



# ಕರ್ನಾಟಕ ರಾಜ್ಯಪತ್ರ

ಅಧಿಕೃತವಾಗಿ ಪ್ರಕಟಿಸಲಾದುದು  
ವಿಶೇಷ ಪತ್ರಿಕೆ

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| ಭಾಗ - IV-A | ಬೆಂಗಳೂರು, ಶುಕ್ರವಾರ, ಐನವರಿ ೭, ೨೦೧೧ (ಪುಷ್ಯ ೧೭, ಶಕ ವರ್ಷ ೧೯೩೨) | ನಂ. ೧೮ |
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FINANCE SECRETARIAT

NOTIFICATION - I

No. FD 10 PES 2009, Bangalore, Dated : 7<sup>th</sup> January, 2011

Whereas, the draft of the following rules further to amend the Karnataka Excise (Brewery) Rules, 1967, was published as required by sub-section (1) of section 71 of the Karnataka Excise Act, 1965 (Karnataka Act 21 of 1966) in Notification No I. FD 10 PES 2009, dated: 24<sup>th</sup> February, 2010 in Part-IV-A of the Karnataka Gazette (Extraordinary No. 201) dated: 24<sup>th</sup> February, 2010 inviting objections or suggestions from all the persons likely to be affected thereby and notice was given that the said draft will be taken in to consideration, after thirty days from the date of its publication in the Official Gazette.

Whereas, the said Gazette was made available to the public on 24<sup>th</sup> February, 2010;

And whereas, objections and suggestions received have been considered by the Government .

Now, therefore, in exercise of the powers conferred by section 71 of the Karnataka Excise Act, 1965 (Karnataka Act 21 of 1966), the Government of Karnataka hereby makes the following rules further to amend the Karnataka Excise (Brewery) Rules, 1967, namely:-

## RULES

**1. Title and commencement.**- (1) These rules may be called the Karnataka Excise (Brewery) (Amendment) Rules, 2010.

(2) They shall come into force from the date of their publication in the official Gazette.

**2. Amendment of rule 2 .-** In the Karnataka Excise (Brewery) Rules, 1967 (hereinafter referred to as the said rules) in rule 2, after clause (o), the following shall be inserted, namely:-

“(o1) **Microbrewery**” means a small brewery situated in a place on the premises of CL-4 or a place on the premises of CL-6A or CL-7 or CL-9 licenses issued under the Karnataka Excise (Sale of

Indian and Foreign Liquors) Rules, 1968 where Draught Beer is manufactured and the same is served to their customers for consumption within the premises with an installed capacity of not more than one thousand liters per day."

**3. Insertion of new rule 27A.-** After rule 27 of the said rules, the following new rule shall be inserted, namely:-

**"27A. Grant of license for Microbrewery.-** (1) Any person who possessing a CL-4 or CL-6A or CL-7 or CL-9 licence and desirous of obtaining a licence for a Microbrewery shall apply to the Excise Commissioner in Form 4 through the Deputy Commissioner. The Application shall be accompanied by a treasury challan for having credited the fee specified in sub-rule (2) and full description of the premises, utensils and installed capacity of the Plant per day. The detail in the application shall be checked either by the Deputy Commissioner or some other Officer duly authorized by him in this behalf, who shall certify to the fact, if he finds it correct, and forward it to the Commissioner. The Commissioner may grant Microbrewery licence in Form 5, subject to the following conditions, namely:-

In case of,-

- (a) CL-7 licence unless the licensed premises is having a minimum of 100 double rooms in corporation areas and 50 double rooms in other areas;
- (b) CL-9 licence unless the licensed premises is having minimum 10,000 Sq. Ft. area and spacious dining hall and parking facility; and
- (c) CL-4 licence unless the licensed premises is having minimum 10,000 Sq. Ft. area and spacious parking facility;

in addition to conditions stipulated under the Karnataka Excise (Sale of Indian and Foreign Liquors) Rules, 1967.

(2) The fee for grant of Microbrewery licence shall be rupees two lakhs per year and an additional licence fee of rupees equal to fifteen percent of licence fee.

(3) The licensee shall arrange to check the quality of raw materials used and the liquor produced in the Microbrewery by a chemist holding a degree in Science with chemistry as one of the subject preferably organic-chemistry or bio-chemistry or specialization in alcohol technology.

(4) The beer so produced in the microbrewery shall be released for sale only after the said Chemist certifies that such beer is fit for human consumption.

(5) The licensee shall arrange to draw the beer samples once in every month and forward the same to the laboratory for analysis. The report so obtained thereon shall be displayed on the premises of Microbrewery."

**4. Insertion of new Form 4.-** After Form 3 of the said rules, the following Forms shall be inserted, namely:-

**"Form 4****(see rule 27A)****Application for grant of Microbrewery****To,**

The Excise Commissioner in Karnataka, Bangalore

1. Name/s of the Applicant/s with full postal address.
2. The Amount of capital proposed to be invested
3. The name and description of the place in which the Microbrewery is situated
4. Whether project report is submitted
5. Whether clearance certificate is obtained from Pollution Control Board/Environment Department
6. Descriptions of vessels and other permanent apparatus.
7. Production capacity of the Microbrewery per day/per annum.
8. Whether Applicant has enclosed the treasury challan for having credited the prescribed licence fees in favour of the Government.

**Declaration**

1. I/We hereby declare that the particulars mentioned in the application are correct.
2. I/We am/are not convicted of any offence under the Karnataka Excise Act or Rules made there-under or any of the cognizable or non-bailable offences under any other law.
3. I/We have gone through the Karnataka Excise (Brewery) Rules, 1967 relating to the licence applied for by me/us hereunder and am/are conversant with the provisions thereof.
4. I/We hereby undertake to abide by the conditions of the licence and provisions of the Karnataka Excise Act, 1965 and the Rules and regulations made thereunder.

Signature of the Applicant/s.

**Form 5****(see rule 27A)****Microbrewery Licence**

I, . . . . . Excise Commissioner in Karnataka under the provisions of rule 27A of the Karnataka Excise (Brewery) Rules, 1967 hereby licence you . . . . . (hereinafter called the licensee) to manufacture and serve Beer in your premises at from. . . . . to. . . . . subject to the following conditions to be observed by you, the Licensee

**CONDITIONS**

1. The licensee shall be bound by the provisions of the Karnataka Excise Act, 1965. Notifications, Rules and orders made or issued thereunder and the Karnataka Excise(Brewery ) Rules, 1967
2. The Licensee shall observe such rules as may be prescribed by the State Government or such instructions and orders as may be issued by the Excise Commissioner from time to time in regard to the control of the manufacture, possession and serving.
3. The Licensee shall be bound by such orders as may be passed by the State Government or the Excise Commissioner concerning the process of manufacture to be adopted and the standards and quality of beer to be produced and served.
4. The Licensee shall provide a saccharometer and a thermometer of a kind to be approved by the Excise Commissioner for testing the gravity of wort in the Brewery. A Hydrometer shall also be provided for testing the strength of the drought Beer.
5. The alcohol content of the beers produced supplied to the customers shall not exceed 8% V/V.
6. The pH, temperature and gravities of the brews up to maturation stage should be recorded and the same is subject to inspection as and when called for by a competent authority.
7. The premises to be maintained neat and clean with proper ventilation, lighting and to meet all safety and emergency standards and the beer dispensing system including glasses, serving tables etc to be maintained hygienically at all times.
8. Periodic fumigation by certified persons of the storage facility as well as the premises to be done on a routine basis and records maintained.
9. Under no circumstances is beer or any alcoholic drinks to be served to under aged persons.
10. The payment of the licence fees and excise duty as specified is to be paid in advance.
11. The licensee shall strictly maintain timings of serving of beer to the customer between 10.00 AM and 11.30 PM.
12. The licensee is prohibited from manufacturing any of the Beers , save the ones specially instructed
13. The licensee shall issue beer only to the visitors of the licensed premises.
14. The account of the transactions in the Microbrewery relating to issue shall be maintained in such manner as may be required by the Excise Commissioner.
15. The Licensee shall furnish any statistics relating to manufacture and the sale of Beer that may be required when called upon to do so by any competent authority.
16. For any breach of the rules or the conditions of the licence, the Excise Commissioner may after giving a fortnight's notice to the licensee suspend or cancel the licence. The licensee shall not be entitled to any compensation on account of such suspension or cancellation."

By order and in the name of the Government of Karnataka,

**S.G.NARAYANA**

Under Secretary to Government  
Finance Department (Excise)

**NOTIFICATION - II****No. FD 10 PES 2009, Bangalore, Dated : 7<sup>th</sup> January, 2011**

Whereas, the draft of the following rules further to amend the Karnataka Excise (Excise Duties and Fees) Rules, 1968, was published as required by sub-section (1) of section 71 of the Karnataka Excise Act, 1965 (Karnataka Act 21 of 1966) in Notification No II.FD 10 PES 2009, dated: 24<sup>th</sup> February, 2010 in Part-IV-A of the Karnataka Gazette (Extraordinary No. 201) dated: 24<sup>th</sup> February, 2010 inviting objections or suggestions from all the persons likely to be affected thereby and notice was given that the said draft will be taken in to consideration, after thirty days from the date of its publication in the Official Gazette.

And, whereas, the said Gazette was made available to the public on 24<sup>th</sup> February, 2010.

And whereas, no objections and suggestions have been received in respect of the said draft rules by the Government .

Now, therefore, in exercise of the powers conferred by section 88 of the Karnataka Excise Act, 1965 (Karnataka Act 21 of 1966), the Government of Karnataka hereby makes the following rules further to amend the Karnataka Excise (Excise Duties and Fees) Rules, 1967, namely:-

**RULES**

**1. Title and commencement.-** (1) These rules may be called the Karnataka Excise (Excise Duties and Fees) (Amendment) Rules, 2010.

(2) They shall come into force from the date of their publication in the official Gazette.

**2. Amendment of rule 2.-** In the Karnataka Excise (Excise Duties and Fees) Rules, 1968 (hereinafter referred to as the said rules), in rule 2, after sub-rule (1), the following shall be inserted, namely:-

“(1A) In case of microbrewery, the excise duty specified in Schedule A shall be paid at the time of obtaining licence alongwith licence fee.”

**3.Insertion of rule 2AAA.-** After rule 2AA of the said rules, the following shall be inserted, namely:-

“**2AAA. Additional excise duty on Microbreweries.-** In case of manufacture of beer in Microbrewery, in addition to the duty paid by licensee under rule 2 an additional excise duty shall be levied on the excisable articles (Beer) specified in column(2) and falling within declared price range specified in column (3) at the rates specified in column(4) of Schedule D1 when such excisable articles are licenced to manufacture under the Karnataka Excise (Brewery) Rules, 1967.”

**4. Amendment of Schedule A.-** In Schedule A to the said rules, after serial no. 8 and entries relating thereto, the following shall be inserted, namely:-

| Sl.No     | Name of the Article                   | Rate of Duty   |
|-----------|---------------------------------------|--|
| Sl. No. 9 | Beer manufactured in the Microbrewery | Fifty percent of annual installed capacity at the rate of Rs 5.00 per bulk liter.<br>It shall be paid along with the licence fee." |

5. **Insertion of Schedule D1.**- After Schedule D to the said rules, the following shall be inserted, namely:-

**"SCHEDULE D1**

**(see rule 2AAA)**

| Sl. No. | Name of the Article                   | Declared price range per bulk liter of Beer |        | Rate of Additional Excise Duty/Additional Countervailing duty per B.L.                  |
|---------|---------------------------------------|---|--------|---|
|         |                                       | From  | To     |   |
|         |                                       | Rs. Ps.                                     | Rs. Ps | Rs. Ps  |
|         | Beer manufactured in the Microbrewery | 00  | 25.00  | Fifty percent of the annual installed capacity at the rate of Rs.12.50 per bulk liter." |
|         |                                       | above 25.00                                 |        |   |

By order and in the name of the Government of Karnataka

**S.G.NARAYANA**  
Under Secretary to Government  
Finance Department (Excise)