

**PUNJAB VIDHAN SABHA**

**Bill No. 19-PLA-2017**

THE PUNJAB EXCISE (AMENDMENT) BILL, 2017

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BILL

*further to amend the Punjab Excise Act, 1914.*

BE it enacted by the Legislature of the State of Punjab in the Sixty-eighth Year of the Republic of India as follows :—

1. (1) This Act may be called the Punjab Excise (Amendment) Act, 2017. Short title and commencement.

(2) It shall come into force on and with effect from the date of its publication in the Official Gazette.

2. In the Punjab Excise Act, 1914 (hereinafter referred to as the principal Act), in section 3,— Amendment of section 3 of Punjab Act 1 of 1914.

(i) after clause (2), the following clause shall be inserted, namely :—

“(2-a) “club” means any person or body of persons providing services, facilities or advantages, primarily to its members, for a subscription or any other amount;”;

(ii) after clause (11), the following clause shall be inserted, namely :—

“(11-a) “hotel” includes a building or part of a building where residential accommodation is, by way of business, provided for a monetary consideration;”;

(iii) after clause (14), the following clause shall be inserted, namely:—

“(14-a) “liquor vends” shall mean retail shops that are licensed to sell liquor and shall not include any hotels, clubs or restaurants or any notified place;”;

(iv) after clause (16-a), the following clause shall be inserted, namely:—

“(16-b) “notified place” means any building or part of a building and the premises appurtenant thereto and any specifically demarcated land wherein the supply of liquor in terms of a licence is permitted for consumption within such notified place;”;

(v) after clause (18), the following clause shall be inserted, namely:—

“(18-a) “sale of liquor” means the transfer of liquor for consideration by a liquor vend for consumption by the purchaser at a place other than the premises of the liquor vend;”; and

(vi) after clause (19), the following clause shall be inserted, namely:—

“(19-a) “supply of liquor” means the provision of liquor for consideration at clubs, hotels, restaurants and any other notified place on the basis of a licence that is issued on the condition that such liquor shall be consumed within the premises of such hotel, club, restaurant or other notified place;”.

Substitution of section 26-A in Punjab Act 1 of 1914.

3. In the principal Act, for section 26-A, the following section shall be substituted, namely:—

“26-A (1) The sale of liquor shall be permitted only through licensed liquor vends which shall not be located within motorable or walking distance of 500 meters from the outer range of the National or State Highway or by a service lane along such highway and such liquor vends shall neither be directly visible nor accessible from such National or State Highway.

- (2) Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or authority, every club, hotel, restaurant or any notified place having a licence shall be entitled to engage in the supply of liquor to members, guests or other persons for consumption of such liquor within the premises of such club, hotel, restaurant or notified place, irrespective of whether such club, hotel, restaurant or notified place, is located on or near any National or State Highway :

Provided that, if any person obtains permit for serving of liquor at a private place, then such place shall be considered as notified place for the purpose of this section.

- (3) Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any licence issued to any club, hotel, restaurant or other notified place for the sale of liquor shall be deemed to have been and always be deemed to have been issued for the supply of liquor and all relevant provisions of this Act and the rules made thereunder shall continue to apply as they did for sale of liquor.

*Explanation.*— For the removal of doubt, it is hereby clarified that all taxes, duties, cess or other levies as applicable to sale of liquor shall apply to supply of liquor unless otherwise specified in this or any other Act, rule or notification made thereunder.”

## STATEMENT OF OBJECTS AND REASONS

In a recent judicial pronouncement, sale of liquor within 500 meters of State and National highways has been prohibited. The pronouncement is aimed at checking drunken driving and the resultant losses. However, there are a large number of hotels, restaurants, clubs and other enclosed notified places where liquor is sold for *in-situ* consumption. These are a part of the hospitality and tourism industry which generates substantial employment in the State. The absence of supply of liquor in hotels, restaurants, clubs etc., has seriously affected their existence and even their partial closure may create substantial unemployment in the State.

2.0 The State of Punjab has, thus, decided to amend the Punjab Excise Act, 1914 to ensure that the hotels, restaurants, clubs and other notified places are allowed supply of alcohol only for consumption within their premises to secure livelihood of a large segment of State's population. However, there shall be a restriction on opening of liquor vends on or within 500 meters of the highways.

CAPTAIN AMARINDER SINGH,

Chief Minister, Punjab.

## FINANCIAL IMPLICATION

There is no direct financial implication in the proposed amendment in the Punjab Excise Act, 1914. These amendments would have an indirect positive impact on future excise revenue receipts of State exchequer.

The Governor has, in pursuance of clause (1) and (3) of Article 207 of the Constitution of India, recommended to the Punjab Legislative Assembly, the introduction and consideration of the Bill.

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CHANDIGARH :  
The 22nd June, 2017.

SHASHI LAKHANPAL MISHRA,  
Secretary.

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*N.B.— The above Bill was published in the Punjab Government Gazette (Extraordinary), dated the 22nd June, 2017 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).*