

GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
OFFICE OF THE COMMISSIONER OF EXCISE, ENTT. & LUXURY TAX
L & N BLOCK, VIKAS BHAWAN, I.P. ESTATE, NEW DELHI

F.No.L-1/40/Ex/IMFL/MN/2014-15 /2764

Dated : 16/9/15

MINUTES OF THE MEETING HELD IN THE CHAMBER OF PRINCIPAL SECRETARY (FINANCE) WITH CONFEDERATION OF INDIAN ALCOHOLIC BEVERAGES (CIABC) COMPANIES ON 30.07.2015 AT 4:00PM REGARDING CHANGING OF CHARGING POINT OF EXCISE DUTY FROM THE EXISTING TRANSPORT PERMIT LEVEL TO IMPORT PERMIT LEVEL.

A delegation of Confederation of Indian Alcoholic Beverages Companies held a meeting with Principal Secretary (Finance) in presence of Commissioner (Excise), Dy. Commissioner (Excise) and Special Secretary (Finance) to discuss the issues relating to implementation of Excise Policy of Govt. to change the charging point of excise duty from existing transport permit level to import permit level.

The following issues raised and discussed:

1. The delegation submitted that in the new regime they will have to make huge investment for payment of Excise Duty and the such stock will remain at their warehouses for at least one month and they shall have to bear the extra cost so the excise duty component should also be part of the price structure for the purpose of calculating landed price for calculating wholesaler margin.

The Principal Secretary (Finance) directed the Excise Commissioner to examine the entire issue and on submission of the proposal final decision will be taken.

2. The federation raised the issue that the re-imburement of excise duty should be paid in advance by the retail vends and it would be appropriate if it is routed through the excise department.

It was informed that department has advised all retail vends (Private/Corporations) to pay excise duty to the L-1 licencee/wholesaler before placing order and a mechanism will be developed on ESCIMS portal where it would be mandatory to give

RTGS/challan number in purchase order itself and development of the same will take at least a month, till than retail vends (corporations/private), hotels, clubs & Restaurants have been advised to pay the excise duty component directly to the L-1 licencees.

It was decided that the re-imbusement of excise duty to L-1 licencee would be better if paid through excise department. It was directed that proposal will be submitted by Excise Commissioner to Finance Department for decision in the matter.

3. The delegation submitted that on the day of introduction, the stock should be taken for recovering excise duty as per stock in L-1 register as the stock shown at ESCIMS has discrepancy and infect physical stock available in BWH is in excess of the stock shown on the ESCIMS portal.

It was noted that the stock at ESCIMS portal should match with the stock available at the BWH and therefore this problem should be sorted out within a week and excise duty should be collected on the legitimate stock. There should be no loss of excise duty on this account. It was further decided that the data should be collected in respect of the licencees having lower stock than available on the ESCIMS portal and duty should be recovered. On submission of the data a considered decision will be taken thereafter, if need be.

4. The delegation also raised the issue that large number of Hotels, Clubs and Restaurants are not paying their dues and so right to reject the purchase order should be available to the L-1 licencees.

It was decided that right to rejection cannot be allowed to L-1 Licencees as this may have larger implications and retail vend cannot be placed at mercy of wholesalers. This may also lead monopolistic kind of situation.

5. The delegation also raised the issue of nonpayment of their cost by the Corporations and submitted that their dues are not cleared for months.

It was decided that Corporations should clear the dues of wholesaler within a month. Otherwise the department will be forced to prescribe some penal mechanism or advance payment mechanism to clear within a month.

6. The delegation submitted that they had to submit the vendor challan in hard copy to the Corporations after collecting vend to vend and it takes a lot of time. They submitted that this may be done away with as everything including purchase order, dispatch and receipt of liquor consignment on vends, are done online. So confirmed delivery on ESCIMS is to be taken up as a proof to process their bills.

It was decided that printout of the delivery confirmation on ESCIMS shall be taken as delivery proof for processing of bills by the corporations.

The meeting ends with thanks to chair.

The minutes are issued with approval of Pr. Secy. (Finance)

(PRAVEEN MISHRA)
DY. COMMISSIONER (EXCISE)

Copy to:

1. PS to Pr. Secretary (Finance)
2. PA to Commissioner (Excise)
3. PA to D.C. (Excise).
4. Managing Director, DSIIDC, DTTDC, DSCSC and Administrator, DCCWS.
5. Asstt. Commissioner (ESCIMS) to upload on the website of the department.
6. Asstt. Commissioner (Hotels/ Clubs/Restaurants/Permit)
7. System analyst.
8. All L-1/L-6/L-7/L-9/L-9A/L-10/L-12/L-15/L-16/L-17/L-18/L-19/L-20/L-21/L-22/L-28/L-29 licencees.
9. Notice Board.