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செயலாற்றுகை அறிக்கை  
PERFORMANCE REPORT**

**2018**



# Excise Department of Sri Lanka

(Year 2018)

Hon. Mangala Samaraweera (M.P.)  
Minister of Finance and Mass Media

Hon. Eran Wickramaratne (M.P.)  
State Minister of Finance and Mass Media

Hon. Lasantha Alagiyawanna (M.P.)  
Deputy Minister of Finance and Mass Media

Heads

Mr. R.H.S. Samarathunga  
Secretary, Ministry of Finance and Mass Media, Secretary to the Treasury

Mrs.K.H.A. Meegasmulla  
Commissioner General of Excise  
(Up to 11th March 2018)

Mr.R.Semasinghe  
Commissioner General of Excise  
(From 15th March 2018)

Mr.A. Bodaragama  
Advisor on Excise Policies, Ministry of Finance and Mass Media



# Heads of Divisions of the Excise Department of Sri Lanka

Mrs.B.M.S.Bandara  
Additional Commissioner General (Revenue Policies and Administration)

Mr.Gamini Mahagamage  
Commissioner of Excise (Administration & Human Resources)  
(Up to 15th May 2018)

Mr.Buddhika Weheragoda  
Commissioner of Excise (Administration & Human Resources)  
(From 11th July 2018)

Mr.S.D.L. de Mellawa  
Commissioner of Excise (Law Enforcement)

Mr.M.D.M.W.K. Dissanayake  
Commissioner of Excise (Social Security & Development)  
(From 17th July 2018)

Mr.S.A.S. Wickramarathne  
Chief Accountant

Mr.A. Kumarasiri Perera  
Chief Internal Auditor  
(Up to 11th April 2018)

Mrs.M.N. Priyangika Fernando  
Chief Internal Auditor  
(From 12th April 2018)

Mr.M.D.M.W.K. Dissanayake  
Deputy Commissioner of Excise (Revenue License)  
(Up to 17th July 2018)

Mr.W.M.M.B. Wansooriya  
Deputy Commissioner of Excise (Law Enforcement)  
(Up to 20th September 2018)  
Deputy Commissioner of Excise (Revenue License)  
(From 21st September 2018)

Mr.J. Pushpakumara Silva  
Deputy Commissioner of Excise (Logistics)  
(From 4th January 2018 upto 15th September 2018)

Mr. K. Kumarasinghe  
Deputy Commissioner of Excise (Human Resources)  
(From 28th March 2018 up to 21st September 2018)  
Deputy Commissioner of Excise (Supply Chain Regulation & IT) c.u.  
Deputy Commissioner of Excise (Law Enforcement)  
(From 21st September 2018)

Mr.Sameera Jayawardena  
Deputy Commissioner of Excise (Administration)

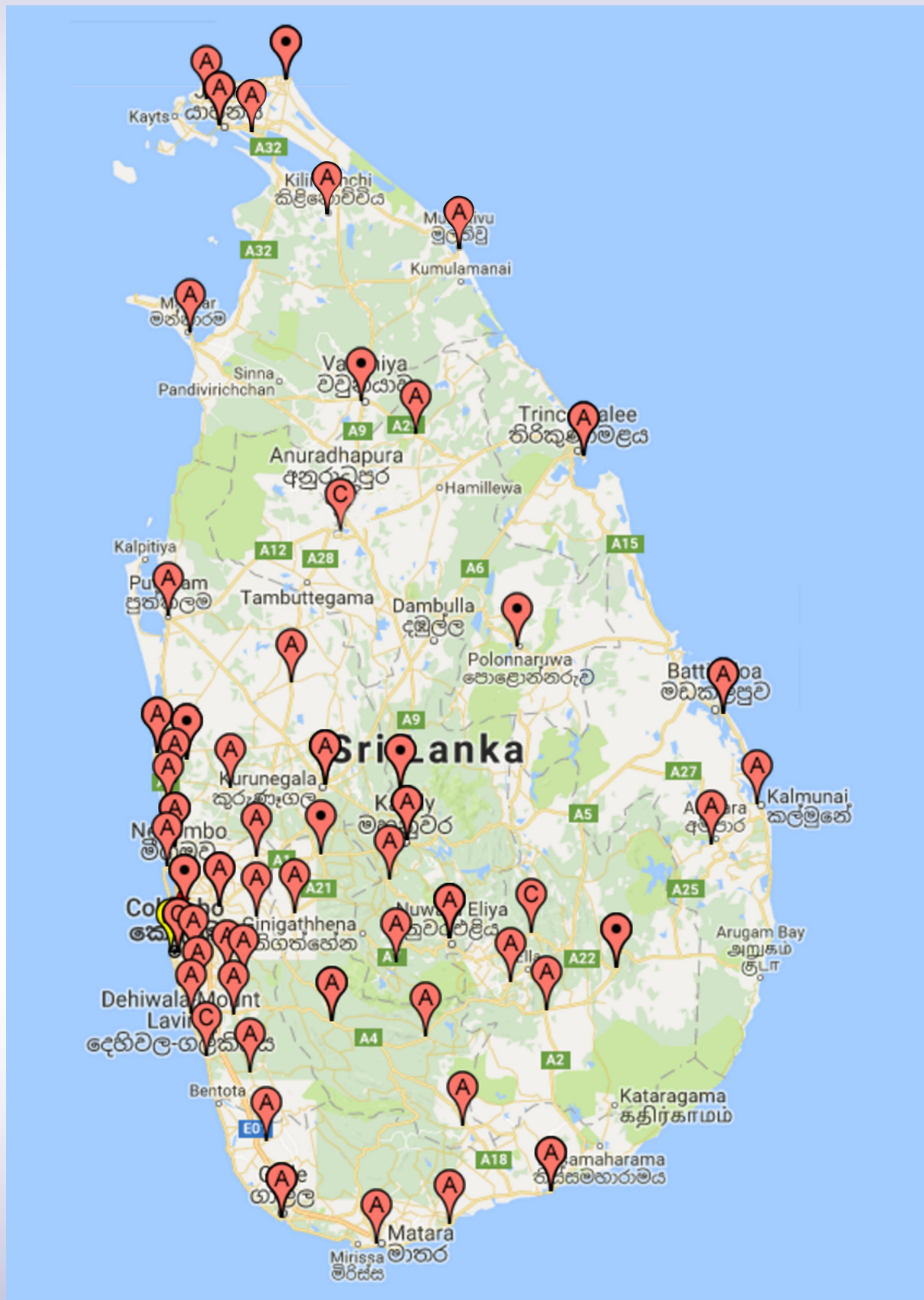
# Divisional Supervisory Officers of the Excise Department of Sri Lanka

Assistant Commissioner of Excise (Western Province I - Colombo District)  
Assistant Commissioner of Excise (Western Province II - Kalutara District)  
Assistant Commissioner of Excise (Western Province III - Gampaha District)  
Assistant Commissioner of Excise (Central Province)  
Assistant Commissioner of Excise (Southern Province)  
Assistant Commissioner of Excise (Northern Province I - Jaffna District)  
Assistant Commissioner of Excise (Northern Province II - Kilinochchi, Mannar, Vavuniya  
& Mullaitivu Districts)  
Assistant Commissioner of Excise (Eastern Province)  
Assistant Commissioner of Excise (North Western Province I - Kurunegala District)  
Assistant Commissioner of Excise (North Western Province II - Puttalam District)  
Assistant Commissioner of Excise (North Central Province)  
Assistant Commissioner of Excise (Uva Province)  
Assistant Commissioner of Excise (Sabaragamuwa Province)

Superintendent of Excise (Excise Head Office)  
Superintendent of Excise (Colombo City 1)  
Superintendent of Excise (Colombo City 11)  
Superintendent of Excise (Kaluthara 1)  
Superintendent of Excise (Distilleries Circle)  
Superintendent of Excise (Gampaha)  
Superintendent of Excise (Ja-ela)  
Superintendent of Excise (Special Operations Bureau)  
Superintendent of Excise (Narcotics)  
Superintendent of Excise (Kandy)  
Superintendent of Excise (Matale)  
Superintendent of Excise (Nuwareliya)  
Superintendent of Excise (Galle)  
Superintendent of Excise (Matara)  
Superintendent of Excise (Hambantota)  
Superintendent of Excise (Point Pedro)  
Superintendent of Excise (Jaffna)  
Superintendent of Excise (Kilinochchi)  
Superintendent of Excise (Vavunia)  
Superintendent of Excise (Trincomalee)  
Superintendent of Excise (Batticaloa)  
Superintendent of Excise (Ampara)  
Superintendent of Excise (Kurunegala)  
Superintendent of Excise (Naththandiya)  
Superintendent of Excise (Chilaw)  
Superintendent of Excise (Anuradhapura)  
Superintendent of Excise (Polonnaruwa)  
Superintendent of Excise (Badulla)  
Superintendent of Excise (Monaragala)  
Superintendent of Excise (Rathnapura)  
Superintendent of Excise (Kegalle)



# Regional Offices of the Excise Department of Sri Lanka





# Regional Offices of the Excise Department of Sri Lanka

## 1. Western Province

- 1.1 Office of the Assistant Commissioner of Excise ( Western Province I )
  - 1.1.1 Superintendent of Excise (Colombo City I)
    - Colombo City Excise Station
    - Kesbewa Excise Station
  - 1.1.2 Superintendent of Excise (Colombo City II)
    - Padukka Excise Station
    - Sri Jayawardenapura Excise Station
  - 1.1.3 Office of the Superintendent of Excise ( Special Operations Bureau )
    - Excise Special Operations Bureau
  - 1.1.4 Office of the Superintendent of Excise( Narcotic Unit )
    - Excise Narcotic Law Enforcement Unit
- 1.2 Office of the Assistant Commissioner of Excise ( Western Province II )
  - 1.2.1 Superintendent of Excise ( Kalutara )
    - Kalutara Excise Station
    - Aluthgama Excise Station
    - Horana Excise Station
    - Mathugama Excise Station
    - Panadura Excise Station
  - 1.2.2 Office of the Superintendent of Excise ( Distileries Circle )
- 1.3 Office of the Assistant Commissioner of Excise ( Western Province III )
  - 1.3.1 Superintendent of Excise ( Gampaha )
    - Gampaha Excise Station
    - Poogoda (Kirindiwela) Excise Station
    - Meerigama Excise Station
  - 1.3.2 Office of the Superintendent of Excise ( Ja-ela )
    - Ja-ela Excise Station
    - Negombo Excise Station

## 2. Southern Province

- 2.1 Office of the Assisnat Commissioner of Excise ( Southern Province )
  - 2.1.1. Supirintendent of Excise (Galle)
    - Galle Excise Station
    - Elpitiya Excise Station
    - Excise Special Operations Bureau ( Southern Province )
  - 2.1.2 Office of the Supirintendent of Excise ( Matara )
    - Matara Excise Station

2.1.3. Office of the Superintendent of Excise ( Hambantota )

- Hambantota Excise Station
- Tangalle Excise Station

### 3. Sabaragamuwa Province

3.1 Office of the Assistant Commissioner of Excise ( Sabaragamuwa Province )

3.1.1. Superintendent of Excise (Ratnapura)

- Ratnapura Excise Station
- Balangoda Excise Station
- Embilipitiya Excise Station

3.1.2. Office of the Superintendent of Excise ( Kegalle )

- Kegalle Excise Station
- Ruwanwella Excise Station

### 4. Uva Province

4.1 Office of the Assistant Commissioner of Excise ( Uva Province )

4.1.1. Superintendent of Excise (Badulla)

- Badulla Excise Station
- Bandarawela Excise Station

4.1.2. Office of the Superintendent of Excise ( Monaragala )

- Monaragala Excise Station

### 5. North Central Province

5.1 Office of the Assistant Commissioner of Excise ( North Central Province )

5.1.1. Superintendent of Excise (Anuradhapura)

- Anuradhapura Excise Station
- Kebathigollawa Excise Station
- Excise Special Operations Bureau ( North Central Province )

5.1.2. Office of the Superintendent of Excise ( Polonnaruwa )

- Polonnaruwa Excise Station

### 6. Central Province

6.1 Office of the Assistant Commissioner of Excise ( Central Province )

6.1.1. Superintendent of Excise ( Kandy )

- Kandy Excise Station
- Gampola Excise Station
- Excise Special Operations Bureau ( Central Province )

6.1.2. Office of the Superintendent of Excise (Matale)

- Matale Excise Station

6.1.3. Office of the Superintendent of Excise ( Nuwareliya )

- Nuwareliya Excise Station
- Hatton Excise Station

### 7. North Western Province

7.1 Office of the Assistant Commissioner of Excise ( North Western Province )

7.1.1. Superintendent of Excise (Kurunegala)

- Kurunegala Excise Station
- Maho Excise Station
- Kuliapitiya Excise Station
- Excise Special Operations Bureau (North Western Province)

7.2. Office of the Assistant Commissioner of Excise (North Western Province II)

7.2.1. Superintendent of Excise (Wennappuwa)

- Wennappuwa (Waikkala) Excise Station
- Marawila Excise Station

7.2.2. Office of the Superintendent of Excise (Chilaw)

- Chilaw Excise Station
- Madampe Excise Station
- Puttalam Excise Station

## 8. Northern Province

8.1. Office of the Assistant Commissioner of Excise (Northern Province I)

8.1.1. Superintendent of Excise (Jaffna)

- Jaffna Excise Station
- Chankanai Excise Station
- Chawakachcheri Excise Station

8.1.2 Office of the Superintendent of Excise (Point Pedro)

- Mallakam Excise Station
- Point Pedro Excise Station

8.2. Office of the Assistant Commissioner of Excise (Northern Province II)

8.2.1 Superintendent of Excise (Kilinochchi)

- Kilinochchi Excise Station
- Mullaithivu Excise Station

8.2.1. Office of the Superintendent of Excise (Vauvniya)

- Mannar Excise Station
- Vauvniya Excise Station

## 9. Eastern Province

9.1. Office of the Assistant Commissioner of Excise (Eastern Province)

9.1.1. Superintendent of Excise (Trincomalee)

- Trincomalee Excise Station

9.1.2. Office of the Superintendent of Excise (Batticaloa)

- Batticaloa Excise Station

9.1.3. Office of the Superintendent of Excise (Ampara)

- Ampara Excise Station
- Kalmune Excise Station



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# 1. Excise Department of Sri Lanka

1.1. Introduction

1.2. Vision

1.3. Mission

1.4. Objectives

1.5. Activities

## 1.1 Introduction

Excise Department of Sri Lanka which was established in 1913 operated under the purview of the Ministry of Finance and Mass Media in the year 2018. It holds the third place among the state tax income generating Departments. Excise Department of Sri Lanka mainly implements the Excise Ordinance No.08 of 1912 which is the 52<sup>nd</sup> Chapter of the Legislative Enactment. In addition, it implements the Tobacco Tax Act No.8 of 1999, Poisons, Opium and Dangerous Drugs Ordinance and the National Authority on Tobacco & Alcohol Act No.27 of 2006.

Department of Sri Lanka Police also extends a significant contribution for the task of implementing laws imposed under said ordinances and acts. Similarly, this Department serves as a member of the National Dangerous Drugs Control Board, National Authority on Tobacco & Alcohol for the purpose of implementing government policies while extending a great contribution for achieving the national goal of creating a country devoid of liquor and narcotic drugs under the theme of “A Nation Free of Alcohol” in collaboration with the Presidential Unit on Alcohol Prevention.

## 1.2 Vision

“Contributing to build a healthy society in Sri Lanka, which is free from illicit liquor and narcotic drugs.” is the vision of Excise Department of Sri Lanka.

## 1.3 Mission

“Efficient and effective administration of the liquor and the tobacco industry in Sri Lanka through the collection of revenue and prevention of illicit manufacture and sale of such products, for development and welfare of the society, and the enforcement of the Poisons, Opium and Dangerous Drugs Ordinance for the social protection of Sri Lanka” is the mission of Excise Department of Sri Lanka.

## 1.4 Objectives

Excise Department of Sri Lanka operates with the under mentioned objectives in order to achieve its mission.

- a. Safeguarding the revenue accumulated from liquor and tobacco.
- b. Enforcement of the Excise Ordinance and the Tobacco Tax Act.
- c. Implementation of the Poisons, Opium and Dangerous Drugs Ordinance.
- d. Implementation of National Authority Act on Tobacco and Alcohol.

## 1.5 Activities

Excise Department of Sri Lanka carries out the following activities so as to achieve the above objectives.

- a. Supervision and control of licensed premises, and collection of revenue therefrom.
- b. Acting as a law enforcement agency in respect of the Excise Ordinance.
- c. Enforcement of the Tobacco Tax Act including supervision and control of tobacco manufactories.
- d. Acting as a law enforcement agency in respect of the Poisons, Opium and Dangerous Drugs Ordinance.
- e. Implementation of National Authority Act on tobacco and alcohol.

## 2. Organizational Structure and Changes in 2018

2.1 Introduction

2.2 Organizational Structure

2.3 Administration Division

2.4 Recruitments

2.5 Staff Changes

2.6 Logistics Division

2.7 Human Resources Division

## 2.1 Introduction

Excise Department of Sri Lanka operates under the direction of a Commissioner General of Excise.

With respect administration of the regional offices of the Excise Department, island has been divided into 'Excise Divisions' on provincial basis and the Western Province has been divided in to three Divisions while each of North Western and Northern Provinces have been divided in to two Divisions on district basis based on the density of population, licenses and crimes. These Excise Divisions are supervised by the Assistant Commissioners of Excise.

Excise Superintendents' Offices have been established under Excise Divisions. Excise Divisions which cover the whole province have been subdivided to Excise Superintendents' Offices under district basis. In this manner, an Excise Area consisting of two districts comes only under Vauvniya and Kilinochchi Excise Superintendents' Offices. Excise Divisions which are limited only to a district have been parted as Excise Superintendents' Offices with determined limits. Said Excise Circles are supervised by the Superintendents of Excise.

Excise Stations have been established under Excise Superintendents' Offices and they administer the Excise areas, of which the limits have been determined by the Department. Officers of Inspector Grade and of other ranks have been attached to these Excise Stations. The Senior Most Officer of the inspectorate,

generally serves as the Officer In Charge.

Further, Special Operations Units and Narcotic Unit have been established and related particulars have been separately given here. Excise Units have been established in all licensed Tobacco and Alcohol manufactories located island-wide and permanent staffs have been assigned to them.

Excise Department of Sri Lanka, comprised of a Head Office, 13 Offices of Assistant Commissioners of Excise or Divisional Offices, 30 Offices of Excise Superintendents, 56 Excise Stations, 05 Special Operations Bureaus, a Narcotic Unit and Excise Units which have been established in all licensed Tobacco and Alcohol manufactories located island-wide, operates to fulfill the threefold missions of Excise revenue management, law enforcement and social security.

Departmental Officers and Officers from the Combined Services and Islandwide Services have been attached to carry out duties of these offices while Departmental Officers have attached to Excise Stations and Units.

Approved cadre for Departmental Officers is 1318 while the approved cadre for Combined Services and Islandwide Services is 173. Accordingly, total approved cadre for the Department is 1491 and the actual number of staff served in the Department during the year reviewed was 1309. Hence, there were 202 vacancies which summed up to 12.1 per cent of the approved cadre. (Table 2.1)

- Cadre Report of the Excise Department as at 31.12.2018

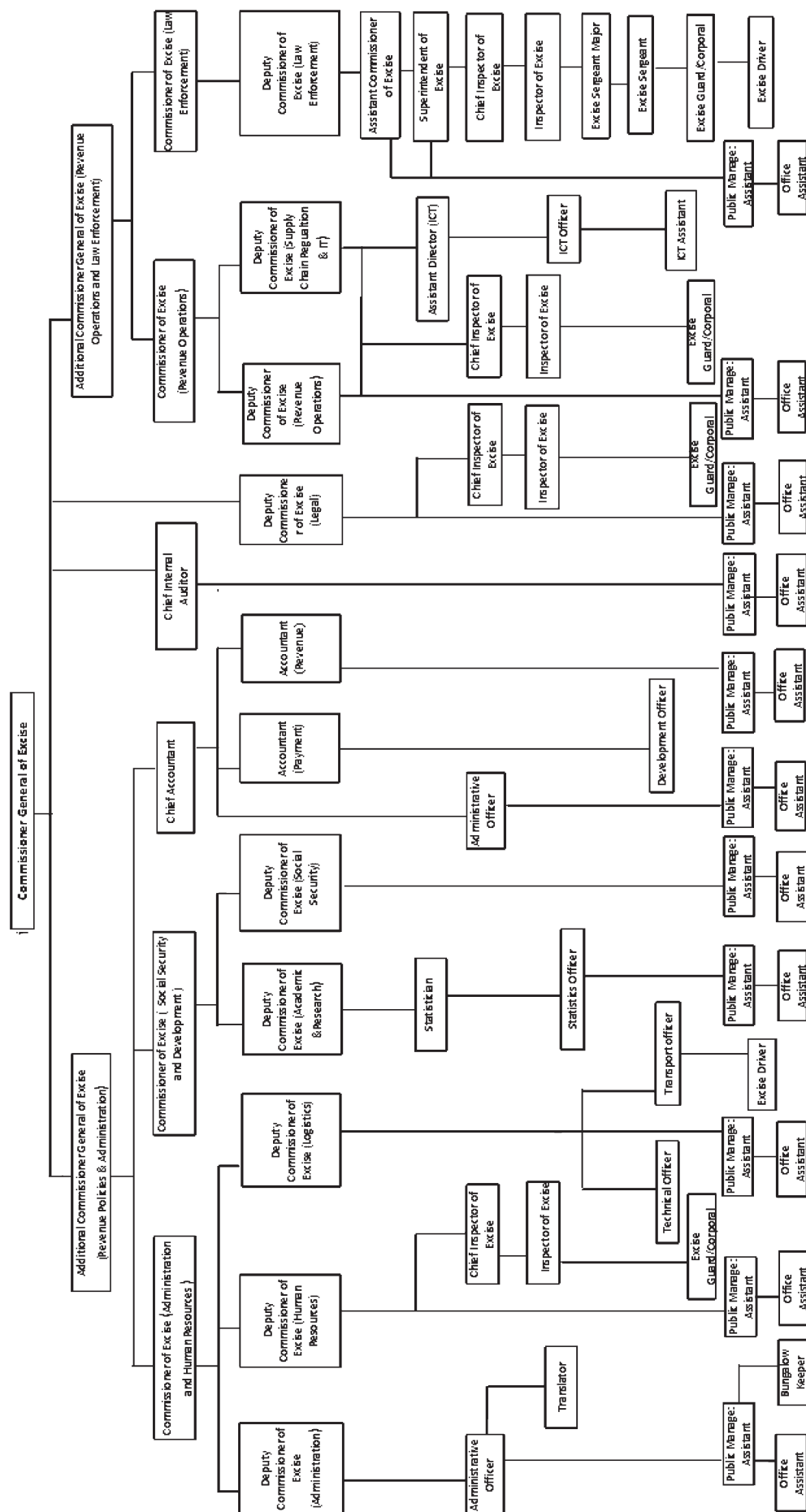
2.1 Table - Cadre Report

Serial No.	Designation	Approved Cadre	Actual Cadre	Vacancies	Excess Post
1	Commissioner General of Excise	1	1	0	0
2	Additional Commissioner General of Excise (Revenue Policies & Administration)	1	1	0	0
3	Additional Commissioner General of Excise (Revenue Operations and Law Enforcement)	1	0	1	0
4	Commissioner of Excise (Administration and Human Resources )	1	1	0	0
5	*Commissioner of Excise(Revenue Operations)	1	1	0	0
6	Commissioner of Excise (Law Enforcement)	1	1	0	0
7	Commissioner of Excise (Social Security and Development )	1	1	0	0
8	Chief Accountant	1	1	0	0
9	Chief Internal Auditor	1	1	0	0
10	Deputy Commissioner of Excise (Administration)	1	1	0	0
11	Deputy Commissioner of Excise (Revenue licenses )	1	1	0	0
12	Deputy Commissioner of Excise (Law Enforcement)	1	1	0	0
13	Deputy Commissioner of Excise (Human Resources )	1	0	1	0
14	Deputy Commissioner of Excise (Legal)	1	1	0	0
15	Deputy Commissioner of Excise (Academic & Research Logistics)	1	1	0	0
16	Deputy Commissioner of Excise (Supply Chain Regulations & IT)	1	1	0	0
17	Deputy Commissioner of Excise (Social Security)	1	1	0	0
18	Deputy Commissioner of Excise (Logistics)	1	0	1	0
19	Accountant	2	0	2	0
20	Assistant Commissioner of Excise	13	6	7	0
21	Assistant Director (Information Technology)	1	0	1	0
22	Superintendent of Excise	31	15	16	0
23	Statistician	1	0	1	0
24	Administrative Officer	2	2	0	0
25	Translator	2	2	0	0
26	Information and Communication Technology Officer	1	1	0	0
27	Chief Inspector of Excise	75	73	2	0
28	Statistics Officer	1	0	1	0
29	Inspector of Excise	300	249	51	0
30	Excise Sergeant Major	50	34	16	0
31	Development Officer	9	9	0	0
32	Technical Officer	1	0	1	0
33	Transport Officer	1	0	1	0
34	IT Assistant	3	3	0	0
35	Public Management Assistant	108	104	4	0
36	Excise Sergeant	100	15	85	0
37	**Excise Guard/Corporal	600	620	0	20
38	Excise Guard - Driver	129	120	9	0
39	Excise Guard - Driver (Three wheel) As per the letter No.DMS/1175/III dated 19.02.2018	1	1	0	0
40	Office Assistant	38	36	2	0
41	Bungalow Keeper	4	4	0	0
	<b>Total</b>	<b>1491</b>	<b>1309</b>	<b>202</b>	<b>20</b>

\*Officer holding the post of Excise Commissioner (Revenue Operations) has been attached to the Post of Advisor (Excise Policies) of the Ministry of Finance and Mass Media.

\*\* The reason for exceeding the approved cadre of Excise Guards (600) is the annulment of the promotions made to the Excise Sergeant by the letter no.EB/107/E.S/ Promotions (Volume III) dated 16.11.2016 as per the Supreme Court Verdicts 661/2012 and 663/2012.

## 6



## 2.3 Administration Division

Administration Division operates under the supervision of Commissioner General of Excise and the Additional Commissioner General of Excise (Revenue Policies & Administration), Commissioner of Excise (Administration and Human Resources) and a Deputy Commissioner of Excise. Execution of general administrative tasks of the Department is the main responsibility of the Division.

This division carries out the activities related to establishment, discipline, transfers and retirement of Departmental Officers, Officers of the Combined Service and the All Island Services attached to the Department. Moreover, it performs tasks pertaining to recruitment, promotions, transfers of Departmental Officers and conducting Efficiency Bar Examinations in accordance with the relevant procedures.

Annual transfers of the Uniform Staff are done by this division as per the transfer procedure approved by the Public Service Commission and also based on

the service requirement. In addition to above, internal transfers of the Combined Services and Islandwide Services are also done by this Division.

## 2.4 Recruitments

### • New Recruitments

No any recruitments have been made in the year 2018.

## 2.5 Staff Changes

Number of Officers transferred to the Department was 41 while the number of officers transferred out of the Department was 20 as at 31.12.2018.

### • Retired Officers

No. of officers retired in the year 2018 was 26.

**Table 2.2 Details of Retired Officers**

Serial No	Name of the Officer	Designation	Date of Retirement
	Ms. K. Wijeyakoon	P.M.A.S	07.01.2018
	Mr. H.K. Chandrasiri	K.K.S	24.01.2018
	Mr.W.W. Gnanathilaka	Excise Guard	24.01.2018
	Mr.M.M. Somathilaka Banda	Excise Inspector	26.01.2018
	Mr.W. Somadasa	P.M.A.S	23.02.2018
	Ms.K.H.A. Meegasmula	E.C.G	11.03.2018
	Mr.Y.S.B. Srilal	Excise Sergeant Major	12.03.2018
	Mr.H.K. Saradiyel	Excise Sergeant Major	05.04.2018
	Mr.D.M. Senarathna	Excise Sergeant Major	11.04.2018
	Mr.S.P.K.H. Peters	Excise Guard	24.04.2018
	Mr.M.R. Somarathna	Excise Inspector	01.05.2018
	Mr.H.W. Collin Pitawela	Excise Inspector	07.05.2018
	Mr.H.M.S. Dharmapriya	K.K.S	18.05.2018
	Mr.G.K. Dayarathna	Excise Guard	23.05.2018
	Mr.W.P.A. Jayarathna	Excise Inspector	12.06.2018
	Mr.W.A.D. Amarajiwa	Excise Inspector	20.06.2018
	Ms. Sandiya Priyadarshani	Excise Guard	27.06.2018
	Mr.T.M.R. Tennakoon	Excise Sergeant Major	01.09.2018
	Mr.W.M.G.K. Warnashantha	K.K.S	07.09.2018

	Mr.J. Pushpakumara Silva	D.C.E	15.09.2018
	Mr.R.M.J Anurudda	K.K.S	15.09.2018
	Mr.B.R.D. Basnayaka	K.K.S	08.10.2018
	Mr.R.M. Siripala	Excise Inspector	09.10.2018
	Mr.T. Wilman Pieris	Excise Inspector	05.11.2018
	Mr.M.M.A. Muthalif	Excise Sergeant	10.12.2018
	Ms.R.M. Gunaseelawathi	K.K.S	18.12.2018

- **Interdicted Officers**

Table 2.3 : Details of Interdicted Officers

Serial No.	Name of the Officer	Designation	Date of Interdiction date
01	Mr.B.A.M.D.S.Muthuarachchi	Excise Inspector	07.02.2018
02	Mr.B.S.Priyadarshana	Excise Guard	16.07.2018

- **Deceased Officers**

Table 2.4 - Details of Deceased Officers

Serial No.	Name of the Officer	Designation	Date of Decease
	Mr. K. Wasan	Excise Inspector	11.01.2018
	Mr. D.N.N. Disanayaka	Excise Driver	01.02.2018
	Mr. R.M. Wimalarathna	Excise Guard	09.08.2018
	Mr. A. Asoka Shantha Walpola	Excise Inspector	18.09.2018
	Mr. G. Nimal Silva	A.C.E	17.08.2018
	Mr. R. Dinesh	Excise Guard	06.11.2018

- **Officers who Resigned from Service or Vacated the Post**

Table 2.5 - Details of Officers who resigned from service and vacated the post

Serial No	Name of the Officer	Designation	Date of Resignation/vacating the post
	Mr.W.D.K.Fernando	Excise Guard	01.01.2018
	Mr.T.M.D.R.Wijesooriya	Excise Driver	31.05.2018

- **Reinstatement in service**

No any officer was reinstated in service in the year 2018.

- **Promoted Officers in the year 2018**

Promotions have been made to one post of Excise Commissioner ,04 posts of Deputy Commissioners of Excise and 12 posts of Chief Excise Officers in the year 2018.

Table 2.6 - Details of Promoted Officers in the year 2018\_

Serial No.	Name of the Officer	Post Promoted to	Date of Promotion	Work Station
1.	Mr. M.D.M.W.K.Disanayaka	C.E (Social Security & Development)	17.07.2018	Head Office
2.	Mr. R.M.R.Bandara	D.C.E ( Supply Chain Regulations & IT)	18.09.2018	Head Office
3.	Mr. A.M.Gamini Adikari	D.C.E (Legal)	18.09.2018	Head Office
4.	Mr. P.Chandrasiri de Silva	D.C.E.(Academic & Research)	18.09.2018	Head Office
5.	Mr. B.U.Wickramarathna	D.C.E (Social Security)	18.09.2018	Head Office
6.	Mr. E.J.L.Pieris Thilakarathna	Chief Inspector of Excise	23.04.2018	Excise Station-Chilaw
7.	Mr. T.S.M.T.K.B.Ginigathpitiya	Chief Inspector of Excise	23.04.2018	Excise Station-Kuliyapitiya
8.	Mr. R.P.K.K.Wijeyasinghe	Chief Inspector of Excise	23.04.2018	Excise Station-Badulla
9.	Mr. D.T.N Perera	Chief Inspector of Excise	23.04.2018	Excise Station-Rathnapura
10.	Mr. A.R.Lambert	Chief Inspector of Excise	23.04.2018	Head Office
11.	Mr.S.D.Senaka De Silva	Chief Inspector of Excise	23.04.2018	Excise Station-Balangoda
12.	Mr.R.A.L.L Ramanayaka	Chief Inspector of Excise	23.04.2018	Excise Station-Mathugama
13.	Mr. Wasantha Samarasinghe	Chief Inspector of Excise	23.04.2018	Excise Station-Hambantota
14.	Mr. P. Rangunadan	Chief Inspector of Excise	23.04.2018	Excise Station-Jaffna

## 2.6 Logistics Division

Logistics Division of the Excise Department of Sri Lanka operates under the supervision of Deputy Commissioner of Excise (Logistics) and the guidance of the Commissioner of Excise (Administration & Human Resources).

### • Role of the Logistics Division

- Carrying out repairs and maintenance activities of the Head Office, construction, maintenance and repairing of buildings required for Regional Offices and obtaining buildings on rental basis for the same purpose.
- Repairs and maintenance of departmental vehicles.
- Repairs and maintenance of regional offices and circuit bungalows and acquisition of lands for the purpose of constructing new buildings

### • Maintenance Activities of the Head Office Building & Regional Offices

This Division administers the maintenance services of the Head Office Building which was inaugurated on the 2<sup>nd</sup> of May 2017. Excise Station –Nuwara Eliya was constructed and opened for services while building repairs with respect to 07 other Excise Stations were repaired the year 2018. Accordingly, Padukka, Galle, Trincomalee, Polonnaruwa, Hambantota, Kalutara and Ratnapura Regional Offices have been restored at the cost of Rs.10 Million. In addition to above, constructions of the Excise Stations in Chilaw and Ampare were also completed. Further, 27 regional offices are being operated in buildings obtained on rental basis.

### • Vehicles

Department possessed 132 vehicles out of which 09 condemned vehicles were disposed in the year 2018. Procurement activities with respect to purchase of 20 vehicles to be used for departmental needs have been

commenced. In the year 2018, Rs.7 million has been spent for Departmental vehicle repairs.

- **Land Acquisition**

Activities related to land acquisition for the purpose of constructing new buildings for regional offices in Pugoda, Kegalle and Hatton areas where offices are being operated in rented buildings at present.

- **Circuit Bungalows**

Department possesses 04 circuit bungalows which are located in Nuwaraeliya, Thissamaharamaya, Anuradhapura and Polonnaruwa.

- Assets Account (Infrastructure)

Table 2.7 - Assets (Infrastructure) Details

	District/D.S Office where the property is located	Name of the Property	Extent of Land	If a Transfer, No. & Date	Nature of the land/ whether the land is Empty or with Buildings
1	Colombo - Sri Jayawardenapura Kotte	Excise Head Office-Rajagiriya ,514 D, Walikada South Gramaniladhari Division, Walikada	30.26 Perches	No.10/8/2318 dated 13.06.2013 Letter of the Director , Urban Development Authority	Constructions are in the final stage
2	Colombo -Padukka	Excise Station-Padukka	21.8 Perches	No.පග්/2/෧෧෩/3 dated 04.06.2004 Letter of the Divisional Secretary, Padukka	With buildings
3	Colombo -Kasbawa	Excise Station- Kasbawa	20 Perches	No.ප්‍ර.෧෪/3/2/236 /dated 07.12.2004 Letter of the Divisional Secretary, Kasbawa	With buildings
4	Kalutara-Kalutara	Office of the Assistant Commissioner of Excise- Pitagoneliyawatta, Kalutara (W.P.II)	74.36 Perches	Divisional Secretary's No.4/6/1/86 Provincial Land Commissioner's No -ප.ඉ.කෙ/෧/11/කෙ/04, Commissioner General of Land No.4/14/1924 12.12.2014	With buildings
5	Kalutara-Kalutara	Office of the Superintendent of Excise, Excise Station-	4.77 Perches		With buildings
6	Kalutara-Beruwala	Excise Station-Aluthgama	26.48 Perches	No 41/7/6653 dated 31.12.2002 letter of Commissioner General of Land	With buildings
7	Kalutara-Horana	Aramanagolla	30 perches	No.6/5/2/55 dated 27.04.2001 Letter of the Divisional Secretary, Horana	With buildings
8	Gampaha-Gampaha Walwatta	Excise Station- Yakkala-East Gampaha	41.90 perches	No.෧෧/ප්‍ර.෧෪/2/2/2/57 dated 13.10.1999 Letter of the Divisional Secretary, Gampaha	With buildings
9	Gampaha-Meerigama	Excise Station- Osmire Watta, Meerigama	34.91 perches	Divisional Secretary's No.෧෧/෧/9/26 Provincial Land Commissioner's No - ප.ඉ.කෙ.෧෧/5/2/IV, Commissioner General of Land No.4/4/633 -15.03.2010	With buildings
10	Kandy - Gagawata Korale	Office of the Assistant Commissioner of Excise- Kandy, Office of the Superintendent of Excise, Excise Station	7.05 Perches		With buildings

11	Nuwara Eliya - do	Circuit Bungalow , Nuwaraeliya -Hawaeliya Craton Village	85.03 Perches	Letter No. කුළු/අද/පැ/52 dated 14.06.1991	With buildings
12	Nuwara eliya - do	Office of the Superintendent of Excise, Excise Station Craton Village, Nuwaraeliya	25.03 Perches	Letter No. කුළු/අද/පැ/52 dated 14.06.1991	With buildings
13	Hambanthota - Thissamaharamaya	Thissamaharama Holiday Resort, Mahasenpura	40 Perches	No.බ/ස/6/1/63 dated 15.07.1997 Letter of the Divisional Secretary, Thissamaharamaya	With buildings
14	Hambanthota - Hambanthota	Kotawalamulla	9.64 Perches	Assistant Commissioner of Excise has been informed to take necessary action without delay	With buildings
15	Hambanthota - Tangalle	Katangahawatta - Excise Station Tangalle	26.17 Perches	Purchased by the House Development Authority	With buildings
16	Galle- Four Gravet	Office of the Assistant Commissioner of Excise Kurunduwatta, Galle	30 Perches	Land handed over to the Department by letter No.ස/ක/ස/ප්‍ර.සේ./ 01 of the Divisional Secretary, Four Gravet, Galle dated 26.02.2007	With buildings
17	Galle Elpitiya	Excise Station Elpitiya	20 Perches	No.අ/අ/3/dated 19.01.2006 Letter of the Divisional Secretary, Elpitiya	With buildings
18	Polonnaruwa - Thamankaduwa	Office of the Superintendent of Excise, Excise Station Kanduruwela - West Polonnaruwa.	109 perches		With buildings
19	Polonnaruwa - Thamankaduwa	Excise Holiday Resort -Polonnaruwa	74 perches	No.එන්සී/පී.සේ./9/2/ with no date 10.2004 Letter of the Divisional Secretary, Thamankaduwa	With buildings
20	Anuradhapura East, Nuwaragam Palatha	Office of the Superintendent of Excise, Excise Station, Anuradhapura	13.75 Perches		With buildings
21	Anuradhapura East, Nuwaragam Palatha	Excise Holiday Resort - Anuradhapura	10.71 Perches		With buildings
22	Anuradhapura/ Kebithigollawa	Excise Station Kebithigollawa	80 Perches	Letter No. /2/5/1/අ.අ./ dated 27.05.2008 of Divisional Secretary, Kebithigollawa & Provincial Land Commissioner's No - එන්සී/පී/සේ/4/06/03/05/බ, dated 07.05.2008	With buildings
23	Kurunegala - Kurunegala	Paddy Field Land for Training Center and Excise Station (Assistant Commissioner of Excise (North Western Province)	100 perches	Land received as per the letter No.4/2/98/13/අ.බ. of the Divisional Secretary, Kurunegala dated 28.07.2000	With buildings

24	Kurunegala - Bamunakotuwa	Training College, Panadaragama	-	Land received as per the letter No.බමු/ලබ/අත්පත්/සුරබදු පුහුණු පාසල. of the Divisional Secretary, Bamunakotuwa dated 14.03.2013	With buildings
25	Kurunegala – Kuliyaipitya, West	Excise Station Kuliyaipitya	114 perches		With buildings
26	Kurunegala -Maho	Excise Station Kurudugahayaya - Maho	40.01 Perches	Divisional Secretary's No.3/3/157/146 Provincial Land Commissioner's No - පළාත්/ලකා/ල2/මෙ/6(1), Commissioner General of Land No.4/14/658 dated .05.05.2010	With buildings
27	Puttalam- Puttalam	Excise Station – Puttalam Plains Puttalam	52.5 perches	Divisional Secretary's No.පුත්/ල/07/63 Provincial Land Commissioner's No - පළාත්/ලකා/ල6/පුත්/07, Commissioner General of Land No.4/14/47 28.11.2007	With buildings
28	Puttalam-Madampe	Excise Station Madampe	59.93 Perches	Land handed over to Mr.B.H.Pereis, O.I.C by letter No.මාද/3/3/1/100 of Divisional Secretary, Madampe dated 15.02.2006	With buildings
29	Puttalam -Wennapuwa	Office of the Assistant Commissioner of Excise, Boghavita, Waikkala, Office of the Superintendent of Excise, Naththandiya Excise Station Wennapuwa	39.93 Perches	Divisional Secretary's No.වනේ/ප්‍රා.මේ/ලඳ/දත්/සුරබදු dated 29.07.2002 Provincial Land Commissioner's No - පළාත්/ලකා/ල4/වනේ - dated 11.03.2002	With buildings
30	Puttalam-Chilaw	Inginiwatta alias Gamsbha watta	30 Perches	Ownership has been handed over to the Excise Department by Divisional Secretary, Chilaw on 27.07.2015 D.S.No.CHI/LNDI/TRANS/3/19/14	Tenders have been called.
31	Mannar	Excise Station Mannar	20.44 Perches	Commissioner General of Land No.4/14/190 16.12.2009 Letter dated 09.06.2010 of Divisional Secretary, Mannar	With buildings
32	Trincomalee	Excise Station Oris Hill, Trincomalee	-	Assistant Commissioner of Excise(E.P)has been informed to take necessary action in this respect without delay .	With buildings
33	Batticaloa – Kalamunai East	Excise Station Complex, Kalladi-Batticaloa	30 Perches	Letter No.බීඑස්/එම්එන්/එල්බී/377of Divisional Secretary, Kalamunai	With buildings

34	Ampara-Ampara	Excise Station , Indrasarapura, Ampara	47.44 Perches	Application for allocating government lands for various departments has been forwarded to the Deputy Commissioner of Land, Ampara Assistant Commissioner of Excise has been informed to take necessary action in this respect without delay .	Tenders have been called
35	Vauvniya - Vauvniya	Office of the Superintendent of Excise, Vavuniya, Excise Station	45.62 Perches	Letter No. 27/03/11/13/02/03 of District Manager of NHDA dated 14.08.2003	With buildings
36	Kilinochchiya-Karawita	Karawita	15 Perches	Assistant Commissioner of Excise has been informed to take necessary action in this respect without delay .	With buildings
37	Monaragala -Ambilipitiya	Excise Station Pallegama, Parani Kadawura Watta, Ambilipitiya	20 Perches	transferred to the Excise Department by specimen Form 200 for transferring assets of Maweli Authority to line institutes .	With buildings
38	Rathnapura/Rathnapura New Town	Office of the Assistant Commissioner of Excise	80 Perches	Land has been allocated to the Excise Department by the letter dated 28.12.1998 Divisional Secretary, Rathnapura	With buildings
39	Monaragala -Monaragala	Excise Station & Official Quarter, Karapinchagala Mookalana, Monaragala	85 Perches	Assistant Commissioner of Excise has been informed to take necessary action in this respect without delay .	With buildings
40	Badulla -Bandarawela	Excise Station Hapugasarama watta - Bandarawela	40.24 Perches	Land received as per the Divisional Secretary's No. 2003/3/4/03.03/13 & Provincial Land Commissioner's No - UPLC/L/4/BW/10, dated 20.07.2009 Letter	With buildings
41	Badulla - Badulla	Excise Station -Kanupallala-Badulla	25 Perches		With buildings
42	Matara - Waligama	Office of the Superintendent of Excise, Excise Station, Kotawilawatta, Kandaketiya watta/ Kanankewewa watta, Matara District	80 Perches	Ownership has been handed over by the letter of Assistant Divisional Secretary, Weligama dated 11.08.2015	With buildings

## 2.7 Human Resources Division

Human Resources Division of the Excise Department of Sri Lanka carries out its operations under the guidance of the Excise Commissioner (Administration / Human Resources) and the Deputy Excise Commissioner (Human Resources). Sri Lanka Excise College in Panadaragama of Kurunegala District is the training institute of the Excise Department.

Capacity development of Departmental Officers by means of improving knowledge, attitudes and skills via theoretical and practical training was the main task of the Human Resources Division. It was able to organize various training courses in collaboration with the local and foreign training institutes and the Excise Training College, Panadaragama in the year 2018 also.

**Table 2.8 - Details of Training Courses conducted by the Excise Training College in the year 2018.**

Serial No.	Name of the Course	Participants	No. of Dates per Course	No. of Courses	No. of Participants
1	Training Course for Officers attached to duties in Manufactories, Warehouses and Distilleries.	Officers attached to duties in Manufactories, Warehouses and Distilleries	02	03	104
2	Training Course for Excise Drivers on maintenance of duty related official documents, departmental discipline and essential legal awareness	Excise Drivers	01	04	104
3	Annual Training Course for Firing and Firearm Handling	C.E/D.C.E/A.C.E/ Superintendents of Excise Chief Inspectors of Excise/ Excise Inspectors/ Excise Inspectors	02	09	315
4	Training Course for Development of Integrated Skills for Other Excise Ranks	Sergeant Majors, Male/Female Excise Guards, Sergeants	02	17	570
5	Capacity Development Training Course for Superintendent of Excise appointed on Cover Up basis and Chief Inspectors of Excise promoted in 2016/17/18	Superintendents of Excise/Chief Inspectors of Excise	04	01	26
6	Training Course on Distillery, Warehouse and Manufactory duties and activities for Officers serving in Excise Stations in Northern and Eastern Provinces	Excise Inspectors/ E.G	04	01	45
7	Tamil Language Training Course for Departmental Officers	Excise Inspectors	05	08	206

- **Local Training Courses**

Details of Local Training Courses conducted by other institutes for the Officers of the Department in the year 2018 are as follows.

**Table 2.9 -Details of Local Training Courses conducted in the year 2018**

No.	Name of the Course	Training Institute	Participants	No. of Dates per Course	No. of Courses	No. of Participants
1	Advanced MS Excel Skills for junior officers	Miloda	Excise Guard	02	-	2
2	Advanced Certificate Course on Narcotic Law Implimentation	Colombo School of Business and Management	Excise Inspector	10	-	10
3	Speechcraft Training with the Toastmasters International for Special Grade Officers of All Island Services	SLIDA	Additional Commissioner General of Excise	10	-	1
4	Course on Sinhala Official Letter Writing and Interpretation	NIBM	Public Management Assistant, Chief Public Management Assistant, Excise Inspector, Excise Guard	02	-	8
5	Advanced National Diploma in Applied Criminology and Criminal Justice System	Sri Lanka Foundation Institute	Male /Female Excise Guards	Every Sunday for a period of one year	-	15
6	English Diploma for Junior Executives	Miloda	Excise Inspector	Every Friday for a period of one year	-	2
7	Diploma in IT -30 <sup>th</sup> Batch	SLIDA	Excise Inspector/ Excise Guard	From 03.12.2018	-	2
8	Scientific Training for Comprehensive Precursor Control Strategy in Sri Lanka	National Dangerous Drugs Control Board	S.E, Chief Excise Inspector, Excise Inspector, Excise Guard	02	-	10
9	Scientific training for comprehensive precursor control strategy in Sri Lanka	National Dangerous Drugs Control Board	Excise Inspector, Excise Sergeant Majors, Excise Guard	02	-	10
10	Seminar on Cyber Crimes and the Applicability of Digital Witnesses	Miloda	D.C.E, IT Officer, Excise Inspector, Excise Guard	01	-	8

11	06 Day Training (50 hrs) Program on Tamil Language for Public Sector	Divisional Secretariat –Sri Jayawarenapura Kotte	Excise Driver	From 13.06.2018	-	13
12	Financial Regulations in Public Sector	Miloda	P.M.A	02	-	1
13	Training Program On Current Trend of the Internal Audit & the nature of work	Department of Management Audit	Chief Internal Auditor	01	-	1
14	English Diploma Course for Junior Executives	Miloda	Excise Guard	One year from 20.08.2018	-	1
15	Diploma Course in English - Level I	SLIDA	Chief Inspector of Excise		-	1
16	MS Excel Skills for Junior Executives	Miloda	Translator	02	-	1
17	Computer Training Course	ESOFT	IT Officer	01	-	1
18	One Day Training Course on Tobacco Industry and Cigarette Manufacturing	Ceylon Tobacco Company	Inspector of Excise	01	16	668
19	Advanced Certificate Course on Narcotic Law Implimentation	Colombo School of Business and Management	Excise Inspector	04 Months from 05.08.2018	-	20
20	Certificate Course on Statistics Analysis (CCSA)	NIBM	Excise Inspector, Excise Guard	04 Months from 05.08.2018	-	4
21	One day workshop on Malt liquor industry	Lion Beer Company	Male/Female Excise Guard	01	14	641
22	Training Course for Procurement Process – Batch 1	HR Division	D.C.E,A.C.E, S.E, O.I.C	02	01	54
23	Stores and Inventory Management	Miloda	Management Assistant	02	-	1
24	General Payroll System	Miloda	Management Assistant	03	-	2
25	06 Day Training (50 hrs) Program on Tamil Language for Public Sector	Divisional Secretariat – Kaduwela	KKS	06	-	1
26	06 Day Training (50 hrs) Program on Tamil Language for Public Sector	Divisional Secretariat –Sri Jayawarenapura Kotte	Excise Driver	06	-	2

27	Seminar on National Audit Act	Sri Lanka Foundation Institute	A.C.E.,A.O	01	-	7
28	Workshop on Stress Management	Sri Lanka Foundation Institute	Excise Inspector, P.M.A, Excise Guard	01	-	5

### • Foreign Training Courses

Foreign Training Courses/Programmes and workshops attended by the Departmental Officers in the year 2018 are given below.

Table 2.10 - Details of Foreign Training Courses attended by the Departmental Officers in the year 2018

No.	Name of course	Centre/Country	Name of Officer/ Designation	Date
1	PIM International Programme on Strategic Management	Indonesia	Mr. J. Pushpakumara Silva (DCE)	28.01.2018 - 04.02.2018
2	- do -	- do -	Mr. W.M.M.B. Wansooriya (DCE)	- do -
3	- do -	- do -	Mr. K.M.G. Bandara (ACE)	- do -
4	- do -	- do -	Mr. A.M.G. Adhikari (ACE)	- do -
5	- do -	- do -	Mr. R.M.R. Bandara (ACE)	- do -
6	PIM International Programme on Strategic Management	Australia	Mr. Gamini Mahagamge (CE)	27.02.2018 - 07.03.2018
7	- do -	- do -	Mr. K. Kumarasinghe (DCE)	- do -
8	- do -	- do -	Mr. P.C. Silva (ACE)	- do -
9	International Programme on Management	University of Gadjah Mada, Indonesia	Mr. R.M.P Dharmakeerthi (ACE)	22.04.2018 - 29.04.2018
10	International Programme on Management	International University of Japan	Mrs. B.M.S. Bandara – Additional Commissioner General of Excise	08.05.2018 - 16.05.2018
11	International Programme on Management	Kasetsart University, Bangkok	Mr. J. Shantha Deva De Silva, Asst. Commissioner of Excise	15.07.2018 - 22.07.2018
12	International Programme on Management Auditing for the Public Sector Internal Auditors	University of Malaysia	Ms. M.N. Priyangika Fernando, Chief Internal Auditor	02.09.2018 - 09.09.2018
13	Diploma in Public Procurement and Contract Administration DIPPCA Practical Fulfillment	UK	Mr. L.A.D. Liyanarachchi (Excise Inspector)	09.09.2018 - 19.09.2018

14	International Programme on Management	Kasetsart University, Bangkok	Mrs. A.H.M.S.P. Abeysinghe, Administrative Officer	25.11.2018-02.12.2018
15	International Programme on Strategic Management in Indonesia	University Gadjah Mada	Mr. Sameera Thushan Jayawardena, Deputy Commissioner of Excise (Admin)	09.12.2018-16.12.2018



## 3. Implementation of New Policies

3.1. Introduction

3.2. New Excise Notifications Issued & Implemented in 2018

### 3.1 Introduction

New Excise Regulations and Rules have been enacted as a measure of further enforcement of the government policy of minimizing the use of liquor and tobacco and as a positive approach towards establishing an efficient control over liquor and tobacco industries. Among

the above, introduction of the Tree Tapping License System (Excise Notification no.08/2018) for the purpose of proper supervision of the Toddy Industry can be considered as a milestone. Accordingly, 12 Excise Notifications were issued in year 2018 revising the practical issues identified in prevailing Excise Notifications.

### 3.2 New Excise Notifications Issued & Implemented in the Year 2018

**3.1 Table : New Excise Notifications issued & implemented within the year**

Excise Notification No.	Gazette No. & Date of Issue	Description	Effective Date
01/2018	No. 2053/21 10.01.2018	Opening and Closing hours of the Excise Licensed Premises	11.01.2018
02/2018	No. 2053/26 10.01.2018	Revision of the Condition No.5 of the Excise Notification No.666	10.01.2018
03/2018	No. 2054/41 18.01.2018	Opening and Closing hours of the Excise Licensed Premises (Cancellation of E.N.Nos.01/2018 & 686)	18.01.2018
04/2018	No. 2054/42 18.01.2018	Revision of the Condition No.5 of the Excise Notification No.666	18.01.2018
05/2018	No. 2055/09 23.10.2018	Revision of the Excise Notification No. 1001 by exclusion of the word “pulp”	23.01.2018
06/2018	No.2055/09 23.01.2018	Revision of the Excise Notification No. 1002 by exclusion of the word “pulp”	23.01.2018
07/2018	No. 2059/32 21.08.2018	Excise duty on import of Non Potable Spirits (Cancellation of 999 & 1005)	21.02.2018
08/2018	No. 2066/02 09.04.2018	Toddy Tapping Licence Fees	16.04.2018
09/2018	No. 2065/57 06.04.2018	Revision of License Fees on Bottling Toddy (Revision of Excise Notification No.1004 )	01.04.2018
10/2018	No. 2075/23 13.06.2018	Revision of Regulations on Non Potable Spirits Imported to Sri Lanka (Updating E.N.No. 7/2018)	13.06.2018
11/2018	No. 2075/24 13.06.2018	Revision of Opening and Closing hours of Toddy Taverns (Revision of E.N.No 03/2018)	13.06.2018
12/2018	No.2091/50 03.10.2018	Excise duty on import of Non Potable Spirits (Revision of E.N.No 07/2018.)	04.10.2018

## 4. Auditing

4.1 Introduction

4.2 Internal Audit Division

## 4.1 Introduction

Internal audit unit is entrusted with the responsibility of reporting to the Head of the Department having carried out independent evaluations on the effectiveness of the internal systems of the department and coordinating the Head of Department with the officers who are assigned various departmental duties.

Specially, Internal Audit Division creates the environment for the Head of Department to take necessary and urgent measures to remedy the risk areas related to financial control having conducted Audit and Management Committees on time with the participation of the Departmental Head and a representative from the Auditor General's Department.

In addition to the above, Internal Audit Division assists to reinforce the existing administrative system having studied the weaknesses in administrative systems through identification and focusing on the risk areas in procedures pursued for achieving departmental goals while implementing internal audit programmes prepared in line with the changes of the management and financial environment which exists in the Department.

## 4.2 Internal Audit Unit

Activities of the Internal Audit Division have been carried out based on the internal audit plan of the year 2018 under the direct supervision of the Commissioner General of Excise. It has also proposed internal control methods required to avert the defects which could be observed in processes of collecting revenue based on Excise ordinance, Excise Notifications, Financial Regulations and Establishments codes.

## Audit Programs conducted in the Year 2018

Offices of the Assistant Commissioner of Excise

- Kalutara, Kandy, Galle, Rathnapura, Gampaha

Offices of Excise Superintendents

- Kalutara, Hambantota, Kandy, Galle, Matara, Kegalle, Ratnapura, Gampaha

Excise Stations

- Hambantota, Tangalle, Padukka, Kandy, Elpitiya, Negombo, Matara, Kegalle, Ruwanwella, Rathnapura, Balangoda, Poogoda, Gampaha, Meerigama

Special Operations Bureaus of Excise

- Kandy, Galle

Licensed Premises

- 6 licensed premises under the Excise Stations of Negombo and Galle

Five Management Audit Committee meetings have been conducted under the patronage of the Commissioner General of Excise and the participation of all staff officers in the Excise Head Office and the Audit Superintendent of the Government Audit Unit in the year 2018. Measures have been taken to implement the decisions taken at Management Audit Committee meetings held at the Ministry through all staff officers and to discuss the observations and issues raised by Auditor General's queries and internal audit reports for the purpose of strengthening the internal control of the Department.

Internal Audit Division has been able to guide the Department to achieve its aims and targets through all these programs.

## 5. Accounts Division

5.1 Introduction

5.2 Revenue Account

5.3 Reward Fund Account

5.4 Appropriation Account (2018)

5.5 Analysis of Income and Expenditure

5.6 Advance Account

## 5.1 Introduction

This Department has fulfilled all the duties related to excise revenue on behalf of the Sri Lankan Government in its history of over one hundred years. However, several of the revenue sources out of which we gathered income had to be transferred to Provincial Councils as per the 13<sup>th</sup> amendment to the Constitution. Revenue Sources thus transferred are as follows.

1. Annual Excise License Fees
2. Rent Sales
3. Fines imposed by Courts

Following taxes and fees are charged by the Excise Department

Government Revenue Head	Relevant Taxes and Fees
1002-04-01 - All receipts related to Excise Duties	<ol style="list-style-type: none"> <li>1. Excise Duties</li> <li>2. Late Charges on Excise Duties</li> <li>3. Purchase of Spirits (Local and imported)</li> <li>4. License Fees</li> <li>5. Excise License Application Fees</li> <li>6. Renewal of Excise Licenses</li> <li>7. Transfer of Excise Licenses, Change of Names and addresses</li> <li>8. Charges on Toddy Collecting Centre</li> </ol>
1002-06-00 - All receipts related to Tobacco	<ol style="list-style-type: none"> <li>1. Tobacco Tax (Local and imported)</li> <li>2. License fees for Tobacco Manufacturing</li> <li>3. Application fees for Tobacco Manufacturing License</li> <li>4. Renewal of Tobacco Manufacturing Licenses</li> <li>5. Transfer of Tobacco Manufacturing Licenses, Change of Names and addresses</li> </ol>

6. Late fees

7. Charges on storing tobacco products

Main tasks carried out by the Accounts Division are as follows,

- Collection of Excise Revenue
- Incurring Recurrent and Capital Expenses
- Public Officers' Advance Account Activities
- Supplying all Departmental Requirements
- Maintaining the Reward Fund

Following activities are done by the Accounts Division parallel to the process of keeping accounts on the above tasks.

- Preparing the Revenue Accounts for the Excise Revenue
- Preparing the Departmental Appropriation Account
- Preparing the Public Officers' Advance Account
- Preparing the final accounts for the Reward Fund

## 5.2 Revenue Account

This department gathers and keep records of the Excise and Tobacco tax income intended for the Sri

Lankan Government revenue. Excise revenue of the previous 6 years is given in the following chart.

**Table 5.1 - Revenue of Preceding Years**

Year	Excise Duty (Rs.)	Tobacco Tax (Rs.)	Total Tax (Rs.)
2018	113,890,332,214	45,367,003	113,935,699,217
2017	113,214,008,524	45,749,663	113,259,758,187
2016	120,238,067,703	39,819,451	120,277,887,154
2015	105,263,548,521	34,049,349	105,297,597,870
2014	69,087,998,769	35,606,823	69,123,605,592
2013	66,008,326,747	33,042,507	66,041,369,254

## 5.3 Reward Fund Account

Excise Department operates a reward fund which is nourished by the composition fees imposed on acts of violating the excise license regulations and rewards are paid out of this Fund for persons who contribute to said tasks.

In addition to the above, 15% of the annual income of the reward fund is annually transferred to the Consolidated Fund. Receipts for the year 2018 was Rs.177.8 million and Rs.112.9 million have been incurred as rewards and other expenses while Rs. 32.5 million has been transferred to the Consolidated Fund.

**Table 5.2 – Details of the Reward Fund**

	2018(Rs.)	2017 (Rs.)	2016 (Rs.)
<b>Receipts</b>	177,875,203	133,366,877	136,954,590
<b>Payments</b>			
• Composition Fees	101,516,518	76,643,861	71,173,912
• To Government Consolidated Fund	32,579,338	20,339,024	21,933,812
• For Special Raids	-	600,000	771,050
• For Trainings and Academic Activities	-	-	2,331,515
• For Sports, Recreation and Education	-	50,000	-
• Purchase of library books	-	-	-
• Purchase of Furniture and Equipment	-	3,939,940	1,194,000
• Purchase of Computers	11,400,000	-	-
<b>Total Expenditure</b>	<b>145,495,856</b>	<b>101,572,825</b>	<b>97,404,289</b>

## 5.4 Appropriation Account (2018)

All expenses required for fulfilling departmental objectives are made from this account.

**Table 5.3 - Appropriation Account**

Type of Expenditure	Estimated Provision (Rs.)	Expenditure(Rs.)
Personnel Remunerations	671,450,000	658,619,293
Other Recurrent	455,776,000	159,066,161
Capital	529,974,000	183,786,422
<b>Total</b>	<b>1,657,200,000</b>	<b>1,001,471,876</b>

## 5.5 Analysis of Income and Expenditure

Excise income is generated through two main sources.  
Income generated in the year 2018 is given below,

Excise Revenue	-	113,890,332,214
Tobacco Tax Revenue	-	4,545,367,003
<b>Total Revenue</b>	-	<b>113,935,699,217</b>

Departmental expenditure can be categorized as recurrent and capital .Expenditure incurred in 2018 is as follows,

Recurrent Expenditure	-	817,685,455
Capital Expenditure	-	183,786,421
<b>Total Expenditure</b>	-	<b>1,001,471,876</b>

## 5.6 Advance Account

This Division provides loan advances for the entire staff of the Department by the Government Officers Advance Account. An amount of Rs.59,837,200 has been given out by this account as distress loans for 374 officers, special advances for 92 officers and festival advances for 759 in the year 2018.

**Table 5.5 - Advance Account Particulars**

Description	2018		2017		2016	
	Amount allocated for the Department	Actual value	Amount allocated for the Department	Actual value	Amount allocated for the Department	Actual value
Receipts	60,000,000	59,837,200	45,000,000	45,572,284	38,000,000	37,976,126
Minimum Receipt Limit	37,000,000	36,442,370	34,000,000	34,426,562	30,000,000	31,465,892
Maximum Debit Limit	250,000,000	163,631,147	177,000,000	140,236,317	171,000,000	129,234,392

**Table 5.6 – Acquisition of Capital Assets**

Vote No.	Detail	Total Expenditure (Rs)
248-1-1-2102	Furniture and Office Equipment	11,235,454
248-1-1-2103	Machinery and Plants	17,000,000
248-1-1-2104	Construction of Buildings	
	i. Head Office	47,997,925
	ii. Regional Offices	69,978,561

## 6. Law Enforcement

6.1 Introduction

6.2 Legal Division

6.3 Bureaus of Excise Special Operations

## 6.1 Introduction

Law Enforcement Division is under the supervision of the Commissioner of Excise (Law Enforcement) and Deputy Commissioner of Excise (Law Enforcement).

Following activities were monitored by this Division.

- i. Setting detection targets and supervision of Excise Officers
- ii. Conducting progress review meetings at regional level
- iii. Recommendation of special commendations
- iv. Levying composition fees for technical crime reports
- v. Collecting and analyzing of information on detections
- vi. Taking necessary actions for public petitions
- vii. Coordinating with parallel institutions and attending relevant meetings

Department was able to achieve 49,312 detection targets rendering a higher contribution for implementing government policy in the year 2018. A large number of massive detections of illegal liquor, drugs and imported contraband liquor stocks could be carried out through motivation of Excise Officers attached to the regional stations, Special Operations Bureaus and the Narcotic Unit.

Rs.253,629,165.00 was collected as fines having taken legal actions against 49,312 detections carried out in the year 2018. Confiscation of 10,000 litres of Spirits with a market value over Rs.6 crores, imported to the country having submitted forged documents to Sri Lanka Customs was one of the most outstanding detections carried out by the officers attached to the Law Enforcement Division. A case was filed in this regard and a fine of Rs.350,000 was imposed by the Magistrate Courts, Negombo.

Table 6.1 – Details of Detections

District	Excise Ordinance								Poisons, Opium and Dangerous Drugs Ordinance				Tobacco Tax Act		National Authority Act on Tobacco and Alcohol			Total No. of Detections
	UMA	PUML	PUDS	Pot U	UST	UPT	UPA	USA	USFL	Cocaine	Cannabis	Heroin	Other Narcotic Drugs	Cigarettes	Other Tobacco Related	Selling Cigarettes to persons under age of 21 yrs	Smoking in Public Places	
Colombo	38	1	1054		1	46	1	144	258	202	1736	434	19	218	67	0	0	4220
Kalutara	114	149	1570	6	235	874	0	65	19	0	96	24	0	2	2	0	0	3160
Gampaha	98	3	3105		9	21	2	153	205	1	384	676	4	181	6	0	191	5040
Kandy	32	15	1165		29	414	2	86	269	0	63	112	1	184	74	51	614	3116
Matale	23	31	200		12	105	0	5	128	0	5	3	0	22	1	0	0	535
Nuwara- Eliya	3	1	14		29	120	0	465	164	0	25	8	1	60	0	85	206	1181
Kurunegala	204	31	3366		7	59	4	32	68	0	100	52	5	54	22	19	30	4054
Puttalam	79	1	1358		33	666	0	7	90	0	206	180	0	395	64	79	27	3190
Badulla	7	9	284		180	361	0	127	296	0	3	0	3	7	11	89	0	1381
Monaragala	9	6	265	3	16	252	2	177	36	0	81	6	0	0	50	0	39	942
Galle	215	134	1091		16	374	4	249	644	7	67	5	3	10	1	0	0	2822
Matara	15	219	233		0	31	0	211	234	0	6	2	0	0	0	48	0	999
Hambantota	19	18	412		104	39	0	168	152	0	102	5	0	13	1	8	4	1045
Rathnapura	61	153	1203		7	33	2	62	18	0	42	5	5	50	25	3	54	1729
Kegalle	95	18	1365		70	9	0	25	0	0	6	0	0	1	2	0	41	1632
Anuradhapura	471	1	1795		34	25	3	23	96	0	107	30	1	9	11	0	8	2616
Polonnaruwa	36	12	419		0	1	0	42	50	0	30	0	0	1	1	0	3	595
Jaffna	9	2	9		587	1155	1	17	5	0	3	0	0	162	850	147	143	3090
Vavunia	0	0	3		175	110	0	35	3	0	5	0	0	3	6	154	57	551
Mannar	1	0	2		6	23	0	18	10	0	13	0	0	0	19	29	170	291
Killinochchi	7	0	96		99	253	0	2	0	0	0	0	0	19	96	0	4	576
Mulathivu	3	2	201		0	189	2	3	3	0	3	0	0	38	8	0	28	483
Baticola	6	4	37		51	4	0	99	8	0	2	0	0	125	3	51	216	606
Ampara	0	0	10		56	27	2	116	59	0	36	6	2	539	6	246	7	1112
Trincomalee	18	0	332		0	71	0	29	97	0	12	0	0	31	4	27	24	645
Narcotic- Unit	0	0	4		0	0	0	0	14	2	466	622	1	6	0	0	0	1115
BSO	251	29	1631		4	240	6	90	304	0	17	1	3	9	1	0	0	2586
<b>Total</b>	<b>1,814</b>	<b>839</b>	<b>21,224</b>	<b>9</b>	<b>1,760</b>	<b>5,502</b>	<b>31</b>	<b>2,450</b>	<b>3,230</b>	<b>212</b>	<b>3,616</b>	<b>2,171</b>	<b>48</b>	<b>2,139</b>	<b>1,331</b>	<b>1,036</b>	<b>1,866</b>	<b>49,312</b>

**Note:- Definitions of Acronyms used in the Table 6.1**

UMA= Unlawful Manufacture of Arrack

PUML= Possession of Unlawfully Manufactured Liquor

PUDS= Possession of Unlawfully Distilled Spirit

P of U= Possession of Utensil

UST= Unlawful Sale of Toddy

UPT= Unlawful Possession of Toddy

UPA= Unlawful Possession of Arrack

USA= Unlawful Sale of Arrack

USFL= Unlawful Sale of Foreign Liquor

**6.2 Legal Division**

Legal Division operated under the direct supervision of the Additional Commissioner General of Excise (Revenue Policies & Administration).

Scope of this Division includes supplying and forwarding required information pertaining to cases filed by licensees and Excise Officers to the Attorney General's Department, appearing before the Courts for such cases representing the Commissioner General of Excise and rendering legal assistance for notifications, circulars, rules and regulations issued by the order of Commissioner General of Excise.

Moreover, it works in collaboration with the Attorney General's Department, Legal Draftsmen's Department and other relevant institutes and departments and take necessary actions related to legal issues of regional excise stations and licensed premises.

**Table 6.2 – Classification of Cases**

Classification of Cases	No.of Cases in 2018
Supreme Court Cases	05
Appeal Court Cases	07

**6.3 Bureaus of Excise Special Operations**

Narcotic Unit, Colombo has been established for controlling narcotic drugs covering the whole island and the Special Operation Bureau, Colombo has also been established for detection of islandwide illegal liquor and drugs as well as the discrepancies of licensees and taking actions against them. In addition to the above, four other special operations bureaus

have been established in Central, North Western, Southern and North Central Provinces. All these units operate under the supervision of the Commissioner General of Excise, Commissioner of Excise (Law Enforcement) and the Deputy Commissioner of Excise (Law Enforcement).

- Excise Narcotic Law Enforcement Unit**

The Narcotics Unit which was established in November 1985 for the purpose of enforcing the Law under the Poisons, Opium and Dangerous Drugs Ordinance, has been operating in No. 15, Park Avenue, Colombo 08 since 10.03.2016.

1115 detections have been carried out by the Narcotics Unit during the year 2018 out of which 1091 detections were on narcotic drugs while 622 detections were on Heroine and 466 detections on Ganja / Cannabis. In addition to the above, 03 detections on other drugs, 18 detections under the Excise Ordinance and 06 detections under Tobacco Tax Act have been carried out. Rs. 6.8 Million has been charged as fines for the cases filed in the High Courts and the Magistrate Courts with respect to the above raids.

- Special Operations Bureau (Colombo)**

This Bureau which functions as a Unit of curbing all excise crimes in the island based on complaints received to the Commissioner General of Excise from the general public, has carried out 2586 detections and the Rs.23.2 million of fines have been collected. 73 Technical Crime Reports have been submitted by this Bureau related to violation of conditions by licensed premises within the year and a composition fee of Rs.1.5 million has been accumulated to the government by the end of the year 2018.

- Special Operations Bureau - (Central Province)**

A total sum of Rs.8.0 million has been earned to the Government by this unit as fines having conducted 1,632 successful raids including 26 raids on narcotic drugs and illicit liquor distillation.

This bureau has submitted 02 Technical Crime Reports with respect to the violations of conditions by licensed

premises and added Rs. 60,000 to the excise income by the end of the year 2018.

- **Special Operations Bureau - (Southern Province)**

Southern Provincial Special Operations Bureau is established in Galle for carrying out operations in the Southern Province.

This unit has been able to carry out 1,394 successful detections during the year under review and add Rs.7.2 million worth fines to the Government having filed cases against them .

In addition to the above,it has been able to bring in a composition fee of Rs.1.2 million through 21 Technical Crime Reports pertaining to violations of conditions by licensed premises .

- **Special Operations Bureau - (North Central Province)**

North Central Provincial Special Operations Bureau

which is located in Anuradhapura city for conducting its operations in Northern & North Central Province.

This unit has been able to carry out 1,338 detections during the year under review and charged Rs.10.0 million as fines through cases filed based on said detections.

- **Special Operations Bureau - (North Western Province)**

North Western Provincial Special Operations Bureau is located in Kurunegala City.

This unit has been able to carry out 1,607 successful raids during the year under review. It has earned Rs.10.8 million worth fines having filed cases based on these detections Further, Rs. 0.2 million has been accumulated to the government as composition fees having submitted 12 Technical Crime Reports against licensed premises which have breached excise conditions.

Table 6.3 – Details of Detections Carried Out by the Special Operations Bureaus

Unit	Excise Ordinance								Poisons,Opium and Dangerous Drugs Ordinance			Tobacco Tax Act		National Authority Act on Tobacco and Alcohol		Total No. of Detections	
	UMA	PUML	PUDS	P of U	UST	UPT	UPA	USA	USFL	Cocaine	Cannabis	Heroin	Other Narcotic Drugs	Contraband Cigarettes	Other Tobacco Related		Selling Cigarettes to persons under age of 21 yrs
Narcotic	-	-	4	-	-	-	-	-	14	466	622	3	6	-	-	-	1115
S.O.B.(Central)	26	4	1101	-	25	210	1	45	192	12	5	0	8	1	0	0	1632
S.O.B. (NWP.)	93	11	1344	-	0	31	0	5	37	38	27	4	9	8	0	0	1607
S.O.B.(Southern)	90	78	479	-	3	82	4	175	441	25	2	10	5	0	0	0	1394
S.O.B.(NCP)	193	1	966	-	49	6	3	9	73	24	5	0	6	2	0	0	1338
S.O.B.(Colombo)	251	29	1,631	-	4	240	6	90	304	17	1	3	9	1	-	-	2586
Total	653	123	5,525	-	81	569	14	324	1,061	582	662	20	43	12	-	-	9,672

**Note:- Definitions of Acronyms used in the Table 6.3**

UMA= Unlawful Manufacture of Arrack

PUML= Possession of Unlawfully Manufactured Liquor

PUDS= Possession of Unlawfully Distilled Spirit

P of U= Possession of Utensil

UST= Unlawful Sale of Toddy

UPT= Unlawful Possession of Toddy

UPA= Unlawful Possession of Arrack

USA= Unlawful Sale of Arrack

USFL= Unlawful Sale of Foreign Liquor

## 7. Revenue Operations Division

7.1 Introduction

7.2 Information Technology Division

7.3 Revenue Operations Division

7.4 Types of Excise Licenses

7.5 Excise Licenses which operated in the year 2018

## 7.1 Introduction

Revenue Operations Division is operated by two Deputy Commissioners of Excise under the supervision of the Commissioner General of Excise and the Deputy Commissioner of Excise (Revenue Operations and Law Enforcement). Viz, Deputy Commissioner of Excise (Revenue Licenses) and Deputy Commissioner of Excise (Supply Chain Regulations & IT)

## 7.2 Information Technology Unit

This unit has been established under Deputy Commissioner of Excise (Supply Chain Regulations & IT)

This unit extends its assistance to monitor and maintain the software system (LRARS) which operates in the license division for registration and issuing of liquor licenses and thereby contributes to provide customers a faster service.

Further, updating and maintaining the official web site is one of the key roles of the IT division and the website is being redesigned with the intension of providing a higher customer service.

Feeding data to the software pertain to payment of rewards to the officers serving in the Department and obtaining relevant reports are done by this unit and Rs.82,466,139 of reward allowances for officers have been calculated with computer assistance for Rs. 133,474,335 of composition fees charged with respect to 4952 Technical Crime Reports and submitted to the Accounts Division for the year 2018.

In addition to the above, IT Unit extends its services by way of identifying the IT requirements of the Department, gathering relevant information, assisting the Technical Evaluation Committees and by resource contribution for IT training courses.

Necessary measures are being taken to obtain IT assistance to the Department under the Public Sector Efficiency Strengthening Project (PSESP) which is implemented by the World Bank and the European Union. Approval of the Ministry of Finance has been granted to receive an IT Solution to the Excise Department and the consent has been expressed by the Information & Communication Technology Agency

to render the required consultancy and resources for this endeavor. Accordingly, as the initial phase of the above, a web interface has been created by our department for the RAMIS Project implemented by the Department of Inland Revenue.

## 7.3 Revenue Operations Unit

This Division operates under the supervision of the Deputy Commissioner of Excise (Revenue Licenses). It carries out tasks related to granting approval to Divisional Secretaries to issue licenses for selling liquor, directly issuing licenses for liquor manufactories, distilleries, stores/warehouses and vinegar manufactories, issuing new licenses, annual renewals and related tasks, granting approval for all activities of the liquor industry including manufacturing of liquor and issuing of spirits. In addition to above, it issues all island liquor transport permits and also maintains files pertain to all liquor licenses.

## 7.4 Types of Excise Licenses

Types of Excise licenses issued by this Department:-

F.L. 1	: Licence to manufacture malt liquor
F.L. 1 A	: Licence to manufacture country made foreign liquor
F.L.1 B	: Licence to manufacture, milk punch and/or wine
F.L.1 C	: Licence to manufacture country made foreign spirits from spirits distilled from the coconut or any of its products other than toddy.
F.L 3	: Wholesale Licence for liquor
F.L 4	: Retail Licence for liquor
F.L 5	: Foreign Liquor Tavern License
F.L 7	: Hotel Licence
F.L 8	: Hotel Bar Licence
F.L 9	: Entertainment Bar Licence for Cinemas
F.L 10	: Railway Restaurant Licence
F.L 11	: Restaurant Licence
F.L 12	: Rest House Licence
F.L 13	: Proprietary Club Licence

F.L 13 A	: Members only Clubs/Social Club Licence	: License for importing foreign liquor
F.L 14	: Occasional Licence	: License for manufacturing tea cider
F.L 15	: Supplementary Licence to extend the hours of sale.	: Toddy and Arrack licence for Estate Canteens
F.L 16	: Auctioneer's Licence	: Special Three year approval for hotels (Boutique Villas)
F.L 17	: Rectified Spirits Licence	
F.L 18	: Medicated Wine Licence	: Auxiliary Licenses
F.L 22 A	: Licence for retail sale of Beer, Ale, Stout and Wine	• License for selling Arrack (A.F.L. 1, A.F.L.2, A.F.L.3, A.F.L.4)
F.L 22 B	: Licence for consumption of Beer, Ale, Stout and Wine at the premises	• License for selling bottled toddy
	: Special Licence issued under the Excise Notification 936	
	: Licence for Storage and Warehouses	
	: Licence for distributing (Manufacturers' Wholesale) Arrack/Beer/Foreign liquor	
	: Licences for manufacturing Industrial Products using Ethyl Alcohol	
	: Licence for selling wine spirits	
	: Licence for the importation and possession of non- potable spirit	
	: Licence for manufacturing & selling processed/ Molasses/ Palmyra/ Special/ Coconut Arrack, and /or for manufacture & issue to the wholesale outlets.	
	: Distillery License	
	: License to manufacture Vinegar	
	: License for bottling toddy	
	: License to collect toddy	
	: License for bottling	
	: License for production and sale of fermented toddy	
	: License for exporting liquor	
	: License for importing foreign liquor	
	: License for Toddy Taverns sold by Tender.	

## 7.5 Excise Licenses issued & operated in the year 2018

Table 7.1 Number of Distillery and Manufactory Licenses operated in the financial year of 2018

Table 7.2 Number of foreign liquor Licenses operated in the financial year of 2018

Table 7.3 Number of foreign liquor Licenses operated in the financial year of 2018

Table 7.4 New Licenses issued from 2006 to 2018

Table 7.1 Number of Distillery and Manufactory Licenses Operated in the Financial Year of 2018

District	Licenses for Spirit Distilleries	Licenses for Arrack Manufactories	Licenses for Country made foreign liquor manufacturing licenses	Licenses for manufacturing medicinal preparations including Eau-de-cologne	Licenses for Vinegar Manufactories	Beer Manufacturing Licenses	A.M06	Grand Total
Colombo	1	6	2	23	-	-	12	44
Gampaha	2	7	4	7	-	1	10	31
Kaluthara	4	5	3	3	1	-	4	20
Kandy	1	3	1	1	-	-	9	15
Matale	-	-	-	-	-	-	-	-
NuwaraEliya	-	-	-	-	-	-	5	5
Galle	-	-	-	-	-	-	5	5
Matara	-	-	2	-	-	-	-	2
Hambantota	-	-	-	-	-	-	3	3
Jaffna	3	3	-	-	-	-	4	10
Mannar	-	-	-	-	-	-	-	-
Vavuniya	-	-	-	-	-	-	3	3
Kilinochchi	-	-	-	-	-	-	-	-
Batticaloa	-	-	-	-	-	-	5	5
Ampara	1	-	-	-	-	-	-	1
Trincomalee	-	-	-	-	-	-	3	3
Kurunegala	1	1	-	-	-	1	6	9
Puttalam	1	1	-	-	-	-	5	7
Anuradhapura	-	-	-	-	-	-	7	7
Polonnaruwa	-	-	-	-	-	-	1	1
Badulla	-	2	-	-	-	-	6	8
Monaragala	2	-	-	-	-	-	-	2
Rathnapura	-	-	-	-	-	-	6	6
Kegalle	-	-	-	-	-	-	-	-
Mullaitivu	-	-	-	-	-	-	-	-
<b>Total</b>	<b>16</b>	<b>28</b>	<b>12</b>	<b>34</b>	<b>1</b>	<b>2</b>	<b>94</b>	<b>187</b>

Table 7.2 Number of Foreign Liquor Licenses Operated in the Financial Year of 2018

District	Foreign Liquor wholesales licences FL-3	Foreign Liquor Retail licences FL-4	Foreign Liquor Tavern License FL-5	Hotel Licenses FL-7	Hotel bar Licenses FL-8	Entertainment bar licences FL-9	Railway restaurant FL-10	Restaurant FL-11	Rest House FL-12	Proprietary Club License- FL13	Members Only Club licences FL.13A	Rectified spirits license FL-17	Grand Total
Colombo	21	195	3	83	169	06	01	212	2	1	42	-	735
Gampaha	10	119	-	93	113	3	-	89	3	-	2	1	433
Kaluthara	2	24	1	44	72	5	-	13	5	-	1	-	167
Kandy	1	79	3	57	73	1	-	26	4	1	6	1	252
Matale	-	27	-	32	36	-	-	12	1	-	1	-	109
NuwaraEliya	1	112	5	26	29	1	-	24	3	-	3	-	204
Galle	3	49	-	82	82	-	-	25	1	-	2	-	244
Matara	-	32	-	30	29	3	-	14	3	-	8	-	119
Hambantota	1	17	-	22	21	3	-	2	1	-	-	-	67
Jaffna	2	30	-	10	11	-	-	10	-	-	5	-	68
Mannar	-	4	-	2	2	-	-	3	1	-	1	-	13
Vavuniya	-	11	-	5	6	1	-	4	1	-	-	-	28
Kilinochchi	-	-	-	2	2	-	-	-	-	-	-	-	4
Batticaloa	1	22	-	12	14	-	-	7	1	-	-	-	57
Ampara	1	21	-	11	11	-	-	5	1	-	1	-	51
Trincomalee	1	13	-	14	19	2	-	7	-	-	-	-	56
Kurunegala	1	56	-	23	23	2	-	23	4	-	-	-	132
Puttalam	-	33	2	11	11	3	-	8	4	-	1	-	73
Anuradhapura	2	46	-	30	32	-	-	5	1	-	-	-	116
Polonnaruwa	-	16	-	18	20	-	-	6	1	-	-	-	61
Badulla	1	50	-	31	30	1	-	19	3	-	2	-	137
Monaragala	-	24	-	18	19	-	-	7	2	-	1	-	71
Rathnapura	1	61	-	12	19	4	-	15	3	1	-	-	116
Kegalle	-	37	-	17	17	3	-	15	1	-	2	-	92
Mullativu	-	1	-	2	2	-	-	3	-	-	-	-	8
<b>Total</b>	<b>49</b>	<b>1080</b>	<b>14</b>	<b>705</b>	<b>862</b>	<b>38</b>	<b>1</b>	<b>554</b>	<b>46</b>	<b>3</b>	<b>78</b>	<b>2</b>	<b>3413</b>

Table 7.3 Number of foreign liquor Licenses operated in the financial year of 2018

District	Beer, Ale, Stout, and wine license for retail sale 22A	Beer, Ale, Stout, and wine license for consumption in the premises 22B	Special Three Year Approval for Boutique Villas	Estate Canteen Selling Arrack	Toddy Tavern Licenses	Estate Canteen Selling Toddy	Bottled Toddy Manufactory Licenses	Arrack Wholesale licenses	Grand Total
Colombo	30	18	21	-	-	-	-	-	69
Gampaha	43	42	8	-	-	-	-	-	93
Kaluthara	8	8	9	-	1	1	-	4	31
Kandy	15	13	5	-	2	2	-	-	37
Matale	9	12	7	-	-	-	-	-	28
NuwaraEliya	16	4	5	-	5	-	-	-	30
Galle	5	17	13	-	-	-	-	-	34
Matara	1	1	5	-	-	-	-	-	7
Hambantota	-	4	6	-	-	-	-	1	11
Jaffna	-	-	2	-	-	-	-	-	2
Mannar	1	1	-	-	24	-	-	-	26
Vavuniya	3	-	-	-	41	-	-	-	44
Kilinochchi	-	-	-	-	50	-	-	-	50
Batticaloa	9	2	12	-	6	-	-	3	32
Ampara	-	-	-	-	-	-	-	-	-
Trincomalee	2	1	3	-	3	-	-	1	10
Kurunegala	16	4	-	-	5	-	-	-	25
Puttalam	15	7	2	-	24	-	-	-	48
Anuradhapura	2	5	2	-	1	-	-	1	11
Polonnaruwa	4	2	-	-	-	-	-	-	6
Badulla	16	2	-	-	2	5	-	-	25
Monaragala	7	6	-	-	-	-	-	-	13
Ratnapura	2	5	-	2	2	2	-	-	13
Kegalle	5	5	-	-	-	-	-	-	10
Mullaitivu	-	-	-	-	24	-	-	-	24
<b>Total</b>	<b>209</b>	<b>159</b>	<b>100</b>	<b>2</b>	<b>190</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>679</b>

**Table 7.4 - New Licenses issued from 2006 to 2018**

Year	Number of New Licenses issued
2006	35
2007	42
2008	36
2009	40
2010	51
2011	41
2012	55
2013	62
2014	83
2015	52
2016	38
2017	10
2018	74



## 8. Excise Duties on Locally Manufactured Liquor, Spirits, Tobacco & Cigarettes

- 8.1 Introduction
- 8.2 List of Licensed Liquor Manufacturers
- 8.3 List of Liquor Manufacturers with Suspended Licenses
- 8.4 List of Licensed Distilleries
- 8.5 List of Licensed Stores and Warehouses
- 8.6 List of Licensed Vinegar Manufacturers
- 8.7 List of Excise Licensees for Manufacturing Industrial Products
- 8.8 Liquor Production and Tax Income in 2018
- 8.9 Spirit Manufacturing/ issuing in 2018
- 8.10 Tobacco Tax
- 8.11 Income Analysis

## 8.1 Introduction

Calculation of liquor tax income and operating the relevant computer data as well as maintenance of reports, data and documents pertaining to liquor manufactories, warehouses and distilleries are carried out by the Revenue Division under the supervision of the Commissioner General of Excise and the Deputy Commissioner of Excise (Revenue and License).

Liquor manufactories, warehouses and distilleries, toddy taverns and vinegar manufactories operate under full supervision of the Excise Department. Local liquor (Arrack), Country Made Foreign Liquor, Wine, Sake, Bottled Toddy and Beer are manufactured in manufactories. Arrack and foreign liquor are considered as hard liquor while toddy, wine and beer are considered as soft liquor.

Ethyl Spirits are manufactured in Distilleries; the spirits manufactured in Sri Lanka are categorized as Rectified Spirits, Coconut Spirits and Palmyrah Spirits. Coconut, and Palmyrah Spirits are distilled from Coconut and Palmyrah toddy while rectified spirits are distilled in Sevenagala and Palwatta Distilleries from Molasses, which is a byproduct of sugar production.

Rectified spirits are manufactured using the byproduct which is produced in the process of manufacturing Sake with corn starch, as the base. Further, Ethyl Spirits are imported for liquor manufacturing and for industrial purposes .

05 liquor manufactories namely, Seeduwa Bandarawatta, Seeduwa new warehouse, Kalutara warehouse No.01, Nawayalathenna Warehouse and Badulla warehouse operated under Distilleries Company of Sri Lanka (Pvt) Ltd and 02 manufactories, namely, Walisara and Aluthgama operated under W.M.Mendis Company. In addition to above 16 liquor manufactories are being operated in Sri Lanka at present.

## 8.2 List of Licensed Liquor Manufacturers

- I. Distilleries Company of Sri Lanka Ltd., 110, Norris Canal Road, Colombo 10
- II. Rockland Distilleries Ltd, No.160/24, Kirimandala Mawatha, Colombo 05
- III. International Distillers Ltd., Kotalawala, Kaduwela
- IV. W.M Mendis & Company Ltd., Welisara, Ragama
- V. Periceyl Company (Pvt) Ltd., No. 110, Norris Canal Road, Colombo 10
- VI. V A Distilleries (Pvt) Ltd, No.324, High Level Road, Galagedara, Padukka
- VII. Acme Lanka Company Ltd, No.73/1, Old Road, Hanwella
- VIII. Classic Distilleries (Pvt) Ltd, No.565, Mihindu Mawatha, Malambe
- IX. Manori Lanka Company (Pvt) Ltd, No.277/1, Jayamalapura, Gampola
- X. Nippon Expo Company Ltd., No. 152, Nagahakandawatta, Palugama, Dompe
- XI. Randenigala Distilleries Ltd., No. 255/86, Korathota, Kaduwela
- XII. Sri Lanka Distilleries Ltd, Mestiya, Wadduwa (No operation in 2016)
- XIII. Scotland Distilleries Company Ltd., Passara Road, Vineethagama, Badulla.
- XIV. Thikkam Distilleries, Wadamarachchi Palmyrah Coconut Development Society, Alwai, Point Pedro (No operation in 2016)
- XV. Uva Glen Company (Pvt) Ltd., Millewa, Moragahahena
- XVI. Valikamam Distilleries, Walikamam Palmyrah Coconut Development Society Navali, Maipay.
- XVII. Varani Distilleries Ltd. Thenmaarachchi Palmyrah Coconut Development Society, Point Pedro Road, Warani
- XVIII. Synergy Hotel & Holdings (Pvt.) Ltd. Payagala
- XIX. Royal Casks (Pvt.) Ltd., Galagedara, Padukka
- XX. Asia Pacific Brewery (Lanka) Ltd., Mawathagama
- XXI. Lion Brewery Ltd., No. 254, Colombo Road, Biyagama
- XXII. Hingurana Distilleries (Pvt) Ltd, Samanabadda, Thittapattara
- XXIII. Randiya Marketing Services (Pvt) Ltd., No. 7, Morukkuliya Mawatha, Dankotuwa

### 8.3 List of Liquor Manufacturers with Suspended License

- I. Wayamba Distilleries (Pvt.) Ltd. – Malkaduwwa, Kurunegala

### 8.4 List of Licensed Distilleries

- I. Distilleries Company of Sri Lanka PLC Seeduwa
  - 1.1 Seeduwa Distillery - Seeduwa
  - 1.2 Beruwala Distillery - Beruwala
- II. W.M Mendis & Company Ltd - Aluthgama.
- III. Sri Lanka Distilleries Mestiya, Wadduwa
- IV. Rockland Distilleries - Marawila .
- V. Acme Distilleries - Wijeratna Watta, Dummalasooriya
- VI. Palwatta Distilleries - Palwatta.
- VII. Sewanagala Distilleries – Sewanagala
- VIII. Royal Casks Distilleries Galagedara
- IX. Varani Distilleries-Thenmaarachchi Palmyrah Coconut Development Society
- X. Walikamam Palmyrah Coconut Development Society
- XI. Hingurana Distillery. Korambe, Dompe
- XII. Cooperative Distillery - Payagala
- XIII. Thikkam Distillery - Wadamarachchi Palmyrah Coconut Development Society- Point Pedro
- XIV. Galoya Plantation Ltd- Ampara

### 8.5 List of Licensed Stores and Warehouses

01. Distilleries Company of Sri Lanka PLC
  - i. Seeduwa Old Warehouse
  - ii. Seeduwa, Warehouse No,03
  - iii. Kalutara, Warehouse No,02
  - iv. Mirishena Warehouse
  - v. Thekkawatta Warehouse
  - vi. Nawayalathenna Warehouse

02. W. M Mendis & Company Ltd -
  - i. Walisara Warehouse
  - ii. Moragalla Warehouse
03. Periceyl Company (Pvt) Ltd, Nawayalathenna Warehouse
04. Rockland Distilleries
  - i. Marawila Warehouse
  - ii. Thittapattara Warehouse
05. International Distilleries- East India Warehouse, Kothalawala, Kaduwela
06. Walikamam Palmyrah Coconut Development Society- Walikamam Warehouse
07. Wadamarachchi Palmyrah Coconut Development Society - Thikkam Warehouse
08. Thenmaarachchi Palmyrah Coconut Development Society- Warani Warehouse

### 8.6 List of Licensed Vinegar Manufacturers

- I. C.D.Fonseka & Sons (Pvt) Ltd - Eluwila, Panadura.
- II. Yasara Vinegar Manufacturers-Vimal Vila ,Siripathi Para, Kaluwamodara, Aluthgama.
- III. Anuja Vinegar Manufacturers-Pitahena, Beruwala
- IV. Ranviru Vinegar – Kande Vihara Road,Kaluwamodara, Aluthgama.
- V. Sudu Pol Vinegar - Aluthgama, Kaluwamodara,
- VI. R.G.Marketing Vinegar Manufacturers-Darga Town.
- VII. Saviya Vinegar Manufacturers- Payagala.

### 8.7 List of Excise Licencees for Manufacturing Industrial Products

- i. International Cosmetics (Pvt) Ltd., No.146, Dawson Street, Colombo.
- ii. Ansell Lanka Pvt Ltd., Biyagama Export Processing Zone, Biyagama.
- iii. Interfarm (Pvt) Ltd., Madapatha Street, Piliyandala.

- |        |  |         |  |
|--------|--|---------|--|
| iv.    | Plant Lipids (Pvt) Ltd., No.60, Sir Anagarika Darmapala Mawatha, Colombo 03.                     |         | Aluth Mawatha, Colombo 15.   |
| v.     | Astern Ltd., No.688, Galle Road, Ratmalana.  | xxiii.  | Siddhalepa Ayurvedic Hospital, No.106A, Templers Road, Mount Lavinia.                            |
| vi.    | 609 Manufactures, No.11/7, Darmapala Mawatha, Baddegama, Pita Kotte.                             | xxiv.   | Swarna Herbal Products, Udumpitigama, Dompe.   |
| vii.   | Nature's Beauty Creations, No.64/3, Kidelpitiya, Puswelhena, Millawa, Horana                     | xxv.    | State Pharmaceutical Corporation, No.11, Sir John Kotalawala Mawatha, Kandawalawatte, Ratmalana. |
| viii.  | H.D.D.E.S.Extracters (Pvt)Ltd., No.309, Jayantha Weerasekara Mawatha, Colombo 10                 | xxvi.   | Unilever Sri Lanka Limited, No.258, Vincent Perera Mawatha, Colombo -14.                         |
| ix.    | Beauty Expert (Pvt) Ltd, No.73, 2 <sup>nd</sup> Floor, Majestic City, Colombo 04.                | xxvii.  | Link Natural Products (Pvt) Ltd., No.199, Kew Road, Colombo 02.                                  |
| x.     | Department of Indigenous Medicines, Colombo Municipal Council, Maradana, Colombo -10             | xxviii. | Eastern Pharmaceuticals, Kirinda, Puhulwella.  |
| xi.    | Sri Lanka Ayurvedic Drugs Corperation, No.94, Old Kotte Road, Navinna, Maharagama.               | xxix.   | Eastern Pharmaceuticals (Ayurvedic), Kirinda, Puhulwella.  |
| xii.   | Hemas Manufacturing Ltd, No.36, Bristol Street, Colombo -01.                                     | xxx.    | Deepani Enterprises, No.53, I.D.B, Pallekelle.   |
| xiii.  | Ceylon Cold Stores, No.01, Justice Akbar Mawatha, Colombo -10.                                   | xxxi.   | Swadeshi Industrial Works PLC., No.57, Colombo Road, Kandana.                                    |
| xiv.   | Pilapitiya Ayurvedic Manufactures, Amupitiyahena, Kuda Oduwa, Hoarana.                           | xxxii.  | Hemsons International (Pvt) Ltd, Hemas Building, No.36, Bristle Street, Colombo 01.              |
| xv.    | Tropic Fishery (Pvt) Ltd., No.16/1, Tammita Street, Negambo.                                     | xxxiii. | Majestic Food & Chemists Exports (Pvt) Ltd No.337, Damukanda, Dompe.                             |
| xvi.   | F.D.K.Lanka Drugs Company, Ring Road, 2 <sup>nd</sup> Phase, Export Processing Zone, Katunayake. | xxxiv.  | Sithumina Industries, No.65/25, Nawala, Rajagiriya.  |
| xvii.  | Bimal Herbal (Pvt) Ltd, No.02, Abaya Road, Kolonnawa.  | xxxv.   | Fonterra Sri Lanka, New Kandy Road, Biyagama   |
| xviii. | Harumi Holdings (Pvt) Ltd, Poruwathanda, Horana.   | xxxvi.  | Welcome Chemicals (Pvt) Ltd, Sedawatta Road, Wallampitiya  |
| xix.   | C.B.L.Foods International (Pvt) Ltd, P.O.Box 01, Habarakada Road, Ranala.                        |         |  |
| xx.    | P.B.Morawaka and Sons, Kottawa, Pannipitiya.   |         |  |
| xxi.   | Goya Medicines (Pvt) Ltd., No.45 D/7, Kahatagahawatte, Meegoda.                                  |         |  |
| xxii.  | M.S.J.Industries Lanka (Pvt) Ltd., No.16,  |         |  |

## 8.8 Liquor Production and Tax Income in 2018

Rs. 3300/= per Proof litter was charged as the Excise Tax in the year 2018

**Table 8.1 : Molasses Arrack**

Liquor Manufacturer	From January 1 <sup>st</sup> to December31 <sup>st</sup>	
	Quantity (Absolute Litres)	Tax Income (Rupees)
International Distilleries Ltd.	448,385.923	1,479,673,546
Perecyl Ltd.	19,938.340	65,796,522
Manori Lanka Ltd.	4,875.548	16,089,308
Randenigala Distilleries Ltd.	5,106.056	16,849,984
Uva Glen (Pvt) Ltd.	18,101.652	59,735,451
Classic Distilleries (Pvt) Ltd.	16,690.330	55,078,089
W.M Mendis & Co. Ltd.	205,936.110	679,589,163
Rockland Distilleries (Pvt) Ltd.	411,154.401	1,356,809,523
Nippon Expo Ltd.	13,201.222	43564032
Royal Casks (Pvt.) Ltd.	91,861.615	303,143,329
V A Distilleries (Pvt) Ltd.	35,334.559	116,604,044
Scotland Distilleries Ltd.	50,065.430	165,215,919
<b>Total</b>	<b>1,320,651.190</b>	<b>4,358,148,910</b>

Table 8.2 : Coconut &amp; Processed Arrack

Liquor Manufacturer	Coconut & Processed	
	Quantity (Absolute Litres)	Tax Income (Rupees)
Distilleries Company of Sri Lanka Ltd.	936,181.408	3,089,398,646
W.M Mendis & Co. Ltd.	85,187.181	281,117,697
International Distilleries Ltd.	240,729.356	794,406,874
Rockland Distilleries Ltd.	616,731.600	2,035,214,280
Manori Lanka (Pvt) Ltd.	17,386.673	57,376,020
Nippon Expo Ltd.	3,217.507	10,617,773
Randenigala Distilleries Ltd.	2,391.521	7,892,019
Acme Lanka Ltd.	223,123.303	736,306,899
Scotland Distilleries Ltd.	84.924	280,249
Classic Distilleries (Pvt) Ltd.	2,687.238	8,867,885
<b>Total</b>	<b>2,127,720.710</b>	<b>7,021,478,342</b>

Table 8.3 : Special Arrack

Liquor Manufacturer	Special	
	Quantity (Absolute Litres)	Tax Income (Rs.Cts)
Distilleries Company of Sri Lanka Ltd	15,954,072.800	52,648,440,240
Perecyl Co. Ltd.	463,507.620	1,529,575,146
W.M Mendis & Company Ltd	224,434.425	740,633,602
International Distilleries Ltd.	1,072,926.834	3,540,658,552
Rockland Distilleries Ltd.	219,612.092	724,719,903
Uva Glen Pvt Ltd.	108,195.333	357,044,598
V A Distilleries (Pvt.) Ltd.	324,655.171	1,071,362,064
Nippon Expo Ltd.	112,135.554	370,047,262
Randenigala Distilleries Co.Ltd.	63,093.413	208,208,262
Acme Lanka Company Ltd.	669,228.774	2,208,454,954
Synergy (Pvt) Ltd.	47,034.243	155,213,001
Scotland Distilleries Ltd.	85,937.181	283,592,697
Hingurana Distilleries Ltd	528,229.621	1,743,157,749
Classic Manufacturers	13,142.495	43,370,233
Manori Lanka (pvt) Ltd	9,912.731	32,712,012
<b>Total</b>	<b>19,896,118.290</b>	<b>65,657,190,275</b>

**Table 8.4 : Palmyrah Arrack**

Liquor Manufacturer	Palmyrah	
	Absolute Litres	Tax Income (Rupees)
Thikkam Distillery	7,805.175	25,757,077
Valikamam Distillery	25,077.664	82,756,291
Varani Distillery	8,319.381	27,453,957
Scotland Distilleries Company	427.842	1,411,878
<b>Total</b>	<b>41,630.06</b>	<b>137,379,203</b>

**Table 8.5 : Country Made Foreign Liquor**

Liquor Manufacturer	Country Made Foreign Liquor	
	Absolute Litres	Tax Income (Rupees)
Higurana Distilleries	12,888.811	42,533,076
Pericyl Company (Pvt) Ltd.	486,468.740	1,605,346,842
W.M Mendis & Co.Ltd.	52,395.516	172,905,202
International Distilleries Ltd.	707,755.567	2,335,593,371
Rockland Distilleries (Pvt) Ltd.	522,576.478	1,724,502,377
V.A.Distilleries (Pvt) Ltd.	52,034.983	171,715,443
Nippon Expo	421.872	1,392,177
<b>Total</b>	<b>1,834,541.970</b>	<b>6,053,988,488</b>

**Table 8.6 : Malt Liquor (Beer) Production: Alcohol Percentage Below 5%**

Liquor Manufacturer	Quantity (Absolute Litres)	Tax Income (Rs.Cts)
Asia Pacific Brewery Lanka Ltd. (Heineken Lanka)	105,403.954	252,969,489
Lion Brewery Ltd.	1,424,184.047	3,418,041,713
<b>Total</b>	<b>1,529,588.000</b>	<b>3,671,011,202</b>

**Table 8.7 : Malt Liquor (Beer) Production: Alcohol Percentage Above 5%**

Liquor Manufacturer	Quantity (Absolute Litres)	Tax Income (Rs.Cts)
Asia Pacific Brewery Lanka Ltd. (Heineken Lanka)	1,508,476.520	3,620,343,648
Lion Brewery Ltd.	8,219,872.582	19,727,694,196
<b>Total</b>	<b>9,728,349.102</b>	<b>23,348,037,844</b>

**Table 8.8 : Wine Production**

Liquor Manufacturer	Quantity (Absolute Litres)	Tax Income (Rs.Cts)
Lanka Wine Company-Local	3,842.117	9,221,080
<b>Total</b>	3,842.117	9,221,080

**Table 8.9 : Sake Production**

Manufacturer	From January 1 <sup>st</sup> to December31 <sup>st</sup>	
	Quantity (Bulk Litres)	Tax Income (Rupees)
Royal Casks (Pvt.) Ltd	182,960.316	18,296,031

In the year 2018 ,Tax on Sake production has been calculated per proof litre basis.

- Bottled Toddy Production**

**Table 8.10 : List of Bottled Toddy Manufacturers, Production and Tax Income**

Manufacturer	Quantity (Bulk Litres)	Tax Income (Rupees)
Wayamba Super Bottled Toddy -Madampe	-	-
Eagle Bottled Toddy - Madampe	404,685.000	20,234,250
Singha Bottled Toddy - Madampe	479,240.300	23,962,015
Manori Lanka BottledToddy- Madampe	-	-
Nemta Bottled Toddy - Madampe	382,855.000	19,142,750
Golden Eagle - Madampe	-	-
New Manori Lanka- Madampe	744,265.000	37,213,250
T.S.R Bottled Toddy -Marawila	487,380.000	24,369,000
T.S.R (New) Bottled Toddy Manufactory	-	-
Horse Power Bottled Toddy -Marawila	-	-
Shooting Star Bottled Toddy -Marawila	465,980.000	23,299,000
Commander Bottled Toddy -Marawila	-	-
Camel Bottled Toddy -Colombo	11,730.000	586,500
Three Lion Bottled Toddy -Badulla	470,739.750	23,536,987
A.M.P Bottled Toddy-Kochchikade	-	-
New Commander Bottled Toddy -Chilaw	36,650.000	1,832,500
Jaffna Palm Development Co-operative	27,197.500	1,359,875
Welanei Palm Development Co-operative	-	-
AriyalaiPalm Development Co-operative	-	-
Kopai Palm Development Co-operative	63,808.750	3,190,437
Chankanei Palm Development Co-operative	77,811.875	3,890,593
Manipai Bottled Toddy Manufactory	29,483.125	1,474,156
Pandatiarippu Palm Development Co-operative	55,147.500	2,757,375
Kayts Palm Development Co-operative	41,240.000	2,062,000
Kareinagar Palm Development Co-operative	50,416.875	2,520,843
Valikamam Bottled Toddy Manufactory	46,213.125	2,310,656

Chavakachcheri Palm Development Co-operative	87,113.125	4,355,656
Kodikamam Palm Development Co-operative	90,213.125	4,510,656
Warani Palm Development Co-operative	41,600.625	2,080,031
Chunnakam Palm Development Co-operative	96,510.125	4,825,506
Kondavil Bottled Toddy Manufactory	50,653.125	2,532,656
Thellipalai Bottled Toddy Manufactory	74,679.375	3,733,968
Atchuvvely Bottled Toddy Manufactory	38,704.375	1,935,218
Point Pedro Palm Development Co-operative	-	-
Karaveddi Bottled Toddy Manufactory	-	-
Kilinochchi Bottled Toddy Manufactory	361,238.125	18,061,906
Thunukkai Bottled Toddy Manufactory	117,053.750	5,852,687
Pudukudiruppu Bottled Toddy Manufactory	100,830.625	5,041,531
Mullai West Bottled Toddy Manufactory	81,875.000	4,093,750
Mullai East Bottled Toddy Manufactory	52,898.125	2,644,906
Poonagari Bottled Toddy Manufactory	90,720.000	4,536,000
<b>Total</b>	<b>5,158,933.300</b>	<b>257,946,658</b>

## 8.9 Production / Issuing of Spirits in 2018

- Production of Spirits distilled from Coconut Toddy

**Table 8. 11 : Quantity of Spirits distilled from Coconut Toddy**

Distillery	Quantity of Pure Toddy Received for Distillation	Quantity of Spirits Manufactured (Absolute Litres)
Acme Lanka Distillery	3,456,144.800	239,296.900
Mendis Distillery- Moragalla	1,986,375.300	152,070.000
Beruwala Distillery	3,275,181.000	250,883.300
Cooperative Distillery	1,653,037.500	113,291.400
Mestiya Distillery	4,380,148.000	315,713.700
Rockland Distillery	7,690,133.000	695,029.500
Seeduwa Distillery	7,177,267.300	534,795.700
<b>Total</b>	<b>29,618,286.900</b>	<b>2,301,080.500</b>

- Production of Spirits Distilled from Palmyrah Toddy

**8. 12 : Quantity of Spirits distilled from Palmyrah Toddy**

Distillery	Quantity of Pure Toddy Received for Distillation	Quantity of Spirits Manufactured (Absolute Litres)
Thikkam Distillery	-	-
Varani Distillery	382,098.250	18,122.000
Valikamam Distillery	582,637.250	33,438.750
<b>Total</b>	<b>964,735.500</b>	<b>51,560.750</b>

- Quantity of Rectified Spirits Issued for Liquor Production

### 8.13 : Production of Rectified Spirits

Distillery	Quantity (Bulk Litres)	Quantity of Rectified Spirits Issued
Pelwatta Distillery	5,499,462.700	4,441,500.000
Sewanagala Distillery	3,994,273.000	3,300,750.000
Hingurana Distillery	1,042,705.300	811,100.000
Royal Casks Distillery	1,005,076.800	523,098.000
Galoya Plantation Company	386,571.100	1,663,800.000
<b>Total</b>	<b>11,928,088.900</b>	<b>10,740,248.000</b>

**Table 8.14 : Quantity of Rectified Spirits issued for Other Non-potable products**

Distillery	Quantity (Bulk Litres)
Pelwatta Distillery	262,140.000
Sewanagala Distillery	584,569.000
<b>Total</b>	<b>846,709.000</b>

**Table 8.15 : Rectified Spirits (Imported for Liquor Production)**

Company	Quantity (Bulk Litres)
Distilleries Company of Sri Lanka Ltd.	11,204,777.000
International Distilleries Ltd.	1,161,077.000
W.M Mendis & Co., Ltd.	50,000.000
Periceyl Company (Pvt) Ltd.	980,667.000
Rockland Distilleries (Pvt) Ltd.	48,360.000
<b>Total</b>	<b>13,444,881.000</b>

- Tax Imposed on local and imported Ethyl Alcohol Spirits in the year 2018

**Table 8.16 : Tax imposed on Ethyl Alcohol spirits imported in the year 2018**

Company	Quantity (Bulk Litres)	Ethyl Alcohol Tax Income (Rupees)
Distilleries Company of Sri Lanka Ltd.	11,204,777.300	112,047,773
Periceyl Company (Pvt) Ltd.	980,667.000	9,806,670
W.M Mendis & Co., Ltd.	50,000.000	500,000
International Distilleries Ltd.	11,610,772.000	116,107,720
Rockland Distilleries (Pvt) Ltd.	48,360.000	483,600
<b>Total</b>	<b>23,894,576.300</b>	<b>238,945,763</b>

**Table 8.17 : Tax Imposed on local Ethyl Alcohol Spirits in the year 2018**

Liquor Manufacturer	Coconut Spirits Quantity (Bulk Litres)	Rectified Spirits Quantity (Bulk Litres)	Ethyl Alcohol Tax Income (Rupees)
Distilleries Company of Sri Lanka Ltd.	913,000.000	5,165,000.000	6,078,000
Periceyl Company (Pvt) Ltd.	100,000.000	20,400.000	120,400
W.M Mendis & Company Ltd - Welisara	137,500.000	405,100.000	542,600
W.M Mendis & Company Ltd - Moragalla	0.000	25,000.000	25,000
International Distillers Ltd.	503,600.000	1,551,000.000	2,054,600
Rockland Distilleries Ltd.	622,800.000	1,314,800.000	1,937,600
Uva Glen Company (Pvt) Ltd.	10,000.000	110,000.000	120,000
Manori Lanka Company (Pvt) Ltd.	0.000	28,000.000	28,000
V & A (Pvt.) Ltd.	15,000.000	588,000.000	603,000
Nippon Expo Company Ltd.	30,080.000	80,000.000	110,080
Randenigala Distilleries Ltd.	15,000.000	58,000.000	73,000
Acme Lanka Company Ltd.	344,000.000	740,000.000	1,084,000
Synergy Hotel & Holdings (Pvt.) Ltd.	5,000.000	46,000.000	51,000
Scotland Distilleries Ltd.	11,000.000	155,000.000	166,000
Hingurana Distilleries Company.	119,000.000	510,000.000	629,000
Royal Casks (Pvt.) Ltd.	15,000.000	75,000.000	90,000
Classic Distilleries (Private) Ltd.	7,496.500	30,000.000	37,496
<b>Total</b>	<b>2,848,476.50</b>	<b>10,901,300.000</b>	<b>13,749,776</b>

- Quantity of Denatured Spirits:-**

Denatured spirits have not been produced during the year 2018.

renewed in the year 2018. Tax on imported tobacco has decreased by 30.9% in the year 2019 compared to the year 2017.

- Tax on Local Tobacco**

A tax of Rs.10 is charged per kilogram of Tobacco used for local cigarette production.

## 8.10 Tobacco Tax

License issued for Cigarette manufacturing and 521 licenses issued for Beedi, Cigars, Pipe Tobacco were

**Table 8.18: Quantity of Local Tobacco used for Cigarette Production and the Tax Earned .**

Type of Tobacco	Quantity (Kg)	Tax of Rs.10 Per Kg (Rupees)
Locally manufactured Tobacco	2,185,721.100	21,857,211

## 8.11 Income Analysis

**Table 8.19 : Tax Income on Liquor Production 2013-2018**

Year	Excise Revenue (Rs. Million )	Difference in Tax Increase (Rs. Million)	Percentage of Tax Increase compared to the previous year
2013	63,026	2,948	4.9%
2014	70,513	7,487	11.9%
2015	105,957	35,444	50.3%
2016	120,794	14,835	14.0%
2017	113,027	(7,767)	(6.87%)
2018	113,936	909	0.8%

Excise income which was Rs. 113,027 Billion in the year 2017, increased to Rs. 113,936 Billion in the year 2018. Although, a decrease of 6.87% could be witnessed in the excise revenue in the year 2017 compared to the year 2016, tax revenue has increased by 0.8% in the year 2018 compared to the year 2017.

observed that consumers of hard liquor has shifted to beer consumption owing to decrease of tax on malt liquor. Moreover, it is further observed that the decrease in Hard Liquor Income has resulted due to decline in its production based on decline of hard liquor consumption due to price factor.

There has been a variance of Rs.900 between proof litre of Hard Liquor and that of Malt liquor. It is

**Table 8.20: Liquor Production 2013-2018**

Year	Unit	Hard Liquor	Unit	Malt Liquor (Beer)
		Litres (Million)		Litres (Million)
2013	Proof Litres	44.3	Bulk Litres	120.3
2014	Proof Litres	43.9	Bulk Litres	124.5
2015	Proof Litres	51.7	Bulk Litres	125.6
2016	Proof Litres	55.5	Bulk Litres	52.2
2017	Proof Litres	50.0	Bulk Litres	70.4
2018	Absolute Litres	25.2	Absolute Litres	11.3

- Increase in Excise Duties on Liquor from 2005 to 2018

Table 8. 21 ; Increase in Excise Duties on Liquor

Year & Date of Tax Increase	Arrack	Foreign Liquor	Local Wine below 18%	Imported Wine	Malt Liquor below 5%	Malt Liquor above 5%	Bottled Toddy	Tobacco	Imported Foreign Liquor (Rs. per Bulk Litre)			Ethyl Alcohol	Excise Notification No.
	(Rs. per Proof Litre)				(Rs. per Bulk Litre)			(Per kg 1)	Beer	Wine	Other Foreign Liquor	(Rs. per Bulk Litre)	
2005.11.09	381.00	510.00	-	225.00	32.50	48.50	-	-	-	-	-	-	879-882
2005.12.09	396.00	525.00	-	250.00	37.50	53.50	-	-	-	-	-	-	883-886
2006.10.06	421.00	550.00	-	275.00	-	-	-	-	-	-	-	-	889-891
2007.03.13	446.00	575.00	-	300.00	-	-	10.00	-	-	-	-	-	893-896
2007.10.25	510.00	640.00	-	365.00	38.00	54.00	-	-	-	-	-	-	897-900
2008.10.08	560.00	690.00	-	415.00	48.00	64.00	-	-	-	-	-	-	903-906
2009.03.27	610.00	740.00	-	465.00	-	-	-	-	-	-	-	-	907-909
2010.06.24	660.00	790.00	-	515.00	58.00	74.00	-	-	-	-	-	-	916-919
2010.10.29	710.00	840.00	-	565.00	63.00	79.00	-	-	-	-	-	-	921-924
2010.11.23	813.00	953.00	-	668.00	80.00	96.00	-	-	-	-	-	-	927-930
2011.01.07	863.00	1003.00	-	718.00	80.00	96.00	-	-	-	-	-	-	931-934
2011.10.25	923.00	1063.00	-	778.00	85.00	101.00	-	-	-	-	-	-	939-942
2011.11.22	-	-	100.00	-	-	-	-	-	-	-	-	-	946
2012.03.30	983.00	1,123.00	-	838.00	90.00	106.00	-	-	-	-	-	-	947-950
2012.10.06	1043.00	1183.00	-	898.00	100.00	116.00	-	-	-	-	-	-	952-955
2013.07.31	1,110.00	1,250.00	-	-	110.00	130.00	-	-	-	-	-	-	959-961
2014.10.10	1,200.00	1,370.00	-	-	120.00	145.00	-	-	-	-	-	-	964-966
2014.10.25	1,485.00	1,700.00	-	1,120.00	150.00	185.00	-	-	-	-	-	-	968-971
2015.10.03	1,595.00	1,860.00	-	-	190.00	245.00	-	-	-	-	-	-	975-977
2015.11.21	1,850.00	2,030.00	-	-	160.00	315.00	-	-	-	-	-	-	978-980
2015.12.05	-	-	-	-	190.00	315.00	-	-	-	-	-	-	981
2016.01.01	-	-	-	-	-	-	30.00	-	-	-	-	-	987
2016.04.01	-	-	-	-	-	-	-	-	-	-	-	10.00	988
2016.09.01	-	-	-	-	-	-	-	-	50.00	100.00	200.00	-	989/990
2017.01.01	-	-	-	-	-	-	50.00	-	-	-	-	-	993
	(Rs. Per Absolute Litre)				(Rs. Per Absolute Litre)			(per kg )	Beer	Wine	Other Foreign Liquor	(Rs. Per Bulk Litre)	
2017.11.10	3300.00	3300.00	-	2400.00	2400.00	2400.00							1000

Graph 8.1- Excise Revenue From Year 2013 to 2018

Excise Revenue (Local & Foreign Liquor, Beer, Tobacco, Industrial & Other Taxes -

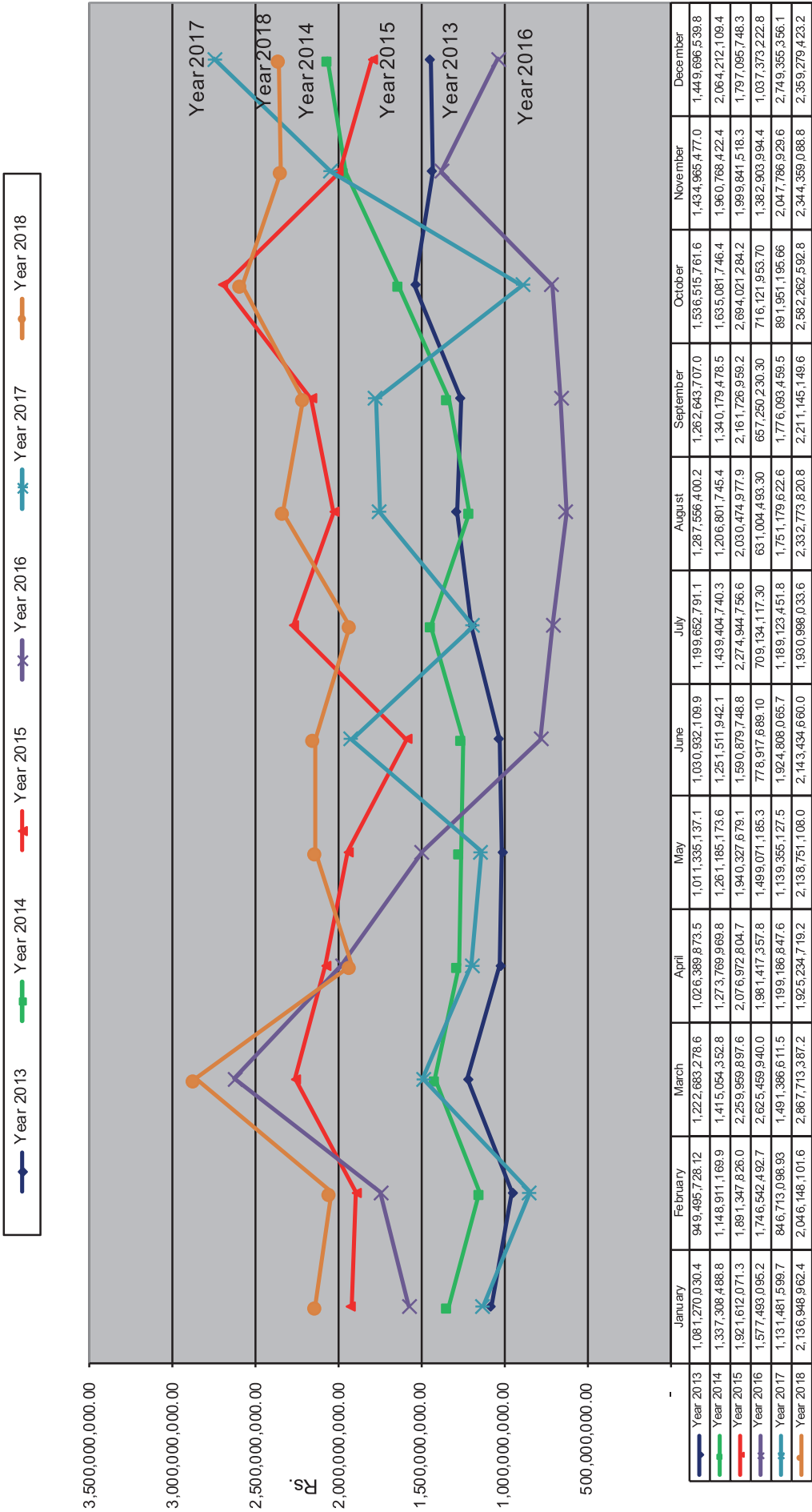
2013 to 2018



	January	February	March	April	May	June	July	August	September	October	November	December
Year 2013	5,000	4,479	6,098	5,387	4,830	4,471	4,716	5,459	5,325	6,181	5,821	5,258
Year 2014	5,420	5,161	6,147	6,239	5,161	4,772	5,313	5,346	5,452	6,755	7,023	7,725
Year 2015	7,863	7,695	9,532	9,173	7,646	7,908	8,271	8,401	8,983	10,520	9,979	9,986
Year 2016	9,175	9,370	13,457	10,515	8,647	9,023	9,306	10,347	10,968	10,964	10,270	8,750
Year 2017	9,144	7,692	11,158	9,038	8,260	9,880	8,011	9,522	9,860	9,691	10,363	10,406
Year 2018	8,796	9,347	11,852	9,121	8,971	8,683	8,358	9,548	9,016	10,526	8,943	9,200

Graph 8.2 –Excise Duty on Malt Liquor (Beer) From Year 2013 to 2018

Excise Duty on Malt Liquor (Beer)- From 2013 to 2018





## 9. Importation and Exportation Liquor, Spirits, Tobacco and Cigarettes

9.1 Quantity of Imported Foreign Liquor and the Tax Income

9.2 List of Licensed Foreign Liquor Importers

9.3 Rectified Spirits Imported for Manufacturing Liquor

9.4 Tax Exemption on Liquor Exportation

9.5 Excise Duty on Importation of Non-Potable Spirits

9.6 Taxes on Importation of Tobacco and Cigarettes

9.7 Exportation of Tobacco and Cigarettes

## 9.1 Quantity of Imported Foreign Liquor and the Tax Income

In 2017 excise duty has been imposed on imported bottled foreign liquor under the Excise Notification No.996 and the liquor imported for duty free shops and for re exportation is exempted from the said excise duties.

A duty of Rs.50.00 per liter of Beer, Rs.100.00 per liter of Wine and Rs.200.00 per liter of other foreign liquor is levied.

**Table 9.1: Imported Bottled Foreign Liquor and Tax**

Type of Liquor	Quantity (Bulk liters)	Tax Income (Rs.)
Beer	293,698.500	14,684,925
Wine	1,537,928.770	153,792,877
Other Foreign Liquor	772,650.050	154,530,010
Surplus of 3%		2,896,515
<b>Total</b>	<b>2,604,277.320</b>	<b>325,904,327</b>

## 9.2 List of Licensed Foreign Liquor Importers

- |   |  |
|---|--|
| I. Decanter Wine Holdings (Pvt) Ltd.-<br>Hidellana, Rathnapura  | XV. Mega Trading (Pvt) Ltd - Mirihana                            |
| II. Distilleries Company of Sri Lanka PLC –<br>Peliyagoda       | XVI. Fernand Ricard Lanka (Pvt) Ltd.-<br>Colombo 14              |
| III. Favourite International Ltd.- Moratuwa                     | XVII. Prestige Wines and Spirits (Pvt) Ltd –<br>Ampara           |
| IV. Free Lanka Trading Company Ltd-<br>Peliyagoda               | XVIII. Rockland Distilleries (Pvt) Ltd– Colombo<br>05.           |
| V. Global Brands (Pvt) Ltd.- Colombo 13                         | XIX. United Spirits & Wines International<br>(Pvt) Ltd.- Kosgoda |
| VI. Great Western International Ltd.-<br>Boralasgamuwa          | XX. Victory Stores (Pvt) Ltd.- Colombo 15                        |
| VII. H.Jayarathne Herath(Kurunegala<br>Distributors)-Kurunegala | XXI. Vindana Enterprises (Pvt) Ltd                               |
| VIII. Heineken Lanka Company – Moratuwa                         | XXII. W.M.Mendis & Company- Welisara                             |
| IX. Hilton Hotel – Colombo 01                                   | XXIII. Signature Ceylon Beverages (Pvt) Ltd –<br>Nagoda, Kandana |
| X. Imperial Beverages (Pvt) Ltd.- Katana.                       |  |
| XI. International Distilleries Ltd.- Kotalawala,<br>Kaduvela    |  |
| XII. Jet Enterprises (Pvt) Ltd.- Ragama                         |  |
| XIII. Lanka Premium Beverages Ltd- Colombo<br>15                |  |
| XIV. Luxury Brands (Pvt) Ltd - Biyagama                         |  |

### 9.3 Rectified Spirits Imported for Manufacturing Liquor

**Table 9.2: Rectified Spirits (Imported for Manufacturing Liquor)**

Company	Imported Quantity (Bulk Litres)	Tax Income (Rupees)
Distilleries Company of Sri Lanka PLC	11,364,419.300	113,644,193
I.D Lanka (Pvt) Ltd	1,160,681.100	11,606,811
W.M Mendis (Pvt) Ltd	49,054.200	490,542
Pericyl (Pvt) Ltd	884,473.200	8,844,732
Rockland Distilleries (Pvt) Ltd	48,351.600	483,516
<b>Total</b>	<b>13,506,979.400</b>	<b>135,069,794</b>

As per the Excise Notification No. 988 date 22.03.2016 a tax of Rs. 10/= levied on Bulk Litre of Rectified Spirits for manufacturing liquor.

### 9.4 Tax Exemption on Liquor Exportation

Liquor which is manufactured in Sri Lanka for the purpose of exportation, has been exempted from Excise Duties.

**Table 9.3: Excise Duty on Liquor Reimbursed on Exportation**

Deduction of Excise Duties for Hard Liquor (Rs.)	15,610,341
Deduction of Excise Duties for Beer (Rs.)	805,767,962
<b>Total (Rs.)</b>	<b>821,378,303</b>

### 9.5 Excise Duty on Importation of Non-Potable Spirits

A tax of Rs.15 /= had been levied per every kilo of imported Non Potable Spirits as per the Excise Notification No.999 with effect from 10.11.2017 was reduced to Rs. 6 /= per every kilo by the Excise Notification 07/2018 dated 21.02.2018. Tax concessions have been granted for the BOI ( Board Of Investment ) approved companies engaged in importation of Non-Potable Spirits as per the Excise Notification 12/2018 dated 03.10.2018.

**Table 9.4: Excise Duty on Importation of Non Potable Spirits**

Tax on Non Potable Spirits	Quantity (kg)	Tax Income (Rupees)
	17,564,622.350	94,204,118

### 9.6 Excise Duty on Importation of Tobacco and Cigarettes

According to the Tobacco tax act of number 08 of 1999 and Orders (General) set out by the Excise Notification No.1625/1 of 26.10.2009 and the Excise Notification No. 869/9 of 08.11.1995, a tax of Rs.10 is levied on every kilo of tobacco locally cultivated for manufacturing cigarette and imported for production of Cigarettes, Beedi or Cigars while a duty of Rs. 5/= is levied on every imported cigarette.

Tobacco imported for exportation under the approval of BOI ( Board Of Investment ), has been exempted from the Tax on Imported Tobacco.

**9.5 Table – Quantities of Imported Tobacco, Cigarette and the Tax**

Type	Quantity (Kg)	Tax (Rupees)
Imported Tobacco (Taxed)	1,270,472.600	12,704,726
Imported Tobacco (Tax Exempted)	1,108,710.000	-

- Quantity of Cigarettes imported in the year 2018 and the relevant tax income are as follows.

**Table 9.6 - Quantity of Imported Cigarettes and the Tax**

Type	Quantity (Kg)	Tax (Rupees)
Imported Cigarettes	111,960.000	559,800

In addition to the above Tax and the surcharge levied by the Exise Department on Tobacco imported to the country (before the year 2018) without a license was Rs.3,864,164.30.

Accordingly, the total tax levied on imported Tobacco and Cigarettes was Rs.17,128,690.

**9.7 Exportation of Tobacco and Cigarettes**

In accordance with the rules and regulations stipulated in the Tobacco Tax Act, no any tax is levied on Ciagrettes, Cigars and Processed Tobacco exported with the view of promoting Foreign Exchange flow to Sri Lanka .

- Quantity of Tobacco Exported in the year 2018 is as follows

**Table 9.7 : Quantity of Tobacco Exported**

Type	Quantity (Kg)
Exported Tobacco	568,062.000

- Quantity of Cigarettes Exported in the year 2018 is as follows

**Table 9.8 : Quantity of Cigarettes Exported**

Type	Quantity (Kg)
Exported Cigarettes	19,007,010.000

## 10. Conclusion

Conclusion

Excise Department of Sri Lanka (EDSL) is the apex body which is entrusted with the responsibility of excise taxation and excise law enforcement. In addition to the Excise Ordinance, EDSL enforces the provisions of Tobacco Tax Act, National Authority on Tobacco and Alcohol Act, Conventions against Illicit Trafficking of Narcotic Drugs and Psychotropic Substances Act.

Management of Excise Revenue, enforcement of Excise Ordinance and other vested laws as well as fulfillment of subject-related social security tasks are also among the key responsibilities of EDSL.

Excise Revenue collected in the year 2018 was Rs.113.936 Billion and it indicates a growth of Rs. 0.91 Billion compared to Rs.113.027 Billion of revenue earned in the year 2017. Although, a decrease of 6.89% could be witnessed in the excise revenue within the year 2017 compared to the previous year, 0.8% growth in the tax revenue could be witnessed in the year 2018 compared to the previous year.

The total number of detections made by Excise Officers during 2018 was 49,312 and it indicates an increase of 830 detections compared to the previous year. Within this year, Excise Officers have made a great contribution towards maintenance of a better discipline in both Liquor and Tobacco industries by means of carrying out a total number of 3684 Technical Crime Detections. Interestingly, the number of Technical Crime Detections made during the year under review was less than that of the previous year, viz, 4315.

I highly appreciate the support extended by His Excellency, the President and the Hon. Prime Minister to accomplish the departmental objectives and would wish to mention with gratitude that their guidance enormously abetted to steer the department to reach its objectives. Further, I highly appreciate the support extended by Hon. Minister of Finance and Mass Media, Hon. State Ministers of Finance, Hon. Deputy Minister of Finance and Mass Media. Similarly, I hereby extend my gratitude to the Secretary to the Ministry of Finance, all Heads of Departments in the Ministry of Finance including that of Fiscal Policy and the officers of relevant Divisions for their valuable support and contribution given during the year under review.

Further, I extend my sincere thanks to all District and Divisional Secretaries for their active contribution to carry out the overall activities of the Excise Department throughout the Island and would like to bestow my special thanks to the Attorney General's Department for extending supervisory and legal assistance required to carry out departmental duties.

Moreover, my earnest gratitude goes to all the state institutions including the Auditor General's Department, National Authority on Tobacco and Alcohol, Dangerous Drugs Control Board, Government Analyst's Department, Sri Lanka Bureau of Standards, Department of Inland Revenue, Sri Lanka Customs, Department of Import and Export Control, Institute of Industrial Technology, Police Narcotics Unit, Police Special Task Force and the Police Training School, Nikaweratiya for extending the inter departmental consultancy, guidance and support required in the process of fulfilling the departmental responsibilities.

In addition, I thankfully mention the assistance given by the Presidential Task Force on Drug Prevention for prevention programs conducted by the Department to realize the concept of "A Nation Free of Alcohol".

Last but not least, I highly admire and appreciate the relentless dedication of the entire departmental staff representing all ranks and layers to achieve the departmental aims and objectives and the support extended to reach the expected performance level by managing the limited human resources and the infrastructure in the year 2018. Further, I sincerely expect the contribution and commitment of the entire staff to achieve the departmental objectives and targets in the forthcoming year as well.

**H.G. Sumanasinghe**

Commissioner General of Excise



