

DEPARTMENT OF EXCISE, ENTERTAINMENT & LUXURY TAX
GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
L-BLOCK, VIKAS BHAWAN, I.P. ESTATE, NEW DELHI-110002

F.No. (1)/Excise/IMFL/L7Z/2021-22/ 429

Dated: 28/02/2022

ORDER

Subject- Discontinuation of Discounts/Rebate/Concession on MRP of liquor in NCT of Delhi

Whereas the Government approved the Excise Policy 2021-22 along with the terms and conditions for the grant of various categories of licenses.

And whereas the Department as per Excise policy 2021-22 floated two tenders vide NIT dated 28.06.2021 and 13.08.2021 and successfully identified H1 bidders and L7Z license was granted to the bidders after acceptance of the tender by the Government and acceptance of LOA by the bidders.

And whereas the Excise Policy 2021-22 came into effect on 17.11.2021 wherein the business commencement took place by all L7Z licenses.

And whereas as per clause 3.5.1 of the tender document, the licensee is free to give rebate/discount/concession on the MRP of liquor fixed by the Excise Commissioner.

And whereas, as per Section 2(63) of the Delhi Excise Act, 2009, the "retail price" means the price fixed by Excise Commissioner for the sale of intoxicant at which the licensee is bound to sell the intoxicants.

And whereas, as per sub-rule 54 (3) of the Delhi Excise Rules, 2010 where the price of any liquor is fixed under sub-rule (1) or sub-rule (2), the licensee shall be bound to sell such liquor at such price.

And whereas, it has been brought to the notice of the Department that as a result of the discounts being offered by the licenses through their retail vends, there are instances reported of large crowds gathering outside the liquor stores leading to law and order problem and causing inconvenience to local population of an area. It is also to be kept in mind that the COVID situation is not yet over and the danger of COVID-19 still persists and therefore the huge crowds is likely to aggravate the rise in the COVID cases in Delhi.

And whereas it has been reported that such discounting is also leading to unhealthy market practices deployed purely for short term business gains by some of the licensees and is leading to the distortions of the Market. The intent of Government in regard to discounting was to promote consumer choice and healthy competition and determination of price by Market forces. The discounting of this nature was not the objective of the Government while permitting the discounts in the new Excise Regime.

And whereas the licensee are seen indulging in various promotional activities through social media and banners/hoardings being placed outside the stores which is a non-permissible activity under the Delhi Excise Act, 2009 and Delhi Excise Rules, 2010.

And whereas as per clause 15.2 of the tender document, the Department Of Excise may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in the tender document floated by NIT dated 28.06.2021 and 13.08.2021.



Therefore I, Commissioner Excise hereby orders that the all L7Z licensees shall neither give concession, rebate or discount on the MRP of liquor and hereby directs all L7Z licensees to strictly abide by Rule 54(3) of the Delhi Excise Rules, 2010. In case, any such instance of discount/rebate/concession is brought to the knowledge of the undersigned, action as per Rules and Act as well as the penal action as per the tender document shall be initiated against the defaulting licensee.



(Arava Gopi Krishna)
Commissioner (Excise)

Copy to:-

1. All L-7Z licensees.
2. Assistant Commissioner (IMFL)
3. System Analyst to upload the order on the official website of the Department.

Copy for information to:-

1. Secretary (Finance), GNCTD, Delhi Secretariat, IP Estate, New Delhi 110002.
2. Addl. Secretary to Hon'ble Chief Minister, Delhi Secretariat, IP Estate, New Delhi 110002.
3. Secretary to Hon'ble Deputy Chief Minister, Delhi Secretariat, IP Estate, New Delhi 110002.


(Arava Gopi Krishna)
Commissioner (Excise)