

## CHAPTER XI

## MAXIMUM RETAIL PRICE AND EXCISE DUTIES

**{131} The Maharashtra Potable Liquor (Fixation of Maximum Retail Prices)  
Rules, 1996****G. N. H. D. No. ARM. 1096/21/7/EXC-3, dated the 18th October, 1996****(M. G. Pt. IV, page No. 1264)**

1. Amended by G. N. H. D., No. ARM. 1096/21/7/EXC-3, dated 7th December 1996, (M. G. Pt. IV-B ; p. 1918)
2. Amended by G. N. H. D., No. BPA. 1098/27/EXC-3, dated 5th October 1998, (M. G. Pt. IV-B; p. 749)
3. Amended by G. N. H. D., No. BPA. 1096/21/Part-3/EXC-3, dated 8th December 1998, (M. G. Pt. IV-B ; p. )
4. Amended by G. N. H. D., No. BPA. 1096/21/Part-III/1/EXC-3, dated 22nd January 1999, (M. G. Pt. IV-B ; p. 1920)
5. Amended by G. N. H. D., No. BPA. 1096/21/Part-3/6/EXC-3, dated 20th January 2000, (M. G. Pt. IV-B ; p. 1921)
6. Amended by G. N. H. D., No. BPA. 1101/CR-10/2/EXC-3, dated 12th October 2001, (M. G. Pt. IV-B ; p. 1260)
7. Amended by G. N. H. D., No. MIS. 1199/1689/CR-28/2/EXC-3, dated 8th September 2003, (M. G. Pt. IV-B ; p. )
8. Amended by G. N. H. D., No. BPA. 1003/CR-20/1/EXC-3, dated 31st May 2004, (M. G. Pt. IV-B ; p. 364)
9. Amended by G. N. H. D., No. BPA. 1106/CR-1(A)/EXC-3, dated 13th April 2006, (M. G. Pt. IV-B ; p. 517)
10. Amended by G. N. H. D., No. BPA. 1107/CR-5/2/EXC-3, dated 30th March 2007, (M. G. Pt. IV-B ; p. )
11. Amended by G. N. H. D., No. MIS. 1107/CR-33(3)/EXC-3, dated 10th July 2007, (M. G. Pt. IV-B ; p. 1227)
12. Amended by G. N. H. D., No. MIS. 1107/CR-40/II/EXC-3, dated 24th July 2008, (M. G. Pt. IV-B ; p. 753)

13. Amended by G. N. H. D., No. BPA. 1108/CR-23/EXC-3, dated 4th August 2008, (M. G. Pt. IV-B ; p. 1930)
14. Amended by G. N. H. D., No. MIS. 1107/CR-40/II/EXC-3, dated 28th August 2008, (M. G. Pt. IV-B ; p. )
15. Amended by G. N. H. D., No. MIS. 0109/CR-15/EXC-3, dated 23rd January 2009, (M. G. Pt. IV-B ; p. 158)
16. Amended by G. N. H. D., No. MIS. 1108/CR-33/EXC-3, dated 2nd February 2009, (M. G. Pt. IV-B ; p. 163)
17. Amended by G. N. H. D., No. MIS. 0509/CR-150/EXC-3, dated 26th June 2009, (M. G. Pt. IV-B ; p. 4)
18. Amended by G. N. H. D., Corrigendum No. MIS. 0509/CR-150/EXC-3, dated 4th July 2009, (M. G. Pt. IV-B ; p. 2)
19. Amended by G. N. H. D., No. BWR. 0509/IMP/CR-143/EXC-3, dated 22nd July 2009, (M. G. Pt. IV-B ; p. )
20. Amended by G. N. H. D., No. BWR. 0509/IMP/CR-143/EXC-3, dated 30th October 2009, (M. G. Pt. IV-B ; p. 3)
21. Amended by G. N. H. D., No. MIS. 0211/333/CR-76(3)/EXC-3, dated 30th March 2011, (M. G. Pt. IV-B ; p. 17-19)

In exercise of the powers conferred by sub-clause (ii) of clause (hl) of sub-section (2) of section 143 of the Bombay Prohibition Act, 1949 (Bom. XXV of 1949), and of all other powers enabling it in that behalf, the Government of Maharashtra hereby makes the following rules, the same having been previously published as required by sub-section (3) of the said section 143, namely :—

1. Short title and commencement :—(1) These rules may be called the Maharashtra Potable Liquor (Fixation of Maximum Retail Prices) Rules, 1996.
  - (2) These rules shall come in force with effect from 1st of January, 1997.
2. Definitions :—In these rules, unless context otherwise requires.—
  - (a) “Act” means the Bombay Prohibition Act, 1949 (Bom. XXV of 1949).
  - (b) “Imported liquor bottled in India” means foreign liquor bottled in India, the whole alcoholic ingredients of which are imported into the country from across the Customs frontiers.

(c) “Manufacturer” means a person holding licence in Form PLL, BRL or CL-I under the Maharashtra Distillation of Spirit and Manufacture of Potable Liquor Rules, 1966; the Maharashtra Manufacture of Beer and Wine Rules, 1966 and the Maharashtra Country Liquor Rules, 1973, respectively or the certificate of registration in Form ‘K’ under the <sup>1</sup>[Maharashtra Foreign Liquor (Import and Export) Rules, 1963 and the Trade and Import Licence in Form FL-I who is authorised by the Commissioner for removal of imported liquor from the Customs Frontier or Custom Bond under the Bombay Foreign Liquor Rules, 1953 ;]

(d) <sup>2</sup>[“Maximum Retail Price” means maximum price <sup>3</sup>[at which potable liquor excluding country liquor in pack form may be sold to ultimate consumer and there shall be printed on each pack the words “Maximum or Max. Retail Price Rs. .... (inclusive of all taxes and duties)” or in the form “MRP Rs. .... (inclusive of all taxes and duties)”]

Maximum Retail Price in case of country liquor means maximum price <sup>4,5</sup>[\*] at which country liquor in pack form may be sold to ultimate consumer and there shall be printed on each pack the words “Maximum or Max. Retail Price Rs. .... inclusive of all taxes and duties <sup>4,5</sup>{\*}” or in the form “MRP Rs. .... inclusive of all taxes and duties <sup>4,5</sup>{\*}”];

<sup>6,7,8</sup>[*Explanation* ] for the purpose of this clause “Maximum Retail Price” in relation to any potable liquor shall include all taxes local or otherwise <sup>10</sup>[inclusive of Basic Custom Duty] <sup>11,5</sup>[\*], freight, transport charges, commission payable to dealers and all charges towards <sup>12</sup>[\*] delivery, forwarding and the like as the case may be.

<sup>8,9</sup>[\*]

(e) “Potable Liquor” means the Country Liquor as defined in the Maharashtra Country Liquor Rules, 1973; the Foreign Liquor as defined in clause (6) of rule 3 of the Bombay Foreign Liquor Rules, 1953, and the Indian Made Foreign Liquor as defined in the Maharashtra Foreign Liquor (Import and export) Rules, 1963 on which duty has not been paid;

<sup>10</sup>[(e-1) “Foreign Liquor” means all liquor produced or manufactured outside the India as defined under clause (17) of section 2 of the said Act.]

(f) Words, terms or expressions not defined in these rules shall have the same meaning as assigned to them in the Act, or rules framed thereunder.

### 3. Manufacturer to declare manufacturing cost and maximum retail price

(1) Every manufacturer shall, by statement in quadruplicate, declare his manufacturing cost and maximum retail price of every pack of Potable Liquor to the Superintendent of State Excise of the District in which his manufactory or Brewery licence is located. The Superintendent shall authenticate all the four copies and return one copy of the manufacturer, retain remaining copies for his record and for sending to State Excise Superintendent of the District and to the Officer in-charge of Trade and Import licence concerned.

1. Subs. by G. N. 4-8-2008.

3. Subs. by G. N. 24-7-2008.

5. Subs. by G. N. 24-7-2008.

7. Subs. by G. N. 28-8-2008.

9. Deleted by G. N. 28-8-2008.

11. Ins. by G. N. 8-12-1998.

2. Subs. by G. N. 8-12-1998.

4. Ins. by G. N. 20-1-2000.

6. Ins. by G. N. 22-1-1999.

8. Ins. by G. N. 22-1-1999.

10. Ins. by G. N. 10-7-2007.

12. Deleted by G. N. 5-10-1998.

(2) Every manufacturer of Indian Made Foreign Liquor, Beer or Wine desirous of exporting Indian Made Foreign Liquor, Beer or Wine in the State of Maharashtra shall declare his manufacturing cost and maximum retail price of every of Potable Liquor to the Commissioner in quadruplicate. The Commissioner shall authenticate all the four copies and return one copy to the exporter to the State, retain remaining copies for this record and for sending to State Excise Superintendents of the Districts and to the officer in-charge of Trade and Import licence concerned.

<sup>1,2</sup>[\*]

*Explanation*—For the purpose of sub-rules (1) and (2) for computing the manufacturing cost, the cost of alcohol imported, if any, into the country across the Customs frontiers may be excluded.

<sup>3</sup>[(3) The Trade and Import licensee in Form FL-1, who is authorized by the Commissioner for removal of imported liquor from the custom frontier or custom bond under the Bombay Foreign Liquor Rules 1953, shall, by statement in quadruplicate, declare his manufacturing cost and maximum retail Price of every pack of Foreign Liquor to the Superintendent of State Excise of the District in which his FL-I Licence is located. The Superintendent shall authenticate all the four copies and return one copy to FL-I licence and retain remaining copies for his record for the Commissionerate and for the officer concerned in charge of Trade and Import licence.]

4. *Subsequent change in manufacturing cost.*—Any variation likely to be made in manufacturing cost or Maximum Retail price subsequent to declaration under rule 3 above shall, by statement in quadruplicate copies be declared by manufacturer to the respective officers mentioned in these rules in advance. The copies of declaration shall be dealt with as provided in rule.

5. *Regulation of Maximum Retail Price of Potable Liquor.*—Maximum Retail Price of Potable Liquor shall not exceed,

<sup>4</sup>[(A) In case of sale to licensee under the Act other than Canteen Stores Department (India),

<sup>5</sup>(i) 4.5 times of the manufacturing cost plus Sales Tax at the prevalent rate in case of Country Liquor;

<sup>6</sup>[(ii) (a) 5 times of the manufacturing cost, if manufacturing cost per bulk litre of Foreign Liquor (Spirits), including 'Imported liquor bottled in India', does not exceed Rs. 120 (Rupees One Hundred twenty only) plus sales Tax at the prevalent rate.

(b) 5 times the manufacturing cost increased by 5 times the manufacturing cost in excess of Rs. 120 (Rupees One Hundred twenty only) per bulk litre, if manufacturing cost per bulk liter of Foreign Liquor (Spirits), including 'Imported liquor bottled in India', exceeds Rs. 120 (Rupees One Hundred only) plus Sales Tax at the prevalent rate.

*Examples*—1. If manufacturing cost of 750 ml. IMFL bottle is declared as Rs. 100 the Maximum Retail Price shall not exceed Rs.  $[100 \times 5 + (100-90) \times 5] + 25\%$  Sales Tax, *i.e.* Rs.  $550 + 137.50 = 687.50$ .

1. Ins. by G. N. 10-7-2007.

3. Ins. by G. N. 28-8-2008.

5. Subs. by G. N. 26-6-2009.

2. Del. by G. N. 4-8-2008.

4. Subs. by G. N. 28-8-2008.

6. Ins. by G. N. 30-3-2011.

2. If manufacturing cost of 180 ml IMFL bottle is declared as Rs. 25 the Maximum Retail Price shall not exceed Rs.  $[25 \times 5 + (25 - 21.6) \times 5] + 25\%$  Sales Tax, *i.e.* Rs. 142 + 35.50 = 177.50.

<sup>1,2,3</sup>[(iii) (a) 3.75 times the manufacturing cost in case of fermented liquor <sup>4</sup>[\*] except Beer plus Sales Tax at the prevalent rate ;

(b) 3.5 times the manufacturing cost in case of mild liquor except Beer plus Sales Tax at the prevalent rate ;

(c) 3.5 times the manufacturing cost plus Sales Tax at the prevalent rate, in case of beer having alcoholic strength not exceeding 8.75 per cent of proof spirit ;]

(d) 4 times the manufacturing cost in case of Beer having alcoholic strength exceeding 8.75 proof spirit plus Sales Tax at the prevalent rate ;]

(iv) (a) 4 times the manufacturing cost if manufacturing cost per bulk litre of Wine does not exceed Rs. 40 (Rupees Forty only) per bulk litre, plus Sales tax at the prevalent rate.

(b) 4 times the manufacturing cost increased by an amount equal to the manufacturing cost in excess of Rs. 40 (Rupees Forty only) per bulk litre, if the manufacturing cost per bulk litre of wine exceeds Rs. 40 (Rupees Forty only) per bulk litre, plus Sales Tax at the prevalent rate.

<sup>5</sup>[Provided that, in case of the Wine manufactured from the grapes produced within the State of Maharashtra and without using alcohol or without blending of any other Wine and remitted from excise duty upto 23rd December 2011 ;

(i) 3 times the manufacturing cost, if manufacturing cost per bulk litre of wine does not exceeds Rs. 40 (Rs. Forty only) per bulk litre plus Sales Tax at the prevalent rate.

(ii) 3 times the manufacturing cost increased by an amount equal to the manufacturing cost in excess of Rs. 40 (Rs. Forty only) per bulk litre, if the manufacturing cost per bulk litre of wine exceeds Rs. 40 (Rs. Forty only) per bulk litre plus Sales Tax at the prevalent rate.]

*Examples.*—1. If manufacturing cost of a 750 ml wine bottle is declared as Rs. 50 the maximum Retail Price shall not exceed Rs.  $[50 \times 4 + (50 - 30) \times 1] + 20\%$  Sales Tax, *i.e.* Rs. 220 + 44 = 264.

2. If manufacturing cost of a 375ml wine bottle is declared as Rs. 25 the maximum Retail Price shall not exceed Rs.  $[25 \times 4 + (25 - 15) \times 1] + 20\%$  Sales Tax, *i.e.* Rs. 110 + 22 = 132.

(A1) Maximum Retail Price of Foreign Liquor shall not exceed,

<sup>2,3</sup>[(i) (a) 5 times of the manufacturing cost plus Sale Tax at the prevalent rate plus custom duty, if manufacturing cost per bulk litre of Foreign Liquor (Spirits), does not exceed Rs. 120 (Rupees One Hundred twenty only) ;

(b) 5 times the manufacturing cost, increased by 5 times the manufacturing cost, in excess of rupees 120 (Rupees One Hundred twenty only) per bulk litre of bulk litre of Foreign Liquor (Spirits), plus Sales Tax at the prevalent rate plus custom duty if manufacturing cost per bulk litre of Foreign Liquor exceeds rupees 120 (Rupees one Hundred twenty only).

(ii) (a) 3.75 times the manufacturing cost in case of fermented liquor except beer plus Sales Tax at the prevalent rate plus custom duty ;

1. Subs. by G. N. 8-9-2003.

2. Subs. by G. N. 28-8-2008.

3. Subs. by G. N. 30-3-2011.

4. Deleted by G. N. 31-5-2004.

5. Added. by G. N. 2-2-2009.



(ii) (a) 2.6 times the manufacturing cost if manufacturing cost per bulk litre, of rum does not exceed [Rs. 120 (Rupees One Hundred twenty only)] plus Sales Tax at the prevalent rate ;

(b) 2.6 times the manufacturing cost increased by 5 times the manufacturing cost in excess of [Rs. 120 (Rupees One Hundred twenty only)] per bulk litre, if manufacturing cost per bulk litre of rum exceeds Rs. 120 (Rupees One Hundred twenty only) plus Sales Tax at the prevalent rate ;

(iii) 3.15 times the manufacturing cost in case of fermented liquor and mild liquor plus Sales Tax at the prevalent rate ;

(iv) (a) 3.6 times the manufacturing cost if manufacturing cost per bulk litre of wine does not exceed Rs. 40 (Rupees Forty only) plus Sales Tax at the prevalent rate ;

(b) 3.6 times the manufacturing cost increased by an amount equal to the manufacturing cost in excess of Rs. 40 (Rupees Forty only) per bulk litre if manufacturing cost per bulk litre of wine exceeds Rs. 40 (Rupees forty only) plus Sales Tax at the prevalent rate.

<sup>3</sup>[Provided that, in case of the Wine manufactured from the grapes produced within the State of Maharashtra and without using alcohol or without blending of any other Wine and remitted from excise duty upto 23rd December 2011—

(i) 2.7 times the manufacturing cost, if manufacturing cost per bulk litre of wine does not exceeds Rs. 40 (Rs. Forty only) per bulk litre plus Sales Tax at the prevalent rate.

(ii) 2.7 times the manufacturing cost increased by an amount equal to the manufacturing cost in excess of Rs. 40 (Rs. Forty only) per bulk litre, if the manufacturing cost per bulk litre of wine exceeds Rs. 40 (Rs. Forty only) per bulk litre plus Sales Tax at the prevalent rate.]

<sup>1,2</sup>[Provided that not withstanding anything mentioned in clause (i) and (ii) of sub rule (A) of this rule] if manufacturing cost of Foreign Liquor (Spirits) and (Country Liquor), is such that the specific duty as specified respectively at Sr. No. 5 (b) and 7 under Schedule appended to the Government Notification, Home Department No. ARM 1096/21/2/EXC-3, dated the 13th September 1996 works out to be more than respective *ad-valorem* duty, the maximum Retail price shall not exceed two times the manufacturing cost plus excise duty, or two times the manufacturing cost plus countervailing duty, as the case may be ;

“Provided further that not withstanding anything mentioned in clause (i) and (ii) of sub-rule (B) of this rule, if manufacturing cost of Foreign Liquor (Spirits) is such that the excise duty as specified respectively at Serial No. 1 and 2 of the Government Notification, Home Department, No. ARM. 1096/21/8/EXC-3, dated the 4th October 1996, works out to be more than respective *ad-valorem* duty, the Maximum Retail Price shall not exceed two times the manufacturing cost plus excise duty, or two times the manufacturing cost plus countervailing duty, as the case may be”].

6. *Power to issue supplementary instructions* :—The Commissioner may issue written instructions providing for any supplemental matters arising out of these rules.

1. Ins. by G. N. 7-12-1996.

2. Subs. by G. N. 12-10-2001.

3. Added by G. N. 2-2-2009.