

GOVERNMENT OF JAMMU & KASHMIR
OFFICE OF THE EXCISE COMMISSIONER
EXCISE AND TAXATION COMPLEX, RAIL HEAD, JAMMU

Subject: Issuance of Micro-Brewery License (JKEL-7D).

Order No: 93 EC of 2022
Date: 23.06.2022

WHEREAS, Jammu & Kashmir Excise Policy 2022-23 issued by the Finance Department, vide S.O. 71 dated 22-02-2022, notifies policy objectives of the Government for manufacture and sale of Liquor, wherein, one of the objectives, is to bring in a transition from high to low alcohol content beverages. The relevant part of the Policy pertaining to the matter is reproduced as;

Clause "1.2. To encourage transition from high to low alcoholic content beverages"

AND WHEREAS, to meet the above policy objective, the Finance Department, J&K introduced the provision of issuance of Micro-Brewery License (JKEL-7D) in the Excise Policy 2022-23, which is reproduced hereunder;

"2.3. Micro-Brewery (JKEL-7D):

To encourage transition from high to low alcohol content beverages, the department shall issue Micro-brewery Licenses at the locations permitted by the Excise Commissioner. The procedure for grant of license shall be notified by the Excise Commissioner separately."

AND WHEREAS, in order to lay down procedure for establishment of Micro-Brewery, the Excise Department constituted a committee vide Order No. 63-EC of 2022 dated 31-05-2022 under the supervision of Deputy Excise Commissioner (Distilleries), Jammu with 05 other members for grant of JKEL-7D License for Microbrewery to fulfill the objective of the J&K Excise Policy 2022-23 to bring in a transition from high to low alcohol content beverages;



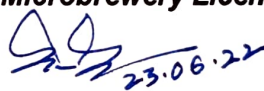
AND WHEREAS, the designated Committee deliberated upon the issue in a number of meetings and submitted the draft procedure, terms and conditions, application format, license format and format for undertaking, for setting up of the Micro-Brewery

Part of the recommendations indicating requirements for setting of the Micro-Brewery are annexured as per following details;

1	Application proforma (Form MB-1) for grant of JKEL-7D license	Annexure – I
2	Procedure for Issuance of JKEL-7D license	Annexure – II
3	Undertaking by the applicant	Annexure – III
4	Format for License of Beer Bar with Microbrewery (JKEL-7D) and Terms and Conditions of license	Annexure – IV
5	Conditions for operation of Beer Bar with Microbrewery	Annexure – V

NOW, THEREFORE, in exercise of powers conferred by *Clause 2.3 of the J&K Excise Policy 2022-23*, and the recommendations of the designated Committee constituted for the purpose, the procedure from Annexure I to Annexure-V, forming part of this Order, is hereby issued/notified for establishment of BEER BAR WITH MICROBREWERY under **Type-B in License Form JKEL-7D**.

All the prescribed procedure as per J&K Excise Act & Rules framed thereunder shall be strictly followed for issuance of Microbrewery License.


(Pankaj Kumar Sharma), JKAS
Excise Commissioner, J&K

Encl: a/a

No.: EC/Exc/7D/ 2464-83
.06.2022

Dated: 23-06-22

Copy to the:

1. Financial Commissioner (Additional Chief Secretary), Finance Department, Civil Secretariat, J&K, Jammu for kind information.
2. Deputy Excise Commissioner (Executive), Jammu.
3. Deputy Excise Commissioner (Distilleries), Jammu.
4. Deputy Excise Commissioner (Executive), Kashmir.
5. Deputy Excise Commissioner (Accounts), Jammu.
6. Excise and Taxation Officer, City Excise Range, (North/South), Jammu, Excise Range Udhampur-Reasi, Doda-Kishtwar-Ramban, Kathua, Samba, Rajouri-Poonch, Srinagar-Budgam-Ganderbal, Distilleries, Eradication Wing Jammu, Accounts Kashmir, Anantnag-Pulwama-Kulgam-Shopian, Baramulla-Kupwara-Bandipora, Distilleries.
7. Sr. Programmer I/c website www.jkexcise.nic.in.
8. Order file/concerned file.

ANNEXURE – II

PROCEDURE FOR SETTING UP OF BEER BAR WITH MICROBREWERY

Definition OF Microbrewery

Microbrewery means a small brewery with an installed capacity of not more than 1000 litres per day in a place having built up area with spacious dining hall and sufficient parking facility, where draught beer is manufactured and served to the customers for consumption within the premises.

Who can Apply

Any existing licensee holding license JKEL-7A and having a minimum plinth area of 3000 square feet, with minimum 500 square feet for plant, 800 square feet for serving area, sufficient parking space and toilet facility; or any entity desirous of setting up of Beer Bar with Microbrewery, fulfilling the minimum space criteria.

Procedure for Issuance of License

1. Application to Excise Commissioner for establishing Beer Bar with Microbrewery as per the prescribed Proforma (MB-1), accompanied by detailed Project Report including description of vessels and other permanent apparatus, production capacity of the Microbrewery per day/per Annum, physical and financial forecasts.
2. Excise Commissioner shall forward application to Deputy Excise Commissioner Executive for report regarding feasibility/potential in light of the *ibid* Guidelines.
3. Applicant shall submit to the Deputy Excise Commissioner, Executive, a detailed site plan along with land/premises documents where Beer Bar with Microbrewery is to be established.
4. Deputy Excise Commissioner, Executive, after examining the case shall submit a detailed viability report to the Excise Commissioner.
5. If viable for establishment, the Excise Commissioner shall ask the Deputy Excise Commissioner Executive to process the case for issuance of license.
6. Deputy Excise Commissioner Executive shall ask the applicant to submit following documents to the concerned Excise & Taxation Officer for further processing of the case:-
 - i. Land/Premises Documents (Ownership/Lease/Rent Deed).
 - ii. Partnership Deed/Registration Certificate from ROC/Resolution, wherever applicable.
 - iii. Blue Prints of the proposed premises (5 Nos.)
 - iv. Character Certificate of applicant from the Senior Superintendent of Police.

- v. Age and Qualification certificate of the applicant.
 - vi. Health Certificate by a Registered Medical Practitioner.
 - vii. PAN Card.
 - viii. Financial position certificate issued by any Bank in favour of applicant.
 - ix. Affidavit from the applicant to the effect that there is nothing outstanding against him/her on account of arrears of Excise/State Taxes Department and that he/she is not convicted of any non-bailable offence by a criminal court or convicted or reasonably suspected of committing or conniving at the commission of any non-bailable offence under the J&K Excise Act Smvt., 1958 or The Opium Act or The Dangerous Drugs Act, 1930.
 - x. Processing fee amounting to **Rs.75000/- (non-refundable)**.
 - xi. A copy of the notice got affixed by the ETO concerned at the proposed premises calling objections, if any, from General Public.
 - xii. Copies of the notices published in three leading News Papers for wide circulation calling objections, if any, from General Public. The dimension of the notice shall be of the size 10 cm x 10 cm, font size of 12 and shall be published either on the first or the last page of the newspaper.
 - xiii. Preliminary factual report by the concerned ETO regarding the premises and objections if any along with the technical report by the Departmental Chemist.
7. The Deputy Excise Commissioner Executive shall seek:
- a) NOC from District Magistrate concerned.
 - b) **NOC from Sr. Superintendent of Police concerned.**
 - c) **NOC from Civic authority concerned.**
 - d) **NOC from State Pollution Control Board.**
 - e) **NOC from Fire and Emergency Services Department.**
 - f) No Due Certificate in respect of Applicant from State Taxes Department.
8. The Deputy Excise Commissioner shall recommend the case to the Excise Commissioner alongwith all the documents/reports.
9. After scrutinizing the case, the Excise Commissioner, J&K Government may issue orders/Approval for grant of JKEL-7D license on the production of following documents by the applicant: -
- a) Prescribed License fee/upfront fee as per the Excise Policy.
 - b) Bank Guarantee amounting to Rs. One Lac only.
 - c) Surety Bond of Rs. One Lac on non-judicial paper.
 - d) Counterpart agreement.
 - e) Six photographs of applicant.

ANNEXURE – V

CONDITIONS OF OPERATION

Operation of Microbrewery (JKEL-7D) License shall be subject to following terms and conditions:

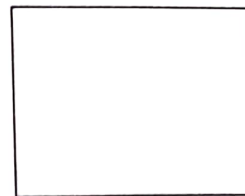
1. Installed capacity of the microbrewery shall not exceed 1,000 bulk liters per day.
2. Each vessel installed in the Microbrewery shall have legibly painted on it its number, its capacity and the use to which it is applied, and its details shall be properly registered by the Deputy Excise Commissioner, Executive. The capacity of each vessel shall be duly certified by the Weights and Measures Department.
3. The licensee shall be allowed to manufacture within the licensed premises, only Draught Beer having alcohol content not exceeding 8% V/V and a shelf life not exceeding 60 days in a lagering tank and not exceeding 36 hours in a serving tank.
4. An electronic flow meter as specified by the Excise Commissioner shall be installed between the fermentation tank and storage tank. The licensee shall make entries in the daily register as per the recording in the electronic flow meter at the beginning and at the end of the day.
5. Excise Duty shall be chargeable on the quantity of beer recorded in the flow meter as per schedule to be prescribed by the Excise Commissioner.
6. Other duties/fees shall be payable by the licensee as per the schedule prescribed in the Excise Policy for other Type B Licensees.
7. The PH, temperature and gravities of the brews up to maturation stage should be recorded and the same shall be subject to inspection.
8. No liquor other than beer shall be sold by the licensee and the beer shall be served to the customers only for on-site consumption. Beer shall not be removed from the licensed premises for any purpose whatsoever.
9. The licensee shall maintain account of all the transactions in the Microbrewery relating to production, drawl and issue of Draught Beer and shall furnish any information in this regard to the Excise Authorities as and when required.
10. The licensee shall furnish monthly summary statement of beer manufactured and sold by the 7th of following month to the Excise and Taxation Officer concerned alongwith a declaration in writing certifying that he has cleared all outstanding excise revenue and other dues recoverable from him.

11. The licensee shall deploy a chemist/brewer to check the quality of raw materials used and the Draught Beer produced in the Microbrewery. Chemist/Brewer deployed by the licensee must hold a degree in Science with Chemistry as one of the subject preferably Organic- chemistry or Bio-chemistry or Microbiology or specialization in alcohol technology with at least 2 years industrial experience in Brewery and must be certified by a reputed brewing educational programme.
12. The Draught Beer produced in the Microbrewery shall be issued for sale only after certification by the Chemist/Brewer deployed by the licensee on daily basis that such beer is fit for human consumption.
13. The Licensee shall provide Saccharometer, pH meter, thermometer, Hydrometer and other required testing equipments to be used in brewing process. The instruments shall be of standard specifications.
14. The licensee shall arrange to draw the beer samples after every brew produced and forward the same to the laboratory authorised by the Excise Commissioner, from time to time, for analysis. The report so obtained thereon shall be displayed at conspicuous place on the premises of Microbrewery for the knowledge of consumers.

ANNEXURE – I

FORM MB-1

(Prescribed Proforma to be submitted along with application for grant of Beer Bar with Microbrewery (JKEL-7D) License)



1. Name of the Applicant :
2. Father's / Husband name :
3. Full Address :
4. Date of Birth :
5. Qualification :
6. PAN Number :
7. Name & style of the proposed unit :
8. Address of the proposed premises
(detailed site plan to be enclosed) :
9. Detailed Project report :
10. Production Capacity of the
Microbrewery per day and per annum :
11. Whether the premises is owned/
Leased/Rented. :
12. Number and Kind of Liquor License
if any, possessed by the applicant :
13. Processing Fee paid (Rs) :
Collection ID/GRN and Date :
14. Whether the applicant has ever been
Convicted under the J&K Excise Act
or any other criminal law of the country. :
15. Whether the applicant is fit to conduct
the Business of Liquor :

Date

Place

Signature of the Applicant

ANNEXURE – III

Affidavit

1. I hereby declare that the particulars mentioned in the application are true and correct.
2. That my age isyears and I am physically fit to conduct the business of liquor.
3. That I will not change the constitution or sublet or transfer my license to any other person.
4. That I will not change the structure of my licensed premise.
5. That I am not a defaulter of the Excise Department/State Taxes Department and there is nothing outstanding against me on account of arrears of Excise/ State Taxes Department J&K.
6. I am not convicted of any offence under the J&K Excise Act Svt.,1958 and rules made thereunder.
7. That the deponent has not been convicted/ charge sheeted under the J&k Excise Act 1958 and rules there under, NDPS Act 1985, Opium Act or the Dangerous Drugs Act, 1930 or convicted in any criminal case for any non-bailable offence by any court of law.
8. If at any stage, the information furnished by me is found to be false ,the license JKEL-7D shall be liable to be cancelled.
9. I undertake to abide by all the conditions of the license and provisions of the J&K Excise Act Svt.,1958 ,the rules and regulations made and orders issued thereunder.

Signature of the Deponent.

Name

Address

ANNEXURE – IV

License JKEL-7D

OFFICE OF THE EXCISE COMMISSIONER JAMMU AND KASHMIR

License for Beer Bar with Microbrewery for manufacture of Draught Beer and for consumption of Beer inside the premises.

License No

1) Name and other particulars of the Licensee.

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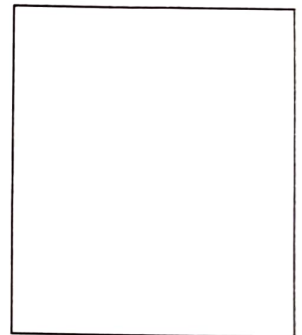
2) Particulars of the Licensed Premises as per approved Blue Prints

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(One copy of the approved Blue Print to be attached with this License)

3) Period for which the license is granted

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This license is issued subject to the terms and conditions recorded overleaf and to such other rules for the security of the revenue as the Government of Jammu and Kashmir, or any authority empowered by them in this behalf may issue from time to time, the infringement of any of the conditions shall render the license liable to suspension or cancellation at the discretion of the Excise Commissioner.

Date of issue

Excise Commissioner,
J&K Govt.

Terms and Conditions of License

1. The licensee shall observe the provisions of the Jammu and Kashmir Excise Act, Samvat 1958 and rules made thereunder and all the rules made under any other law for the time being in force applicable to the manufacture of Draught Beer and sale of Beer.
2. The Licensee shall be bound by such orders as may be passed by the Excise Department concerning the process of manufacturing to be adopted and regarding the specifications and quality of the beer to be manufactured and served; stock of materials to be maintained and all other matters in which compliance is prescribed by rules made under the Jammu and Kashmir Excise Act, Samvat 1958.
3. This license is non-transferable. No change in proprietorship or constitution of the licensee firm shall be made without the prior approval of the Excise Commissioner.
4. The licensee shall not, without the sanction of the Excise Commissioner, erect vessels/apparatus or otherwise alter the building or plant, the number, size, description and the capacity of the vessels/apparatus.
5. The licensee shall at all times maintain and upkeep the building and vessels/apparatus hereby licensed to the satisfaction of the Excise Department.
6. Beer manufactured/sold under this license shall be served and consumed within the licensed premises only and no liquor shall be removed from the licensed premises for any purpose whatsoever.
7. The licensee shall serve draught beer only in following standard measures:
 - a) 500 ml Mug
 - b) 650 ml Mug
 - c) 1500 ml Pitcher
 - d) 3000 ml Tower
 - e) 5000 ml Tower
8. The License shall be exhibited in a conspicuous place in the licensed premises.
9. The licensee shall produce for inspection, stocks, registers, approved blue prints and other documents demanded from him by any officer of the Excise Department.
10. The Excise Commissioner may restrict or regulate the sale of any particular brand of beer in such manner as he may deem fit.
11. Beer shall not be sold at the licensed premises outside the time as prescribed for other Bar licenses. The schedule may however be revised by order in writing by the competent authority.
12. The licensee shall observe dry days as defined in the J&K Liquor License and Sale Rules, 1984.
13. The Licensee shall not discontinue the operations of Microbrewery for more than fifteen days, without giving one week prior notice in writing to the Deputy Excise Commissioner Executive. The conditions of the license shall remain applicable for the said period
14. Beer purchased by the licensee from Wholesale Trade/Depot for sale at the licensed premises shall be transported under a proper Transport Pass.

15. The licensee, unless personally acting as a manager, shall be bound to appoint a competent manager as agent. Every act of the authorised agent or servant shall be deemed to be an act of the licensee.
 16. The names of persons employed or engaged by the licensee to work at the licensed premises shall be got approved from the Deputy Excise Commissioner, Executive. Such persons shall during the absence of the licensee from the licensed premises be responsible among other things for production of stocks, registers, accounts and other documents for inspection.
 17. No women, any person below 21 years of age, any person suffering from infectious or contagious disease or any person convicted of any criminal offence or any offence under J&K Excise Act or NDPS Act shall be employed by the licensee.
 18. Under no circumstances beer shall be served to person below 21 years of age, soldiers/ Police personnel in uniform and employees of Excise and Railways Department while engaged in discharging their duties.
 19. Drunkenness, disorderly conduct, gambling, harbouring of disorderly or riotous persons or any kind of nuisance in the licensed premises is prohibited.
 20. The serving area of the premises should be fully air conditioned/having suitable arrangement as per weather conditions and lighting arrangements to the satisfaction of the Deputy Excise Commissioner.
 21. The licensee shall maintain proper hygiene in the licensed premises; ensure safety and emergency standards, with sufficient fire fighting arrangements and installation of functional CCTV cameras.
 22. The premises shall have separate toilet.
 23. The licensee shall, if so required, deliver this license to the Excise Commissioner or to any officer authorized by him for amendment or issue of a fresh one when it is cancelled or suspended.
 24. If the licensee infringes, or causes or permits any person to infringe any of the conditions of this license, the Excise Commissioner may forthwith revoke and determine the license, and forfeit the whole or part of any deposit made by the licensee.
 25. If the licensee due to any cause, physical or mental becomes incapable of carrying on business or dies or becomes insolvent, or (in case the licensee is a company) is wound up, the Excise Commissioner may either (i) cancel the license or (ii) continue it in the name of the legal heir of the licensee.
 26. Upon the revocation, cancellation or determination of the license under the preceding conditions, the licensee or their representative shall forthwith cease to use the building and plant for the purpose for which they were licensed. Neither the licensee nor any other person shall be entitled to any compensation or damages whatever, in respect of revocation, cancellation or determination of the license.
 27. The Licensee shall furnish true statements, as may be required by the Excise Department.
- If there is a doubt or dispute regarding the application or interpretation of these rules, the decision of the Excise Commissioner thereon shall be final.