded production capacity from such date as specified therein and the license fee shall be paid proportionately as prescribed under sub-rule (3) on such expanded capacity for the remaining period of licence.

(4) Whenever the fixed production capacity is fully utilized by the licensee before the completion of licensed year and if the licensee desires to have additional production during the remaining part of the licence year the licensee shall take special permission from the Government for causing additional production over and above the fixed production capacity by submitting the requirement through Commissioner. On grant of such permission, the licensee shall pay the additional “*Distillery Excise Tax*” on such additional production as per the rates specified in sub-rule (3).

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

PART-V

COMMON PROVISION RELATING TO RENEWAL OF LICENCES, SUB-LEASING OF DISTILLERY, SHIFTING OF DISTILLERY AND TRANSFER OF LICENSE

14. Renewal of Licence:— (1) Licence granted under these rules shall come into effect from such date as specified therein.

(2) Licence shall ordinarily be for a period of one year.

(3) The licensee shall get his licence renewed before the commencement of the licence year by paying the “*Distillery Excise Tax*” as prescribed in Rule 7,10 or 13 as the case may be other wise he is neither eligible to go in to production nor permitted to transact any business.

(4) If the licensee fails to apply for renewal by paying the specified fee before commencement of the licence year, he shall pay the “*Distillery Excise Tax*” along with late fee specified below for renewal of his licence.

Period	Late fee
(1) Within six months from the date of commencement of licence year	5% of Annual “ <i>Distillery Excise Tax</i> ”
(2) After six months from the date of commencement of Licence year.	10% of Annual “ <i>Distillery Excise Tax</i> ”

Provided, if the licensee does not apply for renewal of licence within the license year, he shall pay the annual “*Distillery Excise Tax*” for the entire period for which he does not have his licence renewed along with the late fee as specified above, subject to the condition laid down in sub-rule (7) of this rule.

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

(5) Every application for renewal of licence under these rules shall bear a court fee stamp of requisite value as specified in the Indian Stamp Act and shall be addressed to the Commissioner.

(6) Where the Commissioner is satisfied that the licensee has fulfilled the conditions specified for renewal and that the manufacturing facilities on ground are not modified in any manner in deviation of the provisions of previous licence, he may renew the licence.

(7) The right of the licensee to get his licence renewed stands forfeited if the licence is not renewed continuously for a period of 3 years.

15. Sub-leasing of Distillery:— (1) The Commissioner may, on application made by the holder of a Licence issued under these rules, permit sub-leasing the whole licensed capacity of his licence to the proposed sub-lessee of a distillery.

- (i) No sub-lease shall be permitted unless:
 - (a) a sub-lease fee of sum equal to 10% (Ten percent) of the annual “*Distillery Excise Tax*” is remitted in Government treasury.
 - (b) the licensee keeps a security deposit of an amount equal to 15% (Fifteen percent) of the annual “*Distillery Excise Tax*” of the distillery in the shape of Fixed Deposit Receipt or Bank Guarantee from a Scheduled Bank situated in *Telangana* in the name of the Commissioner.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

- (ii) The proposed sub-lessee referred to in sub-rule (1) shall not be a person disqualified to hold a licence under the **A.P.** Excise Act, 1968 and the rules made there under;
- (iii) The sub-lease, permitted under sub-rule (1) shall be for a period of one year or part thereof and such sub-lease holder shall not have any claim for renewal of such sub-lease;
- (iv) The Commissioner may, for reasons to be recorded in writing, refuse to grant permission for sub-lease or withdraw the permission granted for sub-lease;
- (v) The licensee and the sub-lessee shall not have any claim for compensation towards any damage or loss sustained on account of non-sanction or withdrawal of permission for sub-lease;
- (vi) If the original licence is suspended or cancelled for any reasons, the sub-lease shall also stand automatically suspended or cancelled as the case may be;
- (vii) An application for grant of permission for sub-lease shall be made in Form D3-(SL) and shall be accompanied by:-
 - (a) Sub-lease deed between the licensee and the proposed sub-lessee on a non-judicial stamp paper of the requisite value as per the provisions of the Indian Stamp Act, 1899, which shall

be registered within 15 days from the date of grant of permission for sub-lease.

- (b) Memorandum of Articles of Association/partnership deed, Declaration of sole proprietorship, as the case may be, of the licensee and the sub-lessee.
- (c) Lists of Directors/Partners, as the case may be, of both licensee and sub-lessee.
- (d) Undertaking in Form D3-(SLU) on non-judicial stamp paper worth Rs.100/- duly signed by the licensee and sub-lessee.
- (e) Original Challan as proof of having paid 10% (Ten percent) of annual “*Distillery Excise Tax*” of the distillery towards sub-lease fee and fifteen percent of the annual “*Distillery Excise Tax*” as security deposit in the shape of Fixed Deposit Receipt or Bank Guarantee issued by a Scheduled Bank situated in *Telangana* in the name of the Commissioner;

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

- (viii) The sub-lease granted under sub-rule (1) is not transferable;
- (ix) The licensee and sub-lessee shall be jointly and severally responsible for all the acts of omissions and commissions of the sub-lessee;
- (x) The Sub-lessee shall be responsible for payment of all duties, taxes and fees etc., payable to the Government pertaining to the period of sub-lease in case the sub-lessee fails the same shall be recovered from the licensee.

(2) The security deposit as contemplated under sub-rule (1) (i) (b) shall be valid for the lease period or till the dues are paid to the Government whichever is later.

(3) All the outstanding duties, taxes, fees or any other dues payable to the Government shall be recovered from the security deposit and the balances if any shall be recovered from the sub-lessee and licensee as if they were arrears of land revenue.

(4) The fixed deposit Receipt or Bank Guarantee produced as security deposit shall be returned to the licensee after the clearance of all the dues to the Government by the sub-lessee and licensee.

16. Shifting of Existing Distillery:— (1) Where the management of a distillery intends to shift the distillery to another place, it shall notify the same to the Commissioner by an application in Form D-4 after remitting an amount of Rs 50,000/- (Rupees fifty thousand only) in the Government treasury and enclose the challan in original in support of payment along with the application.

(2) On receipt of such an application the Commissioner if satisfied, may obtain such undertaking or Bond and such other material or documents to protect the interest of the Government as he may deem fit, may grant such permission after obtaining the orders from Government for the shifting of the Distillery.

17. Change or Alteration of Licence: (1) Transfer of Licence:

- (i) No licensee shall, except with the sanction of the Commissioner transfer his license to any other person. The Commissioner may allow such transfer of license on payment of prescribed fee and on production of certificate to the effect that no cases involving contravention of Excise Act and Rules framed there under are pending against him and also on production of Sales Tax and Income Tax clearance certificates.
- (ii) When there are only two partners in the firm holding the licence and one of them withdraws or expires the entity of firm changes from partnership to proprietary and it amounts to transfer of licence.
- (iii) Conversion of a proprietary concern into a firm or a company or a firm into a company and vice versa shall amount to transfer of licence.
- (iv) The Commissioner on payment of a fee of Rs. 50,000/- (Rupees fifty thousand only) and on obtaining such undertaking or Bond and such other material or documents to protect the interest of the Government as he may deem fit, may grant such permission for the transfer of the licence in the cases referred in clauses (ii) and (iii) above.
- (v) Where there is a change of 50% or more partners, it shall be construed as complete change in the ownership, a fee of Rs. 50,000/- (Rupees fifty thousand only) shall be paid.

(2) Inclusion or exclusion of partners:— No licensee shall except with prior permission of the licensing authority get any person included as a partner to his business or get an existing partner excluded.

(3) Merger of licence:—

- (i) When licensees of two or more existing distilleries subject to the provisions of sub-rule (1) desire to merge into one distillery may apply to the Commissioner in Form D4 (M) along with a challan for Rs 50,000/- (Rupees fifty thousand only).
- (ii) On receipt of such application the Commissioner if satisfied, may obtain such undertaking or Bond and such other material or documents to protect the interest of the Government as he may deem fit, may grant such permission after obtaining the orders from the Government for the merger of the Distilleries.

PART-VI**PROVISIONS RELATING TO REGULATION AND SUPERVISION OF DISTILLERIES**

18. General:— (1) On granting a licence under these rules, the licensee shall furnish a duplicate copy to the Assistant Commissioner concerned of the descriptions, plans and statements as approved by the Commissioner.

(2) Every licensee shall exhibit his licence or a certified copy of the licence and an approved copy of the plans in a conspicuous part of the licensed premises.

(3) The licensee shall not hypothecate whole or a part of the licensed premises without the prior sanction of the Commissioner.

(4) The licensee shall extend full assistance to the Excise Officer authorized by the Commissioner to inspect the distillery at any time.

(5) The licensee shall extend required assistance to the Distillery Officer in carrying out his duties.

(6) The licensee shall provide accommodation for the office of the Distillery Officer and his staff within the licensed premises at such location as approved by the Commissioner.

(7) The licensee shall conduct his business either personally or by an agent authorized by him in this behalf and the information of such authorization shall be intimated to the Distillery Officer, Assistant Commissioner and the Commissioner.

(8) The licensee shall maintain the registers which are required under these rules and shall submit them for inspection by Excise Officers concerned as and when required.

(9) The licensee shall provide Hydrometer, Thermometer, other measuring instruments and all other required instruments as specified by the Commissioner from time to time.

(10) The buildings, plant and machinery specified in the licence, shall be maintained properly and cleanly to the satisfaction of the Commissioner.

(11) Every process connected with the manufacture, issue of spirits shall be conducted within the distillery premises.

(12) Every person leaving the distillery shall be liable to be searched under the orders of Distillery Officer. The Distillery Officer shall use these powers with discretion. No respectable person shall be subjected to search except on valid grounds. All cases of search of persons other than the workers shall be recorded by the Distillery Officer in his diary and shall report to the Assistant Commissioner immediately.

(13) Where the Commissioner is not satisfied as to the maintenance of the building, plant and machinery including the measures and other appliances, he may require the licensee to stop working of the distillery and direct to rectify the defects within a period as may be specified.

19. Requirements within the Distillery premises:— (1) The distillery premises shall be closed by a compound wall with sufficient protection to prevent undue access into the distillery premises from outside.

(2) Naked lights of any description shall not be used within the distillery. All electrical fittings of the distillery shall be maintained and fitted with flame proof equipment.

(3) Fire extinguishers shall be installed at suitable places as to enable easy handling in case of fire accident.

(4) All pipes from sinks and wash basins inside the distillery premises shall discharge into closed drains forming part of the general drainage system of the premises.

(5) The licensee shall maintain a laboratory with required infrastructure to formalize the working of the distillery with regard to yield and quality of spirits manufactured.

(6) The licensee shall install a weigh bridge attached with a tachometer for recording of weight of molasses, casks. The machine shall be sealed by the Distillery Officer.

(7) The licensee shall provide effluent treatment plant to arrest pollution.

(8) There shall be a separate room set apart for storage of raw materials.

(9) There shall be separate room or building set apart within the licensed premises for fermentation vats.

(10) There shall be a separate room for storage of spirits.

(11) If the licensee intends to deal with matured spirits, there shall be a separate 'matured spirit warehouse'.

(12) There shall be separate 'Spirit issue room'.

20. Working conditions of the Distillery:— (1) Except as provided herein the distillery shall be kept open during the ordinary working hours.

(2) The licensee shall not close the distillery for more than three days in any month, exclusive of Sundays and holidays, without the prior permission of the Asst. Commissioner concerned.

(3) If the licensee intends to close the distillery for a period of 15 days or more at a time, he shall give notice in writing to the Commissioner duly indicating the reasons. Such notice shall not be less than 15 days prior to the date from which it is intended to be closed.

(4) No distillery shall be open for work on a Sunday or other public holiday except with the sanction of the Commissioner which may be given either generally or obtained specially at least one day in advance.

(5) If the distillery works on Sunday or other public holiday, Distillery Officer shall be present in the distillery and shall make adequate arrangements for regulating the entry or exit of persons in connection with the working of the distillery.

(6) Where the distillery is required to work occasionally during hours other than the ordinary working hours, the licensee shall have to obtain necessary permission from the Distillery Officer. If night work is occasional, the licensee shall obtain necessary permission from the Distillery Officer four hours before the ordinary closing hours of the day.

(7) If the licensee requires stopping work of any still on technical ground, he may do so with the permission of the Distillery Officer.

21. Storage of Raw Materials:— (1) The licensee shall on the 1st and 15th day of every month, report to the Distillery Officer on the stock of raw material and shall assist the Distillery Officer in verification of the stock if he so desires.

(2) The procurement of the raw material shall be in accordance with the instructions of the Commissioner.

(3) Raw Materials shall be stored in secure tanks.

22. Arrangement of vessels, storage tanks and Receivers:— (1)

All vessels, storage tanks, receivers shall be located within the distillery premises.

(2) All vessels containing spirit shall be easily *accessible* for excise supervision.

The word “accessible” substituted for “accasible” by G.O.Ms.No.416, Rev. (Ex-III), dt. 2-4-2007.

(3) Each vessel shall have legibly painted on it in English or in Telugu language its number, capacity, use and application of contents of the vessel, and the same shall be entered in the register by the Distillery Officer. (4) Store vats shall be separately set apart and used for the storage of spirits for which licence is granted.

(5) The vessels used as receptacles shall be of regular shape. Large covered vessels shall be fitted with mantles of size approved by the Commissioner and every vessel shall be provided with proper approved arrangements for gauging with rods and with tables showing the number of litres contained in them, when filled to every tenth of centimeter by either the wet or the dry method of gauging, as decided by the Commissioner. When the wet method of gauging is applied to any vessel a permanent dipping rod of a pattern approved by the Commissioner shall be fixed in a manner approved by him to that part of the vessel where there is the greatest depth of liquid in it.

(6) The spirit receivers and store vats are so arranged that the spirits are conveyed through closed pipes from the receivers in to vats by gravitation. When this is not practicable, the licensee may provide apparatus whereby spirit can be pumped from the receivers into the vats through closed pipes.

(7) It is the responsibility of the licensee to prevent any leakage from the pipes and arrange facility to examine the pipes intended for conveyance of wash and spirit throughout the entire length.

(8) Any still, vat, pipe or other part of the plant is at any time found defective or leaking, the Distillery Officer may order the discontinuance of its use and it shall not be used again until it has been repaired to the satisfaction of the Distillery Officer.

(9) The licensee shall arrange the stills that the worms shall discharge into closed and locked receivers as approved by the Commissioner. It shall be so constructed that no spirits can be removed from them until they are unlocked. The licensee shall also provide and maintain suitable and secure fastenings to all stills, spirit receivers, fermentation rooms, doors and the like to the satisfaction of the Commissioner, to facilitate locking. The keys of all

locks shall be retained by the Distillery Officer and the licensee shall also be at liberty to have his own locks to all the fastenings to which the Government locks are kept.

(10) Except with the special sanction of the Commissioner in the case of a receptacle sunk under the ground level, each vessel shall be fixed so as to permit examination all round it, it shall slope slightly down to its cock, and its cock shall be so fitted that the vessel can drain entirely through the cock without being moved.

(11) No receptacles of which the contents are estimated by a gauge rod, shall be brought originally into use, till it has been certified by the competent authority and a table book has been prepared for it.

(12) Store vats shall be kept in a room or building set apart entirely for them and provided with only one door. Such room or building shall be named as the store-room or warehouse, and shall be under the lock and key of the licensee as well as the Distillery Officer.

(13) Any spirit that may be brought from outside the distillery for rectification or reprocessing or for any other process and purpose shall be deposited in the store-room or the warehouse.

(14) All vessels in the warehouse whether used as spirit vats or water vats, shall be so placed as to admit of the contents being accurately gauged or measured and shall be fitted with proper dipping rods so adjusted to fix dipping places that the contents may, at any time, be ascertainable.

(15) The licensee shall provide store vats, having an aggregate capacity equal at least to one half of the maximum spirit issued in a month during the year.

(16) Two or more receivers may be fitted to the same still in order to enable the distillate to be collected in separate portions and one receiver may work in connection with more than one still. There should be a separate receiver for feints. The receiver or receivers attached to each still or set of stills shall be of a capacity enabling them to contain all the distillate which can be produced by the still or set of stills in 36 hours full working.

(17) The spirit containing alcohol and obtained by distillation whether it is denatured or not produced by any one distillation shall be run into an empty receiver or receivers, and such spirit shall be gauged and proved by the Distillery Officer in the receiver or receivers of the still or set of stills in which it is produced before it is passed out of such receiver or receivers or mixed with spirit produced by any other distillation.

(18) The Distillery Officer shall maintain an account of daily production of spirits in Form – D5.

(19) Vats shall ordinarily be used for storage of spirits, but a limited number of casks may be kept in the store-room for the storage of special kinds of spirits.

(20) Except for a bona fide purpose, the licensee shall not use or permit the use of bottles or other vessels having the capacity of less than twenty litres each into the distillery premises.

(21) A safe furnished with a hydrometer or specific gravity heads, capable of showing the strength of the distillate, shall be provided between every still and its receiver or receivers. There may be separate safes between each still and its receiver or receivers, or a central safe which controls the worm ends communicating between a number of stills and their receivers.

(22) Casks shall be so arranged in the said warehouse as to allow easy access to them, in order that a correct account of their contents may be taken at any time and leakages may be readily discovered.

23. Conditions relating to preparation and utilization of wash:- (1) No wash except that manufactured within the distillery shall be used, nor shall any wash be removed from the distillery.

(2) The licensee shall provide vats for fermentation of wash having a capacity sufficient for the continuous working of all the stills in the distillery, up to a maximum of their capacity as recorded in the licence.

(3) All wash shall be kept securely locked up in such places as the Commissioner may approve. The licensee shall see that the saccharine material used by him is thoroughly dissolved when he sets up the wash and submit a declaration in writing in Form D-6 to the Distillery Officer giving the actual gravity as ascertained by saccharometer, corrected for temperature before fermentation commenced and the total quantity of wash made. He shall furnish the Distillery Officer with all the information which he may require bearing on the question of the practicability of levying a charge from attenuation of wash.

(4) The licensee shall not draw or use the attenuate wash until it has been gauged and proved by the distillery officer. When he draws it, the distillery officer shall enter the particulars regarding quantity drawn and the still into which it is drawn in a register in Form D-7.

24. Conditions relating to utilization of Grains:— (1) The grains to be utilized for production of grain spirit shall be properly cleaned for the removal

of stones and other foreign matter with the help of sieve and magnetic separators before milling.

(2) The grains shall be broken into uniform size and screening arrangements shall be made to collect all over sized particles.

(3) Grain flour shall be fed at controlled rate to the mixing tank while mixing water and enzymes.

(4) Hiferm-NM fermentation technology shall be applied.

(5) The yield of ENA (96% v/v) per metric ton grain which contains 64% starch, shall not be less than 420 Bulk Litres.

25. All pipes and covered drains shall be coloured indicating the matter for which they are intended for conveyance, as shown below:-

Wash	Green
Sprit	Red
Water or steam	White
Spent wash	Yellow
Power	Black
Molasses	Blue
Feints	Brown

26. Drawl of samples:— The licensee shall, when required permit samples of the material used or spirit manufactured in the distillery to be taken for analysis under the orders of the Commissioner or by any officer authorized by him to take samples. Each sample shall be taken in three 750ml. bottles or when the material cannot be placed in bottles, in three parcels, in the presence of a representative of the licensee; each bottle or parcel shall be immediately and securely sealed in the presence of the Distillery Officer and the licensee's representative. One bottle or parcel shall then be made over to the licensee's representative, the second shall be sent for analysis and the third be kept by the Distillery Officer, pending disposal of the case.

27. Norms for better yield of spirit from molasses:—(1) The licensee shall necessarily adopt the technology of continuous fermentation process, which would give more efficient production of Rectified Spirit.

(2) The molasses shall not contain more than 5% of non-fermentable sugars. If on chemical analysis non-fermentable sugars are found to be more than 5%, the same shall be reported to the Commissioner immediately.

(3) The fermentation efficiency shall not be less than 83%.

(4) The distillation efficiency of the distillery shall not be less than 98%.

(5) The alcohol content in the spent wash shall not be more than 0.15%.

28. Wastages allowed in a distillery:— (1) A transit wastage not exceeding 1% of the quantity of molasses transported by weight shall be allowed.

(2) Storage loss of molasses shall not exceed 1% by weight of the average quantity stored in the distillery during the year.

(3) In case of R.S. producing distilleries, the loss of alcohol in storage shall not exceed 0.5% (half percent) for each period of three months.

(4) Transit loss of spirit transported including losses due to evaporation during transit shall not exceed 0.5% (half percent) of the quantity transported in each consignment.

(5) Where spirit is subjected to re-distillation for production of Extra Neutral Alcohol, the loss of spirit of such re-distillation shall not exceed 2% (two percent) of the quantity of spirit re-distilled on each occasion.

(6) The licensee shall pay the Excise duty at the then existing rate on the deficiencies of spirit in excess of the limits specified in sub rules (3) to (5) above.

29. Removal of spirits:— (1) A special issue room shall be provided by the licensee near the spirit warehouse for the operations connected with the filling of vessels and for issue of spirits from the Distillery.

(2) All the spirit produced in a distillery shall be at the disposal of the Government and the licensee shall deliver the same on allotment made by the Commissioner.

(3) Every application for a distillery permit for removal of spirit shall be made in writing to the distillery officer and shall be accompanied by a certificate or permit or allotment order required under sub-rule (2) above.

(4) If the distillery officer is satisfied that the licensee is entitled under these rules to remove spirit, he shall issue the spirit under a distillery permit in Form-D8 while sending the duplicate copy of such permit to the "*District Prohibition and Excise Officer*" of the area of destination.

[The words "District Prohibition and Excise Officer" subs. for "Prohibition and Excise Superintendent" by G.O.Ms. No. 132, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 11-10-2016].

(5) No spirit shall be issued until its quantity and strength have been verified by the distillery officer.

(6) No spirit shall be issued in quantities less than twenty litres.

(7) Admixture of sugar or such other substance in the spirit after it has been drawn from the still and before it is tested is prohibited.

(8) No vessel may be filled with spirit for issue except in the joint presence of the Distillery Officer and of a representative of the licensee.

(9) In the process of filling vessels for issue, spirit from different store vats may be blended according to calculation, or water may be added for the purpose of producing spirit of a strength required, but the Distillery Officer shall record the actual quantity and strength of the spirit actually drawn from each vat.

(10) Spirit in a vessel for issue may be measured by passing it directly from a store vat into the issue vessel through a pipe or armored hose attached to the cock of the vat and discharging into a gauging machine placed in the issue room at a convenient level.

Provided that, when such arrangement cannot be made, spirit in a vessel for issue may, with the sanction of the Commissioner, be measured by using measures.

(11) The licensee shall be responsible for the security of the bungs or other openings of all casks and vessels filled for issue.

(12) The Distillery Officer shall weigh the empty casks and the casks filled with spirit and record the weight in the register in Form D-9. If the weight of check shows an excess or deficiency of more than 200 litres, the spirit should be re-measured. As the issues are made by the measurement and not by weight, the result of weight shall not be accepted as final without re-measurement.

(13) In case the licensee is required to issue spirit of specified strength, or if it is denatured, in the manner specified by the Commissioner, the licensee shall, affix a label of a special colour as may be fixed by the Commissioner for each such specified strength at which spirit issued by him and he shall put the appropriate label on each vessel and package before presentation to the Distillery Officer for sealing.

(14) The licensee shall, if required to do so by the Commissioner, issue spirit only in specified strength or if it is denatured, in the manner specified by him, either generally or for particular classes of purchasers.

(15) The spirits intended for issue as denatured spirit or rectified spirit shall not be less than 52 degrees over proof strength.

30. Issue of spirit for laboratory purpose of the distillery:— (1) If the licensee requires spirit for the use in the laboratory attached to the distillery, he shall be entitled to remove spirit to the laboratory without payment of any

excise duty, either from the safes of the stills or from the spirit receivers or from the spirit store to the extent of 5 Litres (five litres only) per month.

(2) The spirit so removed under sub-rule (1) shall not be used in the distillery laboratory otherwise than for experimental work connected with the distillery operations.

(3) An application for every quantity of spirit required under this rule, shall be made in writing to the distillery officer, who shall record thereon, the quantity and the strength of the spirit taken and record the same in the relevant registers of the distillery.

(4) The licensee shall keep a regular account of spirit taken under this rule which shall be subject to the examination of the distillery officer.

(5) All the spirit which becomes waste in the laboratory and does not by the addition of any chemicals or otherwise becomes deleterious shall be returned to the distillery for re-distillation.

(6) If the spirit removed under this rule is used otherwise than as permitted, it shall be liable for levying excise duty.

31. Removal of spirit for maturation:— (1) An application for removal of spirit from the store room to the matured spirit warehouse shall be made in writing to the distillery officer, specifying the serial number of each cask and its full capacity and the quantity and strength of the spirit it contains.

(2) Spirit of any strength, not below the strength specified for issue, may be removed under this rule.

(3) No cask of less than 40 litres shall be moved for deposit in the matured spirit warehouse.

(4) While removing spirit, the tare or empty weight of each cask shall first be ascertained and the cask shall thereafter be filled with the spirit intended for removal and the capacity determined in the manner specified by the Commissioner. Any quantity from full cask may be drawn before the removal is made. In that case, the quantity remaining in the cask shall be reckoned by deducting the measured quantity from the ascertained full capacity.

(5) All particulars of gauge and proof shall be recorded at the time of removal in the appropriate column of the warehouse register instead of on the pass, as in the case of ordinary issues. The quantity removed in proof litres shall be shown as transferred to the warehouse in the appropriate column of the issue register but the removal shall not be classed with the issue.

(6) On each sides of the every cask removed from the store-room for deposit in the matured spirit warehouse, shall be legibly printed with oil colour,

the progressive number of the cask, beginning with number one on the first of January of each year, and the calendar year in which the deposit is made, and the full capacity in litres.

(7) No pass be necessary to cover transport from the spirit Storeroom to the matured spirit warehouse.

(8) Immediately after preparation for removal has been completed, the Distillery Officer shall see that the cask or casks safely deposited in the said warehouse.

(9) Each cask deposited in the warehouse shall be closed with a bung of hard wood, fitted flush with the outside of the bung stave.

(10) Reduction of the contents of a cask shall not be permitted in the matured spirit warehouse. Removals from the warehouse shall be made to the store-room, where reduction can be effected before the spirit is finally issued from the distillery.

(11) No removal of part of the contents of a cask is permitted from the matured spirit warehouse to the store-room.

(12) Removal shall be made from the Matured spirit warehouse to the store-room on the written application of the licensee specifying the progressive number of the cask, the year in which it was entered the warehouse and quantity available in the cask and the strength thereof.

32. Maintenance of Registers:— Every distillery, licensed under these rules, shall maintain the following Registers and appropriate formats for these registers shall be specified by the Commissioner:

A. Registers to be maintained by D2 (PM) /D2(PG)/D2(PMGO)/D2(RM)/D2(RG)/D2(RMGO) Licensed Distillery:

1. Raw Material Receipt Register.
2. Raw Material Stock Register.
3. R.S. Production Register.
4. ENA Production Register.
5. R.S. Stock Register.
6. ENA Stock Register
7. Daily Issue Register of RS / ENA / Other spirits.
8. Heads & Tails Register.
9. Impure spirit Stock Register.
10. Sample Register.

11. Technical parameters Register.
12. Distillery stoppage Register.
13. Distillery Gate pass Register.

B. Registers to be maintained by D2 (MS) Licensed Distillery:

1. Malt Spirit Production Register.
2. Malt Spirit Stock Register.
3. Malt spirit daily issue Register.

C. Registers to be maintained by D2(EM)/D2(EMG)/D2(EMGO) Licensed Distillery:

1. R.S Receipts Register: (Molasses/ Grain/other fermentative base)
2. R. S. Stock Register: (Molasses / Grain/other fermentative base)
3. ENA Production Register: (Molasses/ Grain/other fermentative base)
4. ENA Stock Register: (Molasses/ Grain/other fermentative base)
5. ENA Issue Register: (Molasses / Grain/other fermentative base)
6. Impure spirit Stock Register.
7. Sample Register:
8. Distillery Stoppage Register.
9. Distillery Gate pass Register.

PART- VII

**PROVISIONS RELATING TO HYGIENIC CONDITIONS AND
QUALITY OF SPIRITS**

33. The distilleries, licensed under these rules, shall maintain the following hygienic conditions:—

(1) The structure of the building of the distillery shall be of permanent nature and shall be designed as to provide sufficient space for equipment and material storage and facilitate carrying out process operations in hygienic manner.

(2) No portion of the distillery building shall be used for domestic purposes or other food preparations.

(3) Fermentation area including equipments shall be cleaned regularly to prevent contamination. Floor of the fermentation area should have acid/alkali proof tiles.

(4) Yeast propagation vessels, fermentation vats, vessels, pipelines, valves, plate heat exchangers and all other equipment should be cleaned and disinfected using prescribed sanitizing agents on a regular basis.

(5) It should be ensured that the molasses obtained is free from contamination.

(6) Molasses should be stored in closed mild steel MS tanks.

(7) Care must be taken to maintain the purity of yeast to avoid production of undesired by-products.

(8) Proper care must be taken to cover the fermentation vats and vessels.

(9) Temperature of fermentation should not be allowed to exceed 35°C.

(10) All distillation and re-distillation columns, pipe joints, shall be leak proof.

(11) All pipe lines shall be of copper or stainless steel.

(12) In distillation plant, analyzer columns and plates can be of stainless steel material whereas purifier and rectifier columns and plates shall be of copper material or suitable non-toxic material.

(13) Tanks in the receiving room for Rectified spirit and Extra Neutral Alcohol should be of mild steel or stainless steel material. They should be cleaned and maintained in such a way as to prevent corrosion.

(14) Quality of de-mineralized water plant should be properly maintained with anionic, cationic and mixed beds for proper treatment of water.

(15) The licensee shall erect the plant and machinery as per the standards, as may be prescribed by the Commissioner from time to time for maintaining the specifications and quality of products.

34. The Distilleries licensed under these rules shall maintain the quality of spirits as specified hereunder:-

A. *Specifications for Rectified Spirit: (For both molasses based and Grain based):*

1. Specific gravity at 15.6° /15.6°C (or 60°/60°F) Maximum:

Grade-I: 0.8171

Grade-II: 0.8171

2. Ethanol Content: a) Percent by volume at 15.6°C, Minimum:

Grade-I: 94.68

Grade-II: 94.68

- b) Degree of Over Proof, Minimum:
- Grade-I: 66.00
Grade-II: 66.00
3. Miscibility in water: Miscible
4. Alkalinity: Grade-I: NIL
Grade-II: NIL
5. Acidity (as CH₃COOH) percent by weight, Maximum:
Grade-I: 0.002
Grade-II: 0.01
6. Residue on evaporation percent by weight, Maximum:
Grade-I: 0.005
Grade-II: 0.01
7. Aldehyde content (as CH₃CHO), g per 100 ml, Maximum:
Grade-I: 0.006
Grade-II: 0.10
8. Ester content (as CH₃COOC₂H₅), g per 100 ml, Maximum:
Grade-I: 0.02
Grade-II: -
9. Copper (as Cu), g per 100 ml, Maximum:
Grade-I: 0.0004
Grade-II: -
10. Lead (as Pb), g per 100 ml., Maximum:
Grade-I: 0.0001
Grade-II: -
11. Methyl alcohol content: To satisfy the requirement Test.
12. Fusel Oil: To satisfy the requirement Test.
13. Furfural content: To satisfy the requirement Test.

Explanation:

(1) The material conforming to Grade-I shall be suitable for use as a reagent, for pharmaceutical and medicinal purposes

(2) Grade-II is intended for the material for other industrial purposes.

(3) Specifications to the spirits manufactured from other fermentative bases shall be as specified by the Commissioner from time to time.

B. Specifications for Extra Neutral Alcohol:

(For both molasses based and grain based)

- (1) Relative density at 20/20°C..... 0.80692
- (2) Ethanol percent (v/v at 20°C) minimum96%
- (3) Miscibility with water Miscible
- (4) Acidity as acetic acid, g/100 Lts, absolute alcohol, Max ... 1.5
- (5) Residue on evaporation, g/100 Lts. absolute alcohol, Max . 1.5
- (6) Esters as CH₃ COOC₂H₅, G/100 Lts. absolute alcohol,
Max1.3
- (7) Lead, g/100 Lts. absolute alcohol, Max 0.1
- (8) Methyl alcohol g/100 Lt. of absolute alcohol 50
- (9) Furfural Not detectable
- (10) Aldehyde as acetaldehyde g/100 Lt. of absolute
alcohol, Max. 0.0005
- (11) Permanganate reaction time (in minutes) 30
- (12) Copper (as Cu), g/100 Lts. 0.002
- (13) Higher alcohol as iso-amyl alcohol, g/100 Lts 30

Explanation:

Specifications to the Extra neutral alcohol manufactured from rectified spirit obtained from other fermentative bases shall be as specified by the Commissioner from time to time.

35. Existing Licenses under the Telangana Distillery Rules, 1970:— The Telangana Distillery Rules, 1970 shall cease to operate on the commencement of these rules and all relevant licenses granted under Telangana Distillery Rules, 1970 for such purposes as categorized in Rule 3 of these rules shall be deemed to have been granted under these rules.

Provided that the “Distillery Excise Tax” in respect of the existing distilleries shall be paid by the licenses proportionately from the date of commencement of these rules.

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

FORM-D1(P)

[(See Rule 5(2) (a)]

**Application Notifying the Scheme to the Government of Telangana
for Construction and Working of a Distillery for Manufacture of
*Spirits/*Malt Spirit for Potable Purpose**

To

The Principal Secretary to Government
Revenue (Excise) Department
Hyderabad.

Through the Commissioner of Prohibition and Excise

Sir,

In pursuance of the notification issued by the Government vide I / We R/o intend to establish a distillery for manufacture of spirits as detailed in the following scheme at of district of Telangana State. I/ We, therefore request that the scheme may kindly be examined and accorded necessary sanction as required under Rule 5(2)(c) of Telangana Distillery (Manufacture of Spirits) Rules 2006.

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

SCHEME

1. (a) Name and address:
(b) Name and address of the undertaking:
(c) Whether Public/Private Ltd., or Partnership/
Proprietary concern:
2. Location where the applicant intends to establish the Distillery:
3. Nature of manufacture:
 - (a) *Whether it is the manufacture of spirits from molasses as fermentative base or Grains as fermentative base or both or with any other fermentative base? (mention the name of the fermentative base)
 - (b) *Whether it is the manufacture of Malt spirit?

- (c) *Whether it is the expansion of existing distillery?
If so
- (i) Existing licence held by the applicant:
 - (ii) Nature of activity:
 - (iii) Existing production capacity:
 - (iv) Production capacity proposed to be increased:
4. Whether the applicant owns sufficient land at the proposed site: If so the details thereof:
5. Whether the applicant has remitted the non-refundable and non-adjustable fee as specified under [Telangana] Distillery (Manufacture of Spirits) Rules, 2006.
- (a) If so:
- (i) Amount remitted: Rs.
 - (ii) Challan No. & Date:
 - (iii) Name of the Treasury at which the amount remitted:
- (b) Whether original Challan is enclosed to this application:
6. **Investment Details:**
- (a) Capital investment:
 - (b) Borrowings:
 - (c) Investment on Land:
 - (d) Investment on Buildings:
 - (e) Investment on Plant and Machinery:
 - (f) Working Capital:
7. Whether sufficient water is available at the proposed place:
8. Whether proper power supply is available at proposed place to meet the requirements of the unit:

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

9. **Details of the Raw Materials:**
 - (a) Whether the applicant intend to manufacture spirits using Molasses as main raw material: OR
 - (b) Whether the applicant intend to manufacture spirits using Grains as main raw material: OR
 - (c) Whether the applicant intend to manufacture spirits using both Molasses and Grains or with any other fermentative base (mention the name of the fermentative base) as main raw materials:
10. Whether the applicant is able to secure the raw material as stated in Col. No.9 without the aid of the Government:
11. Whether the plant and machinery to be installed is of imported or indigenous:
12. **Details of the Spirits proposed to be Manufactured:**
 - (a) Name(s) of the spirits proposed to manufactured:
 - (b) Standards of the product(s) proposed to manufactured:
 - (c) Brief process of manufacture:
- 13.(a) Whether the proposed plant requires any technical assistance/know how from any foreign collaboration
- (b) If so, the foreign exchange involved:
14. Estimated annual production of spirit(s):
15. Whether the proposed unit will have any buyback arrangement? If so the details thereof:
- 16.(a) Time required to secure land:
- (b) Time required for erecting plant and machinery:
17. Employment potential of the proposed unit:
 - (i) Supervisory staff:
 - (ii) Skilled workers:
 - (iii) Un-skilled workers:

18. Any special facilities required from the Government:

Date:

Place:

Signature of the applicant.

Address for correspondence:

Sri.....

M/s.....

[*Strike out, which is not applicable]

FORM-D1(R)

[See Rule – 8(1)]

Application notifying the Scheme to the Government of Telangana for Construction and Working of a Distillery for Manufacture of Spirits for Industrial Purpose Wholly or Partly

To

The Principal Secretary to Government

Revenue (Excise) Department

Hyderabad.

Through the Commissioner of Prohibition and Excise

Sir,

In pursuance of the notification issued by the Government videdated and in pursuance of the sanction / permission accorded by the Government of India in reference..... dated I/We R/o intend to establish a distillery for manufacture of spirits as detailed in the following scheme at of district of T.G State. I/We, therefore request that the scheme may kindly be examined and accorded necessary sanction as required under Rule 9(1) of the Telangana Distillery (Manufacture of Spirits) Rules, 2006.

SCHEME

1.(a) Name and address:

(b) Name and address of the undertaking:

(c) Whether Public/Private Ltd., or

(d) Partnership/Proprietary concern:

2. Full details of the sanction / permission obtained from the Government of India:

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

3. Location where the applicant intends to establish the Distillery:
4. Nature of manufacture:
 - (a) *Whether it is the manufacture of spirits from molasses as fermentative base or Grains as fermentation base or both or with any other fermentative base (mention the name of the fermentative base)?
 - (b) *Whether it is the expansion of existing distillery?
If so
 - (i) Existing licence held by the applicant:
 - (ii) Nature of activity:
 - (iii) Existing production capacity:
 - (iv) Production capacity proposed to be increased:
5. Whether the applicant owns sufficient land at the proposed site: If so the details thereof:
6. Whether the applicant has remitted the non-refundable and non-adjustable fee as specified under [Telangana] Distillery (Manufacture of Spirits) Rules, 2006.
 - (a) If so:
 - (i) Amount remitted: Rs.
 - (ii) Challan No. & Date:
 - (iii) Name of the Treasury at which the amount remitted:
 - (iv) Whether original Challan is enclosed to this application:
7. **Investment Details:**
 - (a) Capital investment:
 - (b) Borrowings:
 - (c) Investment on Land:
 - (d) Investment on Buildings:

- (e) Investment on Plant and Machinery:
- (f) Working Capital:
- 8. Whether sufficient water is available at the proposed place:
- 9. Whether proper power supply is available at proposed place to meet the requirements of the unit:

10. **Details of the Raw Materials:**

- (a) Whether the applicant intend to manufacture spirits using Molasses as main raw material:
OR
- (b) Whether the applicant intend to manufacture spirits using Grains as main raw material: OR

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

- (c) Whether the applicant intend to manufacture spirits using both Molasses and Grains or with any other fermentative base (mention the name of the fermentative base) as main raw materials:
- 11. Whether the applicant is able to secure the raw material as stated in Col. No.10 without the aid of the Government:
- 12. Whether the plant and machinery to be installed is of imported or indigenous:
- 13. **Details of the Spirits proposed to be Manufactured:**
 - (a) Name(s) of the spirits proposed to manufactured:
 - (b) Standards of the product(s) proposed to manufactured:
 - (c) Brief process of manufacture:
- 14.(a) Whether the proposed plant requires any technical assistance/know how from any foreign collaboration
- (b) If so, the foreign exchange involved:
- 15. Estimated annual production of spirit(s):

- 16. Whether the proposed unit will have any buyback arrangement? If so the details thereof:
- 17.(a)Time required to secure land:
- (b) Time required for erecting plant and machinery:
- 18. Employment potential of the proposed unit:
 - (a) Supervisory staff:
 - (b) Skilled workers:
 - (c) Un-skilled workers:
- 19. Any special facilities required from the Government:
Enclosures:

Date:

Place: *Signature of the applicant.*

Address for correspondence:

Sri.....

M/s.....

[*Strike out, which is not applicable]

FORM-D1(E)

[(See Rule 11 (2) (a)]

Application notifying the Scheme to the Government of Telangana for Construction and Working of a Distillery for Manufacture of Extra Neutral Alcohol for Potable Purpose

To
 The Principal Secretary to Government
 Revenue (Excise) Department
 Hyderabad.
 Through the Commissioner of Prohibition and Excise
 Sir,

In pursuance of the notification issued by the Government vide I / We R/o intend to establish a distillery for manufacture of Extra Neutral Alcohol as detailed in the following scheme at of district of [Telangana] State. I/We, therefore request

that the scheme may kindly be examined and necessary sanction accorded as required under Rule 12(2)(c) of Telangana Distillery (Manufacture of Spirits) Rules, 2006.

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

SCHEME

- 1.(a) Name and address:
- (b) Name and address of the undertaking:
- (c) Whether Public/Private Ltd., or Partnership/
Proprietary concern:
2. Location where the applicant intends to establish
the Distillery:
3. Nature of manufacture:
 - (1) *Whether it is the manufacture of ENA from
Rectified spirit derived from molasses or
derived from Grains or both or with any
other fermentative base (mention the name
of the fermentative base)?
 - (2) *Whether it is the expansion of existing
distillery? If so
 - (i) Existing licence held by the applicant:
 - (ii) Nature of activity:
 - (iii) Existing production capacity:
 - (iv) Production capacity proposed to be
increased:
4. Whether the applicant owns sufficient land at the
proposed site: If so the details thereof:
5. Whether the applicant has remitted the non-
refundable and non-adjustable fee as specified
under [Telangana] Distillery (Manufacture of
Spirits) Rules, 2006.
 - (a) If so:
 - (i) Amount remitted: Rs.
 - (ii) Challan No. & Date:

- (iii) Name of the Treasury at which the amount remitted:
- (b) Whether original Challan is enclosed to this application:
6. **Investment Details:**
- (a) Capital investment:
- (b) Borrowings:
- (c) Investment on Land:
- (d) Investment on Buildings:
- (e) Investment on Plant and Machinery:
- (f) Working Capital:
7. Whether sufficient water is available at the proposed place:
8. Whether proper power supply is available at proposed place to meet the requirements of the unit:
9. **Details of the Raw Materials:**
Whether the applicant intend to manufacture ENA using R.S derived from Molasses or Grains or both or from with any other fermentative base (mention the name of the fermentative base)
10. Whether the applicant is able to secure the raw material as stated in Col. No.9 without the aid of the Government:
- [The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]*
11. Whether the plant and machinery to be installed is of imported or indigenous:
12. **Details of the Spirits proposed to be Manufactured:**
- (a) Name(s) of the spirits proposed to manufactured:
- (b) Standards of the product(s) proposed to manufactured:
- (c) Brief process of manufacture:

- 13.(a) Whether the proposed plant requires any technical assistance/know how from any foreign collaboration
- (b) If so, the foreign exchange involved:
14. Estimated annual production of spirit(s):
15. Whether the proposed unit will have any buyback arrangement? If so the details thereof:
- 16.(a) Time required to secure land:
- (b) Time required for erecting plant and machinery:
17. Employment potential of the proposed unit:
- (a) Supervisory staff:
- (b) Skilled workers:
- (c) Un-skilled workers:
18. Any special facilities required from the Government:

Date:

Place:

Signature of the applicant.

Address for correspondence:

Sri.....

M/s.....

[*Strike out, which is not applicable]

FORM-D1(SP)

[(See Rule 5(2) (c) & 11(2) (c)]

**Letter of Intent Government of Telangana Revenue (Excise)
Department**

From

Principal Secretary to Government

Revenue (Excise) Depart

Hyderabad.

To

M/s.....

.....

Lr. No:..... Dated:

Sub:- Prohibition and Excise – Establishment of Distilleries – Sanction accorded for establishment and working of distillery for manufacture of spirits for potable purpose – Orders - Issued.

Ref: (1) G.O.No..... dated

(2) Sri / M/s._____ Lr. Dated

(3) Commissioner of Prohibition and Excise reference in CR. No_____ dated_____.

I. In response to the notification issued in the reference 1st cited, Sri/ M/s._____ has /have submitted an application in the reference 2nd cited for sanction of the Government for establishment and working of a distillery as required under Rule *5(2)(c)/*11(2)(c) of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 for *Manufacture of Spirits by distillation from *Fermenting sugars/*Carbohydrates for potable purposes/ *Manufacture of Malt Spirit/*Manufacture of Extra Neutral Alcohol by re-distillation. The licensee proposes to establish the distillery at _____ of _____ District of Telangana.

II. In the reference 3rd cited, the Commissioner of Prohibition and Excise, Hyderabad, has recommended the proposal.

III. The Government have examined the request of the applicant and the recommendations of the Commissioner of Prohibition and Excise.

The Government hereby accord sanction under Rule of Telangana Distillery (Manufacture of Spirits) Rules, 2006 subject to the following conditions:

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

- (1) The spirits allowable to manufacture shall be *Rectified spirit /*Extra Neutral Alcohol only. These products shall be of *Molasses/*Grain/or both/or with any other fermentative base (mention the name of the fermentative base)
- (2) The quantity permitted for manufacture per annum shall be _____ B.Ls of Rectified spirit/Extra Neutral Alcohol/Malt spirit.
- (3) This sanction is accorded without any commitment for allowing import of any machinery or supply of raw materials.
- (4) This letter of Intent is valid for a period of two years from the date of issue, subject to the condition that the holder shall obtain a licence by the Commissioner of Prohibition and Excise within

six months duly paying the initial “*Distillery Excise Tax*” and the security deposits as required under Telangana Distillery (Manufacture of spirits) Rules, 2006.

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

- (5) The holder of this Letter of Intent shall fulfil the formalities laid down in the Telangana Distillery (Manufacture of Spirits) Rules, 2006.
- (6) This Letter of Intent shall not, however confer any right or privilege for the grant of a licence and it is liable to be cancelled at any time and in such an event, no compensation or damages whatever shall be payable for such cancellation.

Principal Secretary to Government

Copy to:

The Commissioner of Prohibition and Excise, Telangana Hyderabad

The Director of Distilleries and Breweries, Telangana Hyderabad.

[*Strike out, which is not applicable]

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

FORM–D1(SR)

[See Rule 8 (3)]

**Letter of Intent Government of Telangana Revenue (Excise)
Department**

From

Principal Secretary to Government

Revenue (Excise) Department,

Hyderabad.

To

M/s.....

.....

Lr. No:..... Dated:

Sub:- Prohibition and Excise – Establishment of Distilleries – Sanction accorded for establishment and working of distillery for manufacture of spirits for Industrial purpose wholly or partly– Orders - Issued.

- Ref: (1) Govt. of Telangana Notification dated
- (2) Application dated _____ from Sri / M/s. _____
- (3) Sanction accorded by Government of India in Procds No:.....
- (4) From Commissioner of Prohibition and Excise reference in CR. No _____ dated _____.

I. In response to the notification issued in the reference 1st cited, Sri/ M/s. _____ has /have submitted an application in the reference 2nd cited for sanction of the Government for establishment and working of a distillery as required under Rule 8 of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 for *Manufacture of Spirits by distillation from *Fermenting sugars/ *Carbohydrates for Industrial purposes wholly or partly. In the reference 3rd cited the Government of India accorded necessary sanction for the same. The licensee proposes to establish the distillery at _____ of _____ District of Telangana.

II. In the reference 4th cited, the Commissioner of Prohibition and Excise, Hyderabad has recommended the proposal.

III. The Government have examined the request of the applicant and the recommendations of the Commissioner of Prohibition and Excise.

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

The Government hereby accord sanction under Rule 8(3) of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 subject to the following conditions:

1. The spirits allowable to manufacture shall be *Rectified spirit/* Extra Neutral Alcohol only. These products shall be of *Molasses/*Grain base/ or both/or any other fermentative base (mention the name of the fermentative base).
2. The quantity permitted for manufacture per annum shall be _____ B.Ls of Rectified spirit / Extra Neutral Alcohol.
3. This sanction is accorded without any commitment for allowing import of any machinery or supply of raw materials.
4. This letter of Intent is valid for a period of two years from the date of issue, subject to the condition that the holder shall obtain a licence by the Commissioner within six months duly paying the initial "Distillery Excise Tax" and the security deposits as required under Telangana Distillery (Manufacture of Spirits) Rules, 2006.

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

5. The holder of this Letter of Intent shall fulfil the formalities laid down in the Telangana Distillery (Manufacture of Spirits) Rules, 2006.
6. This Letter of Intent shall not, however confer any right or privilege for the grant of a licence and it is liable to be cancelled at any time and in such an event, no compensation or damages whatever shall be payable for such cancellation.

Principal Secretary to Government

Copy to:

The Commissioner of Prohibition and Excise, Telangana, Hyderabad
The Director of Distilleries and Breweries, Telangana, Hyderabad.

[* Strike out, which is not applicable]

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

In the reference after Sl.No.3, the Sl.No.4 Added and in Para II for the words “reference 3rd cited” the words “reference 4th cited” substituted by G.O.Ms.No.416, Rev. (Ex-III), dt. 2-4-2007.

FORM–D1(PA)

[See Rule 6(2) and 12(2)]

Application for Grant of Licence for Manufacture of Spirits for Potable Purpose

To

The Commissioner of Prohibition and Excise,
[Telangana] Hyderabad.

Sir,

Sub:- Excise – Establishment of a Distillery for manufacture of Spirits by distillation – Scheme approved by the Government – Request for grant of licence – Regarding.

Ref:- Lr. No.....dated.....

Kindly peruse the reference cited wherein the Government of Telangana accorded sanction for establishment of a distillery for manufacture of Rectified Spirit/Extra Neutral Alcohol from *Molasses as fermentative base /*Grains as fermentative base /or both/ or other fermentative base (mention the name

of the fermentative base)./Malt Spirit at _____ for potable purpose and accordingly issued Letter of Intent.

As per the directions of the Government as contemplated in the Letter of Intent, we are approaching your good self with the following document with a request to grant a licence under Telangana Distillery (Manufacture of Spirits) Rules, 2006.

1. Copy of the sanction accorded by the Government.
2. Particulars of land to the extent of _____ acres situated at _____ within the limits of the location as approved by the Government. Relevant document enclosed.
3. Plans of the building and statement showing the details tanks, vats and other apparatus for storage purposes connected with the activity of distillation.
4. Original challan No...dated... at...treasury for Rs.20,000/- (Rupees twenty thousand only) towards initial "Distillery Excise Tax".
5. Original document in support of payment of Rs.50,000/- (Rupees fifty thousands only) towards deposit .

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words "Distillery Excise Tax" subs. for "Licence Fee" by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

6. No Objection Certificate obtained from the competent local authority.
7. No Objection Certificate obtained from the Telangana Pollution Control Board.
8. Undertaking on non-judicial stamped paper as required under Rule 6(2)(g).
9. Any further plans, estimates or information required will be promptly supplied.
10. We will supply the spirits as per the allotment made by the Commissioner.
11. In the event of a Licence being granted, we proposes to commence/ working of the distillery within the period limit prescribed and inform the date by which the plant commences commercial production.
12. We also undertake to pay the "Distillery Excise Tax" at the rates specified in Rule 7 from the date of commencement of commercial production.

1. Copy of the sanction accorded by the Government.
2. Particulars of land to the extent of _____ acres situated at _____ within the limits of the location as approved by the Government. The relevant document is enclosed.
3. Plans of the building and statement showing the details tanks, vats and other apparatus for storage purposes and for other purposes connected with the activity of distillation.
4. Original challan No...dated... at...Treasury for Rs.20,000/- (Rupees twenty thousand only) towards initial “*Distillery Excise Tax*”.
5. Original document in support of payment of Rs.50,000/- (Rupees fifty thousands only) towards deposit.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

6. No objection certificate obtained from the competent local authority.
7. No objection certificate obtained from the T.G. Pollution Control Board.
8. Undertaking on non-judicial stamped paper as required under Rule 9(2) (g).
9. Any further plans, estimates or information required will be promptly supplied.
10. We will supply the spirits as per the allotment made by the Commissioner.
11. In the event of a Licence being granted, we proposes to commence / working of the distillery within the period limit prescribed and inform the date by which the plant commences commercial production.
12. The applicant undertakes to comply in all respects with (a) the provisions of the [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 applicable to the distillery and its working and (b) the conditions which may be entered in the Licence applied for.
13. We also undertake to pay the “*Distillery Excise Tax*” at the rates specified in Rule 10 from the date of commencement of commercial production.

This application is within the specified time mentioned in the Letter of Intent.

Enclosures:

Signature of the applicant.

[* Strike out, which is not applicable]

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

FORM–D1(C)

[See Rule 6(3)/9(3) / 12(3)]

Counterpart Agreement

1. This agreement is made and executed as required under Rule *6(3) /*9(3)/ *12(3) of Telangana Distillery (Manufacture of Spirits) Rules, 2006 issued under Telangana Excise Act, 1968 this day of20... between Sri (hereinafter called the ‘Licensee’ which expression shall include his heirs, representatives, successors and assignees) on the one part and the Governor of Telangana (herein after called the Government which expression shall include his successors in office) on the other part.

Whereas the licensee has applied for a licence for manufacture and sale of Spirit for potable purpose / for industrial purpose wholly or partly:

And whereas the Commissioner of Prohibition and Excise by virtue of the powers conferred upon him under Rule of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 granted a licence in FORM – D2(.....) for manufacture and sale of spirit for potable purpose / for Industrial purpose wholly or partly, and whereas the licensee hereby agrees to the same and covenants with the Government as follows:

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

Now this Indenture Witnesseth:

2. The licensee shall during the subsistence of the licence comply with the conditions of licence and the provisions of Telangana Excise Act, 1968 and rules framed there under and any notifications and orders of the Government issued there under.

3. The licensee shall also be bound by the rules that may be made further and other conditions that may be imposed from time to time during the currency of the licence.

4. The licensee shall give security in a sum of Rs.50,000/- as laid down in Rule ... for due performance of this agreement.

5. In case of the breach of the terms and conditions of this agreement including the conditions of licence it shall be lawful for the Government to cancel the agreement and to forfeit the said security amount without prejudice to any other action that may be taken against the licensee under the Excise Act, and also to recover all dues payable as arrears of land revenue under Telangana Revenue Recovery Act, 1864 or any other law for the time being in force in that behalf.

6. The agreement shall commence from the date of sanction or renewal of the licence and shall remain in force till end of the currency of licence.

In witness whereof said Sri for and on behalf of the licensee and the Commissioner of Prohibition and Excise, Telangana Hyderabad for and on behalf of Governor of Telangana have signed this agreement on the date and year hereinabove written in the presence of the following witness:

Witness:

Signature of the Licensee.

- 1.
- 2.

Signature of the Commissioner
for and on behalf of the Governor of
[Telangana].

[*Strikeout which is not applicable]

FORM-D2(PM)

[See Rule 6(4) (a)]

Licence for Manufacture of Spirits Utilising Molasses as Fermentative Base for Potable Purpose

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of Telangana Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated..... issued by the Government of Telangana and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture the following varieties of spirits utilizing molasses as Fermentative base.

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

Sl.No.	Names of the spirits licensed for manufacture	Quantity permitted for manufacture per annum
1		
2		

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

2. This licence shall stand revoked in case the licensee fails to erect the plant of machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating to the Distillery as approved by the Commissioner shall be annexed to this licence.
5. The licensee, without prior sanction / permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.

9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.
11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.
13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.
14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

Commissioner of Prohibition & Excise,
Telangana, Hyderabad.

FORM-D2(PG)

[See Rule 6(4) (a)]

**Licence for Manufacture of Spirits Utilising Grains as
Fermentative Base for Potable Purpose**

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of Telangana Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated..... Issued

by the Government of Telangana and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture the following varieties of spirits utilizing Grains as Fermentative base.

Sl.No.	Names of the spirits licensed for manufacture	Quantity permitted for manufacture per annum
1		
2		

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

2. This licence shall stand revoked in case the licensee fails to erect the plant and machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating to the Distillery as approved by the Commissioner shall be annexed to this licence.
5. The licensee, without prior sanction / permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.

7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.
9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.
11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.
13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.
14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of [Telangana] for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

Commissioner of Prohibition and Excise
[Telangana], Hyderabad.

FORM-D2(PMGO)

[See Rule 6(4) (a)]

**Licence for Manufacture of Spirits Utilising Molasses and Grains
or any other Fermentative Base for Potable Purpose**

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated..... Issued by the Government of [Telangana] and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture the following varieties of spirits utilizing molasses and Grains or any other Fermentative base. (mention the name of the fermentative base).

Sl.No.	Names of the spirits licensed for manufacture	Quantity permitted for manufacture per annum
1		
2		

This licence is issued subject to the following conditions:

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.
2. This licence shall stand revoked in case the licensee fails to erect the plant of machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating

- to the Distillery as approved by the Commissioner shall be annexed to this licence.
5. The licensee, without prior sanction / permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
 6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
 7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
 8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.
 9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
 10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.
13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have

the power to suspend or cancel this licence forthwith.

14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

Commissioner of Prohibition and Excise
[Telangana], Hyderabad

FORM-D2(MS)

[See Rule 6(4) (a)]

Licence for Manufacture of Malt Spirits for Potable Purpose

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated.....Issued by the Government of [Telangana] and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture Malt Spirit of a quantity of B.Ls per annum.

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of spirits.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

2. This licence shall stand revoked in case the licensee fails to erect the plant and machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence

and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating to the Distillery as approved by the Commissioner shall be annexed to this licence.

5. The licensee, without prior sanction / permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.
9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.
11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.

13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.
14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

Commissioner of Prohibition and Excise
[Telangana], Hyderabad.

FORM-D2(RM)

[See Rule 9(4) (a)]

**Licence for Manufacture of Spirits Utilising Molasses as
Fermentative Base for Industrial Purpose Wholly or Partly**

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated.....Issued by the Government of [Telangana] and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture the following varieties of spirits utilizing molasses as Fermentative base.

Sl.No.	Names of the spirits licensed for manufacture	Quantity permitted for manufacture per annum
1		
2		

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law,

for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.

2. This licence shall stand revoked in case the licensee fails to erect the plant and machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating to the Distillery as approved by the Commissioner shall be annexed to this licence.
5. The licensee, without prior sanction / permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.
9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.
13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.
14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

Commissioner of Prohibition and Excise
[Telangana], Hyderabad.

FORM-D2(RG)

[See Rule 9(4) (a)]

**Licence for Manufacture of Spirits Utilising Grains as
Fermentative Base for Industrial Purpose Wholly or Partly**

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated.....Issued by the Government of [Telangana] and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture the following varieties of spirits utilizing Grains as Fermentative base.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

Sl.No.	Names of the spirits licensed for manufacture	Quantity permitted for manufacture per annum
1		
2		

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.
2. This licence shall stand revoked in case the licensee fails to erect the plant and machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating to the Distillery as approved by the Commissioner shall be annexed to this licence.
5. The licensee, without prior sanction / permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.
11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.
13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.
14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

Commissioner of Prohibition and Excise
[Telangana], Hyderabad.

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

FORM-D2(RMGO)

[See Rule 9(4) (a)]

Licence for Manufacture of Spirits Utilising both Molasses and Grains or from any other Fermentative base for Industrial Purpose Wholly or Partly.

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated..... Issued by the Government of [Telangana] and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture the following varieties of spirits utilizing Molasses and Grains or any other Fermentative base (mention the name of the fermentative base).

Sl.No.	Names of the spirits licensed for manufacture	Quantity permitted for manufacture per annum
1		
2		

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.
2. This licence shall stand revoked in case the licensee fails to erect the plant and machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating to the Distillery as approved by the Commissioner shall be annexed to this licence.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

5. The licensee, without prior sanction / permission of the Commissioner, shall not:-

- (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.
9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.
11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.
13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.
14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.

16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

Commissioner of Prohibition and Excise
[Telangana], Hyderabad.

FORM–D2(EM)

[See Rule 12(4) (a)]

**Licence for Manufacture of extra Neutral Alcohol by Re-distilling
Molasses based rectified Spirit for Potable purpose either for
Commercial or for captive needs**

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated..... Issued by the Government of [Telangana] and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture Extra Neutral Alcohol by re-distilling molasses based Rectified Spirit of a quantity of B.Ls per annum.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.
2. This licence shall stand revoked in case the licensee fails to erect the plant and machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating

to the Distillery as approved by the Commissioner shall be annexed to this licence.

5. The licensee, without prior sanction / permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.
9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.
11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.
13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.

14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

*Commissioner of Prohibition and Excise
[Telangana], Hyderabad.*

FORM-D2(EG)

[See Rule 12(4) (a)]

**Licence for Manufacture of Extra Neutral Alcohol by Re-distilling
Grain based Rectified Spirit for Potable Purpose either for
Commercial or for Captive Needs.**

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated.....Issued by the Government of [Telangana] and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture Extra Neutral Alcohol by re-distilling grain based Rectified Spirit of a quantity of _____ B.Ls per annum.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.
2. This licence shall stand revoked in case the licensee fails to erect the plant and machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.

4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating to the Distillery as approved by the Commissioner shall be annexed to this licence.
5. The licensee, without prior sanction / permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.
9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.
11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.
12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.

13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.
14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

*Commissioner of Prohibition and Excise
[Telangana], Hyderabad.*

FORM-D2(EMGO)

[See Rule 12(4) (a)]

**Licence for Manufacture of Extra Neutral Alcohol by Re-distilling
Molasses and Grain based Rectified Spirit or Rectified Spirit
Obtained from any other Fermentative base for potable purpose
either for Commercial or for captive needs**

LICENCE No: ISSUED ON:

I, Sri, Commissioner of Prohibition and Excise under the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and in pursuance of the Letter of Intent bearing No..... dated.....Issued by the Government of [Telangana] and on payment of annual “*Distillery Excise Tax*” of Rs..... (Rupees.....only) Licence you Sri..... hereinafter called the “Licensee” to manufacture Extra Neutral Alcohol by re-distilling both molasses and grain based Rectified Spirit or Rectified spirit obtained from any other fermentative base (mention the name of the fermentative base) of a quantity of _____B.Ls per annum.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

This licence is issued subject to the following conditions:

1. The Licensee shall be bound by the provisions contained in the Telangana Excise Act, 1968 and [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 and all Rules made under any other law, for the time being in force applicable to the manufacture, storage, issue and sale of Spirits.

2. This licence shall stand revoked in case the licensee fails to erect the plant and machinery within a period of one year from the date of issue of this licence.
3. The terms and conditions of this licence may be modified at any time during the currency of this licence.
4. A statement showing the number, size, description and capacity of the still(s) which the licensee may erect or maintain under this licence and the plans and statement of the premises and buildings to be used as distillery, storage purpose and for other purposes relating to the Distillery as approved by the Commissioner shall be annexed to this licence.
5. The licensee, without prior sanction/permission of the Commissioner, shall not:-
 - (a) Erect any other stills, equipment, and machinery other than those approved by the Commissioner.
 - (b) Alter, modify or make additions to the building and plant in deviation to the plans approved by the Commissioner.
6. The Licensee shall at all times maintain the efficiency of the plant to the satisfaction of the Commissioner.
7. The licensee shall furnish the statements and other information as may be required by the Commissioner in the manner specified.
8. The licensee shall comply with the directions of the Commissioner regarding quality, strength and purity of the spirits licensed for manufacture.
9. The licensee shall comply with the directions of the Commissioner regarding usage of ingredients of high quality, stocks of spirits and materials to be maintained in day to day functioning of the distillery.
10. The licensee shall not discontinue working of the distillery (except in case of closure for cleaning or repairs) without giving six months notice in writing to the Commissioner of his intention to cease the work. He shall continue to fulfil the conditions of this licence during the currency of the notice.
11. The licensee for any reason becomes incapable of carrying on the business or dies or becomes insolvent, the Commissioner may either cancel the licence or continue it in the name of the legal representatives of the licensee.

12. Upon revocation or cancellation of licence under the preceding conditions, the licensee or his representatives shall forthwith cease distilling and shall cease to use the building and the plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damage whatsoever, in respect of revocation or cancellation of the licence.
13. If the licensee infringes or cause or permit any person to infringe any of the conditions of this licence, the Commissioner shall have the power to suspend or cancel this licence forthwith.
14. No spirit shall be removed from the distillery without valid permit issued by the competent authority.
15. The licensee shall have no right to claim any supply of raw materials produced in the State of Telangana for manufacture of spirits.
16. The licensee shall not act in any manner prejudicial to the interest of the revenues of the Government.

*Commissioner of Prohibition and Excise
[Telangana], Hyderabad.*

FORM-D3(SL)

[See Rule 15(1)(vii)]

Application for Grant of Permission for Sub-lease of The Distillery

To

The Commissioner of Prohibition & Excise,

[Telangana],

Hyderabad.

Application of M/s. _____ for grant of permission for sub-lease in favour of M/s. _____ for carrying out Distillation.

1. The undersigned Licensee M/s. _____ on behalf of M/s. _____ beg to apply for permission for sub-lease of M/s. _____ distillery under Rule of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006.

2. The proposed sub-lessee desired to manufacture Rectified Spirit/ENA/ Ethanol for Industrial/potable purposes as per the production capacity granted to M/s. _____ Distillery.

[The word "Telangana" subs. for "Andhra Pradesh" by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

3. In the event of a sub-lease being granted, the sub-lease holder proposes to commence working at the distillery on_____.

4. In the event of sub-lease being given to the proposed sub-lessee, he undertakes to comply in all respects with (a) the provisions of the rules applicable to the industry, its working and (b) the conditions which are entered in the licence.

5. The following documents are furnished:

- (a) The sub-lease deed between the licensee and the proposed sublessee on a non-judicial stamp paper of the requisite value as per the provisions of the Indian Stamp Act, 1899.
- (b) Memorandum of Articles of Association/partnership deed/ declaration of sole proprietorship of licensee and lessee.
- (c) Lists of Directors/Partners of licensee and sub-lessee with their dated signatures.
- (d) Undertaking in Form D-3 (SLU) on a non-judicial stamp paper worth Rs.100/- duly signed by the licensee and sub-lessee.
- (e) Original challan in proof of having paid 10% of “*Distillery Excise Tax*”.
- (f) F.D.R. for an amount equal to 15% of the annual “*Distillery Excise Tax*” towards security deposit.

6. The applicants undertake to furnish duly registered lease deed within 15 days from the date of grant of permission of sub-lease.

7. The applicant licensee and the proposed sub-lessee severally and jointly undertake to be bound by the [Telangana](#) Excise Act, 1968 and [Telangana] distillery (Manufacture of Spirits) Rules, 2006 and other rules under any law for the time being in force applicable to the manufacture, issue and sale of spirit.

Date_____ *Signature of the applicant (Licensee)*

at _____ *Signature of the proposed sub-lessee.*

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

FORM-D3(SLU)

[See Rule 15(1)(vii) (d)]

Undertaking

(Non-Judicial Stamp paper worth Rupees one hundred)

To
The Commissioner of Prohibition & Excise,
Government of [Telangana],
Hyderabad.

Sir,

I/We _____ S/o _____ holder of
_____ License of M/s _____ Distillery, aged
about _____ years, resident of _____ and Sri _____
S/o _____ proposed sub-lease hold of M/s _____ Distillery
for whole licensed capacity of the _____ Licence, hereby undertake:

1. That the sub-lease will be effective from the _____ of _____ month _____ year.
2. The licensed capacity of the Licensee per annum is _____ BLs. The Licensee has agreed to lease out the entire licensed capacity of the _____ Licence held by him to the sub-lessee.
3. That we shall be severally and jointly responsible to abide by the terms and conditions of the licence as laid down in the licence in Form datedand the provisions of [Telangana] Distillery (Manufacture of Spirits) Rules, 2006.
4. That we shall jointly and severally abide by the provisions of [Telangana](#) Excise Act 1968 and the rules made there under from time to time.
5. That we shall be bound to pay any enhanced “*Distillery Excise Tax*”, excise duty and security deposit, to be levied from time to time.

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

6. That, we shall be bound to pay any penalties levied from time to time.
7. That, we hereby agree that the licence is liable to be cancelled on the basis of any adverse report of investigation for any lapse

which amounts to contravention of any rule or any conditions of licence or any other provisions of Law and also for any conviction in any criminal case at any time.

8. That the licensee or sub-lease holder will not have any right or claim for continuation or renewal of sub-lease in dependent of the _____ licence and in case the licence is cancelled or suspended or any other action taken under excise law, it will automatically attract the sub-lease also.
9. If the licence/sub-lease is surrendered or cancelled in the middle of the licence period, we shall not be eligible for refund of “*Distillery Excise Tax*”.
10. That, if we fail to pay the Excise Duty, Penalties etc., if any due to Government on time, the licence is liable to be cancelled and the entire amount so due, without prejudice to any other mode of recovery, may be recovered from the security deposit and also by way of restraining our movable and immovable property whatsoever we possess and selling the said properties under the Telangana Revenue Recovery Act.
11. We declare that we have not been convicted of any offence under [Telangana](#) Excise Act.
12. That we shall maintain separate registers of accounting etc., as required under [Telangana] Distillery (Manufacture of Spirits) Rules, 2006.
13. We shall not have any claim for any increase in the licensed capacity on account of permission granted for sub-lease.
14. We shall be responsible for utilization/disposal as per [Telangana] Distillery (Manufacture of Spirits) Rules, 2006 of the balance stock of RS/ENA/other spirits that remain at the end of the lease period.

Place: *Signature of Licensee/*

Date: *Proposed sub-lease holder.*

[The word “Telangana” subs. for “Andhra Pradesh” by G.O.Ms.No. 204, Rev (Ex-II) Dept., dt. 13-11-2015, w.r.e.f. 2-6-2014.]

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, w.r.e.f. 2-6-2014].

FORM-D4

[See Rule 16]

Scheme Notifying the Shifting of Existing Distillery

- 1.(a) Name of the Distillery:
- (b) Name & address of the Partner/Board Directors:
- (c) Whether Public/Private Ltd., or Proprietary concern:
- 2.(a) Details of existing premises with Survey No. etc.:
- (b) Details of total existing area and constructed area:
- (c) Details of existing man power:
 - (i) Office Staff:
 - (ii) Technical Staff:
 - (iii) Supervisory Staff:
 - (iv) Permanent workers:
 - (v) Temporary workers:
3. Details of Existing plant and Machinery:
 - (a) Existing Machinery:
 - (b) Capacity of Machinery:
 - (c) Existing Production capacity:
4. State reasons for shifting the present premises:
5. Details of proposed location:
 - (a) Address with Survey No.
 - (b) Details of availability of water and power requirement.
 - (c) Details of man power requirement at new site and availability:
6. Details of clearance from the following Government institutions:
 - (a) Competent Local authorities:
 - (b) [Telangana](#) Pollution Control Board:
 - (c) Competent authority under Factories Act:
7. Details of Plant and Machinery to be shifted to new premises:

8. Whether the production capacity remain the same after shifting of premises.
9. Details of shifting Fee remitted:

Signature of the applicant with date

FORM–D4(M)

[See Rule 17 (3) (i)]

Application for merger of two spirit manufacturing distilleries

1. Name and address of the Distillery proposed for merger:
2. Whether Proprietary/ Partnership concern/Limited Company:
3. Nature of Licence held:
4. Whether the licence is in force?
5. Production capacity of the Distillery as fixed by the Commissioner:
6. Annual “*Distillery Excise Tax*”:
7. Reasons for merger:
8. Name and address of the taking over distillery:
9. Whether proprietary/ Partnership concern / Limited Company:
10. Nature of licence held by the taking over distillery:
11. Whether the licence is in force:
12. Production capacity of the taking over distillery as fixed by the Commissioner:
13. Annual “*Distillery Excise Tax*”:
14. Whether the licensee of the distillery proposed for merger continue as a partner/ Director even after merger:
15. Cumulative production capacity after merger:
16. Cumulative “*Distillery Excise Tax*” of both the distilleries:
17. “*Distillery Excise Tax*” payable according to the cumulative production capacity:
18. Whether the taking over distillery is willing for the liabilities of the distillery proposed for merger:

Signature of the licensee of the
Distillery proposed for merger.

Signature of the licensee of the
Taking over Distillery.

[The words “Distillery Excise Tax” subs. for “Licence Fee” by G.O.Ms. No. 152, Rev. (Excise-II), dt. 30-6-2017, wr..e.f. 2-6-2014].

FORM-D7

[See Rule – 23(4)]

Main Wash Register

Date	Time	Wash back No. taken for distillation	Molasses utilized for wash (in M.Ts)	Eate on which wash made	Quantity of wash made (in B.Ls).	Gravity			Alcohol percentage in fermented wash	Actual quantity of wash distilled	Sludge (Wash balance)	Signature of the D.O.	Remarks
						Initial	Final	Attenuation					
(1)	(2)	(3)	(4)	(5)	(6)	(7A)	(7B)	(7C)	8	9	10	11	12

FORM-D8

[See Rule – 29(4)]

Distillery Transport Permit

Distillery T.P. No: Date:

1. Name of the consignor Distillery:
2. Name of the consignee Distillery:
3. Commissioner's allotment No & Date:
4. Commissioner's T.P. No & Date:
5. Details of dispatch of Spirit:

* Kind of spirit	Quantity in B.Ls.	Strength	Whether sample bottle issued to accompany the consignment	No. of Seals	Facsimile seal of the issuing authority
(1)	(2)	(3)	(4)	(5)	(6)

*in case of D.S., the name of the denaturant and the percentage of it mixed in the R.S. to be mentioned in the same column.

6. Date of dispatch:
7. Time of dispatch:
8. Tanker/vehicle No:

9. Route (Names of all important towns/villages to be mentioned)
10. Validity up to:.....(Date).....(Time)
11. Name and designation of the Escort:

Signature of the Distillery Officer

M/s.....

- Original copy to be retained with the Distillery Officer.
- Duplicate copy to be dispatched to the Excise Officer in-charge of the consignees unit.
- Triplicate copy to be dispatched to the Excise Superintendent concerned to the destination.
- Quadruplicate copy to accompany the consignment during transit.
- Quintuplicate copy to be dispatched to the Asst. C.(Enft) concerned to the destination.
- Sixth copy to be dispatched to the Director (Enforcement), [Telangana](#) Hyderabad.

FORM-D9

[See Rule-29(12)]

Weightment Register

Date	Number of the cask	Tare weight of the cask	Calculated gross weight of the cask filled with spirit	Actual weight of the cask filled with spirit	Difference	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)

NOTIFICATIONS

1. Grant of Letter of Intent for establishment of new distilleries for manufacture of Extra Neutral Alcohol / Spirit / Malt Spirit for potable purposes or expansion of production capacities of the existing distilleries for potable purposes under rule 4(2) of the said Rules.

[G.O.Ms.No.748, Rev. (Ex-III) Dept., dt. 04-06-2007]

Notification-I

Under Sub-rule (2) of rule 4 of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 issued in G.O. Ms. No.91, Revenue (Ex.III) Department, dated 27th January, 2007, the Government hereby invites applications from the intending persons/holder of licence to manufacture Extra Neutral Alcohol for potable purposes for grant of Letter of Intent for establishment of new distillery for manufacture of Extra Neutral Alcohol by re-distilling Molasses based Spirit for potable purpose or expansion of production capacity of the existing distillery manufacturing Extra Neutral Alcohol by re-distilling Molasses based Spirit for potable purposes.

Notification-II

Under Sub-rule (2) of rule 4 of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 issued in G.O.Ms.No.91, Revenue (Ex.III) Department, dated 27th January, 2007, the Government hereby invites applications from the intending persons/holder of licence to manufacture Extra Neutral Alcohol for potable purposes for grant of Letter of Intent for establishment of new distillery for manufacture of Extra Neutral Alcohol by re-distilling Grain based Spirit for potable purpose or expansion of production capacity of the existing distillery manufacturing Extra Neutral Alcohol by re-distilling Grain based Spirit for potable purposes.

Notification-III

Under Sub-rule (2) of rule 4 of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 issued in G.O.Ms.No.91, Revenue (Ex.III) Department, dated 27th January, 2007, the Government hereby invites applications from the intending persons/holder of licence to manufacture Extra Neutral Alcohol for potable purposes for grant of Letter of Intent for establishment of new distillery for manufacture of Extra Neutral Alcohol by re-distilling Molasses based and Grain based or Rectified Spirit obtained from any other fermentative base for potable purpose or expansion of production capacity of the existing distilleries manufacturing Extra Neutral Alcohol by re-distilling Molasses based and Grain

based or Rectified Spirit obtained from any other fermentative base for potable purposes.

Notification-IV

Under Sub-rule (2) of rule 4 of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 issued in G.O.Ms.No.91, Revenue (Ex.III) Department, dated 27th January, 2007, the Government hereby invites applications from the intending Licensees of Sugar Factories for grant of Letter of Intent for establishment of new distillery for manufacture of Spirit from Molasses for potable purposes.

Notification-V

Under Sub-rule (2) of rule 4 of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 issued in G.O.Ms.No.91, Revenue (Ex.III) Department, dated 27th January, 2007, the Government hereby invites applications from the intending persons for grant of Letter of Intent for establishment of new distilleries for manufacture of Spirit for potable purpose from any other fermentative base other than molasses or from holders of licence to manufacture spirit for potable purposes for expansion of production capacity of the existing distilleries manufacturing Spirit from any other fermentative base other than molasses for potable purpose.

Notification-VI

Under Sub-rule (2) of rule 4 of the Telangana Distillery (Manufacture of Spirits) Rules, 2006 issued in G.O.Ms.No.91, Revenue (Ex.III) Department, dated 27th January, 2007, the Government hereby invites applications from the intending persons/holder of licence to manufacture Malt Spirit for potable purposes, for grant of Letter of Intent for establishment of new distillery for manufacture of Malt Spirit for potable purpose or expansion of production capacity of the existing distilleries manufacturing Malt Spirit for fermenting Malt for potable purposes.

2. Amendments to Telangana Distillery (Manufacture of Spirits) Rules, 2006 vide G.O.Ms. No: 115, Revenue (Ex.II) Department, dated: 22-10-2022 - KEPT IN ABEYANCE.

¹[G.O.Ms.No. 34, Revenue (Excise-II), 1st April, 2023.]

The orders issued vide G.O.Ms.No.115, Revenue (Ex.II) Department, dt: 22-10-2022 are kept in abeyance with effect from 22-10-2022.
