

PROHIBITION AND EXCISE DEPARTMENT

From
Thiru D. Mohan, I.A.S.,
Commissioner of
Prohibition and Excise
Chepauk, Chennai – 600 005.

To
✓ All District Collectors.

Rc.Letter No.P&E 2(4) / 3349 / 2020-2, dated: 19.08.2020.

Sir / Madam,

Sub: Prohibition and Excise Department – Tamil Nadu Liquor (Licence And Permit) Rules, 1981 - No sale of liquor in Hotels and Bars due to continuous lockdown – Stock of Beer and Wine getting expired – Returning of the stock to TASMAC – Issue of suitable guidance - Remarks received from TASMAC – Instructions issued - Regarding.

- Ref:
1. Government letter No. 6782/H,P&EVIII(2)/2020-1, dated 15.07.2020.
 2. From Thiru T. Natarajan, Hon Secretary, South India Hotels and Restaurants Association, Chennai, representation through e-mail, dated 13.07.2020.
 3. TTDC letter No. 2122/H2/2020, dated 21.07.2020.
 4. Representations received from FL2 / FL3 licencees.
 5. This office letter No. P&E2(4)/3349/2020, dated 31.07.2020.
 6. The Managing Director, TASMAC letter No. B1/3525/2020, dated 10.08.2020.

I invite your attention to the references cited wherein in the reference 2nd, 3rd and 4th cited, the FL2 (Clubs), FL3 (Hotels), FL3A (TTDC), FL3AA (Franchise of TTDC) and FL10 (Airport approved Restaurants International Air Terminals / International Air Terminals licensees are requesting for return of stock of beer remain unsold in their premises due to continued lock down from 25th March 2020 onwards. The same have been forwarded to the Managing Director, Tamil Nadu State Marketing Corporation Limited and requested his remarks vide this office ref. 5th cited.

2) Now in the reference 6th cited, the Managing Director, Tamil Nadu State Marketing Corporation Limited has informed that TASMAC has effected sale of those IMFL brands to the FL licensees by raising the sales bill on cash and carry basis. He has further informed that TASMAC has paid Value Added Tax as per the provisions of

the Tamil Nadu VAT Act, 2006 and filed necessary monthly VAT return and that TASMAC has made the payments in respect of above beer items to the concerned bars and that it may be noted that in the jurisdictional limit of Greater Chennai Police TASMAC's shops are remain closed and hence the depots in Ambattur and in Thirumazhisai, Tiruvallur (East) remain closed from the date of enforcement of lock down by the Governemnt i.e. 25.03.2020.

3) He has also stated that on scrutiny of attachments to our office letter i.e. the details submitted by FL licensees, it is found that some of the brands of beer have already expired and not fit for sale and the remaining will be expiring in another few days and hence TASMAC is unable to take back these stock, as "sales return" and make payment to the concerned licensees.

4) He has added that it may be noted that due to closure of bars attached to the Retail Vending Shops, shops in jurisdiction of Greater Chennai Corporation Police limit, shops in market places, malls and in containment zones are not functioning, the volume of sales of beer has drastically come down i.e. below approximately 50% compared to corresponding period in previous year and that if as requested by the FL licensees the saleable beer brands (subject to Forensic Lab testing) are taken back on sales return basis it is most likely that those stock may not be sold out through TASMAC Retail Vending Shops due to drastic reduction in sale of Beer that will be again end up in a loss to TASMAC.

5) He has also stated that transaction of TASMAC is subject to audit by Internal Audit, Statutory Audit and team of auditors from the Comptroller and Auditor General of India and that they would raise serious audit objection pointing to financial loss in taking back this stock of beer brands which remain unsold in the FL licensees premises due to the lock down enforced by the Government and he has informed that the return of stock of beer remain unsold in above licensees to TASMAC godowns was not feasible.

7) I, therefore, request you to inform the above facts to all FL2, FL3, FL3A and FL3AA licensees in your jurisdiction accordingly.

Yours faithfully,
Sd/-B.Arun Sathya,
Joint Commissioner – II,
For Commissioner of Prohibition and Excise.

Copy to

1. The Additional Chief Secretary to Government,
Home, Prohibition and Excise Department,
Secretariat, Chennai – 600 009.
2. The Managing Director,
Tamil Nadu State Marketing Corporation Limited,
Chennai – 600 008.

For Commissioner of Prohibition and Excise.

20/08/2020