

Licence to use rice as a raw material to manufacture liquor was issued by the previous Govt.

This government has not given any approval to produce spirits making use of rice as a raw material to any distilleries.

There are 14 distilleries in Sri Lanka and they use palmyra toddy, coconut toddy, molasses, maize and fruits to produce spirits.

In 2006, the previous government had given the approval to one liquor manufacturing company to produce spirits using rice as a raw material. But, recently, in addition to rice, the particular company was granted permission to use maize as a raw material.

By the budget 2018, it was proposed to levy excise duty on the raw materials used for the production of Ethanol.

Accordingly, by the gazette Extraordinary issued under the Excise Ordinance on the 09th of November 2017, a levy of Rs.5 to Rs.10 per litre has been imposed on the raw materials used for the production of spirits.

There is no truth in the allegation made by Mr. Bandula Gunawardena MP to the effect that this government has given approval to use rice as a raw material for the production of alcohol. It is infact the approval to use rice for the production of alcohol was given by the previous government in 2006.

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