

58, ලිමත් අර්නස්ට ද සිල්වා මාවත, කොළඹ 07. 58, භ්රීත්ෂ ඉෆ්ශාන්ධ න නින්කා ගැනුණුනු, ශිසාලුණ්ඩු 07/ 58, Sir Ernest de Silva Mawatha, Colombo 07. Web: www.pmoffice.gov.lk

PMO/01/SP-1/FIN 26th June 2020

Mr. S R Attygalle Secretary Ministry of Finance, Economy & Policy Development The Secretariat Colombo 01

## Approval for the Collection of Rectified Spirits from the Royal Casks Distillery

This refers to a letter addressed to Hon. Mahinda Rajapaksa, Prime Minister by Mr. D H S Jayawardena, Chairman of Distilleries Company of Sri Lanka PLC, on the above.

By the letter referred to above, he has requested to grant approval to collect 50% of their monthly requirement of spirits from the Royal Casks Distillery, as spirits from Pelwatte and Sevanagala are not distilled properly and impurities present are harmful to the consumers since these plants have not been modernized.

Please note that Hon. Prime Minister has approved his request and made an endorsement on the attached request letter. The self-explanatory letter is forwarded herewith for your kind information and necessary action, please.

Chaminda Kularatne AAL

Additional Secretary

for Secretary to the Prime Minister

Copy to: 1. Mr. A Bodaragama

Commissioner General of Excise

Department of Excise

2. Mr. D H D Jayawardena

- For information, please

- For necessary action, please

Chairman

Distilleries Company of Sri Lanka PLC



P.O.Box 1756, No. 110, Norris Canal Road, Colombo 10, Sri Lanka. Tel: 94-11-5507000,94-11-2695295-7,94-11-2696399, Fax:94-11-2696360

Email: info@dcslgroup.com.

Website: www.dcslgroup.com

22<sup>nd</sup> June 2020

### Mr Mahinda Rajapakshe MP

Honourable Prime Minister and Minister of Finance Ministry of Finance The Secretariat Colombo 1



Your Excellency,

# APPROVAL FOR THE COLLECTION OF RECTIFIED SPIRITS FROM THE ROYAL CASKS DISTILLERY

Reference: Excise Commissioners Sinhala letter ED/04/01/20 dated 11.06.2020. (Copy Attached)

For years DCSL has been manufacturing "Extra Special Arrack and other brands" using a blend of both local and imported sprits inorder to maintain the consistency of the taste and the bouquet of our established brands. These products have enabled DCSL PLC to be the foremost contributor to government revenue within the industry; contributing over 6 billion rupees monthly and 70 billion annually as excise and other taxes in manufacturing quality arrack and immerge as the No 1 manufacturer amongst 22 other manufacturers in Sri Lanka . That is why we are the market leader keeping the quality consistent without any impurities and ranked No 1 amongst so many licensed manufacturers in the country; this fact is known to you. Our monthly requirement of spirits as per the existing market demand is approximately 1, 500, 000 Itrs.

However, through the communique issued by the ministry of Finance, Economy and Policy Development a total ban was imposed on the importation of ethanol from 1st January 2020 sighting that the local production is sufficient to cater for the industry requirement. Arrack made with 100% local spirits from Pelwatte and Sevanagala cannot be marketed in Sri Lanka as Continuation Sheet

Extra Special because spirits are not distilled properly and impurities present are harmful to the consumers since these plants have not been modernized. That is why we need spirits manufactured with grain by Royal Casks Distilleries to be blended with ENA from Pellwatte and Sevanagala distilleries as ENA from Royal Cask does not have impurities and other harmful substances.

However, the Excise Commissioner by his letter referred above has stipulated conditions for the purchase of local spirits by all liquor manufacturers indicating that;

"No manufacturer shall purchase any spirits from local producers unless with the prior approval of the Excise commissioner" it is further elaborated there in stating that, manufacturers should indicate in writing to the excise commissioner, the source of purchase, quantity and price of the intended purchase before making any payments or any sales agreements.

This arbitrary decision to deny DCSL the rightful opportunity to purchase spirits of our selection is highly unreasonable and against natural justice, whilst deliberately attempting to sabotage the consistency of our reputed blends and the entailing market share.

Hence, we request you to grant us due approval to collect 50% of our monthly requirement of spirits from the Royal Casks Distillery hence forth. We also wish to inform that with the imposition of the total ban on import of spirits, we are using 100% local spirits in all our blends.

Furthermore, We will continue to purchase over half a million liters of sprits from Pellwatte and Sevanagala distilleries monthly if the sales were to be maintained to the same level as before.

Yours faithfully

DISTILLERIES COMPANY OF SRI LANKA PLC

DHS Jayawardena

Chairman

Copy

Mr Gamini Senarath - Secretary to the Prime Minister

Prime Minister's Office, No 58, Sir Earnest De Silva Mawatha, Colombo 7

සුරාබදු කොමසාරීස් ජනරාල්
ஆணையாளர் நாயகம்
Commissioner General
අතිරේක සුරාබදු කොමසාරිස් ජනරාල්
(ආදායම් පුතිපත්ති හා පාලන)
மேலதிக் ஆணையாளர் நாயகம்
(வருமானக் கொளகை, நிர்வாகம்))
Additional Commissioner General (Reven
Policy & Admin)



பெக்ஸ் 2877890 Fax

கேல் பின்னஞ்சல் E-Mail excisen@sit.lk

අතිරේක සුරාබදු කොමසාරිස් ජනරාල් (ආදායම් මෙතෙයුම් හා නීති කියාත්මක කිරීම්) மேலஇக ஆணையாளர் நாயகம் (வருமான முகமைத்துவம், சட்டவலுப்படுத்தல்) Additional Commissioner General (Revenue Management&Law Enforcement)

ශී ලංකා සුරාබදු දෙපාර්තමේන්තුව இலங்கை மதுவரித் திணைக்களம் EXCISE DEPARTMENT OF SRI LANKA க.சே. சுவை த.பெ.இல். P.O.Box No

ෆැක්ස්

අංක 353, කෝට්ටේ පාර. රාජහිරිය. இல. 353, கோட்டை வீதி, இராஜகிரிய No 353, Kotte Road, Rajagiriya.

ூரை சு∙ කය. எனது இல: My No.

ඊඩ/04/01/20

ඔබේ අංකය. உගණු මුහ: Your No. දිනය තියෙනි Date

2020.06.11

සියඑම සුරාබදු බලපනුලාභී මත්පැන් නිෂ්පාදනාගාරකරුවන් වෙත.

## දේශීය වෙළද පලෙන් පරිපාක ස්පීතු මිළට ගැනීම

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මින් ඉදිරියට ඔබ විසින් මත්පැන් නිෂ්පාදනය සදහා දේශීය වේළද පලෙන් පරිපාක ස්පුිතු මිළට ගැනීමේ දී එසේ මිළදී ගැනීමට බලාපොරොත්තු වන සැපයුම්කාර ස්කාගාරය සහ යෝජිත මිළ ගණන් සම්බන්ධයෙන් ශූී ලංකා සුරාබදු දෙපාර්තමේන්තුව වෙත ලිබිතව දන්වා ඒ සදහා දෙපාර්තමේන්තුවේ පූර්ව එකගතාවය ලබාගැනීමට කියාකල යුතු බව මෙයින් දැනුම් දෙමි.

- 2. ඒ අනුව, ඔබ විසින් එවැනි පරිපාක ස්පුීතු සැපයුම්කාර ස්කාගාරයක් සමග ගිව්සුම් ගතවීමකට නැතහොත් ඒ සදහා මුදල් ගෙවීමකට පොරාතුව එම සැපයුම්කාර ස්කාගාරය සහ මිළ ගණන් සම්බන්ධයෙන් ශ්‍රී ලංකා සුරාබදු දෙපාර්තමේන්තුව වෙත ලිබිකව දැනුම් දී ඒ සදහා දෙපාර්තමේන්තුවේ පූර්ව එකගතාවයකින් තොරව සිදුකරනු ලබන ගිවිසුම් ගතවීම නැතහොත් මුදල් ගෙවීම් මත පදනම් වූ පරිපාක ස්පුීතු මිළදී ගැනීම් සදහා මින් ඉදිරියට අනුමැතිය ලබා නොදෙන බවත් මෙයින් කාරුණිකව දන්වම්.
- 3. දේශීය පරිපාක ස්පුීතු සැපයුම් දාමය වර්තමාන රාජා පුතිපක්තීන්ට අනුකූල වන සේ නියාමනය කිරීමත්, නියමිත අවම මිළ මට්ටම පවත්වාගැනීම සහතික කිරීමත් අරමුණු කරගනිමින් මෙම උපදෙස් නිකුත් කරනු ලබන බව මෙයින් වැඩිදුරටත් දැනුම් දෙමි.

#### පිටපත්:

- ලේකම්, මුදල්, ආර්ථික හා පුතිපත්ති සංවර්ධන අමාතාහංශය
- 2. සුරාබදු මූලස්ථානයේ සියඑම අංශ පුධානීන්
- 3. සියඑම සහකාර සුරාබදු කොමසාරිස්වරුන්/ සුරාබදු අධිකාරිවරුන්
- 4. සුරාබදු බලපතුලාහී මත්පැන් නිෂ්පාදනාගාර හාර සුරාබදු ස්ථානාධිපතිවරුන්