



తెలంగాణ రాజపత్రము
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TELANGANA BILLS
TELANGANA LEGISLATIVE ASSEMBLY

The following Bill was introduced in the Telangana Legislative Assembly on 8th November, 2017.

L.A. BILL No. 16 OF 2017.

**A BILL FURTHER TO AMEND THE TELANGANA
EXCISE ACT, 1968.**

Be it enacted by the Legislature of the State of Telangana in the Sixty-eighth Year of the Republic of India, as follows:-

1. (1) This Act may be called the Telangana Excise (Amendment) Act, 2017.

Short title
extent and
commence-
ment.

(2) It shall extend to the whole of the State of Telangana.

(3) (i) Section 2 shall be deemed to have come into force from 11.10.2016;

(ii) Sections 3 and 4 shall be deemed to have come into force from 02.06.2014.

Amend-
ment of
Section 2.

2. In the Telangana Excise Act, 1968 (hereinafter referred to as the principal Act),-

Act No. 17
of 1968.

(1) for the words "Prohibition and Excise Superintendent" wherever they occur throughout the Act, the words "District Prohibition and Excise Officer" shall be substituted;

(2) in section 2, after clause (11), the following clause shall be inserted, namely,-

"(11-A). "District Prohibition and Excise Officer" means the Prohibition and Excise Superintendent or Assistant Prohibition and Excise Superintendent or any officer lawfully appointed or invested with powers under the relevant provisions of the Act."

Amend-
ment of
Section 21.

3. In the principal Act, in section 21, after sub-section (3), the following sub-section shall be added, namely,-

"(4) Notwithstanding anything contained in this Act, it shall be open to the Government, by notification to levy such other taxes, or duties or cess or any other fee or registration fee or penalties or discounts, at any stage, in respect of excisable articles or on any person connected with the trade of excisable articles as may be specified in the notification."

Amend-
ment of
Section 28.

4. In the principal Act, in section 28, after sub-section (2), the following sub-sections shall be added, namely,-

“(3) In addition to the fee prescribed under sub-sections (1) and (2) above, the Commissioner or an Authorized Officer may levy and collect any of the following from the manufacturers or retailers or bar owners or in house or other persons selling or excisable article as permitted under sub-section (1) of section 17:-

- (a) Distillery Excise Tax
- (b) Brewery Excise Tax
- (c) Winery Excise Tax
- (d) Micro Brewery Excise Tax
- (e) Retail Shop Excise Tax
- (f) Elite Shop Excise Tax
- (g) Bar Excise Tax
- (h) Bonafide use of Excisable articles Excise Tax.

(4) In addition to the fee prescribed in sub-sections (1), (2) and (3) above, the Commissioner or an Authorised Officer may levy and collect any of the following from the vendors or suppliers of excisable articles:-

- (a) Early payment discount
- (b) Trading fee
- (c) Bulk stock delivery discount
- (d) Registration fee
- (e) Brand Registration fee
- (f) Penalty for wrong dispatch
- (g) Penalty for slow/non-moving stock
- (h) Exemplary penalties in case of abnormal breakages.

Explanation:- For the removal of doubts, it is clarified that any fees or charges by whatsoever name called, collected in pursuance of this section or clause (d) of section 22 or any other section of this Act or any rules

made under this Act, from time to time, for granting any lease, license or exclusive privilege for different purposes mentioned in sub-section (1) of section 17, shall irrespective of the time, mode and manner of such collection, be deemed to be and always deemed to have been Excise duty or Countervailing duty on excisable articles levied and collected under section 21.”.

Repeal of
Ordinance
5 of 2017.

5. The Telangana Excise (Amendment) Ordinance, 2017 is hereby repealed.

T. PADMA RAO,
Minister for Excise & Prohibition,
Sports and Youth Services.

STATEMENT OF OBJECTS AND REASONS

Consequent to the decision of the Government to form new districts in the State, need arises for the Prohibition and Excise Department to restructure administrative units, redeploy officers & re-notify Jurisdictions. To utilize the available manpower to the optimum, keeping in view the limited number of Prohibition and Excise Superintendent posts, a “Generic designation” of different cadres in newly formed Districts or in certain units keeping in view the Revenue, Crime and area covered, since the post involves exercise of certain essential statutory functions.

The Cadre Strength of Prohibition and Excise Superintendents in the State is Twenty Six (26) i.e. (24) at the field level and remaining Two (2) in State Task Force. By absorbing (3) posts existing in TSBCL the cadre strength raised to (29). The requirement is (34). Even after redeployment of existing Prohibition and Excise Superintendents. Still, to meet the requirement in the districts and other administrative units, a “Generic Designation” (District Prohibition and Excise Officer) for the post of District Head, which is at present only in the cadre of Prohibition and Excise Superintendent is required for the purpose of posting officers of other cadres also.

The provisions existing in Excise Act will not suffice or support appointment and posting of Generically Designated officers to the districts or to other similar administrative units. Accordingly, Commissioner of Prohibition and Excise Vide Cr.No.5400/2016/CPE/TS/F1, dated:12.09.2016, has submitted the proposals for certain amendments in Excise Act to substitute the words “Prohibition and Excise Superintendent” with “District Prohibition and Excise Officer”.

After formation of the State of Telangana, the Government of Telangana has been reviewing the Acts and Rules including the Telangana Excise Act, 1968 (Act No.17 of 1968) and of Indian Made Foreign Liquor and Foreign liquor whole sale and retail vending and decided to bring certain amendments to the Telangana Excise Act, 1968, for the smooth operation of the Transactions in the State including collection of certain fees etc. from the suppliers etc. which needed support of statute. The collection of certain fees etc. were frequently challenged in the court of law by the suppliers. Accordingly, the Managing Director, Telangana State Beverages Corporation Limited, Telangana State, Hyderabad in his letter no. TSBCL/I/2017-18 has submitted proposals for incorporating certain provisions i.e. clause (11-A) in section 2, sub-section (4) in section 21 and sub-sections (3) and (4) in section 28 of the Telangana Excise Act, 1968. The Commissioner of Prohibition and Excise also submitted similar proposals for incorporating the said provisions.

In view of the above, it has been considered necessary to issue certain modifications in the provisions of the Telangana Excise Act, 1968, to realise the said objective and accordingly, it has been decided to amend the relevant provisions of the Act by undertaking a legislation.

As the Legislature of the State was not in session and it has become imperative for the Government to implement the said decision immediately, the Telangana Excise (Amendment) Ordinance, 2017 (Telangana Ordinance No.5 of 2017) has been promulgated by the Governor on the 28th June, 2017 and the same has been published in the Telangana Gazette dated:28th June, 2017.

This bill seeks to replace the said Ordinance.

T. PADMA RAO,
Minister for Excise & Prohibition,
Sports and Youth Services.

FINANCIAL MEMORANDUM

The proposed bill for amending the Telangana Excise Act, 1968, for changing of the nomenclature from "Prohibition & Excise Superintendent" to "District Prohibition & Excise Officer" and from "Fee/Fees" to "Tax/ Taxes". Due to the said amendment, there is no financial loss to the State Exchequer.

T. PADMA RAO,
Minister for Excise & Prohibition,
Sports and Youth Services.

**MEMORANDUM UNDER RULE 95 OF THE RULES OF
PROCEDURE AND THE CONDUCT OF BUSINESS IN
THE TELANGANA LEGISLATIVE ASSEMBLY.**

The Telangana Excise (Amendment) Bill, 2017, after it is passed by the Legislature of the State may be submitted to the Governor for his assent under article 200 of the Constitution of India.

T. PADMA RAO,

Minister for Excise & Prohibition,
Sports and Youth Services.

Dr. V. NARASIMHA CHARYULU,

Secretary to State Legislature.