

**KERALA EXCISE
MANUAL VOLUME II**

REVISED-2018

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FOREWORD

This manual is designed only to be a guide and a ready reckoner to all officers and staff of the Department in carrying out their duties efficiently and properly. This volume (Volume II) contains general instructions regarding the working of the Department and a background information about the subjects dealt within the Department. The Technical aspects of the distillery, brewery etc. have also been incorporated in this volume.

Utmost care has been taken to include correct and up to date information in this manual based on Act and Rules. If any content of this manual found to be repugnant to the provisions of the Acts and Rules, the provisions of Acts and Rules shall prevail over this manual.

While recommending printing of the manual, I would like to place on record my sincere appreciation of the work done by senior officers of this Department in preparing this manual in addition to their normal duties. Suggestions for the improvement of the manual are always welcome and will be given due consideration by the Department.



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TABLE OF CONTENTS

Chapters		Page
I	History of Administration	4
II	Constitutional provisions relating to the control, taxation of liquors, etc	12
III	Excise Revenue – source and provisions of the Act	13
IV	Set up of the Department – Hierarchy and discipline	20
V	Liquor	43
VI	Foreign Liquor	46
VII	Excise Duty-Procedure for levy	55
VIII	Gallonage Fee and Vending Fee	59
IX	Foreign liquor bonded warehouse	60
X	Toddy	62
XI	Sweet Toddy (Neera)	78
XII	Arrack	85
XIII	Industrial Spirits- Denatured Spirits and Varnish	86
XIV	Narcotic Drugs and Psychotropic substances	94
XV	Manufactured Drugs	105
XVI	Collection of Samples	120
XVII	Sale of Abkari Shops	127
XVIII	Rentals of Shops and Forfeiture	133
XIX	Licences	136
XX	Alcoholic Strength of Liquors	143
XXI	Distillery	149

	Page
XXII Brewery	160
XXIII Winery-Wines, Sacramental Wine and Tea Cider	163
XXIV Medicinal and toilet preparations	167
XXV Crimes-Detection, Investigation, Trials and Prevention	200
XXVI Uniforms and Uniform Allowance	225
XXVII Diaries	230
XXVIII Recovery of excise arrears under Revenue Recovery Act	233
XXIX COTPA Act 2003	240

Appendices

I. Questionnaire for inspection of Division offices	244
II. List of Registers to be maintained in the Division Office, Circle Office and Range Office	248
III. Glossary of Excise Terms and Definitions	254
IV. Consolidated list of Periodicals due to and from the Deputy Excise Commissioners and Excise Commissionerate, Trivandrum.	269
V. Model Notice of the sale of the privilege of vending Toddy.	276
VI. Forms related to Toddy Shops	283
VII. Application for obtaining privilege of manufacture, possession and Processing of sweet toddy (Neera)/production of value added products.	291
VIII. Forms for Licence for the manufacture, possession and sale of drugs.	294

CHAPTER I**HISTORY OF ADMINISTRATION**

1. The Excise Department is administering the laws and rules relating to -
 - (a) Liquor
 - (b) Narcotic Drugs & Psychotropic Substances.
 - (c) Medicinal and Toilet Preparations containing alcohol, Opium, Indian hemp or other narcotic drugs or narcotics
 - (d) Control and distribution of molasses.
 - (e) COTPA Act 2003 [Cigarettes and other Tobacco products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act.]
2. The manufacture, sale and consumption of intoxicating liquors have been subject to State control from very early times in India. Thus even Kautilya's *Arthasasthra* of the third century B.C refers to a separate Department under a Suradhyaksh for the control of liquors. It envisaged control at single point or multi-point. The *Arthasasthra* (1) forbid manufacture or sale of liquors other than at centers previously determined, (2) provided for consumption only at the place of sale and for removal only in limited quantities, (3) forbid sale of liquors cheap, at prices below the normal rate,(4) provided for keeping the sale centres neat and clean with provision for salubrious rooms, (5) provided for recovery from the keeper of the Bar, the cost of any article of luxury removed surreptitiously from a person in state of intoxication etc. Kautilya mentions also the process of manufacture of various kinds of liquors. Tax was levied at 5% from manufacturers and sellers. An import duty of 1/6th was also levied. Penalties were levied on public servants found drunk.
3. The first legislation in British India so far as Abkari Revenue is concerned, appears to be the Madras Act XIX of 1852 ,“for better securing the Abkari Revenue of the Town and suburbs of Madras”. A systematic codification appears to have been attempted by Act III of 1864, “An Act for amending the Abkari Laws of Madras Presidency beyond the limits of Madras Abkari as prescribed by Act XIX of 1852”. Based on this, similar legislation was enacted in Travancore Acts I of 1054 and I of 1055 M.E. (1878 and 1879 AD). In the erstwhile Cochin area, there seems to have been some sort of a control over Abkari matters as per Police Act 1010 and 1053 M.E. But a systematic attempt was made only under Proclamation dated 21 Karkitgom 1072 M.E. (1897 A.D.).

4. These earlier Acts were meant only for regulating import and export of liquor and intoxicating drugs. The provision relating to number and location of shops and control over the quality of liquors were not sufficiently stringent. These deficiencies were remedied by the Madras Act I of 1886, Cochin Abkari Act I of 1077 M.E. and Travancore Abkari Act I of 1073 M.E.. The nature of control now in force is largely based on the super structure of these Acts, though there had been certain amendments consequent to the coming in to force of the Constitution of India and various legal rulings.
5. The manufacture and sale of intoxicating liquors and drugs have always been considered the monopoly of the Governments. This system that prevailed in India till 20th Century was called the farming system. The farmer opened as many shops as he chose and manufactured and sold liquors. He also appointed renters under him and sublet the farm. But this system was found to be injurious to the health of the society on the one hand and affected the revenue on the other. The independent shop system was therefore adopted about 60 years back, though farming system was also continued in some limited areas, for some time. According to the system now in vogue, viz., independent shop system, the privilege of sale of liquor in specified shops is sold by the Government. The manufacture, import, export, transport, transit, possession, storage, sales, etc. of arrack is prohibited in the State w.e.f. 01/04/1996.
6. One of the basic tenets of the administration of the laws relating to liquor and drugs has always been "maximum revenue, minimum consumption". Following the attainment of independence, for the adoption of "prohibition of all alcoholic liquors and intoxicating drugs other than for medicinal purposes" as a directive principle of the Constitution, an attempt was made to introduce prohibition of liquors and drugs by stages. Prohibition was first introduced in the erstwhile Malabar District of Madras Presidency and the Chittur Taluk of Cochin State from 1st October 1947 and in Neyyattinkara Taluk of Travancore State from 17th August 1948. Prohibition was extended to Trivandrum, Nedumangad, Chirayinkeezhu and Thalappilly Taluk of Travancore-Cochin State on 17th August 1949, Cranganore and Pathanapuram Taluks on 17th August 1950 and Kottarakara Taluk on 1st April 1955. Prohibition was thus in force in an area of about 8606.73 Square miles i.e. about 58.8 percent of the total area of the State of Kerala.
7. The privilege of vending toddy for any period in any of the independent Toddy Shops may be decided by the Government from time to time, shall be put to public sale, by group by group or range wise or taluk wise. Sale of shops will be conducted by the District Collector or by the Joint Commissioner of Excise or by any other officer authorized by the Government in that behalf to individuals or group of individuals or

Toddy Workers or Toddy Tappers Co-operative Society on such date or dates and at such place or places as may be fixed from time to time, for a fixed annual rental as licence fee decided by the Government. In the case of Toddy shops, as a concomitant of the independent shop system, the tree-tax system was also introduced. The purchaser of the right of vend in Toddy shops has the right to manufacture and sell toddy, but has to pay tree-tax separately for each tree tapped.

8. The Kerala State Beverages (Manufacturing and Marketing) Corporation and Kerala State Co-operative Consumer Federation Limited shall have the exclusive privilege to run all or any of the Foreign Liquor I (FL1)shops as may be allotted to each of them by the Government on the basis of the capacity and availability of shop space with them.
9. The right of vending of liquors is settled for each year in the case of foreign liquor. Toddy Shop licence is now settled for a period of 3 years. However, the fixed fee system is applied to certain classes of licences such as sale of foreign liquor in restaurants or in clubs. This may change as per the Abkari Policy of the Government from time to time.
10. The auctioning system was given up in respect of some areas during the period 1958-59. Then all toddy shops in five Ranges of the state were given to Tappers Co-Operative Society on a negotiated rental. The tree-tax system was also slightly modified to the extent that tax on all trees tapped was not collected but only a fixed amount with the privilege of marking as many trees as they wanted. The area was subsequently extended in 1959-60 when 21 out of 47 Excise Ranges were given to Tappers Co-Operative Societies. The grant of shops to Co-Operative Societies on a negotiated basis without auction range-war and taluk-war was found to be very detrimental to the Government revenue. It was also noticed that despite the loss in Government revenue, the real benefit by giving shops to Co-Operative Societies on a negotiated rental had not gone to the tappers as was claimed by others and therefore the policy of giving shops on a negotiated rental was dropped and the auctioning system was revived from 1960-61. In the policy for the year 2001-02, outlined in G.O.(M.S) No.17/2001/TD Dated 26/02/2001 Govt. have decided to discontinue the auction system of Toddy Shops and entrusted the running of Toddy Shops to Toddy Shop Workers and Toddy Tappers Co-operative Society formed at Range/Taluk level with registered members of Toddy Workers Welfare Fund Board. In the Excise Policy for the year 2002-03 outlined in G.O.(M.S) No.21/2002/TD Dated 27/03/2002, Govt have decided to introduce Annual Licensing System by realizing a fixed annual rental. Govt. have also decided to reduce the number of existing Toddy Shops by abolition of some shops and also fixed qualification and eligibility for applying for shops. Now the right to vend toddy is disposed of in public sale. The shops were put to public sale

group wise or Range/Taluk wise for a fixed annual rental as licence fee, as may be decided by Govt. from time to time.

As per the Kerala Abkari Laws (Amendment and Validation) Act, 1964(No.1of 1964) enacted in exercise of the powers conferred by section 3 of the Kerala State Legislature (Delegation of Powers) Act, 1964 (30 of 1964), the Cochin Abkari Act, I of 1077 and the Abkari Act (Travancore Act IV of 1073) were amended and validated the levy and collection of duty on liquor and intoxicating drugs made under the said Acts (This Act was published in K.G.Ex.No.120 dated 12/10/1964 and this was re-enacted by the Kerala Re-enacting Act,1968). Prohibition was lifted throughout the State from 1st May 1967 by Notification published as SRO No.104/67 suspending the operation of the Provisions of the Prohibition Act., 1950 [Travancore- Cochin Act XII of 1950 (except sections 1, 7 and 11)]. Consequently, three different Acts were in force, namely, the Cochin Abkari Act, I of 1077, the Abkari Act(Travancore Act IV of 1073) and the Madras Abkari Act, 1886 (Act I of 1886) came in to force in the respective areas in which Prohibition Act was in force. This caused unnecessary inconveniences. Hence it was considered advisable to extend the Cochin Abkari Act, which in form and content is similar to the Madras Abkari Act and the Travancore Abkari Act, throughout the State with necessary amendments. As immediate action in this respect was needed and the Legislature was not in session, the purpose was achieved by promulgating and publishing Ordinance No.3 of 1967 on 10/05/1967 by the Governor of Kerala. The said Ordinance was replaced by a Bill which was passed by the Legislature as Act 10 of 1967. The Amendment Act has got the assent of President of India on 29th July 1967 and it was published in the Kerala Gazette Extra-ordinary No.148 dated 30th July 1967. The provisions which were not included in the Ordinance came in to force with effect from 15th August 1967 and the remaining provisions of the Amendment Act came in to force on the 11th May 1967. As per this Amendment, provisions were made in the Act to prohibit consumption of liquor by persons under the age of 18 years and also the sale of liquor to such persons. The minimum punishment prescribed under section 55 of the Act, for certain offences were enhanced. The penalties prescribed for offences under the different sections of the Act were also enhanced for the effective control of spurious Asavas and Arishtas. Provisions were also made for exercising control over breweries, wineries and other manufactories. The other provisions were for the effective administration of the Abkari Act. A new section 67A was inserted empowering the abkari officers to impose penalty not exceeding Rs.2,000/- on any person holding a licence or permit issued under the Act for the contravention of any Rules made under the Act or any condition of his licence or permit. Section 68 was substituted, making applicable the provisions of the Code of Criminal Procedure and Sections 67, 68 and 69 of the Indian Penal Code to offences, committed under the Act. Further, a new Section 68A was inserted, empowering the Government for the appointment of Expert Committee.

As per the Abkari (Amendment) Act of 1969, the maximum fees for licences for sale of foreign liquor (i) in wholesale (ii) in hotels and restaurants and (iii) in non proprietary clubs to members, which have been fixed long ago, were enhanced. Further, the maximum excise duty that can be levied in the form of tree tax was enhanced to Rs. 50/- per tree per half year from Rs. 25/- per tree per half year. (Published in K.G.Ex.No.84 dated 31/03/1969).

As per the Abkari (Amendment) Act 14 of 1973, the Second Class Magistrate Courts were empowered to impose the minimum punishment for the first offence mentioned in paragraph (i) of the proviso to clause (1) of Section 55 of the Act. For the purpose a new section 55A was inserted and the existing Section 55A was re-numbered as Section 55B. (Published in K.G.Ex.No.350 dated 23/04/1973).

As per the Abkari (Amendment) Act 10 of 1975, sub-section 17A was inserted in Section 3 of the Act, defining the word "Transit". Section 67 of the Act was amended and new section 67 B, 67C, 67D, 67F, 67G and 67H were inserted by Abkari (Amendment) Act 24 of 1975. This Amendment was necessitated in view of the judgment in Writ Appeal No.213/1975 of a Division Bench of Hon'ble High Court of Kerala. The Act was amended, incorporating provision empowering certain officers to confiscate liquor, intoxicating drugs, vehicles, etc. which are liable to confiscation under the Act and providing for necessary safeguards against the arbitrary exercise of such power. As per the said amendment the compounding fee was enhanced from Rs.2,000/- to Rs.5,000/- and section 34 was also amended, making it possible for any officer of the Abkari Department or the Police Department to arrest without warrant in any public thoroughfare or open place other than a dwelling house, any person found committing an offence punishable under Sections 15C or 55 or 57 or 58 and in such thoroughfare or public place, seize and detain any liquor or intoxicating drug, any material, still, utensil, implement or apparatus, any receptacle or package or covering and any animal, cart, vessel or other conveyance, which has reason to believe to be liable to confiscation under the Act and search any person, animal, cart, vessel or other conveyance, package, receptacle or covering upon whom or in or upon which he may have reasonable cause to suspect any such liquor or intoxicating drug to be or to be concealed (Published in K.G.Ex.No.428 dated 01/08/1975)

As per the Abkari (Amendment) Act 21 of 1984, new sections 57A and 57B were inserted in the Principal Act to impose severe penalty on those responsible for the adulteration of liquor or intoxicating drug with noxious substances etc. and also order to pay compensation by the licensee of that place, to the legal representatives of the deceased or to the person or persons to whom grievous hurt has been caused due to the consumption of liquor sold in any place licensed under the Act. The gruesome liquor tragedy in Vypinkara Island in Eranakulam District during the Onam Festival of 1982 has prompted the Government to enact the above amendment so as to prevent the recurrence of such tragic incidents. The Abkari (Amendment)

Ordinance, 1983 (37 of 1983) was promulgated by the Governor on the 1st day of November 1983, as the Kerala Legislature was not in session. The Ordinance was subsequently replaced by the Bill, which was passed by the State Legislature and the same was published in the K.G.Ex. No. 1038 dated 03/12/1984.

As per the Abkari (Amendment) Act 21 of 1995, (Act 12 of 1995) sections 26, 55, 58, 67 and 67A of the Principal Act were amended, section 55A was omitted and a new section 64A was inserted. The Abkari (Amendment) Act, 1996 (Act 4 of 1996) was published in K.G.Ex. No. 474 dated 27th March 1996 repealing the Abkari (Amendment) Ordinance, 1996 (2 of 1996). Accordingly the amendment to sections 18 and 55A of the Principal Act came into force with effect from the 16th day of February 1996 and the remaining section with effect from the 1st day of April 1996.

The salient features of the said amendment are given below:-

- a) The terms “arrack” and “intoxicating drugs” were defined.
- b) A new definition was given to the term “country liquor”
- c) The manufacture, import, export, transport, transit, possession, storage, sales etc. of arrack was prohibited in the State w.e.f 01/04/1996.
- d) Consumption of liquor in clubs without licence was prohibited since clubs were brought under the purview of “Public Place”
- e) Rectified Spirit including absolute alcohol which is not to be used for the manufacture of potable liquor meant for human consumption was exempted from excise duty, gallonage fee, vending fee and other taxes.
- f) *Ad valorem* duty on IMFL was introduced for the first time in the country. An amount equal to 200% of the value of the liquor was fixed as the rate of excise duty w.e.f from 16/02/1996. The Kerala State Beverages Corporation was made the statutory authority to fix the value of the liquor purchased by them and in the case of liquor not purchased by the KSBC, the Excise Commissioner shall be the authority to fix the value of such liquor.
- g) An Abkari Officer may without an order or without a warrant from the Magistrate, arrest or detain any person who obstructs him while in the execution or discharge of his duty or who has escaped from his lawful custody.

- h) No suit, prosecution, or any other proceedings shall lie against any Abkari Officer or servant of the Government for any act done or purporting to be done under the act without the previous sanction of the Government.
- i) No officer or servant of the Government shall be liable in respect of any such act in any civil or criminal proceedings, if the act was done in good faith in the course of execution of duties or the discharge of functions imposed by or under the Act.
- j) Judicial First Class Magistrate Courts were empowered to pass the sentence mentioned in sections 55, 58 and 64A for any offence referred to in those sections.

The Abkari (Amendment) Ordinance, 1997 (Ordinance No. 7 of 1997) was promulgated by the Governor of Kerala on 2nd day of June, 1997 amending the principal Act, as the Legislature was not in session. It was published in K.G.Ex.No.733 dated 3rd June 1997. The Ordinance was later replaced by the Bill passed by the State Legislature, which received the assent of the Governor on the 28th of December 1997. The said Abkari (Amendment) Act 1997 (Act 16 of 1997) was published in the K.G.Ex.No1878 dated 29th December 1997. It deemed to have come into force on the 3rd day of June 1997. As per the said amendment, sections 3, 8, 29, 30, 31, 34, 36, 40, 41, 43, 44, 50, 55, 55B, 56, 56A, 57, 58, 58A, 58B, 59, 60, 61, 63, 64 and 68 were amended, new sections 41A and 50A were inserted and sections 55A, 67 and 67A were omitted.

The salient features of the amendment are given below:

- a) A new definition was given to the word “transit” which means to move from one place in a State to another place in that State or to any other State through the territory of the State of Kerala. For the purpose of this clause “State” means a state other than the State of Kerala that includes a Union Territory.
- b) The punishment for manufacture, import, export, transport, transit without permit, possession, storage, sales etc of arrack is prescribed as imprisonment for a term which may extend to 10 years and with fine which shall not be less than rupees one lakh.
- c) The provisions of the Code of Criminal Procedure, 1973 shall apply in so far as they are not inconsistent with the provisions of the Act, to all arrests, searches and seizures made under the Act.
- d) Any officer arresting a person under sections 31, 34 or 35 shall inform him of the grounds for such arrest.

- e) When a person is arrested without warrant for any offence punishable with imprisonment which may not extend to three years under the Act, the officer who makes the arrest shall inform the person so arrested that he is entitled to be released on bail and that he may arrange for sureties on his behalf.
- f) Every person arrested or the articles seized under section 30 of the Act shall be produced without unnecessary delay before the Magistrate or the Excise Commissioner who issued the warrant.
- g) Every person arrested under section 31 or 34 or 35 or the articles seized under section 31 or 34 of the Act shall be produced without unnecessary delay before the officer in charge of the nearest Police Station or the Officer empowered under Section 5A of the Act or to the Abkari Inspector.
- h) The authority or officer before whom any arrested person is produced shall take expeditious steps for the release of such person on bail, if sufficient bail be tendered for the appearance before the concerned Abkari Inspector or the Magistrate, as the case may be, in the case of an offence punishable with imprisonment which may not extend three years.
- i) The Authority or Officer before whom any Article is produced shall, with all convenient dispatch, take necessary steps in accordance with law for the disposal of the articles.
- j) When any person is arrested for an offence punishable with imprisonment which may extend to three years or more, he shall without any delay be produced before the Magistrate, who shall proceed against such person in accordance with the provisions of the Code of Criminal Procedure, 1973.
- k) Every offence punishable under the Act shall be cognizable.
- l) The Public Prosecutor or the Assistant Public Prosecutor shall be given an opportunity to oppose the application for bail.
- m) When granting bail in a non-bailable offence, the court shall be satisfied that there are reasonable grounds for believing that he is not guilty of such offence and that he is not likely to commit any offence while on bail.
- n) The Abkari officer is empowered to conduct investigation into the offence under the Act and to file a report in accordance with section 173(2) of the Code of Criminal Procedure, as soon as the investigation is completed.

- o) On receipt of the final report from the Abkari officer, the Magistrate shall inquire into such offence and commit to court of session if the offence is exclusively triable by court of session or try the person accused of in accordance with the provisions of the Code of Criminal Procedure, 1973
- p) The punishment prescribed under sections 55, 56A, 57, 58, 58A, 58B, 59, 60, 61 and 63 are enhanced.
- q) The burden of proof is on the part of the accused in the case of an offence punishable under sections 55, 55B, 56A, 57, 58, 58A and 58B.
- r) The holder of a licence or permit under the act shall be punishable as well as the actual offender, for any offence committed by any person in his employ and acting on his behalf under sections 8, 55, 55B, 56A, 57, 58, 58A and 58 B as if he has himself committed the same, until he establish that he has taken all due and reasonable precautions to prevent the commission of such offence.

As per the Abkari (Amendment) Act 2003 (Act I of 2003) , a new section 53A was inserted wherein the procedure for pre trial disposal of notified liquor has been described. As per GO (P) No. 139/2002/TD dated 19/09/2002 notified liquor includes spirit, IMFL and arrack. Later as per GO (P) No. 106/2012/TD dated 13/6/2013 toddy, arishtas and Foreign Made Foreign Liquor were also included in the purview of notified liquor.

The Abkari (Amendment) Ordinance, 2009(Ordinance 26 of 2009) was promulgated by the Governor of Kerala on the 6th day of December 2009 and published in K.G. Ex No. 2274 dated 7th December 2009. Consequently the Ordinance was repealed and the Abkari amendment Act 2010(Act 3 of 2010) was published.

The salient features of the said Amendment are given below

- a) A new provision has been inserted in section 6, that no import fee shall be levied on rectified spirit or ENA including absolute alcohol intended to be used for the manufacture of liquor meant for human consumption.
- b) A new Section 12C was inserted wherein counterfeiting, selling, buying, receiving, possessing etc. of any forged or counterfeit label or security sticker is prohibited.
- c) Section 15C was amended by substituting public passenger vehicle in Explanation I and Explanation II with the following. Public passenger or goods vehicle means a vehicle used for carrying passengers or goods for hire or reward, with or without a

contract, express or implied for the use of the vehicle as a whole or for a fixed or agreed rate or sum and includes a private vehicle in any public place.

- d) A new section 30A was inserted wherein Abkari officers were given similar powers of police officers for the purpose of investigation of offences.
- e) A new section 53B was inserted allowing jurisdictional courts for temporary release of the vehicle seized, by executing sufficient bond by way of cash security equivalent to the market value of such vehicle or conveyance to be fixed by the Mechanical Engineer (Excise).
- f) New section 55C to 55H were inserted wherein the penalty for counterfeiting of labels, criminal conspiracy, false marking of property, possession of false marked property, using of false document and unlawful advertisement are described.
- g) A new section 62 was inserted wherein offence committed by several persons in furtherance of common intention has been described.
- h) Section 67 has been amended authorizing the Excise Commissioner to impose fine on any person holding a licence or permit issued under the Act for contravention of any Rule made under the Act.
- i) A new section 67A was inserted wherein the power to compound certain offences has been described. Accordingly offences under Section 10, 13, 15A, 15B, 15C, 55(d), 55(e), 56, 56A(2) were made compoundable.

The Abkari (Amendment) Ordinance 2013 (Ordinance 19 of 2013) was promulgated by the Governor of Kerala on the 26th day of February 2013 and published in K.G.Ex.No.558 dated 27th February 2013.

The salient features of the said amendment is given below:-

- a) Amendment of Section 15A and 15B: The minimum age for consumption or use of liquor has been raised from 18 to 21 years. Similarly minimum age prescribed for selling liquor for a person is raised from 18 to 21 years.
- b) Amendment of section 18 (4) (b):- Luxury tax when levied in the form of gallonge for IMFL has been fixed at Rs.30/-per Bulk Litre.

- c) A new Section 55L was inserted wherein penalty for showing scene of liquor or consumption or exhibition of liquor in cinemas exhibited in theatres without warning has been described.
- d) Amendment of Section 67: The compounding fee under Section 67(2) has been raised from ₹ 25,000/- to ₹ 50,000/-.
- e) A new subsection 67(3) was inserted wherein provision for regularisation of unauthorised reconstitution, alteration or modification of any deed of a partnership firm or a company having a hotel holding a licence under this Act on payment of fine.

As per Act 3 Of 2018, Government of Kerala amended the Abkari Act and Governor given assent on 31st March, 2018.

The salient features of the said amendment is given below:-

- a) The maximum rate of duty of excise when levied in the form of special fees on Foreign Made Foreign Liquor has been fixed at Rs.100 per proof litre.
- b) The definition of IMFL and FMFL revised. As per Act 3 Of 2018 , Government of Kerala amended the Abkari Act and Governor given assent on 31st March, 2018.

As per Act 25 Of 2018, Government of Kerala amended the Abkari Act and Governor given assent on 6th July, 2018.

The salient features of the said amendment is given below:-

- a) Amendment of Section 15A and 15B: The minimum age for consumption or use of liquor has been raised from 21 to 23 years. Similarly minimum age prescribed for selling liquor for a person is raised from 21 to 23 years.
- b) Amendment of section 57 : The word 'starch' omitted from the section 57.
- c) Introduction of section 57(aa) : The punishment for mixing starch with liquor reduced and the offence made bailable and compoundable.

The Abkari Act 1 of 1077 with up to date amendments contains 108 Sections and 1 Schedule. It is divided into ten parts as described below:

Chapter	Subject	Section of Law
I	Preliminary and Definition	Sections 1 to 3
II	Establishment and Control	Sections 4 to 5 A
III	Import, Export and Transport	Sections 6 to 11
IV	Manufacture, Possession and Sale	Sections 12 to 15C
V	Duties, Taxes and Rentals	Sections 17 to 23
VI	Licences	Sections 24 to 26
VII	General Provisions	Sections 27 to 29
VIII	Powers, Duties of Officers etc.	Sections 30 to 54A
IX	Penalties	Sections 55 to 61,63 to 68A
X	Miscellaneous	Sections 69 to 72

So far as Opium and Ganja are concerned, the opium and ganja shops were completely closed throughout the State from 1st April 1959. Opium was supplied only to addicts on permits. Ganja and medicinal opium and other manufactured drugs are supplied only for medicinal purposes. The Kerala Government in line with the policy laid down by the Government of India have restricted the issue of opium (on permits) to addicts who were registered on 1st April 1959. No new addicts have been registered, but in very exceptional and hard cases, permits are being issued to addicts who could not register on 1st April 1959 on medical certificate issued by the competent authority. There is no cultivation of the poppy plant in the State. The opium required is issued by Opium and Alkaloid Factory, Ghazipur owned by Government of India. The cultivation of ganja is also not permitted in the State.

CHAPTER II**CONSTITUTIONAL PROVISIONS RELATING TO THE CONTROL,
TAXATION OF LIQUORS, ETC**

1. According to entry 8 of list 2 of Schedule 7 of the Constitution of India, intoxicating liquors, that is to say, the production, manufacture, possession, transport, purchase and sale of intoxicating liquors is a matter of legislation by the States. Similarly, levy of duty on all alcoholic liquors fit for consumption is also a matter of legislation by the State under entry 51 of the same list which is extracted below.

“51. Duties of Excise on the following goods manufactured or produced in the state and counter veiling duties at the same or lower rates on similar goods manufactured or produced elsewhere in India.

(a) Alcoholic liquors for human consumption:

(b) Opium, Indian hemp and other narcotic drugs. But not including medicinal and toilet preparations containing alcohol or any substance included in sub paragraph (b) of this entry.

2. Duty on medicinal and toilet preparation containing alcohol, opium etc., come under the union list as per Entry 84 of List I which is extracted below:-

“84. Duties of Excise on tobacco and other goods manufactured or produced in India except

(a) Alcoholic liquors for human consumption

(b) Opium, Indian hemp and other narcotic drugs and narcotics. But not including medicinal and toilet preparation containing alcohol or any substance included in sub paragraph (b) of this entry.

3. Though the duties on medicinal and toilet preparation are levied by the Government of India, it is collected by the State Government. The duties are also assigned to the States concerned. It does not form part of the Consolidated Fund of India. (Art. 268)
4. Thus, the duties on all liquors and drugs whether in themselves or medicinal and toilet preparations are collected by and form part of the funds of the States concerned. The only difference is that in the case of medicinal and toilet preparations the levy is under a Central Act and Rules. But in the case of other liquors, Opium, hemp and other narcotic drugs, the levy also is under a State Act and Rules.

5. Under Entry 62 of ILst 2 of 7th Schedule, taxes on luxuries are subject matter of legislation by the State. It is under this entry that gallonage fee on Foreign Liquor including Indian Made Foreign Liquor is collected.
6. Cultivation, manufacture and sale for export of opium is included in the Central List.
7. Entry 56 of List II State List 7th schedule reads as follows: - "Fees in respect of any matters in this list but not including fees taken in any court". By virtue of this entry, the State Government can levy fee for issue of licences and permits, etc.

CHAPTER III

EXCISE REVENUE – SOURCE AND PROVISIONS OF THE ACT

The Excise revenue consists of rentals, duties of excise and countervailing duties, luxury tax, fees and fines and other miscellaneous items. The various items of revenue, minor and detailed heads of account under State Excise Duties and the relevant sections of the Act enabling the levy are listed below:-

Sl. No	Duty of Excise	Section	Value per Case Ranging from	
1	Duty of excise on Liquors (India made)	18	₹ 235/- and above but below ₹ 250/-	21 % of purchase cost per proof litre
			₹ 250/- and above but below ₹ 300/-	22.5 % of purchase cost per proof litre
			₹ 300/- and above but below ₹ 400/-	22.5 % of purchase cost per proof litre
			₹ 400/- and above but below ₹ 500/-	23.5 % of purchase cost per proof litre
			₹ 500/- and above but below ₹ 1,000/-	23.5 % of purchase cost per proof litre
			₹ 1,000/- and above	23.5 % of purchase cost per proof litre. Subject to a maximum of ₹ 237 per proof litre.
2	Duty of excise on intoxicating drugs		₹ 1.50 per gram	
3	Duty of Excise in form of tax on trees tapped for toddy		₹ 50/- per sago and ₹ 30/- per coconut tree per half year or part there of and ₹ 15/- per Palmyra per year	
4	Excise duty on Beer & wine		₹ 5/-per Bulk Litre	
5	Excise duty/fine on excess wastage of Absolute Alcohol		₹ 20/- per Bulk Litre	
6	Excise duty/fine on excess wastage of rectified Spirit		₹ 20/- per Bulk Litre	
7	Excise Duty of Medicated Wine		₹ 12/- per proof litre.	
8	Excise Duty of FMFL		₹ 87.70 proof litre	

9	Excise Duty of IMFL Supplied through CSD		₹ 21 per proof Litre.
10	Excise Duty of Mass Wine		₹ 1/-per Bulk Litre.
11	Excise Duty/fine on excess wastage of ENA		₹ 20/- per Bulk Litre.
12	When levied in the form of gallowage fee for IMFL and Beer		₹ 0.05 per Bulk Litre for the year 2017-18
13	Rental (the amount payable to the grant of privilege for the retail vend of toddy.		Fixed by the government from time to time

TABLE SHOWING FEES IN FORCE

Sl. No	Licences/Permits	Present Rate	Remarks
1	Export fee on IMFL except Beer	₹ 5 per PL	
2	Export fee on Beer/Wine	₹ 2 per BL	
3	Import fee on IMFL except Beer	₹ 5 per PL	
4	Import fee on Beer	₹ 2 per BL	
5	Import fee on Wine	₹ 2 per BL	
6	Permit Fee for Import liquor under section 6	₹ 1,000 for each permit	
7	Permit fee for export of liquor under section 7	₹ 1,000 for each permit	
8	NOC fee for Import and Export	₹ 1000 for each NOC	
9	Transport permit fee for transport of liquor under section 11	₹ 500 per permit	
10	Transport permit fee for Inter-Division transport of toddy u/s 11 of the Act	Re.1 per BL	
11	Transit permit fee	₹ 5,000	GO(P)No.59/2013/TD dated 30/03/2013

12	Licence fee for FL1 licence	₹ 3,00,000	Licence granted under foreign Liquor Rules for the sale of foreign Liquor in Retail exclusively to KSBC, and KSCCF
13	Licence fee for FL3 licence	₹ 28,00,000	
14	Licence fee for serving liquor in roof garden, lawn and by the side of swimming pools of FL3 hotels	₹ 50,000	Bar Licence- Foreign Liquor Rules
15	Licence fee for serving liquor in the Restaurant of the FL3 hotels	₹ 30,000	
16	Licence fee for serving liquor in banquet hall of FL.3 Hotels	₹ 50,000	
17	Licence fee for serving FMFL in FL3 Hotels	₹ 25,000	
18	Licence fee for FL4 licence	₹ 50,000	Licence granted under FL Rules to Sea Men and Marine Officers Club
19	Licence fee for FL4A licence	₹ 15,00,000	Club Licence granted under FL Rules
20	Licence fee for FL5 licence	₹ 1,000	Licence for the sale of medicated wines and similar preparations
21	Licence fee for FL6 Special licence	₹ 50,000	Special licence granted under FL Rules when the circumstance does not allow the issue of licences of any other kind
22	Licence fee for FL7 licence	₹ 1,00,000	Licence granted under FL Rules to Air Caterers and Flight Service Operators

			maintain lounge bar in international Airports
23	Licence fee for FL8 Military Canteens	₹ 1,000	Licence granted under FL Rules to Canteens or Messes attached to Military Units
24	Licence fee for FL8A licence	₹ 1,000	Licence granted under FL Rules to Messes attached to BSF units
25	Licence fee for FL9 licence	₹ 1,00,000	Licence granted under FL Rules exclusively to KSBC for the wholesale of foreign liquor
26	Licence fee for FL10 licence	Fixed by Govt. from time to time.	Licence granted under FL Rules for possession and supply of foreign liquor in whole sale by the authorised distributors of the products of a distillery, winery, brewery, compounding blending and bottling unit to FL 9 licence. (No licence at present.)
27	Licence fee for FL11 licence	₹ 4,00,000	Beer/Wine Parlour Licence granted under FL Rules
28	Licence fee for FL12 licence	₹ 3,00,000	Beer Retail sale outlet Licence granted under FL Rules

29	Licence fee for FL13 licence	₹ 1,00,000	Pub-Beer Parlour licence issued under FL Rules to KSBC &KTDC
		₹ 1,00,000	Pub-Beer parlour licence issued under FL Rules to Joint sector hotels involving KTDC
30	Licence fee for B1 licence brew beer in Brewery	₹ 2,00,000	Licence issued under Brewery Rules
31	Licence fee for B1(A) licence to bottle beer in Brewery	₹ 1,00,000	Licence issued under Brewery Rules
32	Licence fee for Form 1 FL1 (Compounding &Blending Licence)	₹ 2,00,000	Licence issued under Foreign Liquor Compounding &Blending Rules
33	Licence fee for Form 2(Bottling Licence)	₹ 2,00,000	Licence issued under Foreign Liquor Compounding &Blending Rules
34	Licence fee for Form 4 (Licence for possession of non duty paid spirit	₹ 1,00,000	Licence issued under Foreign Liquor Compounding &Blending Rules
35	Licence fee for BW1 licence to KSBC under FL storage in bond Rules	₹ 1,00,000	Licence issued under Foreign Liquor Storage in Bond Rules
36	Licence fee for BW1(A) licence to CSD under FL storage in bond Rules	₹ 10,000	Licence issued under Foreign Liquor Storage in Bond Rules
37	Transit Permit fee under Liquor Transit Rules	₹ 2,500	Licence issued under Liquor Transit Rules

38	Licence fee for RS1 licence for possession of Duty paid Rectified Spirit	₹ 100	If the annual quantity does not exceed 10 litre (Licence issued under Rectified Spirit Rules)
		₹ 2,000	If the annual quantity exceeds 10 litres
39	Licence fee for RSIII licence for possession of non Duty paid Rectified Spirit	₹ 1,000	Licence issued under Rectified Spirit Rules
40	Licence fee for SPVI licence (Wholesale)	₹ 5,000	Licence issued under Spirituous preparation Rules
41	Licence fee for SPVII licence (Retail)	₹ 300	For sale of Allopathic Preparations (Licence issued under Spirituous Preparation Rules)
		₹ 1,000	For sale of Ayurvedic Preparations (Licence issued under Spirituous Preparation Rules)
42	Licence fee for W1 licence for manufacturing wine	₹ 250	Licence issued under Winery Rules
43	Licence fee for W3 licence for bottling wine	₹ 200	Licence issued under Winery Rules
44	Licence fee for Form1 licence under Distillery & Warehouse Rules for manufacturing spirits	₹ 2,00,000	Licence issued under Distillery & Warehouse Rules
45	Licence fee for Form II licence under Distillery & Warehouse Rules for compounding and blending of IMFL and imported foreign liquor	₹ 2,00,000	Licence issued under Distillery & Warehouse Rules
46	Licence fee for Form III licence under Distillery & Warehouse Rules for bottling of foreign liquor	₹ 2,00,000	Licence issued under Distillery & Warehouse Rules

47	Licence fee for Form IV licence under Distillery & Warehouse Rules for the deposit and keeping of spirits without payment of duty	₹ 50,000	Licence issued under Distillery & Warehouse Rules
48	Licence fee for Form IV A licence under Distillery & Warehouse Rules for the possession and use of nonduty paid imported/transported ENA/Grape Spirit/Malt Spirit in a bonded warehouse	₹ 10,000	Licence issued under Distillery & Warehouse Rules
49	Annual fee for grant/renewal of Form IVA warehouse licence under Distillery & Warehouse Rules	₹ 500	Licence issued under Distillery & Warehouse Rules
50	Brand Registration fee	₹ 50,000 ₹ 2,00,000/- (in respect of brands owned by distilleries outside the state and which are bottled in a distillery or CBB unit in the state).	Brand registered under Foreign Liquor Registration of Brand Rules
51	Label Approval fee	₹ 25,000	Label approval under Foreign Liquor compounding & Blending Rules
52	Partnership reconstitution fee under Foreign Liquor Rules	₹ 1,00,000	Foreign Liquor Rules
53	Fee for change of name of licence	₹ 2,00,000	Foreign Liquor Rules
54	Fee for cancellation/revalidation of time barred transit, transport and import permits/NOC's	₹ 10,000	Foreign Liquor Rules & Rectified Spirit Rules
55	Licence fee for D1 licence for possession and use of Denatured Spirit/Methylated Spirit/Methyl Alcohol	₹ 50	Licence issued under Cochin Denatured Spirit & Methyl Alcohol Rules
56	Licence fee for DII licence for the wholesale sale of Denatured Spirit/Methylated Spirit/Methyl Alcohol	₹ 200	Licence issued under Cochin Denatured Spirit & Methyl Alcohol Rules

57	Licence fee for DIII licence for the retails sale of Denatured Spirit/ Methylated Spirit/Methyl Alcohol	₹ 100	Licence issued under Cochin Denatured Spirit &Methyl Alcohol Rules
58	Licence granted to manufactures of soaps for possession and use of specially denatured spirit DIVA	₹ 100	Licence issued under Cochin Denatured Spirit &Methyl Alcohol Rules
59	Licence granted to manufactures of metal polishes for possession and use of specially denatured spirit DIV B	₹ 25	Licence issued under Cochin Denatured Spirit &Methyl Alcohol Rules
60	Transit Permit Fee	₹ 5,000	Rule 3 of Liquor Transit Rules
61	Fee for additional bar counter	₹ 30,000	Rule 13(3B) of Foreign Liquor Rules
62	Sale proceeds of articles confiscated to government.		Section 65 of the Abkari Act
63	Recovery towards Cost of Establishment employed in Distilleries, Breweries, Warehouses,etc		Section 14 of the Abkari Act

Table showing the compounding fee

No.	Offence	Section in the Act	Compounding Fee in Rupees
1	Transporting of liquor or intoxicating drug in excess of the quantity prescribed by the Government by notification	10	₹ 5,000
2	Possession of liquor or intoxicating drug in excess of the quantity prescribed	13	₹ 5,000
3	Consumption or use of liquor by persons under the age of 23 years	15A	₹ 5,000

4	Sale of liquor to person under the age of 23 years	15B	₹ 5,000
5	Consumption of liquor in public places	15C	₹ 5,000
6	Taps or causes to be tapped any toddy producing tree in contravention of the Act or any rule or order made under the Act	55(d)	₹ 10,000
7	Draws or causes to be drawn toddy from any tree in contravention of the Act or any rule or order made under the Act	55(e)	₹ 10,000
8	Misconduct by licensee etc	56	₹ 25,000
9	Consumption of preparations containing liquor or intoxicating drug other than bonafide medicinal preparations in the business, manufacturing or stocking premises	56A(2)	₹ 5,000
10	Mixing starch with liquor	57(aa)	₹ 25,000

TABLE SHOWING HEAD OF ACCOUNT FOR STATE EXCISE

Major Head: 0039 – STATE EXCISE	
Detailed Head of Account	Item of Revenue
0039-00-01	COUNTRY SPIRITS
99	Excise Duty
98	Rent of independent shops
0039-00-102	FERMENTED COUNTRY LIQUORS
99	Rent of independent shops
98	Tree Tax
0039-00-103	MALT LIQUORS
99	Duty on Beer manufactured in India
98	Gallonage Fee
0039-00-105	FOREIGN LIQUORS AND SPIRITS
99	Licence Fees
98	Rent of independent shops
97	Duty on Wine and Spirits manufactured in India
96	Gallonage Fee

10	Deduct Refunds
0039-00-106	COMMERCIAL AND DENATURED SPIRITS AND MEDICATED WINES
99	Gross Receipts
0039-00-107	M&TP PREPARATIONS CONTAINING ALCOHOL, OPIUM etc
99	Gross Receipts
0039-00-108	OPIUM, HEMP AND OTHER DRUGS
99	Opium
98	Hemp and other Drugs
0039-00-150	FINES AND CONFISCATIONS
99	Abkari
98	Other items
0039-00-800	OTHER ITEMS
99	Miscellaneous Receipts
98	Interest on Arrears of Excise Revenue
97	Beverages Corporation
10	Deduct Refunds

CHAPTER IV**SET UP OF THE DEPARTMENT-HIERARCHY AND DISCIPLINE**

The general control over the administration of the Excise Department and of the collection of Excise Revenue is vested in the Excise Commissioner. He is assisted by two Additional Excise Commissioners, one in charge of Administration and the other for Enforcement. They are assisted by 8 Joint Excise Commissioners of which 3 are in charge of zones comprising of four/five Districts. The other 5 Joint Excise Commissioners are in charge of Internal Audit Wing, Awareness Programme Co-ordination, Excise Crime Records Bureau, Excise Intelligence and Investigation Bureau and Principal, State Excise Academy & Research Centre. In addition to this four Deputy Excise Commissioners are working in the administrative wing. They are Deputy Excise Commissioners (Abkari, Law, KSBC, Canteen). For the purpose of Excise administration and Enforcement, the State is divided into 14 Divisions each under the supervision and control of a Deputy Excise Commissioner whose jurisdiction is the Revenue District. The Deputy Excise Commissioners are assisted by 14 Asst. Excise Commissioners who are in charge of the Enforcement activities in the Divisions. Next below the Assistant Excise Commissioner in the hierarchy is the Circle Inspector with jurisdiction of a Revenue Taluk. Each Circle is further subdivided into Ranges and each range is in charge of an Excise Inspector. The Range Inspector is assisted by Assistant Excise Inspector, Preventive Officers, Civil Excise Officers and Excise Drivers. A brief description of the hierarchy of the department is given below:-

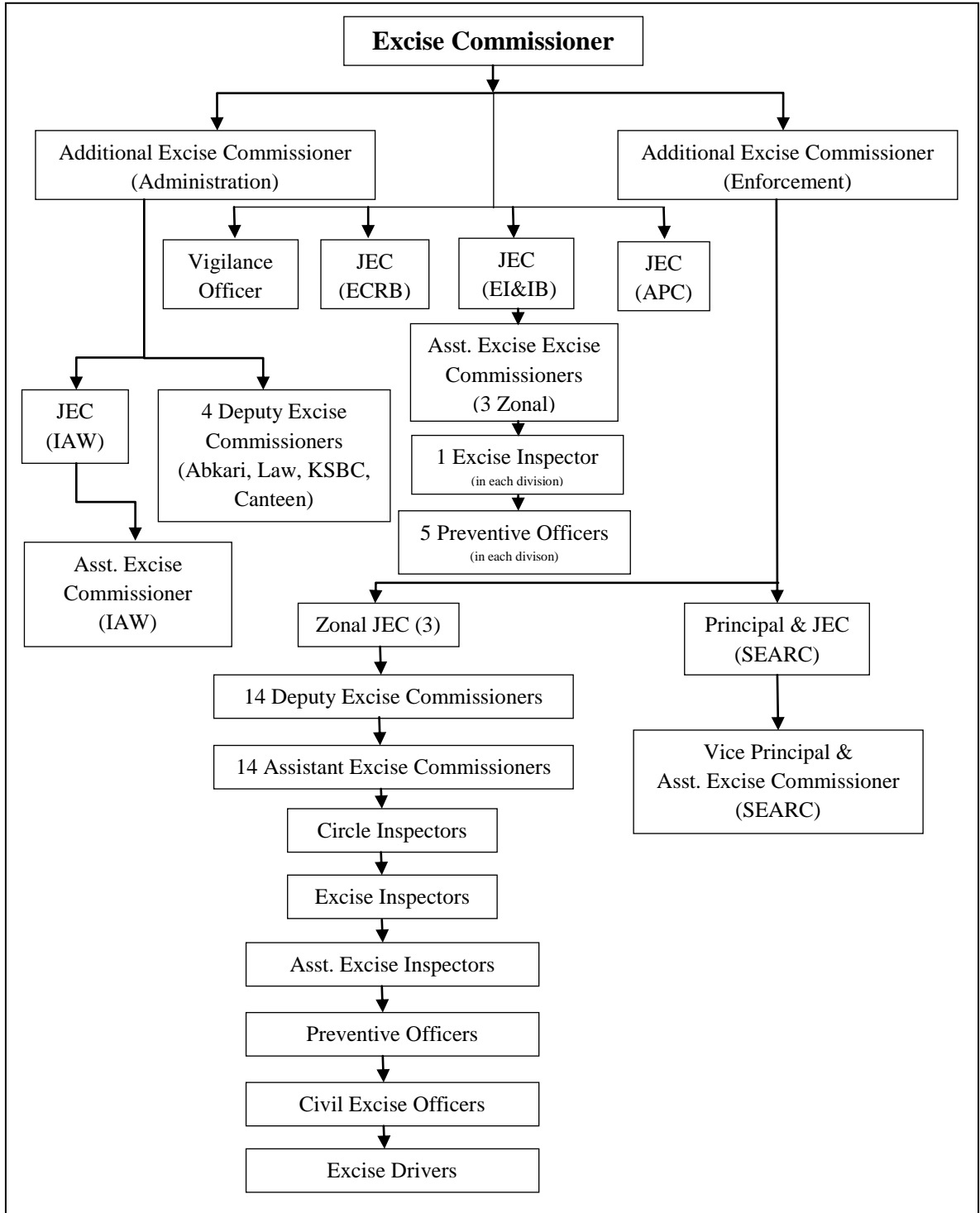


Table showing Duties and Powers of Officers		
[GO(P) No.420/2009/TD dated 08/05/2009 of the Taxes (G) Department] SRO No.361/2009		
Officers	Jurisdiction	Duties & Powers
Commissioner of Excise	Throughout the State of Kerala	To exercise all the powers conferred under the Act, control of administration of the Department and control of Abkari Revenue. To be Abkari Officers under sections 31, 32,34, 35, 38, 39 and 53 of the Act. To perform the acts and duties mentioned in sections 40 to 53 of Act.
Additional Commissioner of Excise (Administration)	Throughout the State of Kerala	To exercise all the powers and perform all the duties of the Commissioner under the Abkari Act, concurrently with, subject to the control of the Commissioner. To be Abkari Officers under sections 31, 32, 34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in Sections 40 to 53 of the Act.
Additional Commissioner of Excise (Enforcement)	Throughout the State of Kerala	To exercise all the powers and perform all the duties of the Commissioner under the Abkari Act, concurrently with, subject to the control of the commissioner. To be Abkari Officers under sections 31, 32, 34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in Sections 40 to 53 of the Act.
Joint Commissioner of Excise	Within the area for which he is appointed	To exercise all the powers and perform all the duties of the Commissioner under the Abkari Act, concurrently with, subject to the control of the commissioner. To be Abkari Officers under sections 31, 32, 34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in Sections 40 to 53 of the Act
Deputy Commissioner of Excise	Within the area for which he is appointed	Issue of Import and export permits under section 6 and 7 of the Act
	Throughout the State of Kerala	Issue of special and general transport permits under section 11 of the Act
	Within the area for which he is appointed	Issue of licences for manufacture, possession and sale under Sections 12,13 and 15 of the Act.
	Within the area for which he is appointed	The supervision and management of licensed distilleries, breweries, wineries or other manufacturies or warehouses

	Within the area for which he is appointed	To be Abkari Officers under Sections 31,32,34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in sections 40 to 53 of the Act.
	Within the area for which he is appointed	Stay of Abkari cases and release of accused involved in Abkari cases
Assistant Excise Commissioner (Enforcement)	Within the area for which he is appointed	To be Abkari Officers under Sections 31,32,34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in Sections 40 to 53 of the Act.
Assistant Excise Commissioner (EI&IB)	Within the area for which he is appointed	To be Abkari Officers under Sections 31,32,34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in Sections 40 to 53 of the Act.
Circle Inspectors of Excise of Circle Offices	Within the area for which he is appointed	To be Abkari Officers under Sections 31,32,34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in Sections 40 to 53 of the Act.
Circle Inspectors of Excise in charge of the Distilleries, Warehouses, Breweries and Wineries	Within the area for which he is appointed	To exercise all the powers and to perform all the duties of the Commissioner in respect of issue of special permits under section 11 of the Act, for the transport of the liquors made in or issued from the Distilleries, Warehouses, Breweries or Wineries of which they are in- charge subject to the control of the commissioner
Circle Inspectors of Excise, EE&ANSS	Within the area for which they are appointed	To be Abkari Officers under Sections 31,32,34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in sections 40 to 53 of the Act.
Excise Inspectors in charge of Range	Within the area for which they are appointed	To be Abkari Officers under Sections 31,32,34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in Sections 40 to 53 of the Act.
Excise Inspectors attached to Excise Circle Offices, EE&ANSS and EI&IB	Within the area for which they are appointed	To be Abkari Officers under Sections 31,32,34,35,38,39 and 53 of the Act. To perform the acts and duties mentioned in Sections 40 to 53 of the Act

Asst. Excise Inspectors of Range	Within the area for which they are appointed	To excise all the powers and to perform all the duties of the Excise Inspector subject to the control of the Excise Inspector. To perform the acts and duties mentioned in Sections 40 to 53 of the Act.
Preventive Officers	Within their respective jurisdiction	To be Abkari Officers under sections 31,32,34,38,39 and 53 of the Act.
Civil Excise Officers	Within their respective jurisdiction	On duty within the Kerala State to be Abkari Officers in relation to the functions assigned to them by virtue of their respective post or designation for the purposes of Sections 34,35,38,39 and 53 of the Act and to exercise all the powers conferred and to perform all the duties assigned on Abkari Officers under the sections aforesaid.
Provided that with reference to Sections 31 and 34 of the Act there shall be no limit of jurisdiction within the State of Kerala for the Abkari and other Department officers named therein; but all persons arrested and all seizures made there under shall, without delay, be made over to the Excise Officers Possessing local jurisdiction.		

1.

The powers under the Abkari Act vested in the officers of the Excise and other Departments and administrative and financial powers are detailed below. They are not exhaustive and for full details the relevant Acts and rules and notifications may be referred.

STATUTORY AND DELEGATED POWERS UNDER THE ABKARI ACT

(i) GOVERNMENT

Section	Subject Matter
4	The Government may, by notification in the Gazette
	4(a) Appoint an officer to control the administration of the Abkari Department
	4(b) Appoint any person other than the Commissioner to perform all or any of his duties.
	4(c) Withdraw Abkari powers from Commissioner or others appointed under clause (a) or clause (b)
	4(d) Appoint officer to take action under Sections 40 to 53
	4(e) Appoint subordinate Officers
	4(g) Delegate to any Abkari Officer all or any of their powers under this Act.
5	The Government may, from time to time, make rules

5A	Power of the Government to authorise officers to admit persons arrested to bail
6	To permit import of liquor or intoxicating drug
7	To permit export of liquor or intoxicating drug
9	Government may, from time to time, by notification, prohibit the transport of liquor or of intoxicating drugs or of any kind of liquor or intoxicating drugs, from any local area into any other local area.
10	To prescribe the quantity of Liquor or intoxicating drug to be transported
11	To prescribe the particulars to be specified in the permit
12	To prohibit the Manufacture of Liquor or intoxicating drug
	To prohibit the Construction of distillery, brewery, winery or other manufactory in which liquor is manufactured
	To prohibit the Using, keeping or possessing any materials, still, utensil, implement or apparatus whatsoever for the purpose of manufacturing any liquor other than toddy or any intoxicating drug.
	To prohibit the Tapping of toddy producing tree
	To prohibit the drawing of toddy from any tree
12A	To prohibit the manufacture of preparations containing liquor or intoxicating drug exceeding specified quantity
12B	(1) To prohibit the Utilization or liquor or intoxicating drug in excess of the quantity in the manufacture of any preparation.
	(2) To prohibit the possession of any preparation containing liquor or intoxicating drug other than a medicinal preparation for the bona-fide treatment, mitigation or prevention of disease in human beings or animals in excess of the quantity.
12C	To prohibit counterfeiting, selling, buying, receiving, possessing etc. of any forged or counterfeit label or security sticker
13	To prohibit the possession of liquor or intoxicating drugs in excess of the quantity
13A	The Government may, by notification, prohibit the possession by any person or class of persons either throughout the whole state or in any local area; of any liquor or intoxicating drug either absolutely or subject to such conditions as the Government may prescribe.
14	The Commissioner may, with the previous approval of the Government establish distilleries, breweries; wineries, warehouses etc., and prescribe the allowance for wastage of alcohol that may occur in the process of manufacture, storage and transport.
15	To prohibit the sale of liquor or intoxicating drug
15A	To prohibit the consumption or use of liquor by persons under the age of 23 years
15B	To prohibit the sale of liquor to person under 23 years of age
15C	To prohibit the consumption of liquor in public places
17	A duty of excise or countervailing duty and/or luxury tax shall be levied, in such manner as may be prescribed the Government, on liquors or intoxicating drugs.
18	To prescribe criteria for Excise Duty or countervailing duty

18A	The Government may grant the exclusive privilege of manufacturing or supplying any liquor or intoxicating drugs within any local area on payment of an amount as rental to any person or persons, on such conditions and for such period as they may deem fit.
19	When tree tax under section 18 is levied, the Govt. may direct that the tree tapping licence shall be granted on production of the written consent of the owner/possessor of the trees
20	To accord sanction for farming out
21	To grant licence to a toddy farmer
24	To prescribe the forms & Conditions of Licence & Permits
27	To prescribe the measures, weights and instruments to be kept by a licensee
28	Empowers recovery of all duties, fines and fees payable to Government under any provisions of Abkari Act
29	The Government may, by notification in the Gazette either prospectively or retrospectively, make rules for the purpose of this Act.
(a)	Regulating the mode in which toddy may be supplied to licensed toddy vendors or persons who distills spirits from it or who use it in the manufacture of bread
(b)	For determining the number of licences of each description to be granted in any local area
(c)	For regulating the number, size and description of stills, utensils, implements and apparatus to be used in any distillery, brewery, winery or other manufactory in which liquor is manufactured
(d)	Prescribing the instruments to be used in the testing of liquor and the tables of corrections according to temperature to be used therewith
(e)	Prescribing the weights to be used for the sale of intoxicating drugs and measures to used for the sale of liquor
(f)	Fixing for any local area, the maximum and minimum prices above and below which any liquor or intoxicating drug shall not be sold
(g)	For the warehousing of liquor and intoxicating drugs, and for the removal of the same from any warehouse in which they are deposited for deposit in any other warehouse, or for local consumption, or for export
(h)	For the inspection and supervision of stills, distilleries, breweries, wineries or other manufactories in which liquor is manufactured and warehoused
(i)	For the management of any public distillery, brewery or winery or public warehouse established under section 14
(j)	For placing the storage, import, export, possession, transit or transport of liquor or intoxicating drugs, under such supervision and controls as may be deemed necessary for the purpose of this Act.
(k)	Prohibiting the use of any article which the Government shall deem to be noxious or otherwise objectionable in the manufacture of liquor or any intoxicating drug
(l)	(1) For declaring the process by which spirit manufactured in or imported into the State shall be denatured.

	(2) For causing such spirit to be denatured though the agency or under the supervision of Excise Officers. (3) For ascertaining whether such spirit has been denatured
(m)	Regulating the bottling of liquor for purposes of sale
(n)	Declaring in what cases or classes or cases, and to what authorities, appeals shall be from orders, whether original or appellate, passed under this Act or under any rule made there under, or by what authorities such orders may be revised, and prescribing the time and manner or presenting appeals, and the procedure for dealing therewith
(o)	Omitted with effect from 03/06/1997
(p)	Regulating the power of Abkari officers to summon witnesses from a distance, under Section 44
(q)	For the disposal of articles confiscated, and of the proceeds thereof
(r)	For the forfeiture, notwithstanding the provisions to the contrary contained in the Indian Contract Act, 1872 or in any other law, of the whole or any portion of the kists deposited by persons who purchase the right to sell toddy, arrack, foreign liquor or ganja, in addition to damages recoverable by Government on account of the breach of conditions of sale laid down by the Government from time to time.
31	To specify the officers who may search without warrant
32	To empower officers to inspect places of manufacture
33	To empower officers to arrest in the open
34	To empower search, seizure and arrest in any public thoroughfare or open place
35	To empower to arrest persons refusing to give name or giving false name
42	To determine the form of bail bond
44	Prescribe the distance from the usual place of residence over which witnesses can be summoned
53A	Power to declare notified liquor
67	Empower Abkari Officers to levy penalty on licensees
67A	Empower Abkari officers to compound
68A	Appoint an Expert committee
71	The Government may exempt any liquor or intoxicating drug from the provisions of Abkari Act

(ii) COMMISSIONER

Section	Subject Matter
4	General control over the Administration of the Department and of the collection of Abkari Revenue
11	To issue permits for transport or by any person duly empowered
12	To issue licences for the manufacture of liquor
12A	To specify the quantity of preparation that can be manufactured, in which liquor is added or self generated

12B	To specify the quantity of liquor that can be utilized for the manufacture of a preparation
13	To issue licences to possess quantities in excess of the general limit of private possession
14	The commissioner may, with the previous approval of the Government establish distilleries, breweries, wineries, warehouses etc., and prescribe the allowance for wastage of alcohol that may occur in the process of manufacture, storage and transport
15	To issue licence for sale of liquor
20	To issue licence to farmers
22	Lease by farmers possible only after receipt of licence from Commissioner
25	To execute counterpart agreement
26	To recall licence (cancellation and suspension)
28	To assume management
30	To issue warrants for arrest
31	To search without warrant
32	To inspect places of manufacture
40	To release persons arrested and to order stay of proceedings
58B	To determine which are the articles that can be used as substitutes for alcohol
66	To order confiscation and disposal
67	Power to impose fine
67F	Power to <i>suo mottore</i> revision
68	To receive Expert Committee's advice

(iii) ABKARI OFFICERS

Section	Subject matter
4(a)	Government can delegate to any Abkari Officer any of their powers
27	Any Abkari officer specially authorized can insist on measurement or weighing or testing
31	Abkari officer not below the rank specified can search houses without warrant
32	Abkari officer not below the rank of Preventive Officer can enter and inspect places of manufacture
34	Persons arrested in public places to be admitted to bail to appear before an Abkari officer empowered to enquire
35	May arrest for refusal to give name and address
37	All officers of the other Departments legally bound to assist an Abkari officer
38	Can legally require information from officers of other Departments
39	All landholders, proprietors, tenants, under tenants and cultivators to give notice about offences to Abkari officers
40	An accused brought to a police station to be admitted to bail to appear before an Abkari Officer for enquiry. Abkari officer must enquire and release and admit the

	accused to bail to appear before himself or forward in custody to Magistrate or to appear before himself.
41	Persons arrested under Section 31 to be admitted to bail to appear before an Abkari Inspector
44	Abkari officer holding enquiry under Section 40 may summon any person
46	All persons summoned to answer questions by the Abkari Officer
53	May accompany articles to police station and may affix seals on the articles
59	Abkari officer who vexatiously searches or arrests liable to penalty

(iv) ABKARI INSPECTOR

Section	Subject matter
31	Persons arrested without warrant to be bail out to appear before an Abkari Inspector
38	To get information from all Abkari Officers
40	Persons arrested under Sections 31,34 and 35 to be brought before an Inspector
41	Any officer effecting arrest under Section 31 or any police station or any officer to release any accused to appear before an Abkari Inspector or Magistrate
43	In case bailee default to appear before an Abkari Inspector, he shall forward the bail bond to the Magistrate for action under Cr.P.C
47	Abkari Inspector can enquire at residence of witnesses.
48	May summon persons suspected of having committed offences. May also exercise the powers under Section 44 to 47 viz. issue of summons and questioning and perusal of documents.
49	Law relating to criminal courts will apply in the case of summons issued by Abkari Inspector
50	Report of Abkari Inspector gives jurisdiction to a Magistrate
51	Can exercise the powers of an officer in charge of police station to cause appearance before Magistrate
52	Persons arrested to be produced before the Abkari Inspector and not to be detained in custody for more than the time required to reach an Abkari Inspector or 24 hours
53	Can issue orders to police station regarding keeping of articles in safe custody
60	Delay in forwarding accused as required under section 40 to an Abkari Inspector liable to penalty

(v) ANY OFFICER OF THE EXCISE DEPARTMENT, CUSTOMS, REVENUE

Section	Subject matter
34	May arrest in the open (public place)
35	May arrest for refusal to give name and address

37	Legally bound to assist an Abkari Officer in carrying out the duties under the Act
39	Notice to be given by proprietors, landlords etc.

(vi) SUB INSPECTOR OF POLICE

Section	Subject matter
31	Not below the rank of Sub Inspector may search without warrant

(vii) ANY POLICE OFFICER

Section	Subject matter
32	Any police officer duly authorized in this behalf can enter and inspect licensed premises
54	To order closure of shops in cases of riots etc.

(viii) MAGISTRATE

Section	Subject matter
30	May issue warrant for search
31	To be bailed to appear before a Magistrate after arrest in cases of search without warrant
39	Notice of offences to be given by proprietors etc. to a Magistrate
40	Abkari officer may forward accused in custody or bail to appear before a Magistrate
41	Persons arrested without warrant may be bailed to appear before a Magistrate by the persons who arrest, Police Station Officer or Abkari Officer before whom the arrested person is brought under Section 40.
42	Shall proceed for default to appear before an Abkari Inspector under the terms of Bail Bond in the manner provided by Cr.P.C
50	Report of Abkari Inspector gives jurisdiction to try
51	Abkari Inspector has powers under Cr.P.C to compel attendance before a Magistrate
52	To issue special orders to detain in custody of accused for more than 24 hours
53	To issue to Police Station regarding disposal
54	To order closure of shops
53B	Whenever any vehicle or other conveyance used for committing any offence is seized under the Act and if any court finds that it shall be released temporarily, it shall do so with direction to execute sufficient bond by way of cash security equivalent to the market value of such vehicle or conveyance.
55 to 63	Conviction .

(ix) EVERY OFFICER OF GOVERNMENT

Section	Subject matter
38	Legally bound to give information to an Abkari Officer

OTHER DELEGATIONS

The Commissioner is also competent to allow waiver of duty in respect of wastage in the warehouses. The Government may allow exemption from the rule regarding location of shops near churches, hospitals, schools, etc or to allow changes in the schedules of shops disposed of in sale published in the notification. The Commissioner may also order the shift of shops from one locality to another. The Excise Commissioner may order forfeiture of Departmental Management fee.

The Deputy Excise Commissioner may renew all licences under the Denatured Spirit Rules, Vanish Rules and the following licences under the foreign Liquor Rules namely FL3, FL4, FL4A, FL5, FL7, FL8, FL8A, FL11, FL12 and FL13 licences. The renewal shall be subject to condition that there is no change in the content of the licence or premises. If there is to be any change in the quota or other content, sanction of the Deputy Excise Commissioner has to be obtained. He may also issue the Foreign Liquor licences in form FL8 to the Defence Service. Deputy Excise Commissioner is competent to permit marking of trees outside the Ranges, to reduce the number of trees applied for, to permit drawal of toddy before marking under written permission. He is also competent to permit keeping of shops open after 10 PM or earlier than 9 AM on special occasions like fairs, festivals etc. In the case of licences disposed of in sale, he may fix the period of 12 hours between 9 AM or 10 PM during which a shop is to function and he may relax them on special occasions like fairs, festivals etc.

Officers of and above the rank of Excise Inspectors shall inspect Foreign Liquor shops, bonded warehouse licences and check accounts but officers of the rank of Preventive Officers may inspect Toddy shops.

ADMINISTRATIVE, FINANCIAL AND OTHER POWERS**(i). COMMISSIONER****(a) ADMINISTRATIVE POWERS****Change of name of officers:**

To sanction the change of names of the non-gazetted Officers of the Departments

Appointments, Transfers, Fixing of Headquarters, etc.

To make all appointments and promotions in the Department in the cadre of Circle Inspector of Excise, Excise Inspectors and Assistant Excise Inspectors.

To sanction the appointment of contingent staff up to 3 months.

To sanction the creation of part-time contingent posts as provided in G.O(P) No. 248/62/PD dated 24th April 1962 and to make appointment to such posts.

To sanction the fixing of the headquarters of Officers of the Department whom the Commissionerate is competent to appoint.

Tours:

To sanction journey on duty to the adjacent States of all officers under the Commissioner, whom the Commissioner is competent to appoint.

Leave:

To sanction all kinds of leave other than study leave and special disability leave to all officers of the Department.

Punishment:

To impose all the penalties up to the cadre of Circle Inspectors of Excise.

(b) FINANCIAL POWERS**Sanction for works:-**

To sanction estimates for maintenance of buildings up to ₹ 10,00,000 [Heads of Department of Group One] subject to the budget grant, the execution of work being governed by the rules.

To give administrative approval to works (Major Heads of Department) costing not more than ₹ 1,00,00,000/-.

Hiring of buildings:-

To sanction the hiring of private buildings for office accommodation up to a maximum of ₹ 30,000/- per mensem in each case on the strength of rent certificate from the local P.W.D officers or the Rent Controller as the case may be and on a certificate from the competent authority that buildings on cheaper rent are not available in the locality.

Refund of revenue, remission, write off, etc.

Heads of Department may sanction upto ₹ 1,00,000/- in each case subject to the strict compliance of KFC Article 300-303 and Article 161 of KFC Vol. I.

Purchase and disposal of stores:

To accord administrative sanction for recurring supplies required for the normal running of the department for which funds are provided in the budget.

To accord administrative sanction for purchase of stores other than computer and other peripherals and furniture up to ₹ 50,00,000 (vide Appendix XXII of Store Purchase Manual and subject to budget provision.

To sanction the disposal in auction/scrap disposal other than vehicles, the book value of which does not exceed ₹ 3,00,000/-.

To sanction the disposal by auction of unserviceable buildings of the department, where the book value does not exceed ₹ 3,00,000/- in each case, provided it is done in consultation with the P.W. Department.

Local Purchase of Stationery:

To sanction purchase of stationery articles up to ₹ 50,00,000/- subject to budget provision.

Furniture:

To purchase furniture subject to the condition that they should follow the standards prescribed in Appendix I to G.O (P) 248/Pub., dated 24th April 1962. To make local purchase of furniture upto the value of ₹ 5,00,000/-.

Provident Fund:

To sanction all cases of temporary withdrawals both in normal cases and cases requiring special sanction, and non-refundable withdrawals from Provident Fund Deposits subject to other conditions and limitations under the rules of the Fund.

Sanction for contingent expenditure etc.,

To sanction non-recurring contingent expenditure up to ₹ 1,00,000/- subject to budget provision.

To incur items of expenditure of petty nature not exceeding ₹ 25,000/-

Ceremonial Function

To incur expenditure for each ceremonial function upto ₹ 25,000/- subject to an annual limit of ₹ 50,000, budget provision and as per actual requirement only.

Repairs to Motor Vehicles

To sanction expenditure up to ₹ 30,000/- in each case with an annual limit of ₹ 1,00,000/- per vehicle subject to availability of budget provision.

Sanctioning of Rewards:

To grant rewards in the case of the employees of the Excise Department.

Printing of Forms:

To sanction expenditure for printing upto ₹ 50,000/- (in emergent cases printing work may be entrusted to private presses without reference to SGP not exceeding ₹ 10,000/- at a time subject to an annual limit of ₹ 25,000/-).

Condemnation of Government Vehicles

Heads of Department may sanction condemnation of department vehicles having upset value up to ₹ 3,00,000/- subject to compliance of guidelines and norms fixed in G.O [M.S] No. 110/76/PWD dated 10-05-1976.

Annual Maintenance Contract

Annual Maintenance Contract for computer, printer, photocopies, machinery, lab equipments, AC and all other electronic and electrical equipments used for the functioning of the office. - Heads of Department is delegated financial power up to ₹ 3,00,000/- subject to observance of Rules and procedures, PWD or accredited agencies in the case of other equipments/machineries and subject to budget provisions.

Leasing out

Leasing out in auction of the right to collect usufructs from the trees in the land/property of the Department: - Full powers delegated to Heads of Departments following transparent and competitive procedure. The amount should be deposited in the relevant revenue receipts Head of Account of Department concerned.

Shifting of Office:

To incur charges upto ₹ 50,000/- subject to budget provision [loading and unloading charges will be at the rate fixed by Labour Department]. For other items tender procedure should be followed.

(ii) ADDITIONAL COMMISSIONER OF EXCISE [ENFORCEMENT]**(a). ADMINISTRATIVE POWERS**

To grant leave of all kind except Study Leave and Special Disability Leave to all officers working in his office subject to eligibility.

Tour: - To permit his entire subordinate officers to tour within and outside the state for investigation and enforcement work under intimation to Excise Commissioner. To review tour diaries of Deputy Commissioner of Excise, Assistant Commissioner of Excise and Circle Inspector of Excise working in Special Squads.

Training Programme;- All matters relating to Excise Academy and Research Centre may be routed through Additional Commissioner (Enforcement). He should conduct inspection and review the activities in these institutions and report to the Excise Commissioner.

To advise Excise Commissioner on all matters relating to procurement of gadgets and equipments for training and enforcement, its distribution, operation and maintenance.

(b). FINANCIAL POWERS

Contingent Expenditure: To incur all items of non-recurring contingent expenditure up to ₹ 5,000/- subject to budget provision.

Local purchase of stationary articles in urgent and unforeseen circumstance upto annual limit of ₹ 20,000/- subject to budget provision and observing store purchase rules.

Refreshment charges upto ₹ 2,000/- at a time.

Repair and Maintenance of Vehicles:- Own department vehicle for ₹ 10,000/- at a time with an annual limit of ₹ 30,000/- after consulting Mechanical Engineer.

(iii) ADDITIONAL COMMISSIONER OF EXCISE [ADMINISTRATION]**(a). ADMINISTRATIVE POWERS**

To exercise all the powers and perform all duties of the Commissioner under the Abkari Act concurrently with and subject to the control of the Excise Commissioner.

(b). FINANCIAL POWERS**Write off:**

To sanction write off the unserviceable articles including worn out books, vessel, articles of furniture etc. in the book, value of which does not exceed ₹ 10,000/- in each case subject to an annual limit of ₹ 50,000/-.

Refund

Refund of excess amount realized from the parties under Abkari, NDPS, M&TP Act and Rules not exceeding ₹ 10,000 in each case subject to Rules.

Disposal of Unserviceable articles:

To sanction disposal of all unserviceable articles or surplus stores, office furniture dismantled materials etc. up to assessed value of ₹ 1,00,000/- in each without any annual limit.

Printing:

To arrange for local printing not costing more than ₹ 20,000/- at a time and annual limit of ₹ 40,000/- and observing the following conditions. In emergent cases, printing work may be entrusted to private presses without reference to SGP not exceeding ₹ 1,000/- at a time subject to an annual limit of ₹ 5,000/- .

- (a) Quotations should be invited and other formalities observed.
- (b) Care should be taken to see that sufficient number of copies are printed in the first print itself.
- (c) Prior Government sanction should be obtained for printing new forms and registers.

Local Purchase of Stationary:

To sanction local purchase of stationary articles in urgent and unforeseen circumstances up to a limit of ₹ 20,000/- in each case with an annual limit of ₹ 50,000/- subject to Store Purchase Rules and availability of budget provision.

Disposal of thondy articles:

To dispose and confirm the sale of thondy articles, the value of which does not exceed ₹ 50,000/- in each case subject to rules.

Repair charges of Motor Vehicle:

To sanction repair charges and replacement of spare parts of own department vehicle including cost of spare parts of vehicles for ₹ 12,000/- at a time with an annual limit of ₹ 40,000 subject to the conditions such as.

- (a) Store purchase Rules should be observed.
- (b) Repair should be carried out in approved workshop.
- (c) Funds should be available.

Maintenance, Petty Construction and Repair Works:

To sanction maintenance, petty constructions and repair works for extension up to ₹ 20,000/- on proper estimate without reference to Public Works Department.

Contingencies:

To incur non-recurring contingent charge up to Rs.10,000/- in each case subject to budget provision and general Rules in Appendix IV of KFC Vol .II.

Local Purchas of Stores:

To sanction purchase of stores locally up to limit of ₹ 20,000/- in each case subject to budget provision and subject to condition that Government agency is liable to supply the required stores in time and that such purchase are made after observing store purchase rules.

(iv). JOINT EXCISE COMMISSIONERS (ZONAL)**(a). ADMINISTRATIVE POWERS**

To make appointments, subject to rules to all non-gazetted posts under him.

To order transfers and postings of the non-gazetted staff in the Excise Department

Leave:

To grant leave of all kinds except study leave, special disability leave and examination leave to all officers, whom he is competent to appoint and casual leave to all officers subordinate to him, the grant of all kinds of leave being subject to eligibility.

Increment:

To grant or withhold increments, in the scale of pay including those at the stage of efficiency bar in the case of all officers working under him, barring of increments being subject to the rules regarding disciplinary action.

Inspection of Offices:

To inspect all subordinate offices and supervise the work of all subordinates in the Department.

Review of Tour Diary:

To review tour diaries of Deputy Commissioner of Excise, Assistant Commissioner of Excise.

(b). FINANCIAL POWERS**Countersigning of Bills:**

To countersign the TA Bills of Deputy Excise Commissioners.

Sanction of works:

To authorise execution of annual maintenance of PCR works of department building up to ₹ 15000/- in each case subject to the approval of Public Works Department.

Disposal of un serviceables:

To sanction unserviceable articles including worn out books, vessels, articles of furniture etc. the book value of which does not exceed ₹ 5,000/- in each case, subject to an annual limit of ₹ 30,000/-

Disposal of thondy articles:

To dispose and confirm the auction sale of thondy articles, the value of which does not exceed ₹ 10,000/- within his jurisdiction.

Repair and Maintenance of Vehicles:

To sanction repairing charges of Motor vehicle under his control upto ₹ 10,000/- at a time and an annual limit of ₹ 30,000/- for each vehicle and subject to store purchase rules and on condition that the repairs are carried out in approved workshops and funds are available.

Contingent Expenditure:

To incur all items of non-recurring contingent expenditure in respect of the Excise Department within the limits of the budget grant subject to general rules laid down with regard to purchase and supplies subject to a monetary limit of ₹ 5,000/- at a time and subject to the provision of the Kerala Financial Code or Account Code.

Refund of Revenue:

To sanction refund of excess amounts realized from parties under the Abkari Act, Opium and Prohibition Acts and Rules not exceeding ₹ 10,000/- with in his jurisdiction, subject to rules.

Provident fund:

To sanction temporary advance/NRA from General Provident Fund account up to ₹ 3,00,000/- as per G.O (P) No.450/2011/Fin. Dated 18-10-2011 with in his jurisdiction.

Stationery:

To sanction purchase of stationery articles locally up to a limit of ₹ 2,000/- in each case and to an annual limit of ₹ 10,000/- subject to budget provision. The purchase should be made as per store purchase rules.

Refreshment charges:

Refreshment charges up to ₹ 1,000/- at a time.

Uniform Allowance:

To sanction uniform allowance to Deputy Excise Commissioners, Assistant Excise Commissioners and Circle Inspectors and Excise Inspectors of Special Squads.

(V). JOINT EXCISE COMMISSIONER (ECRB)

All financial powers delegated to other Joint Excise Commissioners of Excise.

**(VI).PRINCIPAL & JOINT EXCISE COMMISSIONER
(STATE EXCISE ACADEMY AND RESEARCH CENTRE)****Financial powers****Petty Construction and Repair works:-**

To authorize execution of annual maintenance of Petty Construction and Repair works of Departmental building up to ₹ 30,000/- in each case subject to approval of Public Works Department.

Disposal of unserviceable stores/articles:

To sanction unserviceable articles including worn-out books, vessels, articles of furniture etc., the book value of which does not exceed Rs. 10,000/- in each case subject to annual limit of ₹ 25,000/- in each case.

Contingent Expenditure:

To incur all items of non recurring contingent expenditure upto ₹ 10,000/- subject to budget provision, General Rules laid down with regard to purchase and supplies and the provision of KFC.

Purchase of Stationary:

To purchase items up to ₹ 5,000/- in each case with annual limit ₹ 25,000/- subject to budget provision observing stores purchase rules.

Repair and Maintenance of vehicles:

To sanction repair charges and replacement of spare parts of own department vehicles including cost of spare parts of vehicles for ₹ 10,000/- at a time with an annual limit of ₹ 30,000/- subject to budget provision and observing store purchase rules.

Uniform Allowance:

To sanction uniform allowance to all Excise Officers working in SEARC, Thrissur at approved rates subject to budget provision and observing rules.

DEPUTY COMMISSIONER OF EXCISE**(a) ADMINISTRATIVE POWERS****Licensing of Abkari Shops:**

(i) To sanction renewal of all fixed fee and free licences under the Abkari, M&TP Acts.

Appointments, Transfers and postings:

To make appointments up to the rank of Civil Excise Officers subject to rules.

To order transfers and postings within their jurisdiction of officers whom they are competent to appoint.

Leave:

To grant leave of all kinds except study leave, special disability leave and examination leave to all officers, whom they are competent to appoint and casual leave to all officers subordinate to them, the grant of all kinds of leave being subject to eligibility.

Increments:

To sanction or withhold increments in sanctioned scales of pay, including those at the stage of efficiency bar in the case of all non-gazetted officers working under them.

(b) FINANCIAL POWERS**Sanction of works:**

To authorise the execution of P.C.R. works Departmental Building up to ₹ 10,000/- in each case subject to budget grant.

Write off of stores, disposal of thondy articles etc:

To sanction refund of revenue/write off and disposal of unserviceable articles including worn out books, vessels, articles of furniture etc the book value of which does not exceed

₹ 1,000/- in each case subject to annual limit of ₹ 5,000/-.

To dispose and confirm the auction sale of thondy articles the value of which does not exceed ₹ 15,000/- in each case.

To dispose, confirm and release an auctioned confiscated vehicle/conveyance in which its value fetched in auction exceeds the market value fixed by the Mechanical Engineer Excise/Competent authority.

Contingent Expenditure:

To incur contingent expenditure on feeding charges of persons, who are detained in custody, the rates being those prevailing in the Police Department within the budget provision.

To incur all items of non-recurring contingent expenditure within the budget grant subject to general rules laid down with regard to purchase and supplies subject to a monetary limit of ₹ 5,000/- at a time and subject to the relevant provisions of the Kerala Financial Code or Account Code.

Repair charges of Motor Vehicle:

To sanction repairing charges and replacement of spare parts of Motor vehicles under their control up to ₹ 5,000/- in each case and subject to the annual limit of Rs. 25,000/- subject to store purchase rules and the condition that the repairs are carried out in approved workshops and that funds are available.

Provident fund:

To sanction temporary advance/NRA from General Provident Fund account up to ₹ 2,2,5000/- as per G.O (P) No.450/2011/Fin. Dated 18-10-2011 with in his jurisdiction.

Refreshment Charges:

Refreshment charges up to ₹ 500/- at a time.

Boat Hire Charges:

To sanction boat hire charges in connection with the detection of cases up to ₹ 2,000/-.

Uniform Allowance:

To sanction Uniform Allowance to Circle Inspector of Excise, Excise Inspectors and Assistant Excise Inspectors.

Assistant Excise Commissioner (Enforcement)**ADMINISTRATIVE POWERS****Leave:**

To grant casual leave to all subordinates under them subject to eligibility

Assistant Excise Commissioner (EI& IB)**(a)ADMINISTRATIVE POWERS****Leave:**

To grant casual leave to all subordinates under them subject to eligibility

(b) FINANCIAL POWERS**Uniform Allowance:**

To sanction Uniform Allowance to all Excise Officers working under his jurisdiction.

Contingent Expenditure:

To incur all items of expenditure upto ₹ 5,000/- at a time subject to

- I. Budget provision,
- II. General rules laid down with regard to purchase
- III. Suppliers and relevant provision in KFC and Kerala Account Code.

Repair charges of Motor Vehicle:

To sanction repair charges and replacement of spareparts of Motor Vehicle under his control upto ₹ 5,000/- at a time subject to annual limit of ₹ 25,000/- for each vehicle and subject to store purchase rules on condition that the repairs are carried out in approved workshops and funds are available.

Boat Hire Charges:

To sanction boat hire charges in connection with the detection of cases upto ₹ 2,000/-.

Refreshment Charges:

Refreshment charges upto ₹ 500/- at a time.

Duties and functions of Excise Officers.

1. The principal duties of the officers of the Excise Department are the protection, augmentation and collection of Excise Revenue and suppression of malpractices, thus preventing on the one side, leakage of revenues of the State and on the other of the abuse of habit forming drugs, such as liquor, opium, manufactured drugs etc. It is necessary to emphasise that considerations of revenues are not to jeopardize the promotion of temperance. The Excise Officers should ensure that the State should get

as large a share as possible of the profits accruing from the liquor trade by most efficient supervision and control.

2. The Excise Officers are responsible for proper settlement of the right of vend of liquor and correct assessment and levy of rental, duties, tree-tax and other dues to Government. Collection of the revenues, both current and old, till they are recommended for R.R. action is also their responsibility. They have also to assist the Revenue Department in the collection of old arrears. Where the right of vend is disposed of in auction, they are responsible for the success of the sale and issue of licences and for selection and approval of licensed sites of shops.
3. The Commissioner of Excise has to submit to Government every year by the beginning of December proposals for the Abkari policy to be followed next year with special reference to the change to be made if any in the rate of duty, tree-tax, gallonage fee, number and location of shops and conditions under which the right of vend is to be sold or disposed of in negotiations. He is responsible among other things for sanction or recall of licences under all the Acts administered by the Department.
4. It is the duty of the Zonal Joint Excise Commissioner to ensure proper discipline in his Zone, to inspect Division Offices, to review and over check the inspection of Circles and Ranges by the Deputy Excise Commissioner and in general to assist the Commissioner in the exercise of general control over the Excise Department. Joint Excise Commissioners (Zonal) are also empowered to accord sanction to issue fixed fee licences such L3, under M&TP Act and under Denatured Spirit, Rectified Spirit etc., Rules ,subject to certain limitations and for renewal of Bonded Warehouse Licences.
5. The Deputy Excise Commissioner is in charge of an Excise Division. He is responsible for the success of sale of toddy shops, assessment, levy and collection of revenues in his Division and suppression of malpractices. He is competent to conduct the resale of shops. He has to inspect the Circle Offices and Range Offices under him once in every six months, and the pharmaceuticals, distilleries and warehouses once in a quarter. He has to issue all licences and permits under all the Acts administered by the Department, such as T.T licences and permits , licences for Abkari shops, warehouses, L3, L2 licences, opium permits, M.D licences etc., after obtaining sanction of the Commissioner or Joint Excise Commissioner as the case may be wherever necessary before issuing the licences or permits. He is also to inspect the licences and to ensure proper maintenance of Accounts and adherence to the conditions of the licence and provision of the Act and Rules and take penal action against erring licensees. He is also empowered to compound the offences under Abkari Act. The entire responsibility for the proper and efficient management of the Excise administration in a District rests with the Deputy Excise Commissioner. The Asst. Excise Commissioner will assist the Deputy Excise nCommissioners in all the above matters and be in charge of the enforcement work of an Excise Division.

6. The Circle Inspectors are mainly responsible for the assessment, levy and collection, revenue, detection, investigation and prosecution of cases and prevention of malpractices. They will inspect all the licences including the miscellaneous licences such as Varnish, Denatured Spirit, etc., at least once in a month. They should ensure that there is no illicit tapping or other offences in their circle limits. It is their duty to see that all trees both for fermented and Sweet Toddy are got marked. If and when the need arises, they must also place the shop under Departmental Management. They must inspect all the shops, examine the consignments of liquor and drugs in transport or its destination to ensure that they are duly covered by permits. They are also responsible for the successful sale and resale of Abkari shops and for location of the shops and licences in unobjectionable sites.
7. Excise Inspectors in charge of the Ranges are responsible for the detection, investigation and prosecution of cases and prevention of malpractices in the Range. They should as frequently as possible conduct raids in crime centers and to inspect all the licensed shops in addition to personally detecting and investigating the cases. Though their primary responsibility in regard to the enforcement side, they are also required to arrange campaign against alcoholism and conduct of Peoples Committees.
8. Assistant Excise Inspector is responsible for the detection, investigation and prosecution of cases and prevention of malpractices in the ranges subject to control of Excise Inspector. Assistant Excise Inspector is also responsible to assist the Excise Inspector in all the duties entrusted to him.
9. Each Range is divided into suitable number of units and each unit is placed under a Preventive Officer. One Preventive Officer is in charge of the Range office. The responsibilities of Unit Preventive Officers include the marking of trees, prevention of illicit tapping, detection and suppression of illicit distillation, prevention of malpractices, inspection of shops, which they are competent, effective patrol of the unit area, supervision of the work of Civil Excise Officers including checking of diaries, note books and other duties entrusted by the Excise Inspector from time to time and generally assisting the Excise Inspector in the discharge of his duties.
10. Civil Excise Officers are required to perform all duties as may be assigned by the Excise Inspector or the Preventive Officer and detection of cases. They are generally to assist the Preventive Officer and Excise Inspectors in the prevention of malpractices, collection of revenues and marking of trees. They are also responsible for Para Duty in the offices.
11. **Special Staff:-** In addition to the territorial establishment, there are special staff also in the Department.
 1. **Principal & Joint Excise Commissioner:-** He is the principal of State Excise Academy and Research Centre, Thrissur who is in charge of the training of the Excise personnel. In addition to the Principal, there is an Asst. Excise

Commissioner in charge of the Vice Principal, two Circle Inspectors of Excise, one Excise Inspector and two Preventive Officers.

2. **Joint Excise Commissioner (Awareness Programme Co-ordination):** He is in charge of the campaign against alcoholism and drug abuse through effective awareness programmes in the State.
3. **Joint Excise Commissioner (Excise Crime Records Bureau):-** He is in charge of the Excise Crime Records Bureau formed vide GO(MS) No. 110/2012/TD, Dated 25.06.2012. Excise Crime Records Bureau will Maintain and analyze the Crime statistics in the State.
4. **Joint Excise Commissioner (Excise Intelligence and Investigation Bureau):** He is in charge of the Intelligence and Investigation Bureau. There are 3 Asst. Excise Commissioners who are in charge of South, Central and Northern Zone EI&IB Offices. Apart from the Zonal level offices there are EI&IB Offices in all the districts and each office is in charge of an Excise Inspector. There are Preventive Officers in all the district level offices for assisting the Excise Inspector. The work of the Excise Intelligence Bureau includes collection and collation of information regarding interstate and international traffic in drugs, spirit and liquor, exchange of such information with other anti-smuggling agencies and co-ordination of preventive activities of the State anti-smuggling agencies.
5. **Joint Excise Commissioner (Internal Audit Wing):-** He is in charge of the Internal Audit Wing of the Department. The main duties and responsibilities of the Internal Audit Wing are to inspect all sub offices under the control of Excise Commissioner and prepare and submit the inspection report.
12. Circle Inspectors of Excise/ Excise Inspectors are being posted in charge of the Distillery, Pharmaceuticals and Bonded Warehouses. They are responsible for ensuring the duty, gallonage fee and other dues to the Government are properly collected and credited to the Government and that there is no leakage of revenue or surreptitious removal of liquor or preparations and that there is no manipulation of account of wastages.
13. There are 14 Excise Enforcement & Anti Narcotic Special Squads in the State each under the control of an Assistant Excise Commissioner (Enforcement) of the district. These Special Squads are utilized for detection of Narcotic cases and for raids and enquiries as may be found necessary by the Deputy Commissioners. There is one Narcotic Enforcement Squad at Admali in Idukki district under the control of a Circle

Inspector of Excise for the detection of NDPS cases. There are four Janamaithri Excise Squads functioning for the enforcement and awareness activities in tribal areas. They are at 1. Attappadi in Palakkad 2. Mananthavady in Wayanad, 3. Nilambur in Malappuram and Devikulam in Idukki. Circle Inspectors, Excise Inspectors, Preventive Officers and Civil Excise Officer are posted at all the Squad Offices and NES Admali.

14. One/Deputy Excise Commissioner is posted at Commissionerate as Deputy Excise Commissioner (Abkari), one Assistant Excise Commissioner is posted as Assistant Excise Commissioner (IAW) and Circle Inspectors of Excise as Superintendents and as Managers in the Commissionerate, Zonal Joint Excise Commissioner Offices, State Excise Academy and Research Centre and Divisional Offices. In addition, there are posts of Excise Inspectors and Preventive Officers in the above offices and the works of these officers are Secretarial or Ministerial in the absence of a separate ministerial wing in the Department.
15. There are three Deputy Excise Commissioners namely Deputy Excise Commissioner (Law) at Ernakulum, Deputy Excise Commissioner (CSD) at Kochi and Deputy Excise Commissioner KSBC (Head Quarters) at Thiruvananthapuram. They are working under the direct control of Excise Commissioner.
16. For proper conduct of prosecutions of cases detected by Excise officers, there are Public Prosecutors in all the Districts. Even where Public Prosecutors are entrusted with the case the ultimate responsibility for the success of prosecution rests on the Range Inspectors.
17. **Discipline**(1) (i) Every member of the Excise Department shall devote his whole time to the departmental service alone and use his best abilities to fulfil all the duties pertaining to his position in the force.
 - (ii) He shall conform implicitly to all rules which shall, from time to time, be made for the regulation and good order of the Force, and cultivate a proper regard for and strive to maintain, its honour and respectability in private life and in dealing with the public.
 - (iii) He shall serve wherever directed by competent authority;
 - (iv) He shall reside in the Head Quarters of his jurisdiction and shall not leave his jurisdiction except under proper authority;

- (v) He shall at all times appear in such uniform as shall, from time to time, be ordered to be worn by each respective rank of the service on respective occasions except when exempted by proper authority on sufficient public grounds;
 - (vi) He shall observe subordination and promptly obey all lawful orders which he might receive from persons in authority over him.
 - (vii) He shall promptly discharge such debts and make such payments as the Commissioner shall direct.
 - (viii) He shall not withdraw from the service without distinct written permission or until the expiration of two months after giving notice of his intention to do so;
 - (ix) He shall not, under any circumstances, divulge or make use to the advantage of himself or of another, of any confidential or departmental information, which might have come to his knowledge as a member of the Excise Preventive Force;
 - (x) He shall not on any occasion or under any pretext, directly or indirectly, take or receive any present, fee or gratuity from any person whatsoever without the sanction of the Commissioner;
 - (xi) He shall, on severance of connection with the Department or on suspension, surrender all articles of uniform supplied at Government cost, in such manner and at such place as the Commissioner may order;
 - (xii) He shall not apply for transfer, promotion or reward except when permitted by the Commissioner;
 - (xiii) All Assistant Excise Commissioner and Deputy Excise Commissioner shall report themselves before the Excise Commissioner, Additional Excise Commissioner and Joint Excise Commissioner, whenever the Excise Commissioner or Additional Excise Commissioner or Joint Excise Commissioner visits camps at a place within their jurisdiction;
 - (xiv) Proper *Espirit de Corps* shall prevail in the Force;
 - (xv) The Government servants conduct rules apply to all officers of the Excise Department
- (2). Any representations by any member of the force shall be made through their immediate superior who is bound to submit the same, with any remarks or explanations he might have to offer, to the Commissioner at the earliest opportunity. In emergent

cases, however, where the delay caused by obtaining orders through the proper channel will materially affect the ends in view, direct communication is permissible, provided the reasons for the procedure are explained in the special report and a copy of the report submitted to the Commissioner simultaneously through the proper channel.

(3) (i) Excise Officers on mufti need not salute anybody except officers of the Department. When passing an officer of the Department when they are not fully dressed or are in mufti, subordinate officers should march at attention with their heads turned in the direction of the officer.

(ii) Excise Officers of all ranks shall salute their own superior officers and superior officers of other Departments whom they are able to recognize.

18. Leave other than Casual Leave:-(1) the rules regarding leave other than casual leave are contained in Chapter IX of Kerala Service Rules, Part I

(2). All applications for leave or for extension of leave should be submitted in duplicate in the prescribed form through proper channel so as to reach the officer empowered to grant leave at least two weeks before the date on which such leave should begin. In the case of gazetted officers, the certificate of eligibility for leave should be obtained from the Accountant General by the Commissioner or by the Joint Excise Commissioner. In the case of officers who are not gazetted, the certificate of eligibility will be appended by the Deputy Excise Commissioner or other office through whom the application for leave is submitted.

19. Casual Leave:- The rules regulating the grant of casual leave to officers are contained in section XI of Chapter IX, Kerala Service Rules, Part I

20. Address during leave:- While proceeding on leave including casual leave all officers of the Department should, before leaving their stations, furnish their address while on leave and superior officers should see that such address is furnished, before they enter on leave.

21. Absence without leave:- Officers of the Department absenting themselves without leave run the risk of being dismissed from the service, or prosecuted or both. Officers must, therefore, be careful not to leave their stations, unless they get orders to do so. In special cases (e.g. where serious illness or death of relations or other really urgent circumstances necessitate it) they may proceed on leave in anticipation of orders, but this can be done only with the written permission of the officers immediate official superior who should satisfy himself that immediate relief is necessary before according such permission. Officers who go away without leave or without the superior officer's permission should not be re-admitted to duty on their

return, but an explanation must be taken from them and submitted to the appointing authority whose orders should be awaited.

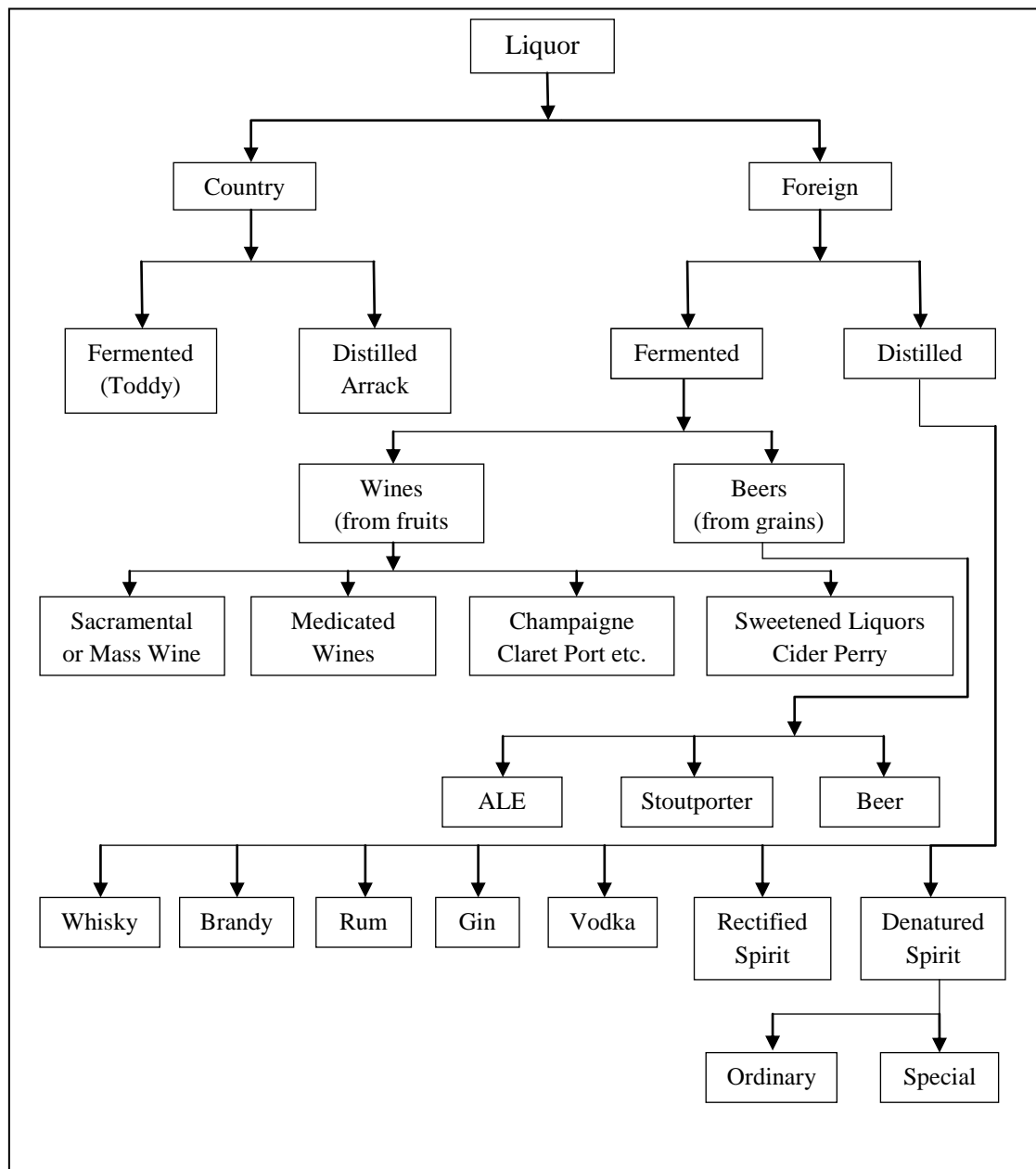
No one shall enter on casual leave and later commute it into ordinary leave unless he obtains the prior permission of the authority competent to grant leave.

22. Transfer, Report of assumption of charge, etc.,:-

1. When an officer is transferred to another station, he should give over charge directly to the officer authorized to relieve him and proceed at once to take charge of his new appointment. Without specific orders, regarding the officer to whom charge is to be handed over, there shall no handling over or receipt of charge. This rule must be strictly complied with. The rules governing the joining time of officers who have been transferred to another post, or to which they are returning from leave, are contained in Chapter X Kerala Service Rules, Part I.
2. The assumption of charge, the relief, the joining of appointments, the availing of leave and the return to duty of all officers of and above the rank of Inspectors should be reported to the Joint Excise Commissioner and Commissioner on the same day.
3. Whenever an officer proceeds on leave (except casual leave) he should hand over all cash, files and Government property in his possession to his successor. A list of items handed over should be made out in quadruplicate and signed by both the officers and one copy sent to the immediate superior and one copy retained in the office. One copy each must be retained by the relieving and relieved officers. The general rule of handling over charge should be that it is to be done personally, unless otherwise permitted by the immediate superior officer.

CHAPTER V LIQUOR

1. Liquor means and includes spirits of wine, arrack, toddy, beer and all liquid consisting or containing alcohol. A broad classification of various forms of liquor is given below:



2. Alcohol is produced from variety of raw materials viz.,
 - a) Sugar and allied substances, such as jaggery, molasses, gur, sucrose, glucose, maltose, lactose, etc.
 - b) Cereals such as barley, maize, wheat, rice, etc.
 - c) Fruits such as grapes, apples, cashew, etc.
 - d) Flowers rich in honey or sugar such as mahua.
 - e) Starchy tubers such as potato, tapioca etc.
 - f) Palm juice from coconut, Palmyra, sago, date, etc.
3. Alcohol obtained by distillation is called spirit. Spirits may be either “potable” that is fit for human consumption or “non-potable” that is unfit for human consumption such as Denatured Spirit.
4. Spirits are manufactured in the distilleries and for the technical details about the working of the distilleries and of the manufacture, the details in “Chapter XXI the Distillery Rules and Col Bed Fords Technical Excise Manual may be referred to.
5. It is necessary to have a broad idea of the different varieties of potable liquors and how they are manufactured.
 - (a) **FERMENTED LIQUOR**:- Toddy, Beer, Wines, etc., come under the category of fermented liquor.

The maximum self-generated alcohol that will be present in Fermented liquor which is not fortified is only 12% by volume. When alcohol reaches this strength, the yeast causing fermentation is destroyed by its own by-product and no further alcohol fermentation possible.

“However, it does not mean that all fermented liquors will have the same maximum alcohol content. The maximum self-generated alcohol content that will be present in fermented liquor will vary according to the fermentable sugar naturally contained in the base that is fermented. The maximum percentage of alcohol in fermented liquors cannot be more than 50 percent of such sugar. The sugar content of grape is not more than 24 percent and hence the maximum self-generated alcohol content in wine cannot be beyond 12 percent by volume. Likewise, the maximum self-generated alcohol content of coconut toddy cannot go beyond 8.1 percent since the sugar content of coconut toddy is not more than 17 percent weight by volume of

sugar (sucrose). It has been scientifically established that at the peak point of fermentation, the maximum alcohol content in coconut toddy will not in no way exceed 8.1 percent by volume. The Bureau of Indian Standards in prescribing the standard of Toddy has categorically specified vide IS 8538:2004 that the Ethyl Alcohol content of Toddy shall be between 5 to 8 percent by volume. Bureau of Indian Standards specified this requirement of maximum alcohol content to check adulteration of toddy with spirit or arrack. Alcohol concentration in coconut toddy beyond the above maximum limit of 8.1 percent by volume will only be due to addition of extraneous alcohol”

Toddy is dealt in separate chapter.

Beer is produced from malt that is the germinated seeds usually of barley. Generally “adjuncts” viz, Rice, Maize or other cereals are added to malt. Hops are also added to impart a pleasant flavour and aroma. Hops helps to increase the refreshing quality of beer and it stimulates digestion. It also serves as a preservative for beer and as a wort clearing agent.

Ales, stout, porter, etc., are only varieties of beer, For example porter is black beer. It is prepared from a mixture of pale malt and roasted barely which gives it the requisite flavour and colour. Stout is a strong porter.

Wines are obtained by fermentation of grapes or raisins. Wines are fortified when the alcohol content obtained by self generation has to be supplemented by addition of alcohol.

Sparkling wines such as champagne are wines to which sugar is added. The addition of sugar to fermented wines in tightly closed bottles or containers initiates a new fermentation. Since carbon dioxide is generated, the wines become carbonated i.e., sparkling.

Medicated wines are wines in which Medicinal substances are dissolved or mixed.

Sacramental or Mass Wines required for mass in Christian churches is prepared from Raisins.

Cider is a wine prepared from apples and perry from pears.

- (b) **DISTILLED LIQUORS:- Brandy** is prepared by distillation of wines and wine lees or grape or other fruit wines.

Whisky is produced from malted or un-malted cereal grains such as barley, barley malt, rice, oats, or maize.

Scotch Whisky is prepared largely from barley that has been malted. The malt is usually smoke cured and the spirit is matured and blended. In genuine whisky or brandy the flavour is carried from the fermented mash.

Rum is prepared from cane molasses and the scum and the foam formed during boiling of sugarcane. It is also prepared from cane juice. For genuine quality, Rum is to be aged in wooden casks.

Gins are produced usually from maize-malt Rye mixture and for its flavour, aromatic sources principally Juniperous Berries are employed.

Vodka is prepared from potato molasses.

Arrack is manufactured from Molasses.

Cocobrandy is manufactured from toddy.

6. In Kerala almost all distilleries are manufacturing liquor from imported ENA. Now a days distilleries are not producing ENA from molasses or any other raw materials.
7. **Rectified Spirit** means plain un-denatured alcohol of a strength not less than 50⁰ OP and includes absolute alcohol. Absolute alcohol is obtained from rectified spirit by removing the percentage of water as much as possible by the treatment with chemicals like quicklime potassium carbonate, Plaster of paris, Benzene, Petrol fractions, Glycerine, etc. The term absolute alcohol is a relative one. It may be difficult to remove the last trace of water. Absolute alcohol tends to absorb water rapidly from the air when exposed for even a short time. Two types of plants for dehydration (1) by azeotropic distillation with a third component and (2) by counter current extraction are now in vogue, which are very efficient to produce alcohol containing Less than 0.1 per cent of water. Commercially, the name Absolute alcohol is given to any spirit containing not less than 99.5 per cent by volume of ethyl alcohol. This is also called dehydrated or anhydrous alcohol.
8. **Denatured Spirit** is rectified spirit rendered unfit for human consumption by the admixture of such toxic substances such as light caouotchoucine, pyridine, woodnaptha, formaldehyde, benzene, etc.
9. Alcohol means only Ethyl Alcohol(C₂H₅OH). However there are other forms of alcohol such as methyl alcohol, iso propyl alcohol, higher alcohol (such as amyl, propyl, iso-butyl etc.) Methyl alcohol is treated as methylated spirit and used for denaturation of spirit. Higher alcohols, aldehydes, furfural, fusil oil, etc., are by-products formed partly during fermentation and partly during distillation of spirits.

CHAPTER VI**FOREIGN LIQUOR**

1. The term “Foreign Liquor” is defined in the Abkari Act as all liquors other than country liquor. “Foreign liquor” means and includes all wines, spirits, beer, cider, fenny and other fermented liquors and rectified spirit including absolute alcohol intended to be used for the manufacture of liquors meant for human consumption imported into the state by sea or land or air, whether manufactured in India or outside.

Indian made foreign spirit means spirits manufactured and compounded in India and made in colour and flavour to resemble gin, whisky, rum, etc., imported from Foreign countries.

2. From the taxation point of view the main difference between country liquor and Foreign liquor is that (1) in the case of country liquor, Excise duty alone is levied (in the form of tree tax or Excise duty or countervailing duty) while in the case of Foreign liquor, gallonage fee is also levied (2) in the case of country liquor the right to vend is settled exclusively in sale while in the case of Foreign liquor the right is settled under a fixed fee system.
3. Government is vested with the powers to declare what is country liquor and what is Foreign liquor, in cases where there is a doubt as to the classification. Such a declaration may be for all purposes or for specific purposes. Thus cocobrandy, ie, distilled coconut toddy coloured and flavoured to resemble brandy is treated on a par with country spirit for the purpose of fixation of rate of duty. But for purposes of levy of gallonage fee, cocobrandy is treated as a Foreign liquor and gallonage fee is collected on it. Likewise cocobrandy is permitted to be sold only in Foreign Liquor taverns.
4. Rectified spirit as per the definition of foreign liquor rectified spirit is also termed as foreign liquor. But denatured spirit is not included in the term “Foreign liquors.” Rectified spirit is not allowed to be possessed by persons other than holders of licences. But officers of the State Government or of the Central Government need not obtain licenses for possession and use of rectified spirit for Government purpose. A license under rectified spirit rules are issued to individuals and institutions for possession and use for bonafide, scientific, medicinal and industrial purpose and for possession and sale of duty paid spirit.

Rectified spirit is used also for the manufacture of medicinal and toilet preparations.

5. The requirements of Foreign liquor in the State are met:
 - a) Partly by production in the distilleries in the State;

- b) Partly by import from other States within India;
 c) Partly by import from outside India. Hotels having 3 star and higher classification which hold FL.3 licence are permitted to import FMFL from customs bonded warehouse.

6. **Possession:-** The limit of personal possession of Foreign liquors is 13.5 litres. If Foreign liquor is to be possessed along with toddy, the total quantity of all kinds of liquors so possessed at a time shall not exceed 15 litres. So far as cocobrandy is concerned, the limit of personal possession is only 1 litre. No persons can possess Foreign liquor or cocobrandy in excess of these limits without a licence.

TABLE SHOWING NOTIFIED LIMIT FOR POSSESSION WITHOUT PERMIT			
No.	Liquor	Maximum Quantity	Order No.
1	Toddy	1.5	G.O.(P) No.97/2012/TD Dated 8/06/2012 of the Taxes (G) Department (SRO No. 410/2012)
2	IMFL	3	
3	Beer	3.5	
4	Wine	3.5	
5	FMFL	2.5	
6	Coco-Brandy	1	
Total		15	

7. **Transport:-** No one shall transport within the State liquor in excess of 15 litres without permit.

TABLE SHOWING NOTIFIED LIMIT FOR TRANSPORT WITHOUT PERMIT			
No.	Liquor	Maximum Quantity	Order No
1	Toddy	1.5	G.O.(P) No.97/2012/TD Dated 8/06/2012 of the Taxes (G) Department (SRO No.410/2012)
2	IMFL	3	
3	Beer	3.5	
4	Wine	3.5	
5	FMFL	2.5	
6	Coco-Brandy	1	
Total		15	

8. **Sale:-** All licences for sale of Foreign liquor are fixed fee licences. The details are given below:-

Description of Licence	Privilege extended to whom	Distance Rule	Licensing Authority	Licence Fee
FL1	Exclusively to KSBC and KSCCF	200 metres	Deputy Excise Commissioner	As fixed by Government from time to time
FL 3	Hotels having 3 star and above classifications.	200 Metres, 50 Metres for Hotels having 4 star and above standard.	Excise Commissioner (Under orders of Govt.)	
FL4	Clubs which cater solely to the requirements of Seamen and Marine Officers and which are working under the auspices and guidance of the Director General of Shipping	NA	Excise Commissioner (Under orders of Govt.)	
FL 4 A	Existing clubs which has completed 10 years of existence and registered as a society.	NA	Excise Commissioner (Under orders of Govt.)	
FL5	For the sale of medicated wines and similar preparations	NA	Excise Commissioner (Under orders of Govt.)	
FL6	When the circumstance does not allow the issue of licences of any of the other descriptions on such terms and conditions and for such periods as the Excise Commissioner may determine on each occasion	NA	Excise Commissioner	

FL7	Air Caterers and Flight Service Operators maintaining lounge bar in international and domestic Airports in the State	NA	Excise Commissioner	As fixed by Government from time to time
FL8	Canteens and Messes attached to Military Units	NA	Deputy Excise Commissioner	
FL8 A	Canteens and Messes attached to Central Police Unit.	NA	Deputy Excise Commissioner	
FL9	To KSBC for the Possession and supply of Foreign Liquor in wholesale to other FL licensees.	NA	Excise Commissioner	
FL10	For the possession and supply of Foreign liquor in wholesale by the Authorized distributors	NA	Excise Commissioner	
FL 11	Hotels having 3 star and above classifications Hotels and restaurants owned or run by KTDC. Hotels having 1 star and 2 star classification, restaurant approved by Ministry of Tourism , Government of India, restaurant classified by Tourism Department, Government of Kerala in Tourist Centres approved by Government in Taxes Department.	200 meters	Excise Commissioner (Under orders of Govt.)	
FL 12	Beer Retail Sale Outlet licence granted to KSCCF for sale of beer	NA	Excise Commissioner	

	in bottles without Permission for consumption in the Premises			
FL 13	License for sale of Pub-Beer for consumption in the premises. Granted to KSBC, KTDC, Joint sector hotels involving KTDC.	NA	Excise Commissioner (Under orders of Govt.)	

FL 1: The privilege of sale under this licence shall be granted exclusively to the Kerala State Beverages (Manufacturing & Marketing) Corporation Ltd. Kerala State Civil Supplies Corporation Ltd., and the Kerala State Co-operative Consumer's Federation Ltd., at the rate of such rental as may be fixed by the Commissioner of Excise with the approval of the Government. The number of FL1 shops to be allotted to the above said Corporations or Federation as the case may be decided by the Excise Commissioner on the basis of the capacity and availability of shops space with each of them. The licensee has to procure his supplies of Foreign Liquor only from such FL9 licensees in the State. The liquor sold under this licence shall not be allowed to consume in the premises and selling of foreign liquor to other licensees is prohibited. No such shops shall be located within 200 metres from any Educational Institution, Temple, Church, Mosque, Burial Ground, SC/ST Colonies. Liquor can be sold only in sealed bottles.

FL2: Foreign Liquor 2 retail (Tavern) licence. *This licence has been omitted with effect from 01/04/1994.*

FL3: Under this licence, consumption at the premises and sale other than in sealed bottles is permissible. But liquor has to be consumed within the approved room in the hotel, specifically approved by the Excise Commissioner for the purposes of consumption. No such licence shall be issued to hotels, if located within 200 metres from any educational institution, temple, church, mosque, burial ground or Scheduled Caste/Scheduled Tribe colony. However, the distance limit is reduced to 50 metres in the case of hotels having 4 star and above classifications. The licensee shall purchase his supplies of foreign liquor only from such FL9 licensees in the state as may be permitted by the Excise Commissioner.

The liquor may be sold and served to residents of the hotels in the rooms where they reside or in the restaurants wherein they partake food, if such hotels have restaurants exclusively for the use of families and others where no liquor shall be served.

FL3 licensee may serve liquor along with meals by the side of swimming pools and in the lawns and roof garden of the hotels if he obtains a special permit for the purpose from the Commissioner of Excise on payment of additional annual rental.

The holder of FL.3 licensee may also serve liquor in the banquet hall of the hotel premises during function conducted in that hall if he obtains a special permit for the purpose from the Commissioner of Excise on payment of additional annual rental. He may also be permitted to maintain more than one bar counter within the licensed bar room of the hotel with prior permission of Excise Commissioner on payment of additional annual fee.

The holder of an FL.3 licensee shall not maintain or operate counters in or in the premises of the hotels or in any area other than within the licensed bar room of the hotel. However, the licensee is permitted to manage services using service desks in such premises or areas with the prior permission of the Excise Commissioner on condition that liquor on current demand alone will be brought to the service desk. The liquor to the service desk shall be brought from the bar counter in the bar room and a true account of the quantity and other details of the liquor so brought to the service desks shall be properly entered in a separate register maintained for the purposes. No foreign liquor shall be stored and served in any room or place other than the rooms or places specifically permitted by the Excise Commissioner for the purpose as shown in the approved building plan of the hotel.

FL4 Club licence:- Licence in this form may be issued to clubs which cater solely to the requirements of Sea Men and Marine Officers and which are working under the auspices and guidance of the Director General of Shipping.

FL4 A- Club licence – Licence in Form FL4A is granted for the sale of Foreign Liquor to the members of the club and to their guests accompanying them. The club should fulfil certain conditions enumerated under rule 13(4A) of foreign liquor rules to get FL.4A license.

FL5-Licence for Medicated Wines:- This licence is issued for the sale of medicated wines and similar preparations containing 20% and upwards but not more than 42% of proof spirit

FL6-Special licences- This licence will be granted by the Excise Commissioner when the circumstances does not allow issue of license of any of the above description on such terms and conditions and for such period as Excise Commissioner may determines.

FL7 Airport Transit Lounge Licence:- Licence in this form can be issued to Air Caterers and Flight Service Operators maintaining lounge bar in domestic as well as International Terminals in the Airports in the State under the permission of the Commissioner of Customs.

FL8: FL8 License is granted for the possession, distribution and sale of foreign liquor in canteens or messes attached to military units. The privilege extends only for the possession sale and distribution of foreign liquor to the defence service personal and Ex-servicemen.

The scale now fixed is as follows:-

Entitled Personnel	Whisky, Brandy, Gin & Rum Units	Wines Units	Beer and Cider Units
Officers	10 Units	In lieu of items	1 Bottle liquor is equivalent to 4 bottles of Beer.
B.O.Ps	7 Units		
J.C.Os and equivalents, C.P.Os/P.Os, Navy, Senior N.C.Os., R.I.A.F.	5 Units	do	
Other ranks	5 Units	do	
Limits for senior officers:-			
Lieut. Generals	14 Units	do	
Major Generals	12 Units	do	
Brigadiers & equivalents And P.S.Os. and N.H.Q And Air Hqrs	12 Units	do	

The application for the licence must be from the Officer Commanding the unit for which the licence is required and in the application, the number of officers and men and their rank shall also be got indicated. The quantity that may be allowed to the unit shall be fixed with reference to this number. All the requirements shall be procured from the C.S.D alone on permits issued by the Deputy Excise Commissioner. The Deputy Excise Commissioner shall issue permits only on applications from the Officer Commanding.

FL8A: Licences for the possession, distribution or sale of foreign liquor in canteen or messes attached to officers of Central Police Unit. Licenses in form FL8A shall be issued by the Deputy Excise Commissioner and the issue of every such license shall immediately be reported to the Excise Commissioner.

FL9: FL9 licence is granted to KSBC for the possession and supply of foreign liquor in wholesale to FL1 licensees FL.3 hotel restaurant licensees FL.4 Club licensees, FL4A club licensees, FL.6 special licenses, FL.7 Airport Transit Lounge licensee, FL.11 Beer/wine parlour licensees and FL.12 Beer retail sale outlet licensees. License in form FL.9 is issued only to the Kerala State Beverages Corporation. The licensee under this licence shall procure duty paid IMFL from the distilleries, breweries, compounding, blending and bottling units and FL 10 licences operating in the State. They may also purchase confiscated FMFL from Central Customs subject to the condition that the liquor so purchased will be sold only to hotels having 3 star and above classification.

FL 10: License for possession and supply of foreign liquor in wholesale by the authorized distributors of the products of a distillery/ winery/ brewery/ compounding, blending and bottling unit operating in the State to other foreign liquor licences. The licensee shall distribute only the products of that distillery or winery or brewery or compounding, blending and bottling unit and shall sell only in bulk. Supply of liquor in any quantity less than one case at a time shall not be made. For a distillery or winery or brewery or compounding, blending and bottling unit operating in the State only one authorized distributors in the State shall be recognized for the purpose of grant of FL10 licence, on the recommendation, of the concerned distillery or winery or brewery or compounding blending and bottling unit. Only one FL10 licence shall be granted to the authorized distributor. The licence under this rule shall be subject to the condition that the licensees shall supply foreign liquor in wholesale only to the FL9 licensee in the State. Provided that this restriction shall not apply to the export of Foreign Liquor outside the State. At present no such license is granted.

FL11: Beer/Wine Parlour Licence in Form FL11 can be issued by the Excise Commissioner under orders of the Government to the hotels, motels, resorts and catering establishments owned and run by KTDC Ltd and to hotels having classification of three star, four star, five star and five star deluxe, heritage, heritage grand or heritage classic. FL11 licence shall also be granted to the restaurants classified by Department of Tourism, Government of Kerala, restaurants approved by Ministry of Tourism, Government of India, in tourist centre approved by the Government in Taxes Department. Distance limit is applicable to these licences.

FL12: Beer Retail sale outlet licence: Licence in this form shall be issued by the Excise Commissioner only to the Kerala State Co-operative Consumers Federation for sale of beer in bottles, without permission for consumption in the premises on such terms and conditions as may be prescribed by the Government from time to time. The licensee shall procure beer from FL9 licensee in the State.

FL 13: Pub Beer Parlour licence: licence in this form shall be issued by the Excise Commissioner exclusively to the Kerala State Beverages (Manufacturing & Marketing)

Corporation Limited and the Kerala Tourism Development Corporation Limited for running pub beer parlours in selected centres. This licence shall also be issued to joint sector Hotels involving the Kerala Tourism Development Corporation Limited. Pub Beer for the purpose is draught beer (before pasteurization) which is kept in dispenser at a temperature ranging from 0 degree centigrade to 4 degree centigrade and shall be used within 48 hours of manufacture.

9. Strength of Foreign liquors that can be marketed:- The minimum strength at which imported and Indian made foreign spirits can be sold are 35⁰ UP forgin and 25⁰ UP for other kind of spirits. The maximum strength at which beer shall be sold is 6% v/v and the alcoholic content of wine which shall be sold is 8% v/v to 15.5% v/v.

10. Particulars to be noted on the labels:- Label shall contain the following particulars: Brand and description of liquor with quantity and strength. Country of origin of the principal constituent of such liquor. Name of bottler and name of the place where it is bottled. Fact that compounding or blending, if any was done in India. Permitted colours and flavouring agent added. Brand Number, Batch Number. Date of manufacturing and MRP, statutory warning such as മദ്യപാനം ആരോഗ്യത്തിന് ഹാനികരം “മദ്യപിച്ച് വാഹനം ഓടിക്കുന്നത് ശിക്ഷാർഹമാണ്” “ALCOHOL CONSUMPTION IS INJURIOUS TO HEALTH” & “DRUNKEN DRIVING IS PUNISHABLE” is printed in English and Malayalam. The dimension of letter is not less than 0.3cm for 750 ml bottles and above and is not less than 0.2cm for all bottles below 750ml. If it is manufactured in Kerala and exported to places outside the State, NOT FOR SALE IN KERALA and when exported to places outside India “FOR EXPORT PURPOSE ONLY” shall be printed in red letters at the top of the label, each letter having a dimension of not less than 0.5 cm. If the liquor is imported from abroad but compounded in India, the fact should be clearly noted. In case where Indian made Foreign spirits are compounded with imported spirit, for the purposes of levy of duty the entire quantity of spirit will be taken as Indian made.

11.Obscuration:- It will not always be possible to know by the Hydrometer the correct alcoholic content of liquors which has been spiced. Sweetened or coloured or flavoured. This is due to obscuration. Obscuration means the difference caused by matter in solution (or suspension in a colloidal state) between the true strength of spirit and the apparent strength as indicated by the Hydrometer or other instruments used for recording alcoholic strength. All Foreign liquors including Indian made Foreign spirits will be obscured. This obscuration is caused by spicing, sweetening or colouring agent added to spirit. To avoid loss of duty to obscuration, colouring sweetening or flavouring agents required to be added either before re-distillation or after duty has been paid. In all cases where there is need for recording the correct strength of all Foreign liquors including Indian made, the process of distillation, or extract gravity or Immersion Refractometer method may be necessary and samples in such cases may be sent to the Chemical Examiner for test at the Laboratory.

12. Source of Supply:- The licensee under Foreign Liquor Rules except FL.8 and FL.8A shall procure his supplies of foreign liquor only from such FL9 licensees in the State as may be permitted by the Excise Commissioner. However FL3 hotels having not less than 3 Star standard may purchase Foreign Made Foreign Liquor from Central Customs on the strength of a permit obtained from the Excise Commissioner in this regard on payment of an annual additional rental as prescribed from time to time. But the holders of licences in Form FL8 can get their requirements only from the canteen Stores Depot. Some distilleries in the State or outside may have contract for supplies to the C.S.D. The Units or Canteens cannot be allowed to draw their requirements from such distilleries, if it is on concessional rate of duty or free of duty. All supplies intended for the Defence Service Canteens and messes at concessional rates or free of duty can be allowed to be got down only from C.S.D. Only in respect of supplies got down direct from the C.S.D, can the concessional rate of duty or exemption from duty be allowed. If a mess or canteen holding a licence in form FL8 get their requirements from the open market or from a distillery in the State or from outside the State other than through C.S.D., they have to pay the full rate of duty. FL.8A licensee shall procure their requirement from their BW₁A license issued to Central Police Canteen.

13. Procedure for Purchases:- Purchases of liquor by a licensee from bonded warehouse from a distillery in the state shall be covered by a transport permit issued by the Circle Inspector of Excise in charge of the concerned FL9 Licence or Deputy Excise Commissioner KSBC as the case may be.

The Circle Inspector of Excise issuing the permit shall fix a reasonable period of currency and issue one copy of the permit to the applicant and send one copy to the Circle Inspector of Excise concerned from where the liquor is to be released. The time fixed shall not exceed the minimum time required for actual journey.

14. Revalidation of Permit: (1) In case the permit which remains unexecuted or became time barred while on transit/transport the same may be revalidated on the following ground.

(i) The request for revalidation shall be submitted to the Commissioner of Excise within a month from the date of expiry of the permit through the permit issuing authority.

(ii) A revalidation fee of Rs. 10,000/-(Rupees Ten Thousand Only) shall be remitted in favour of the Commissioner of Excise through the Deputy Excise Commissioner, concerned and

(iii) The reason for the non execution of permit shall be to the satisfaction of the Commissioner of Excise.

If the condition in sub rule (i) are not complied with, the import fee, Excise Duty and all other fees already paid in respect of the issued permit shall be forfeited to Government.

15. Changes in the rate of duty:- Where there is difference of duty of Excise or luxury tax as between two licence periods, such difference shall be collected in such manner as directed by the Excise Commissioner in respect of all stocks of Indian Made Foreign Liquor including beer held by the licensees at the close of the former period by the Circle Inspector in charge of the Circle or the Excise Officer in charge of such licensed premises as the case may be remitted to the Government Treasury. Under no circumstances the licensee shall be allowed to sell liquor without payment of difference of the tax under these rules.

16. When the period of a license granted under these rules expires and such license is not renewed for the next following financial year or when a license is cancelled and a notice of such cancellation is given to the licensee such person shall within 30 days from the date of expiry of the period of the license or from the receipt of such notice, as the case may be, sell the full stock of foreign liquor in his possession to any vendor who holds a license to sell such liquor. Should the owner of the foreign liquor fails to do so within the prescribed period, the Excise Inspector of the range within which the shop of such owner of the foreign liquor is situated, shall take into his custody, such foreign liquor and keep the same in his office. The owner of such foreign liquor shall be allowed a further period of 30 days for selling the same in one transaction to another licensed vendor of foreign liquor. The Excise Commissioner also has power to dispose the liquor kept in any premise in any manner as he deems fit in the event of any exigency warranting such action.

17. Transfer of licences:- Under no circumstances shall any licence obtained under this Act shall be sold, transferred or sub rented without the previous sanction of the Excise Commissioner. Fixed fee licence shall ordinarily be transferred from the name of one individual to another, after imposing fees prescribed by the Government from time to time. In case of death of the original licensee transfer may be allowed to the legal heirs of the deceased.

In the case of partnership each partner shall individually and collectively be responsible. No partnership will be granted with a license under these rules if any of the partners are Abkari defaulters or offenders under the Abkari Act 1 of 1077 or the NDPS Act 1985. No re-constitution of the partnership will be allowed if any of the partners is an Abkari defaulter or an offender under the Abkari Act 1 of 1077 or the NDPS Act 1985 or is disqualified under any of the provisions of these rules.

18. Export:- No export shall be allowed to any place outside Kerala except under a permit issued by the Deputy Excise Commissioner concerned. Foreign liquor may be exported from the State under permits issued by the Deputy Commissioner of Excise of the Division from which the liquor is mconsigned for export. A copy of such permit shall be sent by the Deputy Commissioner of Excise to the Excise Inspector in charge of the Range from which the export is permitted. No such permit shall be granted unless the exporter produces the written

permission of the Excise Authorities of the country or of the State of Import permitting such import. The Excise Commissioner may allow changes in the strength labelling and volume of bottles of Indian made foreign liquor to be exported from the state to another state or a foreign country as required by the importer in that State or the foreign country. Rum provisioned and moved for consumption by Defence Service personnel may during the period of emergency due to war be exported without obtaining permits from the Excise Officer of the District from which Rum is consigned for export. But such export shall be covered by a written permit for authorisation as laid down in the second proviso to Rule.9 foreign liquor rules.

19. Confiscations:- Confiscated foreign liquor shall be destroyed upto 500 Litres by the concerned Assistant Excise Commissioners, upto 1000 litres by the concerned Deputy Commissioners and above 1000 litres by the Excise Commissioner after obtaining the approval of disposal committee, in the presence of not less than two respectable witnesses from the locality and after preparation of proper mahasar.

20. .Accounts:- Every licensee shall maintain correct “account of daily transactions in liquor”. This register will be a combined one of daily receipts and issues. The receipts will be entered in red ink. All licensees shall maintain such forms, accounts, and registers as may be prescribed by the Excise Commissioner from time to time and shall also furnish such information as may be called for by the Excise Inspector in charge of the Ranges in which the shops are situated. A foreign liquor 1 licensee may instead of manually writing such accounts of the FL.1 shops allotted to him paste the computer print out of the day to day transaction of such shops signed in all pages by the licensee or a person duly authorised by him in the registers prescribed by the Commissioner of Excise.

21. Verification and Inspection:- The accounts of the licensee and the stock shall be inspected by the Inspector of the Range at least once in every month. The consignments are also to be verified by the Circle Inspector of Excise before it is released.

CHAPTER - VII**EXCISE DUTY – PROCEEDURE FOR LEVY**

1. A duty of Excise or countervailing duty and or luxury tax shall be levied in such manner as may be prescribed on liquors.
 - a) Permitted to be imported U/s 6 Abkari Act
 - b) Manufactured under any license granted U/s.12 or
 - c) Manufacture at any distillery, brewery, winery or other manufactory. No duty or gallanage fee or vend fee or other taxes shall be levied on rectified spirit including absolute alcohol which is not intended to be used for the manufacture of potable liquor meant for human consumption.
2. The convention followed in regard to taxation of liquors is that “duty follows consumption”. This convention applies in the case of liquors moved from one State to another. Thus, in respect of liquors manufactured, say, in Tamilnadu but exported to Kerala, duty is levied only in Kerala but not in Tamilnadu.

When liquor is exported its consumption takes place in another State. In that State, duty according to their statute is levied. If Duty is collected in the Exporting State as well as in the importing State, it will amount to double taxation. Therefore Duty is not imposed when liquor is exported. As it has to be ensured that the liquor exported reach the importing State, a bond under Section 17 of the Kerala Abkari Act is got executed by the exporter. If liquor exported does not reach the importing State satisfying the conditions of export, the exporting State is empowered under Section 17, to levy the Excise Duty.

3. In 2007, in accordance with the Principle of National Treatment, the Central Government informed the Sates that the States are free to levy Excise Duty, Excise Tax, Excise Fee etc, on wines and spirits imported from abroad, but such duties, taxes, fee etc should not exceed the rates of similarly placed domestically produced liquors. Hence, duty and countervailing Duty will always be the same.
4. Excise Duty on liquors manufactured in Kerala issued for consumption within the States - Indian Made Foreign Liquors:-Excise Duty is collected at the point of release on all Indian Made Foreign Liquors released from distillery or Compounding and Blending unit within the State for consumption within the State. This duty is collected

from the manufacturer by the Deputy Commissioner of Excise KSBC(HQ), before releasing the consignment. The Kerala State Beverages Corporation (KSBC) was established on 23rd February 1984. Foreign Liquor retail shops and IMFL Warehouses in different Districts are sanctioned by Government according to the liquor policy formulated every year.

The purchase procedure of the corporation is as follows. In every year the corporation invites offers from prospective Indian Made Foreign Liquor/Beer suppliers situated throughout the country by inviting tenders for entering into rate contract for sales and supply of “Indian Made Foreign Liquor/Beer” for the ensuing financial year (April to March). This is being done as per direction of the Government. From financial year 2001-2002 the offer was extended for supply of “Foreign Made Foreign Liquor” also.

The invitation to offer is advertised positively by February/every year in leading news papers. Notices are also sent individually to the existing suppliers in this regard. The offer document stipulate the conditions for supply the quality specifications, payment terms, general conditions to be complied etc. The offers have also to submit an earnest money deposit of ₹ 10,00,000/- each for FMFL/IMFL/Beer for a value of business upto 15,000 cases and shall progressively increase by ₹1,00,000/- upto addition of every 15,000 cases transacted. The maximum security deposit is ₹ 75,00,000/-. The documents received within the stipulated date are tabulated and presented to the Board of Directors. Suppliers who satisfy the conditions stipulated for supply are accepted by the Board. The list of suppliers, so approved shall form the suppliers rolls of the corporation for the ensuing financial year.

The rate contract agreement for supply of liquor is not a competitive tender. Each supplier has definite brands. Only the approved supplier who owns the brand can supply the respective brands to the corporation. As per the provision in the rate contract agreement the Board of Directors of the corporation is empowered to fix the supply prices. Accordingly the Board of Directors fixes the supply prices at the time of finalization of the rate contract agreement. Which will be firm during the rate contract period.

The corporation has however fixed a minimum price of ₹ 235/- for a case of “Indian Made Foreign Liquor”. This is done on consideration of cost analysis of various elements that constitute cost and thereby the minimum price at which supply could be made is arrived at. The quality of FMFL and IMFL and BEER supplied confirm to the standards indicated in the offer condition. This has been fixed in

consultation with the chief Chemical Examiner to the Government of Kerala. The Chemical Examination Certificate and a certificate showing that ENA has been used in production is to be sent to the corporation against dispatch of each batch of IMFL/ Beer. The corporation also reserves the right to periodically subject the samples for Chemical Examination and the expenses incurred by the corporation for such Chemical Examination will have to be borne by the supplier.

Government have issued guidelines to place orders by and large only on replacement or replenishment basis. Accordingly purchase of IMFL and Beer are based on the average monthly sales of the respective supplier. The average is of the previous three month sales. The average monthly sales are reviewed every month and a re-order quantity based on the requirement is placed. The re-order quantity is normally 30 days, 40 days, 45 days requirement as the case may be.

5. Excise Duty on Rectified Spirit:-

No duty is levied on Rectified Spirit taken for Central and State Government purposes. As per Rule 14(3) of the Kerala Rectified Spirit Rules 1972, no duty or gallonage fee need be collected for spirit issued to Universities and Institutions that are engaged in research and are recognized by the Education or Science & Technology Department of the Government. No duty to be levied on Rectified Spirit imported or purchased as per Rectified Spirit Rules for use in the manufacture of M&TP preparations.

6. Import from outside the state:-

No foreign liquor shall be imported into the state except under a permit issued by the officer – in- charge of the Division to which the liquor is to be imported. Such permits will be granted only on proof of payment of the excise duty if any payable to this State, except where some special arrangements exist between the State of Travancore Cochin and the State from which the import is made for the collection of such duty. The same procedure shall apply in regard to the clearance and transport of foreign liquor from a customs area as defined in the Customs Act, 1962 (Central Act 52 of 1962) by any licensee in Kerala State. No permit shall be issued for removal from the customs area except to the holder of licenses in Forms FL.1 or FL9 and unless the bill of entry or the clearance certificate showing the alcohol contents either issued by the distillery or by Customs Laboratory concerned is produced before the Deputy Commissioner of Excise. The foreign liquor so imported shall be taken to stock by the licensee only after verification by the Excise Inspector in charge of the range having jurisdiction over the area of destination.

Bonafide travelers coming from abroad to the State of Kerala with valid travel documents may import without permit a quantity not exceeding one litre of any kind of Foreign Made Foreign Liquor legally procured by them for bonafide personal use.

Rum provisioned and moved for consumption by Defence Service Personal may, during the period of emergency due to war, be imported without permit from the Excise Authorities and without payment of duty. But, the consignment shall be covered by a written permit issued by the Senior Military Officer in charge specifying the destination, route and quantity. A copy of the authorization issued shall be sent simultaneously by the Senior Military Officer in charge to the Excise Officer of the district concerned.

KSBC may import Indian Made Foreign Liquor including beer on Excise Duty paid import permit issued by an Excise Officer not below the rank of a Deputy Commissioner of Excise posted in the head office of the Kerala State Beverages (Manufacturing & Marketing) Corporation.

The KSBC Ltd may purchase confiscated Foreign Made Foreign Liquor from Central Customs and sell it to such of those hotels possessing bar license.

Foreign liquor may be exported from the State under permits issued by the Deputy Commissioner of Excise of the Division from which the liquor is consigned for export. A copy of such permit shall be sent by the Deputy Commissioner of Excise to the Excise Inspector in charge of the Range from which the the export is permitted. No such permits shall be granted unless the exporter produces the written permission of the Excise authorities of the country of State of import permitting such import.

The Excise Commissioner may allow changes in the strength, labeling and volume of bottles of Indian Made Foreign Liquor to be exported from the State to another State or a Foreign Country as required by the importer in that State or the Foreign Country.

Rum provisioned and moved for consumption by Defence Service Personnel may, during the period of emergency due to war be exported without obtaining permit from the Excise Officer of the district from which rum is consigned for export. But such exports shall be covered by a written permit (Authorisation) as laid down in the second proviso to rule 9 of FL Rules.

7. Duty on Liquors Exported :-

No liquor shall be permitted to be exported, unless the duties, taxes, fees and such other sums as are due to the Government under the Abkari Act, in respect of such liquor has been paid, or a Bond for such payment on its exportation or re-exportation has been executed. Kerala does not export spirit or ENA but IMFL only. The IMFL under export should not, while in transit be diverted for use within the State of Kerala. It should reach the importing state and a certificate proving its arrival should be produced by the importer from the importing Excise Authorities. This certificate is called Excise Verification Certificate or EVC. The name EVC is also given to such certificates that represent report of verification of consignments imported, transported and transited. In the case of Export, based on the recommendations of Public Accounts Committee in their 59th Report. Board of Revenue (Excise) Thiruvananthapuram has issued a circular directing that, if EVC is not received within a period of 42 days from the date of its dispatch, duty is to be realized at the prevailing rate on the IMFL on all quantities un-accounted for. If export has been effected but EVC shows shortage duty for such short quantity, excluding allowable export wastage also shall be realized. There is no wastage for bottled liquor.

“Duty follows consumption” is the general rule with regard to levying Duty. When liquor is exported, its consumption takes place in another State. In that State, Duty according to their statute is levied. If Duty is collected in the Exporting State as well as in the importing State, it will amount to double taxation. Therefore, Duty is not imposed when liquor is exported.

8. Excise Duty on Beer:-

Duty on beer is calculated on bulk quantity not with reference to alcohol content. Duty on Beer is levied in the form of Luxury Tax. It is based on the bulk quantity calculated in Bulk Litres. It is now Rs. 5 per Bulk Litre. As per rule 20 of Part -1 of Brewery Rules, duty on Beer shall be remitted within 10 days of the receipt of the advice as to the amount due. In calculating the limit of 10 days, the date of service of duty-Demand –Notice and the date of payment of duty shall be excluded. Interest at 18% per annum shall be charged on all amounts not paid within the prescribed time. If duty is not paid within the grace period, interest has to be collected from the next day of service of notice to the date prior to the date of payment of duty. Interest collected for the period after taking allowance of 10 days is not maintainable.

9. Excise Duty on Wine:-

In the case of Wines, the alcoholic content may widely vary more so in the case of fortified Wines. It will not be possible to lay down a uniform standard for the alcoholic content. In the case of Mass Wine, duty is levied based on the bulk quantity calculated in bulk liters. But in the case medicated wine, duty is levied based on the alcohol content calculated in Proof litres. Present duty on Mass Wine is at ` 3 per Bulk Litre and Medicated Wine is at ` 3 per Proof Litre.

10. Tree Tax:-

The tree tax is also an Excise Duty, that is the duty levied in the form of tax on the trees tapped for toddy.

CHAPTER VIII**GALLONAGE FEE AND VENDING FEE**

1. Gallonage fee differs from Excise duty in the following essential aspects:-
 - a) The gallonage fee is levied on all kinds of liquors.
 - b) Excise duty is levied at the point of manufacture or import into Kerala while gallonage fee is levied ordinarily at the last point of sale.
 - c) Excise duty is levied at the rate fixed with reference to alcohol content of the liquor except in the case of beer, wine and sacramental wine whereas gallonage fee is levied with reference to the bulk quantity of Liquor. Gallonage Fee has no relation to the alcohol content of liquors.

Gallonage Fee is a Fee Levied with reference to the bulk quantity sold. Since liquor in bulk was formerly measured in gallons, the terms got its stand as Gallonage Fee. Gallonage Fee is not charged on medicinal & Toilet preparations and on Narcotic Drugs and Psychotropic substances. It is charged on liquor only. Liquor items subject to Gallonage Fee are Rectified Spirit from distillery and IMFL sold from FL9 shops. At the close of each Abkari year, Gallonage Fee on IMFL is collected from FL9. In the case of FMFL no Gallonage Fee is collected, since there is no sale outlet for FMFL in the State at Present.

While other fees are levied at the commencement of the privilege period, Gallonage Fee is levied at the end of the privilege period except in the case of Rectified Spirit. When the privilege ends, the whole quantity sold out during the privilege period is computed in Bulk Litres and Gallonage fee due thereon realized. In the case of Rectified Spirit, it is realized at the time of release of spirit to the consumer. In the Abkari Policy for 2010-2011, which was notified vide G.O(MS)No.55/2010/TD dated 5th March, 2010, the Government decided to extend the period of payment of Galloage Fee up to 10th May of every year in the case of FL9, and to exclude godown breakage of liquor from the purview of sale of liquor.

VENDING FEE

Vending Fee is another fee levied with reference to the bulk litre, as in the case of Galloange Fee. It is levied on the quantity sold, hence the name, Vending Fee is charged on Denatured Spirit and methylated Spirit only. No Vending Fee is charged on medicinal & Toilet preparations and on Narcotic Drugs and Psychotropic substances. Vending fee is collected at the point of issue from a distillery or at the time of import.

CHAPTER - IX**FOREIGN LIQUOR BONDED WAREHOUSE**

1. Bonded Warehouses in Kerala were abolished as per GO(P) 39/94/TD dated 22.3.1994 except Canteen Store Department Kochi .Bonded Warehouse means a warehouse to store foreign liquor in bond . BW 1(A) licence issued by the Excise Commissioner to store foreign liquor in bond. The Bonded Warehouse licensee is allowed to import Foreign liquor without payment of duty and to store in the Bonded Warehouse which is under the joint custody of the licensee and the Excise Officer in charge. Duty is collected from the Bonded Warehouses not at the time of import but when the liquor is actually released from the Bonded Warehouse. No import of liquor into a Bonded Warehouse shall be permissible except under a permit issued by the officer in charge of the Institution. Wastage of 0.5% in transit is allowed, but no wastage in storage shall be allowed. This wastage in transit shall be reckoned with reference to each case or cask in a consignment.

2. The Bonded Warehouse licence can issue liquor only to FL8 and FL 8A licensees. No export out of Kerala from the Bonded Warehouse is permissible. No issues whatever shall be permitted from the Bonded Warehouse except under a permit, issued by the officer in charge of the Warehouse and except on payment of duty. All release of liquor from the Bonded Warehouse shall be only against permits issued by the officer in charge of the institution. The Officer in charge of the Bonded Warehouse will verify and release the consignments reached in the Bonded Warehouse and issue an EVC to the concerned distillery. The FL 8 licensees will submit an application before the Officer in charge of the institution for receiving the IMFL from bond through the Circle Inspector of Excise in which the FL 8 licence is situated. The officer in charge of the institution will issue a transport permit after remitting the Excise duty. When the consignment reached in the destination, the concerned Circle Inspector of Excise will verify and release the consignment for sale in the FL 8 Institution and issue an EVC to the Officer in charge of the Bonded Warehouse.

How to obtain a BW1(A) Licence

1. The CSD and CPC authorities who desire to store Foreign liquor in Bond, shall submit an application for a licence in that behalf to the Commissioner of Excise through the concerned officer in charge of Excise Division as per the Foreign Liquor (storage in bond) Rule 1961.
2. The Commissioner of Excise may appoint such staff at the Bonded Warehouse for supervision.
3. The Licensee shall pay the cost of establishment of Excise staff employed in the warehouse/office including allowances, leave salary and pension contribution in advance, on the first working day of every month as per countersigned chellan obtained from the Officer of the Institution. The rate at which the cost of

establishment is to be paid by the licensee shall be fixed by the Commissioner from time to time and intimated to the licensee in writing. The licensee shall be bound to pay the cost of establishment of the staff employed for supervision of the transactions in the Warehouse. The strength of the staff shall ordinarily be one Deputy Commissioner of Excise, one Preventive Officer and one Civil Excise Officer or fixed by the Government from time to time. The cost of establishment will be average cost worked out according to the formulae in Rule 12 (35) Part I of the K.S.R together with Dearness Pay, Dearness Allowance and other allowances admissible on the average cost and uniform allowance. The licensee should also pay the leave salary and pension contribution at $\frac{1}{4}$ of the total average cost plus Dearness Pay and Personal Pay and Special Pay of the posts sanctioned. The staff should also be provided with quarters adjacent to the Bonded Warehouse. The quarters should be approved by the Commissioner of Excise and be such as is suitable for the occupation of Excise Supervisory Staff with their dignity and status. The licensee can recover 10% of the pay of the staff towards rent.

The cost of establishment including leave salary and pension contribution shall be remitted before the 5th of each month in advance. If the licensee fails to remit the cost on the first working day of every month, interest at the rate of eighteen percent – per annum shall be charged and from the 20th day of the month, penal interest at the rate of two and half percent per annum shall also be charged. If the licensee fails to remit the cost on the first working day of the succeeding month, he shall be served with a notice requiring him to remit the amount within a specified period and directing to show cause why the staff should not be withdrawn for the default in remitting the amount before the expiry of the said period. If the licensee fails to remit the Cost of establishment within the time stipulated in the notice, the officer in-charge of the institution shall address the Commissionerate of Excise and get sanction for the withdrawal of the staff. The licensee shall be liable to pay the arrears of differential cost of establishment, if the rates of pay and allowances are received by the Government retrospectively.

4. In the case of Foreign Liquor delayed in transit, the stock shall not be released to the Bonded Warehouse. The Excise authority will issue a letter to the Canteen Stores Department authorities in this regard and the Canteen Stores Department authorities shall submit an application to the Commissioner of Excise through the officer in charge of the institution for revalidating the tenure of the permit. The Commissioner of Excise may issue an order for revalidating the tenure of the permit. After receipt of the order from the Commissioner of Excise, the Excise authorities of the institution will issue a chellan of ₹ 10,000/- or an amount fixed by the Government in time to time. The Excise authorities of the institution shall release the consignment for sale after remitting the above fine.

CHAPTER-X**TODDY****INTRODUCTION**

1. The trees commonly tapped in Kerala are the Palmyra, the Coconut palm and the Sago palm (Choondapana). In other parts of India, date palms and less commonly, brab bastard sago, the doodasal, dhani and nipapalm are also being tapped.
2. Among the three types of trees tapped in Kerala, Palmyra tapping is mostly seasonal. These trees are tapped mostly during October to May. The yield is maximum during November, December and January. A limited number of Choondapana are tapped in some areas during the off season also. Coconuts and sagos are tapped throughout the year. But the period during which the same tree can be tapped may vary with reference to the soil, the type, health, age of the trees, etc. Ordinarily, the same sago tree may be tapped for 4 or 5 months in a year while the same coconut tree is tapped continuously for years. But generally, a coconut tree is tapped only for a period of six months and given a rest for next six months. The assumption being that if a coconut tree is allowed to be tapped for six months and then given a rest for the next six months, the health of the tree and the yield of toddy or coconuts would be subsequently better.
3. The preparation of spathes for tapping may take some time. In the case of sago, it may go up to 21 days, coconut 15 days and Palmyra 5 days.
4. The toddy yield from each kind of tree and the alcoholic strength of toddy varies according to the season of the year, the time during which it is drawn and other attendant circumstances. The daily average yield of Toddy for Excise Departmental purposes may be taken as 1½ litres per coconut tree, 4 ½ litres per Palmyra tree and 6 ¾ litres per sago tree.
5. Toddy is claimed to be having considerable nutritive value and is rich in sugars and vitamins. It is also claimed that "Toddy improves the quality of blood and supplies the necessary vitamins for all the organs, nerves and tissues of the body. It is a good diuretic and has been utilised effectively in cases of Lithasis, occasional diseases such as silicosis and pneumoconiosis which is a fibrosis of the lungs caused by the inhalation of siliceous particles of dust or grit". It can be consumed in reasonable amounts without harm to the system.
6. The chemical composition of toddy varies with the kind of tree tapped, the season, the stage of fermentation, etc. However, for an idea of the chemical composition, the following details from a published literature may be of some help.

Specific gravity	..	1.07
P.H..6.75	..	6.75
Nitrogen	..	0.059
Protein	..	0.365
Total sugars %	..	11.01
Reducing sugars %	..	0.97
Ash (Minerals) %	..	0.54
Calcium	..	Traces
Phosphorous	..	0.16
Iron (mg.) %	..	0.0369
Riboflavin mg. /100 ml.	..	0.01
Vitamin B mg./100 ml	..	13.30
Vitamin C mg./100 ml.	..	9.46
Total acidity	..	8.70

The calorific values of toddy in comparison to beer and milk have been given in some literatures as below:-

(1) Neera	..	58
(2) Toddy	..	45
(3) Beer 4 %	..	55
(4) Milk	..	66

As already stated these figures are not absolute and may vary, with the different kind of trees; season, etc.

7. Alcoholic fermentation of toddy which is self generated by the action of wild yeasts, starts in the collecting pot itself and this continues for a limited period - say a maximum period of 3 days. Subsequent to this, bacterial (acetic) fermentation starts, bringing down the alcohol content. The bacteria and pseudo yeasts are responsible for the rather strong smell of toddy and the acid formation. If toddy is left over a period of time, (without even any other foreign matter being added to it), alcohol content comes down and acetic acid is formed and this is the method adopted for the manufacture of vinegar (Acetic acid) in many parts of Kerala.

As per G.O. (P) No. 25/2007/TD Dated: 14.2.2007 published as S.R.O No. 145/2007; the Government based on scientific studies and Indian Standard Specifications in IS 8538:2004, notified that fermented toddy tapped, stored, transported or offered for sale shall conform to the following specifications and comply to the following restrictions, namely:-

- a) The ethyl alcohol content of coconut toddy shall not exceed 8.1 %v/v, of Palmyra toddy 5.2 %v/v and Sago toddy 5.9 %v/v by volume.
- b) Toddy shall be un-pasteurized and natural and shall possess the characteristic flavour derived from the sap and fermentation, without addition of any extraneous alcohol.
- c) If the ethyl alcohol content of toddy exceeds the limit prescribed above, it will be deemed that extraneous alcohol has been added to such toddy to increase its intoxicating quality or strength. For all purposes, such extraneous alcohol will be treated as a foreign ingredient.
- d) Toddy shall be free from any added colouring, flavouring, sweetening or other foreign matters; starch; chloral hydrate; paraldehyde; sedatives, tranquilizers and any other Narcotic Drugs or Psychotropic Substances; and any ingredients injurious to health. It shall be free from Escherichia coli also.
- e) Total acid as tartaric acid (expressed in terms of 100 litres of absolute alcohol) shall not exceed 400 grams.
- f) Volatile acid as acetic acid (expressed in terms of 1000 litres of absolute alcohol) shall not exceed 100 grams.

8. Quality of Toddy:-

It is also very difficult to determine the standards for quality of toddy and any values given may be only indicative. The usual values that may be examined in connection with a judgment of the quality of toddy are:-

(a) Total original solids (original gravity). In the case of coconut tree, the total original solids-immediately after toddy is drawn-may be taken as 17.0% to 20.1%. The gravity of solids in the toddy in the morning may be slightly higher than the toddy drawn in the afternoon, say by about 0.4%. Rainfalls lowers the gravity of toddy, say by about 0.5%. The original gravity of Palmyra toddy may be about 1044 and 1056.

(b) The final gravity of toddy:-In good quality fermented toddy, the solids lost by fermentation should not exceed 60 to 75%.

(c) Acidity of toddy (as a measure of noxiousness):-The average acidity found in fresh toddy is 0.29% in cold weather samples and may go up even to 0.67%.

(d) Percentage of non-sugar solids:- (as a measure of watering etc.) Fermented toddy contains on an average 2.76% by weight of non-sugar solids.

Some of the suggestions to improve the quality of toddy are:-

- (1) Use clean and previously steamed collection pots
- (2) Inducing alcoholic fermentation by adding a good strain of yeast
- (3) Collection of toddy at low temperature
- (4) After completion of fermentation, pouring it into a clean pot, pasteurising the filtered sample to avoid subsequent spoiling. But many of these suggestions may not be practicable.

9. The salient provisions of the Act relating to toddy:-

(i) Under section 3 (8) of the Abkari Act, "toddy" has been defined as "fermented or unfermented juice drawn from a coconut, Palmyra, date or any other kind of palm tree". Thus, Sweet toddy or Neera also comes within the definition of the word "Toddy".

(ii) Under section 3 (10) of the Abkari Act, Toddy has been included in the definition of the liquor and therefore any references to liquor in the Act will cover toddy also, unless otherwise mentioned.

(iii) Under section 3 (22) of Abkari Act, the word 'Tap' has been defined as to mean "to prepare or manipulate the spathe or other part of any toddy producing tree with the object of extracting toddy therefrom. The attaching of pots is not necessary to constitute the Act". Thus, for

constituting an offence under section 55 (d) it is not necessary that pots should have been attached to trees or that toddy should have started yielding.

(iv) Section 12 (1) lays down that "No toddy producing tree shall be tapped; no toddy shall be drawn from any tree" except under the authority and subject to the terms and conditions of a licence granted by the Commissioner in that behalf. Though the same section lays down that no person shall use or keep or have in possession any materials, still, utensil, implement or apparatus whatsoever for the purpose of manufacturing any liquor, toddy is excepted from this. Thus, possession of materials, utensils, implements for manufacture of toddy, 'perse' is not prohibited.

The proviso of the same section says that "The Government may by a notification direct that in any local area it shall not be necessary to take out licences for the manufacture of liquor for bonafide home consumption". Under this proviso, Government have powers to dispense with licences for tapping of trees for personal consumption of toddy, in any particular area.

(v) Under section 13, no person not being a licensed manufacturer or vendor of liquor shall have in his possession any quantity of liquor in excess of such quantity as the Government may from time to time, prescribe by notification, either generally or specially with regard to persons, places or time in respect of any specified description or kind of liquor unless under a licence granted by the Commissioner in this behalf. Under this section, the limit of possession of toddy has been fixed as 1.5 litres.

Proviso to section 13 of the Act, lays down that no fee shall be charged for any licence granted for possession of liquor for bona-fide private consumption or use. In view of this proviso and as the word "Liquor" includes "Toddy", the Government cannot levy any fee for licences for possession of liquors including toddy if such possession is only for private consumption.

(vi) Section 15 of the Act provides that, no liquor or intoxicating drug shall be sold without a licence but in the case of toddy it is provided "that a person having the right of drawing toddy from a tree may sell the same without a licence to a person licensed for manufacture or sale of toddy under the Act". This enables a licensed tapper to sell toddy to a licensed shopkeeper.

Proviso to section 15 lays down that the Government can declare that all or any of the provisions of the Act shall not apply to any local area to trees tapped, or to toddy drawn under such conditions as the Government may prescribe.

Under this proviso the Government can dispense with licences for the sale of sweet toddy and the Government can lay down the procedure for drawing such toddy. e.g., that toddy shall be drawn only in pots internally coated with lime.

(vii) Section 17 provides that duty of Excise or luxury tax may be levied on liquor (which includes toddy) manufactured or transported or sold in the State or imported into the State or exported from the State and the procedure for such levy on toddy is laid down in section 18 which says that such duty of excise may be levied "in the case of toddy or spirit manufactured from toddy in the form of tax on each trees from which toddy is drawn to be paid in such instalments and for such period as the Government may direct". The maximum rate at which the excise duty in the form of tree tax may be levied is prescribed in section 18 (2) which says that duty of excise in the form of tax for the tree tapped for toddy shall not exceed ₹ 50 per tree per half year or part thereof.

(viii) Section 18 (A) lays down that when the Government grants any person the exclusive or other privilege of manufacture, supply or sale by wholesale or retail, the Government shall have power to direct the provisions of section 12 relating to toddy and toddy producing trees does not apply. This section enables the Government to dispense with licences for manufacture of toddy, if the occasion so demands.

According to section 19, the Government may by notification direct that the licence required under section 12 shall be granted only on the production by the persons applying for it of the written consent of the owner, or persons in possession of such trees to the licence being granted to such persons so applying for it and when such notifications has been issued, such taxes shall in default of payment by the licensee be recoverable from the owner or other persons in possession who has so consented. When the trees are tapped without licenses the tax due shall be recoverable primarily from the tapper or in default by him, from the occupier of the land, or if the land is not occupied, from the person, if any, who owns or is in possession of the trees unless he proves that trees were tapped without his consent. The tree-tax rules in force covers the notification contemplated under this section.

This section points to the extreme necessity of insisting on the consent of the owner of the trees, which is provided for in the T T. application. Tree tax can be realised from the tree-owner or person in possession of the trees. There is no objection in initiating action against the tree-owner, for recovery of tree tax. It may also be noted that under the tree-tax notification, no one shall tamper with the spathes, nor remove pots, or erase the marking on trees. Therefore,

one of the effects of this rule is that the tree-owner cannot escape his responsibility by obliterating evidences by tampering with the spathes or pots.

(ix) Section 21 covers cases where toddy revenue is farmed out and reads. "If the exclusive privilege of manufacturing toddy has been farmed out; the Government may declare that the written permission of the grantee to draw toddy shall have, within the area to which the privilege extends, the same force and effect as a licence from the Commissioner for that purpose under section 12". Thus a farmer can issue licences which is as valid as a licence issued by the Deputy Excise Commissioner or Commissioner. But the system of farming is now not in force and this section is not of much consequence.

(x) The rule making powers of the Government are spelled out in section 29 (2). According to this, the Government may make rules,

Regulating the mode in which toddy may be supplied to licensed vendors of the same or to persons who distil spirits from it or who use it in manufacture of bread.

(xi) Section 55 lays down that "whoever in contravention of the Act or Rules under this Act or of any licence or permit obtained under the Act..... taps or causes to be tapped any toddy producing tree" or "draws or causes to be drawn toddy from any tree" shall be liable to imprisonment for a term which may extend to one year or with fine which may extend to ` 10,000/- or with both.

Unlike in the case of other offences, there is no minimum penalty prescribed in regard to tapping of toddy and there is also no enhanced penalty for subsequent offence.

(xii) Section 64 relating to presumption as to commission of offence exempts toddy. Thus the possession of materials used for manufacture of toddy which a person is unable to account satisfactorily shall not be sufficient to enter a presumption that an offence has been committed unlike in the case of other liquors.

(xiii) But under section 65 (relating to confiscation) if an offence relating to toddy has been committed or trees tapped illicitly, toddy utensils, implements or apparatus shall be liable to confiscation.

10. Licensing of trees, tree-marking and collection of tree-tax. Tapping of trees allowed only after marking and exceptions:-

No palm tree can be tapped for the purpose of producing toddy, whether fermented or unfermented without obtaining a licence. On the issue of the licence the tree is given a distinguishing mark. The tapping of unmarked tree is an offence.

But if there is to be administrative delay in marking, The Deputy Excise Commissioner may issue a written permission to the licensee to draw the toddy to cover the period till the tree is marked and this permission will be valid for three weeks.

But preparation of spathes for tapping is permitted without a formal licence, provided the tax has been remitted and the application for licence is produced before the Inspector.

11. Shops and Supply:-

The right of sale of toddy in retail, in toddy shops is conducted in Groupwise or Rangewise or Talukwise as the Government may decide from time to time. The auctioning system was dispensed with effect from 31.3.2001 and toddy shops are being disposed in sale for a rental fixed by the Government. The right for sale of toddy carries with it (unlike in the case of foreign Liquor), the right of manufacture of toddy. The purchasers of the right must obtain formal licenses for sale also and the toddy required for sale may be drawn only from trees licensed and marked for the purpose. Licensees must make their own arrangements for procuring trees. (The procedure for the disposal of the shops or in negotiation and the grant of licences is detailed separately).

12. Import and Export of Toddy:-

Subject to the orders of the Government, the Commissioner of Excise may permit the import into the state or export from the State of the toddy. In the case of import, tree-tax in respect of the toddy so imported in to the State shall be got collected. Ordinarily, the procedure is that in respect of trees tapped in another State for shops of this State, the higher of the tree-tax rates in force in either of the State, is got collected to the credit of this State.

13. Licence to tap trees:-

Licences to tap trees for fermented toddy is issued on the application of licensee, who have purchased the right of vend for sale of toddy. The shop-keeper can apply for the licence either in the name of the licensee himself or a tapper to be indicated by the shop-keeper.

14. Tree-tax:-

(i) Before the commencement of each lease, the rates of tree tax are fixed by the Government, the general principle being that, as much as possible of the revenue from toddy (consisting mainly of shop rentals and tree-tax), should be collected in the form of tree-tax, care being taken that the rate of tax is not so high as to render it difficult to prevent illicit practices. The rates now in force are ₹50/- per sago and ₹30/- per coconut per half year and ₹15/- per Palmyra per year.

(ii) The tree tax shall be remitted in lump for every half year. Licences to tap trees are issued for coconut and sago in terms of each half year ending with 30th September and 31st March and

in the case of palmyrah in terms of the financial year ending with 31st March. No rebate on tree tax can be allowed on any ground.

TREE TAPPING LICENCES

15. Supply of Forms:-

Forms of applications for licences to tap trees will be supplied to Inspectors, for issue to persons desirous of applying for tree-tapping licences. Adequate number of forms will be kept by the Deputy Excise Commissioners also. The form will be supplied free of cost. Each purchaser of a shop should be given as many forms as he is likely to want and Inspectors should be required to have always with them a sufficient number for distribution to shop-keepers, who want them. Simple accounts should be kept of all forms issued showing the date of issue, the number issued and the persons to whom they are issued in order to check any wastage.

16. Remittance of tree-tax:-

Tree-tax should be remitted on Chalans countersigned by the Circle Inspector concerned where the shop is situated. The Chalans should show the number of the shop, the total number of trees for which tax is paid, and the half year to which it pertains.

17. Preparation of Forms of applications:-

The applicants should be asked to fill up the form in duplicate and to present them before the Excise Circle Inspector concerned with the Treasury receipt for the amount of tax or the instalment thereof as the case may be. On every tree-tapping application, the name and number of the toddy shop, etc. to which the toddy drawn is to be supplied should be noted boldly. It should also contain a declaration by the applicant as to whether he elects to transport his toddy once a day or twice with a request to prepare the transport permit accordingly. The application should also be attested by the owner of the tree in token of his having agreed to allow the trees to be tapped. The applications for T.T.Licences need not bear any court fee stamp.

18. Procedure by the Inspector on receipt of application:-

On receipt of the application (in duplicate) the Circle Inspector shall put his dated initial on the application and enter serially in the order of receipt, in the T.T. application register filling up simultaneously the prescribed columns of the application form. At the end of the day, the entries in the Register of T.T. applications must be closed with dated initials. The serial number of each application should be noted in the right hand corner of the application.

19. Selection of trees:-

(a) General:-As a general rule trees shall be allowed to be tapped only within the boundaries of the locality described in the scheduled area of the shop in the Sales Notification. But the Deputy Excise Commissioner may permit tapping outside the scheduled limits.

Trees may be allowed to be marked in poramboke areas (that is areas not included in the schedule of any shop) contiguous to the area of each shop, provided there is no protest from a neighbouring contractor. In cases of disputes, the prior orders of the Deputy Excise Commissioner should be obtained.

In the case of trees standing on Sarkarporambokes and reserved or unreserved forests, the permission of the authorities concerned should be produced with the applications.

There is no need to refuse the selection of trees by toddy shop-keepers only on the ground that the trees are far removed from the shop. If a shop-keeper can get tapping more cheaply done five or ten miles away from his shop, there is no reason why he should not be allowed to do-so, unless it is quite patent that some fraud is intended, or that there is a special bad motive on the part of the applicant. If no such motive can be established in the case of a shop-keeper, his application need not be refused.

But in any case toddy drawn from trees sanctioned even in distant localities should be transported in one lot with the permit covering it.

The trees to be allowed for each shop should be fixed by the Inspectors with reference to local requirements and also to the number of trees tapped in previous years. Additional trees can, of course, be sanctioned if the necessity therefore is satisfactorily proved.

(b) Inter-range tapping of Trees:-

In cases where a shop-keeper requires trees in a Range different from that in which the shop is located, the sanction of the Deputy Excise Commissioner must be obtained and for this the shop-keeper should apply to the Deputy Excise Commissioner of the Division with details of the trees required to be tapped in the other Range. This with the usual applications for tree-tapping licences must be presented to the Circle Inspector of Excise where the shop is situated with the Treasury receipt for the amount of tree tax. The Circle Inspector must submit the application for sanction of the Deputy Excise Commissioner after obtaining the remarks of the Circle Inspector after due verification. The usual application should be forwarded to the Circle Inspector in which the trees are situated with a certificate about the need for allowing the trees in another Range. The Circle Inspector of the area where trees are situated should forward the application to the Deputy Excise Commissioner with an additional certificate that there are sufficient numbers of trees for tapping.

The application for tree-tapping licences shall be forwarded to the Deputy Excise Commissioner, only after formal sanction is obtained from the Deputy Excise Commissioner in which the trees allowed to be marked.

But if in the immediate previous half years or in the corresponding half years of the previous year, such permission has been accorded, there is no need to obtain prior permission from the Deputy Excise Commissioner before applications for licences are forwarded to him.

(c) Inter-divisional tapping:-

Where a shop-keeper applies for tapping of trees in another Division, the Deputy Excise commissioner of the Division where the shop is situated should initiate action to get sanction for the requisite number of trees marked in another Division.

The requisition in such cases shall be forwarded by the Deputy Excise Commissioner of the Division in which shops are situated to the Deputy Excise Commissioner of the Divisions in which trees are situated and the latter shall enquire into and decide whether there is any objection in allowing tapping of the trees. If he sees no objection he may issue licences and order its marking after ensuring himself that the tree tax has been collected as per Rules. Where there is difference of opinion between the Deputy Excise Commissioners of the Division, where the shop is situated and where the trees are situated, such applications shall be forwarded to the Joint Commissioner of Excise for orders. Appeals against the decision of the Joint Commissioner of Excise shall lie with the Excise Commissioner.

20. Verification of T.T. applications:-

The entries in the application must be verified and corrections, if any, in them attested by the Circle Inspector. Before appending the certificate the officers must satisfy themselves that the applicant is entitled to get the licence applied for and in case of doubt, the Deputy Excise Commissioner's orders must first be obtained before certifying. The duplicate must be compared with the original applications and officers should see that all particulars required for the preparation of the licence and permits are given in the application. Information as to (1) whether an application is first or supplemental, (2) in the case of first applications whether the minimum number of trees is applied for, (3) if in one form the application is not for the minimum number whether separate applications have been received for trees in other Ranges, should be written across the top of the application.

Officers of the Department are prohibited from writing T.T. applications or petitions for parties; but there is no objection to give instructions to them as to how T.T. applications etc. are to be prepared.

21. Minimum number of trees to be applied for:-

The minimum number of trees to be applied for in the first application for a shop has been fixed in the tree-tax Rules as 50 coconut trees, or 100 Palmyra trees or 25 choondapana trees.

22. Stamp duty:-

Application for licences to tap trees are exempt from stamp duty except in the case of applications for trees by bakers or other persons.

23. Procedure by the Circle Inspectors on receipt of the T.T. applications:-

One copy of the T.T. application will be retained by the Inspector and the other copy is to be forwarded by Inspectors with necessary draft licence and permits to the Deputy Excise Commissioner's office within 24 hours of receipt of application. The Inspectors should, while forwarding the applications, offer his specific remarks as to whether the licences may be issued and whether the trees are in unobjectionable sites.

24. Action by Deputy Excise Commissioners:-

As soon as the T.T. applications are received in the Deputy Excise Commissioner's office, after payment of tree tax, the applications must be registered in the T.T. Application Register in the regular order of receipt giving a single series of consecutive numbers commencing and ending with the year.

If the Deputy Excise Commissioner after scrutiny, decides to grant the licence, the necessary entries shall be made in the Register of the tree-tapping licences, Range-war and the Treasury receipts cancelled. The Deputy Excise Commissioner will thereafter send the application form and the licences and permits to the Inspector of the Circle in which the trees to be tapped are situated, duly filling columns 22 to 26 of the application form. The Deputy Excise Commissioner must send back the application with licences within 5 days of receipt of the application. The Deputy Excise Commissioner must initial the entries in the Register and should not leave it to the Manager or any other subordinate. The applicant may be entrusted with the transmission of these papers to the Inspector, if needed, in order to save possible delay and he is willing to undertake this task.

25. Instructions for the preparation of tree-tapping licences:-

(1) Every licence must, like the tree-tapping application, bear on the face of it, the name and number of the toddy shop, etc. to which it is intended to supply the toddy. Licence should be granted only for such number of trees as may be efficiently tapped by one toddy drawer but the maximum shall not exceed 20 trees. Since every tapper is expected to always carry his licence, applicants should be instructed not to include in an application more trees than one can conveniently tap. Officers should note in the T.T. application the number of licences and permits actually required by each licensee and by doing this they will be guided by (i) the actual number of persons engaged, (ii) the position of the trees and their distance from one another and from the shop which they supply, (iii) whether the shop is able to support a full-

time tapper and (iv) Special considerations if any, arising from local conditions. The Deputy Excise Commissioner will use his discretion in adopting these recommendations and will issue regular licences and permits. But in no case, shall more licences than one be granted in the name of one person.

(2) Additional trees may be applied for at any time and if the licence is to be in the name of a person in whose name a licence has already been issued, either (i) the original licence and permit may be cancelled and a fresh licence and permit covering all the applications and trees may be issued or (ii) a supplemental licence and permit issued. In the latter case, a cross reference must be made in both the original licence and the supplemental licence. In the former case the fact of cancellation should be noted in the fresh licence and the fact of issue of a fresh licence noted in the cancelled one.

(3) Tree-tapping licences should not be issued for tapping trees which are not accessible both for marking and for subsequent inspection by Abkari Officers.

(4) The marking of trees in cemeteries, sacred groves, burial or cremation grounds or gardens in the immediate vicinity of places of public worship is prohibited.

26. Issue of transport permits:-

(1) No toddy drawn from the tree can be transported from the tree-foot without a transport permit. Such transport permits will be issued by the Deputy Excise Commissioner along with the T.T. licences. When more than one permit is applied for by a single licensee it will be the duty of the Deputy Excise Commissioner to see that the number applied for is necessary and to restrict such number and the quantity to be transported under each permit to reasonable requirements. It should always be noted in the permit whether the latter is current only once a day or twice, viz., once in the morning and once in the evening and for what hours in each case.

(2) Great care must be taken to see that the permits given to toddy drawers under the tree-tax system do not cover the transport of excessive quantities of toddy. As a rule, the quantity to be entered in a permit will be calculated at 1½ litres for each coconut, 4 ½ litres for each Palmyra and 6¾ litres for each Choondapana. Some trees may yield more while others will cease to yield after a few days. Whenever there is opportunity to do so, the yield of the trees should be carefully tested and the permits submitted for revision of quantity if necessary. Inspectors may give temporary permits in the place of those permits taken and submitted for revision. These should be recovered and sent to the Deputy Excise Commissioner when the revised permits are delivered to the parties.

(3) A reasonable time should be allowed in the permits for the transport of toddy from a thope / Chethuthottam to a shop taking into consideration the position of the trees, their distance from the shop which they supply and the time required for tapping. Deputy Excise Commissioners and Inspectors should carefully scrutinise the T.T. applications with a view to limit the time applied for to what is actually necessary in each case. The distance the toddy has to be transported should invariably be noted in the remarks column of the applications.

(4) The transport of toddy intended for different shops in one and the same receptacle has been prohibited. There is however no objection to the transport of toddy intended for different shops in one vehicle so long as the toddy belonging to each shop is in a separate receptacle and has been drawn only from the trees marked for that shop.

27. Action by Inspector on receipt of licences:-

On receipt of licences and permits, the Inspector will immediately enter details in the register of licences and permits and take action to mark the trees and to deliver the licences and permits.

28. Duplicate licences and permits:-

Duplicates of tree-tapping licences and transport permits, which have accidentally been lost or destroyed, may be issued by the Deputy Excise Commissioners on payment of the prescribed fees fixed in this regard.

29. Effect of cancellation of licences of toddy shops:-

When a shop licence is cancelled for any reason the tree-tapping licences automatically become void because the T.T. licences are issued on the application of the licensee. Tree-tax must be paid afresh by the new purchaser for any trees brought into yield by his predecessor which he may select for tapping.

The licences and permits can be cancelled or withdrawn on the application of the original applicant and the shop licensee but in so cancelling the licence or withdrawing it the effect thereof on the working of the shop should be examined carefully.

Whenever a licence is withdrawn or cancelled on the application of the licensee or for any other cause, the marks of the trees must carefully be obliterated.

TREE-MARKING

30. Pre-marking of trees (that is before issue of licences):-

Ordinarily no tree shall be marked without receipt of the licence from the Deputy Excise Commissioner. But, the Deputy Excise Commissioner may permit the marking of trees before

issue of licence on payment of the tax and production of the Treasury receipt and application, in anticipation of sanction by the Deputy Excise Commissioner.

The marking in such cases shall be done with reference to the duplicate copy of the application and the original will be forwarded to the Deputy Excise Commissioner for issue of regular licences and permits. In cases of dispute regarding the trees or objections from other contractors, the Inspector shall not mark the trees till licences and permits are received from the Deputy Excise Commissioner.

When such pre-marking is done in anticipation of sanction, the Inspector shall indicate the fact in the application forwarded to the Deputy Excise Commissioner and a temporary authorisation, which will be current for 20 days, will be issued by the Inspector showing the number and details of trees "permitted to tap". This authorisation will be recovered when original licences and permits are issued.

31. Marking in general:-

(1) In cases where the Deputy Excise Commissioner has not permitted marking before issue of licences, on receipt of the licence from the Deputy Excise Commissioner, the Circle Inspector shall, within 24 hours, issue a notice to the applicant to point out the trees intended to be marked. In case the applicant fail to do so after a reasonable time, the fees paid by him shall be liable to be forfeited at the discretion of the Excise Commissioner. The marking should ordinarily be done within 10 days. Though the rule lays down 3 weeks, it must be possible to complete the marking within 10 days as Preventive Officers are also competent to mark trees.

Circle Inspector shall be supplied with stencil plates, paint and paint-brushes for the purpose of marking trees. The colour of the paint will be as notified by the Excise Commissioner in the Official Gazette.

The trees pointed out to him by the applicant or licensee will be marked up to the total number of each kind specified in the licence. The mark will be in shape of a number, which will be consecutive for all the trees of each separate kind, viz., Coconut, Palmyra, Sago licensed to be tapped in each or year or half year, as the case may be, in each field. The number will be affixed in Arabic Numerals in oil paint.

In the case of trees which pay half-yearly fees, fresh marking is necessary for each half year.

Care must be taken to see that old marks on trees in a field in which trees are to be freshly marked are not obliterated, but are merely scored across by a straight line with the paint in use at the time. Where, however, application is made for marking a tree for a coming half year, the marks already on it need not be scored across until after the expiry of the period to which they relate. In cases where, owing to a multiplicity of old numbers, there is absolutely no space on a tree for a fresh number, the oldest number should be obliterated and the new

number marked thereon. A mixture of equal parts of dhoby's earth and quick-lime in water applied with a rag softens the paint so that it can easily be washed off.

The figures should not be less than 7.5 cm. in height and should ordinarily be affixed to the side of the tree facing the road or the path by which the thope is usually approached and all the trees in a thope should be marked on the same side. Subject to this rule, Officers should begin marking at the north side of a garden where the trees to be marked, so that marking run from north to south. Marking as number 1, the tree nearest to the north and the next number as 2, and so on, until all the trees pointed out by the applicant have been marked. If, however, the trees to be marked lie more in a line running east to west, they should mark the tree nearest to east as number 1, and so on, until the last tree marked lies to the west. As far as possible, trees should not be marked on the side along which the tapper climbs.

Preventive Officers are authorised to mark trees standing within their jurisdiction. When a Preventive Officer marks trees, he shall perform all the duties of the Excise Inspector under Rule 27 and 28 of the Tree Tapping Rules.

(2) After marking the tree the Inspector will mark the gate-post of the field as shown below.

341

C. 22

P. 17

Ch. 36

Upper number being the survey number of the field, and the lower numbers the total number of coconut, Palmyra and choonda- pana trees.

These numbers must be corrected from time to time as fresh licences are taken out for tapping additional trees in the field. If there is no gate-post, the above marks should be put on a stone or a conspicuous tree near the boundary of the field and on the side of it facing the same direction as the numbers on the licensed trees. If there is no such stone or conspicuous tree or other objects on which the numbers can thus be marked, they cannot, of course, be affixed. But the requirements should not be dispensed with, when it is possible to carry it out.

(3) Extensive survey numbers containing a large numbers of trees, may be divided into blocks which should be sub-lettered in which case a separate series of numbers may be

used with each sub-letter; otherwise, a single series of numbers must be given for the whole field.

32. Register of tree-marking operations:-

The Range Inspectors must maintain a register of tree-marking operations; with a view to enable the Inspecting Officers to go to a tree-tapping thope with the Book in hand and check the work of tree-tapping done by the Inspectors. The Register shall contain full details regarding the village, survey number, description of the path, direction of trees, situation of trees etc. When trees are being marked the Inspector must make notes in his Note book, all particulars required for filling up the Register of the tree-marking operations which should be neatly entered up the same day. The position of even isolated trees in a block should be carefully described to enable inspecting Officers to identify them without assistance of the Inspector or the Preventive Officer. The practice of allowing this work to lie over and accumulate instead of keeping pace with the marking must not be permitted.

33. Disposal of licences by Inspectors:-

(1) When the trees have been marked, Inspectors will deliver the licences and permits to the persons named therein and will obtain their signatures in the Register of applications for tree-tapping licences.

(2) When there is any dispute in respect of the ownership of trees or any objection is raised by the tree-owners to the marking of the trees pointed out by the renters, the Inspectors should not mark the trees, but must record the objection in writing and forward it along with the connected application to the Deputy Excise Commissioner together with a report pending settlement of the dispute between the renters and tree-owners.

34. Disposal of applications after marking:-

The applications after marking and filling up all the columns of the applications will be submitted to the Deputy Excise Commissioner within 5 days of the completion of the marking. The entries should be copied in the duplicate copy of the applications. The cancelled Treasury receipts may be retained in the Circle Office.

35. Substitution of fresh trees for trees once marked:-

If it is proved to the satisfaction of the Deputy Excise Commissioner that licensed trees have been rendered useless by drought or by being blown down or struck by lightning or by other accident, fresh trees may be marked in lieu thereof. When an applicant wishes to substitute fresh trees for which a licence has been issued or applied for on the ground of complete failure to yield after the preparation of spathes, such substitution will be allowed in cases in which the applicant satisfies the officer in charge of the Division, that any trees included in his

application have completely failed to yield toddy. But such substitution shall be allowed only if the application is made in writing and sent to the Circle Inspector concerned and received by him within 40 days in the case of sago palms and 20 days in the case of coconut trees from the date of application for licence. When substitution is so allowed, there is no objection in allowing substitution by a different kind of trees, e.g., in the place of one sago tree, two coconut trees can be substituted.

No such substitution will be allowed in the case of Palmyra trees under any circumstance nor in the case of, any coconut or sago trees which has yielded toddy even for a few days.

When an applicant wishes to substitute fresh trees for those for which a licence has been issued on the ground of smaller yield, a fresh application should be put in and fresh tree tax paid.

When the substitution is necessitated by the withdrawal on the part of the tree-owner of the permission first granted by him or other causes beyond the applicant's control a fresh application should be put in and fresh fees paid, but the licensee may be allowed by the Excise Commissioner, a refund of the fees paid on the original application on producing the receipt and the licence endorsed by the Excise Officer in charge of the Division with a certificate that owing to unavoidable circumstances the trees have not been marked.

In all such cases of substitution, the full details viz. that it is for substitution in such and such compound should be noted in the application and Chalan.

36. Rectification of mistakes in marking trees:-

If, by any mistake, wrong trees are marked, mistake may be corrected and the right trees marked within ten days with the special permission of the Deputy Excise Commissioner provided that the trees have not been tapped or the preparation of spathes begun, and that the numbers wrongly affixed are effectively removed.

37. Marking of trees illegally tapped:-

If a person convicted of illegal tapping or any other person applies for trees which have been illegally tapped and there is no objection to the issue of a licence, the trees may be marked only on payment of a fresh amount of tree-tax as per the tree-tapping Rules irrespective of any penalty or penal tax or compounding fee or fine that may have been collected in respect of the offence.

38. Paint; etc:-

(1) It will be the responsibility of the Circle Inspector to see that a necessary arrangement for the purchase of paint is made in time. On an average one kilogram of paint will suffice for the

marking of 330 trees and one kilogram to score out old numbers on 660 trees. Since trees for jaggery and bakery are marked with letters, one kilogram of paint ought to suffice for 450 trees.

(2) At the end of the each half year, the Circle Inspectors will furnish a statement to the Deputy Excise Commissioner regarding the use of the colour of paint used for marking the trees. The number of each kind of tree marked during the half year should be specifically stated.

(3) All stencil plates supplied to Inspectors should be kept in their charge under lock and key.

39. Tree tax Accounts:-(i) Register of shop-war demand, collection and balance of tree-tax: -This will be in a ledger form and will be shop-war and have five parts.

- (1) Trees marked in the Range for shops of the Range.
- (2) Trees marked in other Ranges of the same Division for shops of the Ranges.
- (3) Trees marked in Ranges of other Divisions for shops of the Range.
- (4) Trees marked in the Range for shops of other Ranges in the Division.
- (5) Trees marked in the Range for shops of other Divisions.

At the end of each month, before the 3rd of next month the totals under each category should be struck and copies of the relevant entries in the Register sent to the other Ranges, where trees are marked or shops are situated as the case may be. Copies should be sent to the Deputy Excise Commissioner of that District and to the other Deputy Excise Commissioners concerned if there is interdivisional tapping.

As licensing of trees is incidental to the shops and on the application of the shop-keepers, the tree-tax will figure in the demand of the Inspector where the shop is situated and not where the trees are situated. The ultimate responsibility for collection of tree-tax in respect of trees licensed for a shop is on the Inspector of the Range where the shops are situated, though trees may be in another Range. Therefore, when extracts are received in respect of inter-range or inter-divisional tapping the Inspector who receives the extract should check up with the entries in his Register which would have already been made on receipt of the application.

(ii) Villagewar Register:-

A villagewar register of trees marked should also be maintained in each Range showing the number of trees marked for different shops. This should be done immediately on issue of the licences by the Deputy Excise Commissioner.

(iii) Abstract Register of Tree-tapping licences issued:-

The register must be maintained in the Deputy Excise Commissioner's office shop-war and must be posted up-to-date each month. After the monthly totals of all the shops in the several ranges are obtained, an abstract of the total number of trees licensed in each of the Ranges together with the tree-tax demand thereon, etc., will be prepared and extracts there from will be sent to the Joint Commissioner with the Deputy Excise Commissioner's diary. Details of inter-divisional tapping should also be given separately in the extract sent to the Joint Commissioner of Excise and intimated to the concerned Deputy Excise Commissioners.

40. Working of the tree-tax system:-

The responsibility for working the tree-tax system rests on the Deputy Excise commissioners. The attention is particularly drawn to the need for:-

- (i) preventing any delay on the part of Circle Inspectors in the marking of trees licensed to be tapped for fermented toddy and the delivery of licences and permits to licensees,
- (ii) ascertaining that no unlicensed trees are tapped,
- (iii) ensuring that the Inspectors make (a) careful and frequent, inspections of shops and thopes and comparison of the yield of trees being tapped with the stock found in transit or in the shops, and (b) careful check of all toddy in transit.

41. Road Tests:-

Road tests are important and must on no account be neglected. Such tests must be made for each shop once at least every month by the Inspector. The entire receipts daily for a toddy shop should be measured either at the shop or enroute and if the quantity does not bear any proportion to the trees actually licensed, it should be followed by a check of the thopes. The Deputy Excise Commissioners must also do this occasionally.

42. Prevention of delay in Tree-marking:-

For the convenience of applicants application for trees will be received, trees will be marked and licences issued at any time during the month immediately preceding any annual or half-yearly period, to take effect from the commencement of such period, provided that no toddy shall be drawn except during the currency of such licence. To facilitate disposal, applicants should be encouraged to put in their applications before the beginning of each half year, and Inspectors should be sent round, as soon as possible, after the sale of toddy shops is over, to communicate with the toddy drawers, purchasers of shops and others interested and to urge them to send in their applications in time. The Deputy Excise Commissioner should insist on the prompt despatch of T.T. licences and permits from the Ranges and on the prompt

resubmission of applications after marking by the Inspectors in order that delays in marking may be checked and prevented. They must also insist on the Inspectors filling up all columns of the application thoroughly.

During the season when applications for tree-tapping licences are numerous, Inspectors should so arrange their own tours and the tours of the Preventive Officers so that every part of their Ranges in which there may be trees to be marked may be visited in turn, and that trees are always marked within the time specified. The Inspectors and Preventive Officers should be made to understand the importance of the promptness in the marking of trees and should be held responsible for any failure on their part to mark them within the time prescribed. Inspectors should closely supervise the movements of his Preventive Officers and Civil Excise Officers and see that the marking of trees on no account is delayed. Deputy Excise Commissioners will be held personally responsible for the inadequate Supervision in this respect.

43. Prevention of illicit Tapping:-

This cannot be attained without frequent and systematic inspection of tapping thopes and the receipt of toddy in Toddy shops. Inspectors should take with them, when they proceed on tour, a sufficient number of applications returned by the Preventive officers and the Register of tree-marking operations and with reference to these, check the trees actually marked and the number licensed to be tapped, in every field. They must also specially see that no number affixed to a tree is repeated and what the highest number in a field is.

Cases of illicit tapping after the payment of tree-tax but before marking should be very carefully enquired into by inspectors who inquire into such cases. Where the delay is not due to the fault of the applicant for a licence, the offence should be treated as technical and the accused should be warned. If the Inspector finds that the delay in marking is due to the fault of the applicant, or that there has been loss to Government revenue, or there is a deliberate attempt to defraud Government, or the offence is such that it cannot be dealt with by a mere warning, such cases should be dealt with on their merits. Except in the case of old offenders, prosecution for tapping trees after payment of tree-tax, but before marking should not be resorted to unless there is clear intention to defraud Government or unless there has been a loss to the Revenue.

CHAPTER XI**SWEET TODDY (NEERA)**

1. Sweet toddy or Neera or Pathani is unfermented juice drawn from Coconut, Palmyra, Choondapana or any kind of palm tree which is freshly drawn and is used for the manufacture of jaggery and also used as beverage. Sweet toddy is supposed to be non-alcoholic. But because of the presence of micro organism in the atmosphere, which is favourable for the fermentation and because the pot in which the juice is drawn is invariably coated with old ferment, the juice rapidly becomes infected with bacteria and wild yeasts. Unless proper applications are taken to arrest the fermentation of toddy, even at the time of collection, there will be chance of fermentation. The only occasion when the juice is absolutely free from fermentation is **(i)** when the temperature is below 60° F., **(ii)** when a new pot is used on a tall tree, **(iii)** when chemicals have been used to arrest fermentation.
2. For Excise purposes, sweet toddy is taken as toddy drawn into receptacles coated effectively internally with lime as to prevent fermentation. Though there may be other Anti-ferments such as the addition **(i)** of copper sulphate solution in the ratio of 20 drops to 300 c.c, of toddy, **(ii)** sodium bicarbonate, **(iii)** niphthaline of sodium, **(iv)** benzoic acid, lime is used as the antiferment because of its easy availability and cheapness—the other anti-ferments being used only for Laboratory purposes.
3. **Lime has however its own limitations, The limitations are:-**
 - (i)** It arrests fermentation only for a short time unlike say in the case of copper sulphate solution which will keep toddy unchanged for 6 months. **(ii)** Fermentation starts after a few hours. **(iii)** It makes Neera alkaline resulting in the destruction of ascorbic acid. **(iv)** The continued consumption of lime treated Neera is likely to induce diseases connected with blood vessels in the kidney.
4. **The Kerala Sweet Toddy (Neera) Rules:-**
 - (i) For the purpose of drawing sweet toddy, licences are being issued under “ The Kerala Sweet Toddy (NEERA) Rules 2014” for the privilege of manufacture and sale of sweet toddy and its value added products to Bonafide Jaggery tappers, Kerala State Beverages (Manufacturing and Marketing) Corporation Limited, Coconut Producers Society/ Committee, Coconut Producers Federation registered under the Coconut Development Board, Kerala Agriculture University, Agro industries Corporation, Coconut Development Corporation and KERAFED. Government as per G.O (P) No. 27/2014/TD Dated: 14/03/2014 have framed rules by superseding the existing rules for the issue of licences for drawing sweet toddy (NEERA)

- (ii) No tree shall be tapped for sweet toddy unless it is marked. The procedure for application, licensing and marking is the same as in the case of trees for fermented toddy, the only difference being that the trees for sweet toddy shall be marked with a letter 'J'.
- (iii) No one who is holding licences for fermented toddy manufacture nor his helpers or assistant will be allowed licences for sweet toddy tapping for manufacture of jaggery. Also no trees shall be marked for tapping of sweet toddy in the same compound where trees are marked for fermented toddy.
- (iv) Sweet toddy left in a cool temperature, will be slower to ferment. Permission for vend of Neera in parlours is being accorded, provided sweet toddy is preserved in refrigerators, and other precautions against misuse are taken.
- (v) Sweet toddy shall be drawn only between 6 a.m. and 6 p.m.

5. Definition: Sweet toddy (Neera):-

The rule 2(1) of Kerala Sweet Toddy (NEERA) Rules 2014 defines Sweet Toddy/Neera. It means the juice drawn from a coconut, palmyrah, choondapana or any other kind of palm tree and collected in receptacles in any manner and not subjected to fermentation.

6. Issue of Licences:-

- (i) Licence under these rules shall be issued by the Deputy Commissioner of Excise of the Division concerned, for the privilege of manufacture of Neera to bonafide jaggery tappers, the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited, the Coconut Producers Society Committee, Coconut Producers Federation registered under the Coconut Development Board, Kerala Agriculture University, Agro Industries Corporation, Coconut Development Corporation and KERAFED on payment of an annual licence fee of ₹ 100 (Rupees One Hundred only).
- (ii) Licence under these rules shall be issued by the Deputy Commissioner of Excise of the Division concerned, for the manufacture of value added products from Neera to bonafide jaggery tappers, the Kerala State Beverages (Manufacturing and Marketing) Corporation Limited, the Coconut Producers Society Committee, Coconut Producers Federation registered under the Coconut Development Board, Kerala Agriculture University, Agro Industries Corporation, Coconut Development Corporation and KERAFED.
- (iii) Licence under these rules shall be issued by the Deputy Commissioner of Excise of the Division concerned, for the distribution of Neera and its value added products to a distributor.

- (iv) The Excise Commissioner reserves the right to declare the number of licences that can be issued under these rules in each district during the financial year, subject to the conditions as may be specified by the Government from time to time.
- (v) All licences issued under these rules shall be in force from 1st day of April to 31st day of March of each financial year.
- (vi) No licence to tap sweet toddy (Neera) shall be issued to any toddy shop keeper or to any tapper employed by such shopkeeper.
- (vii) No Neera or its value added products shall be manufactured or distributed without a licence obtained under these rules.

7. Conditions for issue of Licence:-

- (i) No applicant is eligible for the privilege, if he is convicted for any offence under the Abkari Act 1 of 1077 and Rules made there under or any other criminal offence and sentenced to imprisonment for more than three years.
- (ii) The applicant is liable to pay contribution to the Toddy workers Welfare Fund Board, unless he produces from the Welfare Fund inspector concerned, a certificate to the effect that he has remitted the arrears of contributions payable up to the 31st day of December of the preceding year.
- (iii) The application for the grant of licence shall be made in Form No. I to the Deputy Commissioner of Excise of the Division concerned. On receipt of the application, the Deputy Commissioner of Excise shall verify the application, and if the conditions prescribed for the grant of licence are found to have been complied with, he shall issue the Licence in Form No. II, appended to these rules. The Deputy Commissioner of Excise may reject the application for reasons recorded in writing.
- (iv) The Deputy Commissioner of Excise shall at once take necessary steps for marking of the trees, after the issue of licence. The trees shall be marked by an officer not below the rank of an Excise Inspector. Necessary permits shall be issued by the Deputy Commissioner of Excise for tapping. The applicants shall point out to the marking officer, the trees applied for marking, without any delay and if the trees are not pointed out even after due notice, the Deputy Commissioner of Excise in his discretion can cancel the licence if, already granted.
- (v) The licensee shall engage only tappers registered with the Kerala Toddy Workers Welfare Fund Board for tapping Neera. If sufficient numbers of such tappers are not available, the licensee can engage Neera technicians for the purpose, provided that they shall also be registered with the Kerala Toddy Workers Welfare Fund Board.

- (vi) Tree Tax is exempted for drawing sweet toddy (Neera).
- (vii) Only one tree tapping licence will be granted to an applicant, irrespective of the number of trees applied for. The maximum number of trees that can be conveniently tapped by one tapper is as prescribed below, namely:-
- | | | | |
|----|--------------|---|----|
| 1. | Coconut | - | 20 |
| 2. | Palmyra | - | 20 |
| 3. | Choondappana | - | 10 |

The Deputy Commissioner of Excise may at his discretion, allow a larger number of trees than the maximum prescribed.

Applications shall be received, licences issued and trees marked during the month preceding the year for which they are required to take effect from the beginning of such year, provided that no sweet toddy (Neera) shall be drawn, except during the currency of such licence. The licensees shall not tap any tree in excess of the number for which he has applied for or is licensed to tap, nor shall he be allowed to tap for fermented toddy.

- (viii) No tree shall be tapped or sweet toddy (Neera) shall be drawn from any tree, or any pot be attached for the purpose, until the trees have been marked by the authorised officer in accordance with these rules; provided that the Deputy Commissioner of Excise may, where he considers necessary to do so, permit applicants, as a concession, to begin operations of tapping and drawing Neera (Sweet Toddy) in anticipation of issuance of the licence and marking of trees. Such concessional tapping and drawing shall, however, be subsequent to the date of the application, and can do so only on the authority of a temporary licence granted by the Deputy Commissioner of Excise. The trees so tapped shall be only those trees mentioned in the application and not otherwise.
- (ix) Neera tappers shall neither transport Neera to a toddy shop nor conduct sale of Neera.

8. Procedure for taking Samples:-

Excise Officers not below the rank of Excise Inspector shall at any time take samples from the Neera drawn and also from processed Neera kept ready for sale in the manufactory and subject it to chemical analysis in the Chemical Examiner's Laboratories so as to ensure that it is fit for consumption and does not contain any alcohol. The samples shall be taken in two bottles labelled as 'A' and 'B' and in each bottle 300 ml of Neera shall be collected. The bottle marked as 'A' shall be sent to the Chemical Examiner for chemical analysis and 'B' sample shall be handed over to the licensee for safe custody. While taking the samples, in addition to the seal of the officer concerned, the seal of the licensee or his representatives shall also be affixed, if the licensee desires so.

9. Licence for Research Purposes:-

The Commissioner of Excise may permit issue of licences for tapping of Neera (Sweet Toddy) for research purposes, subject to such conditions as the Commissioner may prescribe.

10. Renewal and Suspension or Cancellation of Licence:-

- (i) The Deputy Commissioner of Excise concerned is competent to renew the licence issued under these rules in accordance with the Abkari policy of the Government issued from time to time, provided there is no change in the nature, content or scope of the licences or premises.
- (ii) The licence is subject to suspension or cancellation in the event of any breach of its conditions or on the commission of any offence against the Abkari laws on the part of the licensee or any person in his employment.

11. Appeals: -

- (i) An appeal against an order of the Deputy Commissioner of Excise under these rules shall be filed to the Excise Commissioner.
- (ii) An appeal against an order passed by the Excise Commissioner shall lie to the Government.
- (iii) Every appeal shall be filed within one month from the date of the order appealed against.

12. Fine and Penalty:-

- (i) Whoever manufacture, distribute or causes to manufacture, distribute Neera or its value added products in contravention of the rules or any order issued thereunder shall be imposed with a fine. (now the fine is ₹ 5,000/ or 50% of the total value of the products involved, whichever is higher.)
- (ii) The Deputy Excise Commissioner concerned is competent to impose the fine.
- (iii) Infraction of any of the rules or conditions of licence issued under the rules, either by the licensee or by any person in his employment shall entail on the licensee or his agent or both a fine of ₹ 1,000/- or cancellation of licence or both. An officer of and above the rank of Deputy Commissioner of Excise shall be competent to impose all or any of the above penalties.
- (iv) The imposition of fine or the cancellation of a licence shall not however relieve the licensee or his agent from the liability to be prosecuted for any specific offences committed against the Abkari Act or under the Kerala Sweet Toddy (Neera) Rules 2014.

FORM No. I*[See sub-rule (3) of rule 4]*[The Kerala Sweet Toddy (**NEERA**) Rules, 2014]Application for obtaining privileges of manufacture, possession, processing of sweet toddy (**Neera**)/production of value added products.

1. Name of the Applicant :
2. Specify whether the applicant is a
Coconut Producers Society/or
Committee/Coconut Producers
Federation/or others :
3. Whether the applicant is registered with
the Coconut Development Board (If
applicable) :
4. Whether the applicant is convicted of
any Abkari offence or any criminal
offence and sentenced to imprisonment
for more than three years :
5. Whether any Abkari arrears pending
against the Applicant :
6. Whether the Applicant has any arrears
towards Toddy Workers Welfare Fund.
If yes, state whether the arrears as on
December 31st of the preceding year
has been remitted. :
7. No. of Tappers employed by the
Applicant. :
8. No. of Members in the Society with the
number of trees available for tapping. :
9. Recommendation of the Coconut
Development Board. (If applicable) :

DECLARATION

I/We hereby declare that the informations furnished above are true or correct to the best of my knowledge and belief.

Place:

Date:

Name and signature of the Applicant

FORM NO II*[See sub-rule (3) of rule 4]*

[The Kerala Sweet Toddy (NEERA) Rules, 2014]

**LICENCE FOR THE PRIVILEGE OF MANUFACTURE, POSSESSION
AND PROCESSING OF SWEET TODDY (NEERA)/PRODUCTION
OF VALUE ADDED PRODUCTS.**

I, the Deputy Commissioner of Excise of the..... Division hereby grant licence under the provisions of the Kerala Sweet Toddy (Neera) Rules, 2014 to you..... to manufacture, possess and process sweet toddy (Neera) / production of value added products from Neera in wholesale in the building situated as shown in the Schedule during the period from the 1st day of April..... to the 31 st day of March, subject to the following conditions, namely:-

- (1) The privilege under this licence includes the privilege of manufacture, possession, processing, sale of sweet toddy (Neera) and production of value added products from Neera.
- (2) The licensee shall point out to the marking officer, the trees applied for marking without any delay.
- (3) The licensee shall not tap any tree in excess of the number for which he has applied for and is granted licence to tap.
- (4) No tree shall be tapped or sweet toddy (Neera) be drawn from any tree or any pot be attached for the purpose, until the trees are marked by the proper officer in accordance with these rules as the Deputy Commissioner of Excise may specify.

Provided that the Deputy Commissioner of Excise may, where he considers necessary to do so, permit applicants to begin the operation of tapping and drawing sweet toddy (Neera) in anticipation of marking of the trees and issuing of licence. The tree so tapped shall be those mentioned in the application.

- (5) The sweet toddy (Neera) shall be drawn only between 6 a.m. and 6 p m.
- (6) No Sweet Toddy (Neera) drawn under this licence shall be issued to a toddy shop.
- (7) The licensee shall maintain day to day true accounts of transactions in such registers as may be prescribed from time to time by the Excise Commissioner and shall furnish such information and statistics as may be called for by any officer of the Excise Department, not below the rank of Excise Inspector.

(8) The licensee shall not lease out, sell or otherwise transfer his licence under any circumstances.

(9) Infraction of any of the rules or conditions of this licence either by the licensee or by any person in his employment shall entail on the licensee or his agent or both a fine of ₹ 1,000 (Rupees One thousand only) or cancellation of licence or both. An officer of and above the rank of Deputy Commissioner of Excise shall be competent to impose all or any of the above penalties.

SCHEDULE SHOWING THE BOUNDARIES OF THE LICENSED PREMISES

Taluk, Village, Muri	Building No.	Bounded on the			
		North by	East by	South by	West by

Place:

Date:

Deputy Commissioner of Excise

Chapter XII**ARRACK**

- a) Arrack means “*Country spirit*” which has not been coloured or flavoured. Its flavour and aroma resemble Rum, but not to the extent as a substitute for Rum. Arrack is manufactured from molasses. It is manufactured also from toddy and the arrack so manufactured from toddy is coloured and flavoured to resemble brandy and bottled under the name coco-brand. Arrack is manufactured from jaggery but when there is easy availability of molasses, only molasses is used as the base. In some countries, fermented rice is also used for the production of arrack.
- b) Under Section 3(6 A) of the Abkari Act, Arrack has been defined as liquor other than Toddy, Beer, Spirits of wine, wine, Indian made spirit, Foreign liquor and any medicinal preparation containing alcohol manufactured according to a formula prescribed in a pharmacopoeia approved by the Government of India or the Government of Kerala or manufactured according to a formula approved by the Government of Kerala in respect of patent and proprietary preparation or approved as a bonafide medicinal preparation by the expert committee appointed under section 68 A of the Abkari Act.
- c) **Possession:-**

Arrack was banned in the state of Kerala w.e.f 1.4.1996. As per G.O. (MS) No. 285/95/TD Dated: 20.12.1995 Government have ordered that all arrack shops will stand abolished from 1.4.1996. Section 8(1) of the Abkari Act, prohibits manufacture, import, export without permit, transit, possession, store, distribution, bottling or sale of arrack in any form. If any person contravenes any of the said provisions he shall be punishable with imprisonment for a term which may extend to ten years and with fine which shall not be less than ₹ 1,00,000/-.

CHAPTER XIII**INDUSTRIAL SPIRITS**

1. Alcohol has various Industrial uses. It is used for (a) household purposes, such as for heating, lighting and cleaning; (b) as raw material in the manufacture of other preparations, such as Vinegar, Medicinal preparations etc.; (c) as solvent, processing materials or medium of extraction, such as in French Polish, Acetate Rayon (d) as liquid fuel for generating power in internal combustion engines in the place of or blended with petrol; (e) as a preservative of biological specimens.

Industry-wise alcohol is being used in the manufacture of:

- 1) Synthetic rubber,
- 2) Plastics,
- 3) Acetate Rayon,
- 4) Insecticides, fumigants and anaesthetics,
- 5) Dyestuffs,
- 6) Medicinal and toilet preparations,
- 7) Detergents,
- 8) Denaturants,
- 9) Photographic films,
- 10) Brake fluid,
- 11) Antifreeze,
- 12) Power Alcohol,
- 13) Explosives,
- 14) Acetic Acid, etc.

2. Spirits generally allowed to and preferred by the industrialists for industrial purposes are denatured. There is no objection to allow rectified spirits for the purpose, but the Excise control has to be very tight to prevent diversion of the spirits for potable purposes. It shall be noted that, no duty or gallonage fee or vending fee or other taxes shall be levied on rectified spirit including absolute alcohol, which is not intent to use for the manufacture of potable liquor meant for human consumption. Therefore utmost care should be exerted to see that the spirit allotted to industrial purposes is not misused and diverted for potable purposes.

3. As far as Kerala State is concerned some of the scientific industrial or medicinal purposes to which spirits are made use of now, are:-

(i) Rectified Spirit:-

- (a) For manufacture of medicinal and toilet preparations.
- (b) For research or analytical purposes.
- (c) As an ingredient of a mixture by chemists, druggists or doctors.

(ii) Denatured Spirit:-

- (a) For household purposes such as lighting, heating, etc.
- (b) Manufacture of varnishes, polishes.
- (c) Manufacture of D.D.T.
- (d) De-hydration of sodium Hydrosulphate.
- (e) Extraction of food colours and phyto chemicals.
- (f) Manufacture of transparent soap.
- (g) As preservatives.

4. With a view to ensure that the end product, for the manufacture of which alcohol is made use of, is not costly, the Government of India have under the Industrial Development and Regulation Act issued the Ethyl Alcohol Price Control Order fixing the price of alcohol that can be charged on alcohol of the I.S.I standard. This order de-limits the price that can be charged on pure alcohol and provides for additional charges for the transport of molasses, for denaturation etc.

Denatured Spirit

5. Denatured spirit means spirit which has been rendered effectively unfit for human consumption by the addition of such substances and in such proportion as are approved by the Government of Kerala. These substances known as denaturants would mostly be poisonous though not in lethal doses. In any case, these would taste and smell badly when added to alcohol. The test of a good denaturant is (i) it must be freely soluble in alcohol (ii) it should impart a taste and smell sufficiently disagreeable as to prevent the denatured alcohol being drunk even after dilution, sweetening or flavouring (iii) it should not be capable of being eliminated easily by filtration, distillation, precipitation or simple chemical treatment (iv) it should be capable of detection with ease (v) it should be freely available and cheap.

6. Despite the precautions taken in denaturation, it would not be possible to plug in all loop-holes, and methods of re-naturation. i.e., of separation of the denaturant from alcohol and of making it fit for use as beverage, may be far too many. Therefore, rendering or attempting to render unfit for human consumption of denatured spirit is made a penal offence under section 55(B) of the Abkari act. Any spirit which contains any quantity of any of the prescribed denaturants is presumed to have been deriving from denatured spirit, for purposes of this section.

7. Denatured spirits may be classified into two depending on the efficacy of denaturation viz., completely denatured spirits and specially denatured spirit.

8. The traditional formulae for denatured spirit are:-

- (i) By the addition of 0.5 percent light Caoutchoucine and 0.5 percent Pyridine and
- (ii) By the addition of 10 percent crude woodnaphtha (The spirit denatured with woodnaphtha is called Methylated spirit)

Alcohols denatured with these two denaturants are commonly termed as completely denatured.

9. The use of these denaturants was found to be interfering with the character of some of the end products in the manufacture of which these spirits are used or causing disturbances in the manufacturing processes of some others. Further, these denaturants were found also prohibitively costly and not available freely. Therefore, new denaturants had to be prescribed for each particular type of industry. The Government of India have therefore drawn up a list of special denaturants for select specified industries. The State Governments are free to prescribe the denaturants in the states, but generally departures from the list drawn up by the Government of India are not made without the prior intimation to and approval of the Government of India.

The entire list drawn up by the Government of India have not been approved for use in Government of Kerala, Some alternations in the formulae have also been made in its application to Kerala.

10. The denaturants now approved for use in Kerala State are:-

(i) The admixture with spirit of at least 50 degrees over - proof of light caoutchoucine and pyridine bases in the proportion of ½ litre of light caoutchoucine and ½ litre of pyridine bases to 99 litres of spirit.

(ii) The admixture of crude woodnaptha otherwise than in a highly purified condition in the proportion of one part of crude woodnaptha to twenty parts of spirit.

Note: - The spirit denatured by this formula is technically called methylated spirit. Due to lack of availability of woodnaptha, methyl alcohol (10%) has been permitted to be used instead of woodnaptha.

(iii) The addition of 4 kilograms of formalin to 100 kilograms of 60 degrees over - proof strength of rectified spirit;

(iv) The addition of liquid soap ,ie., a preparation made by mixing together and heating three parts of castor oil and one part of caustic soda in the proportion of one litre of liquid soap to 99 litres of spirit.

(v) The addition of castor oil and caustic soda as specified below:-

For 100 parts of spirit, use one part of castor oil and 0.4 part of caustic soda solution, all by volume. The caustic soda solution is to be prepared by dissolving one part of solid caustic soda in three parts of water. Take the castor oil add to it one and half times its volume of alcohol, stir and finally add the caustic soda solution. A clear solution will be obtained which is to be added to the bulk of the alcohol.

(vi) The addition of ammonia in the proportion of 3 volumes of liquor ammonia containing 25 to 26 percent by weight of ammonia gas to 97 volumes of ethyl alcohol.

(vii) The use of one litre of light caoutchoucine and half a litre of pyridine to 98½ litres of spirit with the addition of 13 millilitres of methyl violet:

Provided that the spirit denatured according to this formulae, shall not be consumed in this State,

(viii) The addition of 5 litres of acetone to 100 litres of spirit.

(ix) The addition of crotonaldehyde for the manufacture of D.D.T.

(x) The addition of benzene for dehydration of sodium hydrosulphate and

(xi) The addition benzene 2 percent methanol 2 percent and light caoutchoucine 1 percent and methyl violet 13 milli litres of 1 percent solution.

Items (iii) to (ix) are specially denatured spirits used for specified industries and the spirits denatured with these formulae are allowed to licensees. For general sale to non-licensees that is for household purposes and for varnish manufacture only completely denatured spirit i.e. item (i) being used. But it was found that the spirit so denatured was being misused and being renatured and so brucine sulphate was tried in Kerala but this was also found to be renatured freely and consumed as a beverage. Therefore, item (xi) alone is now being allowed to be used for spirit required for general sale for household purposes and for varnish manufacture.

Methyl violet which is one of the ingredients in this formula gives a characteristic colour to the spirit.

11. Methyl alcohol:- Methyl alcohol is classified along with denatured spirit so far as excise control, levy of gallonage fee, conditions for the sale, etc, is concerned. It may be noted that methyl alcohol has also other chemical names viz, methonal Carbinol, methyl hydrate and it includes woodnaphtha, wood spirit, wood alcohol, pyroxylic spirit and pyroligenous spirit. It may be seen that methyl alcohol is also the denaturant in methylated spirit.

12. Duty and Vending Fee:- No duty is levied on denatured spirit or methyl alcohol. Only vending fee is levied. This vending fee is collected at the source. i.e., either at the time of issue from a distillery in Kerala or at the point of import from outside Kerala.

13. Limit of private possession:- *No one shall possess denatured spirit up to a maximum of 1.5 litres or methylated spirit or methyl alcohol up to a maximum 750 millilitres at any time without a licence.* But the following officers and institutions are allowed to possess without limit of quantity, (a) Officers of the State Government and Central Government for Government purposes (b) Medical Officers in charge of local fund or Municipal hospitals or dispensaries (c) Medical practitioners in charge of Rural dispensaries subsidised by Government or local authorities (d) Commissioners and Health officers of Municipalities for

Vaccination purposes (e) Military installations and Army units belonging to the Armed Forces of India.

14. Import:- No one shall import spirits from outside Kerala without a permit from the Deputy Excise Commissioner. Only spirits denatured as per the formulae approved by the Government of Kerala can be allowed to be imported. Such imports shall be only on prepayment of the vending fee. The vending fee is not however to be collected from the military installations and Units belonging to Armed Forces in India.

15. Of the officers and institutions exempted from taking out licences for possession and use, only officers of the Government - State and Central - are allowed to import spirit. The others have to purchase spirit from within the State.

16. Transport:- No transport is permissible without a transport permit from Excise Commissioner. But a licensee who purchases denatured spirit from a wholesale licensee can transport it under a permit issued by the wholesale licensee.

17. Licences:-

(i) **Possession and Use:** - Licences for possession and use of denatured spirit and methylated spirit are of the following kinds.

Under Denatured Spirit Rules

D.I:- For possession and use of denatured spirit.

D.IV:- To officers of Southern Railway for storage and use and distribution to other stations.

D.IV-A:- For possession and use of special denatured spirit, i.e, by addition of castor oil and caustic soda for manufacture of soap.

D.IV-B:- Licence for the possession and use of special denatured spirit denatured with ammonia for manufacture of metal polish.

Under varnish Rules

VR.I:- For possession of denatured spirit for manufacture of varnish.

In case of D.I, D.IV(A) and D.IV(B), the quantity that can be possessed at a time is fixed. In the case of D.I, the quantity that may be used in any financial year is also in addition fixed.

D.I can be issued for possession and use of spirit denatured by any one of the formulae approved by the Government of Kerala but D.IV-A and D.IV-B can be issued only for the use of spirit denatured by the two formulae specified.

In the case of VR.I, that is for manufacture of varnish the quantity of spirit that may be possessed at a time and consumed in a quarter and in a year are also fixed.

The licensees are required to maintain an account in the prescribed form. They are prohibited from selling the spirit.

(ii) Sale:-Licences for sale of denatured spirit are of two kinds:-

1) Whole sale.

2) Retail.

(1) Wholesale:- A wholesaler that is the holder of licence in Form D.II can sell spirit to other licensees. The maximum and minimum quantity that may be sold at a time is fixed as follows:-

Maximum:- 675 Litres of denatured spirit, 135 litres of methylated spirit, 90 Litres of methyl alcohol.

Minimum:- 9 Litres of denatured spirit, 1.5 litres of methylated spirit, 7.5 litres of methyl alcohol.

The total quantity that can be sold in all by the licensee in a financial year is also fixed by the Commissioner in his discretion.

(2) Retail:- The retail licensee i.e., the holder of licence in Form D.III cannot sell in excess of the limit or private possession. But they can sell to Government officers and other institutions exempted from taking out licences mentioned in para 13 in quantities not exceeding 225 litres of denatured spirit, 225 litres of methylated spirit, and 112.5 litres of methyl alcohol.

The total quantity that may be possessed by the licensee at a time and that may be sold in a year is also fixed by the Commissioner.

A retail licensee is to maintain a combined account and register of purchases showing among other things full details such as the name, father's name and address of the purchaser the purpose of which it is purchased. In that register, the signature or the thumb impression of the person who purchases the spirit is also to be taken down.

18. Labelling:- Every container containing denatured spirit in the possession of any licence or an individual should have a label showing the words "Poison". Not to be taken internally" printed in red in bold letters in English, Tamil and Malayalam and also a figure of the human skeleton.

19. Purchases:- All denatured spirits required by the licensees may either be purchased from a distillery or from wholesaler or be imported from outside the state. Whenever denatured spirit is to be sold, the distillery or licensee selling the spirit shall make an endorsement on the licence of the purchaser showing the quantity of the spirit issued. They are also responsible to ensure that the quantity allowed to be purchased at a time, in a quarter or year is not exceeded.

If it is a sale by the distillery, such sale shall only be on the production of the challan evidencing payment of the vending fee and the permit issued by the Excise Circle Inspector of the Circle where the licence is situated

If it is a sale by a retailer to an officer or institution, the details of such sale shall be intimated to the Circle Inspector of Excise concerned.

In the case of import from outside the State, the Deputy Excise Commissioner while issuing the permit for import shall make an endorsement on the licence regarding the quantity allowed to be imported.

The officers and other institutions exempted from taking out licences other than Government Officers can make the purchases only from a Distillery or a Retail Licensee.

20. Licence Fee:- A licence fee of ₹ 50/-, ₹ 200/- and ₹ 100/- is fixed for DI, DII and DIII respectively. For the licence for possession of spirit for the manufacture of varnish in Form VR I under the Varnish Rules also, a licence fee of ₹ 200 is prescribed.

21. Preparations:-

Other than medicinal and toilet, containing denatured spirit or methylated spirit or methyl alcohol imported to the State is also liable to be charged gallonage fee. Import of such preparations shall only be under a permit granted by the Deputy Excise Commissioner.

22. Export:-

Denatured spirit is generally allowed to be exported out of Kerala only from distilleries. But as a special case, exports by agencies other than distilleries can also be allowed. But such an Exporter shall take out a licence in Form DIII-A. The licensee shall get his requirements from a distillery in the state and is prohibited from selling spirit within the State. No rebate of vending fee is allowed in such cases, the quantity of spirit that may be exported in a year is also fixed.

Whether the export is from a distillery or from a holder of a D.III-A licence, export shall only be against a permit or a no Objection Certificate issued by the officer concerned of the State to which import is to be made. A verification report should also be obtained in respect of all such exports.

23. Safeguards against improper denaturation:-

Denaturation is allowed only in a distillery. The denaturant to be used is to be got tested by the Chemical Examiner regarding its suitability. It is to be tested as to whether it conforms to standard prescribed for the denaturant. It is the responsibility of the Excise Officer in charge of the distillery to take samples of the denaturant and to get it analysed. The denaturants, if they satisfy the standards prescribed shall be kept under his custody. The denaturant shall be added in his presence. The denaturation shall be in a separate room set apart for the purpose. In denaturing, it would be safer to put the denaturing agent into the vessel first. The spirit to be denatured is tested with Hydrometer to ensure that they conform to the minimum strength and

then the spirit is poured over the denaturant. The contents of the vessel should then be repeatedly stirred to ensure that the denaturant and alcohol have properly mixed. After denaturation is complete, three samples of the denatured spirit should be taken, one should be kept with the licensee, one with the inspector and the third one sent to the Chemical Examiner for certification that the bulk has been properly denatured.

The Excise Officers should occasionally examine the denatured spirit that is exposed for sale by the holders of the licences for sale and send random samples for check to ensure that the spirit is properly denatured.

Varnish

24. Only spirit varnish comes within the purview of the Abkari Act and Regulation. There are other kinds of varnishes which are non-spirituous. The discussions below are confined to spirit varnishes.

25. Certain specifications have been laid down in the Varnish Rules regarding the varnish that would be allowed to be manufactured, possessed, sold or imported into Kerala. The varnish is to be manufactured with shellac, resin or both dissolved in denatured spirit. The denatured spirit to be used for varnish manufacture should be one denatured by addition of 3 litres of caoutchoucine and 3 litres of pyridine to 594 litres of spirit. The minimum strength of spirit should be 50 O.P. The varnish should contain a minimum of 15 percent weight in volume of shellac or resin or both.

Though the denaturants have been fixed as light caoutchoucine and pyridine in the Varnish Rules, if the denaturant prescribed for denatured spirit for general sale and household consumption is different, that denaturant is to be used for varnish manufacture. Now for household purposes the denaturants used is denatured spirits, which are light caoutchoucine, benzene, methanol and methyl violet. The spirit denatured with these is to be used for manufacture of varnish so long as these denaturants are in force. The general principle is that for varnish manufacture, completely denatured spirit alone can be allowed and not specially denatured spirit as is allowed to other industries.

Ordinarily, with 100 litres of denatured spirit, 115 litres of varnish can be obtained theoretically but allowing for wastage, absorption, etc., a minimum quantity of 110 litres has to be obtained. The Excise Officers must ensure this out-turn in the case of all licensees for manufacture of varnish, to ensure that there is no diversion of denatured spirit for other purposes.

26. Private Possession:-

The limit of private possession of varnish is 3 litres at a time.

27. Licences:-

The conditions for the supply of denatured spirit for manufacture of varnish have been discussed in Para 25. A licence for the manufacture is to be in VRI as already stated. The

licensee may either sell the varnish manufactured by him or confine it for his use alone. But he has to declare whether he wants to sell the varnish so manufactured or wants it only for use. It will be specifically indicated in the licence whether the varnish to be manufactured is for sale or use. A licensee, to whom the licence in Form VR.I is earmarked as one for manufacture of varnish and sale, cannot use the varnish so manufactured under the licence and conversely, if it is earmarked as a licence for manufacture and use, he cannot sell the varnish so manufactured. No one shall however be allowed a licence for both for sale and use of varnish. The licence fee is, however, the same for both.

Regarding persons who do not manufacture varnish but wants to purchase varnish for sale or use, there are three kinds or licenses depending on whether the varnish to be possessed is for use or for sale VR.II, VR.III, VR.IV. The licence for possession and use alone is V.R. III and the license fee, ` 150 /- The licence for possession and sale is VR. II and the licence fee is ` 100/- For the officers of Railway there is a special licence, viz., Form VR. IV for storage and use of varnish and its distribution to out station and other Railway Institutions.

28. Any of the licensees who are not a manufacturer may get his requirements either from VR. I licensee, (i.e., manufacturer) or a VR. II licensee (a seller) or import from outside the state.

29. But import from outside the state will be allowed, only if the licensee who wants to import pays an annual fee prescribed and this will be in addition to the ordinary licence fee and the vending fee. But officers of the Government and of the Defence services will not be required to pay annual fee but they have to pay the vending fee.

The concession of importation shall not be allowed to persons who do not hold licences even if they pay the annual fee.

30. Sales:-

Sale in excess of limit of private possession, viz. 3 litres to any non-licensee is prohibited.

Every person who sells varnish to another licensee shall make an endorsement on the licence of the latter regarding the quantity so sold.

In the case of imports, whenever the Deputy Excise Commissioner issues a permit, the details of the issue shall be endorsed on the licence.

Sale to Government officers and Institutions shall be only against authorisation issued by the Deputy Excise Commissioners.

The quantity that can be sold in a quarter and in a year is fixed at the discretion of the Commissioner in the case of VR. II and the quantity that can be used in a quarter and in a year is fixed in the case of VR. III. There is no restriction regarding the quota that may be drawn or consumed by the officer of the southern Railway under Form VR. IV.

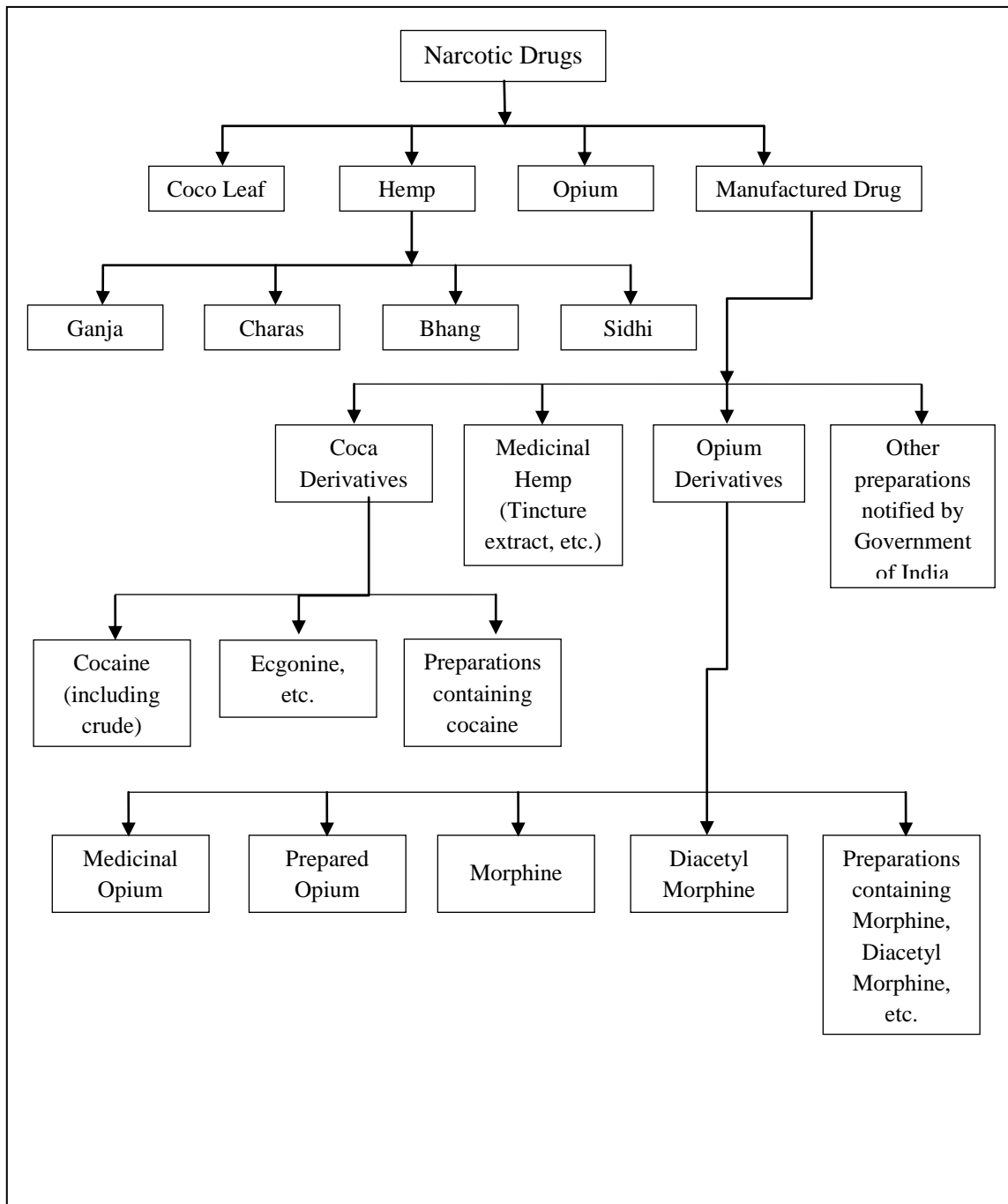
CHAPTER XIV
NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES

1. Geographically India is situated in between the major sources of Narcotic Drugs, namely the Golden Crescent comprising of Pakistan, Afghanistan and Iran and the Golden Triangle consisting of Myanmar, Thailand and Laos. India is also having cultivation of Narcotic Drugs, both controlled and clandestine.
2. The statutory control over Narcotic Drugs and other dangerous drugs in India was exercised through a number of Central as well as State legislations. The Principal Central Legislations were the Opium Act 1857, the Opium Act 1878 and the Dangerous Drugs Act 1930. The penalties prescribed under these Acts were not sufficiently deterrent to meet the challenges of the well organized gangs of smugglers. It did not provide for investigating Officers of several enforcement departments with the powers of investigation. New drugs of euphoria causing addiction known as Psychotropic substances have appeared in the market posing serious problems to Government. Inter- border transits' of drugs by terrorist organisations causes serious threat to our National unity and integrity. India being a signatory to various International Treaties and Protocols in the field of drugs control, it is obligatory on the part of us to make comprehensive enactment as envisaged in the said Treaties and Protocols.
3. India was mainly a transit country. Since majority of the nations enacted stringent laws to combat drug abuse, the illicit drug traffickers faced hurdles for smuggling of drugs to such nations. So they were forced to seek market in India itself, which also caused serious problems to our national Government. Therefore, the Government of India enacted the Narcotic Drugs and Psychotropic Substances Act 1985 w.e.f 14/11/1985, consolidating and amending the law relating to Narcotic drugs and Psychotropic substances by prescribing stringent punishments, implementing the provisions of International Conventions of Narcotic Drugs and Psychotropic Substances and for the matters connected therewith. Subsequently, the Act was amended in 1988, 2001, and 2014 incorporating deterrent punishments for repeated and subsequent offences, pre-trial disposal of seized drugs, bringing certain controlled substances used for the manufacture of Narcotic Drugs and Psychotropic Substances under the ambit of the Act, incorporating provisions or constituting National Fund to meet the expenditure to control drug abuse, forfeiture of property derived from the illicit traffic in Narcotic Drugs and Psychotropic Substances etc. This Act is the most stringent economic law ever enacted in India.

4. Chapter I (Sections 1 to 3) deals with definitions and related matters. Measures for preventing and combating abuse of illicit traffic in Narcotic Drugs and Psychotropic Substances is to be taken by Central Government and to appoint authorities and Officers to exercise powers under this Act by the Central and State Governments, contained in Chapter II (Sections 4 to 7). The provisions for the Constitution of the National Fund for control of drug abuse and its utilisation and accounting are dealt within Chapter II A (Sections 7A and 7B). Chapter III (Sections 8 to 14) contains the provisions for the prohibition, control and regulation of Narcotic Drugs and Psychotropic Substances by Central and State Governments. Chapter IV (Sections 15 - 40) deals with the offences and penalties for the contravention in relation to Narcotic Drugs and Psychotropic Substances, Cognizance of the offences, bail conditions, constitution of Special Court etc. The procedure to be observed by the enforcement officers are given in Chapter V (Section 41 to 68). Chapter VA (Section 68 A to 68 Z) contains the provisions for the forfeiture of property derived from or used in illicit traffic of such drugs and substances and Chapter VI (Sections 69 to 83) contains procedure for treatment for addicts, application of the provisions of Drugs and Cosmetic Act 1940 and the Customs Act 1962, protection for action taken in good faith etc.

5. “**Narcotic Drugs**” means Coca Leaf, Cannabis (Hemp), Opium, Poppy Straw and includes all manufactured drugs. Drug is not defined in this Act. According to Drugs and Cosmetic Act the definition of Drug is " all medicines for internal or external use of human beings or animals and all substances intended to be used in the diagnosis, treatment, mitigation or prevention of any disease or disorder in human beings or animals including preparations applied on human body for the purpose of repelling insects like mosquitoes.....”.

The following table shows the broad classification of the various forms of Narcotic Drugs:-



6. The latex obtained from the capsule of Opium Poppy (*Papaver Somniferum*) when dried in to a brown plastic like substance is raw Opium. Morphine, Heroin, Codeine, Thebaine, its salts and all preparations containing more than 0.2% of Morphine or any Diacetylmorphine come under the definition of Opium derivates. Medically, Morphine is preferred as a drug for relief of pain. As it creates euphoria, people use it and become addicts. It is an odourless, light brown or white crystalline powder. It may appear in market as tablets, capsules or in powder form. Morphine is known in slang terms as white stuff, hard stuff, M, Morpho, Inkie, and Miss Emma etc. Heroine is much more potent than Morphine. This is the most popular Narcotic Drug. Its chemical name is diacetylmorphine. It is most often found as an odourless, white or light powder. Brown Sugar, Smack, 'H', Junk, Harry, Joy Powder Horse, White stuff, snow, sugar etc. are the street names of Heroine.
7. "**Ganja**" is the flowering or fruiting top of the Cannabis plant, also known by several names such as Marijuana, Marihuana, Bhang, Indian Hay, Kerala G, Bombay pass etc. The resinous secretion of Ganja is Hashish and concentrated preparation is Hashish oil. Both Hashish and Hashish oil are known as Charas. The additive ingredient of Ganja is Tetra Hydro Cannabinol (T.H.C).
8. "**Coca plant**" means the plant of any species of the genus erythrohyton. Crude Cocaine is extracted from Coca leaf that can be used directly or indirectly for the manufacture of Cocaine. Cocaine is an odourless, white, fluffy powder. It is generally used by sniffing. It can also be injected. Coke, snow, happy dust, C flake, speed balls etc are street names of Cocaine. Coca plant grows mainly in the Andean High Lands of South America.
9. "**Psychotropic Substances**" means any substance, natural or synthetic or any natural material or any Salt or preparation of such substances or materials included in the list of Psychotropic Substances specified in the Schedule.
10. Section 8 prohibits the various operations such as cultivation, production, manufacture, possession, Sale, purchase, transport, import to India, export from India , warehousing, concealment, use, consumption, export interstate, import interstate etc of Narcotic Drugs and Psychotropic Substances except for medical and scientific purpose and to the extent and in the manner provided by other provisions. Section 8-A prohibits activities relating to conversion etc of property derived from drug trafficking offence.
11. Section 9 empowers the Central Government to permit, control and regulate by rules, certain operations. In exercise of powers conferred u/s. 9 and 76 of the Act, the Government of India framed the Narcotic Drugs and Psychotropic Substances Rules 1988 giving effect from 14/11/1985.

12. Section 9 (A) empowers the Central Government to control and regulate controlled substances for the production or manufacture of any Narcotic Drug or Psychotropic Substance.
13. Section 10 empowers the State Government to permit and control and regulate by rules certain operations relating to Narcotic Drug or Psychotropic Substance. Accordingly the Narcotic Drugs and Psychotropic Substance Rules 1985 have been framed by the Government of Kerala w.e.f 14/11/1985.
14. Section 12 provides for restrictions over external dealings in Narcotic Drugs and Psychotropic Substances.
15. Section 27 relates to punishment for illegal possession in small quantity for personal consumption.
16. Section 28 provides for punishment for attempt to commit offences.
17. Section 32-B provides for enhanced punishment than the minimum term of imprisonment or amount of fine. The factors to consider includes the use of threat of use of violence or arms by the offender, the offender holding a public office and that he has taken advantage of that office in committing the offence, minors being affected by the offence or the minors being used for the commission of an offence, the offence being committed in an educational institution or social service facility or in their immediate vicinity of such institution or faculty or in other place to which the school children and students resort for educational, sports, and social activities , the offender belonging to the organised international or any other criminal group which is involved in the commission of the offence and the offender being involved in other illegal activities facilitated by the commission of the offence.
18. According to the Section 37 all offences under this Act are cognizable. The conditions for releasing person accused of an offence punishable with imprisonment for **10** years or more are also laid down in Section 37, which are:-
 1. The Public Prosecutor shall be given opportunity to oppose the bail.
 2. The Court is satisfied that the accused is not guilty of an offence alleged and that he is not likely to commit any offence while on bail.
19. Section 36 & 36 A to D provides that the trial of all offences under this act shall be by the special Court. The Government may constitute as many Special Courts as may be necessary for such areas as specified by notification in the official Gazette. Each special Court shall consist of a single Judge appointed from among the Sessions Judges/Additional Sessions Judges on transfer by Government in consultation with the Chief justice of the High Court.

Special Courts have been constituted in our State at Vadakara and Thodupuzha. The special Courts have the power to take cognizance of the offence upon a police report or complaint filed by officers authorised by Government in this behalf. Government of Kerala vide GO (MS) No. 168/92 Dtd: 20/10/1992 published in Kerala Gazette extra-

ordinary No. 1160 Dtd: 20/10/1992 SRO 1356/ 92 authorised officers of and above the rank of Excise Inspectors in the Excise Department and officers of and above the rank of Sub Inspector of Police in the Police Department to file complaints in respect of the offences under this Act before Special Court.

20. Section 42 (1) empowers certain officers to enter, search and seize and arrest without warrant or authorisation. Such officers should be superior in rank to a peon, sepoy or constable of the Departments of Central Excise, Narcotic Customs, Revenue Intelligence or any other departments of the Central Government or an officer of similar superior rank of the revenue, Drugs control, Excise, Police or any other departments of the State Government as empowered in this behalf by general or special order by the Government concerned. Officers of and above the rank of Sub- inspector in the department of Narcotics and of and above the rank of Inspector in the department of Central Excise, Customs and Revenue Intelligence and Central Economic Intelligence Bureau are vested with the powers under Section 42(1) by the Central Government vide SO. 822/E Dated: 14.11.1985. Officers of and above the rank of Sub- Inspector of Police in the Police department, of and above the rank of Excise Inspector in the Excise department, and Officers of and above the rank of Deputy Forest Range Officer in the Forest Department, are vested with powers u/s. 42(1) by Government of Kerala vide GO (MS) 137/85/TD Dated: 7/11/85, GO(MS) 146/90 Dated: 22/10/90 and GO (MS) 596/96 Dated: 26/4/96 respectively.

Such officer, if he has reason to believe from personal knowledge or information received from any person that, any Narcotic Drug or Psychotropic substance in respect of which an offence punishable under Chapter IV of the Act, has been committed or any document or article which may furnish evidence for the commission of such offence is concealed in any building, conveyance or enclosed place, between sun rise and sunset:-

- 1) shall record the information in writing then and there and forward a copy of the same to the immediate superior officer.
- 2) enter into and search any such building, conveyance or place without warrant.
- 3) in case of resistance, break open any door and remove any obstacle to such entry.
- 4) Seize such drugs, or substances and all materials used in manufacture thereof and any other articles and any animal or conveyance to be liable for confiscation under this Act and any documents or other article which may furnish evidence of the commission of the offence.
- 5) Detain and search any person whom he has reason to believe to have committed an offence under Chapter IV of the Act and if necessary arrest him.
- 6) If search is to be made in between sunset and sun rise while recording the information also record the ground of his belief for doing so.

21. Any failure to observe any of the provisions contained in Section 42 will vitiate the search. The provisions of search u/s 100 Cr.P.C shall also be applied if they are not inconsistent with the provisions of this Section.
22. The procedures as to issue of warrants and authorisation to search, seizure and arrest are described in Section 41. As per Section 41 (1) Judicial Magistrate may issue warrants for the arrest of any person whom he has reason to believe to have committed any offence punishable under Chapter IV , or search (day and night) of any building, place or conveyance , in which he has reason to believe any Narcotic Drugs or Psychotropic Substance in respect of which an offence punishable under Chapter IV of the Act has been committed or any document or any article which may furnish evidence of commission of such offence is kept or concealed.
23. The Gazetted Officers of the Central and State Governments specially empowered by the concerned Government in this behalf ,may issue warrants of arrest or search of building, conveyance or place for the reasons mentioned above as per section 41(2) of the Act. Government of Kerala vide GO (MS) No. 145/90/TD dated 22.10.90 published in Kerala Gazette No. 50 Dated: 18.12.90 SRO 1729/90 authorised officers of and above the rank of Asst. Commissioner in Excise Department (**now renamed as Deputy Excise Commissioner**) to issue warrant. Warrants shall only be endorsed to officers above the rank of Peon, Sepoy or Constable.
24. The Officer to whom a warrant is endorsed for execution can exercise all powers of an officer acting under section 42(1).
25. Section 43 of N.D.P.S Act empowers such officer as mentioned in Section 42 to seize in any public place or in transits' any Narcotic Drug or Psychotropic Substance which he has reason to believe that an offence under Chapter IV has been committed. Such officer can also detain and search any person whom he has reason to believe to have committed such offence and arrest him and any other person in his company. Entry, Search, Seizure and arrest in offences relating to Coca plant, Opium, Poppy and Cannabis plant are permitted u/s. 44 in obedience to Section 41 to 43. The special provision laid down in section 42 need not be observed in making search, seizure or arrest in public place.
26. Section 48 relates to power of attachment of crops cultivated illegally. Here it is necessary to pass orders in writing by the empowered magistrate or the Gazetted Officer to attach the crops which are illegally cultivated and there after order destruction of crops.
27. Section 49 empowers an empowered officer to stop conveyance and animal and compel to land aircraft and to search them, if he has reason to believe that such conveyance, animal or aircraft is used for transport of N.D.P. Substances in respect of which an offence is committed under Chapter IV.

28. Officer authorised under Section 42 can detain and search, persons whom he has reason to believe to have committed any offence punishable under Chapter IV of the Act. The condition of search of person is given in Section 50. When such officer is about to search a person, the former shall inform the latter that he has a right to be searched in the presence of a Gazetted Officer of any of the departments mentioned in Section 42 or a Magistrate. If he requires that he is utilising the right, he shall immediately be taken to such Gazetted Officer/Magistrate (Judicial or Executive) and search conducted in his presence. If the Gazetted Officer/ Magistrate see no reasonable ground for search, he shall be discharged forthwith. So also, if nothing incriminating as to the commission of an offence under Chapter IV is received on search such person shall also be discharged. These discharges are subject to his involvement in an offence under Chapter IV otherwise than in body search. A female shall only be searched by a female.
29. By virtue of the provisions of Cr. P.C and section 37 of this Act, a Police Officer holding charge of Police station has the power to investigate all offences under this Act. Section 53 empowers the Central and State Governments to vest with Officers of such Departments through notification with the powers of an officer in charge of a Police Station for the investigation of cases under this Act. The State Government vide SRO No. 1517/85 Dated: 07/11/85 invested officers of and above the rank of Excise Inspector with the powers of an officer in charge of a Police Station.
30. The manner of disposal of arrested persons and seized articles is laid down in section 52 of the Act. Accordingly an officer executing a warrant issued u/s 41(1) shall produce the person arrested and articles seized before the Magistrate issued the warrant. The persons arrested and articles seized u/s 41(2), 42, 43 or 44 shall without unnecessary delay be forwarded to the officer in charge of the nearest Police Station or Officer empowered u/s 53 with seized articles, documents and report. Such officer shall register the case and investigate it. The arrested person and articles seized shall be disposed off in accordance with law.
31. According to section 52(A) pre trial disposal of seized Narcotic drugs and psychotropic substances is allowed. The procedures for pre trial disposal must conform to the Supreme Court Judgement dated 28.01.2016 in Union of India Vs Mohanlal & Anr (Criminal Appeal No.652/2012).
32. Section 53 A of N.D.P.S Act permits officers empowered u/s 53 to obtain signed statements from persons acquainted with the fact and circumstances of the case. Such statement is relevant in the circumstances that the person who made the statement is dead or cannot be found or is in-capable of giving evidence or is kept out of way by the adverse party or the Court is of the view that in the interest of justice the statement should be admitted in evidence. Section 67 empowers officer's authorised u/s 42 to call for information as to the contravention of any provision of the act from

- any person, to produce or deliver any document relevant to the enquiry and to examine any person acquainted with the facts and circumstances of the case under enquiry.
33. Section 64 lays down the provision for evidence of approver with permission of State/Central Government. Section 54 and 66 contain rules of evidence to take presumption to have committed an offence against those accused who fail to account satisfactorily the possession of any incriminating drug, substance or material and genuineness of any document tendered as evidence in prosecution.
 34. Section 57 requires that the officer making the arrest or seizure under this Act shall submit a detailed report to the immediate Superior officer within 48 hours.
 35. Section 68 A to 68 Z contain the procedure for the forfeiture of illegally acquired property derived from or used in illicit traffic of narcotic drugs and psychotropic substances. The procedure of forfeiture applied to every person who has been convicted of an offence punishable with imprisonment for a term of five years or more, in India or outside India, to every person in respect of whom an order of detention has been made under the Prevention of Illicit Traffic in Narcotic drugs and Psychotropic substances Act 1988 and not been revoked by the Advisory Board or competent court and every relative or associate of such person. The officer in charge of a Police Station or officer empowered u/s 53 shall on receipt of information that any person is charged with an offence punishable under this Act with imprisonment for **ten** years or more or preventive detention is ordered in India or outside, take all steps for tracing and identifying any property illegally acquired by such person. For this purpose, such officer has the power to conduct enquiry or investigation or survey. If he has reason to believe that any property in relation to such enquiry or investigation or survey is likely to be conducted, transferred, or dealt with in any manner which will result in frustrating any proceeding relating to the forfeiture of such property, he may make an order for seizing such property and where it is not practical to seize it, he may make an order prohibiting the transfer of the same. Such enquiry or investigation or survey shall be conducted in accordance with the directions or guidelines issued by the Competent Authority appointed by Central Government u/s. 68. Any order of seizure or freezing made by an officer in charge of a Police Station or officer empowered u/s 53 shall be valid only if the competent authority confirms it.
 36. The competent authority is authorised to dispose of the property derived from or used in illicit traffic. The sales proceeds of such property shall be credited to the National Fund for control of Drug Abuse constituted u/s. 7A. Any person aggrieved of the order of the competent authority may within forty five days prefer appeal before the Appellate Tribunal Constituted for the purpose u/s 68 N. The Competent Authority and Appellate Tribunal have their powers of a Civil Court. The Competent Authority
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- can dispose of the property only after confirming the punishment by the highest Court of appeal (if preferred) or order of detention confirmed by the Advisory Board or Court having jurisdiction.
37. Sections 15 to 32, 58 and 59 of N.D.P.S Act prescribe offences and penalties in this Act. The contraventions in relation to Poppy straw, Coca plant and Coca leaves, prepared Opium, Opium poppy and Opium, embezzlement by Opium Cultivators, Cannabis other than Ganja, manufactured drugs and preparations of Psychotropic Substances, illegal import and export, external dealings in narcotic drugs and psychotropic substances, allowing premises for the commission of offences and illegal use of any controlled substances for the manufacture, production etc. of any narcotic drugs or psychotropic substances are provided u/s. 15 to 19, 20, 21 to 25(A). The above offences (except small and medium quantity) are punishable with imprisonment for a term not less than ten years and not more than 20 years and liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees; provided for reasons to be recorded in the judgement, the Court may impose fine exceeding 2 lakh rupees.
 38. Section 26 provides punishments for licensee for his omission to maintain accounts, failure to produce license or authorisation, keeping false records etc., which are punishable with imprisonment up to 3 years or with fine or with both.
 39. Section 27 deals with illegal possession in small quantity of narcotic drugs or psychotropic substances for personal consumption. The Central Government may time to time prescribe the quantity of such drugs as small quantity.
 40. Section 27(A) deals with the punishment for financing illicit traffic in narcotic drugs and psychotropic substances and harbouring offenders. Section 27 (B) deals with the punishment of certain activities relating to property derived from drug trafficking offences. Section 28 provides punishment for attempt and Section 29 prescribes punishment for abetment and criminal conspiracy. Preparation is also an offence u/s. 30.
 41. According to section 31, enhanced punishment is prescribed for subsequent or repeated offences u/s. 15 to 25 and its attempt, abetment and criminal conspiracy.
 42. Section 31(A) provides that a person who has been convicted of any offence u/s. 15 to 25 (both inclusive), 27(A) and abetment, attempt and conspiracy to commit such offence is again convicted for any such offence shall be punished with punishment which shall not be less than the punishment specified in section 31 or with death.
 43. Section 58 provides punishment to officers empowered u/s 42, 43 or 44 for vexatious and unnecessary entry, search, seizure or arrest. The Punishment to empowered officers for their failure in their duty or their connivance at the contravention of the provisions of this act is laid down in section 59.

44. Section 46 enjoins duty upon land holders to give information of illegal cultivation of opium poppy, cannabis plant and cocoa plant to empowered officers. Knowingly neglecting to give such information is liable for punishment. It shall be the duty of every Government Servant, Village officer and head of local bodies to give information of illegal cultivation of narcotic drugs to such empowered officers, the failure of which is punishable.
45. Section 51 requires that the provisions of Criminal Procedure Code 1973 shall apply to all warrants issued, arrests, searches and seizures made under this Act so far they are not in consistent with the provisions of this Act.
46. Section 69 grants immunity from Civil and Criminal proceedings to the Central and State Government and their officers for exercising their powers or discharging their duties or for anything done or intended to be done in good faith.
47. The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act 1988 provides the provisions for the detention of persons for preventing illicit traffic in Narcotic Drugs and Psychotropic Substances:-

48. SMALL, MEDIUM AND COMMERCIAL QUANTITY OF SOME COMMON NARCOTIC DRUG AND PSYCHOTROPIC SUBSTANCES

Drug	Small Qty (Up to)	Medium Qty	Commercial Qty
Heroin (Brown Sugar)	5 grams	5 to 250 grams	above 250 gm
Morphine	5 grams	5 to 250 grams	above 250 gm
Cocaine	2 grams	2 to 100 grams	above 100 gm
Cannabis &Cannabis Resin	100 grams	100 grams to 1 kg	above 1 kg
Ganja	1 kg	1 kg to 20 kg	above 20 kg
Opium	25 grams	25 grams to 2.5 kg	above 2.5 kg
Methaqualone	20 grams	20 to 500 grams	above 500 gm
Pethedine	10 grams	10 to 200 grams	above 200 grams
Amphetamine	2 grams	2 to 50 grams	above 50 gm
Buprenorphine	1 grams	1 to 20 grams	above 20 gm
Ketamin	10 grams	10 to 500 grams	above 500 gm
Diazepam	20 grams	20 to 500 grams	above 500 gm
Fentanyl	0.005 grams	0.005 to 0.1 grams	above 0.1 gm
Codeine	10 grams	10 grams to 1 kg	above 1 kg
Nitrazepam	20 grams	20 to 500 grams	above 500 gm.

LSD	0.002 grams	0.002 to 0.1 gm	above 0.1 gram.
MDMA	0.5 grams	0.5 to 10 grams	Above 10 grams.

49. The “**Mahazar**” for seizure of narcotic drugs and psychotropic substances should be drawn on the spot in the presence of two independent witnesses. The details of actual recovery enumerating the details of packing /marking the other material available along with the contraband should also be incorporated in the Mahazar. Samples of the seized drugs will have to be drawn in duplicate on the spot and packed separately and sealed. The seizing officer, the accused, and two independent witnesses should affix their signatures with date on all the seized goods / samples and the Mahazar. The facsimile of the seal used for sealing should be affixed on the Mahazar. The independent witnesses must be persons of repute and should be taken from the spot or their presence on the spot should be explained in the statement recorded from them. A list of all items seized should be incorporated in the Mahazar. The details of weighment /packing/sealing should also be incorporated.
50. While arresting any person under NDPS Act, an Arrest Memo Should be prepared enumerating the grounds of arrest and the date and time of arrest should also be incorporated. The Arrest Memo should be served on the accused and his dated acknowledgment obtained on the duplicate copy endorsing that the grounds of arrest has been explained to the persons in the presence of witnesses whose signature should also be obtained on the duplicated copy of the Arrest Memo. The accused must be produced before a magistrate within 24 hours of his apprehension. After the arrest the relative of the accused should be informed in writing, that the person related to them has been arrested and also the place where he is lodged, should be intimated.
51. **Sampling:** The quantity to be drawn in each sample for chemical test should be 5 grams in respect of all narcotic drugs and psychotropic substances except in the case of Opium, Ganja and Charas/Hashish where a quantity of 24 grams in each case is required for chemical test. The same quantities should be taken for the duplicate sample also. The seized drugs in the packages/containers should be well mixed to make it homogenous and representative; before the sample in duplicate is drawn from the thondy seized. Normally it is advisable to draw one sample in duplicate from each package/container in case of seizure of more than one package/container. **The procedure for drawing representative sample must conform to the Supreme Court judgement dated 28.01.2016 in Union of India Vs Mohanlal & ANR (Criminal Appeal No. 652/2012).** The Departments of the

State Govt. have to send the samples for Chemical Analysis to the State Forensic Laboratory.

52. A complaint/charge-sheet has to be filed within 90 days from the date of registration of Crime as per the provisions of the Cr.P.C. It is advisable to produce all the documents / thondy articles seized / and other evidence collected before the Hon: Court at the time of initial remand itself. All documents of subsequent investigation should be filed along with the complaint.

INVESTIGATION OF NARCOTIC CASES

53. An officer vested with the powers of an officer-in-charge of a Police Station under Section 53 of NDPS Act can investigate and file complaint / Charge Sheet. Investigation under NDPS Act commences with the receipt of information which is reduced to writing as per Sections 41 and 42 of the NDPS Act. The information report has to be submitted to the immediate official superior within 72 hours. The information must be written in first person and the original bearing the informer's details must be sealed in a cover and submitted to the immediate official superior. The carbon copy without the details of the informer should be titled as the "Information Report" and submitted to the Court at the time of remand along with the initials and instructions of the immediate superior officer. The information report must bear the signature of the officer recording the information with date, place and time of recording the information. Action is then initiated on the basis of the information received and seizure effected under Sections 41 and 42 of the Act. Before conducting personal search of any person, he should be informed of his right to be searched before a Magistrate or a Gazetted Officer according to Section 50 of the Act. This compliance of Section 50 has to be recorded in writing by issuing notice and taking the consent of the person to be searched in writing and the same should also be incorporated in the seizure Mahazar drawn in the presence of two independent witnesses. The fact that the accused was informed of his right under Section 50 of the NDPS Act should also be incorporated in the voluntary statement given by the accused. If it is done under Section 100 Cr. P.C. without taking the accused to a Magistrate / Gazetted Officer, thus the reasons for doing so must be recorded and a report should be submitted to his immediate official superior within 72 hours. A report of the seizure must be submitted to the immediate official superior within 48 hours according to Section 57 of the Act. This report must be a detailed report giving all the details of the role played by the officer, right from the stage of receipt of information to the arrest and remand of the accused.

54. A summons is issued to the accused under Section 67 of the N.D.P.S Act and his voluntary statement is recorded. The statement is recorded in the language known to the person. In case of an illiterate person the statement recorded must be read over and explained to the person and an endorsement is to be made to this effect by the independent witness. On the basis of reasonable belief of committing offence the person must be arrested by issuing an Arrest Memo, explaining the offences committed, Section violated and the grounds of arrest and by indicating the date, time and place of arrest. The arrested person must acknowledge having understood the grounds of arrest. Arrest must be done in the presence of independent witnesses. The arrested persons must be produced before the jurisdictional Magistrate within 24 hours of arrest with a remand application according to Section 167 (2) Cr. P.c and Section 51 and 53 of the NDPS Act. All original documents and seized properties including contraband must be produced before the Remanding Magistrate. The relative of the accused must be informed about the arrest of the accused and the prison in which he is lodged as per the guidelines of the Supreme Court. Every officer effecting an arrest must submit a report to the immediate superior within 48 hours as per Section 57 of the Act. All the guidelines of the Hon'ble Supreme court in the case of D.K Basu Vs State of West Bengal must be scrupulously followed. All the proceedings shall invariably be recorded in a Diary in the order of sequence.

The samples of the seized drug must be forwarded through the Court to the Chemical Examiner for chemical analysis within 72 hours from the time of seizure. The report of the Chemical Examiner along with remnant samples must be produced before the Court on receipt. The voluntary statements of the independent witnesses to the seizure Mahazar must be recorded under Section 67 of the NDPS Act as they can be relied upon at the time of trial according to Section 53A of the Act if the independent witnesses turn hostile. Photographs or any other documents used for identification during the course of investigation must be done using originals and not Photostat copies of photographs/documents. On completion of investigation the Complaint/Charge Sheet must be filed before the Trial Court within 180 days from the date of arrest according to Section 167 (2) of Cr.P.C. A list of all documents relied upon by the prosecution and list of witnesses must be appended to the complaint.

CHAPTER XV

MANUFACTURED DRUGS

1. The term “Manufactured Drugs” includes all coca derivatives, extract or tinctures of hemp (Ganja, Bhang, Charas) and opium derivatives. Medicinal opium, prepared opium, morphine, diacetyl morphine and all preparations containing more than .2 percent of morphine or diacetyl morphine come under the category of opium derivatives. In addition to the above, the Government of India may declare any other narcotic substance as a manufactured drug. The Government of India have already declared some such substances as Manufactured Drugs.

2. Though diacetyl morphine (heroin) is also referred, the Government of India as a matter of policy prohibits the transaction of this Drug.

3. As per Section 2(xi) of the Narcotic Drugs and Psychotropic Substances Act 1985, the term “ *Manufactured Drugs* ” means:-

(a) all coca derivatives, medicinal cannabis, opium, derivatives and poppy straw concentrate;

(b) any other narcotic substance or preparation which the Central Government may, having regard to the available information as to its nature or to a decision, if any, under any International Convention, by notification in the Official Gazette, declare to be manufactured drug, but does not include any narcotic substance or preparation which the Central Government may, having regard to the available information as to its nature or to a decision, if any, under any International Convention, by notification in the Official Gazette, declare not to be a manufactured drug.

4. Under section 10 of the Narcotic Drugs and Psychotropic Substances Act 1985, the State Government have powers to make rules for the following purposes :-

- (i) the possession, transport, import inter-State, export inter-State, warehousing, sale, purchase, consumption and use of poppy straw;
- (ii) the possession, transport, import inter-State, export inter-State, sale, purchase, consumption and use of opium;
- (iii) the cultivation of any cannabis plant, production, manufacture, possession, transport, import inter-State, export inter-State, sale, purchase, consumption or use of cannabis (excluding charas).
- (iv) the manufacture of medicinal opium or any preparation containing any manufactured drug from materials which the maker is lawfully entitled to possess;

- (v) the possession, transport, sale, purchase, import inter-State, export inter-State use or consumption of manufactured drugs other than prepared opium and of coca leaf and any preparation containing any manufactured drug;
- (vi) the manufacture and possession of prepared opium from opium lawfully possessed by an addict registered with the State Government on medical advice for his personal consumption.

5. As per Rule 2(k) of the Kerala Narcotic Drugs and Psychotropic Substances Rule "Collector" means the Officer in charge of Revenue Administration of a District for the time being and includes any Officer specially authorised by the Government or the Commissioner of Excise throughout the state in any specified area therein all or any of the powers of a Collector under the Rules.

In exercise of the powers conferred under clause (k) of the Rule 2, the Government of Kerala vide G.O (M.S) 136/85/TD Dated: 7/11/1985 published as S.R.O 1515/85 have authorised all Deputy Excise Commissioner (renamed as Joint Excise Commissioner) in charge of Excise Zones to exercise within their respective zones and all Assistant Excise Commissioners (renamed as Deputy Excise Commissioner) in charge of Excise divisions to exercise within their respective divisions with all the powers of a Deputy Excise Commissioner under the said rules.

6. Possession:—

Except under a licence, no one can possess any manufactured drug other than what is dispensed or sold to him by a Licensee.

7. An approved practitioner may possess the following quantities of manufactured, drugs other than prepared opium for use in his practices:-

		<i>gms</i>
(1) Morphine	(in all forms)	2
(2) Codeine	(in all forms)	2
(3) Cocaine	(in all forms)	2
(4) Methadone	(in all forms)	1
(5) Pethidine	(in all forms)	1
(6) Opium	(in all forms)	30

(7) Other dangerous drugs: A quantity equivalent to 100 average doses, Provided that the Commissioner may by special order authorize any such- practitioner to possess as aforesaid any of the said drugs in a large quantity.

8. No Medical Practitioner can possess or dispense manufactured drugs unless he has first registered himself with the Deputy Excise Commissioner. No registered Medical Practitioner shall prescribe a manufactured drug; unless he has informed his name to the Deputy Excise Commissioner and his name has been recorded by the Deputy Excise Commissioner.
9. The quantities permitted for use in his practice shall not be used for sale. The quantities 'for use in his practice' covers only the actual direct administration of the drugs in injections, surgical operations or other emergent cases by or in the presence of an approved practitioner. All other issues of the drug by an approved practitioner from his dispensary shall amount to sale except in the case of issue free of charge from specially recognized charitable institutions.
10. The Commissioner may by order exclude any approved practitioner from the privilege conferred on him by rule 3 for possessing manufactured drugs other than prepared opium on any of the following grounds:-
 - (1) possibility to abuse such privilege,
 - (2) committed any breach of these rules,
 - (3) convicted of any offence under the Act or under any other law for the time being in force relating to excise, revenue etc.
 - (4) convicted of any criminal offence,
 - (5) any other reason considered by the Commissioner unfit to enjoy the privilege.

When any order is passed under the above circumstances, the approved practitioner concerned shall forthwith deliver up to the Deputy Commissioner of Excise all manufactured drugs then in his possession, for disposal in the manner as provided in rule 73 of the Kerala N.D.P.S Rules.
11. A licensed dealer or a licensed chemist or a person authorised may possess manufactured drugs other than prepared opium in such quantity and in such manner as may be specified in his license / permit.
12. A person in charge of a Government Hospital or Government Medical Institution may possess manufactured drugs other than prepared opium in such quantity as may be authorized by the Director of Health Services.

13. **Import, Export and Transport:-**

The following classes of persons may import inter-State, manufactured drugs other than prepared opium:-

- (i) Licensed dealer to the extent he can lawfully possess,
- (ii) Licensed chemist to the extent he can lawfully possess,

- (iii) An approved practitioner to the extent he can lawfully possess,
- (iv) A person who has been granted permit in this behalf up to the limit specified in the authorization:
- (v) A person specially authorized by the Commissioner up to the limit specified in the authorization:

14. Import Authorisation:-

(1) An import authorization shall be obtained from the Commissioner of Excise by remitting import authorisation fee of Rs. 500/-. The intending importer for import authorisation shall furnish the following details, namely:-

- (i) The name and address of the firm in the exporting State.
- (ii) Exact description and quantity of the drug to be imported and, in case of morphine or diacetyl-preparations, or coca derivatives the quantity of morphine, diacetyl - morphine or cocaine contained in each preparation to be imported; and
- (iii) An undertaking by the applicant that the drug to be imported is intended exclusively for medicinal purposes.

(2) No authorisation shall be granted to permit the inter-State import of manufactured drugs from any State unless the rules for the time being in force in such State are complied with.

(3) Any person may import inter-State, export inter-State and transport such quantity of manufactured drugs other than prepared opium-, as he may lawfully possess under Rule 3 of Kerala Narcotic Drugs and Psychotropic Substance Rules.

(4) A licensed dealer, a licensed chemist; and any person authorized by the Commissioner subject to the restrictions may export inter-State manufactured drugs other than prepared opium to any State, on the production of an import authorization granted under the rules for the time being in force in such State, before the Deputy Excise Commissioner of the District of export.

(5) On the production of the import authorization before the Deputy Excise Commissioner of the District of export, such officer shall countersign the authorization and issue a pass to cover such export.

(6) The person who exports- manufactured drugs, within thirty days of the issue of pass shall produce one copy of pass with certificate of verification by the Excise Officer of importing State to the Officer who issued the pass.

(7) The holder of permit or authorization for the manufactured drugs shall transport / Import / Export the drugs in such quantity and in such manner as in the permit / authorization. He shall also bound to comply general or special direction of the Excise Commissioner if any in this regard.

15. Transmission by post:-

(1) The transmission (import, export or transport) of manufactured drugs other than prepared opium by inland post by a licensed chemist or a licensed dealer is permitted subject to the following conditions, namely:-

- (i) Only the parcel post shall be used;
- (ii) The parcel shall be insured;
- (iii) The transmission shall be covered by an import authorization, export or transport pass granted under these rules, as the case may be, and marked available by parcel post;
- (iv) The parcel shall be accompanied by a declaration showing the following details:-
 - (a) the names of consignor and consignee,.
 - (b) the contents of the parcel in detail,
 - (c) the number and date of the permit covering the transmission,
 - (d) the number of the licence held by the consignee or
 - (e) a declaration that consignee is exempted from the obligation to have in possession of a licence or the quantity concerned and further particulars that may be required;
- (v) The consignee shall record distinctly in his account books the name of the consignor and the quantity of the drugs sent to him from time to time by post.

16. Sale:—

(1) A licensed dealer may be permitted to sell the drugs to the following person otherwise than on prescription:-

- (i) To another dealer or chemist licensed under these rules or under corresponding rules for the time being in force in any part of India;
- (ii) To an approved practitioner;
- (iii) To a person who has been granted permit under rule 62 or under corresponding rules for the time being in force in any part of India;
- (iv) To any person authorized by the Commissioner in this behalf.

(2) Such drugs shall be sold only in packages or bottles after affixing thereon marks plainly exhibiting the quantity of the drugs in each package or bottle.

(3) Any preparation, admixture, extract or other substance containing such drugs shall be sold only in packages or bottles after affixing thereon marks plainly exhibiting the following :-

- (i) In the case of a powder, solution or ointment the total quantity thereof in each package or bottle and the percentage of the drugs contained in the powder, solution or ointment, and
- (ii) In the case of tablets or other similar articles the quantity of the drug in each article and the number of articles in each package or bottle.
17. On every package or bottle containing manufactured drugs other than prepared opium, marks shall be affixed exhibiting the percentage or proportion or quantity of opium (PAPAVER SOMNIFERM - L) morphine, diacetyl-morphine or cocaine contained in the drugs.
18. A licensed chemist may sell manufactured drugs other than prepared-opium on prescription subject to the following conditions, namely:-
- (1) The drugs shall be sold in such quantity and for the use of such person only as may be specified in the prescription and shall not sell on such prescription, Cocaine Hydrochloride in its pure form but only as compound prepared either as a prepared solution or ointment etc.
- (2) The drugs shall be supplied only once on a prescription unless it bears a superscription by an approved practitioner stating that it is to be repeated and at what intervals of time and how many times it is to be repeated:
- Provided that if it appears that the drugs have already been sold on the prescription six times or such number of times less than six as the prescription is required to be repeated, or that the interval specified in the prescription has not elapsed since it was last dispensed, he shall not sell the drugs on such prescription without a fresh superscription in that behalf by an approved practitioner.
- (3) The prescription for the supply of manufactured drugs should be in triplicate. The prescriber should retain the triplicate copy for his record and handover the original and duplicate copy to the patient. The chemist or druggist on receipt of the prescription shall make the supply and on the occasion of each sale, he shall enter on the original and duplicate copy of the prescription the date of sale and shall also sign and seal it. He shall keep the original prescription on his record and periodically send to the Drugs Control administration of the State the duplicate copy.
- (4) Any other conditions that may be contained in his license.
19. Every Registered Medical Practitioner, Registered Dentist or qualified Veterinary Surgeon who wishes to possess or dispense “manufactured drugs” should register himself with the Deputy Commissioner of Excise of the District. Every Registered Medical Practitioner,

Registered Dentist or qualified Veterinary Surgeon who wishes to prescribe manufacture drugs should inform the Deputy Commissioner of Excise so that his name may be recorded for this purpose.

20. The prescription for the supply of manufactured drugs other than prepared opium shall be given by an approved practitioner with the following conditions, namely:-
- (i) The prescription shall be in writing,
 - (ii) It shall contain name, address and qualification with the dated signature of the approved practitioner.
 - (iii) Shall specify the name and address of the person to whom the prescription is given and
 - (iv) The total quantity of the drug to be supplied on the prescription,

Where the medicine to be supplied on the prescription is a proprietary medicine, it shall be sufficient to state the quantity of the medicine to be supplied. When a dose in excess of the usual dosage of any such manufactured drug other than prepared opium is prescribed, the quantity of the dose shall be emphasized by being underlined and the initials of the practitioner set in the margin opposite;

The prescription shall not be given for the use of the prescriber himself. A registered dentist shall give a prescription only for the purpose of dental treatment and shall mark it "*for local dental treatment only*"; and a registered Veterinary Surgeon shall give a prescription only for the purpose of treatment of animals and shall mark it "*for animal treatment only*".

OPIUM

1. The Opium Act 1857 and Opium Act 1878 were enacted years back with the passage of time and the developments in the field of illicit drug traffic and drug abuse, certain deficiencies in the existing laws have come across. In order to overcome these deficiencies, enacted Narcotic Drugs and Psychotropic Substance Act 1985 replacing Opium Acts and Dangerous Drugs Act.
2. Opium is the produce of *Papaver Somniferum*, an annual herb 3-5 feet tall with gorgeous white to pink or purple flowers, shed off their petals, large seed pods called poppy capsules emerged out. Those capsules are rich with viscous latex containing strong alkaloids. The principle alkaloid is morphine. The latex is collected by incising the immature capsules with knife. The latex is then allowed to coagulate. The

- coagulated latex is then scrapped off. The dry, darkened, slightly sticky latex mass is the Opium. The Opium plant is called Opium Poppy.
3. Under Section 2(XV) of the N.D.P.S Act 1985, Opium means the coagulated juice of the Opium Poppy and any mixture with or without any neutral material of the coagulated juice of the Opium Poppy, but does not include any preparation containing not more than 0.2 percent of morphine.
 4. The raw Opium is the coagulated juice of Opium Poppy which does not been subject to any manipulation. It includes the Capsules, whether in the original form or cut, crushed or powdered and whether juice has been extracted or not.
 5. Prepared Opium is a term used to represent the Opium prepared for smoking. Prepared Opium means any product of Opium obtained by any series of operations designed to transform Opium into an extract suitable for smoking and includes the residue remaining after Opium is smoked.
 6. Opium contains two main groups of alkaloid namely phenanthrenes and Isoquinolines. Natural narcotics and alkaloids are used either in the original form or in the form of chemical compounds isolated or synthesized from them.
 7. Section 8 of the N.D.P.S Act prohibits the cultivation of Opium Poppy or produce, manufacture, possess, sell, purchase, transport, warehouse, use, consume, import interstate, export interstate, import into India, export from India or tranship of opium poppy except for the medical or scientific purpose.
 8. The possession, transport, import, export, transshipment etc are governed by the N.D.P.S Act and the Kerala N.D.P.S Rules.
 9. With a view to prevent the abuse of the habit of consumption of Opium and to counteract the evil of Opium addiction, the possession of Opium except under a permit was prohibited throughout the State and the system of sale of Opium through independent shops was given up from 1st April 1959. All Opium and ganja shops were closed from that date.
 10. A sudden and complete withdrawal of Opium would prove fatal to many of the addicts and therefore on the closure of Opium shops provision has been made for issue of Opium to addicts through Treasuries on permits. Such addicts are allowed to possess Opium for personal consumption. Now no Opium addicts are registered in the state and hence discontinued the issue of Opium through Treasuries on permits.
 11. The raw Opium (as well as medicinal Opium) is imported into the state from Opium Factory Gazipur, Uttar Pradesh.
 12. Any person specially authorized in this behalf by the Commissioner but not otherwise may have in his possession such quantity of raw Opium or Opium mixture as may be permitted by the Special authority.
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13. The holder of a licence may transport raw Opium or Opium mixture in accordance with and subject to the provisions of rules 28 to 32 and the Kerala N.D.P.S Rules.
14. Opium mixture transported by one licensee to another licensee shall be accompanied by the following details:-
 - (1) if the licensees are in the same District, by a permit granted by the Deputy Commissioner of Excise of that District; and
 - (2) if the licensees are in different Districts by a permit granted by the Deputy Commissioner of Excise of each of those Districts.
15. The officer granting a permit under rule 29 shall send a copy of it to the Excise Inspector of the place to which the consignment is transported and every permit granted under rule 29 shall be preserved by the holder of the licence for one year; after the period covered by the license. No packet containing Opium or medicine containing Opium shall be opened during its transport except to persons holding a permit in Form N.D 15.
16. When Opium or medicine containing Opium is transported from one District to another the transporter (not being Railway administration) shall, on arrival of the packages at the destination present them together with the licence or permit covering the transport for examination to the officer duly authorized by the Commissioner in this behalf.
17. Any Revenue Officer not below the rank of a Deputy Tahsildar, any officer of the Excise Department not below the rank of an Excise Inspector or any Police Officer not below the rank of a Sub-Inspector may at any time examine any consignment of raw Opium or Opium mixture in transit. If on such examination, such officer finds that the quantity of raw Opium or Opium mixture in transit corresponds to the quantity specified in the permit, the consignment shall be allowed to proceed, otherwise the consignment shall be detained pending the orders of the Deputy Commissioner of Excise who may on proof of misconduct cancel the licence of the person concerned. The cancellation of the licence under this rule shall not operate as a bar to the prosecution of the licensee for any offence which may have been committed against any of the provisions of the Act. In the case of preparations and admixtures containing Opium, the bottles, phials, packages or other container of such preparations and admixtures or the labels affixed to them shall plainly exhibit:-
 - (i) the actual quantity of Opium present in each such bottle, phial, package or container, or
 - (ii) sufficient particulars thereof to admit of the ready calculation of such quantity.

18. No railway administration shall receive or convey Opium or medicine containing Opium which is not covered and accompanied by transport permit from an officer duly empowered in this behalf, or Convey Opium or medicine containing Opium otherwise than:-
- (i) in the custody of a railway official direct to the station at which the Opium or medicine containing Opium should leave the railway, and
 - (ii) according to the route prescribed in such permit.
19. In the case of export the person desiring to export medicines containing Opium shall make an application for a permit to the Deputy Commissioner of Excise in that behalf and shall along with the application forward permit or a non-objection certificate from the Chief Excise Authority of the place to which such medicines are to be exported. On receipt of an application the Deputy Commissioner of Excise shall make such enquiries as he deems necessary and if he is satisfied that there is no objection to grant the permit applied for, he may grant the applicant an export permit. The Deputy Commissioner of Excise shall seal each package of medicine containing Opium which is to be exported with his official seal.
20. Transmission of raw Opium or Opium mixtures by post is prohibited. On payment of the issue price prescribed by the Commissioner from time to time by notification in the Gazette, raw Opium will be supplied in such quantities as may be prescribed in the licence to holders of licenses and permits or to licensed chemists.
21. **Licences and Permits:-**
- (1) Kerala N.D.P.S Rules provide the following kinds of licences and permits.
 - (i) **Form No. N.D 1:**— Licence for the manufacture, possession and sale otherwise than on prescription of manufactured drugs other than prepared Opium. The Deputy Commissioner of Excise may grant to any person a dealer's licence in Form No. N.D 1 appended to these rules to manufacture, possess and sell, otherwise than on prescriptions manufactured drugs, other than prepared Opium subject to the provisions of Kerala N.D.P.S Rules 5, 18 & 57 and to the conditions of the licence. Before granting such licence for the first time prior approval of the Commissioner should be obtained.
 - (ii) **Form No. N.D 2:**—Licence to Chemist for the manufacture, possession and sale on prescription of Manufactured Drugs other than prepared Opium. The Deputy Commissioner of Excise may grant to any person a Chemist's licence in Form No. N.D 2 appended to these rules permitting him to manufacture, possess and dispense and sell on prescription, manufactured drugs, other than prepared Opium subject to the provisions of

Kerala N.D.P.S Rules 5, 20 and 57 and to the conditions of the licence. Before granting such licence for the first time previous sanction of the Commissioner should be taken.

(iii) Form No. N.D 3:—Permit for the import, transport and possession of manufactured drugs other than prepared Opium for medical, scientific or educational purposes. The Deputy Commissioner of Excise may, with the sanction of the Commissioner by general or special order, grant a permit in Form No. N.D 3 to a medical officer in managing or supervising charge of a hospital or charitable dispensary not under Government supervision or to any person in charge of an Educational institution or engaged in scientific research to import, transport and possess manufactured drugs other than prepared Opium in such manner and in such quantity as may be specified by him in that permit. Eligibility certificate from the Drugs Controller should be obtained before sanction of the licence. The Commissioner may, by a special order, authorize any person to import inter-State, transport or possess manufactured drugs other than prepared Opium subject to conditions, if any, as may be specified in that order.

(iv) Form No. N.D 4:—Licence to registered medical practitioner for the possession and sale (on his own prescription) of medicine containing Opium. The Deputy Commissioner of Excise may grant licences in Form No. N.D 4 to a licensed dealer or likened chemist to import inter-state, export inter-state and transport manufactured drugs other than prepared Opium subject to the provisions of rules 9,10,12 and 17 and to such other conditions as may be imposed by the Commissioner.

(v) Form No. N.D 4A:—Sanction for the import of Narcotic Drugs by the Licensees. The Deputy Commissioner of Excise may grant a permit in Form No. N.D. 4 A to a licensed dealer selling manufactured drugs, other than prepared Opium to another licensed dealer or licensed chemist for the transport to the buyer of such drugs. When granting a permit under this rule the Deputy Commissioner of Excise shall send a copy of the permit to the Deputy Commissioner of Excise of the District to which the transport is to be made.

(2) The following forms are also been prescribed under the Narcotic Drugs and Psychotropic Substances Rules for the maintenance of Accounts in respect of transaction of Drugs :-

- (i) Form No. N.D 5:**—Accounts maintained by the importers of Manufactured Drugs.
- (ii) Form No. N.D 6:**—Manufactures bulk stock record.
- (iii) Form No. N.D 7:**—Manufactures record, kept in manufacturing department.
- (iv) Form No. N.D 8:**—Manufactures record, kept in store department.
- (v) Form No. N.D 9:**—Register for Purchase records of Chemist and druggist.
- (vi) Form No. N.D 10:**—Record of sales.

- (vii) **Form No. N.D 11:**—Register of manufactured drugs for Hospital.
- (viii) **Form No. N.D 12:**—Register maintained by registered medical practitioners.
- (ix) **Form No. N.D 13:**—Patient’s Card.
- (x) **Form No. N.D 14:**—Register maintained by the registered medical practitioners to possess and sell medicine containing opium on his own prescription.
- (xi) **Form No. N.D 15:**—Permit for the possession of opium for personal consumption.
- (xii) **Form No. N.D 16:**—Permit for the possession of opium to be used for administering it to cattle or domestic animals on medical grounds.
- (xiii) **Form No. N.D 17:** —Accounts relating to the possession and sale (own prescription) of medicine containing opium by a registered medical practitioner (holder of licence under **Form N.D 14**)
- (xiv) **Form No. N.D 18:** —Accounts relating to the receipt and use of opium by the holder of a licence in **Form L2**.
- (xv) **Form No. N.D 19:** —Accounts relating to the manufacture, possession and sale of medicine containing opium.
- (xvi) **Form No. N.D 20:** —Permit for the possession of opium for preparation of medicinal oil for personal use.
- (xvii) **Form M.C:** —Certificate from a Medical Officer recommending the grant of an application for a permit to possess opium for personal consumption.
- (xviii) **Form M.E:** —Record of medical examination.

22. The licences and permits granted under these rules, except in Form No. N.D 3 shall be current for the period from 1st April to 31st March of the following year or for any shorter period as the Deputy Commissioner of Excise may direct. The permit issued in Form No. ND 3 shall be valid for a period of three years from 1st April to 31st March of the year of expiry or for any shorter period as the Deputy Commissioner of Excise may direct.

23. **Fees for the licences & permits:**

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|---|--------------------------|
| (1) A dealer’s licence in
Form No. ND 1 | : ₹ 5000 per annum |
| (2) A Chemist’s licence in
Form No. ND 2 | : ₹ 3000 per annum |
| (3) A permit in Form ND 3 | : ₹ 3000 for three years |

(4) Input certificate in Form ND 4A : ₹ 500 per Certificate

(5) Licence to a registered medical practitioner in Form No. ND 14 : ₹ 500 per annum

24. Subject to such direction, as may be given by the Commissioner, the authority who has granted a licence, pass, authorization or permit under these rules may cancel or suspend such licence, pass, authorization or permit on any of the following conditions :-

(1) If such person has failed to pay any duty or fee payable under these rules;

(2) If it is transferred or sublet by the holder thereof without the permission of the said authority;

(3) In the event of any breach by the holder thereof or by any of his employees; or by any one acting on his behalf with his express or implied permission of any of these rules or of any of the terms or conditions thereof:

(4) If the holder there of is convicted of any offence punishable under the Act or of any cognizable and non - bailable offence or of any offence punishable under any Abkari or Prohibition Act in force in the State of Kerala or under any corresponding Act relating to Excise in any other State or under the Narcotic Drugs and Psychotropic Substances Act, 1985 or under Chapter XIV of the Customs Act, 1962.

25. If the licensing authority considers that such licence or permit should be withdrawn, he may withdraw the licence or permit on the expiration of 15 days notice in writing of his intention to do so.

26. A licensed dealer or a licensed chemist or a permit-holder may surrender his licence or permit at any time by 15 day's notice in writing given by him to the Deputy Commissioner of Excise after payment of such dues for which he may be liable to government.

27. When a licence or a permit granted under these rules has been cancelled, suspended or withdrawn under the provisions of these rules, the licensee or permit- holder shall forthwith make over all raw Opium and all narcotic drugs other than prepared Opium in his possession to such an officer as the Deputy Commissioner of Excise may direct for disposal in the manner as provided in rule 73.

28. Every licensee or permit-holder shall produce for inspection his licence or permit and his account book on the demand of any excise officer not below the rank of an Excise Inspector or any police officer not below the rank of a Sub-Inspector having jurisdiction in the area, and shall not prevent any such officer from entering and inspecting the premises in which he is authorized to store the narcotic drugs other than

- prepared Opium at any hour of that day or night during which such premises may be kept open for business.
29. Every licensee or permit -holder shall, when required by an officer not below the rank of an Excise Inspector or a Police Officer not below the rank of a Sub Inspector, assist him in taking accounts of his stock.
30. In case of any breach of these rules or of any of the conditions for which a licence or permit is liable to be cancelled or suspended. The Deputy Commissioner of Excise may in lieu of such cancellation or suspension impose a penalty not exceeding ₹ 2000 for every such breach.
31. The imposition of any penalty under these rules shall not however relieve the licensee or permit-holder from liability to be prosecuted for any specific offence committed against the Act or rules made there under.
32. No Licence or Permit shall be granted for any period beyond 31st March next following the date of the commencement of the licence or permit, as the case may be.
33. The Commissioner or the Deputy Commissioner of Excise may cancel or suspend any licence or permit granted by him to any person on any of the following grounds:-
- (1) failed to pay any duty or fee payable by him;
 - (2) by himself or by any servant or person acting on his behalf committed any breach of the condition of such licence or permit;
 - (3) has been convicted of any offence against the Act or any law for the time being in force relating to excise revenue or of any criminal offence.
34. If any licensee has in his possession on the expiry or cancellation of his licence any raw Opium or Opium mixture which he is unable to dispose of to the satisfaction of the Deputy Commissioner of Excise, he shall surrender the same to the Deputy Commissioner of Excise. The Deputy Commissioner of Excise may thereupon require any licensee to purchase at such price as the Deputy Commissioner of Excise may fix any quantity of such raw Opium or Opium mixture, not exceeding the quantity which in the opinion of the Deputy Commissioner of Excise may ordinarily be made use of by such licensee in two months, provided the price fixed for the Opium shall not exceed that at which it may be obtained at the treasury. The Deputy Commissioner of Excise may likewise request any licensee to purchase any raw Opium made over so

surrendered, to him by a Chemist or dealer licensed under these rules, if such raw Opium is certified to be fit for use by the Government. The sale proceeds of such Opium or Opium mixture less the expenditure incurred for conducting the sale shall be paid to the person whose licence has expired or been cancelled.

The Deputy Commissioner of Excise may cause any such raw Opium or Opium mixture to be examined by the Civil Surgeon or such other officer as the Commissioner may direct and if the said surgeon or officer certifies the raw Opium or Opium mixture to be unfit for use, the Deputy Commissioner of Excise shall cause the same to be destroyed with the sanction of the Commissioner.

35. When a licence granted to any person under these rules is suspended such person shall forthwith make over to the Deputy Commissioner of Excise all raw Opium or Opium mixture then in his possession and if the licence is subsequently restored the raw Opium or Opium mixture so made over shall be returned to such person. If the licence is subsequently cancelled the provisions of sub-rule (2) shall apply in respect of such raw Opium or Opium mixture.
36. A licensed dealer or a licensed chemist may, subject to the conditions of his licence, manufacture "Medicinal Opium" from Opium lawfully possessed by him, and any preparation containing morphine, diacetyl-morphine or cocaine from morphine, dactyl-morphine, Opium of cocaine lawfully possessed by him.
37. Every medical institution which intends to be recognized for the purpose shall apply to the Drugs Controller appointed by the State Government who shall convey his decision within three months of the receipt of the application.
38. Every recognized Medical Institution shall designate one or more qualified medical practitioner who may prescribe morphine for medical purposes. When more than one qualified medical practitioner have been designated so, one of them shall be designated as over - all in charge and shall comply the following:-
 - (1) Endeavour to ensure that the stock of morphine is adequate for patient needs.
 - (2) Maintain adequate security over stock of morphine;
 - (3) Maintain a record of all receipts and disbursements of morphine in the format prescribed.
 - (4) Ensure that estimates, and other relevant information required to be sent by the recognized medical institution under this chapter are sent to authorities concerned in time.

39. Every recognized medical institution shall send their annual requirement of morphine in the format prescribed by 30th November of the preceding year along with the name and address of the supplier from whom they intend to buy it, to the Drugs Controller.
40. The Drugs Controller of the State, who receives the annual requirement, shall consider it. A reply on approved estimates or rejection of the estimate shall be sent before 21st of December of the preceding year. A copy of the communication shall be sent each to the supplier whose name has been given in the estimate and to the Drugs Controller of that State.
41. If the requirements of the recognized medical institution exceeds the annual estimate approved by the Drugs Controller of the State the recognized medical institution may send a supplementary estimates at any time to the Drugs Controller which shall be considered and dealt with by him in the same manner as the annual estimates.
42. **Possession, transport, purchase etc:-**
The possession, transport, purchase, sale, import inter-state, export inter-state or use of morphine in respect of a recognized medical institution shall comply the following:-
- (1) The recognized medical institution shall place orders for purchase to a manufacturer/supplier in the format prescribed along with a photocopy of the communication of the Drugs Controller vide which the institution was recognized for the purposes and a copy of the communication of the Drugs Controller vide which the approved estimates were conveyed. A copy of the order for purchase shall be sent to the Drugs Controller and the Narcotics Commissioner of India.
- (2) Any manufacturer/supplier shall send morphine to the recognized medical institution under this chapter only on the basis of an order for purchase received in the format prescribed along with copies of recognition granted by the Drugs Controller and the approved estimates communicated by the Drugs Controller. The manufacturer/supplier shall dispatch the morphine consignment along with a consignment note in quintuplicate in the format given. Copies of the consignment note shall be sent by the manufacturer/supplier to the Drugs Controller of the State in which the manufacturer/supplier is located, Drugs Controller of the State in which the recognised medical institution is located and the Narcotics Commissioner of India. He shall also keep a copy of the consignment note.
- (3) On receipt of the consignment, the recognized medical institution shall enter the quantity received with date in all the copies of the consignment note, retain the original consignment note, sent the duplicate to the supplier, triplicate to the Drugs Controller, the quadruplicate to the Drugs Controller of the State (in cases in which the

- consignment originated outside the State) in which the supplier is located and the quintuplicate to the Narcotic Commissioner of India.
43. All records generated shall be kept for a period of two years from the date of transaction which shall be open for inspection by the officers empowered by the State Government under Section 41 and 42 of the Narcotic Drugs and Psychotropic Substances Act, 1985.
44. The stocks of morphine under the custody of a recognized medical institution shall be open for inspection by the Drugs Controller or any other officer subordinate by him.
45. The holders of licences, issued under these rules, shall maintain day-to-day accounts in respect of their transactions in manufactured drugs in the appropriate Forms and monthly returns shall be sent to the licensing authority for scrutiny.
46. The licensee shall file in support of his accounts of receipts the customs receipts for duty paid or the invoices of supplies obtained otherwise than by import by sea and in support of the accounts of sale, a receipt from each person to whom an issue made or the orders on which such issues were made. Accounts of transaction under this licence shall be kept separately from those maintained by him under any other licence. Such accounts shall be preserved for not less than 2 years from the date of expiry of the licence. The licensee shall furnish to the Deputy Excise Commissioner such statistics about receipts or sales as may require from time to time.
47. The medical practitioner shall also maintain daily accounts of receipts and use in Form No. N.D 12. They shall also maintain a separate card in Form No. N.D 13 for each patient showing the history of each patient using manufactured drugs and the quantity supplied to him from time to time.
- The accounts shall be open to inspection by any officer of the Excise Department not below the rank of an Excise Inspector or any officer of the Police Department not below the-rank of Sub-Inspector.
48. All officers of the Excise Department of and above the rank of Excise Inspector and all officers of the Police Department of an above the rank of Sub-Inspector may enter an inspect any place in which narcotic drugs other than prepared Opium are kept for sale or for such other use as is provided by these rules at any time by day or night during which the place may be kept open and examine the accounts and registers maintained in any such place as aforesaid and seize such accounts and registers which he may have reasons to believe to be false; He may examine, test, weigh and measure all narcotic drugs other than prepared Opium found in any place as aforesaid; and examine or test and seize any measures or weights found in any such place which he has reason to believe to be false.

CHAPTER XVI
COLLECTION OF SAMPLES

1. **Chemical Analysis:-** No toddy other than that drawn from coconut, Palmyra, or choondapana palms shall be sold by the licensee. All toddy kept or offered for sale shall be natural and conforming to the specifications and restrictions notified by the Government under clause (n) of rule 2 of the Kerala Abkari Shops Disposal Rules. All liquor kept or offered for sale shall be of good quality and in the prescribed strength. Nothing shall be added to it to increase its intoxicating quality or strength or to alter its composition or for any other purposes. Liquor samples collected from licensed shops are examined for the purpose of ascertaining adulteration if any and checking the quality of liquor kept for sale. The samples of toddy and liquor collected by officers should be got analysed by Chemical Examiner and the certificates issued will be accepted as evidence by courts.
2. All Abkari officers not below the rank of Excise Inspectors in the case of Foreign Liquor-1 shops and Preventive Officers in the case of Toddy Shops shall have authority to take samples of foreign liquor or toddy kept for sale in any Toddy Shop or Foreign Liquor Shop for chemical analysis.
3. **The following procedure shall be followed while taking samples :-**
 1. **Toddy :-**
 - (i) The quantity of sample taken for chemical analysis shall not be less than 500 ml.
 - (ii) Benzoic Acid should be added as preservative in toddy at the rate of one gram for 100 ml. of toddy;
 - (iii) The contents in the vessel in which the liquor is stored shall be thoroughly mixed so as to get a representative sample. Divide the sample in to two parts and put each part in two separate bottles or containers which are properly cleaned and dried. If toddy is kept for sale in bottles, sufficient number of bottles of toddy may be taken and they may be poured in a separate vessel and thoroughly mixed, so as to get a representative sample.
 - (iv) The bottles or containers shall be securely fastened with suitable caps or corks so as to make it leak proof to prevent any spillage. The neck portion of bottles or containers and the caps or corks shall be covered with a piece of cloth and tied together with a string securing the covered cloth.
 - (v) The Officer taking the samples shall inform the licensee or his representative to put his seal if he so desires. If he desires to put his seal, the string shall be tied in such a way that it shall have two knots in opposite sides.

- (vi) The Officer taking the sample shall put his seal on one knot and the licensee or his representative shall put his seal on the other knot. If the licensee or his representative is not willing to put his seal, in such cases, the string shall be tied with one knot and the officer shall put his seal on that knot.
- (vii) The seal shall be affixed on the knot of the string using sealing wax in such a manner that the caps or corks cannot be removed unless the string is cut or the seal is broken.
- (viii) Only the official or personal seal of the officer taking sample shall be used for sealing. The seal shall be legible and decipherable.
- (ix) If the licensee or his representative has no seal or if they are not willing to put their seal, it shall be recorded in the Mahazar/Report drawn at the time of taking sample.
- (x) The specimen of the seal(s) used for sealing the samples shall also be put on the Mahazar/Report.
- (xi) Another string shall be tied around the bottles breadth wise in such a manner that the knot shall be over the label affixed on the bottles or containers and a seal shall be affixed on the knot using sealing wax so as to make it impossible to remove the label without cutting the string or breaking the seal.
- (xii) Labels marked 'A' and 'B' shall be affixed on each bottle or container, bearing the signature, name, designation of the officer taking the samples with the details of the shop and the item of the sample taken with quantity along with the signature or thump impression of the person from whom the sample is taken; In case the person from whom the sample is taken, refuses to affix the signature/thump impression, the signature or thump impression of two independent witnesses shall be obtained on the label.
- (xiii) The sealed bottle or container marked 'A' shall be forwarded to the Chief Chemical Examiner or Joint Chemical Examiner to the Government of Kerala or to any officer authorized by the Government in this behalf along with a memorandum in Form No. V appended to the Kerala Abkari Shops Disposal Rules 2002. The nature of analysis to be conducted should be specifically got indicated in the memorandum. The sample shall be forwarded to the chemical examiner without unreasonable delay. The memorandum shall be forwarded in a sealed cover.
- (xiv) A small quantity (5 gm) of the preservative used shall also be forwarded separately along with the sample to the Chemical Examiner/Authorized Officer.
- (xv) The bottle or container marked as 'B' shall be handed over to the concerned Deputy Commissioner of Excise of the division who shall be the Authorised Officer with a copy of the memorandum, immediately, under proper acknowledgement. He shall affix his seal over the string on the neck portion of the bottles or containers and shall assign a register number on the label affixed.
- (xvi) The Deputy Commissioner of Excise of the Division shall maintain an exclusive register for registering the details of samples received by him. The samples shall be

registered serially and that serial number shall be assigned as the register number. The details of further action taken by him shall be noted in the register.

- (xvii) The details of sample taken should also be entered in the Inspection Register kept in the licensed shop. A register of sample collected should also be kept in the office for entering the details of sample collection, result of chemical analysis, further action taken etc.
- (xviii) On receipt of the Chemical Analysis Report, if any violation of the provisions of the Abkari Act, Rules or conditions of License or any adulteration is noticed, a case shall be registered forthwith. The sample marked as 'B' shall be produced before the concerned court. There is no violation as per Chemical Analysis Report, then the sample marked 'B' shall be destroyed after obtaining sanction from the Deputy Commissioner of Excise and it must be entered in the register.

2. Foreign Liquor :-

- (i) All Abkari officers of and above the rank of Excise Inspectors shall have the authority to take samples of any foreign liquor kept for sale.
- (ii) Not less than 180 ml of foreign liquor shall be taken for chemical analysis. Three samples shall be taken and the same shall be collected in three separate bottles or containers, properly cleaned, dried and marked as A, B and C.
- (iii) The bottles or containers shall be securely fastened with suitable caps or corks so as to make it leak proof to prevent any spillage. The neck portion of bottles or containers and the caps or corks shall be covered with a piece of cloth and tied together with a string securing the covered cloth.
- (iv) The officer taking the samples shall inform the licensee or his representative to put his seal if he so desires. If he desires to put his seal the string shall be tied in such a way that it shall have two knots in opposite sides.
- (v) The officer taking the sample shall put his seal on one knot and licensee or his representative shall put his seal on the other knot. If the licensee/representative is not willing to put his seal, in such cases, the string shall be tied with one knot and the officer shall put his seal on that knot. The seal shall be affixed on the knot of the string using sealing wax in such a manner that the caps or corks cannot be removed unless the string is cut or the seal is broken.
- (vi) Only the official or personal seal of the officer taking sample shall be used for sealing.
- (vii) The seal shall be legible and decipherable. If the licensee or the representative of the licensee has no seal or they are not willing to put their seal, it shall be recorded in the Mahazar/report drawn at the time of taking sample.
- (viii) The specimen of the Seal(s) used for sealing the samples shall be put on the Report/Mahazar.

- (ix) Labels marked as A, B and C shall be affixed on each bottle or container, bearing the signature, name, designation of the officer taking the samples with the details of the shop and the item of the sample taken with quantity along with the signature or thump impression of the person from whom the sample is taken. Provided that in case the person from whom the sample is taken refuses, to affix the signature/thump impression, the signature or thump impression of two independent witnesses shall be obtained on the label.
- (x) The sealed bottle or container marked 'A' shall be forwarded to the Chief Chemical Examiner or Joint Chemical examiner to Government of Kerala or to any officer authorized by the government in this behalf along with a memorandum in Form FLS appended to the Foreign Liquor Rules, without unreasonable delay. The memorandum shall be forwarded in a sealed cover.
- (xi) The bottle or container marked 'B' shall be handed over to the concerned Deputy Excise Commissioner of the division, who shall be the Authorized Officer, with a copy of the memorandum immediately under proper acknowledgement. He shall affix his seal over the string on the neck portion of the bottles or containers and shall assign a register number on the label affixed.
- (xii) The Deputy Excise Commissioner of the Division shall maintain an exclusive register for registering the details of samples received by him. The samples shall be registered serially and that serial number shall be assigned as the register number. The details of further action taken by him shall be noted in the register.
- (xiii) The bottle or container marked as 'C' shall be handed over to the Licensee, from whom the sample is collected.
- (xiv) On receipt of Chemical Analysis Report if any violation is noticed, further action shall be taken as per Abkari Act and Rules without delay.
- (xv) If no further action is needed, the samples marked as B shall be destroyed by the Deputy Excise Commissioner. The sample marked as 'C' kept in the custody of the licensee shall be destroyed in the presence of the Deputy Excise Commissioner concerned of the division after recording the facts and the reason for disposal.
- (xvi) The cost of liquor taken as sample shall be paid to the Licensee on proper receipt. The cost shall be calculated at the rate at which the liquor was bought by the Licensee.

MOBILE TESTING LABORATORY

1. The setting up of mobile testing laboratories helps the enforcement officers to detect, on the spot, the presence of any toxic substances, addition of any other substances, foreign ingredients, percentage of ethyl alcohol etc in Alcoholic Beverages. Three Mobile Liquor Testing Labs are functioning now for each zone, ie South Zone, Central Zone, & North Zone.

2. **Lab:- Three mini buses** purchased for the purpose have been modified and suitably equipped for the use of Mobile Testing Lab. Driver Cabin, Sitting Area, Lab and Space for Distillation are arranged in the bus.
3. **Officers attached to the Mobile Testing Lab:-** Each Mobile Testing Lab shall have one Junior Scientific Officer, One Laboratory Assistant, One Circle inspector / Excise Inspector , One Civil Excise Officer and One Driver. One Scientific Officer and One Laboratory Assistant from Government Chemical Examination Laboratory is posted on deputation for Chemical Analytical work of Mobile Testing Lab at Trivandrum.
4. The Excise Officers in the Lab should always be in uniform.
5. **Control:-** The Mobile Testing Lab shall be under the direct control of the Joint Excise Commissioner of the concerned Zone. The Lab will function as per the direction / order of the Joint Excise Commissioner concerned. The operational area of the Mobile Testing Lab will normally be one Zone concerned. The Excise Commissioner by order may extent or reduce the operational area of the Lab, if necessary. The Excise Inspector / Circle Inspector posted at the Mobile Testing Lab will be the head of the Mobile Testing Unit, who will report to the Joint Excise Commissioner of the Zone concerned.
6. **Maintenance of Records:-** The Excise Officer in charge of the Lab should maintain necessary files and records. Apart from Establishment Register for drawing and disbursement of salary, Attendance Register, Log book, the following registers shall also be maintained.
 1. Register for entering Lab equipments and chemicals. (This register should contain the details of Lab equipments and chemicals / reagents purchased).
 2. Register for collection of samples and results. (preliminary and detailed examination) The register should contain the following details.
 - (a) Serial number.
 - (b) Date and time of collection of sample.
 - (c) Licence number and name of licensed shop.
 - (d) Description and quantity of samples taken for analysis.
 - (e) Result of analysis.
 - (f) Date and time of despatch of result to the concerned Excise Officer.
 - (g) Remarks.

7. Collection of Sample:-

The officer who collects the sample should comply the following:-

1. The Excise Inspector/Circle Inspector of Excise attached to the Chemical Lab shall have the authority to collect samples of toddy from toddy shops and samples from other licensed premises under the Abkari Act and Rules.
2. The Excise officer in charge of the Mobile Testing Lab should keep suitable bottles for the collection of samples in the Mobile Testing Lab.
3. Glass bottles may be used for collecting samples and the bottle used shall be thoroughly cleaned and dried.
4. Samples shall be collected by the Excise Officer in the presence of licensee / representative of the licensee and witnesses.
5. A Representative Sample may be taken if the liquor is stored in vessels/ container/ bottles. The content in the vessels/container/bottles in which the liquor is stored shall be thoroughly mixed in sufficient quantity, so as to get a Representative Sample.
6. In the case of toddy, not less than 500 ml and for other potable liquor not less than 180 ml may be taken as sample for Chemical Analysis.
7. A Mahazar / Report shall be prepared in the presence of the licensee / representative and witnesses with their signature.
8. The Excise officer shall enter the details of samples taken in the Inspection Register kept in the licensed premises, immediately on collection of samples.

8. Chemical Analysis:- The sample so collected for Chemical Analysis should forthwith handover to the Scientific Officer of the Mobile Testing Lab, for on the spot Chemical Analysis (Preliminary Chemical Analysis). The Scientific officer of the Mobile Testing Lab should handover the preliminary test result / report to the Excise Officer in charge of the Mobile Testing Lab, immediately on completion of the chemical analysis.

9. If the Preliminary Chemical Analysis reports / result show any violation of the provisions of Abkari Act or Rules or Licence Conditions, the Excise Officer in charge of the lab should stop the sale of the toddy and shall inform the matter immediately to the Excise Inspector / Circle Inspector of Excise of Range / Circle concerned and require his presence for inspection and proper collection of samples for detailed chemical analysis at Government Chemical Analytical Lab concerned. On arrival of the Excise Inspector / Circle Inspector of Excise of Range / Circle concerned or any other Competent Officer. The Excise officer in charge of the lab shall handover the preliminary report / results to the Excise Inspector / Circle Inspector of Excise of Range / Circle concerned or any other competent officer.

10. The Excise Inspector / Circle Inspector of Excise of Range / Circle or any other Competent Officer concerned shall collect the sample for detailed chemical analysis from the same container / vessel / bottles / batch from which the sample for the preliminary chemical analysis was drawn. The samples should be drawn by the Excise Inspector / Circle Inspector of Excise or any other Competent Officer in the presence of the Excise Officer in charge of the Lab and other witnesses. A Mahazar should be prepared for the purpose. He shall freeze the stock of toddy/batch of foreign liquor, preparing a Mahazar and should submit a detailed report in this regard to the concerned Joint Excise Commissioner and Deputy Excise Commissioner without delay. The Excise Officer shall furnish a special request to the Chief Chemical Examiner or Joint Chemical Examiner to Government concerned along with the memorandum in Form V of the Kerala Abkari Shops Disposal Rules or in form FLS (FL Rules) for a Priority Analysis. The observation of the Scientific Analyst in the Mobile Testing Lab should also be specified in the request. Further legal action has to be taken immediately after receipt of chemical analysis report from the Government chemical analytical lab concerned.
11. If any violation of Act and Rules as per the chemical analysis certificate of Chemical Examiner's Lab is noticed, the Excise Inspector of the Range should register a case and produce the 'B' sample before the court concerned. The frozen toddy / liquor shall be seized and produced before the court as thondy along with other records. If the sample shows no violation of Act and Rules, toddy frozen shall be destroyed after obtaining orders from the Deputy Commissioner of Excise concerned. In the case of other liquor, frozen liquor shall be released for sale by the concerned Excise Inspector / Circle Inspector of Excise after ensuring whether the liquor is potable.

CHAPTER XVII**SALE OF ABKARI SHOPS**

1. In the policy for the year 2001-2002, outlined in G.O (M.S) No. 17/2001/TD Dated: 26.2.2001 Government have inter alia decided to discontinue the Auction System of Toddy shops and Foreign Liquor I shops and entrusted the running of toddy shop to toddy shop workers and toddy tappers co-operative society formed at Range / Taluk level with registered members of Toddy Workers Welfare Fund Board. The distribution of Indian Made Foreign Liquor was entrusted to Kerala State Beverages Corporation, Kerala State Civil Supplies Corporation and Kerala State Consumer Federation. Accordingly Government have framed the Kerala Abkari Shops Disposal Rules 2001 in supersession of the rules issued in G.O (M.S) No. 31/74/TD Dated: 28.2.1974.
2. In the Excise Policy for the year 2002-2003 outlined in G.O (M.S) No. 21/2002/TD Dated : 27.03.2002 Government have inter alia decided to introduce Annual Licensing System for toddy shops by realising , a fixed annual rental. Government have also decided to reduce the number of existing Toddy shops by abolition of some shops and also fixed the qualification and eligibility for applying for shops. In order to implement the above policy Government have framed the Kerala Abkari Shops Disposal Rules 2002, in supersession of the Kerala Abkari Shops Disposal Rules 2001.
3. Now the right to vend in retail of toddy is disposed of in public sale groupwise or Range/Taluk wise for a fixed annual rental as licence fee decided by Government from time to time.
4. Public sale may ordinarily start by the first week of February and be completed by the end of February leaving a clear margin of one month for the follow-up action, such as confirmation of sales, issue of confirmation notice, collection of security, etc., and completion of all formalities before 31st March.
5. **Notification:-**
 - i). The conditions under which Public sale are notified in the gazette in the last week of January of every year. The Commissioner of Excise submit proposals to the Government for changes in the Abkari policy by the first week of December. The proposals should contain changes if any, in the annual rental of shops, in the rate of duty, gallonage fee, tree tax, conditions of sale or working of shops, reduction or increase in the number of shops etc. After

receipt of Government orders on policy matters, draft of the changes if any to be made to the body of the notification should be forwarded to Government.

ii). Along with sales notification, the details regarding the shops to be disposed of in sales and the area within which it is to be located should be published, in the form of a schedule to the notification. This schedule will contain the number of shop, name of the village, name of the Kara (desom) and muri, the name of the shop and the boundaries on all the four sides. Often it is found that the boundaries are not well defined. Instances are also not rare where boundaries are given out as fixed points. It is therefore necessary that Circle Inspectors and Deputy Excise Commissioner ensure that the boundaries notified are traversable on all the four sides. In so describing the schedules, if it is not possible to stick to the east-west, north-south directions, it can be suitably explained in the schedule. For example, the boundaries can be in the form of a circle. But in any case, the description must embrace or cover the entire area. There should not be need for drawing any imaginary lines. In some cases the area covered by the description encroaches upon another village or Kara (desom). Such incongruities should not happen. For any such irregularity, the Circle Inspector of Excise of the Circle concerned will be responsible.

iii). It is of utmost importance that a periodical review of the correctness of the entries in the schedules is done every year. As the schedules are published every year along with the sales notification, this opportunity should be taken to rectify the defects that may have crept in. Even if there have been no complaints, the Circle Inspectors of Excise must by the end October every year, check up the schedule personally and verify the boundaries and submit proposals for the correction, if any, of the defects in the description of boundaries or in the names of the villages, karas (desom) and muries. If there are no defects a certificate that there is no need for any corrections should be sent by 31st October.

iv). The place of public sale is also notified. But due to practical difficulties, it may be necessary to change the venue. In such cases, the Deputy Excise Commissioner is competent to fix the venue of sale at places most convenient such as halls, auditorium etc. But such changes must be notified in the Range Offices, Circle Offices and in the office of the Deputy Excise Commissioner. The change must be intimated to the Excise Commissioner also. The Deputy Excise Commissioners can incur expenditure for hiring the hall/auditorium, furniture, sound system etc and if the amount is beyond his financial powers, in anticipation of sanction.

v). Immediately, the notifications are published, the Deputy Excise Commissioners and Circle Inspectors of Excise must make it a point to see what are all the changes made from the last year's sales notification, in the body and in the schedules of the shops. These changes must be well digested and communicated as far as possible to the prospective applicants. If there are any mistakes in the notification including the description of boundaries of shops this may be immediately reported to the Excise Commissioner. Action for fixing up of alternate venues of sale, if needed should also be taken immediately on receipt of the notification.

6. Sale:-

i) The sale is conducted by the District Collector or by the Joint Excise Commissioner or by any other officer authorised by the Government.

ii) The day previous to the public sale, Circle Inspectors of Excise of the Circles and the Deputy Excise Commissioner should present themselves before the officer conducting the sale with all relevant facts about the prospects of public sale and in particular with the valuation list. The valuation list should contain details of the number and names of shops with rentals and the name of applicants for the last five years. The valuation list should be made available to the superior officers whenever there is to be a review of the prospects of sale. The priority list showing the order in which the shops are to be disposed of should also be given to the officer conducting the sale sufficiently before the public sale. He must also inform in advance to the officer conducting the sale, the names of intending purchasers, who are likely to participate in the sale.

iii) On the date of sale, the Deputy Excise Commissioner must make arrangements for the collection of entrance fee and issue receipts at the venue of public sale. Where a large number of applicants are expected and especially on the opening day of public sale for the district, issue of hall tickets should commence by 8 o'clock and if needed two three counters must be opened. Sufficient number of T.R Forms should be kept ready for issue of cash receipts. Simultaneously the name of intending purchasers who have paid entrance fee may be entered in the Entrance Fee Collection Register. The Manager of the division office, if available must be made responsible for this.

iv) Entrance Fee of Rs. 200/- should be collected from each intending purchaser and should give receipts for the same. The entrance fee collected is not refundable. The intending purchaser shall also bring an identity card duly attested by a Revenue Officer not below the rank of Village Officer. It serves as hall ticket for the admission into Sale Hall.

v) Only persons who have hall tickets will be admitted to the sale hall. Person who intends to avail the privilege of vending shall be present in the Sale Hall. Ordinarily, the public sale should commence by 10 o'clock unless for exceptional reasons the officer conducting the sale consider it necessary to start it at a later hour.

7. The following persons are debarred from getting the privilege of any group / Range.

- (i) That person who is charged with an offence relating to illicit liquor or prosecution proceedings is pending against such person before a court of law.
- (ii) Those convicted under any Abkari offence or any other criminal offence and sentenced to imprisonment for more than three years after 1st April 1992.
- (iii) Defaulters in respect of any Abkari arrears or any other arrears due to the Kerala Toddy Workers Welfare Fund or the Kerala Abkari Workers Welfare Fund and 50%

of the arrear pending against him is not remitted as on the sale notification before the date of sale.

- (iv) Public servants in the service of Government.
 - (v) Person below 18 years of age.
8. Before the public sale commences, the officer conducting the sale shall ensure that the important points in the sales notifications are read in the sale hall. It may not be possible to read through the entire notification but it is essential that the changes from the last year's notification both in the body and in the schedules of the shops are conspicuously read. If there is to be any palpable mistake, printing or otherwise, in the notification, this may be corrected. The proposed correction should be announced in the public sale hall, subject to the approval of the Commissioner of Excise and in such cases the correction announced should be reported to the Commissioner of Excise for approval and a remark should be made in the sale list that the sale is subject to change announced in the sale hall.
9. The sale of the group/range shall be in the order of sequence as shown in the notice of sale. Where there is preference to an applicant in the sale of toddy shops, the Circle Inspector of Excise shall certify the eligibility of preference as required in the Rule. If there are no qualified purchasers to take the shops, the sale can be adjourned to some other convenient day.

10. Application for getting privilege:-

The applicant desirous to purchase the privilege shall furnish the following documents.

- (a) Prescribed application bearing necessary court fee stamps. Application in form II appended to the Kerala Abkari Shops Disposal Rules 2002.
- (b) Bank Draft drawn in favour of the Deputy Commissioner of Excise concerned for the amount equal to annual rental fixed for the shops.
- (c) Bank guarantee or bank draft or solvency by way of deposits in TSA equivalent to one month wages and other benefits of workers.
- (d) Entrance Fee Receipt
- (e) Identity Card.
- (f) Abkari no arrear Certificate.

- (g) Sales tax no arrear Certificate.
 - (h) No arrear certificate from Kerala Abkari Workers Welfare Fund / Kerala Toddy Workers Welfare Fund.
 - (i) Remittance of 50% arrear certificate from concerned authority, if arrear is outstanding.
 - (j) Non Liability Certificate from Kerala Abkari Workers Welfare Fund for the year ending 31st December of the preceding year.
 - (k) Non liability certificate from Kerala Toddy Workers Welfare Fund for the year ending 31st December of the preceding year.
 - (l) Declaration disclosing source of fund utilised for the purchase of shops.
 - (m) Attested copy of Ration Card in which the name of applicant is included.
 - (n) Income Certificate issued by the Revenue Authority not below the rank of village officer.
11. The Deputy Commissioner of Excise may depute competent officers for collection of application and verification of documents etc in the Sale Hall.
12. **Granting of privilege:-**
- The officer conducting the sale shall verify each application received and the documents produced. If he is satisfied and there is no objection for the grant of privilege, he may select the applicants for purchasing the privilege. If the officer conducting sale is not satisfied on consideration of the factors contained in the application and documents produced, he may reject the application stating the reasons publicly.
13. Where there is only one eligible applicant for getting the privilege he shall be declared provisionally as the grantee of privilege and if there are more than one eligible applicants for getting the privilege, the sale shall be decided by drawing lot in the presence of the applicants and the successful applicant drawn by lot may be declared provisionally as the grantee of privilege.
14. The proceedings of the sale shall be recorded as minutes. It reflects what was actually happening in the Sale Hall. It is the instant written record of sale proceeds and typically describes the events in the Sale Hall. The Deputy Commissioner of Excise should post competent persons to record the minutes in the Sale Hall.
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15. As the public sale proceeds, the Deputy Excise Commissioner must see that a reliable and intelligent man is posted to make out a record of the sales in respect of each shop and progressive totals of sales in each range, Taluk, divisions, etc. As soon as the public sale is completed for the day, the officer conducting the sale should close the sale list with a certificate "*sale conducted by me this day*" and sign it. The sale list shall contain the name of Group / Range sold, the name of applicant, declared by him as the grantee of the Group / Range, the annual rental fixed and such other things as he may think necessary. The grantee of privilege should also sign the sale list. Officer conducting the sale must also send a report to the Government and Commissioner of Excise, showing the result of sale. The Deputy Excise Commissioner must make out an authenticated copy of the sale list and forward the original sale list to the Commissioner for safe custody on the same day.
16. There is no objection to confirm a sale in the name of more than one person. In such cases, the names of all persons must be noted in the sale list and all of them made to sign. The names of the sureties may also be noted in the sale list and these sureties may also be made to sign in the list.
17. The hall tickets of the successful purchaser must be obtained and on the reverse of it the Deputy Excise Commissioner must personally write the number of the shop/group/range and the amount for which the sale is settled. The successful purchaser must also be made to sign the provisional agreements in the presence of witnesses who must sign the agreement. Wherever there are sureties they must also sign in the provisional agreements. In the case, the persons of doubtful solvency, the officer conducting the sale must also indicate the amount of security that may be demanded of him. It is the duty of the Circle Inspector of Excise, Excise Inspector, Preventive Officer and Civil Excise Officers to see that no successful purchaser or sureties leaves the public sale hall without signing the sale list and provisional agreements and depositing the initial deposit. If there is any attempt, they must immediately bring the fact to the notice of the officer conducting the sale so that he may decide on the further course of action, such as re-sale, etc. In any case, where a shop is settled in the name of any individual and the successful purchaser fails to make the requirements, the responsibility is squarely on the Circle Inspector of Excise. No excuse shall be available for him.
18. No sale shall be deemed final as against the Government unless confirmed by the Excise Commissioner. The Excise Commissioner may reject any sale for valid reasons and the same shall be recorded in writing. Every confirmation or rejection shall be communicated to the purchasers in writing as soon as possible.

19. When the sale is confirmed the purchaser shall execute permanent agreement in the form prescribed (Form III) and shall take out licence to run the shops.
20. The merit of the Circle Inspector of Excise will be judged by the result of the sales and his capacity to see that all the shops are disposed of without difficulty.
21. At the end of the day, the earnest money deposit collected if any from the person not getting the privilege must be returned, their hall tickets got surrendered and their signature obtained on the reverse of the hall ticket and in the earnest money deposit register. The earnest money of the persons who fail to receive back the earnest money should be remitted in the treasury under revenue deposit in the next day. The cash register for each day should show the total of the earnest money collected and the earnest money refunded and the balance.
22. As far as possible, the shops listed for disposal on a day should be disposed of on that day. But if due to want of purchasers or lack of sufficient time, it is not possible to so dispose of, the sale may be adjourned to another day at the same or another centre in the public sale hall. In such cases, there is no need for a further notification in the gazette. But if it is adjourned without fixing a date, a further notification is necessary.
23. In the case of shops not disposed of and further sale is not possible for the annual rental fixed, Government may reduce the annual rental fixed for the shop in succession slabs of 10% to 50% at the time of sale and may sell the shop. The shops remain unsold even after reducing the annual rental fixed, may be entrusted to the workers committee formed by the toddy shop workers and tappers of those shops for a nominal rental of ` 500/- per shop exempting them from remittance of advance welfare fund contribution and wages.

24. Resale:-

Resale is conducted for any one of the following reasons:-

- i) Failure to sign the sale list;
- ii) Failure to deposit the annual rental;
- iii) Failure to execute agreement;
- iv) Other reasons.

If the purchaser fails to comply with those requirements the Excise Commissioner is competent to order resale.

25. The privilege to run Foreign Liquor shops shall be given only to the Kerala State Beverages (Manufacturing and Marketing) Corporation Ltd and the Kerala State Co-operation Consumer Federation Ltd for a fixed annual rental amount which may be fixed by the Commissioner of Excise with the approval of Government. The privilege is sold ordinarily for one financial year.

26. The Kerala State Beverages (Manufacturing and Marketing) Corporation Ltd shall have the exclusive privilege to have the FL 9 Licence for the sale of liquor in whole sale in the state.

CHAPTER XVIII
RENTAL OF SHOPS AND FORFEITURE

1. **Rental:-** “Rental” means the amount payable in consideration for the grant of an exclusive or other privilege of manufacturing, supplying or selling liquor. The privilege of vending toddy in retail for any period is disposed of in public sale. The amount for which the right of vend in shop or group of shop or range or Taluk is disposed off is called the rental of the shops. The rentals of the shop/group/range/Taluk are fixed in terms of the amount payable for one whole year which is called fixed annual rental. Where sale is not possible, then the rentals are fixed by reducing 10% to 50% at the time of sale or to entrust the unsold toddy shops to the Workers Committee for a nominal rental and conditions as may be decided by the Government.
2. When applicant/applicants is selected by public sale or drawn by lot, he may be provisionally declared as the grantee of privilege. The grantee of privilege shall immediately deposit the whole annual rental of the shops and remit three months welfare fund contribution of workers and one month wages and other benefits to the workers of the shops in advance.
3. **Bank Guarantee:-** The Bank Guarantee furnished if any towards wages and other benefits to the workers shall be retained by the Deputy Commissioner of Excise. He shall renew the guarantee from time to time until wages and other benefits due to the workers are fully paid by the guarantee. If Bank Draft is accepted as Bank Guarantee it shall be deposited in Treasury Savings Account pledged in the name of Deputy Commissioner of Excise. The Deputy Commissioner of Excise shall not release the Bank Guarantee or the amount in the account pledged until the wages and other benefits to the worker’s have been fully paid. The deposit in the treasury may be in the name of the depositor. He should sign a letter of agreement to the Savings Bank binding himself not to make any claim for the principal or interest without the express sanction of the Deputy Commissioner of Excise to whom the security/guarantee is pledged. He should also authorise the bank to pay the money to the Deputy Commissioner of Excise if required (in Form mentioned in rule 54 of the Rules regarding Treasury Saving Banking Scheme in Appendix 3 of the Kerala Treasury Code).
4. All the amounts deposited on the date of sale or along with security may also be transferred to the Saving Bank Account.

5. **Forfeiture:-** The Deputy Commissioner of Excise shall forfeit the rental amount on the following circumstances.
- (i) The purchaser of toddy shop or whose name the sale is confirmed shall execute permanent agreement and take out necessary licences and install toddy shops. If the purchaser of toddy shops fails to comply with these requirements within a reasonable time fixed by the Deputy Commissioner, the annual rental paid by him towards the group/range shall be forfeited to Government.
 - (ii) If a purchaser of privilege found in any stage that he had suppressed facts in his application or produced fake documents and obtained the privilege or obtained any licence, is liable to be cancelled. In such cases the license granted in his name shall be cancelled and the whole amount paid by him towards annual rental shall be forfeited to Government.
 - (iii) In the case, when the licence is cancelled due to the death of a privilege purchaser, the legal heirs of the deceased may apply for restoring of licence after producing legal evidence of eligibility. If the legal heirs fail to comply the above requirements within a period of one month from the date of the death of the privilege/purchaser, the whole annual rental paid by the deceased privilege/purchaser shall be forfeited to Government.
 - (iv) If an applicant declared to be the grantee of privilege by the officer conducting the sale withdraws from the offer or fail to sign the sale list, the whole amount covered in the demand draft furnished by him along with the application shall be forfeited to Government.
 - (v) The applicant declared to be the grantee of privilege by the officer conducting the sale shall immediately deposit the whole amount of actual rental fixed for the group/range and the amount of welfare fund contribution of workers for three months in advance. If he fails to comply these requirements, the whole amount covered in the demand draft furnished by him along with the application shall be forfeited to Government.
6. Before confiscation is ordered, the Deputy Commissioner of Excise shall comply the following:-
- (i) He shall give a notice in writing informing the grantee of privilege of the grounds on which the amount is proposed to confiscate.
 - (ii) The grantee of privilege may be given an opportunity of making representation in writing within reasonable time.
 - (iii) He shall be given a reasonable opportunity of being heard in the matter.
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7. In the case of death of any other privilege purchaser, when the privilege is granted to a group of individual, the other privilege purchasers will be permitted to run the shops and transfer the licence in their names, if the legal heirs of the deceased licensee are not willing to conduct the shops or does not apply for the transfer of privilege within one month from the date of death. If the legal heir is willing to conduct the shop and the Excise Commissioner is satisfied of his/her eligibility he may transfer the privilege to the legal heirs along with other licensees.
8. The Excise Commissioner may cancel any licence issued at any time on valid grounds. The resale or disposal otherwise shall always be at the risk and loss of original purchaser. He shall not leave any claims to any gain received on such disposal. The original purchaser shall have no claim for refund of any amount he had paid or any amount forfeited.
9. “Disposal otherwise of shops” includes closure of departmental management. The departmental management fee collected from a group/range under departmental management shall be liable for forfeiture.
10. The purchaser of privilege of any group/range shall be liable for any breach of the condition. In the event of purchaser’s death the legal heirs shall be responsible for any money become due towards the group/range.
11. The purchaser in whose name the privilege is granted and licence is issued shall not be permitted to transfer or encumber any of his assets to the detriment of any amount due towards group/range including wages and other contribution due. Such transaction if any shall be decided as void to the extent of the sum so falls due.
12. Shops may be placed under departmental management for any of the following:-
 - (i) There is no one to take up the shop in public sale or offer or otherwise.
 - (ii) Failure of the privileged purchaser to comply the requirements contained in the Rule.
 - (iii) When the licensee dies during the currency of licence.
 - (iv) The licence for a shop is suspended/cancelled.

The Circle Inspector of Excise concerned shall be responsible to appoint an agent to run toddy shops under Departmental Management. The appointment of the departmental management agent shall be subject to the approval of Deputy Commissioner of Excise.

The relative or nominee of the original purchaser of licence shall not be appointed as Departmental Management Agent. The Departmental Management Agent shall be bound by all the provisions contained in the Kerala Abkari Shops Disposal Rules 2002.

13. The privilege of vend in foreign liquor retail shops are given only to the Kerala State Beverages (Manufacturing and Marketing) Corporation Ltd and Kerala State Co-operative Consumer Federation Ltd. The licence fee of the shops may be fixed by the Commissioner of Excise with the approval of Government. The licence to run the shop is normally issued for one year and renewed thereafter.
14. The exclusive privilege of vending Foreign Liquor in whole sale (FL 9 Licence) is vested with Kerala State Beverages (Manufacturing and Marketing) Corporation Ltd. The licence is issued normally for one year and renewed thereafter. Licence fee is also collected. The increase or decrease of licence fee is decided by government from time to time.

CHAPTER XIX**LICENCES**

(i) **Conditions for the grant and other incidental matters:-** Licences and permits are issued under the Abkari Act for the import, export, transport, transit, manufacture, store and possession of intoxicating liquor and intoxicating drugs. The words 'Licences and Permits' are synonymous, but generally the use of word 'Permit' is restricted to cases of authorisations, relating to import, export and transport.

2. Licences have to be obtained:-

- (i) For tapping of trees.
- (ii) For drawing toddy or sweet toddy (Neera).
- (iii) For construction or working of a distillery, brewery, winery or other manufactory for manufacturing liquors.
- (iv) For bottling of liquor.
- (v) For transit of liquor.
- (vi) For possession of "materials, still utensils, or implements for the manufacture of liquor or intoxicating drugs.
- (vii) For manufacture of any preparation in which alcohol is self-generated or added.
- (viii) For utilization of liquor for the manufacture of other preparations.
- (ix) For possession of liquor or intoxicating drug in excess of the limit of private possession and for sale of liquor.
- (x) For possession, use or sale or supply or distribution of liquors including denatured spirit rectified spirit, etc.

3. Public Sale:- Even where the right of vend is disposed of in public sale under the Abkari Act, the grantee or the purchaser of the privilege shall not exercise the right unless he has taken out a licence in that behalf.

However, the fact that a licence is not granted does not absolve the purchaser of the right of vend from liabilities. The purchaser is liable to the penalties prescribed for the breaches of the conditions for sale though a formal licence may not have been issued to him.

4. Licences:- All licences shall be granted on payment of prescribed fees if any and for a certain period. It shall be subject to the restriction and condition and shall be in such form and certain particulars as government may direct. All licences issued under the Act are fixed fee licences. Generally those Licences are being renewed from year to year on application,

provided there are no adverse circumstances, such as non-payment of dues, involvement in cases against Abkari or other penal laws, etc.

5. Fixation of number of Licences:- The number of licences to be disposed of in public sale in a year is fixed by the Government and notified in the Annual sale notification.

6. Authority for grant of Licences:- Licences, in the case of the shops disposed of in public sale and licences for tree tapping may be issued by the Deputy Excise Commissioner concerned. In the case of other licences, the initial issue shall necessarily be after obtaining the sanction of the Commissioner and renewals are to be done by the Deputy Excise Commissioner, provided, there is no change in the nature, content or scope of the licences or licensed premises.

(a) Sanction order not an authority:- An order sanctioning the issue of a licence will not itself authorise operations. The party can conduct transactions only after obtaining a formal licence in the proper form.

7. Application for Licences:- All applications for licence should be addressed to the authority competent to sanction the issue of licences. The application should bear the court fee stamp of the value prescribed for application addressed to that authority, unless there is exemption or concession. It must be submitted through the Circle Inspector of the Circle concerned.

8. Form of application:- The applicant should apply in the prescribed form if any form of application specially prescribed.

9. Persons disqualified from holding Licences:- The following persons are disqualified from holding licences:

- i) Those convicted for any cognizable offences or any offences under Abkari Act, Prohibition Act, Medicinal & Toilet Preparation Act, N.D.P.S Act.
- ii) A person who is a defaulter of Abkari or other dues to the Government provided 50% of the pending arrears not cleared.
- iii) A person who is a public servant in the service of Government of Kerala / India.
- v) A person who is insolvent.
- vi) A person below 18 years of age.
- vii) A person who is not financially sound and incapable of discharging his duties.

10. Points to be noted while forwarding the application:- The Circle Inspector will comment on each of the items mentioned in the previous paragraphs while forwarding application. He must also particularly note about the extent of solvency of the applicant.

In all cases of applications for licences the Circle Inspector should also specifically report on the following:-

- (a) The local needs for a licence of that particular kind.
- (b) The number of similar licences and their location etc., in the Range (and in the neighbouring range if the licensed premise is to be near the borders).
- (c) The previous experience of the applicant in the line.
- (d) Suitability of the proposed premises/place/site.
- (e) Capability to discharge his responsibilities.
- (f) Whether the grant of licence will have any effect on the revenues to the Government and the prevention and suppression of offences.
- (g) Whether any applications for the same kind or similar kind of licence had been rejected previously and if so on what ground and why there is need for a differential treatment.
- (h) If the licence is for manufacture or use for any industrial, scientific or medicinal purpose, the technical details of the manufacture or use should also be furnished, together with details of the persons technically qualified employed. If in the relevant rules regarding the particular licences, other qualifications are prescribed, these must also be specially discussed and commented upon.

11. Status of the holder of Licence:- No licence shall be issued in the name of a company or firm unless such a company or firm is a registered one. Where a licence is applied for in the name of an unregistered company or firm, the licence shall be issued in the name of the individual as representing the corporate body and not in the name of corporate body itself.

12. Period of Licence:- Licences shall ordinarily be for one year or such shorter period as the authority issuing the licence may decide but shall not in any case extend beyond the 31st March of the Financial year in which the licence is issued. There is no objection in restricting the period of licence to less than a year though the fee for the full year may have been paid. Such restriction may in some cases be necessary, for example, where there is a reasonable apprehension about payment of dues to Government or where further enquiries may have to be made about the financial stability or the legal status of the applicant.

Fees:- Even in cases where a licence is applied for or is issued only for a part of a year, the licence fee for the full year shall be collected.

13. Scope of the Licence:- Licences shall extend to and cover servants and other persons employed by the licensee acting on his behalf. But the licensee shall not appoint any agent nor even authorise any one to sign permits or apply for permits on his behalf without the sanction of the authority who issued the licence.

14. Location of Licences (general) :-

(1) In all applications for any licence, the exact location of the premises shall be furnished. The boundaries on the four sides should also be given. The Panchayath, Municipal or the Corporation number of the building should also be furnished.

(2) **Special points to be noted in regard to location of retail licences for consumption of liquor:-** In the case of licences for the retail vend of toddy, and foreign liquor, (including F.L. wholesale) the right of which is disposed of in sale, the building for the location shall be within the muri or village for which the shop is notified and within the boundaries notified in the schedule to the sale notification. It shall certify that the site chosen is within the four boundaries and that it conforms to the spirit of the sale notification. The Circle Inspector shall personally visit the site chosen. Look into whether the shop is proposed to be located in the muri, amsom or kara and within the boundaries specified in the schedule and whether the location of the shop at that site will be detrimental to the interests of any other shop. It is the personal responsibility of the Circle Inspector to ensure that the licence applied for is at an unobjectionable site.

When there is no change in the schedule, there should not be any difficulty in continuing the shop at the last year's site, provided, it was within the schedule. If there is any change from the last year's site, then the Deputy Excise Commissioners permission must be obtained.

The site selected for the shops should be conspicuous enough so that a person entering the shop cannot escape observation but should not be so prominent enough as to compel attention.

15. Issue of Licences:- The licences shall be issued only on payment of fees prescribed. In the licence, the details regarding the number and date of Treasury receipt and the amount paid may also be well indicated. Whenever a licence is issued, the fact should be noted in the Register of licences. The licences should be sent through the Circle Inspectors who will note the details in the Register maintained in his office also.

In the cases where a Departmental agent is appointed, the agent should take out a licence. Such licences shall be for a period not exceeding *Fifteen (15) days at a time*.

16. Register of Licences:- All Deputy Excise Commissioners and Circle Inspectors of Excise should maintain a register of licences issued. Separate pages may be set apart for each kind of licences. The register should among other details show.

- (i) The Number and Name of Licence,
- (ii) The Name of the Licensee,
- (iii) The period of currency,
- (iv) Amount of fees paid; and the T.R. No, date and name of Treasury,
- (v) Details of security furnished, wherever applicable.

17. Conditions to be observed by licensees: (General):-

- (1) No storage or sale of any liquor or spirits outside the licensed premises can be permitted.
- (2) No other kind of liquor or drugs other than for which the licence is issued shall be stocked or sold at the premises.
- (3) There shall be a signboard not exceeding 1 meter x 3/4 meter showing the name, number, nature of the licence and the name of the licensee written on it as shown below:-

- (a) Toddy shop No. 6.
Thampanoor,
Trivandrum Range.

Licencee: XYZ

(Here note the name)

- (b) D. S. Licence No 2 for
Retail sale of D.S.,
Kozhikode Range.

Licencee: ABC

(Here note the name)

The signboard should contain only the details mentioned above and should not contain any pictorial representations or any legends. It should have a white background with the number, name, etc., in black letter. The board should also contain the warning in English and in Malayalam. "Alcohol Consumption is Injurious to Health" "മദ്യപാനം ആരോഗ്യത്തിന് ഹാനികരം" written in red letters, each letter having dimension of not less than five centimetres.

- (4) No Toddy depot shall be allowed to the licensee to store toddy.
- (5) Licensee should tap a minimum number of trees and engage minimum tappers for each shop as stimulated in the Rule.
- (6) Every officer authorised to inspect shops shall have authority to take possession of any toddy, foreign liquor found unfit for consumption or which has been tampered with.
- (7) No liquor in excess of quantity notified shall be allowed to be removed from the licensed premises without valid permit.

(8) Licensees should keep register of day to day true accounts of the transactions in the form prescribed.

(9) All licensed shops should have an Inspection Note Book for recording remarks of inspecting officers.

(10) Permits for the purchase, transport and possession should be chronologically and serially filed with Serial No and Name.

(11) Licensee should use only the standard measures as may from time to time prescribed.

(ii) Special conditions to be observed by licensees for sale of toddy and foreign liquor in retail:-

(a) Hours of sale:- Retail sale of toddy or liquor (FL 1 shops) shall be for 12 hours in a day. The Deputy Excise Commissioner may fix the exact period of 12 hours during which each shop or the shops in a particular range or the district shall function and notify it in the Gazette. On special occasions (such as fairs, festivals etc), the Deputy Excise Commissioner may in writing extend the period. But such permission to keep a licence open beyond the prescribed hours shall not be the rule, but only an exception.

(b) Liquor shall not be sold to the following persons:-

(i) Persons below 21 years of age.

(ii) Insane persons.

(iii) Persons known to be believed to be intoxicated.

(iv) Any officer of the Defence Services, Excise, Police or Railway Departments.

(c) No drunkenness or gambling shall be permitted within the premises.

(d) No licensee shall sell toddy unless he has taken tree tapping licence under the Tree Tax Rules.

(e) No licensee shall manufacture vinegar from toddy.

(f) Licensee shall pay minimum wages under Minimum Wages Act, Preparation charges, tree Pattom, tree tax bonus as per payment of Bonus Act and remuneration on Independence Day, Republic day and Onam day to the tappers.

(g) Licensee should pay contribution towards gratuity and provident fund under Kerala Toddy Workers Welfare Fund Act.

(h) In the case of accidents to tappers, licensee shall bound to follow Workmen Compensation Act.

The above rule applies also to restaurants and clubs where Foreign Liquor is sold in retail.

18. Transfer of licences:- The licensee shall not sell or transfer his licence or the subject matter of the contract except with the written consent of the Commissioner. The licensee shall not lease the whole or a portion of the privilege granted under any circumstances. No agent shall also be appointed except with the permission of the licensing authority.

Ordinarily, fixed fee licences shall not be transferred from the name of one person to another. Such transfers will help the pernicious habit of trading in licences and have to be discontinued, except for very strong reasons.

If there is a need for a change in the case of such fixed fee licences, the proper procedure for the holder is to surrender the licence and to treat the case of the proposed transferee as a fresh applicant.

The transfer shall not be to a person who is not solvent. When the Deputy Excise Commissioner/ Excise Commissioner order the transfer, it is his responsibility to satisfy himself that the transferee has the means to pay up the dues to the Government and that he would fulfil the conditions. Transfer should not be allowed when there are arrears. When there is need for transfer, it must be made on the joint petition from the transferor and the transferee. The transferor and transferee shall be heard personally and statements recorded from them before transfer. In the case of such transfers, fresh security, if necessary, may be obtained from the transferee.

In the case of death of a licensee, fixed fee licences may ordinarily be transferred to the licensee's legal heirs. In such cases, no fresh licence fee is to be collected for the period for which the licence fee was collected and licence already issued. For such transfers, as a general rule, legal heirship certificates should be insisted on.

If there is delay in getting legal heirship certificates and the Deputy Excise Commissioner is satisfied about the bonafides of the claimants, the transfer may be allowed by Excise Commissioner provisionally after obtaining relationship certificate from the Village Officer and consent from the parties concerned.

Shifting of Licensed premises:- Transfer of site (Shifting of Licensed premises) may be permitted by the Deputy Excise Commissioner in the case of toddy shops disposed of in sale provided the transfer is within the boundaries specified in the schedule. But in ordering such transfers, the Deputy Excise Commissioner will ensure that the interests of other shops and the revenue of the State in future years are not affected.

The Commissioner is competent to order transfer of shops even outside the boundaries or outside the village or to alter the specified limits of any shop or order any shops to be closed in the interest of public peace, morality or on the grounds of expediency. In such an event of transfer, alteration or closure the licensee shall have no claim for compensation. The need for such transfers may arise when it is not advisable or possible to continue a shop within the boundary or village.

Such transfers may be allowed also on requests from the purchasers where the purchaser has taken all the shops in a Range or Taluk. But it must be borne in mind that such requests should not be allowed as a matter of course, but only in very exceptional circumstances.

In the case of transfer of site of foreign liquor fixed fee licences, the sanction of the Commissioner should be obtained.

Accounts:- All licensees shall maintain proper accounts in such forms as may be prescribed from time to time and forward returns as may be directed.

Inspections:- All Excise Officers of and above the rank of Preventive Officers can inspect the accounts and search the premises in respect of all licences, except in the case of foreign liquor. In the case of foreign liquor only officers of and above the rank of Excise Inspectors shall check the accounts and inspect the premises.

Every licensed premises should be inspected periodically by the Circle Inspector of Excise and Excise Inspector.

Inspection Note Book:- There must be an inspection note book with the licensee. The Department should supply these note books on collection of the price fixed. It will be a saleable form. Even if there is default on the part of the department to supply the forms, the licensee must be insisted on maintaining books of their own in the prescribed forms. This book shall be the property of the Government. At the end of the licence period, the book should be recovered and kept with the Circle Inspector of Excise.

Wherever an inspection of a licence is conducted by the inspecting Officer, he shall record the results of this inspection in that Inspection Note book. The licensee must be made to note the remarks of the inspecting Officer. Wherever any action for breach of the conditions of the licence is to be taken, the remarks in the Inspection notes can form the basis for action. In cases where any penalty is proposed to be imposed, the note book may be seized by the Officer conducting the inspection under a Mahazar so that the licensee may not tamper with it.

19. Cancellation of Licences:- Any licence can be cancelled or suspended if :

- (i) Any fee, tax, rental etc is not paid.
- (ii) In the event of a breach of the Act or rules framed thereunder or of conditions of the licences and permits by the licensee or by a servant of his, with his express or implied permission.
- (iii) If he is convicted of any cognizable or any offence under the Abkari Act, Medicinal & Toilet Preparation Act, N.D.P.S Act or the Spirituous preparation (Inter State Trade & Commerce) Control Act.

But before suspending or cancelling a licence, it is necessary that the licensee is given a show cause notice against such suspension or cancellation.

20. The Commissioner may also revoke the licence after giving 15 days' notice. Ordinarily, there will not be any contingency for such revocation. Introduction of prohibition during the currency of a contract may necessitate such revocation. In such cases; proportionate fee paid by the licensee has to be refunded.

In no other case, such as suspension or cancellation, shall the party be entitled to any refund of the proportionate fee.

21. Fine:- Under section **67A** of the Abkari Act, the Excise Commissioner and Deputy Commissioner of Excise may compound the offence as specified in the table to section 67 A of the Act. Before imposing the penalty, licensee shall be given an opportunity of making a representation against the grounds on which action is proposed and penalty proposed. He must also be given an opportunity of being heard. The fact that the fine is imposed does not absolve the party from being prosecuted. But when a fine is so imposed, a further prosecution against the party is not generally launched except in case of failure to pay fine.

In such cases of imposition of fine the article seized shall be confiscated to government or disposed of.

22. Procedure in the case of extinguishment of Licences:- The holder of a licence for the vend of liquors (including spirit or varnish) shall, on the termination of licence, report to the Deputy Excise Commissioner the amount of stock of liquors if any remaining in his possession. The licensee shall be given thirty days time to sell the stock in his possession, to any other vendor, who holds a licence. If he does not, the stock shall be taken in the custody of the Circle Inspector of Excise and disposed of by the Deputy Excise Commissioner and the sale proceeds minus the charges for the transport, custody and disposal and the dues if any to the Government shall be paid over to the licensee. The disposal shall be by public sale and the sale shall be after a notification to be published by the Deputy Excise Commissioner in the Gazette. The sale shall be subject to confirmation by the Commissioner of Excise if the total value exceeds ` 1,000/-.

23. Renewal:- All applications for renewal of fixed fee licences shall be obtained by the Deputy Excise Commissioner before 30 days of the expiry of licence.

If the application for renewal is not submitted before 30 days of the expiry of licence, then the transaction will be stopped on the last day on date of expiry of licence.

CHAPTER XX
ALCOHOLIC STRENGTH OF LIQUORS

- 1) **Instruments for Testing of liquors:-** Hydrometer is the instrument most commonly used in excise operations for the purpose of determining the strength of alcoholic liquors. It enables one to reckon the, alcoholic strength by showing the density or specific gravity of the spirits in which it is floated. The specific gravity affords an accurate index of the alcoholic content, in simple mixtures of alcohol and water. The specific gravity of liquor is the relation which its weight bears to the weight of an equal bulk of distilled water. The specific gravity of water is taken as 1 and the specific gravity of absolute alcohol is 794 at 15.6°c. Any mixture of alcohol and water has a specific gravity between the two figures.

- 2) The specific gravity of a fluid is measured by various means, e.g., by a Hydrostatic balance or by a specific gravity flask termed, as Pyknometer. These can be employed only in a Laboratory where a delicate balance and other requisites are available. For ordinary excise work, the Syke's Hydrometer is generally used. In distilleries, the Five Parts Glass Syke's Hydrometers are used, but for shop inspections and work in districts, the one part Syke's Glass Hydrometer is used in Kerala. The Sykes Glass Hydrometers which are supplied to the Excise officers are called direct reading Hydrometers, (that is graduated as to read in proof degrees and not Hydrometer degrees) and are standardised at 85°F.

- 3) Liquids expand when heated and contract when cooled and the specific gravity is increased by cold and lessens by the heat. Thus, if proper allowance is not given for the temperature, spirit, tested in the cool of the early morning would, appear to have increased in strength when re-tested in the, heat of the mid-day. Therefore, the reading recorded by the Hydrometer has necessarily to be corrected with reference to the temperature and for this a Thermometer and the correction table have also to be brought into use along with the Hydrometer.

4) The table of corrections to be used with the Syke's single stem glass hydrometer standardised at a temperature of 85°F and graduated from proof to 60° U.P. or from 1° U.P. to 70° U.P. is appended.

Temperature (F°)	Proof – 5°U.P.	5.1 ° U.P. – 10°U.P.	10.1 ° U.P. – 15°U.P.	15.1 ° U.P. – 20°U.P.	20.1 ° U.P. – 25°U.P.	25.1 ° U.P. – 30°U.P.	30.1 ° U.P. – 35°U.P.	35.1 ° U.P. – 40°U.P.	40.1 ° U.P. – 45°U.P.	45.1 ° U.P. – 50°U.P.	50.1 ° U.P. – 55°U.P.	55.1 ° U.P. – 60°U.P.	60.1 ° U.P. – 65°U.P.	65.1 ° U.P. – 70°U.P.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
50	12.5	13.5	14.2	14.9	15.6	15.9	16.3	16.6	16.7	16.6	15.4	14.3	11.8	11.0
51	12.2	13.2	13.8	14.6	15.3	15.6	16.0	16.2	16.3	16.2	15.0	13.9	11.4	10.7
52	11.9	12.9	13.5	14.3	15.0	15.3	15.7	15.9	16.0	15.9	14.6	13.5	11.0	10.4
53	11.7	12.7	13.2	14.0	14.7	15.0	15.4	15.6	15.6	15.5	14.2	13.1	10.7	10.0
54	11.4	12.3	12.9	13.6	14.3	14.7	15.0	15.3	15.2	15.2	13.8	12.7	10.4	9.7
55	11.1	12.0	12.7	13.3	14.0	14.4	14.7	14.9	14.8	14.8	13.4	12.4	10.1	9.4
56	10.8	11.8	12.4	13.0	13.7	14.0	14.3	14.5	14.5	14.4	13.0	12.1	9.9	9.0
57	10.5	11.5	12.0	12.6	13.3	13.7	14.0	14.1	14.1	14.0	12.6	11.7	9.7	8.7
58	10.2	11.1	11.6	12.3	13.0	13.3	13.6	13.7	13.7	13.6	12.2	11.3	9.4	8.4
59	9.9	10.7	11.3	12.0	12.7	13.0	13.2	13.3	13.3	13.3	11.8	10.9	9.1	8.1
60	9.6	10.3	11.0	11.7	12.4	12.6	12.8	12.9	12.9	13.0	11.4	10.5	8.8	7.8
61	9.3	9.9	10.5	11.1	11.8	12.2	12.5	12.5	12.4	12.4	11.1	10.2	8.6	7.5
62	8.9	9.4	10.0	10.5	11.1	11.6	12.1	12.0	12.0	11.9	10.8	9.8	8.3	7.3
63	8.6	9.1	9.6	10.1	10.5	11.1	11.8	11.6	11.6	11.3	10.5	9.4	8.0	7.0
64	8.3	8.7	9.1	9.5	9.9	10.6	11.4	11.1	10.9	10.7	10.2	9.1	7.7	6.7
65	8.0	8.3	8.6	8.9	9.2	10.1	11.1	10.8	10.5	10.1	9.8	8.8	7.4	6.5
66	7.7	7.9	8.1	8.4	8.6	9.7	10.7	10.5	10.1	9.9	9.3	8.4	7.2	6.2
67	7.4	7.6	7.8	8.0	8.3	9.4	10.4	10.1	9.9	9.7	8.9	8.0	7.0	6.0
68	7.1	7.3	7.5	7.7	8.0	9.0	10.0	9.9	9.8	9.7	8.6	7.5	6.7	5.7
69	6.8	7.0	7.2	7.4	7.7	8.7	9.6	9.5	9.5	9.4	8.3	7.2	6.4	5.3
70	6.5	6.7	6.9	7.1	7.4	8.2	9.1	9.1	9.1	9.1	8.0	6.9	6.0	4.9
71	6.1	6.3	6.6	6.8	7.1	7.8	8.5	8.5	8.5	8.5	7.7	6.6	5.7	4.7
72	5.7	5.9	6.1	6.4	6.8	7.4	7.9	8.1	8.3	8.4	7.5	6.6	5.4	4.5
73	5.3	5.6	5.9	6.2	6.5	7.0	7.4	7.6	7.8	8.0	7.3	6.6	5.2	4.3

74	4.9	5.2	5.5	5.9	6.2	6.6	7.0	7.2	7.5	7.7	7.1	6.5	4.9	4.1
75	4.5	4.8	5.1	5.5	5.8	6.2	6.6	6.9	7.1	7.4	6.8	6.2	4.7	3.8
76	4.1	4.4	4.7	5.0	5.3	5.8	6.2	6.6	6.8	7.1	6.6	6.1	4.5	3.6
77	3.7	4.0	4.3	4.6	4.9	5.4	5.8	6.1	6.4	6.7	6.4	6.1	4.2	3.4
78	3.3	3.6	3.9	4.2	4.4	4.9	5.3	5.7	6.1	6.4	6.2	6.0	4.0	3.2
79	2.9	3.1	3.4	3.7	4.0	4.4	4.9	5.3	5.7	6.0	6.0	6.0	3.7	3.0
80	2.5	2.7	3.0	3.2	3.5	4.0	4.5	4.9	5.3	5.7	5.6	5.5	3.4	2.9
81	2.1	2.3	2.5	2.8	3.1	3.6	4.0	4.5	4.9	5.4	5.3	5.2z	3.1	2.7
82	1.9	2.1	2.4	2.6	2.9	3.2	3.6	4.1	4.5	5.0	4.8	4.6	2.9	2.6
83	1.7	1.9	2.1	2.4	2.6	2.9	3.2	3.7	4.2	4.7	4.4	4.1	2.6	2.4
84	1.5	1.7	1.9	2.1	2.4	2.5	2.7	3.2	3.7	4.3	4.1	3.9	2.4	2.2
85	1.3	1.5	1.7	1.8	2.0	2.1	2.2	2.8	3.4	3.9	3.7	3.5	2.2	2.0
86	0.9	1.1	1.3	1.5	1.6	1.7	1.8	2.3	2.8	3.4	2.8	2.2	2.0	1.7
87	0.5	0.7	0.9	1.1	1.2	1.3	1.4	2.0	2.5	3.0	1.9	1.3	1.6	1.3
88	0.2	0.3	0.5	0.6	0.8	0.9	1.0	1.5	2.1	2.6	1.5	0.9	1.1	0.7
89	0.0	0.0	0.0	0.0	0.4	0.5	0.6	1.2	1.7	2.2	1.1	0.5	0.4	0.0
90	0.6	0.5	0.5	0.4	0.3	0.0	0.3	0.8	1.3	1.7	0.7	0.0	0.0	0.5
91	1.1	1.0	0.9	0.8	0.7	0.4	0.0	0.3	0.8	1.3	0.4	0.0	0.3	0.8
92	1.5	1.3	1.1	0.9	0.8	0.7	0.6	0.3	0.3	0.9	0.0	0.5	0.6	1.1
93	2.1	1.7	1.3	1.0	0.9	1.0	1.1	0.8	0.4	0.4	0.3	0.8	0.9	1.4
94	2.8	2.4	2.0	1.5	1.0	1.3	1.6	1.2	0.8	0.0	0.6	1.2	1.2	1.6
95	3.0	2.6	2.2	1.8	1.5	1.8	2.1	1.7	1.3	0.7	0.9	1.4	1.5	1.8
96	3.2	2.9	2.6	2.3	2.0	2.3	2.6	2.1	1.6	1.1	1.2	1.4	1.9	1.9
97	3.5	3.3	3.0	2.7	2.5	2.8	3.1	2.6	2.1	1.5	1.3	1.5	2.3	2.0
98	3.9	3.7	3.5	3.3	3.0	3.3	3.6	3.0	2.4	1.9	1.4	1.6	2.5	2.3
99	4.2	4.0	3.9	3.7	3.5	3.8	4.1	3.5	2.9	2.4	1.5	1.7	2.7	2.4
100	4.6	4.5	4.4	4.2	4.1	4.3	4.6	4.0	3.4	2.8	1.6	1.8	2.9	2.7

The true strengths are found by subtracting the factors above the thick horizontal lines from and adding those below to the indication on the stem.

Examples for use

(i) Temperature	97° F
Indication	57

Against the temperature of 97° will be found, in column 13, 1.5.
By adding 1.5 to 57 the true strength of liquor, 58.5° U.P. is obtained.

(ii) Temperature	83° F
Indication	23

Against the temperature of 83° will be found in column 6, 2·6.
By subtracting 2·6 from 23 the true strength of the liquor, 20·4° U.P., is obtained.

The strength of liquor weaker than 50° U.P. cannot be, determined at any temperature below 68° F. To find the strength of such liquor at a lower temperature, it will be necessary to raise the temperature of the liquor until the line on the stem showing 60 just become visible under surface of the liquor, noting the temperature and subtracting the factor found in columns 12-13, as the case may be against this temperature from 60.

The true strength of liquor weaker than 60° U.P. can only be determined at the strength of 61·8° U.P. at 100° F. To obtain the strength of weaker liquor than 61·8° U.P., the liquor must be cooled by artificial means until the 60 line on the stem just becomes visible under the surface of the liquor, the temperature noted and the proper correction made. Liquor of 65° U.P. would have to be cooled down to 81° F. before its strength could be determined.

5. General directions for the use, of hydrometers:-

(i) **When the testing vessel is glass:-** Immerse the thermometer in the liquid and, if possible, the hydrometer also. Note the point at which the mercury in the former remains constant, taking the higher degree when it lies between two divisions. Then, read, under the surface of the liquor, keeping the eye below its level, the division on the stem on the hydrometer which is distinctly below the liquor.

(ii) **When the testing vessel is metal:-** Read the thermometer as before. The hydrometer must be read above the liquor and allowance must be made for the meniscus (curvature around the stem), formed by the liquid. This distorts to some extent the line marking the nearest submerged division. If the nearest division above the edge of the meniscus is just clear of it, the next lower division should be taken as the correct one, but if the meniscus actually covers a division, the one lower than that must be taken.

6. If in any case there shall be any doubt whether any hydrometer or tables of correction are in accord with the descriptions given above, the matter shall be referred for decision to the Commissioner of Excise who shall certify to the correctness or otherwise of such hydrometer or tables of correction, as the case may be, in writing under his official signature, and such certificate of the Commissioner shall be binding on all courts, officers and persons who may be concerned therewith or may have such hydrometer or tables of correction in use.

II. Definition of proof spirit and alcohol content in some of the common varieties of liquors:

7. In the assessment of duty on spirit and in commercial transactions the standard used is termed as "proof". The term comes from the method used in testing the strength of liquor in olden times by pouring it on gun powder and applying light. If the spirit was over "proof" the gun powder will catch fire, if it was under proof, it was too much moistened by the water content in the spirit to catch fire. The standard now in use in India is the English standard, commonly known London proof. It is a mixture of alcohol and water "such as shall at a temperature of 51° F.H. weight exactly 12/13th part of an equal measure of distilled water".

8. The proof spirit thus defined contains 49.24 per cent by weight of alcohol and 50.76 per cent of water; or 57.06 percent of alcohol by volume. (In speaking of 57.06 percent, by measure what is meant is that 100 gallons of this spirit contain 57.06 gallons of alcohol. If this alcohol were separated from the water, it would be found that 57.06 parts of alcohol and 46.68 parts of water would be produced – a total of 103.74. But if these were mixed again, they would contract so as to give only 100 parts).

9. Spirits weaker than this are described as so many degrees, or so much per cent, under proof (U.P.). Thus spirit of 20 percent under proof (20° U.P.) contains at 60° F.H. 80 measures of proof spirit and 20 of water. Pure water is 100° under proof. 50° U.P. spirit contains equal measures of proof spirit and water.

10. Over proof (O.P.) spirits are those stronger than proof spirit and are described according to the number of measures of proof spirit that 100 volumes would yield when suitably diluted with water. Absolutely pure alcohol is 75 ¼ degree and contains 175 ¼ percent of proof spirit, so that 100 volumes when diluted with water yield 175 ¼ volumes of spirit at proof.

11. If the alcohol percentage in bulk is multiplied by a factor of 7/4 the resultant figure is roughly the degree of proof strength. Alternatively, if the degree of proof strength is multiplied by a factor of 4/7, one gets the rough percentage of alcohol in any given volume of liquid.

12. Thus liquor of 75° proof strength (which is also 25° U.P. Strength) contains $(75^\circ \times 4/7) = 42.86$ per cent of alcohol by volume.

13. Nearly all the hard foreign liquors and Indian manufactured foreign liquors such as whisky, brandy and rum have a proof strength of 75°, that is to say, an under proof strength of 25°, and contain 42.86 per cent of alcohol by volume. In the case of gin, the alcoholic content in terms of proof is 65° (35° U.P.) and it contains 30.14 per cent by volume.

Wines have a fairly large range of alcoholic percentage. But the most common varieties have a percentage of 8 to 10 by volume, so that the proof of strength of wines will work out to be generally between 14° and 17.5° (i.e., 82.5° and 86° U.P.).

Its proof strength will thus work out to be $(5 \times 7/4) = 8.75$ i.e., to say 91.25° U.P. Foreign beers are known to have alcoholic contents ranging from 3.5 per cent to about 10 percent. At these limits of 3.5 per cent and 10 percent, their respective proof strengths will work out to 6.13° and 17.5° proof (i.e., 93.87° U.P and 82.5° U.P.).

The alcoholic strength of toddy varies according to the nature of the plant tapped, the season of the year, the time at which it has been drawn and other attendant circumstances.

The average alcoholic strength of fermented toddy may be taken as follows:-

1.Type of toddy	Alcohol content.	
	% proof.	% of volume.
Coconut	85.7 U.P.	8.1
Palmyrah	90.8 U.P.	5.2
Date	91.4 U.P.	4.9
Sago	89.6 U.P.	5.9

CHAPTER XXI**DISTILLERY**

1. As pointed out under the Chapter 'Liquors' alcohol can be manufactured from a variety of sources but the most widely used base is molasses. Other common sources are grapes and grains (rice, wheat, barley etc). It is impossible technically to secure alcohol concentration in excess of 12 to 14 percent by process of fermentation alone and this necessitates the application of process of distillation to secure stronger liquors. A short description of the process of distillation from molasses is given below.

2. Molasses is mother liquor left after the crystallization of sugar and is a dark brown viscous liquid containing residual sugars which do not ultimately crystallize. Besides sugars, it contains a good amount of mineral and colloidal matters. Only sugars yield alcohol when subjected to fermentation by yeast. The content of sugars varies widely according to the different grades of molasses and may range from about 30 percent to a little over 50 percent and it is generally taken that about 95 percent of sugars can be converted into alcohol; with proper fermentation. These are reckoned as reducing sugars. The erstwhile system of manufacture of alcohol from molasses was by batch fermentation. In this process molasses diluted to a required strength for the manufacture of alcohol. The requisite amount of yeast culture (mostly inoculated in about a tenth of the total volume of the wort and called "active wash" or "Bub") is added. A nutrient for the yeast like ammonium sulphate or urea is also added.

Fermentation takes place with the evolution of carbon dioxide. This carbon dioxide is allowed to escape into the air, but it can be recovered by carrying out fermentation in closed vats and by collecting the evolved gas. When the fermentation is over the fermented wash in vats contains about nine percent of alcohol. The fermented wash has to be steam-distilled in order to get alcohol free from the impurities present in molasses. The distillation is done in two stages by two different distillation columns known as the analyzer and the rectifier. At the end of the rectification we get purified alcohol separated from the fusel oil. The product at this stage is known as rectified spirit. But it may contain about five percent of water. This water cannot be removed by the rectifier column alone. For many uses rectified spirit is quite suitable and is used with or without the admixture of denaturants. But for several purposes rectified spirit has to be concentrated to 99.5 percent strength and for this purpose it is necessary to process it further in a dehydrating column. Here the desired strength is obtained by distilling rectified spirit with a mixture of benzene.

3. The overall efficiency of operation of the alcohol in distillery is computed from the fermentation efficiency and the distillation efficiency, which are reckoned separately by the

distilleries. However, a yield of about 475 litres of proof spirit per metric tonne of molasses may be taken as a fair, average out-turn, though under good conditions, it may go up to 511.4 litres.

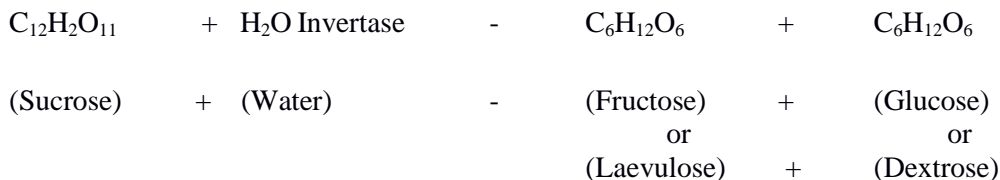
Chemistry of Alcoholic Fermentation

4. Alcohols may be Monohydric or Polyhydric according to the number of Hydroxyl Groups in the molecule as shown below.

1. Ethyl Alcohol (Ethanol)	- C ₂ H ₅ OH	} Monohydric Alcohol	
2. Methyl Alcohol (Methanol)	- CH ₃ OH		
3. Propyl Alcohol (Propanol)	- C ₃ H ₇ OH C _n H (2n+1)OH		
4. Glycol	- CH ₂ OH-CH ₂ OH-		Dihydric Alcohol
5. Glycerine	- CH ₂ OH-CH ₂ OH-CH ₂ OH		Trihydric Alcohol

5. The Excise Department is concerned mainly with Ethyl alcohol, the essential ingredient of all intoxicating liquors. Carbohydrates on alcoholic fermentation yield Ethyl Alcohol. Carbohydrates are of two kinds (1) fermentable and (2) unfermentable.

The fermentable Carbohydrates are sugars, such as sucrose, glucose, Laevulose, invert sugar, maltose, etc., Sugars may be broadly classified in to two simple sugars which are directly fermentable and complex sugars which are not directly fermentable, but require to pass through the simple preliminary stages of inversion. Simple sugars such as Glucose or Dextrose which occur in grapes and Laevulose that occurs in the invert sugar of honey are directly fermentable. They are called Monosaccharide. Monosaccharide may be Poly Hydroxyl Aldehydes or Poly Hydroxyl Ketones. Thus Glucose is Poly Hydroxyl Aldehydes and Fructose is Poly Hydroxyl Ketone. Sucrose occurring in cane sugar, Beet roots, Sweet fruits etc and maltose are complex sugars and are called Disaccharides. An enzyme invertase present in the yeast converts (Hydrolyses) the sucrose in cane sugar etc, into Glucose and fructose as per the following formulae.



This process is termed inversion, because the mixture after hydrolysis is laevo rotatory. The product after inversion is called invert sugar. Inversion is also caused by the action of dilute acids.

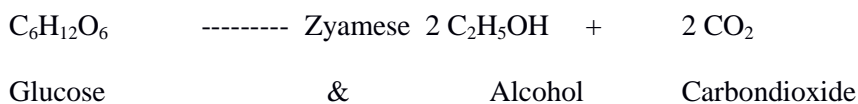
The unfermentable carbohydrates are those in the starch in cereals, such as barley, maize or tubers such as potato, tapioca etc, and incellulose (cellulose is the main constituent of wall cells of plants).

Starch is to be first saccharified. The chemical process is as hereunder.

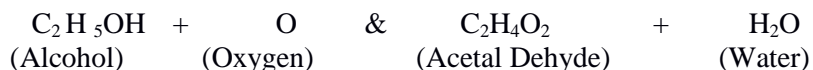


The enzyme diastase present in yeast and in malt (germinating seeds) converts (Hydrolysis) the starch into maltose or glucose. Maltose is made up of two glucose units with elimination of water.

The chemical formulae regarding the conversion of glucose and fructose to alcohol is as given below: This conversion is caused by Zyamase in the yeast.



Ethyl alcohol gets oxidised into acetic acid (vinegar) as shown below:-



Fermentation, Brewing and Preparation of Wash:

6. In distillation, the most important things accounting for efficiency is the successful development of brewing and fermentation and the use of proper stills for extraction and purification of the spirit.

7. Brewing:

The Brewing operation consists of simple dissolution of the material and the addition of proper quantity of water, if the material used for the production of spirit is sugar, jaggery or Molasses. If grains such as barley, rice or maize or starch tubers like potato and tapioca are used, it is required first to convert the maximum of starch in to sugars. The process of conversion of starch into sugar is called saccharification. By the action of diastase (an enzymic principle) the starch is converted into sugar (saccharified) and converted into maltose and dextrin. This

enzymic principle is present in small quantities in the ordinary grain but is considerably increased by the process of germination. This is the reason why malted barley, etc, is used in the production of beer. In order to effect successful brewing (1) the grain must be finely ground. (2) a certain proportion of malt must be added (3) a large quantity of water must be employed and (4) the temperature must be regulated.

8.Fermentation:

Fermentation broadly means decay and putrefication. It is an obscure and seemingly spontaneous change or decomposition which takes place in most vegetable and animal substances when exposed at ordinary temperature to air and moisture. In excise parlance it means only the process of producing alcohol and alcoholic liquors from saccharine material.

9. The efficiency of fermentation depends on the quality of fermentable saccharine material, water fermenting agent, heat and air. The fermentable material is called the 'base'. The fermenting agents are either organic vegetable ferments such as, yeast and bacteria or inorganic vegetable ferments such as diastase, the enzyme of germinated malt. Yeasts and bacteria are found floating freely in the air and these are called "wild yeasts". These wild yeasts that cause fermentation of toddy drawn from palms. These yeasts are also artificially propagated called "cultivated yeast". Cultivated yeasts give best results in fermentation. viz, maximum conversion of sugar in to alcohol, elimination of toxic by-products, etc, and are therefore used in distilleries. Yeast is to be cultivated from select strains. For selection of the best strains of yeast, agar-agar is inoculated with the specimens of yeast, and after a day or two each culture is transferred to separate flasks containing dilute solutions of gur. The sample giving the maximum conversion of sugar into alcohol is selected and propagated in dilute solutions of molasses and allowed to develop in another tank. After 8 to 12 hours the gravity falls and this (called the active wash or bub) is added to the wort in the fermentation of tanks at the rate of 6 to 10 percent by volume of each tank. Fermentation by yeast cannot take place at the temperatures much below 40⁰F nor above 140⁰F. The lower temperature, the slower is the rate of fermentation, while at a temperature above 82⁰F, other undesirable results such as increased production of fusel oil and others, lessening of the activity of yeast formation of acid forming bacteria may occur. Ordinarily, the fermentation is allowed at a temperature of 65⁰F to 75⁰F in the Distilleries.

The solution of the saccharine materials in water prepared for alcoholic fermentation is termed 'Wort'. The wort should be rapidly cooled and the alcoholic fermentation started by addition of yeast, as otherwise it is liable to become infected with other bacteria.

In preparing the wort, it has to be noted that a too strong wort with excess of sugar content will not be ideal for fermentation, nor will be a weak wort with less of sugar. In the

former, it will lead to waste of sugar and in the latter it would mean excess fuel and time. Therefore, while for a patent still, the suitable original gravity will be between 1045⁰ and 1050⁰ for pot stills, a slightly higher original gravity will be economical. This gravity is recorded by the ‘Saccharometer’. The readings in the Saccharometer can be converted to percentage of sugar present in the material before fermentation and after fermentation by use of appropriate tables.

Fermentation does not proceed satisfactorily in poor sugar solutions. For the healthy development of yeast, the solution must contain certain mineral substances as well as nitrogenous matter. In worts made from pure saccharine materials, addition of these nutrient materials is necessary. Thus, ammonium sulphate (or acacia Bark or amla) is added to supply nitrogen for the growing yeast. Sulphuric acid is also added to produce slight acidity (PH 4.9 to 5.0) and to arrest the growth of unwanted bacteria.

When yeast is mixed with wort, fermentation starts within a few hours and bubbles of gas are observed rising to the surface, and by degrees the entire wash will be in commotion from the rapid evolution of carbon dioxide. The temperature of the wash in the Vats rises some times to the extent of 20⁰F, this temperature is to be controlled by means of cooling coils or cold water spray. A gentle stream of air is also pumped in the Vats. The Vats (when not frothing) may also be stirred by a wooden pole. Frothing over should be avoided by using a deep vat or kept down by small jets of water or by beating it down with a flat wood.

When fermentation ceases in the wash, the covering of the vats should be closed to prevent access of air. Otherwise alcohol will get oxidised as acetic acid, in the presence of oxygen by certain aerobic bacteria present in the air.

With fermentation, the gravity of wash rapidly falls due to disappearance of sugar and formation of alcohol and at the end of the three or five days the gravity will be at a stationary point and the wash will be ready for distillation. This fall from the initial gravity on the removal for the distillation of alcohol is measured by the Saccharometer. For the purpose of Excise control, in a rough way, it can be estimated that one litre of spirit at proof strength will be obtained from 100 litre of wash by every four to five degrees fall in gravity. This is called the “Attenuation factor” and the Abkari Act provides for charge of duty if need be on the basis of attenuation. In united kingdom the system of charging duty on attenuation of fermenting wort is in operation.

10. Saccharine materials and spirit yields:

According to the equation $C_6H_{12}O_6 = 2 C_2H_5OH + 2 CO_2$

One kilogram of either Glucose or Laevulose should theoretically yield 1.131 proof liters of spirit. As it is customary to multiply the percentage of invert sugar by 0.95 to arrive at the sucrose percentage, one kilogram of sucrose must theoretically yield 1.07445 proof litres of spirit. In actual practice, however, even under the best conditions, one kilogram of cane-sugar yields only .9413 litres of proof spirit and as the percentage of total sugar contents in good molasses expressed as reducing sugars is 47 percent or more, one kilogram of cane molasses yields from .475 to .511 litres of proof spirit. The reason for this difference in the theoretical yield and actual yield is that in almost all the distilleries, the fermentation is not carried on to the stage of complete depletion of the sugars in the fermented wash. Further, about 1 to 1.5 percent of the sugars is also consumed as yeast food and result in formation of secondary products of fermentation such as fusel oil. However as per the present norms the alcohol based on the total reducing sugar is as follows.

Total reducing sugar percentage of Molasses	Minimum yield/Tonne in proof litre.
52% and above	432
51 to 51.9	423
50 to 50.9	415
49 to 49.9	407
48 to 48.9	398
47 to 47.9	390
46 to 46.9	382
45 to 45.9	374
44 to 44.9	365
43 to 43.9	357
42 to 42.9	349
41 to 41.9	340
40 to 40.9	332

39 to 39.9	319
38 to 38.9	309
37 to 37.9	300
36 to 36.9	292
35 to 35.9	282

Formerly the yield of alcohol was based on the attenuation factor. In this system 1 proof litre of pure alcohol should be produced from 100 litres of wash for every fall in gravity of 4 to 5.

11. Theory of Distillation:

Distillation means the separation of the constituents of a liquid mixture by partial vaporization of the mixture and separate recovery of the vapour and residue. The more volatile constituents are obtained in increasing concentrations in the vapour. The less volatile remains in greater concentrations in the residue. For a proper understanding of this an idea of the different boiling points of water and alcohol and other constituents of the chief by-products of alcohol are given below:

	Centigrade	Fahrenheit
Water	100	212
Alcohol (Ethyl)	78	172
Acetal Dehyde	21	70
Acetic Dehyde	77	171
Builylic Ether	120	248
Furfural	160	324
Acetic Acid	118	244

By distillation , it is possible (1) to separate the alcohol constituents (which are more volatile) of the wash from the non-volatile constituents which are left behind in the still (as spent wash) and (2) to separate the more volatile (such as Acetal dehyde) from the less volatile (alcohol).

12.Stills:

The apparatus used for distillation is called “still”. Stills may be broadly classified into two: Pot stills and continuous stills.

13.Pot still:

A medium and efficient type of pot-still would consist of a kettle (or pot or still proper). It must be comparatively shallow. The bottom should be concave to the fire. The convex upper surface called “breast” will be wider than the bottom. From the middle of the breast a pipe rises and this is occasionally bulbed or tapers to a narrow end. This up-pipe is called the “head”. The head opens direct to the condensing worm. The condensing worm immersed in a tub of water may be copper pipe 4” in diameter at the top and 1½” at the end opening into the receiver. This worm is bent into a number of spiral coils usually 12 to 15. These coils are kept apart from each other by pieces of solid metal. The coils must be sloped so that there is a marked fall throughout. The end of the worm should project through the tub into the receiver or “where a spirit safe”, is used, into it. The worm tub is pierced below by a pipe leading cold water into it. Another pipe at the top of the tub allows the out-flow of the condensing water. Thus the condensing water enters at the foot of the worm tub flows upwards as it becomes hotter and passes on to the top and outflows through the top pipe of the tub while the alcoholic vapours inside the worm pass downwards. This counter-flow is of utmost importance in condensing the vapour. With the introduction of Modern Technology ‘Pot still’ is not in use now a days.

14.Continuous stills (Patent stills):

The principle of continuous distillation is that a continuous stream of fermented wash advances against a current of steam. The difference in temperature of these two currents deprives the wash of all its alcohol, the spirit passing over to the steam. The steam thus mixed with alcohol passes into two columns named the rectifier and analyzer. It is further purified and strengthened and the wash as spend wash passes out of the apparatus.

15.Some essential points to be noted by Excise Officers regarding the working of a Distillery:-

The building should be so constructed that it is fireproof and secure and that it will not be possible to tamper with or remove any dutiable goods or other materials without the knowledge of the distillery officer under any circumstances. These should conform to the requirements of rule 6 of the Distillery Rules. No change to the plant or building should be made without prior sanction of the Excise Commissioner.

16. During nights fermentation room shall be locked and kept open only under the permission of the Distillery Officer. In continuous stills, there must be a mixing tank or wash mixer. All

the produce of one mixing should be transferred to the wash back within 4 hours. Spent wash should be collected either in casks or in tanks (if to be used as cattle feed or for other purposes) or drained well away from the Distillery. Before pot-stills are charged their discharged cocks must be locked. The steam valves of continuous stills should be locked when the stills are silent. Between every still and the receiver there must be a glass safe furnished with a Hydrometer. The safe should be with an air escape pipe and an overflow pipe. Glass safe shall not be open when distillation is in progress. The apparatus for testing the vapour in the lower portion of the column need not be enclosed in a safe. But the vapour running through it should be occasionally tested and if the alcohol content is more than 2 percent proof, the still should be kept under observation. Receivers must be either of wooden or, of metal. These should be of regular shape. They must be fitted with fixed dip holes. All the pipes leading from the safe to receivers must be permanently fixed to the latter vessels. All manholes, cocks and other apparatus of stills and spirit vessels must be locked with Abkari locks. Wash, spirits, etc, from one vessel to another from the still shall be passed only through closed pipes by gravitation or by pumps. Transfer by hand shall not be allowed except under extra ordinary circumstances.

Continuous Fermentation System

With the advent of modern technology in the alcohol industry a new system of fermentation called continuous fermentation system is employed. In this process molasses is weighed in tones using an automatic weighing machine taken in a weighted molasses tank and it is then pumped to the first tank of the fermentation system which consists of five interlinked fermenters. The 'bub' is also pumped to it from the automatic system. Water is also pumped to a required level. This high gravity wash is continuously over flown to the second tank to this also a required quantity of water is pumped continuously and so on, when this wash reaches fifth tank, fermentation will be over and this fully fermented wash is connected to a yeast settling tank, where the impurities with yeast is removed. This wash is taken in a clarified wash tank, from this it is sent for distillation. The removed yeast, is again used for fermentation. All the tanks are connected with flow meters. The officer in charge should make it sure that all the meters are to get calibrated from the Legal Metrology Department or other competent agency. As most sophisticated electronic apparatus are used to record the readings, care should be taken that they are calibrated in time (the validity of calibration will be noted in the certificate). The advantages of the continuous fermentation system are

1. No new yeast to be added.
2. The fermentation time is less
3. The fermentation efficiency is more and it is done in a more hygienic condition
4. Manpower can be minimized.

In this system, an electronic counter is used in which the quantity of molasses taken to the system (in tonnes) the quantity of wash sent to the still is recorded through electronic meters. The officer in charge should take the reading at 8 A.M itself every day to assess the quantity accurately. There should be two separate note books to note these quantities to be maintained, one by the licensee and other by the Excise Officer that should be available near the counter itself. The fermented wash is to be steam distilled in order to extract the alcohol from the wash. Apart from the former system of distillation where two of three distillation columns are used to get rectified spirit. Now a days a new distillation system which consists 5 or more columns is used in order to get more purified extra neutral alcohol. In this system wash is fed to the top of the first column called analyser column or beer column which contains a lot of small trays fitted to the inner side of the column. Wash is over flown from the topper trays to the lower trays and steam at a very high temperature (120⁰ C) is pumped from the lower side and the wash will get boiled and all the alcohol content in the wash is separated. This alcohol mixture separated by fractional distillation will contain other impurities also. It is then fed to the second column called degasyfier column. In this column higher alcohols such as fusel oil. (mixture of butyl alcohol, propyl alcohol etc) are removed. The mixture of alcohol collected from the top of this column is fed to the next column called purifier column to separate impurities like aldehydes, the mixture of alcohol and water obtained from these columns is sent to the rectifier column which is also known as high pressure column. In this column water contents are fully removed to obtain more purified Extra Neutral Alcohol. This Extra Neutral Alcohol is sent to refining column for final polishing. The Extra Neutral Alcohol thus obtained is passed through a flow meter and collected in gauged storages. The fusel oil collected from the degasyfier column is sent to another column called fusel oil column to extract traces of Ethyl alcohol and discard the fusel oil. An another column namely Heads concentration column is also installed for the purification of all Heads cuts, collected from all columns (Heads cuts are impure alcohol along with traces of Ethyl alcohol from all the container bottoms.) The yield of spirit is assessed as per the TRs grade on the quantity of molasses used for the day.

17) The course of wash and liquids in a distillery shall be as follows:

All wash must be fermented in the fermenting vats and thence conveyed directly into the wash charger, and thence into the still for distillation.

All low wines, feints and spirits running from the worm of the still must run directly in to the safe at the end of the worm.

All low wines must be conveyed directly from the safe in to the low wines receiver, and thence directly in to the low wines and feints charger, and thence directly into the low wines still for re-distillation.

All spirits must be conveyed directly from the safe into the feints receiver or spirit receiver.

All spirits conveyed in to the feints receiver must be conveyed thence directly in to the low wines and feints charger or wash charger or intermediate still-charger and thence directly into to the still for re-distillation.

No spirits conveyed into the spirit receiver may be re-distilled or may be removed except into the distiller's spirit stores.

All spirits distilled in the distillery must, after the officer has taken an account of their quantity and strength, be forth with conveyed through a close metal pipe from the spirit receiver in to the store cask or vat in the spirit store.

Except after notice to or in the presence of an officer access may not be had to the end of the worm of any still, or to any low wines, feints or spirits from the time of the extraction or distillation there of in the still until they are taken account of by the officer in the proper receiver, or to any spirits in a store cask or vat.

18. Pipes in distilleries should be painted as prescribed in Rule 25 of the Distillery Rules, viz, green for wash red for spirit, white for steam, yellow for spent wash, blue for molasses etc. Abkari locks and tickets should be under the personal custody of the Distillery Officer. When a Distillery is not at work on a holiday, a patrol should be made occasionally by the Distillery Officer. All persons quitting the premises of the Distillery or Ware House are liable to be searched at the discretion of the officer. Spirit should be proved and gauged whenever any transaction, connected with the vat or receiver, such as receipt, issue, transfer, etc, takes place. Even if there is no transaction, all vats and receivers should be gauged and proved once every fortnight. Before spirits are proved, spirits should be well-mixed. The liquor should not be proved when the temperature is above 100 F. Simultaneous transactions in more than one vat should not be allowed. Grogging operations should be done as prescribed in Rule 34 of Distillery Rules and grogged water either returned for re-distillation or destroyed.

19. Counter checks By Distillery Officer:

It may be observed that if the Rules provided for in the Distillery Rules are observed, the officer has several checks on the out- turn which he may test one against the other. Taking these in serial order:-

The materials are weighed out of a locked store and passed to gauged fermenting vats, here the attenuation of the wash is noted, when it is complete a given quantity of wash is run in to a still of known capacity, the produce passes by locked pipes into a receiver where an account

is taken of it; it is passed out, generally before a fresh distillation super vanes, into a storage cask and an account taken again, thence a given quantity is passed out for reduction and account taken again the reduced liquor passes into an issue vat and is added to the account of the liquor of the same strength and when it is finally issued a last account is taken. An officer who wishes to satisfy himself that no fraud is going on can check the account of quantity issued against three other accounts, viz those of out turn, production and quantity issued for reduction. Thus, if he takes a given period he knows the opening and closing balances, he knows the quantity of material issued, and their average spirit yield and so can deduce the quantity that should have been out turned, he can check this against the quantity that was out turned according to the receiver record, he can trace these into the store, thence he gets a new set of checks, viz, of issues from store for blending against issues of blended liquor. If the Distillery officers are very meticulous in the observance of the rules, it will be possible to levy duty on the basis of attenuation of the wash.

Even though distillery is a place where spirit is manufactured and sold, in Kerala there is no report of spirit as such is done due to various factors like requirement of raw materials. On the contrary in many occasions spirit is imported for the manufacture of IMFL. If a licensee wishes to import spirit, first he has to obtain the necessary No Objection Certificate from the Excise Commissioner. Only after getting the NOC, the necessary import permit for lifting the spirit has to be obtained from the Deputy Commissioner of Excise as per the licence issued for manufacturing of the IMFL. When the spirit consignment reaches, the officer –in- charge should ensure that (a) it was properly escorted from the entry check post to the Distillery/blending unit. (b) it is reached the premises with in the currency of the permit (c) the metallic seals affixed on the outlet of tanker lorry is intact. If all the above factors are in order, as per the request of the licensee, the spirit shall be allowed to be unloaded to an empty storage tank. All the tanks meant for transacting spirit should be calibrated at the time of installation itself by the Legal Metrology Department or any other approved agency. One or more consignment of spirit should not be allowed to be pumped to the same tanks as it may result in disproportionate strength, quality etc.... It should bear in mind that spirit having strength 96% v/v or more only come under the purview of ENA. In order to ascertain the potability and strength of the spirit, the samples should be taken and sent for chemical analysis to the Govt. Laboratory. There also no mixing of spirit from the separate consignment should be happened. Separate samples should be taken from each consignment, out of the 3 samples collected from each consignment one should be marked as ‘A’ which should be sent for chemical analysis. The second one marked as ‘B’ should be kept under safe custody of the Distillery officer until the result comes. And the third one marked as ‘C’ is to be handed over to the Distillery. If by chance the first sample cannot be analysed due to any reason like pilferage, breakage, lose of seal etc..., the ‘B’ sample should be sent for analysis. If the licensee challenges the result, the ‘C’ sample may be arranged for analysis if the lab authority approves it.

20. **Compounding and Blending:**

For compounding and blending a separate licence should be insisted. Colouring sweetening or flavouring agents should be added either before re-distillation when they are of such a nature as to cause no appreciable obscuration or after duty has been paid. Compounding shall be conducted within the distillery or ware house. No flavouring or colouring matter which is not approved can be added on to this spirit. Spirits for compounding must be kept in separate Vats. All spirits compounded with foreign spirits or essence should be treated as Indian Made Foreign Spirits for purposes of calculation of duty. The portion of such essences or spirits so added for compounding or flavouring will not be excluded for purposes of levy of duty. No potable spirit shall be allowed to be manufactured if the aldehyde or acid content exceeds the permissible limits or does not satisfy the permanganate tests or has any solid matter in suspension (vide Rule 11 of the Distillery Rule)

21. **Bottling:** Separate licences should be taken out for bottling. On each bottle, the contents, the strength, the name of manufacture, etc. should be noted. Bottles of only approved capacity shall be used.

22. **Denaturation:** All materials intended for denaturation must be under the custody of the Excise officers. These should be analysed and tested before issued for denaturation. The denaturants should be put in the vessel first, spirit poured over them and then stirred well.

23. **Issues from a Distillery:** A margin of only 1⁰ shall be allowed in the strength of spirits issued out of distillery. No rectified spirit shall be issued in casks. When spirit is issued in bottles, the bottles must be packed in closed cases to be sealed by the Inspector. The description of the spirit, bottles, quantity, strength etc. should be noted in oil paint on the case. All spirit receptacles, casks or cases sent out should be sealed by the Distillery officers private seal and facsimile thereof imprinted in the advice.

Prepayment of duty and gallonage fee should be insisted in all cases before spirits is issued except when such issues are under bond. Advance payment of duty in lump and adjustment as and when issues are made can however be permitted. At the end of every month, the Deputy Excise Commissioner must check up and see whether the adjustments are correctly done. Issues without collection of duty shall be against Bonds. The bonds shall be released only after receipt of verification reports and after collection of duty on excess wastages or loss in transit if any. When spirit is issued from a distillery whether on collection of duty or under bond, an advice should be issued to the officer having jurisdiction over the place of destination and a duplicate of this got back after verification within a month. If there is any difference in

the quantity advised and quantity renewed and it is in excess of the allowed wastage, duty on excess wastage should be collected from the Distiller.

24. Registers, Accounts and Returns: All the Registers and accounts as detailed in the Distillery and Warehouse Rules should be maintained by the licensees. The returns specified therein should also be sent periodically. These have not been alluded to in detail in these chapters. The Distillery and Warehouse Rules may be referred to.

25. As Distillery/Blending unit is transacting spirit (Producing, using, selling) the supervision of adequate Excise personnel is inevitable. The number of posts required to supervise a distillery or any other establishment have been created only because of such establishments. So all the pay and all other perks due to such number of officers, are solemnly liable to be remitted by the licensees of such establishments.

The rate of such amount is as per the Govt. order in force issued in this regard from time to time, this amount is termed as cost of establishment. The cost of establishment is to be got remitted by the licensee on the 1st working day of every month. If the licensee fails to remit the amount in time, interest on the belated payment @ 18% per annum is to be levied. Further penal interest at 2.5% is also to be charged from 20th of the month.

26. An officer posted in distillery is expected to be in office 8 hours a day. But many occasions to working hours of the Distillery or any such establishment will be more than this. So if an officer has to perform duty for more than eight hours, the required overtime fee should be levied from the licensee for each such hours. Part of an hour will be considered as an hour for this purpose. If night service is required (from 8.P.M to 6.A.M) night benefit another 50% rate applicable on day hour is also realised. If a licensee requires such overtime service he has to seek prior permission for the coming month. Each officer performing the overtime service is entitled to get overtime allowances subject to the maximum limit of 50% of the basic pay of the incumbent. There should be a record of realisation of overtime fees, incumbent wise and amount applicable to each individuals is to be prepared in a particular table containing the name of the officer, scale of pay, basic pay, number of hours worked, number of night hours, amount of claim and remittance particulars. The overtime allowance bills so prepared should be sent to the controlling officer for approval and necessary orders.

27. Officers posted in Distillery are supposed to supervise all the activities done there. The main points where physical supervision required are.

- | | |
|---|--|
| (1) Spirit transactions | (2) Blending operations |
| (3) Blending | (4) Godown/Finished goods store |
| (5) Despatch/Loading of finished products | (6) Fermentation |
| (7) Distillation | (8) Sampling and chemical analysis duty. |

CHAPTER XXII

BREWERY

1. In its widest sense, Beer is a liquor made by infusion and fermentation from any vegetable substances. Thus, there are rice-beers ginger- beers etc. But in common parlance beer means malt beer. The use of good malt is essential for successful brewing. Barley is preferred for preparation of malt because of the following facts. (1) It produces rapidly during germination more of a diastase (ferment) to convert the unfermentable starch in grains to fermentable sugars. (2) It germinates more quickly. (3) It is free from the oily unpleasant taste unlike other cereals (4) The essential growing part is inside the husk (and therefore less injurious) and not outside as in the case of wheat or maize. The manufacture of beer consists of the following processes.

2. (i) **Preparation of malt from barley**: In this process there are 4 stages. 1. Steeping 2. Couching 3. Flooring and 4. Kilning. The grain is “steeped” in water for a period of two to four days till it is sufficiently soaked and its skin is easily peeled off. The water is next drained away and the barley is spread out on a couch in a layer about a foot deep usually. By this process, sprouting or germination takes place. When the grain begins to germinate it is spread in thinner layer. Plenty of good air is needed for good germination. This stage of couching lasts about 24 hours. The grain is turned about every 6 hours while on the floor so as to expose all parts equally to air, moisture and an even temperature. Germination turns barley into malt. The malt is next sent to the “drying kiln” for the next two or three days. At this stage the germination is stopped and the moisture is removed from the malt. It is now ready for use. In many cases, it is not practically possible or advisable to use malt alone. A portion of the malt is substituted by sugars or starches- called malt substitutes or malt adjuncts.

(In order to prevent the abuse of the provision for use of malt substitutes by some brewers and the sale as beer of what is nothing but a sugar wash, the minimum proportion of malt is prescribed as 50⁰ of the combined grain in the case of beer brewed with initial gravity of 1040⁰ to 1055⁰ and 60% in the case of beer brewed with in initial gravity of 1030⁰).

(ii). **Infusion of the ground - malt**- The next stage in the manufacture of beer is “mashing”. There are two methods of mashing. The “infusion” method and the “decoction” method. In the infusion process, the whole of the mash is heated in the mash- tun until cooked and this method is described below:- The malt (after kilning and drying) and other grains used as malt substitutes are crushed by rollers in order to make its contents soluble and this crushed malt is termed “ grist”. The grist is run into mash-tun. On its way to the mash- tun, this grist is mechanically and gradually mixed with hot water by the aid of a revolving machine. The

mixture enters the mash tun in a thick consistency some what like porridge. After mashing is complete, the tun is covered so as to prevent loss of heat during the infusion for about two hours. It is at this stage that the diastase ferments change the unfermentable starch into the fermentable substances, malt- sugar (maltose) and dextrin. After 2 hours the mash is slowly drained off into the under back through the perforation in the false bottom of the mash- tun by opening the taps. The residue is later washed out by a process termed “Sparging”. Spraging means spraying hot water gently on it by means of a revolving pipe pierced on its alternate sides. The weak liquor in the tun is then drained off and the residue of grist thus left is termed “brewer’s grains” or “Draft” The extract from the grain is called the “wort”.

(iii) **Boiling the wort with hops, Strining off the hops and cooling:-** This wort is then run in to the coppers where it is mixed with hops and hops substitutes and sugar- if sugar is proposed to be added- and boiled for about two hours. Not more than 20% of the hopes can be substituted by hop substitutes such as the *Quassia cheratta calumbe* or partially exhausted hops. After boiling, the wort is passed into the hop- back (drainer) where the hops are retained, the wort passing through the perforated false bottom to the cooler or other Refrigerating plant. The cooler consists of a series of flat copper pipe through which cold water passes. The hot wort flows over the outside of these pipes and is cooled. From the refrigerator the wort flows to the fermenting tunes.

(iv). **Fermenting the wort:-** Here, the wort is pitched. Pitching means treating with yeast. Yeast in suspension is run in to the wort. The quality of beer depends on successful fermentation and pitching is very important in ensuring quality. The quality of yeast used and temperature vary with different manufactures. 1 ½ to 2 Ibs of yeast per 36 gallons of beer of 18-20lbs.gravity is brewed with 5 and 6 Ibs of hops per quarter of malt. When the yeast is added to the wort, fermentation commences and the liquid begins to bubble and gradually a thickening brownish frothy layer forms at the surface. Fermentation is at its height in two days time and may go in some cases up to 5days. Throughout the fermenting stage the wort’s temperature is regulated by coils of piping (called Attemperators) through which water of a suitable temperature is passed.

(v). **Setting and casking:-** The wort is then run off into “fining” vessels so as to settle and clarify, as the yeast cells left behind fall to the foot of vessel. After this, and when sufficiently bright, the beer is run off (racked) either into store vats, casks or bottles for issue.

Hops are the natural preservatives of beer, and the use of hops is very particular in the quality of beer. It has a special flavour and is a good clarifying agent. The use of hops has to be encouraged and this is the reason why only 20% of Hops is allowed to be substituted.

Even where hops are used without substitution when beer is to be kept for some time before consumption, certain, chemicals are added as preservatives. These are generally preparations containing sulphates, such as bi-sulphate of lime, calcium sulphate, potassium metasulphate (KMS) and “Beane’s Nos.1 and 2.”

When sound beer is vatted or casked a very slow natural fermentation takes place. The secondary fermentation helps promote stability of the beer and helps give it the sharp stinging taste. But at times, this secondary fermentation becomes too violent and the beer is set to “kick up” or “fret”

(vi). **Fining:-** Often, beer is issued for consumption immediately after it is manufactured without allowing sufficient time for clarification. In such contingencies, the suspended matter which inter alia imparts cloudiness in beer is removed by the brewers from the beer by means of “finings”. The commonest thing used as a “fining” is isinglass. The gelatin, egg albumen etc. are also used. A small amount of fresh hops is also added to the beer at the time of racking to give extra flavour and aroma.

(vii). In some cases high solution of sugar or of cold water malt extract is added to the beer just before it leaves the brewery. This results in a slight gradual fermentation and keeps the beer brisk. This is called “Priming”. But only to the extent of 1½ percent of the beer can the priming solution be added. The maximum gravity of the solution should not exceed 1073° and the minimum gravity 1055°

3. Responsibility of Excise Officers: The responsibilities of the Excise officers in charge of the brewery are to see that:

- (1) The entries made by the brewer in the brewing book are prompt and correct.
- (2) The materials used are properly accounted for and that no materials other than those entered by the brewer in the brewing book are used.
- (3) No wort is transferred from the under back, copper, cooler or fermenting vessel or brewery until an account has been taken.
- (4) The produce of each brewing is kept separate from any other brewing.
- (5) No beer is removed from the brewery except under the authority of the officer in charge of the brewery.

(6) The brewery is surveyed at least on 5 days in a week and all the details are entered in the Survey Book, viz, the quantity of the material used, condition of all the wort in vessels, such as under backs, coppers, hop backs, coolers, fermenting vessels, racking vats and that these are gauged and their gravity taken.

And (7) The Brewery Rules are strictly followed.

4. Collection of duty:- The rules require that duty is to be collected on the basis of beer brewed in the brewery. A wastage of 5% can be allowed. The quantity actually brewed can be crosschecked on the basis that 8 gallons of malt or corn or 28 lbs of sugar or 31½ lbs of glucose will produce 18 gallons of wort at a gravity of 1050⁰. Duty is to be levied at the end of every quarter.

The alternate system of levy of duty on the basis of actual issues from the brewery can also be adopted, if the Government so decide.

CHAPTER XXIII

WINERY-WINES, SACRAMENTAL WINE AND TEA CIDER**1.WINES**

1. Wines, as commonly understood, are alcoholic beverages obtained by fermentation of grapes or raisins. Though wines are mostly manufactured by the fermentation of fresh grape juice or dry grapes or raisins, other fruits also form the base for manufacture of wines, such as apples, peaches, cherries, plums, berries, (black berry, rasp berry, strawberry, etc.). Wines can be broadly classified as natural (unfortified) or fortified. Natural wines may have an alcoholic content of 8 to 12% by volume. Fortified wines are those which have been strengthened by the addition of spirits during or after fermentation so that their alcoholic content is about 20 to 22% by volume, Eg. Sherry, Port Madeira, Champagne etc. Natural wines are further classified as dry or sweet according as to whether the sugar content thereof is almost exhausted by fermentation or not. Wines which effervesce when being poured out of the containers either as a result of secondary fermentation, going on in the container itself or as a result of dissolution of carbon dioxide before the closing the container are called sparkling wine. Wines which do not effervesce are called still wines.

2. For good quality wine, the fresh grapes are collected when they are fully ripe but they should not be over-ripe. The period of collection is usually September-October, though this period may vary depending on the climate. The grapes are crushed to liberate the juice. This juice is known as "Must" and this must (separated juice) is allowed to stand when fermentation quickly begins. Ordinarily, there is no need to add any other fermenting agent, because yeast present in the grapes as bloom on the skin of the grapes. The grape juice contains sugar (Glucose & Fructose) and water and very small proportions of acids (Tartaric and a little of Malic) and ash. These contents vary widely with the quality of grapes as shown below:

	Sp. Gravity	Water %	Sugar %	Acid %	Ash%
Minimum	1.0690	51.5	12.0	0.2	0.2
Maximum	1.2075	82.1	35.1	1.2	0.6
Average	1.1024	74.5	19.7	0.6	0.4

3. The process of manufacture varies widely and determines very largely, the quality of wine. The classification of wines as red and white depends largely on the process of manufacture. In the manufacture of red wines, the skins, stems etc, of the grapes are present during the

fermentation so that the grape pigment is extracted and it colours the juice eg., Claret, Burgandy, Port, etc. In the manufacture of white wines, the marc (skins, steams etc.,) are removed before the fermentation has proceeded to a point when the pigment becomes solid in fermentation.

4. For best results, the addition of certain essential materials to the “Must” is necessary. Sugar is permitted to be added to the must in some countries if the grapes are deficient in sweetness. The quantity of sugar permitted to be added does not exceed 1kg to 45 ltrs of must in making red wines. A reasonable proportion of tartaric acid is beneficial and even necessary to activate the wine, yeast and to discourage the growth of bacteria. As already stated tartaric acid is present in the must in small quantities. If the must is deficient in acidity, to increase the acidity, citric acid is sometimes permitted to be added in quantities not exceeding five grams per litre of must. Powder plaster (a form of Calcium Sulphate) is also allowed to be dusted on the grapes before crushing. This may also be added at the crystallising stage by the wines in which plaster powder is used in manufacture which is injurious to health as it produces colic and vomiting . In the manufacture of white vines, Tannin, is allowed to be added to obtain the required reaction with finings.

5. The natural fermentation caused by the yeast in grapes ceases to be active in some cases when the liquor contains 4% alcohol. There fore, select strains of yeast is used. The must is pasteurised by heating it to 60 to 70⁰C. The process of fermentation causes a rise in temperature by 20⁰C. The optimum temperature at which the maximum sugar is fermented is 25 to 30⁰C. Therefore, in warm regions artificial methods of cooling the fermented liquor by cooling coils or by slowing down fermentation by controlled addition of Sulphur dioxide is necessary and conversely in cooler climates artificial warming is necessary to get the best results.

6. Fermentation of the must ceases in 7 to 15 days. After fermentation, the yeast and insoluble materials settle to the bottom and clear liquid is run off to a collecting vessel and left to rest for some weeks. During this period, the residual sugar is transformed in an after fermentation and the insoluble tartarate is deposited as a crust (Argon). The wine is racked into clean casks which are usually sulphured before use. It is further stored and in every six months it is again racked into new vessels. Before bottling it is found by adding some albuminous material (Isinglass, Gelatine or white of egg.)Wines have to be stored for maturing for long years to achieve perfection –in casks in cellars or caves for 1 to 5 years and in bottles for some years. A storage period of 10 years will be ideal. Only then the wines will have the natural bouquet and flavour. In America, a system of artificial (Rapid) ageing has been in practice. The wines are flash pasteurised, Chilled, Stored in contact with oakchips and aerated from time to time with air or Oxygen. This process may not be efficient.

7. Where it is not possible to get suitable quality of fresh grapes for wine making, wine is manufactured from raisin extracts or mash of the imported raisin. The mash is sterilized and fermented by the addition of the bub containing cultivated yeast. In India, raisin wine is allowed to be manufactured for use as Mass-Wine or sacramental wine.

8. Wines may be fortified by addition of rectified spirit or brandy. Fortification, apart from increasing the alcoholic strength, prevents the Wines turning sour and from further fermentation. The rectified spirit or brandy used for fortifying shall not exceeding 5% of the wine bulk and the alcohol content in the finished product shall not exceed 42% proof spirit. Fortified wines, which have an alcohol content of more than 42%, are classified as spirits for purposes of levy of duty and gallonage fee. The Rectified Spirit or brandy may be added either before the fermentation ceases or after the fermentation is completed.

Licensing of a winery and responsibility of Excise Officers.

9. Initial Sanction for the establishment of a winery has to be accorded by the Government. The building must conform to the requirements of Winery Rules, 1970. A correct and regular account of all materials used, extracts, solutions made, wash set up and wine made and issued has to be maintained. The volume and initial gravity of the must and final gravity of the Wine should be taken by the officer in charge. The licensee shall record the specific gravity of the must setup Every morning that should be checked by the Excise Officer, till the liquor is ready for transfer. The stock of the wines should be taken at the end of every quarter and the result should be reported to the Deputy Excise Commissioner.

10. A wastage of 1% of the products in store may be allowed. Rectified Spirits required for fortification of wine must be obtained on an indent in duplicate countersigned by the Officer in charge. Allowance for wastage for rectified spirit taken to the winery and the wine transported out of the winery may be allowed in the case of transport in wooden receptacles. It may be noted that the allowances is far less in the case wine than in the case of rectified spirit. Please see Rules, 16 & 36 if the transport is made in metallic or glass receptacles, a wastage in transit is allowed in the case of rectified spirit but no wastage allowance shall be allowed in the case of Wines. No allowance for wastage of rectified spirits in storage shall also be allowed. No issues of wine shall be permitted until a sample of wine is taken and got analysed by the Chemical Examiner and a certificate about the alcoholic strength and fitness for human consumption is obtained. In the case of fortified wines, the officer in charge should take three samples of wine in 350ml bottles before fortification and after fortification and get both samples analysed. The Chemical Examiner is required to certify as to whether the wine is dry or sweet. Wine shall be issued from the winery only on payment of duty.

11. In addition to the winery licence a separate licence has to be obtained for bottling. Every bottle should have a label showing the description of wine, name of the bottler, the proof strength and the quantity.

2. SACRAMENTAL OR MASS WINE

12. It has been stated earlier that mass- wine is allowed to be manufactured from raisins. The licence for the manufacture of mass-wine is issued only to Bishops. Bishops include other ecclesiastical authorities also as specified in the Mass-wine Rules.

13. The nature of control exercised over manufacture of mass-wine is a comparatively very limited. A Priest is to be nominated by the licensee to be in charge of the operations in the manufacture of Mass-wine. The address of the Priest so nominated shall be reported to the Commissioner. There shall be a manufactory especially set up for the manufacture and this shall be specified in the licence. Raisins shall be used as a base and no sugar or other substance or other fermenting agent shall be added at this time or after fermentation.

14. The process of manufacture is as shown below:-

1. Put raisins into a receptacle, preferably a cask cut into two halves.
2. Wash them if it is dirty.
3. Pour the quantity of water required.

Note: - For mass-wine, pour as many litres of water as there will be kilograms of raisins, thus for 200 Ib. of raisins pour 22 gallons of water.

4. Leave the raisins in the water and crush them after 48hours.
5. Put the whole things in the cask for fermentation.
6. During fermentation stir the must with a clean stick once in a day.
7. After 50 days of fermentation, draw off the wine.
8. Pour it into a vat prepared for the filtration.
9. Filter it with white – sack- cloth (Dutch system).
10. After filtration, pour it into a cask.

(See that the cask is filled up to the brim with wine, if not burn put some sulphur in the empty space)

11. After a short period of time, draw it off and bottle it.

15. Whenever must is to be setup, the licensee should inform the fact to the Circle Inspector about the quantity of the must setup and the probable date by which fermentation is likely to be completed and the mass – wine is bottled. On the date on which the mass-wine is to be bottled, the Circle Inspector should make it a point to visit the manufactory, physically verify the yield and check up the return of accounts which have been furnished by the licensee. In this return the licensee must report the quantity of the mass-wine secured by fermentation. He must also remit the duty and gallonage fee before bottling. Wine secured in one operation should be bottled separately and should not be added with the yield of another operation. The entire contents of all fermenting, filtering and settling vessels should be completely drawn off and bottled. Bottles should be invariably of uniform capacity and must be transported only under a permit issued by the licensee.

3. TEA CIDER

16. Tea cider is manufactured from tea dust and tea leaves with or without addition of sugar and hops. The process of manufacture is explained below:-

1. About ½ ltr of water is boiled.
2. 100grms tea dust and tea waste are tide in a piece of cloth and put in the boiled water.
3. It is then kept to be cooled for 5 to 8 hours.
4. After cooling, 500grams of sugar is put in the liquid and the content is stirred well.
5. After that, 50 grams of hop is put in another pot containing about ½ a ltr of boiled water and is kept for cooling.
6. Then it is poured into the pot containing the admixture of water, tea and sugar.
7. Keep for fermentation for about 70 hours to 90 hours according to atmospheric condition.
8. After fermentation is over, add a little salicylic acid in the preparation to avoid the formation of bacteria.
9. Filter the fermented liquid and bottle it.

The tea-cider manufacture is to be under the supervision of an Excise Inspector.

No Tea-cider shall be issued from the manufactory, except on permits issued by the Excise Inspector. As in the case of sacramental wine, the licensee must give details about setting up of the wash, intimation of manufacture and also a return of the tea-cider manufactured. The tea-cider shall be issued by the manufactory only on payment of duty and gallonage fee, and only after getting it analysed.

CHAPTER XXIV**MEDICINAL AND TOILET PREPARATIONS****A. CENTRAL ACT - COLLECTION AND LEVY OF DUTY.****1. INTRODUCTION**

Under Entry 84 of List I of the VII schedule of the Constitution of India, excise duty on medicinal and toilet preparations containing alcohol, opium, Indian hemp or other narcotic drug or narcotics falls within the purview of the Union list. By virtue of this entry, the Central Government have enacted the M&T P (Excise Duties) Act 16 of 1955. This is an Act to provide for the levy and collection of duties of Excise on medicinal and toilet preparations containing alcohol, opium, Indian hemp or other narcotic drug or narcotic and this came into force from 1st June 1957.

Though the duty on M &T P is thus now levied under the Central Act, the duty is collected by the State Government and retained by the State Government as per Article 268 of the Constitution which reads as follows:

“(1) Such stamp duties and such duties of Excise on medicinal & toilet preparations as are mentioned in the Union list shall be levied by the Government of India but shall be collected -

- (a) In the case where such duties are leviable within any state specified in Part C of the First Schedule by the Government of India &
- (b) In other cases, by the States within which such duties are respectively leviable.

(2) The proceeds in any financial year of any such duty leviable within any state shall not form part of the Consolidated Fund of India, but shall be assigned to that State”.

The M&TP Act has been subsumed (absorbed) in Goods and Service Tax Act which came into effect on 01.07.2017.

2. DEFINITIONS.

(1) Extracts: - are preparations obtained by extracting vegetable drugs or animal material with water, alcohol or other solvent and evaporating them to partial dryness and adjusting concentration of the active ingredients to a fixed standard. The extraction medium (menstrum) used is either (a) alcohol or

(b) alcohol to which a small percentage of diluted hydrochloric acid or diluted acetic acid or ammonia is added.

Extracts which are completely evaporated are called dried or solid extracts. Fluid extracts contain alcohol either as a solvent or as a preservative.

(2) Tinctures: - are "Essences" and "Spirits" which are mainly solutions of essential oils derived from the vegetable drugs or solutions of fluid extracts in alcohol. They are richer in alcohol than extracts.

(3) Infusions: - are prepared by crushing the crude medicinal drug in water or diluted alcohol and removing the suspended matter of fibrous stalk etc, without subjecting it to filtration or distillation process.

(4) Elixirs: - are sweetened and sometimes flavoured solutions containing medicinal substances.

(5) Syrups: - are concentrated aqua solutions of sugar with flavouring and medicinal ingredients mostly used in children's medicines and in making extracts of bitter drugs palatable

(6) Lotions: - are thick aqueous preparations containing insoluble substances mostly intended for external uses.

(7) Menstrum: - Is the extraction medium used.

(8) Advalorem: - means "in proportion to the estimated value of goods".

3. Salient provisions of the Act

Some of the important provisions of the M and T P Act are:

1. Under section 6, except under a licence no one shall manufacture (i) any dutiable goods (ii) any specified component or ingredients of such goods (iii) specified containers of such goods (iv) or of labels of such containers.
2. Under section 7 if any person (i) contravenes any provisions of section 6 (ii) or evade payment of duty etc, he shall be liable for imprisonment up to six months or a fine of Rs 2000/-
3. Under section 9, an Excise Officer duly empowered can arrest any person suspected of or committing any offence or refusing to give his name.
4. Under section 10 an Excise officer so authorized can summon any person; and
5. Under section 19, the Central Government can make rules for purpose of carrying out the provisions of the Act.

6. Under sections 9 (Relating to arrest), 10 (relating to issue of summons) and 19 (Rule making powers of Government) of the M and T P Act, the Central Government have framed the M and T P (ED) Rules 1956.

4. Prevention and detection of offences- Penalties and Appeals

1. Regarding the procedure for detection, searches, Seizure, investigation of offences, release on bail, enquiry, Departmental Disposal, charges before Magistrate etc., the provisions of the M and T P Act are similar to those under the Abkari Act.-

2. As per the M and T P (Excise Duty) Rules, any officer authorized by the Excise Commissioner may enter and inspect any licenced place or any place of manufacture or storage or sale and the plant and records. Further, any Excise officer authorized by Government may stop and detain dutiable goods. Any officer not below the rank of an Inspector of Excise

- (a) Can search houses without warrant
- (b) Arrest any person
- (c) Summon any person, and
- (d) Launch prosecutions under the Act.

3. The Commissioner is competent to impose a Departmental penalty in general not exceeding Rs.1000/- (unless a higher penalty is specified for any specified breach). He is also competent to order confiscation. The state Government may confer on other Excise officers also the power to adjudge confiscation or penalty. The Excise Commissioner may compound any offence as per Rule 125 of M&TP Rules 1956 for a sum not exceeding ₹2,000 in lieu of confiscation of goods or of punishment for breach of any provision of the Act or of the Rules. The Excise Commissioner may also authorize other officers to order composition.

4. An appeal against the orders of subordinate officer lies with the Commissioner and the appeal against the order of the Commissioner lies with the State Government. An appeal against the order of the State Government lies with the Central Government.

5. Process of Manufacture of Medical Preparations

For an Excise Officer to have effective control over the manufacture, it is necessary to have an idea of the different types of the preparations and the process of manufacture.

a) Allopathic:-

In the Allopathic system, the types of preparations using alcohol generally manufactured are Extracts, Tinctures, Essences, Spirits, Infusions, Syrups, Elixirs, Lotions etc. (See DEFINITIONS)

b) Medicated wines:-

This may come either under the M and T Preparations Act or under the Abkari Act depending on whether it is a remedy or prescription for the treatment, mitigation or prevention of diseases in the human beings or animals. The genuine medicated wines must contain a drug or drugs in such proportion that the wine is essentially a medicine. Thus, a meat and malt wine is not a medicated wine but meat and malt wine with quinine will make it a medicated wine.

c) Ayurvedic:-

The principal types of Ayurvedic preparations containing alcohol which is self generated are Asavas and Arishtas.

If fermentation is allowed to proceed naturally in the liquid after making a decoction and then combining it with jaggery or sugar and water it is an Arishta.

If a mixture of medicinal drug in the form of a fine powder mixed with jaggery or sugar in water is directly fermented without boiling or preparing a decoction, the resulting preparation is known as Asava.

Only very rarely are Ayurvedic preparations prepared by the process of distillation. The types of Ayurvedic preparations so prepared by distillation are mostly Suras and Sudhas.

To some medicines especially Kashayams, rectified spirits are added as preservatives. But the alcoholic content should not generally exceed 12 percent

d) Homoeopathic Preparations:-

There is no known method of determining the drug content of Homoeopathic medicines. Only the mother tinctures are susceptible of an assay regarding medicament. The dilutions are prepared under the decimal system such as 2 x 3 x etc., and no medicament is identifiable in further dilutions. Higher dilutions of Homoeopathic preparation would appear to be nothing but rectified spirit. These are capable of very wide misuse.

e) Pharmacopoeia and Non-pharmacopoeia preparations:- The preparations to be manufactured shall be either pharmacopoeia preparations or patent and proprietary preparations. In the case of Ayurvedic preparations, till a standard Ayurvedic Pharmacopoeia is drawn up, the following pharmacopoeia has been approved in Kerala State:-

1) Oushadha Nirmmama Kramam

2) Vaidyayoga Ratnavali

- 3) Sahasra Yogam
- 4) Bhaishjya Ratnavali
- 5) Yoga Ratnakaram
- 6) Sharnghadhara Samhitha
- 7) Asava Arishta Manjari
- 8) Ashtangahridayam
- 9) Charakam
- 10) Sushrutam

Only those preparations in the latest editions of the pharmacopoeias shall be deemed as pharmacopoeial preparations. Even a preparation manufactured according to pharmacopoeial formulae shall be deemed as patent or proprietary if it bears a trade name, symbol etc. The true formulae of the preparations to be manufactured should be indicated in the application for licences and noted in the licence. If it is a pharmacopoeial preparation it is sufficient if the name of the Pharmacopoeia is noted.

(6) Methods of Process of manufacture

a) Digestion:-

For manufacture of animal extracts, process of digestion is used. The material is ground and put in the solvent and when the soluble contents enter the solution and digestion is completed, the solution is separated from water material by a process of filtration and later concentrated in some cases by evaporation and in rare cases by fractional distillation.

b) Maceration:-

Maceration means the process of steeping the milled or dried plant in the solvent until the soluble components are dissolved.

c) Percolation:-

In this process the drug is first ground, then moistened with menstrum and charged into a percolator. This percolator is usually tapered and has at its base, a supporting layer of porous material which supports the drug, which allows only the extract to flow. The menstrum is introduced and after sometime, the extract containing soluble components are drawn off. To prevent clogging, the drugs are mixed with inert filters such as sand or shells.

7. Place of collection of duty

Before coming into force of the M & T P Act, the principle followed with regard to M&T preparations as in the case of other liquor was that "duty follows consumption", that is, the duty was collected, as a matter of convention, in the State where the goods were consumed. But the M and T .P Act envisages a new pattern for collection of Excise duty on M and T Preparations. The principle of advalorem duty on the price of the finished products is followed as per M&TP Act.

A list of preparations which are capable of being consumed as ordinary alcoholic beverages is given in the schedule to the M and T P Rules. All new preparations manufactured after 1st April 1957 should be got classified by the standing committee set up by the Government of India. Any preparation classified as capable of being consumed as ordinary alcoholic beverages can be reclassified as "not capable" (on request).

8. Classification of preparations for purpose of levy of duty:-

For the purpose of levy of Excise duty, M and T Preparations are divided into the following categories.

A) Allopathic medicinal preparations:-

i) Medicinal preparation containing alcohols which are not capable of being consumed as ordinary alcoholic beverages.

a) Patent or proprietary medicines

b) Others

ii) Medicinal preparations containing alcohol which are capable of being consumed as ordinary alcoholic beverages.

a) Medicinal preparation which contains known active ingredients in therapeutic quantities.

b) Others

iii) Medicinal preparations not containing alcohol but containing opium, Indian hemp or other narcotic drug or narcotics.

B) Medicinal preparation in Ayurvedic, Unani and other indigenous system of medicines:-

- (i) Medicinal preparations containing self-generated alcohol which are not capable of being consumed as ordinary alcoholic beverages.
- (ii) Medicinal preparations containing self generated alcohol which are capable of being consumed as ordinary alcoholic beverages.
- (iii) All others containing alcohol which is prepared by distillation or to which alcohol has been added.
- (iv) Medicinal preparations not containing alcohol but containing opium, Indian hemp, or other narcotic drug or narcotics.

Note:- It may be noted that the duty in respect of item B.(i) is at present 'NIL'. But though the duty is 'Nil' they also still continue to be "dutiable goods".

C) Homoeopathic preparation containing alcohol

D) Toilet preparations:-

Toilet preparations containing alcohol or opium, Indian hemp or other narcotic drug or narcotics.

9) The procedure for sending samples for analysis

- 1) On completion of production of a medicinal or toilet preparation, the officer- in- charge shall permit the licensee to take free sample of 227 ml or such quantity of the preparation, as the officer-in-charge considers necessary for analysis in his own laboratory for declaration, of the strength of the alcohol and medicaments.
- 2) Any quantity left over after analysis shall be destroyed by the licensee in his laboratory in the presence of the officer -in- charge of the laboratory.
- 3) A separate account of the quantity used by the licensee for analysis shall be maintained.
- 4) Alcoholic strength of a preparation as declared by the licensee shall be entered by the licensee in the register in Form R.G.3.
- 5) Immediately after declaration by the licensee of the alcoholic strength of a finished preparation and before such preparation is removed to the store, the licensee shall make proper entries in the register in Form R.G.3.
- 6) Officer-in-charge shall check the entries and if they are found in order, he shall check the contents as many as he thinks necessary of the vessels in which the preparation is being stored.

He shall then initial on the relevant entries of the register in Form R.G.3 and take two samples from each batch of such finished preparations for analysis and report by the Chemical Examiner. If the sample is drawn from bulk in a new container, it should be sealed with the seal of State Government Officer in charge of the factory and then packed in an outer wrapper; this outer wrapper should also be sealed with the officer's seal and must bear a clear label bearing the signature and designation of the officer, the name of the samples, the date of drawing, the factory's name and proper reference to the forwarding letter. One sample shall be analyzed by the State Chemist, and note to the effect shall be made in the register in Form R.G.3. The report of the Chemical Examiner, when received, shall be shown to the licensee.

7) If samples are in small, the original labelled containers (as marketed by the manufacturer), may be sent intact. But they should first be packed in an outer wrapper; the outer wrapper shall be sealed, labelled, etc., as mentioned in para (6) above.

8) If the manufacturer so desires his seal may also be affixed to the outer wrapper, mentioned earlier.

9) Along with the forwarding letter, facsimiles of the seal of the officer (and of the factory if the factory's seal is also, put on the wrapper) should be sent.

10) The forwarding letter should not be put in the parcel but sent separately to the Chemical Examiner.

11) The Duplicate sample of a preparation which is intended exclusively for the replacement of the original sample or repetition of its analysis, when necessary, shall be kept under the Excise ticket lock, and shall be returned to the finished stock immediately on receipt of the report of the chemical examiner.

The duplicate sample shall not be returned to the finished store in any case where.-

a. The alcohol strength of a preparation from which the sample was taken, is declared by the chemical examiner to be beyond the margin of 3% unless the Excise Commissioner permits standardization of such substandard preparations; and

b. The preparation is declared to be spurious preparation under these rules.

12) All samples required for analysis under these rules, shall be supplied free of cost by the licensees and all expenses in connection with packing and dispatch of the samples shall be borne by him. Samples of medicinal and toilet preparations may also be taken at any time by the officer-in-charge or other superior officer and such samples shall be sent to the chemical examiner for analysis and check.

13) A certificate from the manufacturer or his authorized representative to the effect that the sample is a representative of the product should also be sent along with the application. The following information in respect of the samples should be furnished to the authorities mentioned in item (6) above:-

- a) Whether the preparation is as per pharmacopoeia or proprietary.
- b) Whether the preparation is a new preparation subsequent to 1st April 1957
- c) Whether it is classified by the Central Government as a 'restricted' or 'unrestricted' preparation under M&TP, (ED) Rules, if not a new preparation.
- d) Whether the preparation sought to be made newly in India was imported from abroad formerly and whether preparations with identical composition or closely similar to the one sought to be made, are in the market.
- e) Any other information which the manufacturer or the state authorities may wish to bring to the notice of the Central Government to take note of.

10) DUTY EXEMPTIONS

The rules provide for exemption of duty on medical preparation supplied directly from the manufactory or warehouse to

- (i) Hospitals and dispensaries working under the supervision of the Central or State Government.
- (ii) Hospitals and dispensaries subsidized by the Central or State Government.
- (iii) Charitable hospitals and dispensaries under the administrative control and management of local bodies.
- (iv) Medical Stores, Depots of the Central or any State Government and
- (v) Every other institution certified by the Principal Medical Officer of the district in which such institutions is situated for supplying medicines free of cost.

11. Procedure for and Point of collection of duty:-

1. As already stated duty is to be collected at the point of release from a manufactory or from a bonded warehouse. No release from a manufactory can be allowed without collecting the duty except -

- (a) Where the goods are exempted from duty.
- (b) the goods are moved under bond to a bonded warehouse.
- (c) The goods are exported under bond out of India.

2. Whenever any goods exempt from duty are released from a manufactory or warehouse without payment of duty, the certificate or verification, about the receipt of goods by the consignee should be obtained from the Excise Officer having jurisdiction over the place of receipt within a month. If the verification report is not received, duty on the goods so released should be, collected and further issues without payment of duty should be stopped.

3. The duty on every item of medicinal and toilet preparation released from a manufactory or bonded warehouse should be collected as and when each consignment is removed from the manufactory or warehouse. The Commissioner can however permit the opening of an account current with sufficient deposit to cover the duty that may be accumulated for a period of three months.

4. The rate of duty leviable on the M & TP Act, the principle of advalorem duty on the price of the finished products is followed. No goods are removed from the manufactory without collection of duty, if the goods are dutiable.

5. If there are any short levies or erroneous refund, the demand should be made within six months. Likewise, no refund shall be permissible after 6 months.

6. It may be noted that the rate is "advalorem" in some cases. Advalorem means "in proportion to the estimated value of goods". The wholesale price is the criterion. The wholesale price given out in the catalogue must be cross checked by independent enquiries regarding the actual price charged every time when a release is effected and duty assessed.

7. For purpose of levy of duty on M & T preparations except on the basis of advalorem, based on the London Proof litre content of alcohol, the analysis report of the Chemical Examiner shall be the basis. There is however no objection in accepting the licensee's analysis report and releasing the preparation in advance of receipt of the analysis report from the Chemical Examiner and provisionally collecting duty on the basis of the alcoholic content as declared by licensee. But if the Chemical Examiner's report shows a difference over 2⁰, differential duty is to be collected. If the strength is lower, no rebate shall be allowed.

8. In the case of exports of duty paid goods out of India, rebate can be allowed, provided, the application for rebate (i) is supported by the certificate of the Customs Collector, Border Examiner or any other officer of the Land Customs, The Postmaster at the Port or Post Office of export or frontier in the duplicate copy of Form A.R.3 or A.R.4 and (ii) is preferred within one month of export.

12. Manufacture in bond and warehousing under bond and advance collection of duty

1. Under the explanation to section 3 of the M & T P Act, manufacture in bond has been defined as meaning manufacture without payment of duty due to the State Government on the alcohol, or opium or hemp or drugs used in the manufacture of the M and T P. The state Government can thus collect duty on alcohol, hemp, opium or drugs supplied for the manufacture of medicinal and toilet preparations. But in such a case a rebate equal the excess over the duty on the M and T P shall be allowed to the manufacturer.

2. Bonds for payment of duty have to be got executed in the following case:-

a	By a bonded manufactory	With Security (B-1)
b	By a private bonded warehouse	With security or with surety(B-2)
c	For removal and re-warehousing	This may be either for specific consignments or general ones, and also in both the cases with surety or security.(B-4)
d	For dispatch of goods to a foreign country	With surety or security.(B-3)

3. Even in respect of licences issued for manufacture out of bond, security can be demanded.

4. In the case of manufacture out of bond, of preparations to which alcohol is added, in practice a system of collection of duty in advance prevails, because duty is collected on the spirit supplied to them at the rates in force on the M & T P manufactured with the rectified spirit. But in the case of M & T P where (i) alcohol is self-generated or (ii) drugs are added, no such provisional collection is contemplated even where manufacture is out of bond. Collection is possible only at the point of release from the manufactory on the basis of advalorem duty.

13. Licences & Licence Fee:-

1. Licences are required for –

- (i) manufacture and
- (ii) for establishment of a warehouse.

2. Licences for manufacture are of 3 kinds-

1. L.1-for manufacture under bond for payment of duty
2. L.2-for manufacture out of bond
3. L.3-for manufacture by an Ayurvedic practitioner for dispensing to his patients and not for the trade purposes.

3. The licence fee in regard to L.3 is Rs 2/- in the case of L.1 and L.2, the fees are Rs. 400/- and Rs. 50/- respectively.
4. The institutions exempted from duty need not pay any fee for the licence.
5. While granting licences, under L.1, L.2 and L3 the quantity of alcohol or drugs that may be possessed at a time and utilized in a year have to be fixed
6. The Commissioner may licence bonded manufacturers and private warehouses for storage of dutiable goods.
7. The Deputy Commissioners of Excise are competent to issue L.2 and L.3 licences after obtaining prior sanction of the Commissioner of Excise. The L.1 licences are issued by the Commissioner of Excise. The Deputy Excise Commissioner can renew L2 and L3 licences whereas the L.1 licences can be renewed by the Commissioner of Excise. The licensing authority may revoke or suspend any licence. Without the permission of the authority who accorded initial sanction for the licence, no licence shall be transferred or partnership entered into. The plan of the manufactory should accompany application for licences. The application for renewal should be submitted one month before the expiry , failing which penalty has to be paid. The Excise Commissioner is competent to fix the size of the establishment in a bonded manufactory. Generally, the staff may consist of one Inspector and two Civil Excise Officers. He may require the licensee to provide quarters for the staff. He is also competent to issue supplementary instructions.

14. Responsibilities of Excise Officers:-

1. It is the duty of the Excise officer in charge of the manufactory to ensure that the duty on all M & T.P., and penalties, fines, etc., imposed is collected. For this purpose the Excise inspectors have been empowered to exercise the powers of distraintment and sale of movables under the R.R. Act. In addition all goods, plants, machinery, etc., are liable to be detained for collection of duty. He must also ensure that there is no diversion of alcohol or other drugs and that alcohol or Indian hemp or opium or other narcotics issued are added to the materials which go to the making of that preparation.
2. The manufacturers shall obtain spirits only from the distilleries approved by the Excise Commissioner. The narcotic drugs shall likewise be obtained from the Government opium and alkaloid factory or such other sources as may be permitted by Commissioner. The spirits and drugs shall be obtained only on indents in form I.D.1. countersigned by the officer or Deputy Excise Commissioner wherever necessary should also be obtained.

3. The rectified spirit brought down to a manufactory should be verified immediately, vatted, gauged and proved and the verification report sent to the distillery or consignor immediately. The drugs shall also be similarly verified, and verification report sent. The spirits and drugs shall be kept in a store which is fitted with an Abkari lock or double lock and will be under the joint custody of the Excise Inspector and the licensee in the case of a bonded manufactory.
4. Duty on the wastages on transit if any should be collected. It must be noted that issues of spirits, drugs, etc., from the spirit or drug store in a bonded manufactory shall be only on specific application in Form R.Q.1 indicating the preparations, to be manufactured the quantity of spirit or drugs required and the alcoholic or drug content of the preparation.
5. No wastages in store can be allowed without the orders of the Commissioner. In the case of spirits or drugs obtained by a non-bonded manufactory, no wastage in transit can be allowed, without orders of Government, nor shall any wastage in store be allowed under any circumstance.
6. No issues of any medicinal or toilet preparation from a bonded manufactory or warehouse shall be allowed except on a proper application in form A.R.2.
7. No dutiable goods shall be sold except in containers having such labels as may be prescribed. The bottles shall be corked and sealed in such a way that it will not be possible to tamper the contents without breaking open the seal. The labels should contain information regarding the batch number, name of manufacture, name of pharmacopoeia, and the alcoholic contents of the preparations.
8. Dutiable goods shall not be removed from a manufactory or warehouse before 6 o'clock in the morning or after 6 o'clock in the evening but the Commissioner may permit relaxation in this case.
9. Where solid extracts are prepared or active ingredients are recovered from crude drugs, it will be possible for the manufacturer to recover a large proportion of the alcohol by distillation. Such recovered alcohol should be transferred to a separate gauged and locked vessel and an account there of taken by the Excise Officer and then issued in known quantities for re-use.
10. At least once in every year, the stock of goods shall be taken and if there is any shortage, such penalty as may be levied, shall be collected in addition to the duty on the deficit quantity, unless waived by the Commissioner.
11. The goods are to be arranged in the finished goods store and stock cards maintained as per instructions that may be issued by the Commissioner.

12. Both the bonded and the non-bonded manufactory have to maintain proper accounts of receipts, issue of spirits, opium etc., manufacture and issue of preparations in forms R.G.2, R.G.3 and R.G.4.

Some of the points to be taken note of while checking the entries are:-

- 1) The entries under the heading "expended" in cols. 15 to 17 of R.G. 2 should be checked with R.Q.1 and should correspond to entries under "quantities received from spirit store" and the "quantity expended" in form R.G.3.
- 2) The total alcoholic content of each batch of the preparations manufactured should be arrived at by multiplying the "Quantity" by the strength in 'London Proof Litres' as noted in the last 2 columns of R.G.3.
- 3) This total alcohol content may be compared with the "Quantity expended". There may be a variation. But this must be properly scrutinized, explained and duty on excess wastage shall be collected.
- 4) Likewise, the "bulk quantity" under "fresh manufacture taken in stock in column 10 of form R.G.4" should agree with the entry in Column "quantity" under preparations manufactured in form R.G.3. The entries description of goods in. form A.R.2 should tally with the entries in form R.G.5.
- 5) The certificate of the Chemical Examiner should be verified with the entries in the last column of .R.G.3 "strength in London Proof liters".

13. The licensee should submit on the 5th of every month, the statement in form R.T.1 to the Deputy Excise Commissioner. This must be checked with the entries in R.G.2., R.G.3, R.G.4, R.G.5 and A.R.1 to A.R. 4 and countersigned by the officer in charge before forwarding to the Excise Commissioner.

14. Some special points to be noted in regard to non-bonded manufactory are:-

a. All the duties exercised by the officer in charge of a bonded manufactory, shall be exercised by the "Proper Officer" in respect of a non-bonded manufactory. The proper officer means the officer in whose jurisdiction the non-bonded manufactory is situated. All non-bonded manufactories must be inspected at least once in every month.

b. In regard to (a) the arrangement of the building, b) indent for rectified spirit, (c) verification of spirit, (d) arrangement of receptacles in the manufactory, pasting of labels to the manufacturing vessels (f) storage of finished products, (g) the labelling of bottles and

containers, (h) maintenance of accounts (i) submission of returns, the requirements are the same both in case of bonded manufactory and non-bonded manufactory.

c. The points of difference in the case of non-bonded manufactory are (i) duty on spirit is collected, provisionally in advance (ii) there shall be separate store for rectified spirit purchased at different rates of duty (iii) there should be separate store for medicinal and toilet preparations coming under different items in the schedule (iv) no wastage in transit or store or manufacture is allowed (v) not all batches of the preparations are got analyzed by the Chemical Examiner, but only 13 to 15% are analyzed.

d. In the case of non-bonded manufactory, if the proof strength declared by the Chemical Examiner is, more than 3 % of the strength declared by the manufacturer, he shall be liable to pay a penalty of Rs.2, 000. In the case of a bonded manufactory, if the alcoholic content exceeds 3% of the prescribed standard, it shall not be allowed to be released unless it is got standardized.

15. In the case of L2 licences which are utilizing only a very small quantity of spirits the rule regarding the requirements of the building can be relaxed.

16. Licences in form L3 are issued to Ayurvedic practitioners for manufacture of asavas and arishtas for dispensing to their patients. No sale of any of the preparations manufactured under L.3 Licence can be allowed. L3 licensee cannot manufacture preparations, which are prepared by distillation or to which alcohol is added. The nature of control and requirements are limited. The Excise Officers should draw samples and ensure that, preparations containing self-generated alcohol alone are manufactured. The licensees must maintain daily accounts of the preparations manufactured and dispensed and names and addresses of the patients to whom they are dispensed. The preparations are free of duty.

15. List of the statutory and delegated powers of the State Government, Excise Commissioner and other Officers under the M & T.P. rules are given below:-

Rule 4(ii):- Excise Commissioner may (1) authorize any Excise Officer subordinate to him to exercise all or any of the powers of the Excise Commissioner.

Rule 9:- No dutiable goods to be removed from the licenced place approved by the Commissioner, except after payment of duty (ii) Excise Commissioner may authorize the opening of an account current and deposits to cover, duty in respect of consignments released.

Rule 16:- Excise Commissioner may authorize the licensee to enter into a general bond for export.

Rule 19 & 28:- Excise Commissioner may waive duty on wastage in transit or store in the case of Bonded Warehouses (State Govt can extent the scope of the Rule 19S regarding wastage in transit to non-bonded warehouse)

Rule 24 & 45(viii):- No additions or alteration to be made to the bonded premises or permanent fixtures except with the previous sanction of the Excise Commissioner.

Rule 26 & 49:- Excise Commissioner may approve the Distilleries or spirit warehouses from where spirits can be obtained.

Rule 33(x) & 36(2):- Excise Commissioner may permit reprocessing or standardization of substandard preparations.

Rule 34(ii):- Excise Commissioner may order bringing into use of bottles smaller in size than 2 ounces.

Rule 35(3):- Excise Commissioner may write off duty on deficiency of medicinal and toilet preparations.

Rule 36(1):- Excise Commissioner may order destruction of preparations suspected to have deteriorated.

Rule 39:- Excise Commissioner may impose duty on spirit lost or stolen.

Rule 41 & 56:- The manufacturing licensee shall submit to the officer in charge or proper officer as the case may be the return in forms R.T.4 by 5th of every month.

Rule 42:- Excise Commissioner may fix the number of supervisory staff.

Rule 44:- Officer in charge is responsible for collection of duty.

Rule 46:- Excise Commissioner may fix the days on which and hours during which manufacture and sale can be conducted in a non-bonded warehouse.

Rule 56(ii):- Excise Commissioner or any officer authorized can require statements to be forwarded by the licensees.

Rule 58:- State Government may authorize officers of other departments, Land Revenue, Medical and Public Health to inspect non-bonded manufactory.

Rule 66:- Excise Commissioner is to approve non-registered Medical Practitioner for purposes of issue of L3 licences.

Rule 70&71:- Excise Commissioner may license warehouse and demand execution of bonds.

Rule 75:- Excise Commissioner may extend the period beyond 3 years during which goods may be left in the warehouse.

Rule80:- Every licensee to submit a monthly return to the Excise Commissioner before 7th of every month, in form R.T.2.

Rule 82(ii):- State Government may authorize officers to whom applications for licences other than bonded manufactory shall be submitted

Rule 90(2):- Excise Commissioner or other officers authorized by him are competent to inspect licences.

Rule 90(3):- Excise Commissioner or other officer authorized by him may call for explanations of the licensees.

Rule 90(4):-Excise Commissioner may authorize any officer to stamp visit book.

Rule 103:- Excise Commissioner may sanction rebate of duty in respect of goods exported out of India.

Rule 104 &105:- Excise Commissioner may determine the nature of surety or quantum of security for inter bonded warehouse movements and enter into special or general bonds.

Rule 107:- Excise Commissioner may demand such information as may be necessary before permitting removal of goods from one warehouse to another.

Rule 108:- Excise Commissioner is competent to permit removal of goods before 6.00 am and after 6.00 pm and on holiday.

Rule 109:- State Government may authorize persons to proceed up on the bond and to detain the goods in the bond and to take further penal action in case of failure to pay duty.

Rule 110:- Excise Commissioner may authorize officers to have access to premises of manufactory, warehouse or place of sale, to inspect the stock records etc.

Rule112:- The State Government may authorize any Excise Officer to detain any person and to examine goods.

Rule 113 to 122:- Any Excise Officer not below the rank of Range Inspector may stop any vehicle, car, etc., enter any building premises and search, seize dutiable goods, summon witnesses, arrest any person and institute prosecution.

Rule 123:- (1) Excise Commissioner may adjudge confiscations, or penalty. (2) State Government may empower any officer to adjudge confiscation or penalty, with in such limit as may be prescribed.

Rule 125:- Excise Commissioner may compound offences for an amount not exceeding Rs. 2,000/-.

Rule 126:-Excise Commissioner may authorize persons to compound offences

Rule 130:- Excise Commissioner may require fresh declaration.

Rule 131:- Excise Commissioner can require how goods are to be arranged and require licensees to maintain stock cards.

Rule 136:- Excise Commissioner may require provisions of scales, weights, measuring instruments etc.

Rule 138:- Excise Commissioner may authorize by a general or special order any officer to detain goods, preparations, plant and machinery, etc., for collection of duty.

B. RELEVANCE OF STATE ACT (ABKARI ACT)

1. Possession, transport and import into Kerala and export out of Kerala of medicinal and toilet preparations:

A. The Medicinal and Toilet Preparations Act cover only the levy and collection of duty and other incidental matters relating to M. and T.P. But possession, transport, import and export of medicinal and toilet preparations are regulated by the Abkari Act. Further, there are also cases where under the guise of medicinal and toilet preparations, spurious alcoholic liquors and substitutes thereof are being manufactured and sold. It may be noted that under the category of medicinal preparations only the following will come.

“Drugs which are a remedy or prescription prepared for internal or external use of human beings or animals and all substances intended to be used for the treatment, mitigation or prevention of diseases in human beings or animals”. With a view to ensure that only genuine medicinal and toilet preparations are manufactured, sold and dispensed and to prevent the sale of spurious medicinal and toilet preparations, provision has been made in the Abkari Act:-

(i) Making it penal for any chemist, druggist, apothecary or vaidyan to manufacture or stock a preparation which is not a bona fide medicinal preparation or to allow consumption of medicinal preparations in his business premises except for bona fide treatment, mitigation or prevention of diseases and

(ii) Making it penal to consume any preparation which is not a bona fide medicinal preparation at the above premises.

(iii) Making it penal to manufacture, sell, import, export, possess or transport substitutes for alcohol and to add any narcotic substances to any alcoholic preparation.

(iv) For appointment of an Expert committee consisting of representative of the Government and the trade to examine and advise the Commissioner as to whether preparations are spurious or not.

(v) Enabling the Commissioner to specify the maximum quantity (a) of preparations in which liquor is added or self-generated that may be manufactured and

(b) of liquor and drugs that may be utilized for manufacture

(c) to prescribe the quantity of M and T preparations that may be possessed.

B. The Spirituous Preparations Control Rules framed under the Abkari Act regulates the sale, possession, transport, import and export of medicinal and toilet preparations.

1. Rule 10(1) of the Kerala Spirituous Preparation control Rules stipulates that

Any person may for his personal consumption, for bonafide treatment, mitigation or prevention of disease, possess without a license or prescription;

(i) any preparations manufactured under the Ayurvedic, Unani or Sidha system of medicine not exceeding three litres of each provided the total quantity of all such preparations doesnot exceed 4¹/₂ litres;

(ii) any Allopathic preparations in the nature of a tonic not exceeding four and a half litres; and

(iii) (A) tincture iodine or tincture benzoine or such other tinctures as may be notified by the Commissioner;

(B) Mixtures issued by hospitals or dispensaries on proper prescriptions in quantities not exceeding 375 milli litres .

2. Asavas and arishtas which contain more than 12% by volume of spirit are deemed to be spurious preparations, unless otherwise declared as genuine by the Expert Committee. The Commissioner after obtaining the recommendation of the Expert Committee can declare whether a preparation is spurious or not. Private possession of medicinal and toilet preparations is also limited to specified quantities but Registered medical practitioners are allowed to posseses increased quantities of these preparations required for dispensing to their patients.

3. For sale, two classes of licences are prescribed, SP VI (wholesale) and SP.VII (retail). The wholesale licences to deal in allopathic preparation are issued to those holding licences under Forms 20B and 21B and the retail licences to those holding licences under Forms 20 and 21 under the Drugs and Cosmetics Act. So far as homoeopathic and ayurvedic preparation are concerned, these licence are issued to Registered Medical practitioners and to other persons possessing such qualifications as may be prescribed by the Commissioner.

4. Wholesale licences to deal in Ayurvedic and Homoeopathic preparation are also issued to those who hold L2 Licences. Hospital and dispensaries of the State Government or of Central Government attached to local fund or municipalities, or subsidized by local authorities and officers of the Veterinary Department are exempted from taking out licences. The Commissioner has also power to exempt private hospitals and dispensaries from taking out licences.

C . M& TP MANUFACTORIES AND EXCISE REGULATIONS

The M&TP manufactures are the L1, L2 and L3 manufactories. They are granted Licence under the M&TP Rules to manufacture the Medicinal and Toilet Preparations containing Alcohol or Narcotic Drugs. The manufacture is subject to strict Excise control and regulations under M&TP Act and M& TP Rules. This is to protect the Government revenue on one hand and to prevent the misuse of Alcohol and Narcotic Drugs on the other hand. For proper working of the Licence, both the Enforcement Officer and the Licensee should be aware of the relevant rules and regulations, and the restrictions, limitations and prohibitions imposed under the M&TP Act and M&TP Rules. These are summarized in this Chapter.

A. REGULATIONS IN RESEPCT OF BONDED MANUFACTORIES (L-1 PREMISES)

Bonded Manufactory means a manufactory licensed for the manufacture and storage of Preparations containing alcohol or narcotic drugs on which duty has not been paid. The M&TP Licence issued to a Bonded Manufactory is L-1 licence. The L4 Licensees should observe the following conditions/ regulations.

1) No addition or alteration shall be made in the manufactory building. The essentials of a Bonded Manufactory have been described in Rule 23 of the M&TP Rules. How the entry and doors of a manufactory should be, are specified in Rule 22. The plan of the building evidencing these will be approved by the Excise Commissioner while granting the licence. The building should be mentioned as approved in the plan and no addition or alteration shall be made there without the previous sanction of the Excise Commissioner.

2) Receptacles should be kept secured with Excise Ticket Locks (R.26 (1)).

The vessels storing Alcohol and Narcotic Drugs received under bond and the vessels storing the preparations manufactured there from and duty not having been paid shall be kept under Excise ticket locks.

3) Record of vessels should be shown in RG-1 Register (R.25(2) & (3))

All vessels intended to hold alcohol and liquid preparations shall be kept gauged, capacity marked, serial number assigned, and depth at an inch and tenth of an inch indicated on. Besides, table shall be computed to show the contents to such depths. A Register in Form RG-1 showing these details in respect of each vessel shall be maintained.

4) Annual possession limit and at a time possession limit shall not exceed the limit fixed under Rule 84 (2)

While Licence is granted, in conformity with the bonafide needs of the manufacturer, the Excise Commissioner will fix the quantity of Alcohol and Narcotic Drugs, the licensee may possess at any one time and in a year. Licensee must ensure that such possession limit is not exceeded.

5) Spirit received should be verified and accounted in RG-3 Register (Rule 27)

Spirit is received under bond (without paying duty). On receipt, the quantity and strength should be verified and recorded in RG-2 Register. Spirit of different strength has to be stored in separate vessels. Inspecting Excise Officer may verify the stock and compare it with the RG-2 Register. He may check the strength either by using a Hydrometer or by sending samples to the laboratory. The Licensee shall not attempt any manipulation to cause reduction in strength.

6) Duty to be paid for loss by Wastage (Rule 27 and 28 (1))

Wastage of spirit may occur due to transit, storage and manufacture. As per Rule 27, all wastage is liable to duty unless such duty is waived off under Rules 19 or 28 (2). In the case of manufacturing wastages, certain allowance has been granted. Only if the manufacturing wastage exceeds this allowance, the duty needs be paid. The extent up to which the manufacturing wastage can be allowed has been notified under the provisions of Rule 38 (1). The notification is SRO- No.76/90 in GO (P) No.151/89/TD dated 16.8.1989. The notified limit is shown in the Table below. Inspecting officers can verify the Transport Wastage and storage wastage from the RG-2 Register and the Manufacturing wastage from the RG-3 Register. Licensee must ensure that Excise Duty is paid on all spirit lost due to inadmissible wastage unless such Duty is waived off by the Excise Commissioner.

TABLE-60 EXTENT OF MANUFACTURING WASTAGE ALLOWED**GROUP (A) PREPARATIONS**

Percentage of Wastage Allowed - 5%

<u>No</u>	<u>Group (A) Preparations</u>	<u>No</u>	<u>Group (A) Preparations</u>
1	Aqua Campboorae B.P	2	Liquid Strychnine Hydrochloride IP
3	Liquid Morphine Hydrochloride I.P	4	Liquid Chloroxylenol I.P
5	Liquid Todi Mitis I.P	6	Liquid Iodi Fortis IP
7	Liquid Quinine Ammoniate B.P.O	8	Liquid Extract of Cascara Sagranda B.P
9	Liquid Extract of Glyeyrrhiza I.P	10	Liquid Spirit Camphor I.P
11	Spirit Aurantii B.P.0	12	Spirit Saponatus B.P.0.
13	Spirit t Ammonia Aromatic I.P	14	Spirit Aetheris Nitrosi I.P
15	Tincture Camphor Co.IP	16	Tincture FerriperCholoridë BPC
17	Tincture Coochici IP	18	Tincture Moschi BPC
19	Tincture Tolu.IP	20	Tincture Opii IP
21	Tincture Aloes B.P.0	22	Tincture Hyoscyamus I.P
23	Tincture Senega B.P.V	24	Tincture Scilla B.P.0
25	Tincture QuilaiseLP	26	Tincture ipecac I.P
27	Tincture Nuxvomical.P	28	Tincture Capsicum IF
29	Tincture Carminative B.P.0	30	Tincture Gelsimium BPC
31	Tincture Hamamelis B.P.0	32	Liniment Camphor Ammoniated IF
33	Liniment belladonna IP	34	Liniment Saponis IF
35	Liniment Acid Diaphorsia	36	Mixture Diaphoratica B.P.0
37	Mixture Proderriah	38	Mixture Elixir Aromatic B.P.0
39	Mixture Carminative B.P.0	40	Syrup Vaska I.P
41	Syrup Vāsaka with Tolu	42	Syrup Zingiberis
43	Infusion Gentian co B.P	44	Acid Sulphuric Aromatic I.P
45	Cholorodyne B.P.0	46	Gentian Violet Solution U.S.P
47	Linctus Codeine B.P.0	48	Tincture Chinensi I.P

49	Supharmol V.N.O	50	Suphist C.N.O
51	SupholN.O	52	Vasika Cough Syrup N.O
53	VexinolN.O	54	Cetrisol N.O
55	Solution Todi Spirit Mitis -I.P		

GROUP (B) PREPARATIONS

Percentage of Wastage Allowed -10%

<u>No</u>	<u>Group (B) Preparations</u>	<u>No</u>	<u>Group (B) Preparations</u>
1	Tincture Aurantii B.P	2	Tincture Lemon I.P
3	Tincture Zingiberis Mitis I.P	4	Tincture Belladonna I.P
5	Tincture Capsicum I.P	6	Tincture Carminative B.P.C
7	Tincture Catechu I.P	8	Tincture Myrrh IP
9	Tincture Scilla B.P.C	10	Tincture Card Co IP
11	Tincture Gelsimium B.P.C	12	Tincture Quillaiae I.P
13	Tincture Senega B.P.C	14	Tincture Digitalis I.P
15	Tincture Asafoetidac IP	16	Tincture Buchu B.P.C
17	Tincture Aconite I.P	18	Tincture Lavendulae Co.B.P.C
19	Tincture Zingiberis Fortis I.P	20	Tincture BenzoninCo.I.P
21	Tincture Gentian Co.B.P	22	Liquid Extract Nuxvomica I.P
23	Liquid Extract of Ipecae I.P	24	Liquid Extract of Belladone I.P
25	Liquid Picis Carbonis I.P	26	Spirit Cinnamon. I.P
27	Spirit Aetheris Nitrosi I.P	28	Liniment Aconite I.P
29	Extract Hyoscyamus Liquid I.P	30	Extract Picrorchizac Liquid I.P
31	Extract Pumarnava Liquid LP	32	Carmix Fort N.O

GROUP C- PREPARATIONS

Percentage of Wastage Allowed - 15%

<u>No</u>	<u>Group (C) Preparations</u>	<u>No</u>	<u>Group (C) Preparations</u>
1	Tincture Benzonin Co. IP	2	Tincture Valeriane Ammoniated IP
3	Tincture Rhei Co IP	4	Tincture Labella Aetheris IP
5	Tincture Nuxvomica IP	6	Tincture Stamonium IP
7	Tincture Cinchona Co IP	8	Tincture Chufac
9	Tincture Asafoetidae IP	10	Tincture Cinnamomi B.P
11	Tincture Calumbae B.P	12	Tincture Chiratta B.P
13	Tincture Picrorchizac Co IP	14	Tincture Lasxaci liquid
15	Liquid Extract of Nuxvomica IP	16	Liquid Extract of Vasaka I.P
17	Extract Vibumi Liquid BP	18	Kuruchi Liquid I.P
19	Infusion Buchu Conc B.P.C	20	Tincture Urgeeria I.P
21	Tincture Aristolochia I.P		

B.P - British Pharmacopoeia

B.P.0 - British Pharmacopoeia Codex

I.P- Indian Pharmacopoeia

(7) Manufacturing Vessels should bear labels (Rule 32)

The process of manufacturing involves digestion, extraction, maceration, percolation or such other processes as are required. When any manufacturing vessel is charged, a label shall be attached to it showing, (a) the name and batch number of the preparation (b) the description and quantity of alcohol placed in it from time to time, and (c) the date of renewal of preparation of the quantity of such preparation removed.

(8) Preparations not conforming to declared strength are liable to be withheld (Rule 38(1))

While applying for L1 licence, the licensee will specify in the application the percentage or proportion of alcohol which may contain in each preparation and the Formula or

Pharmacopocia according to which such preparation will be made. The Formula or Pharmacopoeia of a preparation prescribes its standard alcoholic strength.

Upon completion of manufacture of any batch of preparation, the manufacturer shall declare its strength and enter it in the RG-3 Register maintained by him. The officer in charge will check the RG-3 entries, take samples from each batch of finished preparation and send them to the Chemical Examiner to ascertain the true strength. If the true strength is found to be exceeding the highest allowable limit by more than 3 proof degrees or it is found to be below the lowest allowable limit, its issue from the manufactory will be withheld.

(9) Withheld Preparation can be standardized (Rule 38(2) & 38(3))

With the previous approval of the Excise Commissioner, the preparations withheld under Rule 38(1) can be re-processed to adjust the alcoholic strength or the medicaments or the ingredients in a suitable manner but without impairing the therapeutic or toilet properties. Upon such rectification, samples thereof shall be taken and sent for chemical analysis and only after getting satisfactory result that the preparations should be issued from the manufactory.

(10) Substandard Preparations can be destroyed (Rule 36)

With the previous approval of Excise Commissioner, all preparations that have become deteriorated in quality or are improperly manufactured can be destroyed if the manufacturer so desires. Destruction shall be entered in R.G-4 Register. The manufacturer is entitled for duty exemption on the goods so destroyed. Licensee must not divert such preparations for illegal use or for illegal recovery of alcohol in the pretext of destruction.

(11) Differential Duty should be paid if strength is excess by more than 2 proof Degree (Rule 38 (4))

When any batch of finished preparations is sent for chemical analysis by the Officer in charge, if an excess of more than 2 proof degrees is found over the strength declared by the licensee, that strength (true strength) as reported by the Chemical Examiner shall be entered in the R.G-3 Register and the officer shall collect the differential duty due thereon. Differential duty on stock in hand and stock already released, ie, issued before the receipt of the chemical analysis report, is liable for collection.

(12) Storing of Finished products should be as prescribed under the rules (Rule -34)

Rule 34 (i) to (vi) describe how finished products should be stored, which is summarized below.

Licensee must ensure that the finished products are stored strictly in accordance with the rule.

- a. Preparations other than under item (ii) below shall be stored in bulk in jars or bottles each containing not less than 2273 ml.
- b. Preparations ready for issue may be filled in bottles or containers of not less than 57 ml, unless further small bottles are permitted by the Excise Commissioner.
- c. Every container shall bear a label showing the name of preparation, its batch number, its alcoholic strength and the name
- d. In the case of item (i), the labels shall indicate the actual contents in liters, the alcoholic strength and the date of storage, in addition to the Label particulars mentioned in item (iii)
- e. Containers shall be kept so arranged in suitable racks as to allow ready identification of each batch.
- f. Goods stored may be cleared off before three years or before such extended period as the Excise Commissioner may allow.

(13) Duty is liable to be paid for deficiency in Stock (Rule 35)

If any deficiency in stock occurs, Excise duty due thereon shall be paid by the licensee unless remission is ordered by the Excise Commissioner. Deficiency shall be entered in the R.G-4 Register. When duty is realized for deficiency in stock, such duty will be charged at penal rates.

(14) Duty should be paid before release (Rule 44)

As per Section 3 of the M& TP Act, duty shall be paid at the rates specified in the Schedule to the M&TP Act. Rule 9 of the M&TP Rules, stipulates that no Medicinal and Toilet Preparations liable to duty shall be removed from any manufactory until the Excise Duty leviable thereon has been paid. However, according to the proviso to the said rule, preparations liable to duty can be deposited without payment of duty in a warehouse or exported out of India under bond, when deposited in a warehouse under bond; duty is to be paid when the preparations are released from that warehouse. When exported out of India under bond, rebate of duty will be sanctioned subject to production of proof of such export. If proof is not produced, duty will be realized. A preparation is generally released from the manufactory or warehouse for consumption. Sometimes, it will be released for preparing another preparation.

In either case the duty shall be paid. According to Rule -9, when duty is paid, it shall be at such place and in such manner as prescribed in the Rules. The point/place of duty collection is the manufactory or a warehouse as described above wherefrom the preparations is finally realized. The manner in which duty is collected is described below-

a) Procedure when Duty is collected in Bonded Manufactory (Rule-40)

The licensee has to move an application in Form A.R-2 specifying the particulars of Preparation and the duty due thereon. The officer-in-charge will verify the same, countersign it and send to the Treasury. The Treasury will collect the amount from the licensee and endorse the collection on the AR-2. Collection can be made through Account Current also. Once the duty is collected, the preparation will be released under a Transport Permit in Form TP1 and necessary entries made in the RG-4 Register.

b) Procedure when duty is collected in a Bonded Warehouse (Rule 81)

Application and duty collection procedure are the same as described above. Once the duty is collected; the preparation will be released under a Transport permit in Form TP-1 and necessary entries made in the RG-5 Part II Register. Bonded warehouses will have two registers namely, the RG-5 -Part-1 Register for entering the receipt of Preparations and the RG-5-Part-11 Register for entering the release.

The manufacturer or dealer can establish Bonded Warehouses anywhere in India. Sometimes, preparations will be moved under bond from one Bonded warehouse to another Bonded warehouse. In such cases, duty will be collected in the warehouse wherefrom the release is finally made.

c) Procedure in the case of export under bond (Rule 97 to Rule 100)

Release for export under bond can be made either from the manufactory or from the Bonded warehouse. In both cases, Section 14 of the M&TP Act provides rebate of duty. When export is to be made, the exporter has to move an application in Form AR-3 or AR-4 in triplicate. AR-3 is for export by land and AR-4 is for export by sea or air or by parcel post. AR-3 and AR-4 will specify the particulars of preparations to be exported and the duty due thereon. The officer-in-charge will verify and endorse it and send the original to the Customs or Postal authority through whom the export is to be made. The duplicate copy will be delivered to the consigner for obtaining certification of export from the exporting authority. Once the export is made, the Customs or Postal Authority will return the original copy, with certificate of export, to the officer-in-charge. The consigner will produce his copy (duplicate copy), duly certified by the exporting authority, for claim of rebate. Rebate will be allowed if both certificates tally each other. Rebate shall be claimed within one month from the date of issue of the certificate or within such extended period the Commissioner may grant.

(15) Duty is exempted when Preparations are released under Rule -2.

Though the general rule is that duty shall be collected when release of any Preparations is made from a bonded manufactory or bonded warehouse, Rule 7 provides exemption from

duty when Medicinal Preparations containing alcohol are supplied direct to the following Government and charitable medicinal institutions.

- a) Hospitals and dispensaries working under the supervision of the Central or State Government.
- b) Hospitals and dispensaries subsidized by the Central or State Government.
- c) Charitable hospitals and dispensaries under the administrative control and management of Local Bodies.
- d) Medical Store Department of the Central or of any State Government, and
- e) Every other institution certified by the principal Medical Officer of the District in which such institution is situated as supplying medicines free of cost.

However, if any loss or shortage is detected at the destination, the licensee is liable to pay the duty on such loss or shortage unless remission is granted by the Excise Commissioner. The duty shall be collected at the rate in force on the date on which the loss or shortage was detected/made known. Supply shall be under cover of a Permit in Form TP-1. On this the Excise Officer in the receiving end will endorse his certificate of receipt. TP-1 is generally valid for 90 days and if the Certificate of receipt is not received within a reasonable time, duty will be recovered.

(16) Penalty for Breaches

The licensee is liable to penalty for such specific breaches as are specified in the Rules. Penalty is imposed by the Excise Commissioner or by any Excise Officer conferred with the power under Rule 123 or 124. Rule 125 provides for composition also. The penalties related to Bonded Manufactories are described below.

i) Penalty for removing goods without paying duty Rule 9 (2)

When and where the duty on finished products should be collected are described in Paragraph 14 supra. Except where exempted, duty has to be paid by the licensee when dutiable goods are removed from the bonded manufactory or from the bonded warehouse. If any dutiable goods removed clandestinely from the bonded manufactory or bonded warehouse, i.e., without paying duty in contravention of the rules, the licensee is liable to penalty besides paying the duty. In addition to duty and penalty, confiscation of the goods will be ordered. The penalty will be determined by the Excise Commissioner.

ii) Penalty for failure to furnish proof of export under bond (Rule 17)

Export under bond has been described in paragraph 14 (iii) supra. If the licensee fails to furnish proof of export, he is liable for penalty, besides the duty due.

iii) Penalty for violations in respect of keeping and maintaining of Accounts and Registers (Rule 135)

As per Rule 135(i) Accounts and Registers shall be kept and maintained properly with the required particulars entered therein within the time prescribed for in the relevant rules. Further, the Accounts and Registers shall be produced for inspection: they shall not be conveyed away, concealed, destroyed or the pages torn away: therein no false entry shall be made; the entries there in shall not be altered fraudulently, and the inspecting officers shall not be obstructed or hindered in making any minute therein or making any extract there from. If these are violated by any person, he is liable to penalty. Besides the penalty, all goods of which due entries have not been made in the prescribed Accounts or Registers are liable to be confiscated.

(iv) Penalty for violation of not providing and maintaining weighing and measuring apparatus (Rule 136)

Rule 136 casts a duty on the licensee to provide standard measures and instruments for weighing, measuring, gauging, providing, and to keep them ready for use of Excise Officers. The licensee shall permit the officers to use them for weighing, measuring, gauging, and proving goods in possession. Licensee is liable to penalty, if he refuses or neglects to comply with these obligations. The Excise Commissioner will specify by written order, the instruments and measures which have to be provided and maintained in a manufactory or warehouse.

(v) Penalty for defeating the purpose of Excise Ticket Locks etc (Rule 137)

Rules impose that certain premises and parts shall be kept secured or locked. As per Rule 22, there shall be only one entrance to the bonded manufactory and one door each for its compartments, and all the doors shall be secured with Excise ticket locks. As per Rule 25, permanent vessels storing alcohol and narcotic drugs received under bond, and all finished preparation on which duty has not been paid, shall be secured with Excise ticket locks. Rule 70 also imposes such requirements in respect of Bonded warehouses. For the above purpose requisite Excise ticket locks and keys will be provided by the Government. It is the duty of the licensee to provide, affix, repair and renew all fastening requisites. If the licensee fails to do it, the Excise Officer will do it and the expense shall be met by the licensee.

The licensee is liable to penalty under Rule 137(4), if he fails to meet the expense. Penalty is also imposed on him if he/his servant/his workmen destroys/ damages any fastening or lock, label or improperly obtains access into any warehouse, room, place- vessel or fitting, or constructs any fastening, vessels or fitting in such way that the security intended to be obtained by any lock or fastening may be defeated.

(vi) Penalty for deficiency in stock on stock taking (rule 132)

As often as the Excise Commissioner may deem if necessary and at least once in every year, the stock of dutiable goods in a manufactory or warehouse shall be subjected to stock verification. If the stock, after taking into account the receipts, delivers and allowable wastages, is found deficient, the licensee is liable to penalty besides duty.

(vii) Penalty for not keeping dutiable goods in an orderly manner (R-31)

Rule 11 describes how dutiable goods should be stored in premises licensed under the M&TP Rules; Goods shall be stacked in an orderly manner so as to permit actual counting. If the Excise Commissioner so requires- (1) goods of same kind and quality shall be kept together in separate lots (2) goods shall be arranged in separate rows each containing the same number of packages of uniform size or volume or strength. (3) stock cards in respect of separate lots shall be maintained (4) there shall be accessible passage at right angles to the former passage, and (5) each separate lot or consignment shall be clearly marked with identifying particulars such as number and date of the document under which the goods were admitted for storing and the number of the relevant record in stock card/ account/ warehouse register, etc. In other words, the licensee shall not keep his stock in any way defeating the purpose of taking correct stock.

(17) Recovery of sums due to Government (Section-5)

Section 5 of the M&TP Act empowers recovery from the concerned person of the duty or other sums due to the Government. Recovery can be made by deducting the amount from any money in hand or under the control and disposal of such person. Recovery can also be made by attachment and sale of dutiable goods belonging to such person. If the amount cannot be recovered so, recovery can be made by resorting to RR steps. The Excise Officers who are empowered by the M&TP Rules to levy duty or to require payment of sums are empowered for recovery also.

(18) Cost of Establishment of supervisory Excise staff

The cost of establishment of the officer-in-charge and other Excise supervisory staff posted in the bonded manufactory shall be borne by the licensee. The M&TP Act and Rules are silent about the aspects related to cost of establishment. However, rule 142 of the M&TP Rules stipulates that the Excise Commissioner may issue written instructions providing for any supplemental matters arising out of these Rules. The rate of cost of establishment is same as of Distilleries, Blending Units, Breweries, KSBC Bonded Ware houses and Canteen Stores Department (rate of cost of establishment is calculated at prevailing rate)

19) Accounts shall be maintained in proper Forms and Register

[Rule 41, 43, 90 & 135]

The licensee shall maintain the accounts in proper forms and registers. The Registers and records to be maintained are shown in Appendix-1 to the M & TP Rules. How they are to be maintained is described in Rule 135 of the M & TP, Rules. The stipulations with regard to maintaining records are summarized below-

i) By 5th of each month, the licensee shall submit a return to the officer-in-charge, describing the transactions of business relating to the preceding month. This shall be in Form R.T-1 for a bonded manufactory and in Form R.T-II for a bonded ware house.

ii) Parallel records shall be maintained by the officer-in-charge and the licensee. They shall be compared and reconciled before the manufactory is closed each day.

iii) When entry is made, the date shall be inserted. No entry which is untrue shall be made. Entries shall not be cancelled, obliterated or altered except for correction of any errors. When errors are so corrected, it shall be with the sanction and in the presence of the officer-in-charge.

iv) Invoices, memorandum, permits and other documents relating to consignments received and dealt with by the licensee shall be preserved for a period of one year after the year to which they relate.

v) A visit-book shall be kept by the licensee, till the termination of the period of his licence, to enter the remarks of inspecting officers. The visit book shall be duly numbered and stamped by an officer authorized by the Excise Commissioner for that purpose.

The following Table will give an overall idea of the operation-wise Registers and Records to be maintained in an L1 Manufactory.

TABLE-61: REGISTERS AND RECORDS MAINTAINED IN L-1 MANUFACTORY

No	Operation or Purpose	Relevant Rule	Related Register/Record
1	Details of vessels installed	Rule 25(2)	RG-1 Register
2	Purchase and Verification of Spirit supplied from Distillery	R.26 and R.96	Bond in For-B1
3	Receipt and Verification of Spirit supplied from Distillery	R.26 ,R.27, R.28(2) and R.19	1. Indent in ID-1 2. Permit of the Distillery officer 3. RG-2 Register
4	Receipt and Verification of Narcotic Drugs from the Opium Factory or from other lawful authority	R.30	1. Indent in ID-1 2. transport Permit of the concerned Authority 3. RG-2 Register

5	Spirit lost on storage	R.27 and R.19	RG-2-Register
6	Issue of Spirit and Narcotic Drugs to the Manufacturing Room	R.29, R.30 and R.31	Requisition in Form RQ-I and RG-3 Register
7	Manufacture of Preparations	R.31 and R.38	RG-3 Register
8	Sample analysis of finished preparations done by Licensee in his laboratory	R.33	1. Account of Samples. 2. RG-2 Register
9	Sample analysis of finished preparations made by Officer-in-Charge through Chemical Examiner	R.33	RG-3 Register
10	Action on receipt of Chemical Analysis Report (of finished preparations)	R38(4)	1. RG-3 Register. 2. Chemical Analysis Reports.
11	Finished Preparations improperly manufactured.	Rule38(1)	Chemical Analysis Reports
12	Destruction of Sub-standard Preparations	R.36	1. Licensee's Application 2. RG-4 Register
13	Standardization of Sub-standard Preparations	R.36 (2) &R. 38(3)	RG-3 Register
14	Recovery of Alcohol during manufacture.	R. 37	RG-2 Register
15	Destruction of Alcohol recovered	R.37(4)	RG-2 Register and Licensee's written application
16	Accounting of finished Preparations in Finished Store	R.31	
17	Deficiency in stock of Preparations stored in Finished Store	R.35	1. RG-4 Register 2. Quarterly Deficiency Report Statement
18	Issue of finished preparations from the manufactory after paying duty	R, 40 &R.44	1.AR-2 Form 2.Treasury receipt or Account Current Ledger 3. RG-4 Register. 4.TP-1 Permit
19	Issue of finished preparations from Bonded Warehouse for export under bond	R 44 &R. 81	1.AR-2 Form. 2.Treasury receipt or Account Current Ledger 3. RG-5-Part-I 4. RG-5-Part-II 5.TP-1 Permit

20	Issue of finished preparations from Manufactory/ Bonded Warehouse for export under bond	R 97 to100	1.AR-3/AR-4 2. RG-3/RG-5 – II 3. Certificate of Exportation
21	Execution of Bonds	R.21,R71,R.15, R.16, R.105 &R.106	Form B-I,. Form B-2, Form B-3, Form B-4
22	Monthly Returns	R.41&R.80	Form RT-I &Form RT-II

B) REGULATIONS IN RESPECT OF NON -BONDED MANUFACTORIES.(L-2)

Non Bonded Manufactory means a manufactory licensed for manufacture and storage of preparations containing alcohol or narcotic drugs on which Excise duty has already been paid. These manufactories are given L2 Licences. Here, no officer-in-charge is posted. The duties of the officer-in-charge are performed by Proper Officer (Proper Officer is the local jurisdictional excise Officer). Unlike Bonded manufactories, no Excise ticket lock security is imposed here. The L-2 Licensee should observe the following conditions/ regulations-

(1) No addition or alteration shall be made in the Manufactory building

Essentials of a Non-Bonded Manufactory have been described in Rule-47 of the M & TP Rules. The plan of the building exhibiting these essentials will be approved by the Excise Commissioner when granting the licence. In small manufactories where annual consumption of alcohol is not over 500 liters, the Government may give relaxation in the building essentials. The building should be maintained as approved in the plan and no addition or alteration shall be made without the approval of the Excise Commissioner.

(2) Manufactory should observe the rules of working hours [Rule 46]

The manufacture and sale in a non-bonded manufactory shall be between the hours of sunrise and sunset and on such days and hours as may be fixed by the Excise Commissioner. Violation of working hours is liable to penalty under Rule 124 of the M & TP Rules.

(3) Record of Vessels should be shown in RG-1 Register [Rule 48(1)]

All vessels for the storage of alcohol and finished preparations shall be kept gauged, capacity and purpose marked, serial number assigned and depth at every 20 mm and 2 mm indicated. Besides, Tables shall be computed to show the contents in such depths. A Register in Form RG-1 showing these details in respect of each vessel shall be maintained.

(4) Possession of Spirit should not exceed the limit fixed [51(3)]

In conformity with the bonafide needs of the manufacturer, the Excise Commissioner will fix the quantity of Spirit and Narcotic Drugs to be possessed at a time and in a year, and

that will be entered in the L-2 Licence when the Licence is granted. Licensee shall ensure that the possession limit is not exceeded.

(5) RG-2 Register should be properly maintained and Book stock and Physical stock of Alcohol and Narcotic Drugs should agree each other [Rule 46]

Rectified Spirit received after paying duty should be stored in permanent vessels and their quantity and strength as found on verification should be recorded in the RG-2 Register. Likewise, the Narcotic Drugs received should be weighed, and their quantity also recorded. Inspecting officers may verify the physical stock of Rectified Spirit and Narcotic Drugs and cross check them with the RG-2 Register. Licensees must ensure that the Book stock and physical stock agree each other at all times.

(6) Spirit should not be diverted under the pretext of Wastage

No spirit shall be diverted in the pretext of wastage. In the case of non - bonded manufactories, no transit, storage or manufacturing wastage is allowed. However, under Rule 19 of the M & TP Rules, the Excise Commissioner can waive off duty on bonafide loss in transit.

(7) Receptacles in Laboratory should be duly labelled R.48 (iv) &(v)

Receptacles in the laboratory, which contain alcohol, tinctures, liquid extract or other alcoholic Medicinal or Toilet preparations, shall have labels affixed onto them showing the batch number, name of preparation and the quantity, of alcohol which may be added during the manufacture. These labels shall be signed by the manufacturer or by his authorized representative. In the case of macerators and percolators or carboys, the labels shall show the quantity of proof spirit contained in them.

(8) Receptacles should be made of permitted materials [R.48 (ii)]

The receptacles for the storage of finished preparations in the finished store shall be of metal, porcelain or glass as may be convenient and necessary. The rule does not allow receptacles made of other materials.

(9) RG-2 entries and RG-3 entries should agree each other [R.52(1)]

When any preparation is manufactured in the Laboratory by using Spirit or Narcotic Drugs released from the Spirit Store, the quantity and strength of Spirit and the quantity of Narcotic Drug received from the spirit store and being used in the laboratory shall be entered in RG-3 Register. The release shown in RG-2 and the receipt shown in RG-3 should match. As per Rule 51(1), the manufacturer shall not sell or transfer the spirit to any other person. If RG-3

and RG-2 entries mismatch, there is every reason to believe that spirit or drug has been diverted.

(10) Preparations should be properly registered [R.52(2)]

Each preparation manufactured shall bear a distinctive serial number. This number will be its Batch Number and has to be shown in RG-3 along with the name of preparation and its quantity and strength.

(11) Bottles of finished products should exhibit alcohol content [R.48 (vi)]

While applying for L2 Licence, the licensee will specify in the application, besides other things, the percentage or proportion of alcohol in terms of London Proof Litres which may contain in each preparation or the percentage by weight of Narcotic Drugs that it may contain. He will specify also the Formula or Pharmacopoeia according to which the preparation will be made. When Preparations are manufactured, the Alcoholic/ Narcotic content in such preparations shall not differ from these. The bottles filled with finished preparations shall show the alcoholic content in proof strength and the average percentage of absolute alcohol on their labels. Manufacturer can show other details as he may require, but proof strength and percentage of alcohol should invariably be shown. Inspecting officers may, to ascertain the correctness of strength, take samples and send for chemical analysis. If variation is found, it amounts to a serious breach.

(12) Samples should be analyzed and strength confirmed [R.53]

Upon completion of manufacture of any batch of Preparation, the manufacturer will declare its alcoholic strength and enter it in the RG-3 Register. This strength will be indicated in the bottles as mentioned in the previous paragraph. In order to ascertain the correctness of this strength, Proper Officer should take samples by surprise. Samples shall be taken at least once in every month and shall be forwarded to the Chemical Examiner. Samples of not less than 13% and not more than 15% of the total number of preparations in stock would be taken by him. In the analysis, if the proof strength reported by the Chemical Examiner is more than 3 per cent proof spirit of the strength declared on the labels pasted on the bottles, the licensee is liable to penalty. If such strength difference occurs frequently, the licence is liable to cancellation. In the case of non-bonded manufactories, rule is silent about withholding such products from further sale. However, as these products do not conform to prescribed standards, they cannot be released for supply.

(13) Transactions in Finished Store should be shown in RG-4[R.52(3)]

Manufacturing is done in the Laboratory. After manufacturing, all finished preparations should be transferred to Finished Store. All transaction in Finished Store should be accounted in RG-4 Register.

(14) Preparations should be properly stocked [R. 52 (3) & R.131]

All preparations in finished store shall be so arranged as to facilitate stock checking. Rule 131, as in the case of Bonded Manufactories, are applicable here. (Refer Bonded Manufactories). If rectified spirit has been obtained at different rate of duty, preparations made from such spirit shall be kept separately. Every preparation stored in bulk shall be measured into the storage vessel to the nearest fluid ounce and be sealed by the manufacturer. Stock Card must be attached to such bulk vessels. When preparations are removed from such vessels, the quantity taken out and the manner of their disposal shall be entered on the stock card. The stock card shall be signed by the manufacturer.

(15) Weighing and measuring apparatus should be maintained [Rule 136]

As in the case of Bonded Manufactories, Rule 136 applies to non-bonded manufactories also. Licensee should provide and maintain required weighing and measuring apparatus as required therein.

(16) There shall be no deficiency in stock [Rule 132]

Stock taking specified under Rule 132 applies to Non-bonded manufactories also [Refer Bonded Manufactories]. If any deficiency is found in stock taking, it calls for penalty and Duty.

(17) Excise Duty [Section 4 & Rule 9]

Rule 9 of the M & TP Rules stipulates that no dutiable goods shall be removed from any manufactory until Excise Duty leviable thereon has been paid. In the case of a non-bonded-manufactory, duty on alcohol will be collected under the Abkari Act, when it is supplied to the manufactory from the distillery. When such alcohol is used in the manufacture of Medicinal and Toilet preparations, collection of duty on such Medicinal and Toilet Preparations under M & TP Act will result in double taxation. To avoid this, Rule 13(1) of Rectified Spirit Rules provides that, when spirit is used for the manufacture of Medicinal and Toilet Preparations on which duty under the M & TP Act is leviable, no duty shall be collected under the Abkari Act on so much quantity of alcohol as is present in the finished product. Since the duty is already collected, the manufacturer can opt for rebate of duty on as much quantity of alcohol as is present in the finished product. Such rebate is allowed under Section 4 of the M & T P Act. Section 4 of the M & TP Act stipulates that where alcohol had been supplied and duty of Excise on the alcohol so supplied had already been recovered, the collecting Government shall grant, in respect of the duty of Excise leviable under the M & TP Act, a rebate of the excess of the duty so collected on Medicinal and Toilet Preparations under the M & TP Act has specified in the Schedule to the M & TP Act.

As per Section 3 (2) (b) of the M & TP Act, where dutiable goods are not manufactured in bond, duty shall be levied in the State in which such goods are manufactured. As L-2 manufactories are non-bonded manufactories, duty is collected in the State of manufacture. There is no under bond transport or under bond export. However, duty-paid goods can be exported under Rule 7 and rebate can be claimed under Rule 103.

(18) Licensee is liable to penalty for breaches

L2 licensees are liable to penalty for such specific breaches as are specified in the rules. The penalties related to L2 manufactories are listed below:-

(i) Penalty when true proof strength is more than 3% proof spirit than the strength declared on the bottles.

(ii) Penalty for removing goods without paying duty.

(iii) Penalty for violation of not providing and maintaining weighing and measuring apparatus in violation of Rule 136.

(iv) Penalty for deficiency in stock.

(v) Penalty for not keeping dutiable goods in an orderly manner.

(vi) Penalty for violations in respect of keeping and maintaining Accounts and Registers.

(19) Correct and up-to-date accounts shall be maintained [Rule 56 and 135]

The stipulations with regard to maintaining records and furnishing statements are provided in rule 56 and 135 of the M & TP Rules. The licensee shall maintain the accounts in proper forms and registers. The Registers and records to be maintained have been shown in Appendix-1 to the M & TP Rules. The rule is same as in the case of Bonded Manufactories [Refer Bonded Manufactories]. The following Table will give an overall idea of the operation-wise Registers and Records to be maintained in an L2 Manufactory.

TABLE-61: REGISTERS AND RECORDS MAINTAINED IN L-1 MANUFACTORY

No	Operation or Purpose	Relevant Rule	Related Register/Record
1	Receipt and verification of Spirit purchased from Distillery	R. 49	1.Indent in ID-I 2.permit of the Distillery officer 3.RG-2 Register

2	Receipt and Verification of Narcotic Drugs purchased from Opium Factory or other authority	R. 50	1.Indent in ID-I 2.transport Permit of the concerned Authority 3. RG-2 Register
3	Issue of Spirit and Narcotic Drugs to the Laboratory	R. 52	RG-3 Register
4	Manufacture of Preparations	R.52	RG-3 Register
5	Registration of preparations and declaration of strength	R.52	RG-3 Register
6	Chemical Analysis of finished preparations on sample-taken by Proper Officer	R.53	1. RG-3 Register. 2. Chemical Analysis Reports.
7	Action on receipt of Analysis Report by Proper Officer	R.53	1. RG-3 Register. 2. Chemical Analysis Reports.
8	Storage and transaction of finished Preparations in Finished Store	R.52	RG-4 Register
9	Deficiency in stock of Preparations in Finished Store	R.132	RG-4 Register
10	Issue of finished preparations from the manufactory	R.9	1.Treasury Receipt 2. RG-4 Register 3. Transport-Permit 4. Application for Rebate of Duty
11	Monthly Returns	R.56	Form RT-I

(C) REGULATIONS IN RESPECT OF NON-BONDED MANUFACTORIES WHERE NO EXTRANEOUS ALCOHOL BUT SELF-GENERATED ALCOHOL IS USED

There are plenty of Non-bonded Manufactories in the State, manufacturing Medicinal and Toilet Preparations containing alcohol but not using any extraneous alcohol. Instead of extraneous alcohol, i.e. alcohol purchased from distilleries, they use alcohol self generated during the process of manufacture. The manufactories are granted the same L-2 Licence and the rules and conditions applicable to them are same except with respect to self generated alcohol. For supervision, Proper Officer is responsible as in the other case. How far the rules regarding manufacture are applicable in the case of an L2 manufactory in terms of manufacture using Alcohol purchased from Distillery and in terms of manufacture using self generated Alcohol is compared in the following table.

TABLE-63: COMPARISON OF APPLICABILITY OF RULES CONCERNING MANUFACTURE USING THE ALCOHOL PURCHASED FROM DISTILLERY AND THE ALCOHOL SELF GENERATED

No	ASPECT	RULE	APPLICABILITY	
			Manufactory using Alcohol purchased from Distillery	Manufactory using self-generated alcohol
1	Manufactory Building	Rule 47	Shall be as licensed	Equally Applicable
2	Keeping Vessels and maintaining its records in RG-1 Register	R.48 (I) to (iii)	All vessels for the storage of alcohol and finished preparations are to be kept gauged, capacity and purpose marked, serial number assigned, and depth at every 20 mm indicated on. Tables to be computed to show the contents. Vessels shall be recorded in RG-1	Equally Applicable except keeping of and maintaining records of vessel for storage of alcohol, since alcohol is not purchased
3	Possession limit on spirit at a time and in a year	Rule 51 (3)	Possession shall not exceed the limit specified in the licence	Not Applicable since spirit is not brought in
4	Verification of Spirit on receipt and recording in RG-2 Register	Rule 49	On receipt of Spirit, it shall be verified and quantity and strength as found on verification recorded in RG-2 Register	Not Applicable. [In the case of manufactory using self-generated Alcohol, no extraneous Alcohol is allowed
5	Transactions of Spirit to be recorded in RG-2	Rule 49	Account of all transactions in Spirit to be entered in RG-2 Register.	Not Applicable
6	Transit, Storage and Manufacturing Wastages	Rule 49	No transit, storage or manufacturing wastage allowed. Wastages to be verified, duty to be assessed and possibility for diversion of spirit to be probed	Not Applicable

7	Labeling to Receptacles in the laboratory.	R.48(iv) and(v)	Receptacles containing alcohol tinctures, liquid extracts or other alcoholic Medicinal or Toilet Preparations are to be affixed with labels showing batch number, name of preparation and the quantity of alcohol added during their manufacture. Labels to be signed by the manufacturer/ authorized representative. Macerators and percolators or carboys charged with alcohol shall show the quantity of proof spirit	Receptacles containing Medicinal or Toilet Preparations which contain self generated alcohol, or receptacles containing ingredients, charged for fermentation, are to be affixed with labels showing batch number and name of preparation. These Labels to be signed by the manufacturer/ his authorized representative.
8	Receptacles to be made of permitted materials	R.48(ii)	The receptacles for the storage of finished preparations to be made of metal, porcelain or glass.	Equally Applicable
9	Manufacturing operations using Spirit to be entered in RG-3 Register	R.52	Receipt and Expenditure of Spirit and the Preparations manufactured out of it be shown in RG-3 Register	Not Applicable
10	Registering Preparations in RG-3 Registers	R.52(2)	Preparations manufactured, their respective Batch Number and the quantity and strength of each be shown in RG-3 Register.	Equally Applicable
11	Alcohol content in finished products	R.48(iv)	Alcoholic content in proof strength and average percentage of absolute alcohol be shown on the labels of bottles filled with finished Preparations	Equally Applicable

12	Finished products should conform to declared strength	R.53	If proof strength is more than 3 percent proof spirit of the strength declared on the labels pasted on the bottles, the licensee is liable to penalty. Sale of products not conforming to required strength need be stopped.	Equally Applicable
13	Maintaining RG4 Register	R.52(3)	All transactions in Finished Store shall be accounted in RG-4 Register	Equally Applicable
14	Storing of finished preparations in Finished Store	R.52(3), (5) &(6)	Preparations stored in bulk shall be measured into the storage vessel to the nearest fluid ounce and be sealed by the manufacturer. Stock Card must be attached to such bulk vessels. When preparations are removed from such vessel, the quantity taken out and the manner of its disposal shall be entered on the stock card and be signed by the manufacturer.	Equally Applicable
15	Stocking of finished preparations in Finished Store	Rule52(3)	Preparations in finished store shall be so arranged as to facilitate checking of stock	Equally Applicable
16	Providing and maintaining weighing and measuring apparatus	Rule 136	Licensee has to provide and maintain required weighing and measuring apparatus.	Equally Applicable
17	Yearly Stock-Taking	Rule132	Stock taking of dutiable goods to be made at least once in every year to assess deficiency in stock which calls for penalty and duty	Equally Applicable

18	Duty Collection	Rule 9	No dutiable goods shall be removed from manufactory until Excise duty leviable thereon has been paid.	Applies to Preparations containing self generated alcohol if they are not duty exempted.
Medicinal preparations containing self-generated alcohol which are not capable of being consumed as ordinary alcoholic beverages are duty-exempted and others not				
19	Collection of Penalty	--	Penalty is due for violation of Rule 53 (1) (ii) Rule 9, Rule 136, Rule 132, Rule 131 and Rule 135	Selectively applicable
20	Maintaining registers and stock accounts	Rule 56 & 135	There shall be records such as Licence, Building plan, 1D-I, Distillery Permit, RG-1, RG-2, RG-3, RG-4, RT-I Chemical Analysis Reports, Treasury Receipts, Delivery Permits, Rebate Application and Rebate order	There shall be records such as Licence, Building plan, 1D-I, Distillery Permit, RG-1, RG-2, RG-3, RG-4, RT-I Chemical Analysis Reports, Treasury Receipts, Delivery Permits

(D) REGULATIONS IN RESPECT OF L3 MANUFACTORIES

L-3 Manufactories are manufactories licenced to Ayurvedic Practitioners to manufacture Ayurvedic preparations for the sole purpose of dispensing to their patients. No trade or sale is allowed here and no Excise duty is levied. Unlike L-1 and L-2, the requirements to be satisfied or conditions to be observed for L3 are limited. Excise control also is limited.

The requirements to be satisfied/ conditions to be observed are specified in the proviso to Rule 66 of the M& TP Rules, which are as follows:-

- (i) Only Ayurvedic Preparations shall be manufactured.
- (ii) Preparations containing self generated alcohol alone shall be manufactured.
- (iii) Excise Officer shall be allowed to draw samples to ensure that the preparations contain only self-generated alcohol.
- (iv) No preparation by distillation or by addition of alcohol shall be manufactured. Alcohol shall not be added to finished products.
- (v) Preparation manufactured by licensee shall be used only for dispensing to his own patients and should not be used for sale to general public.

- (vi) Daily account shall be maintained of all the preparations manufactured and dispensed. Name and address of patients, to whom dispensed, should be shown therein.

In the application for licence, the licensee shall specify the name and quantity of the preparations he would manufacture during the year and the formula according to which they would be manufactured. He shall not deviate from these.

(E) DRAWING SAMPLES BY LICENSEES AS PART OF OPERATION

As part of manufacturing requirement, samples will be drawn by the licensee or by the officer-in-charge/Proper officer from the manufactory. The purpose of taking samples and the rules related thereto are shown in. the following Table.

TABLE-64: RULES RELATED TO TAKING SAMPLES BY LICENSEES & OFFICERS-IN-CHARGE FROM L1 & L2 MANUFACTORIES

<i>No</i>	<i>Rule</i>	<i>Purpose of taking samples</i>	<i>Minimum Quantity</i>	<i>Sample taken by Whom?</i>
1	R.29	To ascertain the proof-spirit content of concentrated tinctures for the purpose of calculating the exact quantity of spirit to be added to them in the process of manufacturing Preparations.	2 x 142 ml	Jointly by the Licensee and Officer-in-charge. [Applies to L-1]
2	R.33(1)	To ascertain the alcoholic strength of a preparation upon completion of its production in the manufactory, for the purpose of licensee to declare its strength	1x227 ml	Licensee as permitted by the officer-in-charge. [Applies to L-1]
3	R.33(3)	To ascertain the true strength of a preparation upon declaration of its production in the manufactory, for the purpose of licensee to declare its strength.	1x227 ml	Officer-in-charge [Applies to L-1]
4	R.38(3)	To ascertain the true strength of a preparation, that is subjected to re-processing on the reason of inadmissible strength.	1x227 ml	Officer-in-charge [Applies to L-1]
5	R.53(1)	To verify the strength of a finished product as to whether it agrees with the strength declared on its label	1x227 ml	Proper Officer [Applies to L-2]
6	R.99(2)	To ascertain the correct alcoholic content of duty-paid goods, before they are exported under claim of rebate.	1x227 ml	Proper Officer [Applies to L-2]

CHAPTER-XXV**CRIME-DETECTION, INVESTIGATION, TRIALS AND PREVENTION****1. INTRODUCTION**

1. The main duties of the Officers of the Excise Department are collection and maintenance of revenue, prevention and detection of Abkari, NDPS and COTPA Crimes, make people aware of the evil effects of Alcoholism and to safe guard the Abkari Revenue. Excess consumption of alcohol is to be discouraged in the interest of welfare of the people and offences are to be prevented and detected to safeguard the Abkari revenue of the state. Therefore, it is very important that the Excise Officers of all ranks should pay special attention to these aspects of their work. They have to get familiarized with the powers vested in the various categories of officers under the various Acts administered by them and the procedure for detection, investigation of offences and trial of offenders. The various Acts and Rules and Notifications prevailing may be referred to for further details.

2. The procedure outlined below is with specific reference to the provisions of Abkari Act. The procedures with regard to other Acts are almost similar and there are only slight variations, and such variations are also sketched out.

II. DETECTION, SUMMONS, ARREST, SEARCH AND SEIZURE**Issue of summons and arrest warrant.**

3. An officer investigating an Abkari offence has the power U/S 44 of Abkari Act to summon any person to appear before him in order to adduce evidence. The restrictions mentioned in Cr.Pc. are equally applicable in this case also. Any person who is legally bound to obey the summons, willfully abstains from or disobeys the summons shall be prosecuted under IPC by filing a petition before the concerned Magistrate. His presence before the Investigating officer can be attained by this way.

4. However the Investigating officer can also directly meet the witness and record his statements instead of summoning him to the office. In Abkari cases the witnesses usually are not victims or interested people unlike in criminal cases under Indian Penal Code. Hence the practice of summoning witnesses to offices may be avoided to the possible extent.

5. Sec. 48 of Abkari act empowers the Investigating officer to summon suspected persons. Any person who disobeys the summons can be prosecuted by filing a petition before the concerned Magistrate and his presence to the office can be attained by orders of the court.

6. Oral evidence can be recorded or caused to be recorded by the Investigating officer in manuscript or electronically. All statements recorded should be attested by the Investigating officer.

ARREST.

7. Accused may be arrested either with warrant or without warrant as stipulated in chapter V of CrPC. In cognizable offence, arrest may be effected without warrants but in the other cases an accused cannot be arrested without a warrant. At present, all Abkari offences are cognizable.

8. In making an arrest, the officer making the arrest shall touch or confine the body of the person to be arrested, unless there is a submission to the custody by word or action.

9. If persons to be arrested forcibly resist the arrest, the officer may use such force necessary to effect an arrest. A person to be arrested may be followed and searched for in any place with the consent of the person residing in that place. If consent is not forthcoming, entry may be made with the warrant if possible or without warrant if necessary.

10. Where it becomes necessary to cause a female to be searched, the search shall be conducted by another female with strict regard to decency. The service of Woman Civil Excise Officers or any other Woman Excise Officers may be utilised for the purpose of search of a female.

ARREST WITHOUT WARRANTS:

11. Any officer of the Excise department may arrest in any open place (i.e any public thoroughfare or open place other than in dwelling house) any person found committing any offence under the Abkari Act. In furtherance of a house search without warrant, if the officer conducting the search has reason to believe that any person is guilty of the offence; such person may also be arrested without warrant.

12. All Abkari officers are empowered to detect Abkari crimes from a public place anywhere in the state. However searches under Section 30 and 31 of the Abkari Act can only be done by an Abkari officer not below the rank of a Preventive Officer.

Unlike offences mentioned in the Indian Penal Code, Abkari offences do not create direct individual victims generally. However, commission of Abkari offences badly affects the revenue interests of the state and is in such way harmful for the entire state. Since generally individuals are not directly affected by the commission of an Abkari offence, there are least chances to receive information regarding the commission of an Abkari offence. General public generally will also abstain from being a Mahazar witness in an Abkari crime. Hence the main duty of an Abkari officer becomes to bring out all Abkari crimes committed in secret.

Although all Abkari Officers are authorized to detect cases anywhere in the state, all officers are supposed to work within their territorial jurisdiction wherein they are posted. When

any case is detected by an Abkari Officer outside their Range/Circle/Division as the case may be, the seized thondy articles, connected documents and arrested persons shall be handed over to the concerned range office, wherefrom the case was detected. The case shall be registered in that range office by the Excise Inspector of that range office and investigation shall be started forthwith by the officer until otherwise ordered by a competent authority.

Assistant Excise Inspector in charge of an Excise Inspector is empowered to perform all the powers vested with the Excise Inspector.

When an Abkari case is detected, the detecting officer shall prepare a mahazar narrating all the actions taken by him in the detection of the case. Mahazar shall be prepared in the presence of minimum two independent witnesses who shall also sign the mahazar. When no witnesses are available, that fact shall be recorded in the mahazar. Searches, seizure, arrests etc shall be performed as per the provisions laid down in the Abkari act and CrPc.

Toddy shops can be inspected by an officer not below the rank of a Preventive Officer. FL1 shops, FL3 and FL11 can be inspected only by an Abkari officer of and above the rank of an Excise Inspector.

Arrests of culprits shall be made strictly abiding all the provisions of the CrPc.

SEARCH WITH OR WITHOUT WARRANT

13. As a general rule, a house can be searched only after obtaining warrants. The warrants must be obtained from a Magistrate. In the case of searches under the Abkari Act the warrants may be obtained from Commissioner of Excise or any officer empowered by the Government to exercise the powers of the Commissioner of Excise. But if there is reason to believe that any delay in obtaining a warrant would result in the concealment or destruction of evidence or facilitate for the escape of an offender, then the officer may search without a warrant after recording the reasons.

14. Officers of and above the rank of Preventive Officers are competent to conduct searches without warrant under the Abkari Act.

15. All Abkari officers are empowered to detect Abkari crimes from a public place anywhere in the state.

16. Searches under section 30 and 31 of the Abkari Act can only be done by an Abkari officer not below the rank of a Preventive Officer.

MODE OF CONDUCTING SEARCHES

17. All searches under any of the Acts – Abkari, NDPS, M&TP shall be made in accordance with the provisions of CrPC. Such search shall be only in the presence of 2 respectable witness of the locality. Should an Excise Officer, however entertain the apprehension that witness of the locality, wherein he contemplates making search, would be won over and be hostile to the prosecution he may take witness from elsewhere for witnessing search. Witnesses taken from other places must however, be independent of him, respectable and fairly responsible. Whenever such witnesses are secured, the Excise Inspector should further adduce evidence during trial of the case sustaining the grounds of his apprehension. The Excise Inspector should invariably call witnesses of the locality also for witnessing search. Evidence of witness other than those residing in the locality, searched is not debarred by section 103 of CrPC, if otherwise trustworthy, nor does the section expressly laid down that evidence of local witnesses must be relied even if they are suspected of complicity with the accused.

Anyone can be compelled to be a witness to a search, Failure to witness a search when called up on to do so in writing, without reasonable cause is an offence punishable under the IPC.

18. Time for conduct of searches : - Searches with warrants may be conducted during any time of the day or night.. Under the Abkari Act and the M&TP Act, searches without warrant may be at any time by day or night.

If a group of houses are to be searched, only after completing the search of one house and writing up the Mahazar and the other records should the search of the second one be taken up. All the houses are to be guarded till the entire search of all houses is over.

19. Search-Memo : - Whenever a search is to be conducted without-a-warrant, the-grounds of belief should be recorded in the form of a Memorandum before entering the place to be searched. The memorandum should simultaneously be sent to the nearest Magistrate competent to try the case.

20. Register of Information : - All Excise Officers in charge of Range, Circle, Squad and EI &IB must maintain a Register of Information, where in the name and details of informant, if the informant is willing to disclose, details of information and the date and time of information shall be recorded. It will be with reference to this register, that justifiability of a failure to obtain a warrant will be examined. This will be useful also in determining the claim for granting rewards to informants. But if a house is to be searched on the basis of an information collected during patrol, the details will be filled up in the register after the return to the office concerned.

21. Seizure:- Any liquor or intoxicating drugs, any vessel, vehicle, animal, package, receptacle or covering for such liquor or drugs may be seized by the person making the search.

22. All articles recovered in the course of a house search should be entered in the search list prepared on the spot. This list shall ordinarily be in form ER.3 but when a printed form is not readily available; a list containing all the necessary particulars should be prepared in Manuscript. All articles recovered must at once be carefully packed, labeled and sealed in the presence of the search witnesses who should sign the labels affixed to each article. Their signatures should be secured on the endorsement at the foot of search list and during the trial of the case they should be called upon to prove their signatures. The signatures of the witnesses to the search list may be taken only if they are literate, in other cases their thumb impression may be taken in the search list.

There is no objection in getting the search list attested by the owner or the person in charge of the house searched. A copy of the search list should be given to the owner or the person in charge of the house or the place searched and his acknowledgement shall be obtained.

23. In the case of house search, it will be advisable to draw up a rough plan of the house searched.

24. Mahazar:- Whenever a place is searched or arrest is made, it is mandatory that a Mahazar should be prepared. If the arrest is on house search and a search list is drawn up, the attesters of the search list may also be taken as witnesses in the Mahazar. The accused should not be made to attest the Mahazar.

No witnesses to search shall be allowed to stand as surety when bail is allowed.

25. Identification marks: Identification marks of the accused should be taken before the accused is let on bail or produced before an Abkari Officer or Magistrate. If the accused is female no descriptive marks which is likely to be construed as transgressing the limits of decency should be taken. In such cases, marks may be taken by another woman with strict regards to decency.

26. Registration of Abkari Cases:-Abkari cases shall be registered in Form OR.1 by the Excise Inspector of the concerned range from which the case was detected. The specific charge alleged to be committed by the accused persons shall be described in the Crime and Occurrence Report. The Excise Inspector shall affix his dated signature in the Crime and Occurrence Report. Asst. Excise Inspectors who hold charge of the Excise Inspector can also

register the crimes at range office. The Excise Inspector of the range office shall peruse the documents produced before him and conduct an enquiry with available documents and materials before registering the crime.

27. The officer in charge of Excise Range shall immediately note in the GD the name of the accused, details of the article seized, place and time of arrest. If subsequently, the accused is released on bail, that fact should also be noted in the GD.

28. Investigation

Investigation of an Abkari case starts as soon as the case is registered. The Excise Inspector shall forward the accused persons, thondy articles and connected documents to the concerned courts or the authorized officer, as early as possible. He shall start investigation of the case also. Case diary shall be prepared immediately by recording the investigation details in chronological order.

The supervision and monitoring of the progress of the investigation shall be done by the concerned Circle Inspectors and also by the concerned Asst. Excise Commissioner of the Division. Major cases involving more quantity of liquor shall generally be investigated by a senior officer and entrustment of investigation should be done by Government.

Under Section 30A of Abkari Act, the Investigating officer of an Abkari case has all the powers of a Police Officer mentioned in the CrPC. Investigation of a case shall be completed at the earliest without any delay. All aspects regarding the crime such as source, destination, abettors etc. shall be investigated and final report shall be filed against the culprits, in accordance with sub section(2) of Section 173 of CrPC.

Documents seized during investigation, if needed, shall be produced before the court in Form 15 of Criminal Rules of Practice. The fact of recovery of all documents and materials during investigation shall immediately be recorded in the case diary.

29. Investigation outside Jurisdiction

When investigation of a case is to be conducted outside the territorial jurisdiction of an officer, he shall obtain sanction to move out of the jurisdiction from the Deputy Commissioner of Excise concerned. When it is intended to move out of the state, sanction of the concerned Joint Excise Commissioner shall be obtained. Official vehicles and assisting officers shall also be taken after obtaining sanctions as aforesaid.

30. The officer who brings the articles shall affix his seal on the articles and the Excise Inspector of the Range concerned must affix a small label to each packet with the following particulars

- i) Number of ER1
 - ii) Number in the Contraband Register
 - iii) Date of Deposit
 - iv) Place of Seizure
- v) Name and rank of officer by whom deposited, The details should also be immediately got entered in register of contraband articles.

31. Contraband articles seized such as wash which may become useless and nuisance need not be sent to the Range Office for safe custody. But if in any case an officer judges their retention to be necessary for production. in court or any other reason, he must bury them or make such other arrangements for their safe custody without causing any nuisance. Generally speaking, such articles may be destroyed by the detecting officer of and above the rank of a Preventive Officer at once in the presence of the accused and witnesses after taking samples of them.

32. Sampling:

Samples of thondy articles shall be collected to prove the veracity of the seized material before trial courts. Generally, one or two samples of liquor should be collected from each seized container.

When arrack is seized, one or two 200 ml of arrack should be taken as sample from each container to prove that the content in each container was arrack.

When wash is seized, one or two samples 500 ml of wash should be taken as sample from each container.

When IMFL is seized, one or two 200 ml of liquor should be taken as sample from each container.

When Spirit is seized, one or two samples of 200 ml of spirit should be taken as sample from each container. When the containers are similar in all aspects, it is only necessary to collect representative samples.

When Aristam and Asavam are seized, one or two samples of 200 ml each shall be collected from each container. When the seized quantity of liquor is below the prescribed quantity of sample, the seized quantity as a whole shall be taken as sample.

Samples shall be collected in clean glass bottles. After collecting samples, it shall immediately be closed using a cork or a cap. The neck and mouth of the bottle shall be covered by a cloth and tied up using twine. The knot portion shall be waxed and personal seal of the sample drawing officer shall be affixed on it to prevent tampering. Label showing brief description of the case, signature or thumb impression of the accused person, independent witness and the detecting officer shall be pasted on each sample container. The seal impression affixed on the sample and thondy articles shall be shown in the mahasar prepared while detecting the case.

PROCEDURE FOR DISPOSAL OF PERSONS ARRESTED

33. All offences under the Abkari Act are cognizable, that is, the persons involved in the offence can be arrested by the detecting officer without an order from the court. Vide section 41, Excise Inspectors and Station House Officer of Police are competent to admit arrested persons to bail, if the commission of an offence is punishable with imprisonment which may not extend to three years. No accused shall be kept in custody for more than 24 hours and he or they must be produced before a Magistrate or released on bail.

34. If the arrest is in consequence of a house search under a warrant issued by a Magistrate the accused may be produced before the Magistrate. If the arrest is in the open, the accused person cannot be admitted to bail by the officer who makes the arrest if he is below the rank of an Excise Inspector or of a Station House Officer of Police.

35. As per the provisions of Section 34 of the Abkari Act, any Abkari Officer may arrest without warrant in any public thorough fare or open place other than a dwelling house, any person found committing an offence punishable under the Abkari Act. The accused must be taken to the Abkari Inspector of the Range from within whose jurisdiction the case is detected

36. Detection of Abkari case by Police and follow up action : - Government vide S.R.O No. 321/96 Dated.29.03.1996 appointed all Police Officers of and above the rank of Sub Inspector of Police in charge of law and order and working in the General Executive Branch of the Police Department to be the Abkari Officers under their respective jurisdiction for the purpose of Sections 31, 32, 33, 34, 35, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53 and 59 of the Act and further amended and added the sections 8, 15 C, 55, 55 B, 56 A, 57, 58, 58 A & 58 B with effect from 03.06.1997 to exercise all the powers and to discharge all the duties conferred and imposed on Abkari Officers, in the sections aforesaid. As per the notification, the Police Officer is empowered to detect, investigate and charge sheet all the cases booked under the aforesaid section. However the vehicles involved and seized in the Abkari cases should be

produced before the Deputy Excise Commissioner, the Authorized Officer concerned as per Section 67 B of the Act.

37. Penalty for illegal exercise of powers : - Great care must be exercised in exercising the powers of arrest, seizure and search. Action must never be taken on a vague suspicion or on unsubstantial grounds. As a general rule, such powers must never be made use of by Civil Excise Officers unless, owing to the absence of superior officers and the urgency of the case. Section 59 of the Abkari Act should be carefully explained to all officers and they must be distinctly made to understand the penalties to which the vexatious use of these powers will subject them, and in every case, where after due warning and instruction if subordinate officers are found to act in an oppressive way and make arrests etc without reasonable grounds, they must be prosecuted.

38. Report of searches, seizure arrests etc : - A report of all searches(whether successful or unsuccessful) seizure or arrest should be sent in From ER.1 to the Deputy Excise Commissioner and to the Magistrate concerned by the Inspector of the Range concerned with in 24 hours. In the absence of the Excise Inspector, the Assistant Excise Inspector must do this. In regard to the seizure of property, the nature of the disposal of the property such as (1) where it is deposited (2) in the case of animal, whether it has been detained in custody or returned under a bond and if so who is the surety (3) in the case of wash or other noxious material, whether samples alone are taken should be mentioned in the Occurrence Report.

39. Entry in GD : Record of all searches (whether successful or unsuccessful) seizures and arrests and enlargement of bail under the Excise Acts should then and there be made in the GD of the Ranges within the jurisdiction of which such search seizure, arrest etc are made. Full details regarding the time, place of arrest, the name of the persons arrested, the bail allowed, should also be entered in the GD and in form ER 12.

40. Ordinarily ER1 should be prepared by the Range Inspector if the case is detected-by him or by the Range staff in quadruplicate. One copy is to be sent to the Deputy Excise Commissioner, the 2nd one is to the Magistrate concerned, the 3rd is to be used for building up the case file, and the last one shall be retained as office copy. In the case of cases detected by Circle, Squads, Excise Intelligence Bureau etc ER1 should be prepared in quadruplicate by the officer detecting the case. One copy is to be sent to the Deputy Excise Commissioner of the Division from which the case is detected, one is to retain as office copy and another one is to send to the concerned Excise Range Inspector and one is to sent to the Magistrate. On receipt of this ER1 the Range Inspector must prepare OR1 and assign his Range CR. Number.

41. The Occurrence Report may be sent by post or by hand and in important cases if time is to be saved the report should be sent by hand. Only one book of this form should be used for all kinds of Abkari cases.

42. The date and the hour at which the ER1 is sent, received by the Deputy Excise Commissioner to whom it is addressed, the Crime Register number, the dates of commencement and closing of proceedings of the enquiry officer, the date of forwarding the charge report to the Magistrate and, in short, all information which will enable the Deputy Excise Commissioner or other Inspecting officer dealing with it to follow it up should be noted on the case file docket.

43. Findings should not be recorded on the dockets of the case files.

44. Under NDPS Act a copy of the First Information Report alone need be sent to the Deputy Excise Commissioner . However, Deputy Commissioner of Excise may also be given due notice when prosecution or appeals are instituted in such cases.

45. Filing of Charge Sheet:- When investigation is done by an Excise Inspector, the case has to be monitored by the concerned Circle Inspector of Excise and by the Asst. Excise Commissioner of the division. When investigation of a case is done by a Circle Inspector of Excise, the case has to be monitored by the Asst. Excise Commissioner and concerned Deputy Excise Commissioner. Final reports in major cases should necessarily be monitored by the Asst. Excise Commissioner and Deputy Excise Commissioner.

When culprits are not detected after investigation of a case, the case file shall be forwarded to the concerned Asst. Excise Commissioner for perusal. The Asst. Excise Commissioner shall peruse the case file and direct either to continue the investigation or to finalize the investigation and to file refer charge before the concerned court. No refer charge shall be filed by any investigating officer before obtaining sanction from the Deputy Excise Commissioner concerned.

NDPS CRIMES

Apart from the enforcement of Abkari laws in Kerala, Excise officers are also empowered for the detection and investigation of NDPS cases. As per section 43 of the NDPS Act all Excise officers are empowered to detect NDPS cases from their areas of jurisdiction. Illicit trafficking of narcotic materials are to be suppressed through stern action. Drug trafficking is carried out very secretly avoiding leakage of any information. Narcotic materials pass on from one person to another and one place to another place very secretly. Only the participants of that web know the movements of the group. The web ranges from petty peddlers to terrorist groups having international, interstate connections.

Consumption of Narcotic and Psychotropic Substances causes severe damage to the entire nation at large. As such, it is the personal responsibility of every Excise officer to sneak in to the secret groups and to book the offenders.

DETECTION OF NDPS CASES

Excise department is one of the prime enforcement agencies in our state empowered with the right of enforcement of NDPS Act. Section 43 of the NDPS Act empowers all officers of the Excise department to detect an NDPS case from a public place within his territorial jurisdiction. Section 42 of the NDPS Act empowers all officers of and above the rank of Excise Inspectors to conduct searches in any closed places within their jurisdiction.

Since the Act stipulates major punishments and since there are chances to incriminate innocent persons in NDPS cases, various mandatory provisions and procedures are stipulated for every action of the detecting officer such as sending the information taken down in writing to immediate official superior within 72 hours as per Section 42(2) of NDPS Act, sending a report of arrest and seizure to the immediate official superior within 48 hours as per section 57 of NDPS Act etc. When an authorised officer is about to search any person under provision 50(5) of NDPS Act, he shall record the reasons for such reasons for his belief and send it to the immediate official superior with in 72 hours.

All Excise officers of and above the rank of an Excise Inspector are empowered to detect cases under Section 42 of NDPS Act as per the Order No. SRO-1516/85 TD dated 07.11.1985. The Excise officers are empowered to detect NDPS cases from any place within the territorial jurisdiction to which they are appointed. As such Excise Range Inspectors have jurisdiction within their Ranges, Circle Inspectors of Excise Circles, have jurisdiction within their Circle area, Excise Inspectors of Circle offices have jurisdiction within their circle area, Circle Inspectors and Excise Inspectors of Excise Enforcement and Anti Narcotic Special Squads have jurisdiction within the entire district area wherein they are appointed. Assistant Excise Commissioners, Deputy Excise Commissioners, Joint Excise Commissioners, Addl. Excise Commissioners and Excise Commissioner have jurisdiction to detect NDPS cases within the area to which they are appointed.

Detection of NDPS cases can either be a chance recovery or a recovery by search. All procedures mentioned in the Act and in the Orders of Hon'ble Supreme Court should necessarily be followed while detecting an NDPS case.

All actions performed by the detecting officer before and after the seizure of contraband should be recorded in the form of a Mahazar. Searches, seizures and arrests should be done according to the provisions stipulated in the NDPS Act, Cr.PC, and Orders of the Hon'ble Supreme Court.

COLLECTION OF SAMPLES

The Hon'ble Supreme Court of India, in its judgement in Criminal Appeal No. 652/2012 dated 28.01.2016 directed as follows.

“No sooner the seizure of any Narcotic Drugs and Psychotropic and controlled Substances and Conveyances is effected, the same shall be forwarded to the officer in-charge of the nearest police station or to the officer empowered under Section 53 of the Act. The officer concerned shall then approach the Magistrate with an application under Section 52A(ii) of the Act, which shall be allowed by the Magistrate as soon as may be required under Sub-section 3 of Section 52A, as discussed by us in the body of this judgement under the heading ‘seizure and sampling’. The sampling shall be done under the supervision of the magistrate as discussed in paras 13 and 14 of this Order”.

Para 13 of the Judgement stated as follows: “It is manifest from Section 52A (2)(c) (Supra) that upon seizure of the contraband the same has to be forwarded either to the officer in-charge of the nearest police station or to the officer empowered under Section 53 who shall prepare an inventory as stipulated in the said provision and make an application to the Magistrate for purposes of (a) certifying the correctness of the inventory (b) certifying photographs of such drugs or substances taken before the Magistrate as true and (c) to draw representative samples in the presence of the Magistrate and certifying the correctness of the list of samples so drawn. Sub-section (3) of Section 52-A requires that the Magistrate shall as soon as may be allow the application. This implies that no sooner the seizure is effected and the contraband forwarded to the officer in charge of the Police Station or the officer empowered, the officer concerned is in law duty bound to approach the Magistrate for the purposes mentioned above including grant of permission to draw representative samples in his presence, which samples will then be enlisted and the correctness of the list of samples so drawn certified by the Magistrate. In other words, the process of drawing of samples has to be in the presence and under the supervision of the Magistrate and the entire exercise has to be certified by him to be correct. The question of drawing of samples at the time of seizure which, more often than not, takes place in the absence of the Magistrate, does not in the above scheme of things arise. This is so especially when according to Section 52-A(4) of the Act, samples drawn and certified by the Magistrate in compliance with sub-section (2) and (3) of Section 52-A above constitute primary evidence for the purpose of the trial. Suffice it to say that there is no provision in the Act that mandates taking of samples at the time of seizure. That is perhaps why none of the states claim to be taking samples at the time of seizure. Be that as it may, a conflict between the statutory provision governing taking of samples and the standing order issued by the Central Government is evident when the two are placed in

juxtaposition. There is no gainsaid that such a conflict shall have to be resolved in favour of the statute on first principles of interpretation but the continuance of the statutory notification in its present form is bound to create confusion in the minds of the authorities concerned instead of helping them in the discharge of their duties”.

In this circumstances, the Excise Officers empowered to detect NDPS cases are to comply with the direction of the Hon’ble Supreme Court of India in the matter of sampling of seized narcotic drugs and psychotropic substances particularly in the following manner.

1. Upon seizure of the contraband, the same has to be forwarded either to the officer in charge of the nearest police station or to the officer empowered under section 53 of the NDPS Act, who shall prepare an inventory of such narcotic drugs and psychotropic substances as provided in section 52 A of the NDPS Act, and make an application to the Magistrate for the purpose of
 - (a) Certifying the correctness of the inventory so prepared; or
 - (b) Taking in the presence of such Magistrate photographs of such drugs or substances and certifying such photographs as true; or
 - (c) Allowing to draw representative samples of such drugs or substances, in the presence of such Magistrate and certifying the correctness of any list of samples so drawn.
2. Such application for sampling and certification are to be made without undue delay.
3. If the officer conducting the seizure is also the officer empowered under Section 53 of the Act, he shall prepare the inventory and application for sampling and certification and submit before the Magistrate.

The Officer conducting the seizure is also obliged to report the act of seizure and the making of application to the superior officer in writing.

The seizure of the contraband must be followed by an application for drawing of samples and certification as contemplated under Section 52A of NDPS Act. The process of making such application and resultant sampling and certification by the Magistrate is mandatory. There should not be any delay in the matter of making of an application for drawing samples and certification under Section 52A and the Magistrate on receipt of any such application will attend to the application and do the needful within a reasonable period without any undue delay.

REGISTRATION OF NDPS CASES

Excise officers of and above the rank of Excise Inspectors are empowered to register an NDPS case. Assistant Excise Inspectors, holding charge of Excise Inspectors can also register NDPS cases in their offices. NDPS cases shall be registered in Form III issued by the Govt in this regard. Unlike Abkari cases, NDPS cases can be registered in all Excise offices. At Range offices, NDPS cases shall be registered by the concerned Excise Inspector or the Assistant Excise Inspector in charge of Excise Inspector. At Circle offices, NDPS cases shall be registered by the concerned Circle Inspector or by the Excise Inspector holding charge at that time. At Excise Special Squads, NDPS cases shall be registered by the Circle Inspector of the office or by the Excise Inspector in charge of the Circle Inspector. Superior officers can also register NDPS cases in any Range/Circle/Special Squad offices within their jurisdiction, in the absence of concerned officers. The case registering officer shall conduct a preliminary enquiry by perusing the documents produced before him and also by interrogating the arrested persons, before registering the case.

All the provisions stipulated in the NDPS Act, Cr.PC and orders of Hon'ble Supreme Court should necessarily be followed before and after the registration of the case. After completing the procedures by completing the mandatory provisions, the arrested persons along with connected documents and thondy articles shall be produced before the concerned Judicial Magistrate. The inventory and application for sampling and certification shall also be forwarded to the Magistrate as stipulated above under the heading 'collection of samples'.

BAIL

If the persons arrested are involved in aailable offence, the accused person has a right to get bail. Hence the case registering officer can grant bail to the accused person involved in aailable NDPS case. The provisions related to bail in the NDPS Act and Cr.PC. has to be necessarily followed before granting bail. If no one appears to bail out the accused person, he should be produced before the magistrate within 24 hours from the time of arrest.

INVESTIGATION

Investigation of an NDPS case starts as soon as the case is registered. The Excise Inspector shall forward the accused persons, thondy articles and connected documents to the concerned courts as early as possible or within the time stipulated as per rules. He shall start investigation of the case also. Case diary shall be prepared immediately by recording the investigation details in chronological order.

The supervision and monitoring of the progress of the investigation shall be done by the concerned Circle Inspectors and also by the concerned Asst. Excise Commissioner of the

division. Major cases involving more quantity of NDP substances may be got investigated by a senior officer or a team of officers and entrustment of investigation should be done by Government. Government can authorize any Excise officer to investigate a particular case or constitute a team comprising any officers for the purpose.

Investigating officer of an NDPS case has all the powers of a Police Officer mentioned in the CrPC. Investigation of a case shall be completed at the earliest without any delay. All aspects regarding the crime such as source, destination, abettors etc. shall be investigated and complaint filed against the culprits.

Documents seized during the course of investigation shall be produced before the court in Form 15 of Criminal Rules of Practice. The fact of recovery of all documents and materials during investigation shall be recorded in the case diary.

POWER TO SUMMON WITNESS

An officer investigating an NDPS offence has the power U/S 53 (2) of NDPS Act to summon any person to appear before him and ask him to adduce evidence. The restrictions mentioned in Cr.PC. are equally applicable in this case also. Any person who is legally bound to obey the summons, willfully abstains or disobeys the summons shall be prosecuted under IPC by filing a petition before the concerned Magistrate. His presence before the Investigating officer can be attained by this way.

However the Investigating officer can also directly meet the witness and record his statements instead of summoning him to the office. In NDPS cases the witnesses usually are not victims or interested persons. Hence the practice of summoning witnesses to offices may be avoided to the possible extent.

Oral evidence can be recorded or caused to be recorded by the Investigating officer in writing or electronically. All statements recorded should be attested by the Investigating officer. Signed statements of witnesses in NDPS cases are also admissible as per Section 53A of NDPS Act. Signed confession statements of accused are also admissible in NDPS cases.

POWER TO PRODUCE DOCUMENTS

Sec. 91 of Cr.PC. empowers investigating officers to issue such summonses to produce a document etc. In investigation of NDPS cases the Investigating officers are empowered to issue such summons.

CONFESSIONS

Confession of an accused person can be recorded by the case registering officer or by the Investigating officer. Confession statement means any statement given by an accused person voluntarily, without any inducement, threat or promise as mentioned in section 24 of the Indian Evidence Act. The recorded statement should necessarily be signed by the deponent and by the recording officer. However it is advisable to record confessions by the competent Magistrate under section 164 Cr.PC, if the accused person admits to it.

Relevant portions of the confessions can be used by the investigating officer for the progress of investigation.

INVESTIGATION OUTSIDE JURISDICTION

When investigation of a case is to be conducted outside the territorial jurisdiction of an officer, he shall obtain sanction to move out of the jurisdiction from the Deputy Commissioner of Excise concerned. When it is intended to move out of the state, sanction of the concerned Joint Excise Commissioner shall be obtained. Official vehicles and assisting officers shall also be taken after obtaining sanctions as aforesaid.

FILING OF COMPLAINT

When investigation is done by an Excise Inspector, the case has to be monitored by the concerned Circle Inspector of Excise and by the Asst. Excise Commissioner of the division. When investigation of a case is done by a Circle Inspector of Excise, the case has to be monitored by the Asst. Excise Commissioner and Deputy Excise Commissioner. Final reports or complaints in major cases should necessarily be monitored by the Asst. Excise Commissioner.

Complaints in major cases should necessarily be perused by the Assistant Excise Commissioner and the case file submitted before the filtering committee. When no additions or omissions of accused persons had occurred, it is only necessary to obtain ratification for the complaint. The decision of approval or ratification is to be taken by the concerned Assistant Excise Commissioner.

When culprits are not detected after investigation of a case, the case file shall be forwarded to the concerned Asst. Excise Commissioner for perusal. The Asst. Excise Commissioner shall peruse the case file and direct either to continue the investigation or to finalize the investigation and to file refer report before the concerned court. No refer report shall be filed by any investigating officer before obtaining sanction from the Asst. Excise Commissioner concerned. When investigation in such cases are conducted by Asst. Excise Commissioner, sanction for filing refer report shall be obtained from the Deputy Commissioner of Excise or the Joint Excise Commissioner concerned.

**SPECIMEN OF FORMS TO BE FILLED DURING AND AFTER THE
DETECTION OF ABKARI OFFENCE**

FORM E. R. 3

List of contraband articles found on search under section.....of the Kerala.....of.....in the house ofsituated in..... Taluk..... Village.

On.....20..... ata.m./p.m.
E.R. 1 No.....of.....RangeCircle

<i>Property Seized</i>				<i>From what part of the house obtained</i>	<i>Remarks</i>
<i>Description</i>	<i>Number</i>	<i>Quantity</i>			
		<i>Bul./Gall</i>	<i>Kg./gr.</i>		

Witnesses at the time of search

- 1.
- 2.
- 3.

Owner of the house searched

Officer conducting search.

അറസ്റ്റ് അറിയിപ്പ്

20-.....ാം ആഴ്ച മാസംതീയതി
 പകൽ/രാത്രി.....മണിക്ക്..... താലൂക്കിൽ
വില്ലേജിൽദേശത്ത്
എന്ന സ്ഥലത്ത് ചാരായം/കളളി/കോട/വിദേശമദ്യം/കഞ്ചാവ്/അരിഷ്ടം എന്നിവ കൈവശം വച്ച് സൂക്ഷിച്ചുകൊണ്ടിരിക്കുന്നതിനാൽ/കടത്തിക്കൊടുക്കുന്നതിനാൽ/കൈകാര്യം ചെയ്തുകൊടുക്കുന്നതിന്/വിൽപന നടത്തിക്കൊടുക്കുന്നതിന് താലൂക്കിൽ
വില്ലേജിൽ..... ദേശത്ത്
വീട്ടിൽ.....
മകൻ/മകൾ ആയവയസ്സുള്ള
നെ/യെ അബ്കാരി ആക്ട് പ്രകാരം പ്രതിയായി അറസ്റ്റു ചെയ്തു എന്ന വിവരം അറിയിക്കുന്നു.

അറസ്റ്റ് അറിയിപ്പ് അറിയിക്കുന്ന
 ഉദ്യോഗസ്ഥന്റെ പേരും, ഒപ്പും, തീയതിയും

അറസ്റ്റ് അറിയിപ്പ് കൈപ്പറ്റിയിരിക്കുന്നു.

.....(പ്രതിയുടെ ബന്ധു(.....)
 ആയതാലൂക്കിൽവില്ലേജിൽ
ദേശത്ത്വീട്ടിൽ
മകൻ/മകൾ

ഒപ്പ്:
 തീയതി:

**കേരള സംസ്ഥാന എക്സൈസ് വകുപ്പ്
അറസ്റ്റ് മെമ്മോ**

.....-ാംമാ ിമാസം..... തീയതി
മണിക്ക്..... താലൂക്ക്..... വില്ലേജ്
ദേശംസ്ഥലത്തു
 വച്ച്/കുടി കൈവശം വച്ച് കൈകാര്യം ചെയ്തതിന്/കടത്തി
 കൈ ു വന്നതിന്താലൂക്കിൽ
വില്ലേജിൽദേശത്ത്
വീട്ടിൽ മകൻ/മകൾ
 എന്നയാളെ നിലവിലുള്ള അബ്കാരി ആക്റ്റിൻ പ്രകാരം അറസ്റ്റു ചെയ്തു.

പ്രതിയെക്കുറിച്ചുള്ള വിവരണം

- 1) പേര് :
- 2) സ്ത്രീ/പുരുഷൻ :
- 3) വയസ്സ് :
- 4) ശാരീരിക പ്രകൃതി :
- 5) തലമുടിയുടെ നിറം :
- 6) തൂക്കം (ഉദ്ദേശം) :
- 7) ഉയരം (ഉദ്ദേശം) :
- 8) തിരിച്ചറിയാനുള്ള അടയാളങ്ങൾ 1.
2.
- 9) അറസ്റ്റ് ചെയ്യപ്പെട്ട ആളിന്റെ ഒപ്പും
വിരലടയാളവും :
- 10) സാക്ഷികളുടെ പേരും വിലാസവും ഒപ്പും :

അറസ്റ്റ് ചെയ്ത ഉദ്യോഗസ്ഥന്റെ ഒപ്പും
പേരും ഉദ്യോഗപ്പേരും

സ്ഥലം
തീയതി

FORM E.R.14

20.....ൽ സി.ആർ.നമ്പർ.....

എക്സൈസ് ഡിപ്പാർട്ട്മെന്റ്, കേരള സംസ്ഥാനം

1077-ലെ അബ്കാരി ആക്ട്..... വകുപ്പ് പ്രകാരം കച്ചീട്ടും ജാമ്യശീട്ടും.....താലൂക്കിൽ..... വില്ലേജ്ദേശത്തിരിക്കും.....ആയ ഞാൻആക്ട്വകുപ്പു പ്രകാരം കുറ്റം ചെയ്തിട്ടുള്ളതായ ഒരു ചാർജ്ജ് സംഗതിക്ക് ഉത്തരം പറവാൻ എക്സൈസ് ഇൻസ്പെക്ടർ മുമ്പാകെ ഹാജരാവുന്നതിന് ആവശ്യപ്പെട്ടിരിക്കയാൽ ടി ഇൻസ്പെക്ടറുടെ മുമ്പാകെ മാസംാം തീയതി പകൽമണിക്ക് ഹാജരാവാനും മേൽപ്പറഞ്ഞ ചാർജ്ജ് സംഗതിക്ക് ഉത്തരം പറയുവാൻ മറ്റു വിധത്തിൽ കൽപ്പിക്കുന്നതുവരെ ദിവസേന അങ്ങനെ ഹാജരാകുവാനും ഇതിനാൽ നിർബന്ധിതനാകുന്നതുകൂടാതെ ഇതിന് വീഴ്ച വരുത്തിയാൽ കേരള സർക്കാരിലേക്ക്ഉറുപ്പിക പിഴ കൊടുപ്പാനും ഞാൻ ബാധ്യസ്ഥനായിരിക്കുന്നു.

20..... മാസം.....-ാം തീയതി

(ഒപ്പ്)

മേൽ പേരെഴുതിയആളുകളുടെ മേൽ ആരോപിക്കപ്പെടുന്ന കുറ്റത്തിന് ഉത്തരം പറയുവാൻ അയാൾ 20-ാം ആ്മാസം -ാം തീയതി പകൽ മണിക്ക് അവർകളുടെ മുമ്പാകെ ഹാജരാകുമെന്നുള്ളതിലേക്കും ടി ഇൻസ്പെക്ടർ അവർകൾ മറ്റു പ്രകാരത്തിൽ കൽപ്പിക്കുന്നതുവരെ കുറ്റത്തിന് ഉത്തരം പറയുവാൻ ദിവസേന അങ്ങനെ ഹാജരായിരിക്കുമെന്നുള്ളതിലേക്ക് ഞാൻ/ഞങ്ങൾ എല്ലാവരും കൂടിയും/ഓരോരുത്തരായും മേൽപ്പറഞ്ഞ എന്നയാൾക്ക് ജാമ്യമായി/ജാമ്യക്കാരായി/രിക്കുന്നു. അയാൾ ഇതിന് വീഴ്ച വരുത്തുന്നപക്ഷം കേരള സർക്കാരിലേക്ക്ഉറുപ്പിക പിഴ അടപ്പാൻ ഞാൻ/ഞങ്ങൾ ഇതിനാൽ ബാധ്യതപ്പെട്ടിരിക്കുന്നു.

ജാമ്യക്കാർ

- 1.
2.

Form E.R. 1 / ഫോറം ഇ.ആർ.1

EXCISE DEPARTMENT-KERALA STATE

No of Range Circle
 നമ്പർ റെയിഞ്ച് സർക്കിൾ

CRIME AND OCCURRENCE REPORT

കുറ്റത്തിന്റേയോ സംഭവത്തിന്റേയോ റിപ്പോർട്ട്

1. Whether detected personally or on information :
 തന്നത്താനോ അറിവിൻമേലോ കണ്ടുപിടിച്ചത്

2. Locality :
 സ്ഥലം

3. Accused :
 പ്രതി

No നമ്പർ	Name പേര്	Father's of husband's name അച്ഛന്റെയോ ഭർത്താവി ന്റെയോ പേര്	Residence വാസസ്ഥലം	Caste ജാതി	Occupation തൊഴിൽ	If arrested, date and hour അറസ്റ്റ് ചെയ്തതെ ങ്കിൽ തീയതിയും സമയവും	Remarks റിമാർക്സ്
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)

4. Section of law or rule under which case falls:
 കുറ്റം ആക്റ്റിന്റെ അല്ലെങ്കിൽ റൂളിന്റെ ഏതു വകുപ്പിൽ
 പ്പെട്ടു എന്ന്

5. Description and quantity of articles seized
 And how disposed of :
 ബന്തവസ്തു ചെയ്യപ്പെട്ട സാധനങ്ങളുടെ വിവരവും
 സാധനങ്ങൾ എന്തു ചെയ്തു എന്നും

6. Witness
 സാക്ഷികൾ

No നമ്പർ	Name പേര്	Official rank, father's or husband's name ഉദ്യോഗം അച്ഛന്റെ അല്ലെങ്കിൽ ഭർത്താവിന്റെ പേര്	Residence വാസസ്ഥലം	Remarks റിമാർക്സ്
(1)	(2)	(3)	(4)	(5)

7. Description of occurrence including date and hour
 Particulars of search, seizure, etc
 കേസിയുടെ വിവരണം (തീയതി, സമയം ഉൾപ്പെടെ പരിശോധനയുടെയും സാധനങ്ങൾ ബന്ധപ്പെട്ടു ചെയ്തതിന്റെയും മറ്റും വിവരം

Excise/NDPS Form III

**KERALA STATE EXCISE DEPARTMENT
 CRIME AND OCCURRENCE REPORT**

Sl. No.

1. Whether detected personally or on information :
2. Place of occurrence :
3. Date of occurrence with time :
4. Distance and directions from the Excise Office :
of the detecting officer
5. (a) Name and address of the Accused :
(b) Name of Father/Husband (as the case may :
be) of the accused
(c) Caste :
(d) Approximate age :
(e) Identifiable marks if any :
6. If arrested, date and hour of arrest :
7. Section/sections of NDPS Act, 1985 as :
amended from time to time and rule/rules
made thereunder
8. Description of Narcotic Drugs/ Psychotropic :
substances seized and how disposed off
9. Name and address of witness
1. :
2. :
10. Brief description of offences :
11. Remarks :
12. Signature and address of officer in-charge of :
Excise Station

Excise/Form No. VI

KERALA EXCISE DEPARTMENT

TEST MEMO

Name & address of-Seizing Organisation

.....
.....

.....F. No.

SECTION I

(For use by the Seizing Officer)

Sl. No.

- 1. File No. (C. R. No.) :
- 2. Name and address of the offender :
- 3. Alleged description of drug and the weight of the sample/samples (net weight) :
- 4. Date and place of seizure :
- 5. Date of drawal and despatch of sample :
- 6. No. of samples and marking on each of them for identification :
- 7. (a) Description of seal :
- (b) Number of seal put in the Sample :
- 8. Facsimile of seal :

Name & Designation of the Forwarding Officer.

Counter Signature of the Magistrate.

SECTION II
(For use in the Laboratory)

Date of receipt in the Laboratory

Weight as found (net weight) in Laboratory

*Name & Signature of the Chemist
acknowledged the drug*

FORWARDING NOTE

Where the examination of any material required at Laboratory,

Police Station :

District :

State : Sec. of Law :

1. NATURE OF CRIME

(This should cover nature of charge, brief history and other relevant details)

II. LIST OF EXHIBITS SENT FOR EXAMINATION

SI. No.	<i>Description of the Exhibits</i>	<i>How, when and by whom found Exhibits</i>	<i>Source of Remarks</i>

III. NATURE OF EXAMINATION REQUIRED

(Including any information which will assist the examination)

Memo

Date:

Forwarding to the Director,Laboratory,

Specimen Seal

Signature of Forwarding Officer

impression

Designation of the Forwarding Officer

Certified that the Director,Laboratory, has the authority to examine the exhibits sent to him in connection with the case of State versus.....under section and if necessary to take them to pieces of remove portion for the purpose of the said examination.

Signature of Forwarding Officer

Designation of the Forwarding Officer

FORM TO BE USED WHEN EXHIBITS SEIZED UNDER ABKARI ACT 1077 KERALA ABKARI SHOPS (DISPOSAL IN AUCTION) RULES 1974, RULE 7 OF CHAPTER V AND RULE 8 SUB RULE (2) OF CHAPTER VII ARE FORWARDED TO THE CHEMICAL EXAMINER TO GOVERNMENT

From

To

The Chemical Examiner to Government
Chemical Examiner's Laboratory,
.....

Sir,

I request you to arrange for the material objects sent through the Civil Excise Officerbeing subjected to chemical analysis and report whether they contain ethyl alcohol as prescribed in the Abkari Act (25 up-42.8v/v) and the necessary certificate issued to me.

Yours faithfully,

- 1. Nature of Sample (Country liquor, Foreign liquor etc.) :
- 2. The Nature of Examination required : To Ascertain the percentage by vol. of ethyl alcohol in the liquid and any other injurious ingredients.
- 3. Brief Summary of the history of the case and any other information available relevant for examination in the laboratory :
- 4. A list of articles forwarded and a statement as to how they have been forwarded :
- 5. Whether the bottles are labelled indicating nature of Article, Crime No.and quantity of sample :

- 6. Information as to whether any of the articles are to be returned after examination :
- 7. Section of the enactment under which charged :
- 8. Crime number of Excise Range :
- 9. The date to which case is posted (This is to enable this officer to give priority for examination) :
- 10. Space for sample seal :

Counter Signed.!..... Magistrate

Special Instructions:

- 1. Not less than 150ml. of sample should be forwarded in each case.
- 2. Bottle should be rightly stoppered labelled and sealed.
- 3. Chemically clean bottles should be used.

Your's faithfully,

KERALA EXCISE

CASE DIARY

കേസ് ഡയറി

Excise Range

എക്സൈസ് റേഞ്ച്

Crime/Occurrence No.

ക്രൈം/ഒക്കറൻസ് നമ്പർ

Date and place of Occurrence

സംഭവസ്ഥലവും തീയതിയും

Offence

കുറ്റം

District

ഡിസ്ട്രിക്ട്

Case Diary No.

കേസ് ഡയറി നമ്പർ

Date (with hours) on which action was taken പ്രവൃത്തി എടുത്ത തീയതിയും മണിക്കൂറും	Record of Investigation അന്വേഷണത്തിന്റെ റിക്കാർഡ്

ക്രമ നമ്പർ	പിടിച്ചെടുത്ത സാധനങ്ങളുടെ വിവരണം	ക്രൈം നമ്പർ	ആരിൽ നിന്നും/എവിടെ നിന്നും കൂകിട്ടി/പിടിച്ചെടുത്തു	തീരുമാനം

10. ചാർജ്ജ് ചെയ്യപ്പെട്ട കുറ്റാരോപിതരുടെ വിവരണങ്ങൾ

- (i) പേര് :
- (ii) അച്ഛന്റെ പേര്/ഭർത്താവിന്റെ പേര് :
- (iii) തീയതി/ജനന വർഷം :
- (iv) സ്ത്രീ/പുരുഷൻ :
- (v) ദേശീയത :
- (vi) മതം :
- (vii) പട്ടികജാതിയോ/വർഗ്ഗമോ :
- (viii) തൊഴിൽ :
- (ix) മേൽവിലാസം :
- (x) അറസ്റ്റു ചെയ്ത തീയതിയും സമയവും :
- (xi) ജാമ്യത്തിൽ വിട്ട തീയതിയും സമയവും :
- (xii) കോടതിക്കയച്ച തീയതി :

- (xiii) ജാമ്യക്കാരുടെ പേരും വിലാസവും :
- (xiv) കുറ്റാരോപിതന്റെ ഇപ്പോഴത്തെ അവസ്ഥ :
 ജാമ്യത്തിൽ വിട്ടു/എക്സൈസ് കസ്റ്റഡിയിൽ/കോടതി ജാമ്യം നൽകി/
 ജുഡീഷ്യൽ കസ്റ്റഡിയിൽ/ഒളിവിൽ
 (പ്രതികൾ കൂടുതൽ ഉണ്ടെങ്കിൽ
 പ്രത്യേക ഷീറ്റുകൾ തയ്യാറാക്കി
 ചേർക്കുക

11. പരിശോധിക്കേ സാക്ഷികളുടെ വിവരങ്ങൾ

ക്രമ നമ്പർ	പേര്	അച്ഛന്റെ/ ഭർത്താവിന്റെ പേര്	ജനന തീയതി ജന്മവാർഷം	തൊഴിൽ	മേൽ വിലാസം	സമർപ്പിക്കേ തെളിവിന്റെ സ്വഭാവം

12. പരീക്ഷണശാലയിലെ അപഗ്രഥനഫലം

13. കേസിന്റെ സംക്ഷിപ്തരൂപം.

CHAPTER XXVI**UNIFORMS AND UNIFORM ALLOWANCE**

Details of Uniform

A. Review Order – To be worn, while on duty on all State ceremonies, presentation of guards of honour, ceremonial parades or wherever full dress is ordered.

B. Working Dress – To be worn in office, while on duty in Court, on investigation, enforcement and other duties, or whenever Review Order is not required.

1. **Excise Circle Inspectors:** – (a) Review Order will consist of –
 - (i) Peak Cap- Khaki Gaberdine, Cap Badge with the letter “K.E.S.” and Asoka Emblem and embossed buttons with the letters “K.E.S” in yellow metal or gilt.
 - (ii) Jacket and Trousers – Khaki Gaberdine or Terri Cotton (Police cut) with embossed button in yellow metal or gilt on sleeves, packets and front of the jacket.
 - (iii) Sambrown Belt
 - (iv) Khaki Shirt full sleeves
 - (v) Khaki tie
 - (vi) Black whistle chord- (Police model), with whistle.
 - (vii) Brown shoes with toe –cap and 5 eyelets or angle boots brown.
 - (viii) Khaki socks, Nylon or Cotton.
 - (ix) Baton-Officer’s baton with metal covering on either end with the letters “K.E.S.” embossed.
 - (x) Badges of Rank- Three 5 pointed stars in yellow metal or gilt on the centre of each strap, evenly placed lengthwise, with metal badge bearing the letters “K.E.S.” at the base and ribbon black and red horizontally divided on each shoulders strap worn between metal badge and stars.
 - (xi) Medals and decorations-Recognised medals will be worn with bars wherever authorized.
 - (xii) (a) Sword, sword knot and scabbard will be optional.

(b) Working Dress will consists of-

- (i) Peak Cap-as described in (1) above, Beret with cap badge, in yellow metal or gilt.
- (ii) Slacks Khaki-Cotton or Terry Cotton.
- (iii) Shirts/Bush Shirt-Khaki Cellular or Terry Cotton-Police cut with horn or Nylon buttons in matching shade.
- (iv) Badge or rank-As prescribed in (x) above.
- (v) Black whistle chord and whistle.
- (vi) Khaki socks
- (vii) Brown shoes with 5 eyelets and toe cap Ankle Boots
- (viii) Officer's Batton.

Notes:- when wearing slacks and shorts, leather/web waist belt with prescribed buckle and emblem shall be worn. When wearing slacks and bush shirts, cloth belt with buckle in yellow metal or gilt shall be worn. All metal article of uniform shall be of yellow metal or gilt. Khaki cloth shall be cotton, terry cotton or khaki gabardine of approved shade.

2. **Assistant Excise Commissioners:-** Review Order and working dress as above except in Badges of Rank, which will consist of three five-pointed stars on each shoulder strap, evenly placed lengthwise with metal badge bearing the letters "K.E.S."
3. **Assistant Excise Commisioner Higher Grade:-** Review Order and working dress as above except in Badges of Rank, which will consist of Asoka Emblem on each shoulder strap and metal badge bearing the letters "K.E.S."
4. **Deputy Excise Commissioners:-** Review Order and Working dress as above except in Badges of rank, which will consist of Asoka Emblem and one five pointed star on each shoulder strap and metal badge bearing the letters "K.E.S."
5. **Joint Excise Commissioner:-** Review Order and working dress as above except in badges of rank which will consist of an Asoka Emblem and two five pointed star worn on each shoulder strap and metal badge bearing the letters "K.E.S."

Provided that when officers from the Indian Police Service are appointed on deputation to the post of Joint Excise Commissioner they shall wear uniform and badges of rank according to their rank in the Police Department.

SCHEDULE II

KERALA EXCISE AND PROHIBITION SUBORDINATE SERVICE**Details of Uniform-**

(A) Review Order- to be worn while on duty on all State ceremonies, Presentation of guards of honour, ceremonial parades or whenever full dress is ordered.

(B) Review Order- To be worn in office, while on duty in court, on investigation, enforcement and other duties, or whenever Review Order is not required.

1. Excise Inspectors:- (a) Review order will consist of:-

- (i) Peak Cap-In approved Khaki colour and cap badge in yellow metal/gilt.
- (ii) Khaki Jacket and Khaki Trousers, Khaki cotton/Terry cotton in police cut.
- (iii) Sambrowne belt.
- (iv) Khaki shirt full sleeves.
- (v) Khaki tie
- (vi) Black whistle chord and whistle.
- (vii) Brown Ankle/Brown shoes with 5 eyelets and toe cap.
- (viii) Khaki socks
- (ix) Badges of rank-two 5-pointed stars yellow metal or gilt on the centre of each shoulder strap evenly placed with metal badge bearing the letters K.E. gold or gilt on the base of each shoulder strap and ribbon half red and half black horizontally divided worn between the metal Badges and stars.
- (x) Medals and decorations-Recognised medals will be worn with bars wherever authorized.
- (xi) Sword, sword knot and scabbard will be optional.

Note:- When wearing shorts, Khaki socks and anklers or putties shall be worn.

(b) Working dress will consist of:-

- (i) Shorts-Khaki, Cotton or Terry Cotton of approved shade.
- (ii) Bush Shirt-Khaki Cotton or Terry cotton of approved shade.
- (iii) Peak Cap or Khaki Beret with Emblem.
- (iv) Khaki shirts and trousers

- (v) Waist belt in Web or Leather.
- (vi) Khaki socks
- (vii) Brown shoes/Ankle Boots.
- (viii) Officer's Batton.

Note:- While wearing shorts and shirt, sambrowne belt, socks, anklets/putties, ankle boots and officer's batton or other arms prescribed for officers shall be worn.

2. **Assistant Excise Inspector:-** Uniform will be the same as above except in badges of rank which will consists of one five pointed star in yellow metal or gilt, worn in the centre of each *shoulder strap*.

3. **Preventive Officers:-**

- (1) Shirt Terry Cotton Khaki with open tennis collar and half sleeves fully open at the front with a pleat 4 cm in width running from neck to bottom with necessary numbers of Khaki bone or plastic buttons of medium size. Two breast pockets of 14 cm. and 12 cm. with three point flap and shall wear three "V" shaped chevron on their half sleeves.
- (2) Full length pants:- Full length, terricotton Khaki pants with two pockets in each side and one right hip pocket without flap on the back. Bottom without turn up and shaped from instep to heels. Bottom measures between 43 cm. and 48 cm. single outward pleat at the waist on either side in the front and three fixed loops for belt(withoutbuttons) two on either side and one on the back.
- (3) Lanyard:- In place of whistle and chain a single cord lanyard with whistle to be worn on right shoulder in Khaki colour.
- (4) Head Dress-Black peak cap with green band. Asoka emblem 2.9cm x1.5 cm. shall be worn in the centre in front chain strap of brown leather, 1.5 c.m. wide buttoned on to two gorget buttons placed immediately behind the corners of the peak.
- (5) Belt-Black leather with buckle in white metal rectangular in shape 9 cm x 6 cm with black letters "K.E." of size 3 cmx1.5 cm. in white metal fixed in the centre
- (6) Socks-Khaki socks
- (7) Shoes-Black leather shoes.

Note:- While wearing as working dress, when on operational duties Preventive Officers may wear Khaki slouch hat (with yellow bank at Cap base and Asoka Emblem), brown canvas shoes with Khaki woolen socks, hose-tops and anklets and web belt, along with their prescribed uniform, on the orders of the officer-in-charge. Lathi shall be worn only on separate orders.

4. **Civil Excise Officers:-** The Uniforms will be the same as in the case of Preventive Officers except that “V” shaped chevron on their sleeves.
5. **Drivers:-** Uniform of drivers shall consist of full length terricot cotton khaki pants, terricot cotton khaki shirts, web or leather belt with buckle, khaki socks, brown canvas shoes, khaki beret, cap badge on departmental colours and shoulder badge”K.E.”. Drivers Grade I shall wear silk sash red with buckle instead of leather belt.
Note:- Drivers who have completed 8 years of service shall wear three “V” shaped chevron in white colour stitched in the left sleeve of the uniform shirt.
6. **Cleaners:-** Uniform of cleaners shall consist of trousers, shirt, web or leather belt with buckle, khaki socks, brown canvas shoes, khaki beret, cap badge on departmental colours and shoulder badge.

GUIDELINES TO BE OBSERVED WHILE WEARING UNIFORM

Every member of the Kerala Excise and Prohibition Service and the Kerala Excise and Prohibition Subordinate Service shall observe the following guidelines while wearing uniforms, namely:-

- (i) Uniform should be worn in full and not in parts.
- (ii) If Lathi or Baton is carried, it must not be swung or waived about.
- (iii) While sitting, the cap may be moved and kept in the lap (or on a hat rack).
- (iv) At religious places there is no objection in removing those parts of the uniform the wearing of which is prohibited by custom.
- (v) The Khaki worn must be either Khaki gabardine or cotton or terry cotton, all of the prescribed shade.
- (vi) Those who are on parade should not wear wrist watches; gold chains should not be visible.

- (vii) Ordinary spectacles are permitted for those with defective vision, but dark glasses and goggles are prohibited when an officer is on parade.
- (viii) Pens, Pencils etc., shall not be seen just out of pocket.
- (ix) Keeping hands in pockets of trouser is prohibited.
- (x) Hair should be so cut that it does not project outwards and outside the vertical line of the rim of head dress when it touches the head.
- (xi) No beard is permitted except on special occasion approved by the Excise Commissioner.
No side buns are permitted and the face shall be shaved up to a level higher than the level; of the centre of the ear.
- (xii) Smoking, chewing and chewing gums are not permitted.
- (xiii) The head dress and belt shall be removed while taking food except when it is not practicable.
- (xiv) No visible caste or religious mark should be worn or shown.
- (xv) (xv) If respect is to be shown to anybody (man or woman) proper salute may be given.
There is no restriction that salutes by individual officers are to be restricted to persons in authority only. Officers shall stand erect while saluting and not bow down.
- (xvi) The correct way of respects to a dead body is by saluting it properly.
- (xvii) The whistle shall always be worn at the end of the lanyard.
- (xviii) When a group of officers are together, only the senior most will receive or give salute. Others will stiffen to attention.
- (xix) When entering or leaving a room, only the senior most present need to salute even if other officers are present.
- (xx) All judicial officers shall be saluted irrespective of rank.

Uniform Allowance:- Uniform allowance is allowed to Excise Officials annually. Payment of uniform allowance will be subject to the following conditions:-

Uniform allowance is inclusive of stitching and washing charges and cost of cloth.

Uniform specifications (colour, type, item, size etc) have to be fixed by the government in respect of different categories of employees.

Controlling officers are free to discontinue sanctioning of uniform allowance and even recover the allowance sanctioned, if an employee does not wear uniform during duty time.

CHAPTER XXVII**DIARIES**

The Deputy Commissioner of Excise and Asst. Excise Commissioners should submit their diaries fortnightly in Form ER2. The Circle Inspectors of Excise and Excise Inspectors should submit their diaries every week in Form ER2. Diaries of the Deputy Commissioners of Excise and Asst. Excise Commissioners should be dispatched on the day following each fortnight ending 5th and the end of the month. The Circle Inspectors and Excise Inspectors should send their diaries on every Sunday for the week ending with Saturday. The diaries should be written day by day and certificate to the following effect should be added to the diaries of all officers.

“I certify that I wrote up the above strictly day by day”. The Joint Excise Commissioner should submit their diaries to the Addl. Excise Commissioner(Enforcement) and the Deputy Commissioner of Excise, Assistant Excise Commissioners should submit his diary to the Joint Excise Commissioner in his personal addresses and the Circle Inspectors of Excise, the Excise Inspector in Circle Office and institutions and Range Office to the concerned Deputy Commissioner of Excise in their personal addresses. The diary should contain only a brief account of the various items of work done by Officers during the course of each day. The Circle Inspector of Excise of concerned Circle should furnish with their diaries statistics of (1) DCB (a) kist (b) tree tax and (2) Number of shops Toddy and Foreign Liquor separately and (3) Number of Trees licensed. In all cases, in the month and up to the month and the figures for the corresponding period of last year should also be furnished. The Excise Inspector will furnish with their diaries details of cases detected and progress of enquiries. The Excise Inspector/Circle Inspector of Excise in charge of Distilleries should furnish details of stock of spirits and items manufactured, duty collected, payment etc., The Inspectors of Distilleries and Pharmaceuticals should also attach the used Abkari Lock Tickets.

The Deputy Commissioners of Excise and Asst. Excise Commissioners of concerned Divisions should in their general remarks give an idea about the problems in his division, about the progress of collection and suppression of malpractices and also about the good or bad work done by the Inspectors under him.

The Excise Inspectors of Special Squad and Intelligence Bureau should also submit their diaries direct to the Deputy Commissioner of Excise every week with details of cases detected.

General Diary:-

i) The General Diaries are prescribed for recording the work turned out by each and every subordinate attached to the respective Circles, Squads, Ranges, and Institutions. The diary should be opened at 8.A.M. every day. At the time of opening of the general diary the Senior Officer present should note the time and Close the general diary for the previous day. Then after noting the date and time he should open the general diary for the day. He should note the name and number of all the Officers present. After entering these details he should note the details of all the absentees that are to say if some are on Earned Leave, Casual Leave, etc and those facts should be recorded. The names and number of those who are on duty elsewhere should also be recorded. It should thus be a roll call of the sanctioned strength of the Range or institutions. The details of the accused in custody and details of the contrabands seized in a case should be entered in the General Diary if the accused and contrabands are not produced before the concerned Court. After wards the work allotted to each and every individual who is present should also be noted and the entries initialled by the Officer who opens the General Diary. The name of the Civil Excise Officer posted for 'Para' duty should also be entered in the General Diary.

ii) Whenever any Officer, Excise Inspector, Preventive Officer or Civil Excise Officer leaves Office for patrol work, detection work or on off-duty etc.,the time of such departure and the purpose should be entered in the General Diary. The officer who leaves the office or one who is in charge, then charge of the General Diary should be handed over to the next senior most man left behind. The names and numbers of all the Preventive officers and Civil Excise Officer accompanying an Inspector should also be noted in the GD. When the Inspector and staff return to the office after work, even if it be the same day or the next day, the details of work turned out, namely the places visited, cases detected, enquiries made etc., should be entered in the General Diary chronological order as they happened in a narrative form after noting the date and time of arrival on the margin.

iii) Whenever a Preventive Officer or Civil Excise Officer is deputed to the Treasury for encashment of bills handing over should be entered in the General Diary and the Preventive Officer or Civil Excise Officer so deputed should write in the General Diary the fact of having received such bills for encashment and should initial the entry. Similarly when amounts are entrusted or remittance into the treasuries, that fact should also be recorded. The names and numbers of officers relieved on leave or transfer or deputed for Court Duty, the tapal duty etc., should also be noted in the General Diary. The change of officer 'Para' duty should also be recorded. Whenever the charge of General Diary is handed over, the officers handing over charge and taking charge should make the entries independently and initial them. Every separate entry in the General Diary should be made only after noting the time of making it.

iv) In the event of superior officers visiting the Circle/Range Office or Institutions, they will make a record of their visit and if per chance such an entry is not made, the officer in charge of the diary should record the fact of such visit entering the time of arrival as well as the time of departure.

v) The details of the occurrence reports, accused person and contraband articles brought to the office should also be noted in the General Diary by the officer who is in charge. The time of receipt or production should also be noted. When the accused persons are let on bail or escorted for remand or for production before the court, the time should be noted against such items.

vi) No item of work unsupported an entry in the General Diary will be accepted as correct in case of doubt later.

vii) General Diaries should be dispatched to the Deputy Commissioner of the Excise on the same day. Any failure in this regard on the part of the Officers will be viewed very seriously.

Note Books to be maintained by the Preventive Officers and Civil Excise Officer:-

The Preventive Officers and Civil Excise Officers should maintain note books for noting the details of work done by them. On return of the Preventive Officer and Civil Excise Officer to the Circle /Range Office, it is the duty of the Inspector of the Circles/Ranges to receive from them their note books and see that these are properly written up and to record such instructions as he considers necessary in the General Diary of the more important items of work turned out by Preventive Officers and Civil Excise Officer such as number of trees marked, cases detected etc.,.

The Preventive Officers and Civil Excise Officer should not be allowed to take their note books away with them from the Station while off duty. The note books must be in Circle/Range Office.

The Deputy/Asst: Excise Commissioner should see that the Inspectors maintain their General Diaries and the Preventive Officers and Civil Excise Officers their note books in conformity with the instructions contained above, at the time of their visit to the Circle/Range and while reviewing the General Diaries.

CHAPTER-XXVIII**RECOVERY OF EXICSE ARREARS UNDER REVENUE RECOVERY ACT**

1. Under Section 68 of the Kerala Revenue Recovery Act 1968 "all moneys due from any person to the Government which under a written agreement executed by such person are recoverable as arrears of public revenue due on land or land revenue and all specific pecuniary penalties to which such person renders himself liable under such agreement or contract".

All sums declared by any other law for the time being in force to be recoverable as arrears of public revenue due on land or land revenue and

"All fees and other dues payable by any person to the Government"

May be recovered under the provisions of Revenue Recovery Act.

2. According to section 28 of the Abkari Act all dues taxes fine, fees and rentals payable under the Abkari Act are recoverable as if they were arrears of land revenue from the persons responsible for it and from their sureties. Likewise under section 5 of the M and TP Act, duties of Excise and other sums payable under M and TP Act or the rules thereunder are recoverable as arrears of land revenue. Under the Opium Act (Section 23) and DD Act (Section 37) also the amounts due to Government towards arrears of any fee or duty are recoverable as if they are arrear of land revenue. Thus all revenues under all the Acts administered by the Excise Department can be recovered under the Revenue Recovery Act
3. It must be noted that none of these arrears will form a first charge on the properties of the defaulter unlike arrears of public revenue on land a sale for arrears of Excise is not a sale free of encumbrances. This has to be particularly borne in mind by all tax collecting officers, it is absolutely essential that there is utmost expediency in collection of arrears if any and in advising steps for realising under the Revenue Recovery Act.
4. Whenever any amount of kist, duty, gallonage fee, tree tax etc., is not paid on the due date and has fallen in arrears, immediately a demand notice specifying the amounts due, items under which they are payable, interest and demand notice fee payable has to be issued to the defaulter asking him to pay up the amount. In the notice, it may also be specifically mentioned that if he does not pay up the amount, action will be taken to get the amounts recovered as if they are arrears of public revenue under the Revenue Recovery Act.

5. Chapter II of the Kerala Revenue Recovery Act 1968 lays down the procedure to be followed in respect of the attachment and sale of movable property. The various forms to be used for the purpose are given in the Kerala Revenue Recovery Rules 1968 published in the Kerala Gazette-Extra-Ordinary dated 7th December 1968. The following general instructions are issued, for the guidance of the officers authorized to exercise the powers under the Act.
- a. The Demand Notice in Form I in the Appendix to the Rules is the order to attach the movable property, it may be issued by the officers authorized by the District Collector. The officer may employ his subordinate to distrain the movable property of the defaulter and send the demand notice to him (distrainer) for execution. Only one copy of the demand notice duly signed by the officer need be sent to the distrainer employed. The officer may direct the distrainer to execute the demand notice within a specified time and note the details of the demand notice and the time allowed for its execution in a register to be maintained in his office. The number assigned to the case in the register may be entered in the demand notice on the defaulter. The distrainer may show the notice to the defaulter and, if the amount in arrear together with the interest thereon and the cost of process is not paid immediately, he may distrain the movable property of the defaulter without further notice. The attachment shall, as far as possible, be made in the presence of two persons of the locality. In cases in which the attachment is made, a true copy of the demand notice may be prepared for delivery to the defaulter. Care should be taken to see that the attachment is not excessive and that such items of property as are exempted under Section 9 of the Act are not attached. The attachment should be made after sunrise and before sunset.

The officer employed to make the attachment may enter or if necessary force open and enter any dwelling house, other building etc., and he may also break open the door of any room or building for the purpose of attaching property belonging to a defaulter and lodged therein. Where the officer making the attachment has reason to believe that the property of a defaulter is lodged within any apartments appropriated to women, which are considered private, he shall before entering such apartments, give notice in the presence of two persons of the locality other than Government servants, for the removal of the women there from and furnish means for their removal in suitable manner. Attachment may be done even in the absence of the defaulter. When a defaulter is absent, a copy of the demand notice together with the list of property or inventory of the property attached, shall immediately after the attachment, be left with some adult male member of his family living with him or affixed at his usual place of residence or on the premises where the property was attached. Where a defaulter makes a fraudulent conveyance of the property to prevent attachment, a petition may be filed in the Civil Court of competent jurisdiction by the officer authorised by the District Collector to cause the property to be delivered up to the officer. Similarly if any person has forcibly or clandestinely taken away the property once attached, the officer authorised by the District Collector may file a

petition in the Civil Court of competent jurisdiction to cause such property to be restored to the officer who made the attachment.

b. On receipt of the above records from the distrainer, the officer may issue the sale notice (Form No.2 in the Appendix to the Rules). The officer may conduct the sale either in person or through a subordinate not below the rank of a Revenue inspector acting under his written authority. The person by whom the sale will be conducted should be specifically mentioned in the sale notice. A copy of the sale notice together with a list or inventory of the property should be duly served on the defaulter. The sale notice together with a list or inventory of the property should also be published by affixture on a conspicuous part of the premises from where the property was attached and on the notice boards of the Village office and Panchayat office, within whose jurisdiction, the attachment was made and the sale to be conducted. The officer may, in his discretion, also publish the notice in the Gazette or in one or two news papers having circulation in the area, if he considers it advantageous to do so for giving wide publicity. Publication of the sale notice in the Gazette need not, however, be undertaken, where the value of the property is less than ₹500/-. Reports may be obtained from the Panchayath Secretary and the Village Officer regarding publication of the sale notice in their offices. Similarly report may be obtained from the subordinate of the office regarding publication of the sale notice by affixture on a conspicuous part of the premises from where the property was attached. There should be a clear interval of 15 days between the date of service of the sale notice on the defaulter and the date fixed for the sale. The sale notice should be published in the manner stated sufficiently early before the date of the sale. If the officer does not conduct the sale himself, the original demand notice with the list of property attached and sufficient copies of the sale notice and also the list or inventory of the property for service and publication may be sent to the officer authorized to conduct the sale sufficiently in advance. The officer authorized to conduct the sale should ensure that the sale notices are served and published within time.

c. At the appointed time and place, the property shall be put up in one or more lots as the officer conducting the sale may consider advisable, and shall be sold to the highest bidder, who should deposit the entire purchase money at once. The purchaser should be allowed to carry away the articles immediately he deposits the entire purchase money with the selling officer. The sale is not subject to the confirmation by any authority. The officer conducting the sale should be given specific instructions that he will be held responsible for any abuses in the sales and will be liable to severe punishment and for damages sustained by the aggrieved party. If the defaulter tenders payment of the arrear after his property has been attached but before sale, the amount should be accepted on proper receipt and the property released to him and his acknowledgment obtained.

Where any person not being a defaulter or responsible for a defaulter claims a right to the property attached, the officer authorized by the District Collector shall conduct proper

enquiries as expeditiously as possible, and if the officer finds that the claims are bona fide, he shall cancel the attachment, and arrange to reconvey the property to its owner. A copy of the order cancelling the attachment may be served on the defaulter also.

d. Sections 19 to 25 contain the procedure for attachment of debt, shares, decree etc. Attachment in these cases may be made only if the defaulter fails to remit the amount after showing the demand in writing (Form.No.1). The order of the attachment shall however, be issued by the officer authorized by the District Collector and not by the officer employed to show the demand in writing to the defaulter.

i. **Attachment of Debt, Share etc:-** The order attaching debt, share etc may be issued in Form No.3 appended to the rules. A copy of the order shall be affixed on some conspicuous part of the office of the officer, authorized by the District Collector and another copy shall be sent, in the case of debt, to the debtor; in the case of the share in corporation, to the proper officer of the corporation, and in case of other movable property not in the possession of the defaulter, to the person in possession of the same. As per sub-section (3) of section 19 of the Act, a debtor, prohibited as above, may pay the amount of his debt to the officer, and such payment shall discharge him as effectually as payment to the party entitled to receive the same.

ii. **Attachment of Decree:** - The notice of attachment may be issued in Form No.4 appended to the rules to the Civil Court with copy to the defaulter. If the defaulter applies to the Court to execute the decree on receiving the notice, the court shall proceed to execute the attached decree and apply the net proceeds in satisfaction of the arrears mentioned in the notice sent to court. The officer who is deemed to be the representative of the holder of the attached decree is also authorized to apply to the court to execute the attached decree, if found necessary.

iii) **Attachment of share in movable property:-** Where the property to be attached consists of the share or interest of the defaulter in movable property belonging to him and other co-owners, the attachment shall be made by a notice in Form.No.5 issued by the officer to the defaulter.

iv) **Attachment of Negotiable Instrument-** Where the property is a negotiable instrument, the attachment shall be made by the officer authorized by the District Collector by actual seizure,

v) **Sale of Negotiable instrument and share in corporation:-** In the case of negotiable instrument on a share in a corporation, the officer authorized by District Collector may instead of directing the sale to be made by public auction authorize the sale of such instrument or

share through a broker. The order for sale of the negotiable instrument or share through broker may be issued in Form No.9 appended to the rules.

vi) **Attachment of property in custody of the Court or Public officer:-** The notice of attachment may be issued in Form No.6 appended to the rules to the court or public officer as the case may be with copy to the defaulter.

vii) **Attachment of Partnership Property:-** Where the property to be attached consists of an interest of the defaulter, being a partner in the partnership property, the officer may make an order to the defaulter with copy to the other partner or partners in Form No.7 appended to the rules charging the share of such partners in the partnership property and profits with payment of the amount due under the written demand. The officer may also if found necessary, make an order for the sale of such interest. The other partner or partners shall be at liberty at any time to redeem the interest charged or in the case of a sale being directed, to purchase the same.

viii) **Attachment of Rents:-** The attachment may be made by issuing the notice in Form No.8 prohibiting the person from whom rent is due from paying it to the defaulter or his authorized agent. A copy of the notice shall be affixed on some conspicuous part of the office of the officer authorized by the District Collector and another copy shall be sent to the person from whom the rent is due to the defaulter. The person may pay the amount of the rent to the officer and such payment shall discharge him as affectually as payment to the party entitled to receive the same.

6. Immediately an arrear has accumulated and the defaulter does not pay up the amounts in pursuance of the demand notice mentioned above, the Circle Inspector of Excise must proceed to distrain the movables as provided in para 2(a) of the instructions issued by the Commissionerate of Excise. The distraintment should be in the presence of two persons of the locality and inventory of the items should be made out and given to the defaulter or in his absence to an adult member of his family or affixed to the place of residence. If the article attached is subject to speedy and natural decay, it may be sold immediately. If it is not, it may be kept under the custody of the Circle Inspector of Excise or entrusted to a third party on the responsibility of the Circle Inspector of Excise. If the defaulter pays up the amounts within 15 days of the distraintment, the Circle Inspector of Excise may release the properties. Otherwise the Deputy Excise Commissioner may sell the properties in public auction after giving wide publicity. If the articles are of the value of ₹500/- or more, as a general rule, the sale should be notified in one of the local newspapers. A notification in the Gazette may also published in all cases of such sales, in the value exceeds ₹500/-.

7. If the arrears to be recovered is more than ₹1,000/- and it is not possible for the Excise Department to recover the dues by attachment of the movables alone, then the Deputy Excise

Commissioner may issue a certificate to the District Collector and Tahsildar of the Taluk in which the defaulter resides or owns property to get the amounts recovered under the Revenue Recovery Act.

8. There is no objection in simultaneous action being taken to attach movables and immovables. Therefore, advice for recovery under Revenue Recovery Act by proceedings against the immovables, need not be differed till the steps to attach the movables are exhausted.

9. When once an amount is advised for recovery to the Revenue Department, it figures as a demand in the DCB of the Taluk also. Therefore ordinarily, all collections after once it has figures in the Taluk DCB should be only through the Tahsildar. However, this does not mean that there should not be any collection through the Excise Department. If any amount has been so collected by the Department after it has been advised for recovery, the details should immediately be furnished to the Tahsildar.

10. Though arrears might have been advised to the Revenue Department for recovery under the Revenue Recovery Act, it does not absolve the Excise Department of the responsibility for collection of that amount. The amount will continue as demand in the Registers of the Excise Department till such time as the amount is liquidated either by collection or by write off. It is therefore, necessary that the officer of the Excise Department keep in close contact with and watch the progress of collection by the Revenue Department.

11. All collections by a Tahsildar towards arrears advised by the Excise Department will be credited to Excise Department. Therefore, the Circle Inspector of Excise where the Taluk Headquarters are situated shall while reconciling the figures of receipts under Excise collect details of the arrears of Excise Revenue collected by the Revenue Department and forwarded to the Deputy Excise Commissioner a list of the items so collected by the Revenue Department. The Circle Inspector of Excise will check the correctness of the figures in the Treasury with the figures that may be obtained from the Taluk office before forwarding the details to the Deputy Excise Commissioner. The details should show the name of the defaulter, and name of the shop in respect of which there has been a default and the amount collected. If the defaults are in respect of a shop in his own range, the Excise Circle Inspector will make necessary entries in the relevant DCB of the defaulter. If the arrears relate to another range, the Circle Inspector of Excise will forward the details to the Circle Inspector concerned who will on receipt make necessary entries in the DCB sheet of the defaulter.

12. If the defaulter is found to be insolvent the arrears will be reduced from the demand of the Taluk but would continue as demand in the DCB of the Excise Department,

13. When an immovable property has been bid in favour of Government only the nominal amount of one rupee will be given to the credit of the Excise Department against the arrears.

The land so purchased in favour of the Government for a nominal amount will be included in as bought-in-land. Any amount fetched by a subsequent disposal of the bought-in-land will go to the credit of the Revenue Department alone.

14. Whenever a Tahsildar reports that the defaulter does not own any properties, enquiry must be made as to whether he owns properties in any other Taluk of the State. It is very common that the persons of one district take up shops in other districts. Therefore, an enquiry as to asset of the defaulter in other Taluk is essential especially in the case of Abkari arrears. Enquiries must be made also as to what is the profession, source of income and means of livelihood of the defaulter. It is possible that the defaulter would have made fraudulent conveyances of the property to escape attachment. It will be necessary to impeach such transactions and these full enquiries about him are necessary.

15. The Revenue Recovery Act now provides for issue a warrant for the arrest of any defaulter who has dishonestly transferred any part of his property or has been guilty of fraudulent transactions or has the means to pay but evades payments. In view of these, it is of prime importance that a full enquiry is made regarding the profession, means of livelihood, nature of living, the properties of near relatives, etc.

16. The officers of the Excise Department will be responsible to assist the officer of the Revenue Department in making these enquiries. They will also be responsible for getting sufficient bidders for movable and immovable properties put up for auction by the Revenue Department.

17. An amount can be recommended to be written off only if all possible measures to effect the recovery are exhausted. The Commissioner of Excise is competent to write off arrears upto ₹ 10,000/-. Any amount in excess of this can be written off only by the Government. Only in very rare cases shall write off be ordered and a write off would reflect very badly on the work of the Excise Department. This must be borne in mind by the officers of the Excise Department and they should exert their utmost to see that no arrear is allowed to accumulate; and if any arrear accumulates, the Excise Department follow up every stage in the process of recovery under Revenue Recovery Act.

18. Write off is considered as an extra statutory remission for purpose of audit. The Commissioner of Excise shall maintain a register of all cases of write off and send annual list of such writes off to the Accountant General.

19. The fact that the amount has been written off is no bar to subsequent realization if the defaulter is subsequently possessed of the means to pay up the arrears. All the Circle Inspector of Excise and Deputy Excise Commissioners will maintain a register of cases written off and

review every half year whether any defaulter in respect of whom there has been a write off has subsequently acquired properties.

20. The Deputy Excise Commissioners and District Collectors will send a quarterly statement showing the DCB of Abkari arrears to the Commissioner of Excise. The Collectors figures will contain only details of the amounts advised for Revenue Recovery by the Revenue department and will show the various stages of action under Revenue Recovery Act. But there might be some amounts which had not been advised to the Revenue Department for Revenue Recovery action immediately. Further, certain items would have been reduced from the demand of the Tahsildar immediately it is noticed that the defaulter has no properties. The Deputy Commissioner of Excise's figures must contain full details of the entire arrears pending collection.

In the Deputy Commissioner of Excise's report to the Commissionerate of Excise, the amounts in respect of which Revenue Recovery steps are being taken or given up by the Revenue Department and the amounts not advised for Revenue Recovery to the Revenue Department will be shown separately. The Excise Commissioner has to send a statement of all Excise arrears to Government every quarter.

21. In no case, shall an amount remain not advised for Revenue Recovery to the Revenue Department for more than 6 months of the accrual of arrears

22. Interest is recoverable in respect of all Abkari arrears. Whenever, there is a remittance interest would be first liquidated before credits are given towards the principal. Interest will be calculated as for one month if the period of default is for more than 15 days. If on the other hand, the period of default is less than 15 days, no interest is to be calculated.

23. If the person has defaulted payment in respect of more than one item, whenever there is a remittance, the earliest one should be first liquidated

24. Ordinarily, a defaulter cannot be allowed any further licences under the Abkari Act, but in exceptional cases a defaulter may have been allowed to bid in auction. There is no legal objection to attach the security of the new shops for realization of the old arrears. But it may not be always advisable to do so, if he has to remit a sizable proportion of the kists for the new contract. Each case has however to be decided on its own merits, and the orders of the Commissioner of Excise obtained in each such case.

CHAPTER XXIX**COTPA ACT 2003****THE CIGARETTES AND OTHER TOBACCO PRODUCTS (PROHIBITION OF ADVERTISEMENT AND REGULATION OF TRADE AND COMMERCE, PRODUCTION, SUPPLY AND DISTRIBUTION) ACT, 2003.****INTRODUCTION**

It has been universally regarded that tobacco is one of the major public health hazards and is responsible directly or indirectly for an estimated eight lakh deaths annually in the country. It has also been found that treatment of tobacco related diseases and the loss of productivity caused therein cost the country much more than all the benefits accruing in the form of revenue and employment generated by the tobacco industry. The Parliamentary Committee on Subordinate Legislation (Tenth Lok Sabha) recommended that there is need for a comprehensive legislation to prohibit advertising and regulation of production, supply and distribution of cigarettes and tobacco products. Accordingly the Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Bill was introduced in the Parliament.

OBJECTS AND REASONS OF LEGISLATION

1. Tobacco is universally regarded as one of the major public health hazards and is responsible directly or indirectly for an estimated eight lakh deaths annually in the country. It has also been found that treatment of tobacco related diseases and the loss of productivity caused therein cost the country almost Rs. 13,500 crore annually, which more than offsets all the benefits accruing in the form of revenue and employment generated by tobacco industry. The need for a comprehensive legislation to prohibit advertising and regulation of production, supply and distribution of cigarettes and tobacco products was recommended by the Parliamentary Committee on Subordinate Legislation (Tenth Lok Sabha) and a number of points suggested by the Committee on Subordinate Legislation have been incorporated in the Bill.
2. The proposed Bill sought to put total ban on advertising of cigarettes and other tobacco products and to prohibit sponsorship of sports and cultural events either directly or indirectly as well as sale of tobacco products to minors. It also proposed to make rules for the purpose of prescribing the contents of the specified warnings, the languages in which they are to be displayed, as well as displaying the quantities of nicotine and tar contents of these products. For the effective implementation of the proposed legislation, provisions have been proposed for compounding minor offences and making punishments for offences

by companies more stringent. The objective of the proposed enactment is to reduce the exposure of people to tobacco smoke (passive smoking) and to prevent the sale of tobacco products to minors and to protect them from becoming victims of misleading advertisements. This will result in a healthier life style and the protection of the right to life enshrined in the Constitution. The proposed legislation further sought to implement article 47 of the Constitution which, *inter alia*, requires the State to endeavour to improve public health of the people. Accordingly the Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 passed by the Parliament and the act received the assent of the President on 18.5.2003.

As per the notification issued under G.O.(P) No.155/2014/TD dated 20th September 2014 and published as S.R.O.No.560/2014 in the Kerala Gazette Extraordinary No.2311 dated 20th September 2014 the Government have authorized officers of and above the rank of Excise inspectors in the Excise Department as competent to act under sections 12 and 13 of the Cigarettes and Other Tobacco Products (Prohibition of advertisement and Regulation of Trade and Commerce, Production, supply and Distribution) Act, 2003(Central Act 34 of 2003).

Subsequently upon the request of Excise Commissioner Government in supersession of the notification issued under G.O.(P) No.155/2014/TD dated 20th September, 2014 and published as S.R.O No. 560/2014 in the Kerala Gazette Extraordinary No. 2311 dated 20th September 2014, in accordance with G.O. (P) No. 112/2016/TD dated 27th December 2016 and published as S.R.O. No. 788/2016 in the Kerala Gazette Extra Ordinary No. 2263 dated 27th December 2016. Authorized Officers of and above the rank of Excise Inspectors to act under Sections 4, 6, 12, 13, 28 of the Act. As such Excise Department has ample power to implement prohibition of smoking in public place, prohibition on sale of cigarette to a person below the age of 18 years and in an area within a radius of 100 yards of an educational institutions. The offence under Section 4 or Section 6 can be compounded for an amount of Rs.200/- by the Excise officers in accordance with the entrustment of powers under Section 28 of the Act.

Public place as defined in Section 3(l) of COTPA Act and the rules means any place to which the public has access whether as of right or not and includes all places visited by general public and includes:

1. Auditorium
2. Hospital Building

3. Health institutions
4. Amusement Centres
5. Restaurants
6. Hotels
7. Public Officers
8. Court Buildings
9. Educational Institutions
10. Libraries
11. Public Conveyances
12. Open Auditorium
13. Stadium
14. Railway Stations
15. Bus Stops
16. All Workplaces
17. Shopping Malls
18. Cinema Halls
19. Refreshment Rooms
20. Discotheques
21. Coffee House
22. Pubs
23. Bars
24. Airport Lounge
25. Clubs
16. Railway Waiting Room

Section 4 of COTPA Act

No person shall smoke in any public place:

Provided that in a hotel having thirty rooms or a restaurant having seating capacity of thirty persons or more and in the airports, a separate provision for smoking area or space may be made.

Section 6 of COTPA

No person shall sell, offer for sale, or permit sale of cigarette or any other tobacco product-

- (a) To and by any person who is under eighteen years of age, and
- (b) In an area within a radius of one hundred yards of any educational institution.

As per Section 3(m) of the Act “Sale” means any transfer of property in goods by one person to another, whether for cash or on credit, or by way of exchange, and whether wholesale or retail, and includes an agreement for sale, and offer for sale and exposure for sale.

Also as per section 2(p) tobacco products includes the following:

1. Cigarettes
2. Cigars
3. Cheroots
4. Beedis
5. Cigarette, tobacco and hookah tobacco
6. Chewing tobacco
7. Snuff
8. Pan masala or any chewing material having tobacco as one of its ingredients (by whatever name called)
9. Gutka
10. Tooth powder containing tobacco.

In order to enforce the above provisions powers has been conferred in accordance with Section 12 and 13 of COTPA Act with powers for entry, search and seizure.

Section 12 - Power of entry and search

If the authorized officer in this behalf has any reason to suspect that any of the above provisions of the Act has been contravened, enter and search in the manner prescribed, at any reasonable time, any factory, building, business premises or any other place,-

- (a) Where any trade or commerce in cigarettes or any other tobacco products is carried on or cigarettes or any other tobacco products is carried on or cigarettes or any other tobacco products are produced, supplied or distributed; or
- (b) Where any advertisement of the cigarettes or any other tobacco products has been or is being made.

Section 13 - Power to Seize

In respect of any package of cigarettes or any other tobacco products, or any advertisement of cigarettes or any other tobacco products the provisions of the Act are being contravened the authorised officer may seize such package or advertisement material.

In case violation of Section 4 and 6 are noticed the authorized officer are empowered as per Section 28 of COTPA Act to compound the offence by imposing a fine of Rs. 200/- and may recover the fine on the spot itself if possible. If the offender is unwilling to compound the offence a notice on this behalf may be served to the concerned requesting to compound the offence within a stipulated period stating clearly that if he is unable to compound the offence within the prescribed time procedure for summary trial of the offence before the court will be initiated. The notice should bear name, address, signature of the offender with the name of officer to whom he has to report for compounding the offence. If possible name and address of two independent witness may also be quoted in the notice.

The Cigarettes and other Tobacco Products (Prohibition of advertisement and regulation of Trade and Commerce, Production, Supply and Distribution) Act (COTPA) 2003 was enacted by Government of India mainly to discourage the consumption of Cigarettes and other Tobacco products through imposing progressive restrictions and to protect non-smokers from second hand smoke etc.,

Accordingly prohibition of manufacture, sale etc of Gutka and Panmasala containing tobacco or nicotine have been banned in the State with effect from 22/5/2012 by the Commissioner of Food Safety.

APPENDIX I

QUESTIONNAIRE FOR INSPECTION OF DIVISION OFFICES

(Special registers relating to Excise Administration)

1. Agreements of Abkari Shops:-

- (a) Have the agreements in respects of all the shops and licences been got executed within the prescribed time?
- (b) If not the reasons for delay and what action has been taken?

2. Licences:-

- (a) Have the licences in respect of all the abkari shops and fixed fee licences been issued?
- (b) Have all fixed fee and free licences been renewed?
- (c) Has any change been made in the quota of rectified spirit, denatured spirit etc allowed? (Give details of quota allowed in the current and previous 2 years)
- (d) Is there a licence register maintained noting the quota sanctioned etc, and if so is it up to date.
- (e) Give the total number of different kinds of licences issued under different Acts.
- (f) Give the number of sub shop licences issued and dates of applications and issue
- (f) Has duty or vending fee been collected when rectified spirit or denatured spirit is imported, and
- (h) Is there delay in the issue of licences (Attach a statement showing the date of applications and the issue of licences)

3. Tree Tax Position:

- (a) Give the details of demand, collection and balance of tree tax and the action taken to realise the balance.
- (b) Give the comparative position of the trees licensed and not the action taken for fall in the number of trees licensed.
- (c) Are trees marked in other Ranges or Divisions for the shops of One Range of Division as the case may be (Give full details for 2 years and the current year)
- (d) Is there any delay in the disposal of applications for inter-range or inter-division tapping?
- (e) How many cases of illicit tapping have been detected and in which all ranges?
- (f) Has any case been detected by Special Squad or any agency other than the range staff.

4. Departmental Management of Shops:-

- (a) Is there a register maintained showing the details of shops under departmental management?
- (b) Are the shops under departmental management restored on completion of security amount.

5. T T Application Register:

- (a) Is there a Register maintained showing the range wise details of tree tapping licences and permits issued?
- (b) State whether the marking of trees has been completed?
- (c) How many Inter-Division Toddy permits did issue in this Abkari year?
- (d) Are there delays in issue of licences and marking of trees?

6. Sweet Toddy:-

- (a) Is there sweet toddy tapping in the Division and if so have licences been issued?

7. Is there any sacramental wine manufacturing licence? Has duty and gallonage fee been collected on the quantity manufactured?

8. Permit Register:-

- (a) See whether registers are maintained noting the details of the import, export and transport permits issued for foreign liquor, denatured spirit and rectified spirit.
- (b) Are the permits issued under manufactured Drugs Rules on the strength of the authorization issued by the Board? Has the Drugs Controller been consulted? What is the quota allowed? What is the actual consumption?

9. Register of Old arrears:

Is there a Register maintained? Are all arrears as per D C B recommended to the Revenue Department for R R Action?

10. Register of Abkari arrears written off:

Is there a register maintained and action taken every half year to see whether the defaulter has subsequently earned any properties?

11. Crime Register:

- (a) Is there a crime register maintained in Form E R 9?
- (b) Is there any delay in receipt of occurrence reports and charging cases?
- (c) Have any cases been struck off?
- (d) Are the details of disposals of the cases noted in the register?
- (e) Are there instances of compounding of cases and if so is there delay and has the officer applied his mind while accepting the compounding fees recommended by the subordinate officer?
- (f) Give comparative position of cases detected?
- (g) Are the punishments awarded adequate? Have there been any acquittals? Have appeals or revisions been filed?
- (h) Has any action been taken for violation of licence conditions?
- (i) Give an idea of the trends in the Crime in the Divisions and in the Ranges?

12. Rewards:

Have any rewards been granted?

13. Diaries:

- (a) Is there a check register of the weekly diaries of the Excise Inspectors maintained?
- (b) Are the weekly diaries being received regularly?

- (c) Are the weekly diaries being received and returned for note by the Excise Inspector
- (d) Are the recorded diaries being kept arranged?
- (e) Are the G Ds. Being received regularly?
- (f) Has the Assistant Excise Commissioner been submitting his fortnightly diaries promptly?
- (g) Has the Deputy Excise Commissioner been submitting his monthly diaries promptly.?

- 14.** (a) Has the Assistant Excise Commissioner inspected licences and shops?
(b) Has the Deputy Excise Commissioner inspected licences and shops?
(c) Has the Deputy Excise Commissioner test checked marking of trees?
(d) Has there been any personal detection by the Deputy Excise Commissioner?

15. Medicinal and Toilet Preparations Act:

- (a) Are all returns prescribed under the medicinal and toilet preparations Act been received by the Deputy Excise Commissioner from the licensees and Excise Inspectors in time and reviewed by the Deputy Excise Commissioner?
- (b) Has there been any transit wastage?
- (c) Has there been any wastage in store?
- (d) Has duty at rates applicable to rectified spirit collected on them?
- (e) Has there been any abnormal wastage in manufacture? Give statistics.
- (f) What is the amount of duty collected?

16. Log Book:-

- (a) Is the log book maintained properly with the entries duly arrested? Is it being totalled at the end of every month?
- (b) Is there a certificate appended showing the mileage test for petrol consumption?
- (c) Give details of the total kilometres run Petrol and Oil consumed, cost of petrol and oil and the cost of repair charges.

17. Reconciliation:

Is the monthly reconciliation of departmental figures with treasury figures of receipts done promptly and reconciled statements sent in time? Compare the figures of collection in the D C B tree tax licence fee, gallonage fee etc with the reconciled figures.

List of points to be considered at Inspection of Ranges by the Deputy Excise Commissioner.

1. Personnel since last inspection and date of last inspection
2. Strength of the Range and details of absentees

3. (a) What is the nature of accommodation provided for the Range Office.?
- (b) If a departmental building : is it maintained in good repair and are surroundings clean ?
- (c) Are the inspections regarding guarding of offices enforced?
- (d) Are the Range Officers provided with Government Quarters?
- (e) And if so are they in good repair and surroundings clean?

TOURING:

4. Has the Inspector spent the required number of days in camp.? Has the touring been evenly distributed and have the Crime ridden areas of the Range received adequate attention?

CASH AND CONTINGENCIES

5. Does the balance of Government money (permanent advance, undisbursed pay, travelling allowance, reward money and other miscellaneous items) agree with the registers and cash book?
6. (a) Is the cash book maintained properly? Have receipts in form TR5 been issued?
(b) Has the Inspector initialled all the entries in the cash book?
(c) Has the permanent advance been acknowledged on the due date?
(d) Are Postal receipts attached to the cash book?
(e) Do all the recoupments of contingent money find a place in the cash book?
7. Does the Inspector maintain a bill file?
8. Is the bill Register maintained properly?
9. Is a separate bill register for bills endorsed in favour of private parties Maintained?

PAY AND TA BILL AND SERVICE BOOKS

10. (a) Is pay drawn on the first working day of each month and disbursed Properly?
(b) Is the Acquittance roll maintained properly?
11. (a) Have service books been carefully maintained and regularly inspected.?
Have the absentee statements been attached to the pay bills
(b) Are the defaulter sheets maintained properly?
(c) Have the quinquennial/ attestations been made in all the Service Books.? Are the services of all subordinates being verified annually as required in Rule 181, Part III of the KSR and fact recorded in the service book?
12. Are the leave accounts up to date ?. Has there been any irregular grant of Leave?

REWARDS

13. (a) Are rewards drawn without delay on receipt of orders and are they disbursed promptly?
(b) Are reward acquittance rolls maintained?
(c) Is there any undisbursed reward Register?
(d) Have the undisbursed reward amounts been refunded within the time Prescribed?
(e) What is the percentage of the reward given to the outside informant?
(f) What is the total amount granted as rewards during the year?

REGISTER OF ARTICLES OF FURNITURE

14. (a) Have the articles of furniture been verified with the entries in the book and a certificate to that effect appended?
(b) Are the number and date of supply and cost of the articles noted in the register?
(c) Have all the articles been included in the register?
(d) Are they kept in proper condition?

CRIME RECORDS

15. (a) Are the crime records such as ER1, ER3, ER4, ER5 etc kept neat and clean in the prescribed forms?
(b) Have all the entries been made up to date?
(c) Have all the cases been investigated and charged
(d) Are entries regarding day to day progress made in the case Diary and Crime Register?
(e) Has the Inspector maintained the register of Old offenders in the prescribed form?
(f) Has he maintained the case diary?
(g) Have the Inspector and staff devoted particular attention to prevention of crimes and detection of cases?
(h) Are the registers such as Thondy Register, Information Register, Process register etc maintained in the prescribed form?
(i) Is there delay in submission of occurrence report or case file for Composition?
(j) Is there delay in issue of compounding notice or in charge sheeting the case for failure to remit the compounding fee?
(k) Has the Inspector submitted acquittal reports in time for filing appeals or revisions?

DIARY

16. (a) Are the General Diaries maintained properly?
(b) Are the weekly diaries written up day by day?
(c) Do the enclosure to the weekly diary show that all the shops and licences in the ranges have been inspected at least once a month?

MISCELLANEOUS REGISTERS

17. Are the miscellaneous registers such as attendance Register, Register of Court fee stamps, Register of audit objections, Register of liabilities, Increment Register, Register of DO letters, Register of immovable property properly maintained in the forms prescribed?

REGISTER OF SERVICE POSTAGE STAMPS

18. (a) Has the balance of service postage stamps been verified with the book balance and found correct?
(b) Are the accounts written up day by day?
(c) Has it been verified whether the entries in the despatch register tally with the entries in the Register of Service Postage Stamps ?
(d) Have the dated acknowledgements been obtained in the local delivery Books?

INWARD REGISTER

19. (a) Are all the references received properly registered?
(b) Are the time limit references answered promptly?
(c) Are the correspondence files kept neatly arranged in chronological order?
(d) Is there any delay in answering references?

MAP

20. (a) Is there a map of the Range showing the several villages main roads and Backwaters?
(b) Have the several kinds of shops and licences been marked?
(c) Have the tapping centres and crime ridden area also been marked?

APPENDIX – II

LIST OF REGISTERS TO BE MAINTAINED IN THE DIVISION OFFICE, CIRCLE OFFICE AND RANGE OFFICE**EXCISE DIVISION OFFICE****I. General**

1. Attendance Register
2. Casual Leave Register
3. Parav Duty Register
4. Distribution Register
5. Despatch Register
6. Personal Register
7. Periodical Register
8. Office Order Register
9. Temporary Establishment Register
10. Faircopy Register
11. Landed Property Register
12. Record issue Register
13. Register of Reference Books
14. Register of Printed forms (Excise Forms)
15. Register of Printed forms (Common Forms)
16. Register of Stationary articles
17. Furniture Register
18. Register of D.O Letters
19. Register of Court Fee Stamps.
20. Register Service Books
21. Check Register of confidential reports of diaries
22. Local Delivery Book
23. Log book and trip sheets
24. Register of Audit objections
25. Register of Government articles
26. Register of liabilities and Court attachments
27. Register of uniform articles received and distributed

II. Cash and Contingencies

1. Cash book in form TR 7-A
2. Acquittance Roll

3. Permanent Advance Register
4. Contingent bill Register
5. Register of bills endorsed to private parties
6. Register of undisbursed pay and TA
7. Register of Advances
8. EMD Register
9. TA Bill Check Register
10. Bill Register
11. Treasury bill book
12. Register of Receipt books
13. Daily Stamp Account Register
14. Court fee Stamp Register

III. Abkari

1. Register of licence for
 - (a) Toddy Shops
 - (b) FL Shops
 - (c) Other fixed fee licences under Abkari Act, Rules and Notifications
2. Register of DCB of Abkari Rentals (Current)
 - (a) Toddy shops
 - (b) FL Shops
3. Register of DCB of tree-tax (Current)
4. Register of DCB of gallonage fee on FL
5. Consolidated register of DCB of arrears of previous year, with details regarding action under RR Act and progress of recovery.
6. Foreign Liquor consumption register
7. Register of permits for import of Foreign Liquor
8. Register of permits for export of Foreign Liquor
9. Register of transport of Foreign Liquor
10. Register of D.M of shops
11. Security Register
12. Register of Abkari arrears and arrears written off.
13. Register of compounding fees imposed on Abkari crimes.
14. Register of licences issued for marking of trees for fermented toddy - shop – war including details of inter-range and inter-divisional tapping.
15. Village – war register of trees licenced.
16. Register of licences and permits for drawing sweet toddy.

IV. Crime

1. Register showing the receipt and disposal of thondy articles in Division office
2. Register of showing the disposal of thondy articles in subordinate offices.
3. Register showing details of vehicles which are confiscated under Abkari crimes.
4. Register of Toddy samples.

V. M and T P and Other Miscellaneous

1. Register showing the range-war consumption of Opium and other dangerous drugs.
2. Register of permits issued for the import, transport and export of spirituous preparations, Spirits and other drugs etc.
3. Register showing the vending fee collected on denatured spirit and other preparations.
4. Register of licences under M and T P Act.
5. Register of other miscellaneous licences issued under the NDPS Rules.

EXCISE CIRCLE OFFICE**I. General**

1. General Diary.
2. Parav Duty Register.
3. Attendance Register.
4. Casual Leave Register.
5. Despatch Register.
6. Inward Register
7. Register of Employees
8. Register of Service Books.
9. Register of Furniture
10. Register of reference books.
11. Register of Arms and Ammunitions
12. Local Delivery Book
13. Register of uniform articles received, distributed and returned.
14. Register of stationery and printed forms.

15. Log book and trip sheet.
16. Copies of Circle Inspector's Diary.
17. Record issue Register.
18. Telephone Register.
19. File Book of circular orders.
20. Register of D.O Letters.
21. Periodical Register
22. Book containing copies of Inspection notes.
23. Register of Taluk level committee
24. Register of constituency level committee.

II. Cash

1. Cash book in form TR 7-A
2. Permanent Advance Register
3. Contingent Register
4. Register of Advances
5. Register of undisbursed pay and TA
6. Acquittance roll
7. Register of bills endorsed to private parties
8. Bill Register
9. Treasury bill book
10. Register of daily stamp accounts
11. Register of Court fee stamps.

III. Crimes

1. IB Information Register
2. Crime Register
3. Thondy Register
4. Process Register (Notice, Summons, Warrants etc)
5. Conviction Register

6. Register of old offenders
7. Occurrence reports
8. Bail and surety bond
9. Thondy receipt book
10. Reward Register
11. Register of complaints from public
12. Register of the Panchayath Level Committee
13. Register of compounding offences

IV. Abkari

1. Register of licences for
 - (a) Toddy shops
 - (b) Foreign Liquor Shops
 - (c) Drawing sweet toddy
2. Register of old Abkari Arrears
 - (a) Arrack Shops
 - (b) Toddy Shops
 - (c) Foreign Liquor Shops
3. Register of Tree- Tax
4. Register of DCB of interest
5. Register of licences and permits for drawing of fermented toddy
6. Register of Tree Marking Operations
7. Register of T.T applications
8. Village-war register of trees licenced in the Range
9. Register of Demand Notice
10. Register of Abkari Defaulters
11. Register of Habitual Offenders
12. Register of compounding fees
13. Register of D.M of shops
14. Register of application for substitution of trees

15. Register of permits for transport of Liquors and Toddy
16. Register of permits of other manufacture drugs
17. Register of movements of consignments of Foreign Liquor
18. Security Register

V. M & T P Act

1. Register of licences under M & T P Act
2. Register of licences under spirituous preparations Rules.

EXCISE RANGE OFFICE

I. General

1. General Diary
 2. Attendance Register
 3. Casual Leave Register
 4. Register of Employees
 5. Copies of Inspection Diary
 6. Inward Register
 7. Despatch Register
 8. Local Delivery Book
 9. Register of Chalans
 10. Register of uniform articles received distributed and returned
 11. Register of permanent records to be retained
 12. Temporary record Register
 13. Register of records destroyed
 14. File book of circular orders
 15. Book containing copies of Inspection notes of ranges
 16. Register of Furniture
 17. Register of reference Books
 18. Register of Audit objections
 19. Register of liabilities and Court attachments
-

20. Register of D.O Letters
21. Periodical Register
22. Register of distrained articles
23. Register of Government Articles
24. Para Duty Register
25. Jurisdictional Map
26. Register of stationery and Printed Forms
27. Register of Service Books

II. Cash

- (i) Cash book (TR 7-A)
- (ii) Permanent Advance Register
- (iii) Register of undisbursed pay and TA
- (iv) Register of Advances
- (v) Acquittance Roll
- (vi) Contingent Register
- (vii) Register of bills endorsed to private parties
- (viii) Bill Register
- (ix) Treasury bill book
- (x) Register of receipt books
- (xi) Register of printed forms sold
- (xii) Register of printed books sold
- (xiii) Daily Stamp Account Register
- (xiv) Register of Court Fee Stamps

III. Crimes

1. IB Information Register
2. Crime Register
3. Thondy Register
4. Process Register

5. Conviction Register
6. Register of old offenders
7. Case Diary
8. Occurrence Reports Register
9. Charge Sheets Register
10. Bail and Surety Bond Register
11. Refer report
12. Search List Register
13. Register of Rewards
14. Register of compounding Fees.
15. Register of Panchayath Level Committee
16. Register of Anti-drugs Clubs.
17. Register of Anti- drug campaign Programmes
18. Secret Fund Register
19. Register of Court pending cases
20. Register of charge sheet
21. Register of Appeal upon Abkari offences and NDPS Offences.
22. Register of Abkari Shops.

APPENDIX III

<i>S.No</i>	<i>Term</i>	<i>Glossary of Excise Terms & Definitions</i>	<i>Remarks</i>
<u>A</u>			
1	Abkari	<p>The word 'Abkari' is derived from Persian [Abkara from Kar (Persian) business]. F. Strangers Persian English Dictionary defines it as "a tax on the manufacture and sale of spirituous liquors and intoxicating drugs". According to the Glossary of Judicial and Revenue terms, it means "Revenue derived from duties levied on the manufacture and sale of intoxicating liquors, as toddy, arrack and on intoxicating drugs whether in substance, infusion, extract as opium, charas, etc. It is levied in certain licensed distilleries or fees for licenses granted by the Collector to retailers. In some parts of South India, Abkari included duties on eating shops, gaming houses, itinerant jugglers and like". According to Malayalam Lexicon, Vol. I, pp. 5141965 the word 'Abkari' means:</p> <p>(1) ചാരായം മുതലായ മദ്യങ്ങളുടെ വില്പന (2) മദ്യവ്യാപാരത്തിൽ നിന്നുള്ള നികുതി, ചാരായം, കുറുപ്പ്, ഉപ്പ്, പഞ്ചസാര, തീപ്പെട്ടി, പെട്രോൾ എന്നിങ്ങനെയുള്ള സാധനങ്ങൾ ഉറക്കുമ്പോഴോ വിൽക്കുമ്പോഴോ (3) ചാരായക്കട (4) വാറ്റുമ്മലം (5) അബ്കാരിത്തുറ. Excise Department.</p> <p>Though originally the word was taken to include taxes on items of articles other than liquors and drugs, at present it is taken to refer only to intoxicating liquors and intoxicating drugs</p>	
2	Abkari Act	Is a law relating to the import, export, transport, manufacture, sale and possession of and levy of taxes and duties on intoxicating liquors and intoxicating drugs.	
3	Abkari Revenue	Means Revenue derived or derivable from any duty, fee, tax, fine or confiscation imposed or ordered under the provisions of the Act or of any other law relating to liquor or intoxicating drug.	Sec. 3 (1) of the Abkari Act
4	Absolute alcohol	Means alcohol of a strength containing not less than 99.5 percent by volume of ethyl alcohol, as measured at 60°F. Actually 100% Ethanol	
5	Alcohol	(a) The term 'Alcohol' in popular usage means pure ethyl alcohol (C ₂ H ₅ OH), and includes all dilutions and mixtures of this substance (including liquors intended for potable use containing alcohol).	Sec. 2 (a) of the M&T.P. Act

		(b) 'Alcohol' means ethyl alcohol of any strength and purity having the chemical composition C ₂ H ₅ OH.	
6	Alcoholic beverages	Are beverages containing alcohol, either self generated by a fermentation process or containing added alcohol. They are usually classed as (i) Toddy (ii) Beers (iii) Wines (iv) Distilled liquors and (v) Liquors or bitters etc., depending on their mode of preparation.	
7	Alcoholic medicine	Are 'medicinal preparations' containing rectified spirit or alcohol and includes solid extracts prepared directly from the drugs with the help of rectified spirit or absolute alcohol, irrespective of the fact whether these extracts in their final form contain alcohol or not.	
8	Ale	Is a 'beer' produced by 'top fermentation' i.e., by yeasts floating on the surface of the wort rather than working at the bottom of the tank. It is usually of higher alcoholic content, paler and more tart and possessing a higher hop concentration than 'beer'.	
9	Approved containers (Authorised containers)	Shall mean "casks", "barrels" or similar wooden containers or drums or similar metal packages or rail-road tank cars or any other receptacle, vessel or form of package, tank or conduit or other container used or capable of use for holding, storing, transporting or shipping of alcohol, as authorised by the Excise Regulations in force	
10	Arrack	Is plain country spirit, which has not been coloured, flavoured, sweetened or spiced.	
11	Attenuation	Of the wash is the number of degrees on the saccharometer by which the highest or initial gravity and the final or lowest differ.	Rule 1 (b) of the Distillery & Warehouse Rules, Part II
12	Asavas & Arihtas	Are liquid medicinal preparations containing self-generated spirit prepared by the process of fermentation in accordance with the recipes and directions laid down in standard Ayurvedic treatises. They rarely contain more than 12 per cent by volume of alcohol (or 20 per cent proof spirit).	

B			
1	Bar	Is a barrier or counter from which liquors are passed to customers.	
2	Bar Room	Is a room containing a bar or counter at which liquors are, sold to be consumed in the premises.	
3	Beer	(1) Beer includes 'ale', 'Stout', 'Porter' and all other fermented liquors usually made from malt. - (2) Means any liquor prepared from malt or grain with or without the addition of sugar and hop and includes ale, Porter and Stout. (3) Is fermented un distilled liquor of which malt (germinated & dried seeds esp. of barley) is the primary base, which is flavoured with a wholesome bitter, usually hops.	Sec. 3(11) of the Abkari Act Rule I (g) of the Brewery Rules
4	Bhang	Means the dried leaves of the hemp plant whether male or female and whether cultivated or uncultivated.	
5	Bitters	Are tonics containing about 40 % alcohol by Volume made principally in the West Indies from herbs (including gentian) and usually used to flavour mixed drinks. - 'Absinthe' and 'Vermouth' are some of the common 'bitters'.	
6	Blend	Means to mix spirits with other spirits of the same or different strengths. Blending means the mixing together of two or more spirits or liquors of different alcoholic strengths or of different qualities or grades.	Rule 1 (16) of the Distillery and Warehouse Rules, Part II
7	Bond	Means an obligation authorised or required by or under any law or regulation for the time being in force.	
8	Bonded manufactory (Pharmacy, Laboratory, etc.)	Means the premises or part of premises approved and licensed by the competent authority for (1) the manufacturer of alcohol, (2) for the preparations in bond and (3) for the use and storage of preparations containing alcohol, opium, Indian hemp and other narcotic drugs or drugs on which duty has not been paid. It also includes the portion of a distillery set apart for the specific purpose outlined above.	
9	Bonded warehouse	Means any warehouse or part of a distillery approved as warehouse, used for the storage of excisable articles brought thither under bond for payment of duty at the time of issue from such warehouse.	

10	Bottle	Means to transfer liquor from a cask or other vessel to a bottle, jar, flask or pot or similar receptacle for the purpose of sale, whether any process of manufacture be employed or not and includes re-bottling.	Sec. 3 (19-A) of the Abkari Act
11	Brix	Is the density of solutions expressed on brix densitometric scale and taken to represent the percentage of dissolved solid matter in it.	
12	Brandy	Is a liquor obtained by distillation of wine or fermented mash or fruits, the distillate being suitably aged in wood. The distilled liquor is called 'Grape Brandy' or merely 'Brandy' when prepared from 'Grape wine'. (Well-known brandies include Cognac Armagnac; Spanish, Greek and American brandies, Kirsch (Cherry brandy, Calvados (or applejack) and Slivovitz (plum brandy). (Brandy has been flavoured for consumption as an after-dinner drink.)	
13	Bub (or pitch)	Represents the charge of yeast suspension prepared for inoculating the main fermentation vats.	
<u>C</u>			
1	Charas	Means the resinous matter formed on the flowering tops of cultivated female hemp plants when collected separately.	
2	Cider	Alcoholic liquor with modest alcoholic content obtained by spontaneous fermentation of the juice of apples. Further controlled bacterial fermentation produces vinegar.	
3	Coca leaf	Means- (i) the leaves and young twigs of any coca plant, that is, of the Erythroxyton coca (Lamk) and the Erythroxyton novogranatense (Hiern) and their varieties, and of any other species of this genus which the Central Government may, by notification in the official Gazette, declare to be coca plants for the purposes of this Act; and (ii) any mixture thereof, with or without neutral materials; but does not include any preparation containing not more than 0.1 per cent of cocaine. means the artificial- preparation of foreign liquor by the addition to imported or indigenously manufactured spirit of flavouring or colouring matter or both.	Section 2 (a) Of D. D. Act

4	Coca derivative	Means- (i) crude cocaine, that is any extract of coca leaf which can be used, directly or indirectly, for the manufacture of cocaine; (ii) ecgonine that is, laevo-ecgonine having the chemical formula $C_9H_{15}NO_3.H_2O$ and all the derivatives of laevo-ecgonine from which it can be recovered; (iii) cocaine, that is methyl-benzoyl-laevo-ecgonine having the chemical formula $C_{17}H_{21}NO_4$ and its salts; and (iv) all preparations, official. and non-official containing more than 0.1 % of cocaine	Section 2 (b) of D. D. Act
5	Compounding	Means the artificial- preparation of foreign liquor by the addition to imported or indigenously manufactured spirit of flavouring or colouring matter or both.	Rule 1 of the Bottling Rules under Cochin Abkari Act
6	Compounded spirit	Is spirit prepared by a distiller or rectifier by re-distilling duty-paid spirits with flavouring ingredients or adding to them any flavouring materials or essences.	
7	Container	Includes any receptacle, vessel or form of package, tank or conduit, used or capable of use for holding, storing, transferring or shipment of alcohol. includes the tending or protecting of a plant during growth and does not necessarily imply raising it from seed.	
8	Cooler	Means any vessel into which wort is passed to be cooled and includes a refrigerator.	Rule 1 (a) of the Brewery Rules
9	Copper	Means any vessel in which either wort or beer is boiled or heated in the course of brewing.	Rule 1 (0) of the Brewery Rules
10	Country liquor	(i) Means liquor manufactured in the State on which duty of Excise has not been levied or is not leviable under this Act at the full rate of duty chargeable on liquor imported into the State from foreign countries. (ii) liquor manufactured in India, other than (a) Indian made foreign liquor, (b) Power alcohol, (c) Rectified spirit (d) Denatured spirit and perfumed spirit not included in the definition of "Foreign Liquor "	Sec. 3 (12) of the Abkari Act
11	Cultivation	Includes intending or protecting of a plant during growth and does not necessarily imply raising it from seed.	Sec. 3 (18-A) of the Abkari Act

<i>S.No</i>	<i>Term</i>	<i>Glossary of Excise Terms & Definitions</i>	<i>Remarks</i>
<u>D</u>			
1	Dangerous drug	Includes coca leaf, hemp and opium and all manufactured drugs.	Sec. 2(h) of the D. D. Act
2	Denature	Means to mix spirit with one or more denaturants in such a manner as may be prescribed by the rules in force.	
3	Denaturant	Means any substance prescribed by the rules for admixture with spirit, alcohol (or any other excisable article) in order to render the mixture unfit for human consumption whether as a beverage or internally as a medicine, or in any other way whatsoever.	
4	Denatured alcohol	Means alcohol of any strength which has been rendered unfit for human consumption by the addition of substances approved by the Stat Government.	Sec. 2 (vi) of the M. and T.P. (ED) Rules
5	Denatured spirit	Means 'spirit' subjected to a process prescribed by Government by notification for the purposes of rendering it unfit for human consumption.	Explanation to sec. 3 (9) of Abkari Act
6	Distiller	Means a person who produces distilled spirits or who brews, makes mash, wort or wash, fit for distillation or production of spirits or who by any process of evaporation separates spirit from any fermented substance, or who, making or keeping wash, wort or wash has also in his possession or use a still suitable for production of spirits.	
7	Distillation	Is a process of vapourising a substance by means of heat and then condensing it by exposure to cold.	
<u>E</u>			
1	Ethyl alcohol	Is volatile, inflammable, colourless liquor (C ₂ H ₅ OH) of a penetrating odour and burning taste. It is the intoxicating principle of wines, beers, toddy, liquors, etc.	(C ₂ H ₅ OH)
2	Export	Means to take out of the State.	Sec. 3 (b) of the Abkari Act
<u>F</u>			
1	Feints	(a) Means impure spirit produced from the distillation of 'low wines'.	

		(b) Means that portion of the distillate from low wines which is considered unfit by reason of its impurities to be collected in the spirit receiver.	
2	Fermentation	Is a chemical decomposition of organic compounds induced by living organisms in them or by chemical agents.	
3	Finished store	Means that portion of a non-bonded or bonded manufactory which is set apart for the storage of its finished preparations.	
4	Foreign Liquor	<p>(1) Includes all liquor other than country liquor, provided that in cases in which any doubt may arise, the Government may declare by notification what for the purposes of this Act shall be deemed to be "country liquor" and what "Foreign liquor"</p> <p>(ii) The term "Foreign liquor" in these rules means and includes all wines, spirits and beer, cider and other fermented liquors imported into Kerala by sea or land or air, plain rectified spirit including absolute alcohol imported from foreign countries by sea or land or air, or manufactured in India and Indian made foreign liquors</p> <p>Explanation.—Coconut toddy arrack, i.e., spirit manufactured in a licensed distillery in the State and coloured, flavoured and bottled and issued under the name of "Coco brandy" and which is specially excised shall be treated as foreign liquor for purposes of levy of gallonage fee under these rules</p>	<p>Sec. 3 (13) of the Abkari Act</p> <p>Rule I of the rules for levy of gallonage fee etc.</p>
5	Fruit brandies	Means distilled spirits made from any of the following fruit wines, viz., citrus fruit wine, peach wine, cherry wine, papaya wine, pineapple wine, cantaloup wine or apple wine and includes distillates from products or residues of such wine, such as pomace and residuum with or without fortification by neutral spirits	
6	Fruit wines	The term broadly covers fermented and undistilled juices of fruits other than grapes. For example, black berry wine, elder berry wine, cherry wine and other wine. Sometimes these are technically regarded as 'hard ciders'	

G			
1	Gallon	Means a measure of capacity which is equivalent to 160 fluid ounces	
2	Ganja	Means the dried flowering topes of the cultivated female hemp plants which have become coated with resin in consequence of having been unable to set seeds freely	
3	Gauge	Means to determine the quantity of spirits contained in or taken from any receptacle or cask to determine the capacity of a cask or receptacle	Rule 2 (x) of the Distil. Icry and Warehouse Rules, Part I
4	Ginger beer	Results from a bacterial and yeast fermentation of a sugar solution containing pieces of ginger rhizomes	
H			
1	Heads and tails	Mean distillates containing one-half of one percent or more of aldehydes, or one per cent and more of fusel oil respectively	
2	Hemp (Indian hemp)	(1) means the leaves, small stalks and flowering or fruiting topes of the Indian hemp plant (<i>Cannabis sativa</i> L) including all forms known as bhang, sidhi, or ganja; (ii) Charas, that is, the resin obtained from the Indian hemp plant, which has not been submitted to any manipulations other than those necessary for packing and transport; and (iii) Any mixture with or without neutral materials, of any of the above forms of hemp or any drink prepared there from	2 (c) of the D.D. Act
3	Homeopathic medicines	For purposes of 'Medicinal and Toilet preparations (Excise Duties) Act and Rules'include all homeopathic preparations containing alcohol prepared in accordance with American, British and other standard pharmacopoeias in vogue in the States. It includes 'mother tinctures'and 'dilutions'and for the purposes of the Act and Rules are treated as 'medicines capable of being consumed as ordinary alcoholic beverage'	
4	Hops	The ripe female flowers of the hop plant, a climbing perennial one, used to give an aromatic bitter taste and as a preservative and clarifying agent to beer	

5	Hop back	means any vessel into which wort is run after boiling in order to remove spent hops	Rule 1 (n) of the Brewery Rules
I			
1	Import	Means to bring into the State	Sec. 3 (16) of the Abkari Act
2	Indian made foreign liquor	Means "all liquor manufactured in India that are of a 'like nature' to foreign liquor". It also includes beer manufactured in India	
3	Intoxicating liquor	Means any liquor whether alcoholic or not which will produce intoxication when drunk.	
4	Intoxicating drug	Means the leaves, small stalks and flowering or fruiting tops of Indian Hemp plant (cannabis sativa) and including all forms known as Bhang, Siddhi or Ganja (ii) Charas--that is the resin obtained from Indian hemp plant which has not been submitted to any manipulators other than those necessary for packing and transport (iii) Any mixture with or without neutral materials or any of the above forms of intoxicating drug or any drink prepared there from (iv) Any other narcotic substance which the Government may, by notification declare to be an intoxicating drug such substance not being opium, coca leaf or a manufactured drug as defined in section 2 of the D.D. Act, 1930	Sec. 3(14) of the Abkari Act
5	Issued under bond	Means issued for transport under bond to another distillery, warehouse or Excise depot'	
L			
1	Laboratory	Means that part of a non-bonded or bonded manufactory in which the actual manufacture of dutiable goods takes place	Sec. 2 (xii) of the M. and T. P. (E.D.) Rules
2	Lacquer thinners	Shall mean thinners containing more than 25 per cent alcohol by volume manufactured for use specially in paint industry by use of denatured alcohol or specially denatured alcohol in accordance with an approved formula	
3	Lager beers	Light beer containing more of carbonic acid gas than ordinary beer fermented with bottom yeast in contradistinction to "top yeast" at lower temperatures, the fermentation lasting for more number of days viz, from 10 to 20 days. When	

		the brewing of beer is finished, it is stored for about 4 months	
4	Liquor ₁	Includes spirits of wine, methylated spirits, spirits, wine, toddy, beer and all liquids consisting of or containing alcohol	Sec.3 (10) of the Abk. ari Act
5	Liquor ₂	Is an alcoholic liquor sweetened and flavoured with aromatic substances	
6	London proof spirit	(Also called proof spirit) means the mixture of ethyl alcohol and distilled water, which at the temperature of 51 ⁰ F weight exactly 12/13th parts of an equal measure of distilled water at the same temperature. Spirit having 57.06 % V/V strength at 51 ⁰ F	Explanation III in Schedule to the M &T. P. Act
7	Low wines	Mean impure spirit produced from the distillation of wash	
M			
1	Manufacture	(a) Includes every process whether natural or artificial by which any fermented, spirituous or intoxicating liquor is produced, prepared or blended and also redistillation and every process for the rectification of the liquor (b) Includes any process incidental or ancillary to the completion of the manufacture of dutiable goods.	Sec. 3 (19) of the Abkari Act Sec. 2(f) of the M. and T. P. Act
2	Manufactured drug	(i)Includes all coca derivatives, medicinal hemp and opium derivatives; and (ii) Any other narcotic substance which the Central Government may, by notification in the Official Gazette made in pursuance of a recommendation under Article 10 of the Geneva Convention or in pursuance of any international convention supplementing the Geneva Convention, declare to be a manufactured drug; but does not include any preparation which the Central Government may, by notification in the Official Gazette made in pursuance of a finding under Article 8 of the Geneva Convention, declare not to be a manufactured drug	Section 3 (g) of the D.D. Act, 1930
3	Manufactory	Means the room or building specified in the licence for manufacture of an excisable article	
4	Malt	The grain prepared by malting	
5	Malting	Means the process of treating raw barley or other Grains by which the grains are allowed to germinate to a desired limit beyond which	Rule 1 (h) of the Brewery Rules

		germination is arrested and the grains suitably dried and cured In this process there are 4 stages, (1) Steeping, (2) Couching (allowing sprouting or germination to proceed) (3) Flooring and (4) Kiln-drying	
6	Malt whisky	Is whisky manufactured from malt only	
7	Mash tun	Means any vessel in which malt or grain is exhausted in the course of brewing	Rule 1 (i) of the Brewery Rules
8	Mass wine	Means wine required for offering the Holy Sacrifice of Mass in Christian Church, prepared from raisins as prescribed by the rules	
9	Matured whisky	Is whisky matured in wood for a period of not less than two years	
10	Medicinal hemp	Means any extract or tincture of hemp	Sec. 2 (d) of the D.D. Act, 1930
11	Medicinal preparation	Includes all drugs which are a remedy or prescription prepared for internal or external use of human beings or animals and all substances intended to be used for, or in the treatment, mitigation or prevention of disease of human beings or animals	Sec. 2 (g) of the M. and T.P. Act, 1930
12	Medicinal opium	Means opium which has undergone the process necessary to adapt it for medicinal use in accordance with the requirements of the British Pharmacopoeia, whether in powder form or granulated or otherwise or mixed with neutral materials	Sec. 2 (f) (i) of the D.D. Act, 1930
13	Methylated Spirit	Is spirit d natured by the admixture of crude wood naphtha in the proportion of one part of crude wood naphtha to nine parts of spirit	
14	Mild ale	Is ale which has a higher alcoholic content than pale ale and richer in extract.	
15	Molasses	means lthe heavy dark coloured residual syrup drained away in the final stage of manufacture of gur or sugar, containing in solution or suspension sugars which can be fermented.	
16	Morphine	The principal alkaloid of opium having the chemical formula $C_{17}H_{19}NO_3$ and its salts	Sec. 2 (f) (iii) of the D.D. Act, 1930
N			
1	Narcotic drug (or Narcotic)	Means a substance (other than alcohol) which when swallowed or inhaled by, or injected into a human being induces drowsiness, sleep, stupefaction or insensibility in the human being	Sec. 2 (L) of the M. and T. P. (ED) Act, 1930

O			
1	Obscuration	Means the difference caused by matter in solution (or suspension in a colloidal state) between the true strength of spirit and the apparent strength as indicated by the Hydrometer or other instrument used for recording alcoholic strength	
2	Official allopathic preparations	Are preparations which are made in accordance with the formulae given in official current editions of the under mentioned pharmacopoeias, and which are not likely to be used for any purpose other than as medicine: (i) British Pharmacopoeia (ii) British Pharmaceutical Codex (iii) Indian Pharmacopoeial Codex (iv) United States Pharmacopoeia (v) The National Formulary of the United States (vi) Any other Pharmacopoeia that may be recognised under the Drugs Act, 1940 by the Government of India (vii) Veterinary Codex recognised by the Government of India (viii) Internal Pharmacopoeia; and (ix) The State Pharmacopoeia of the U.S.S.R.	Rule 59 of the M. &T.P. (ED) Act and Rules
3	Opium	Means the capsules of the poppy (<i>Popaver somniferum</i> L.)	Section 2 (e) of the D.D. Act, 1930
	Opium derivative	means- (i) medicinal Opium, that is, opium which has undergone the processes necessary try to adapt it for medicinal use in accordance with the requirements of the British Pharmacopoeia, whether in powder form or granulated or otherwise or mixed with neutral materials. (ii) prepared opium, that is, any product of opium obtained by any series of operations designate to transform opium into an extract suitable for smoking, and the dross or other residue remaining after opium is smoked (iii) morphine, that is, the principal alkaloid of opium having the chemical formula $C_{37}H_{19}NO_3$ and its salts;	Section 2 (f) of the D.D. Act, 1930

		(iv) diacetylmorphine, that is, the alkaloid, also known as diamorphine of heroin having the chemical formula $C_{21}H_{23}NO_5$, and its salts; and (v) all preparations official and non-official, containing more than 0.2 % of morphine, or containing any diacetylmorphine	
P			
1	Pachwa	means "Fermented rice, millet or other grain whether mixed with any liquid or not, and includes any liquid obtained therefrom whether diluted or not"	
2	Pale ale	is usually made from the best malt and hops and is heavily hopped	
3	Place	includes also a house, building, shop, tent, booth, raft, vehicle and vessels	Section 3 (21) of the Abkai Act
4	Plain Spirit	means 'Spirit' to which no flavour has been communicated and to which no flavouring or colouring matter or other material or ingredient has been added	
5	Porter	is a black beer prepared from pale amber and roasted malts in order to get its special taste and colour	
6	Power alcohol	Means 'Ethyl alcohol containing not less than 99.5% by volume of ethanol (C_2H_5OH) as measured at 60°F. and corresponding to 74.4 over proof strength	
7	Premises	shall mean and include the land and buildings or portions thereof and fixture situated thereon and constituting a part of such land and building used in the conduct of the business or trade for which permit has been issued and as described therein	
8	Priming	is the addition of strong solution of sugar or of cold water malt extract to the beer casks just before it leaves the Brewery	
9	Proof litre	means a litre of liquor of the strength of 'London Proof'	
10	Proof spirit	also commonly known as ' London Proof ' means that mixture of Ethyl alcohol and water which at the temperature of 51 ^o Fahrenheit weights exactly twelve/thirteenth (12/13) parts of an equal measure of distilled water "Proof spirit" at the temperature of 60°F has a specific gravity of 0.91984, water at the same	

		temperature being taken as unity. It contains 49.24 per cent of alcohol by weight or 57.06 per cent of alcohol by volume at 60°F.	
11	Prove	means to test the strength of spirit by hydrometer or other suitable instrument	Rule 2 (f) of the Distillery and Warehouse Rules, Part II
12	Proprietary solvents	Shall mean 'Solvents' containing more than 25 % alcohol by volume manufactured with specially denatured alcohol in accordance with formulae submitted by the applicant and are generally adapted for specific end uses.	
R			
1	Racking	means the running or drawing off of wine, spirits or beer into store Vats, casks or Bottles for issue	
2	Receiver	means "any vessel into which the worm of a still discharges"	
3	Receiver room	means the part of the Distillery (whether enclosed or not) where the receivers are kept (See also 'Spirit Store')	
4	Rectification	includes every process whereby spirits are purified or are coloured or flavoured by making any material therewith	Section 3 (20) of the Abkari Act
5	Rectified spirit	(a) means spirit purified by distillation, having a strength of not less than 95 % by volume of ethyl alcohol (b) means plain un denatured alcohol of a strength of not less than 50.0 ⁰ over proof and includes absolute alcohol	Rule 2 (XVIII) of M and T. P. Rules
6	Rectificator Charger	means a Vessel into which spirit to be rectified is passed from a Spirit Vat	Rule 1 (17) of the Distillery and Warehouse Rules Part 11
7	Reduction of spirit	means their (sprits) dilution from a higher to lower strength by addition of water	
8	Rental	means the Rental payable under Section 18-A of the Abkari Act in consideration of the grant of an exclusive privilege of. manufacturing, supplying or selling liquor or intoxicating drug	Section 3 (23) of the Abkari Act

9	Restricted preparation	means- (i) for the purposes of M and T.P. (ED) Act every medicinal and toilet preparation specified in the schedule appended to 'Medicinal and Toilet Preparations (Excise duties) Rules 1956 and includes every preparation declared by the Central Government as restricted preparation under these rules (ii) for the purpose of Abkari Act all preparations declared by the State Government as restricted	
10	Running ale	is ale or beer used for consumption after having been in store only for a few days say a week or 10 days	
S			
1	Sale	Sale or selling includes all transfers including gift.	Section 3 (15) of Abkari Act
2	Sendhi	is a fermented drink from the sap of the wild date tree	
3	Slop (Spent wash)	shall mean the residue left after complete distillation of the spirit contained in beer ferment mash, wash and other distilling materials containing spirit	
4	(Slop) spent wash	means the liquid that is left over after the wash is exhausted of all alcohol	Rule 1 (7) of the Distillery and Warehouse Rules, Part 11
5	Spent lees	shall mean the residue left after the redistillation of lees and / or impure spirit	
6	Spiced spirit	mean 'spirit' redistilled after the addition of flavours and spices to plain spirit	
7	Spirit	Any liquor containing alcohol and obtained by distillation whether it is denatured or not	
8	Spirit Store	(a) has been used to mean the part of the distillery where the receivers are kept (See Receiver room) (b) means that portion of the bounded or non-bounded manufactory which is set apart for the storage of alcohol, opium, Indian hemp and other narcotic drugs or narcotics purchased free of duty or at the prescribed rate of duty specified	Rule 2 (xxii) of M. and T.P. (ED) Rules

		in Medicinal and Toilet Preparations (Excise Duties) Act, 1955	
9	Spirituos medicinal preparations	are those preparations in the manufacture of which alcohol is self generated or used at one or more stages either as an ingredient or solvent or as a preservative or both. All, medicinal preparations, whether prepared according to the Allopathic, Homeopathic, Ayurvedic or Unani systems in the preparation of which spirit is added or self-generated fall under this category. Both Homeopathic mother tinctures and dilutions are included.	
10	Spurious preparations	means any toilet or medicinal preparation declared as spurious	
11	Standard preparations	means a preparation other than a substandard preparation	
12	Still	Distilling apparatus for making spirituuous liquors consisting essentially of a boiler, and a condensing chamber the vapour from the former passing into a spiral tube or worm surrounded by cold water or other refrigerating matter and issuing in drops as it condenses. (There are other cruder, finer and improved varieties of distilling apparatus) It includes also any part of a Still and any apparatus whatever for distilling or manufacturing spirits.	
13	Still wine	is a potable wine, not containing carbon dioxide of aeration, which has an alcoholic strength below 42° Proof spirit and which does not come in the classes of 'Medicated Wines'and 'Medicines'	
14	Stock ale	are ales stored for some time in order to develop special quantities from maturing	
15	Stout	is a porter of some-what higher alcoholic content and stronger hop-flavour than beer made from caramelised malt	

16	Sub-standard preparation	means— (a) a pharmacopoeial preparation in which the amount of any of the various ingredients is below the minimum that the pharmacopoeial composition would require, or (b) a proprietary medicine which does not conform to the formula or the list of ingredients disclosed on the label of the container or on the containers	Section 2 (xxiv) of the M. and T.P. (ED) Rules
17	Sweets	Means any liquor which is made from fruit and sugar (or from fruit and sugar mixed with any other material) which has in its manufacture undergone a process of fermentation but not distillation. It includes British Wines, mead and metheglin	
18	Sweet Toddy (Neera, Nira, Pathani, Akani)	means juice drawn from a cocoanut palmyrah, date or any other kind of palm-tree into receptacles freshly coated internally with lime or treated in any other prescribed manner so as to prevent any fermentation	
19	Sweetened spirit	Is usually understood to mean 'spirits' to which any matter has been added after distillation which produces obscuration to the extent of over 0.6 per cent proof.	
T			
1	Tap	Means to prepare or manipulate the spathe or other part of any toddy producing tree with the object of extracting toddy there from. The attaching of pot is not necessary to constitute the Act.	Section 3 (22) of the Abkari Act
2	Toddy	Means the fermented or unfermented juice drawn from a coconut, palmyrah, date or any other kind of palm tree It includes "Sweet Toddy" Fresh Toddy and Fermented toddy	Neera Section 3 (8) of the Abkari Act
3	Toilet preparations	Means any preparation which is intended for use in the toilet of the human body or in perfuming apparel of any description or any substance intended to cleanse, improve or alter the complexion, skin, hair, or teeth and includes deodorants and perfumes	Section 2 (k) of the M. and T.P. (ED) Act

4	Tonic (or medicated) Wine	Means a mixture or compound of any wine with medicinal substances whether fortified with spirit or not and include 'medicated bitters'	
U			
1	Under back	Means any vessel into which wort runs from the mash tun or from the hopback.	Rule I (m) of the Brewery Rules
2	Unrestricted standard preparations	All preparations, other than 'restricted' standard preparations made according to any of the recognised pharmacopoeias and not capable of being consumed as alcoholic beverages or intoxicating drinks.	
3	Unrestricted proprietary preparations	Includes all preparations prepared for use according to allopathic system of medicine and not included in any of the recognised pharmacopoeias, which are not capable of being consumed as alcoholic beverages or intoxicating drinks.	
V			
1	Vat	Means any fixed vessel used for storage or spirits, alcohol or liquor in a Distillery Warehouse or Excise Depot. It includes tanks made of metals.	
W			
1	Warehouse	(a) means the part of a distillery or any other building whether attached to it or not in which spirit or any preparation containing spirit in a fit state for issue or for use in any manufacture is stored under excise control (b) Also means a secure place approved for the deposit of goods liable to customs or excise duty without payment of such duty. It includes general or public warehouse, vaults, repacking warehouse and bottling warehouse.	
2	Wash	Means a saccharine solution from which spirit is obtained by distillation. It includes also 'fermented wash or wort'	
3	Wash Mixer	means any vessel used solely for preparation of wash	Rule I (a) of the Distillery and Warehouse Rules, Part II

4	Wash room	means that part of a distillery where wash is prepared and fermented	Rule 1 (3) of the Distillery Warehouse Rules, Part II
5	Weiss	is a light malty ale made mostly from wheat	
6	Wort (or fresh wash)	means a mixture of water and saccharine material before fermentation starts	Rule 1 (3) of the Distillery and Warehouse Rules, Part 11

APPENDIX : IV

CONSOLIDATED LIST OF PERIODICALS DUE TO AND FROM THE DEPUTY EXCISE COMMISSIONERS AND EXCISE COMMISSIONERATE, TRIVANDRUM

<i>Sl. No.</i>	<i>Name of Return</i>	<i>To DC's from whom & date</i>	<i>To Excise Commissionerate from whom due & due date</i>	<i>From Excise Commissionerate to whom due & due date</i>	<i>Remarks</i>
1	2	3	4	5	6
ANNUAL					
1	All India Statistics relating to Dangerous Drugs in Forms NDS 5 and 6	E.Is: First of February every year	Deputy Excise Commissioners: 10 th of February every year	Narcotics Commissioner: Last day of February every year	
2	Annual estimate of raw materials in Form NDS 3	E.Is: 10 th of May every year	Deputy Commissioners: 30 th of May every year	Narcotics Commissioner: 1 st September every year	
3	Annual estimate of Narcotic Drugs in Form NDS 4	E.Is: 10 th of May every year	Deputy Commissioners: 30 th of May every year	Narcotics Commissioner: 30 th June every year	
4	Statement showing Revenue derived from Opium by the State Government		Deputy Excise Commissioners and Treasury Deputy Collectors: 1 st February of every year	Narcotics Commissioner: 1 st March of every year	

5	Statement showing revenue derived from Ganja and Bhang by the State Government	E.Is:15 th of January every year	Deputy Excise Commissioners and Treasury Deputy Collectors: 1 st February of every year	Narcotics Commissioner: 1 st of March of every year	
6	Statement showing the stock receipt and disposal of Ganja and Bhang		Deputy Excise Commissioners and Treasury Deputy Collectors: 1 st February of every year	Narcotics Commissioner: 1 st of March of every year	
7	Stock account of Opium and Ganja		Deputy Excise Commissioners and Treasury Deputy Collectors: 1 st May every year	Accountant General: 1 st of June every year	
8	Annual report on the working of the International Treaties on Narcotic Drugs	E.Is: 15 th April every year	Deputy Excise Commissioners and Treasury Deputy Collectors: 1 st May every year	Narcotic Commissioner	
9	Return of manufacture of galanical preparations (extracts and Tinctures of Indian Hemp)		Deputy Excise Commissioner:1 st May every year	Narcotic Commissioner	
10	Public Services— Recruitment of Clerks, Typists, etc— Statement of estimated vacancies		Office	Secretary, Kerala Public Service Commission: 30th of April every year	
11	Public Services— Acquisition of immovable property by Government servants annual returns	E.Is and C.IS: 25 th of January every year	Deputy Commissioners : 5th of February every year	Government (Home Department): 15 th February every year	

12	List of cases of irregularities, defalcations, losses, etc		Deputy Commissioners : 5th of February every year	Accountant General: 15 th February every year	
13	Annual Administration Report in respect of Excise and Prohibition Department	C.Is and E.Is: 15 th April every year	Deputy Commissioners : 1st of May every year	Government (Revenue Department): 15 th July every year	
14	Annual indent for Excise Forms		Deputy Commissioners : 1 st of March every year	Superintendent of Government Presses: 1 st of May every year	
15	Annual Confidential Reports on Government Servants	C.Is and E.Is: 10 th January every year	Deputy Commissioners: 15 th January every year	Action to be initiated on the 10 th of January every year	
16	Annual Certificate of verification on services of Subordinate Officers and certificate of liabilities (Note 2 under Rule 181, Part III of KSR)	E.Is and C.Is : 10th April every year	Deputy Commissioners: 25th April every year	Government in the Administrative Department concerned: 1 st of June every year	
17	Statement showing write off sanctioned during the year with particulars		Deputy Commissioners:	Accountant General: 15 th April every year	
18	Annual indent for Common forms, Registers, etc	C.Is and E.Is 10th October every year	All DCs ,: 1st November every year	Superintendent, Government Presses, Trivandrum: 1 st January	

19	Annual indent for forms and registers under Kerala Treasury Code & Kerala Financial Code	E.Is and C.Is 10th October every year	All DCs ;: 1st November every year	Superintendent, Government Presses, Trivandrum: 1 st January	
20	Quarterly statement showing the review of verification and stamping of weights, measuring instruments, etc, used in Government Departments		DCs : Before 5th of the month succeeding the quarter	Controller of Weights and Measures: Before 10 th of the month succeeding the quarter	
21	Annual indent for stationary articles		All DCs before 10 th October	Controller of stationeries before 1 st November	
22	Certificates of non refundable advances sanctioned for the purchase of house or house-site		DCs by 31 st December	Excise Commissionerate	
Half-yearly					
1	Monthly statement of revenue collection under "State Excise Duties"	CIs:5 th of every year	DCs:10 th of every year	Government (Finance Department)20 th April and October every year	
2	Consolidated report on the implementation of the resolution and decisions of the Narcotics Conference			Narcotics Commissioner"30 th of July and January every year	

3	List of appointments made to Public Services		DCs:5 th of April and October every year	To be published in the Gazette on the 3 rd week of April and October every year	
4	Civil list of Gazetted Officers as on the 1 st of January and July every year		DCs:15 th December every year	Government(Public Department)25 th of January and July every year	
5	Monthly statement showing the details of spirits imported, exported during the month (both overseas and India)	CI & EIs:5 th of every month	All DCs: Before 10 th of every year	Excise Commissioner (Commissioner of Excise to be reviewed)	
6	Half-yearly review of revenue collection		DCs:30 th April and 31 st October	Finance Department”31 st May and 30 th November	
7	Pension cases expeditious disposal certificate in Annexure I		All DCs:15 th October and 15 th April	Finance Department:25 th November and 25 th May	
8	Half-yearly statement showing particulars of officers who are to retire within one year		DCs:15 th of the first month of the half year	Excise Commissionerate	
QUARTERLY					
1	DCB statement of Abkari rentals, and tree-tax	CI & EIs: 10 th of every month	Deputy Commissioners: 15 th of every month	To be reviewed and copy of review to be submitted to the Government (Revenue Department) on 15 th of the month following the quarter	

2	Monthly statement of vigilance cases		Office: 5th of every month	Government (Home Department) :10 th of every month	
3	Monthly statement of disciplinary cases		DCs: 5 th of every month	Government (Home Department) :10 th of every month	
4	Consolidated absentee statement of the provincial establishment of Excise Inspectors	CI & EIs 2 nd of every month	DCs: 5 th of every month	Accountant General: 16 th of every month	
5	Statement of appointments and promotions made without reference to the Public Service Commission		Office	Secretary, Kerala Public Service Commission: 10 th of every month	
6	DCB statement of old Abkari arrears (Review and Statements) Parts A and B		DCs and District Collectors: 15 th of every month	To be reviewed and copy of review submitted to the Government (Revenue Department) on 15th of the month following the quarter	
7	Return of illicit traffic in Dangerous Drugs in Appendix VIII and IX		DCs: 15 th of January, April, July and October every year	Narcotics Commissioner	
8	Return of opium smoking offence		DCs: 15 th of January, April, July and October every year	Narcotics Commissioner	
9	Return of illicit price of opium and other Narcotic Drugs		DCs: 15 th of January, April, July and October every year	Narcotics Commissioner	
10	Statement showing opium permits		Office	Narcotics Commissioner: 30 th of January, April,	

	issued to addicts who failed to register their names before 30th June 1959			July and October every year	
11	Return showing maintenance of accounts relating to ammunitions		DCs: 31 st March, 30 th June, 30 th September and 31 st December every year	To be filled in office	
12	Report on the maintenance of Motor Vehicles		DCs: 31 st March, 30 th June, 30 th September and 31 st December every year	To be reviewed on the 10 th of April, July, October and January every year	
13	Quarterly statement of disciplinary cases under rule 38 of the Kerala Services (Classification, Control and Appeal) Rules, 1960			Government (Revenue Department): 15 th of January, April, July and October every year	
14	Statement showing the purchase of ISI certified goods		DCs 3 rd of January, April, July and October every year	Government (Stores Purchase Department): 7 th of January, April, July and October every year	
15	Progress report of Inspection of Pharmaceuticals and Warehouses		DCs: 10 th of the month following the half year	Excise Commissionerate	
16	Progress report of Inspection of ranges and distilleries		DCs: 10 th of the month following the half year	Excise Commissionerate	
17	Quarterly statement of Provident Fund pending cases		All DCs: 30 th of January, April, July and October every year	Finance Department: 30 th of January, April, July and October every year	

18	Quarterly report on the inspection of subordinate offices		Excise Commissionerate	Government Revenue (G) Department: 10th of the month following the quarter	
19	Quarterly statement showing the details of spirits Indian made FL		All DCs before 10 th of the month following the quarter	Excise Commissionerate	
20	Quarterly statement showing the persons attaining the age of 55 for further continuous required in GO(P) 319/66/Fin, dated 16th July 1966 and GO (P) 3761 66/Fin, dated 12th August 1966		All DCs: 15 th January, 15 th April, 15 th July and 15 th October	To be filed in Excise Commissionerate	
21	Statement showing the details of vacancies of POs, CEOs and Typists		DCs: 10 th January, April, July and October		
MONTHLY					
1	Monthly statement showing the collection of Excise Revenue	E.Is and C.Is of all ranges: 3 rd of every month	DCs 3 rd of every month	To be reviewed: 10 th of every month	
2	Reconciled statement of Excise receipts under the head X	CI & E Is 5 th of the succeeding month	DCs before 10 th of the following month	Excise Commissionerate	

3	Monthly statement showing the production and distribution of molasses in sugar factory		All Sugar Factories before 5th of the month following	Director General of Technical Development, New Delhi by 20 th of the month following	
4	Monthly statement showing the consumption of molasses and production and consumption of alcohol		All Distilleries before 5th of every month	Director General of Technical Development, New Delhi by 20 th of the month following	
5	Monthly statement of pending pension cases statements I and II		All DCs 10 th of every month	Finance Department: 15th of every month	
6	Monthly statement of DCB of Abkari old arrears	E.Is and C.Is: 5 th of month following	All DCs: 10 th of the following month	Excise Commissionerate	
7	Extract of log book of each vehicle		DCs: before 5 th of the month following	Excise Commissionerate	
8	Statement showing the denatured spirit, methylated spirit, and Rectified spirit manufactured and sold by distilleries		EIs and CIs in charge of Distilleries : 5 th of the month following		
9	Statement of progress of cases	CI & EIs: 5 th of every month			

FORTNIGHTLY					
1	Diaries of Assistant Excise Commissioners		DCs., 3 rd and 18 th of every month	To be reviewed on the 10 th and 25 th of every month	
2	Statement showing the progress of action against the officers under suspension who are suspended by the Heads of Departments		Excise Commissionerate	Secretary to Government Home (G) Department before 10 th of the succeeding month	
3	Statement showing the progress of action of misappropriation of Government money		Excise Commissionerate	Secretary to Government Finance Department 10 th of the month following the period	
WEEKLY					
1	Weekly diaries of EIs and CIs	EIs and CIs Monday			
DAILY					
1	General diary	E Is and CIs Next day			

APPENDIX V

Notice for the sale of the privilege of vending Toddy, in the Toddy Shops during the period from 1st April to 31st March

In exercise of the powers conferred by section 18 A of the Abkari Act, 1 of 1077 read with sub-rule (1) of rule 3 , rule 4, sub-rule (7) of rule 5 and sub-rule(26) of rule 7 of the Kerala Abkari Shops Disposal Rules ,2002, the Government of Kerala hereby notify that the privilege of vending Toddy, in the Toddy Shops, specified within the Excise Ranges shown below for a period of years from the 1st day of April, to the 31st day of March, will be put to public sale. The shops shall be sold in Groups except Anthikkad, Cherpu, Kolazhy and Thrissur Ranges in the Thrissur Taluk and Kodungallur Range, where the shops shall be sold in Range or Taluk wise. The amount of annual rental fixed for each shop for the financial years, and shall be as stated in the notification. Annual rental in respect of succeeding Abkari years shall be remitted before 10th day of January of the current Abkari year by duly furnishing the required eligibility certificates. The sale of shops shall be held at places and date mentioned against each Range (or at such other places as may be notified in the respective Excise Division Offices) as shown in the programme of sale given below, subject to the conditions set forth in the Kerala Abkari Shops Disposal Rules, 2002 and subject to the decision of the Hon'ble High Court in W.P. (C) No., namely:-

PROGRAMME OF SALE OF TODDY SHOPS (DISPOSAL, RANGE WISE) FOR THE FINANCIAL YEAR,,

Name of Range	Date of sale	Place of sale
I Thiruvananthapuram Division		
1. Amaravila		Excise Division Office, Thiruvananthapuram
2. Neyyattinkara	,,	,,
3. Thirupuram	,,	,,
4. Kattakada	,,	,,
5. Thiruvananthapuram	,,	,,
6. Kazhakkuttom	,,	,,
7. Nedumangad	,,	,,

8.	Vamanapuram	”	”
9.	Aryanadu	”	”
10.	Chirayinkeezhu	”	”
11.	Varkala	”	”
12.	Kilimannoor	”	”

II Kollam Division

1.	Kollam		Excise Division Office, Kollam
2.	Chathannur	”	”
3.	Karunagappally	”	”
4.	Sasthamcotta	”	”
5.	Kottarakkara	”	”
6.	Chadayamangalam	”	”
7.	Ezhukone	”	”
8.	Pathanapuram	”	”
9.	Anchal	”	”

III Pathanamthitta Division

1.	Adoor		Excise Division Office, Pathanamthitta
2.	Pathanamthitta	”	”
3.	Konni	”	”
4.	Ranni	”	”
5.	Chittar	”	”
6.	Mallappally	”	”
7.	Thiruvalla	”	”

IV Alappuzha Division

1.	Kuthiyathode		Excise Division Office, Alappuzha
2.	Cherthala	„	„
3.	Alappuzha	„	„
4.	Nooranadu	„	„
5.	Chengannur	„	„
6.	Mavelikkara	„	„
7.	Kayamkulam	„	„
8.	Karthikapally	„	„
9.	Kuttanad	„	„

V Kottayam Division

1.	Changanacherry		Excise Division Office, Kottayam
2.	Kanjirapally	„	„
3.	Erumeli	„	„
4.	Kottayam	„	„
5.	Pampady	„	„
6.	Ettumanoor	„	„
7.	Kuravilangad	„	„
8.	Pala	„	„
9.	Erattupetta	„	„
10.	Kaduthuruthy	„	„
11.	Vaikom	„	„

VI Idukki Division

1.	Adimali		Excise Division Office, Idukki
2.	Thankamany	„	„

3.	Devikulam	”	”
4.	Vandiperiyar	”	”
5.	Marayoor	”	”
6.	Thodupuzha	”	”
7.	Idukki	”	”
8.	Udumbanchola	”	”
9.	Kattappana	”	”
10.	Peerumedu	”	”

VII Ernakulam Division

1.	Ernakulam		Excise Division Office, Ernakulam
2.	Kuttampuzha	”	”
3.	Thripunithura	”	”
4.	Mattancherry	”	”
5.	Njrakkal	”	”
6.	Aluva	”	”
7.	Angamaly	”	”
8.	Kalady	”	”
9.	North Paravoor	”	”
10.	Varappuzha	”	”
11.	Muvattupuzha	”	”
12.	Kothamangalam	”	”
13.	Mamala	”	”
14.	Piravom	”	”
15.	Perumbavoor	”	”

VIII Thrissur Division

1.	Anthikkad		Excise Division Office, Thrissur
2.	Chalakydy	”	”

3.	Chavakkad	”	”
4.	Cherpu	”	”
5.	Irinjalakuda	”	”
6.	Kodungallur	”	”
7.	Kolazhi	”	”
8.	Kunnamkulam	”	”
9.	Mala	”	”
10.	Pazhayannur	”	”
11.	Thrissur	”	”
12.	Vadanappally	”	”
13.	Vadakkanchery	”	”

IX Palakkad Division

1.	Thrithala		Excise Division Office, Palakkad
2.	Pattambi	”	”
3.	Ottappalam	”	”
4.	Cherupulasserry	”	”
5.	Mannarkkad	”	”
6.	Parali	”	”
7.	Palakkad	”	”
8.	Kuzhalmannam	”	”
9.	Alathur	”	”
10.	Chittur	”	”
11.	Nenmara	”	”
12.	Kollengode	”	”

X Malappuram Division

1.	Ponnani		Excise Division Office, Malappuram
2.	Kuttippuram	”	”

3.	Tirur	”	”
4.	Parappanangadi	”	”
5.	Malappuram	”	”
6.	Manjeri	”	”
7.	Perinthalmanna	”	”
8.	Nilambur	”	”
9.	Kalikavu	”	”

XI Wayanad Division

1.	Kalpetta		Excise Division Office, Wayanad
2.	Sulthan Bathery	”	”
3.	Mananthavadi	”	”

XII Kozhikode Division

1.	Faroke		Excise Division Office, Kozhikode
2.	Kozhikode	”	”
3.	Kunnamangalam	”	”
4.	Thamarassery	”	”
5.	Chelannur	”	”
6.	Balussery	”	”
7.	Koilandy	”	”
8.	Vadakara	”	”
9.	Nadapuram	”	”

XIII Kannur Division

1.	Thalassery		Excise Division Office, Kannur
2.	Pinarayi	”	”
3.	Koothuparamba	”	”

4.	Peravoor	”	”
5.	Mattannur	”	”
6.	Iritty	”	”
7.	Kannur	”	”
8.	Pappinissery	”	”
9.	Thaliparamba	”	”
10.	Alakode	”	”
11.	Payyannur	”	”
12.	Sreekandapuram	”	”

XIV Kasargod Division

1.	Kasargod	Excise Division Office, Kasargod	
2.	Bandadukka	”	”
3.	Badiadukka	”	”
4.	Kumbala	”	”
5.	Hosdurg	”	”
6.	Nileswaram	”	”

The details of independent shops for the sale of Toddy in each of the Ranges and also limits within which the shops are to be located will be as shown in the schedule to the Notification issued under G.O. (P) No. 58/2008/TD dated 19th March, 2008 and published as S.R.O. No. 291/2008 in the Kerala Gazette Extraordinary No. 558 dated 19th March, 2008.

Appendix showing the annual rental of toddy shops for the year, and

APPENDIX VI
Forms related to Toddy Shops

Form No. I
[See Rule 5 (4)]

**KERALA EXCISE DEPARTMENT IDENTITY CARD OF THE INTENDING
PURCHASER FOR PARTICIPATING IN THE SALE OF TODDY SHOPS**

Name: Sri/Smt:

D/o .S/o.: Sri:

House Name:

Kara:

Village:

Post Office:

Taluk:

District:

Age and Date of Birth:



Signature of the
Intending Purchaser

The photograph and address verified by me and found correct. The addressee signed in my presence on this document.

Date:

Name & official address
of the Revenue Officer

(Office Seal of the Revenue Officer)

The Revenue Officer shall also attest on the photograph.

Form No. II
[See Rule 5 (7)]

കളക്ട് വില്പന കുത്തവകാവകാശം ലഭിക്കുന്നതിന് സമർപ്പിക്കുന്ന അപേക്ഷ

[The Kerala Abkari shops Disposal Rules, 2002 ചട്ടം 5 ഉപചട്ടം (7) പ്രകാരം]

..... ജില്ലാ കളക്ടർ മുമ്പാകെ

1. അപേക്ഷകന്റെ പേര്, വയസ്സ്, ജനനത്തീയതി, പിതാവിന്റെ പേര്, മേൽ വിലാസം :
.....
.....
2. കുത്തവകാവകാശത്തിന് അപേക്ഷിക്കുന്ന 63 (ഷാപ്പിന്റെ/ഷാപ്പുകളുടെ) നമ്പർ, റെന്റൽ തുക, റേഞ്ചിന്റെ പേര് :.....
.....
3. അപേക്ഷയോടൊപ്പം ഹാജരാക്കുന്ന ബാങ്ക് ഡ്രാഫ്റ്റിന്റെ നമ്പർ, തീയതി, തുക, ബാങ്കിന്റെ പേര്:.....
.....
4. അപേക്ഷയോടൊപ്പം ഹാജരാക്കുന്ന ബാങ്ക് ഗ്യാരന്റി നമ്പർ, തീയതി, തുക, കാലാവധി, ബാങ്കിന്റെ പേര്:.....
.....
5. അപേക്ഷകനെതിരെ വ്യാജമദ്യവുമായി ബന്ധപ്പെട്ട കേസിൽ കുറ്റം ചുമത്തിയിരിക്കുകയോ കോടതിയിൽ പ്രോസിക്യൂഷൻ നടപടികൾ നിലനിൽക്കുകയോ ചെയ്യുന്നുണ്ടോ? :.....
6. അപേക്ഷകൻ ഏതെങ്കിലും അബ്കാരി കുറ്റത്തിനോ മറ്റേതെങ്കിലും ക്രിമിനൽ കുറ്റത്തിനോ 3 വർഷത്തിലധികം കാലത്തേക്ക് 1-4-1992 നു ശേഷം ശിക്ഷിക്കപ്പെട്ട വ്യക്തിയാണോ? :
7. അപേക്ഷകന്റെ പേരിൽ അബ്കാരി കുടിശ്ശികയോ സെയിൽസ് ടാക്സ് കുടിശ്ശികയോ ഉണ്ടോ? :
8. ഉടമകിൽ ഷാപ്പ് വിൽപ്പന വിജ്ഞാപനത്തീയതിയിൽ തന്റെ പേർക്ക് ഉടമയായിരുന്ന ടി കുടിശ്ശിക തുകയുടെ 50% അടച്ചു തീർത്തിട്ടുണ്ടോ? :
9. അപേക്ഷകന്റെ പേരിൽ ടോഡി വർക്കേഴ്സ് വെൽഫെയർ ഫണ്ട് കുടിശ്ശികയോ കേരള അബ്കാരി വെൽഫെയർ ഫണ്ട് കുടിശ്ശികയോ ഉണ്ടോ? :
10. ഉടമകിൽ കഴിഞ്ഞ വർഷം ഡിസംബർ 31 വരെയുള്ള കാലത്തെ ടി കുടിശ്ശിക തുക മുഴുവൻ അടച്ചു തീർത്തിട്ടുണ്ടോ? :
11. അപേക്ഷകൻ സർക്കാർ സർവ്വീസിലുള്ള വ്യക്തിയാണോ:.....

സത്യപ്രസ്താവന

എന്റെ അറിവിലും വിശ്വാസത്തിലുംപ്പെട്ടിടത്തോളം മേൽപ്പറഞ്ഞ കാര്യങ്ങൾ സത്യവും പൂർണ്ണവുമാണ്. അപേക്ഷയോടൊപ്പം ബന്ധപ്പെട്ട സാക്ഷ്യപത്രങ്ങളും ഹാജരാക്കി കൊള്ളുന്നു. അപേക്ഷയിൽ പറഞ്ഞിരിക്കുന്ന കാര്യങ്ങൾ അസത്യമെന്നോ ഹാജരാക്കിയ രേഖകൾ കൃത്രിമമോ വ്യാജമോ എന്നോ എപ്പോഴെങ്കിലും കൃപിടിക്കപ്പെട്ടാൽ എനിക്ക് കിട്ടുന്ന കുത്തകാവകാശം റദ്ദുചെയ്യപ്പെടുന്നതും ബാങ്ക് ഡ്രാഫ്റ്റ് തുക സർക്കാരിലേക്ക് മുതൽ കൂട്ടപ്പെടുന്നതും ഷാപ്പ് പുനർവിൽപ്പന ചെയ്യപ്പെടുന്നതു മുൻപെ അബ്കാരി ഷാപ്പ് ഡിസ്പോസൽ റൂളിലെ നടപടികൾക്ക് ഞാൻ വിധേയനാകുമെന്ന് എനിക്കറിവുള്ളതാണ്.

അപേക്ഷകന്റെ പേരും ഒപ്പും

സ്ഥലം :

തീയതി :

വിൽപനാധികാരിയുടെ റിമാർക്സ്

Form No. III

AGREEMENT

[See Rule 5(16)]

കേരളാ സ്റ്റേറ്റ് ഗവൺമെന്റ് പേർക്ക് (ഇതിന താഴെ ഗവൺമെന്റ് എന്ന് വിളിക്കുന്നു).....
.....താലൂക്കിൽ.....വില്ലേജിൽ
.....ദേശത്ത്വീട്ടിൽ
.....ന്റെ മകൻ/മകൾ
ആയ..... (ഇതിനുശേഷം ബാധ്യതക്കാരൻ എന്ന് വിളിക്കുന്ന)
.....Abkari Act 1 of 1077-ലെ 25-ാം വകുപ്പ് പ്രകാരം എഴുതിക്കൊടുത്ത

ഉടമ്പടി

20.....-ാം മാണ്ട് മാസം-ാം തീയതിയിലെ
..... നമ്പർ ഗസറ്റിൽ കേരളാ ഗവൺമെന്റ് (നികുതി വകുപ്പ്) നമ്പരായി
.....തീയതിയിൽ വിജ്ഞാപനം ചെയ്ത കള്ള വിൽപ്പന കുത്തകാവകാശം
സംബന്ധിച്ച പരസ്യത്തിലേയും അതോടുകൂടി പ്രസിദ്ധപ്പെടുത്തിയിട്ടുള്ള ഷാപ്പുവിവരപ്പട്ടിക
യിലേയും താൽപ്പര്യപ്രകാരം.....താലൂക്കിൽപ്പെട്ട.....റേഞ്ചിലെ
.....നമ്പർ.....എന്ന് പേരായ കള്ളുഷാപ്പിൽ
കള്ളുവിൽപ്പന നടത്തുന്നതിനുള്ള 20.....ഏപ്രിൽ 1 മുതൽ 20..... മാർച്ച് 31 വരെയുള്ള
കാലയളവിലെ കുത്തകാവകാശത്തിനുവേണ്ടി ബാധ്യതക്കാരൻ അപേക്ഷ സമർപ്പിച്ചിട്ടുള്ളതും
ആയതിനെ തുടർന്ന്രൂപ വാർഷിക റെന്റലിന ബാധ്യതക്കാരന്റെ പേരിൽ ടി
ഷാപ്പ് സ്ഥിരപ്പെടുത്തി തന്നിട്ടുള്ളതുമാകുന്നു. 2002-ലെ കേരളാ അബ്കാരി ഷോപ്സ്
ഡിസ്പോസൽ റൂൾസിലെ IV-ാം അദ്ധ്യായത്തിൽ 5-ാം ചട്ടം (12)-ാം ഉപചട്ടം പ്രകാരം
(ബാധ്യതക്കാരൻ) ടി ഷാപ്പിന്റെ 20.....-20..... വർഷത്തേക്കുള്ള റെന്റൽ തുകയായ
.....രൂപ സർക്കാരിലേക്ക് കെട്ടിവച്ചിട്ടുള്ളതും തുടർന്നുള്ള വർഷങ്ങളി
ലേക്കുള്ള റെന്റൽതുക നടപ്പു അബ്കാരി വർഷം മാർച്ച് മാസം 31-ാം തീയതിക്കു മുമ്പായി
സർക്കാരിലേക്ക് ഒടുക്കുവരുത്തുന്നതുമാകുന്നു.

2002-ലെ കേരളാ അബ്കാരി ഷോപ്സ് ഡിസ്പോസൽ റൂൾസിലെ ചട്ടങ്ങൾക്കും നിബന്ധന
കൾക്കും ഞാൻ (ബാധ്യതക്കാരൻ) വിധേയനായിരിക്കും. ബാധ്യതക്കാരന അനുവദിച്ചിട്ടുള്ള ടി
കുത്തകാവകാശത്തിൽ നിന്ന് (ബാധ്യതക്കാരൻ) പിന്തിരിയുന്നതല്ല. ടി ഷാപ്പ് സംബന്ധമായി
ഗവൺമെന്റിലേക്ക് അടയ്ക്കാനുള്ള വ്യക്ത നികുതിയും മറ്റു സംഖ്യകൾ വല്ലതുമുണ്ടെങ്കിൽ അതും
നിയമപ്രകാരം അവ അടയ്ക്കാനുള്ള നിശ്ചിത സമയത്ത് ട്രഷറിയിൽ അടച്ചു തീർക്കാൻ
ബാധ്യതക്കാരൻ കടപ്പെട്ടിരിക്കുന്നു. മേൽപ്പറഞ്ഞ പ്രകാരം ഗവൺമെന്റിന കൊടുക്കേണ്ട
ഏതെങ്കിലും തുക നിശ്ചിത സമയത്ത് അടയ്ക്കാതെ മുടക്കം വരുത്തിയാൽ ആ സംഖ്യ
അടയ്ക്കേണ്ട തീയതി മുതൽ കൊല്ലത്തിൽ രൂപയ്ക്ക് 18 ശതമാനമോ അല്ലെങ്കിൽ സർക്കാർ അതാത്
സമയത്ത് നിശ്ചയിച്ചിരിക്കുന്ന നിരക്കിലുള്ളതോ ആയ പലിശ സഹിതം ബാധ്യതക്കാരൻ ഒടുക്കുന്ന
താണ്. കുടിശ്ശികയായി ബാധ്യതക്കാരൻ ഒടുക്കുന്ന തുകയിൽ നിന്നും പലിശ ആദ്യം വകവെയ്ക്കു
ന്നതും ബാക്കിയുണ്ടെങ്കിൽ ആയതുമാത്രം മുതലിൽ വരവുവയ്ക്കുന്നതുമായിരിക്കും. ബാധ്യത
ക്കാരൻ തനിക്ക് സിദ്ധിച്ച കള്ളുവിൽപ്പന കുത്തകാവകാശത്തെയോ ലൈസൻസിനെയോ യാതൊരു
തരത്തിലും കരണം ചെയ്യുന്നതല്ല.

ബാധ്യതക്കാരൻ കുത്തകാവകാശം സിദ്ധിക്കുന്നതിനായി സമർപ്പിച്ച അപേക്ഷയിലെ
ഏതെങ്കിലും സംഗതികളോ പ്രസ്താവനകളോ സത്യവിരുദ്ധമായിരുന്നില്ലെന്നോ ടി അപേക്ഷയിൽ
വിൽപ്പനാധികാരി അറിയേണ്ടതായ ഏതെങ്കിലും സംഗതികൾ വെളിപ്പെടുത്താതെ മറച്ചുവെച്ചിരുന്നു
വെന്നോ അപേക്ഷയോടൊപ്പം സമർപ്പിക്കപ്പെട്ട ഏതെങ്കിലും രേഖകൾ വ്യാജമോ കൃത്രിമമോ
ആയിരുന്നു എന്നോ എപ്പോഴെങ്കിലും കണ്ടുപിടിക്കപ്പെട്ടാലോ ഗവൺമെന്റിലേക്ക്
ഒടുക്കേണ്ട ഏതെങ്കിലും തുക ബാധ്യതക്കാരൻ ഒടുക്കാതെ വീഴ്ച വരുത്തിയാലോ 2002-ലെ

കേരള അബ്കാരി ഷോപ്പ്സ് ഡിസ്പോസൽ റൂൾസിലെ ചട്ടങ്ങളോ ലൈസൻസിലെ നിബന്ധനകളോ ലംഘിച്ചാലോ ബാധ്യതക്കാരന സിദ്ധിച്ച ടി ഷാപ്പിന്റെ ലൈസൻസ് റദ്ദാക്കുന്നതിനും വാർഷിക റെന്റലിനത്തിൽ കെട്ടിവച്ച തുക സർക്കാരിലേക്ക് മുതൽക്കൂട്ടുന്നതിനും ടി ഷാപ്പിന്റെ അവകാശം രണ്ടാമത് വിൽപ്പന ചെയ്യുന്നതിനും ഗവൺമെന്റിന അധികാരമുണ്ടായിരിക്കുന്നതാണ്. ഇപ്രകാരം വിൽപ്പന ചെയ്യുന്നതിൽനിന്നും ഗവൺമെന്റിനുണ്ടാകുന്ന സർവ്വ കഷ്ടനഷ്ടങ്ങൾക്കും ബാധ്യതക്കാരൻ ഉത്തരവാദിയായിരിക്കുന്നതാണ്. ബാധ്യതക്കാരന യാതൊരു തുകയും റീ ഫണ്ട് ചെയ്തുകിട്ടുന്നതല്ല.

മേൽപ്പറഞ്ഞ നിബന്ധനകളിൽ ഏതെങ്കിലും അനുസരിക്കാതെ വന്നാൽ അതിൽ നിന്നുണ്ടാകുന്ന സകല കഷ്ടനഷ്ടങ്ങളും ഈ ഉടമ്പടിപ്രകാരം ഗവൺമെന്റിലേക്ക് അടയ്ക്കേണ്ട എല്ലാ സംഖ്യകളും ബാധ്യതക്കാരന്റെ ഇപ്പോഴുള്ളതും മേലിൽ സിദ്ധിക്കുന്നതുമായ സകല സ്ഥാവരജംഗമ സ്വത്തുകളിൽനിന്നും നിക്ഷേപങ്ങളിൽനിന്നും സമ്പാദ്യങ്ങളിൽനിന്നും അന്നന് നിലവിലിരിക്കുന്ന റവന്യൂ റിക്കവറി ആക്ട് പ്രകാരം കരക്കൂടിശ്ശിക എന്നപോലെ ഒരുമിച്ച് ഈടാക്കുന്നതിന ഗവൺമെന്റിന അധികാരമുണ്ടായിരിക്കുന്നതാണ്.

കുത്തവാവകാശം സിദ്ധിച്ചിരിക്കുന്ന ഷാപ്പിന്റെ അതിർത്തികൾ കാണിക്കുന്ന പട്ടിക

ഷാപ്പിന്റെ നമ്പരും പേരും റേഞ്ചിന്റെ പേരും	താലൂക്ക്	വില്ലേജ്	മുറി	ഏലുക വിവരം				റിമാർക്കുകൾ
				വാടക്ക്	കിഴക്ക്	തെക്ക്	പടിഞ്ഞാറ്	

ഇപ്രകാരം സമ്മതിച്ച് ഈ ഉടമ്പടി എഴുതിക്കൊടുത്ത ബാധ്യതക്കാരൻ

20.....ാമാണ്ട് മാസം ന്

(ബാധ്യതക്കാരന്റെ പേരും ഒപ്പും)

സാക്ഷികൾ 1.

(പേരും മേൽവിലാസവും ഒപ്പും തീയതിയും)

2.

(പേരും മേൽവിലാസവും ഒപ്പും തീയതിയും)

20.....ാമാണ്ട് മാസം ന്

..... എക്സൈസ് ഡിവിഷൻ

ഡെപ്യൂട്ടി എക്സൈസ് കമ്മീഷണർ
(പേരും ഒപ്പും തീയതിയും ഔദ്യോഗിക മുദ്രയും)

Form No. IV

AGREEMENT

[See Rule 6(4)]

കേരളാ സ്റ്റേറ്റ് ഗവർണ്ണർ പേർക്ക് (ഇതിനു താഴെ ഗവൺമെന്റ് എന്നു വിളിക്കുന്നു) Kerala State Beverages (Manufacturing and Marketing) Corporation Ltd/Kerala State Co-operative Consumer's Federation Ltd. (ഇതിനു താഴെ ബാധ്യതക്കാരൻ എന്നു വിളിക്കുന്നു) നുവേണ്ടി അധികാരപ്പെടുത്തിയ അതിന്റെ ആയ താലൂക്കിൽ വില്ലേജിൽ ദേശത്ത് വീട്ടിൽ ന്റെ മകൻ/മകൾ ആയ Abkari Act 1 of 1077-ലെ 25-ാം വകുപ്പുപ്രകാരം എഴുതിക്കൊടുത്ത

ഉടമ്പടി

20..... ാമാണ്ട് മാസം തീയതിയിലെ നമ്പർ ഗസറ്റിൽ കേരളാ ഗവൺമെന്റ് (നികുതി വകുപ്പ്) നമ്പരായി തീയതിയിൽ വിജ്ഞാപനം ചെയ്ത വിദേശമദ്യവിൽപ്പന കുത്തകാവകാശം സംബന്ധിച്ച

പരസ്യത്തിലേയും അതോടുകൂടി പ്രസിദ്ധപ്പെടുത്തിയിട്ടുള്ള ഷാപ്പുവിവര പട്ടികയിലേയും താൽപര്യപ്രകാരം താലൂക്കിൽപ്പെട്ട

.....റേഞ്ചിലെ.....നമ്പർ Foreign Liquor ഷാപ്പിൽ വിദേശ മദ്യം വില്പന നടത്തുന്നതിനുള്ള 20.....ഏപ്രിൽ 1 മുതൽ 20..... മാർച്ച് 31 വരെയുള്ള കാലയളവിലെ കുത്തകാവകാശം.....രൂപ റെന്റിലിന ബാധ്യതക്കാരൻ ഏറ്റെടുത്തിട്ടുള്ളതും 2002-ലെ കേരളാ അബ്കാരി ഷാപ്പ് ഡിസ്പോസൽ ചട്ടങ്ങളിലെ 5-ാം അദ്ധ്യായത്തിൽ 6-ാം ചട്ടം (2)-ാം ഉപചട്ടത്തിൽ പറഞ്ഞിരിക്കുന്ന പ്രകാരം റെന്റൽ തുകയുടെ 50%-ത്തിൽ കുറയാത്തതായ.....രൂപ സെക്യൂരിറ്റി ഡിപ്പോസിറ്റായി സർക്കാരിലേക്ക് കെട്ടിവെച്ചിട്ടുള്ളതുമാകുന്നു.

ബാധ്യതക്കാരന അനുവദിച്ചുതന്നിട്ടുള്ള ടി കുത്തകാവകാശത്തിൽ നിന്ന് ബാധ്യതക്കാരൻ പിന്തിരിയുന്നതല്ല. 20.....മാണ്ട് ഏപ്രിൽ മാസം 1-ാം തീയതി മുതൽ 20.....മാണ്ട് മാർച്ച് മാസം 31-ാം തീയതി വരെയുള്ള കാലത്തെ റെന്റൽ തുകയിൽ സെക്യൂരിറ്റി ഡിപ്പോസിറ്റിൽ നിന്നും വക കൊള്ളിച്ചതിനു ശേഷം വരുന്ന തുക എട്ടു തുല്യ ഗഡുക്കളായി 20.....മാണ്ട് ജൂലൈ മുതലുള്ള മാസങ്ങളിൽ ഓരോ മാസവും 10-ാം തീയതിക്കകവും ടി ഷാപ്പ് സംബന്ധമായി ഗവൺമെന്റിലേക്ക് യഥാസമയം അടയ്ക്കുവാനുള്ള മറ്റു സംഖ്യകൾ നിയമപ്രകാരം അവ അടയ്ക്കുവാനുള്ള നിശ്ചിത സമയത്തും ട്രഷറിയിൽ അടവു വരുത്തുവാൻ ബാധ്യതക്കാരൻ കടമപ്പെട്ടിരിക്കുന്നു. മേൽ പറഞ്ഞ പ്രകാരം ഗവൺമെന്റിന കൊടുക്കേണ്ട ഏതെങ്കിലും തുക അതാതു ഗഡുക്കളിലോ, നിശ്ചിത സമയത്തോ അടയ്ക്കാതെ വ്യത്യാസം വരുത്തിയാൽ ആ സംഖ്യ അടയ്ക്കേണ്ട തീയതി മുതൽ കൊല്ലത്തിൽ രൂപയ്ക്ക് 18 ശതമാനമോ അല്ലെങ്കിൽ സർക്കാർ അതതു സമയത്ത് നിശ്ചയിച്ചിരിക്കുന്ന നിരക്കിലോ ഉള്ള പലിശ സഹിതം ബാധ്യതക്കാരൻ ഒടുക്കുന്നതാണ്. കൂടീശ്ശികയായി ബാധ്യതക്കാരൻ അടയ്ക്കുന്ന തുകയിൽ നിന്നും പലിശ ആദ്യം വകവെയ്ക്കുന്നതും ബാക്കിയുണ്ടെങ്കിൽ ആയതുമാത്രം മുതലിൽ വരവുവെയ്ക്കുന്നതുമായിരിക്കും. പണം ഒടുക്കേണ്ട ഗഡുക്കളിൽ ഏതെങ്കിലുമൊന്നിന് വീഴ്ച വരുത്തി പണം ഒടുക്കാതിരിക്കുകയോ, 2002-ലെ കേരളാ അബ്കാരി ഷോപ്പ് ഡിസ്പോസൽ റൂൾസിലെ ചട്ടങ്ങളോ ലൈസൻസിലെ നിബന്ധനകളോ ലംഘിക്കുകയോ ചെയ്താൽ ബാധ്യതക്കാരനു സിദ്ധിച്ച ടി ഷാപ്പിന്റെ ലൈസൻസ് റദ്ദാക്കുന്നതിനും സെക്യൂരിറ്റി ഡിപ്പോസിറ്റ് ഇതിനോടകം വിനിയോഗിച്ചിട്ടില്ലെങ്കിൽ കണ്ടു കെട്ടുന്നതിനും ടി ഷാപ്പിന്റെ അവകാശം രണ്ടാമതു വില്പന ചെയ്യുന്നതിനും ഗവൺമെന്റിന് അധികാരമുണ്ടായിരിക്കുന്നതാണ്. ഇപ്രകാരം വില്പന ചെയ്യുന്നതിൽ നിന്നും ഗവൺമെന്റിന് ഉണ്ടാകുന്ന സർവ്വകഷ്ടനഷ്ടങ്ങൾക്കും ബാധ്യതക്കാരൻ ഉത്തരവാദിയായിരിക്കുന്നതാണ്. സെക്യൂരിറ്റി ഡിപ്പോസിറ്റായി കെട്ടി വെച്ചിരിക്കുന്ന തുകയായ രൂപ ലൈസൻസിലെ നിബന്ധനകൾ ശരിയായി പാലിക്കുന്നതിനുള്ള സെക്യൂരിറ്റിയായിരിക്കും.

മേൽപറഞ്ഞ നിബന്ധനകളിൽ ഏതെങ്കിലും അനുസരിക്കാതെ വന്നാൽ അതിൽ നിന്നുണ്ടാകുന്ന സകല കഷ്ടനഷ്ടങ്ങളും ഈ ഉടമ്പടി പ്രകാരം ഗവൺമെന്റിലേക്ക് അടയ്ക്കേണ്ട എല്ലാ സംഖ്യകളും ബാധ്യതക്കാരൻ ഉത്തരവാദിത്വം വഹിക്കുന്ന Kerala State Beverages (Manufacturing and Marketing) Corporation Limited/ Kerala State Co-operatives Consumer's Federation Limited-ന്റെ ഇപ്പോഴുള്ളതും മേലിൽ സിദ്ധിക്കുന്നതുമായ സകല സ്ഥാവര ജംഗമ സ്വത്തുക്കളിൽ നിന്നും നിക്ഷേപങ്ങളിൽ നിന്നും സമ്പാദ്യങ്ങളിൽ നിന്നും അന്നനു നിലവിലിരിക്കുന്ന റവന്യൂ റിക്കവറി ആക്ട് പ്രകാരം കരക്കൂട്ടിശ്ശിക എന്നപോലെ ഒരുമിച്ച് ഈടാക്കുന്നതിന് ഗവൺമെന്റിന് അധികാരമുണ്ടായിരിക്കുന്നതാണ്.

കുത്തവാവകാശം സിദ്ധിച്ചിരിക്കുന്ന ഷാപ്പിന്റെ അതിർത്തികൾ കാണിക്കുന്ന പട്ടിക

ഷാപ്പിന്റെ നമ്പരും പേരും റേഞ്ചിന്റെ പേരും	താലൂക്ക്	വില്ലേജ്	മുറി	ഏലുക വിവരം				റിമാർക്കുകൾ
				വടക്ക്	കിഴക്ക്	തെക്ക്	പടിഞ്ഞാറ്	

ഇപ്രകാരം സമ്മതിച്ച് ഈ ഉടമ്പടി എഴുതിക്കൊടുത്ത ബാധ്യതക്കാരൻ

20.....മാണ്ട് മാസം ന്

.....
(ബാധ്യതക്കാരന്റെ പേരും ഒപ്പും)

സാക്ഷികൾ 1.

.....
(പേരും മേൽവിലാസവും ഒപ്പും തീയതിയും)

2.

.....
(പേരും മേൽവിലാസവും ഒപ്പും തീയതിയും)

20.....മാണ്ട് മാസം ന്

..... എക്സൈസ് ഡിവിഷൻ

ഡെപ്യൂട്ടി എക്സൈസ് കമ്മീഷണർ
(പേരും ഒപ്പും തീയതിയും ഔദ്യോഗിക മുദ്രയും)

Form No. V
[See Rule 8]

From

.....
.....

To

The Chief Chemical Examiner
The Joint Chemical Examiner
The Authorized Officer

No.

Date:.....

The sample described below is sent herewith for analysis, through
Sri.....

- 1. Date and Time of Collection :
- 2. Description of each sample taken and shop No. With name of Range and Division :
- 3. Quantity of each sample forwarded :
- 4. Total No. samples forwarded :
- 5. Preservatives if any used :
- 6. Nature of examination required :
- 7. Space for specimen impression of the seal used to seal the sample :

Signature
Name and Designation of
the Abkari officer

(Office Seal)

APPENDIX VII

FORM No. I

[See sub-rule (3) of rule 4]

[The Kerala Sweet Toddy (NEERA) Rules, 2014]

**APPLICATION FOR OBTAINING PRIVILEGES OF MANUFACTURE,
POSSESSION, PROCESSING OF SWEET TODDY (NEERA) / PRODUCTION OF
VALUE ADDED PRODUCTS.**

1. Name of the Applicant :
2. Specify whether the applicant is a Coconut Producers Society/or Committee/Coconut Producers Federation/or others :
3. Whether the applicant is registered with the Coconut Development Board (If applicable) :
4. Whether the applicant is convicted of any Abkari offence or any criminal offence and sentenced to imprisonment for more than three years :
5. Whether any Abkari arrears pending against the Applicant :
6. Whether the Applicant has any arrears towards Toddy Workers Welfare Fund. If yes, state whether the arrears as on December 31st of the preceding year has been remitted. :
7. No. of Tappers employed by the Applicant :
8. No. of Members in the Society with the number of trees available for tapping :
9. Recommendation of the Coconut Development Board. (If applicable) :

DECLARATION

I/We hereby declare that the informations furnished above are true or correct to the best of my knowledge and belief.

Place:

Date:

Name and signature of the Applicant

FORM NO. II

[See sub-rule (3) of rule 4]

[The Kerala Sweet Toddy (NEERA) Rules, 2014]

**LICENCE FOR THE PRIVILEGE OF MANUFACTURE, POSSESSION
AND PROCESSING OF SWEET TODDY (NEERA)/PRODUCTION
OF VALUE ADDED PRODUCTS.**

I, the Deputy Commissioner of Excise of the.....
Division hereby grant licence under the provisions of the Kerala Sweet Toddy (Neera) Rules,
2014 to you..... to manufacture, possess and process sweet toddy
(Neera) / production of value added products from Neera in wholesale in the building situated
as shown in the Schedule during the period from the 1st day of April..... to the 31 st
day of March, subject to the following conditions, namely:-

- (1) The privilege under this licence includes the privilege of manufacture, possession, processing, sale of sweet toddy (Neera) and production of value added products from Neera.
- (2) The licensee shall point out to the marking officer, the trees applied for marking without any delay.
- (3) The licensee shall not tap any tree in excess of the number for which he has applied for and is granted licence to tap.
- (4) No tree shall be tapped or sweet toddy (Neera) be drawn from any tree or any pot be attached for the purpose, until the trees are marked by the proper officer in accordance with these rules as the Deputy Commissioner of Excise may specify.

Provided that the Deputy Commissioner of Excise may, where he considers necessary to do so, permit applicants to begin the operation of tapping and drawing sweet toddy (Neera) in anticipation of marking of the trees and issuing of licence. The tree so tapped shall be those mentioned in the application.

- (5) The sweet toddy (Neera) shall be drawn only between **6 a.m.** and **6 p.m.**
- (6) No Sweet Toddy (Neera) drawn under this licence shall be issued to a toddy shop.
- (7) The licensee shall maintain day to day true accounts of transactions in such registers as may be prescribed from time to time by the Excise Commissioner and shall furnish such information and statistics as may be called for by any officer of the Excise Department, not below the rank of Excise Inspector.
- (8) The licensee shall not lease out, sell or otherwise transfer his licence under any circumstances.

(9) Infraction of any of the rules or conditions of this licence either by the licensee or by any person in his employment shall entail on the licensee or his agent or both a fine of ₹ 1,000 (Rupees One thousand only) or cancellation of licence or both. An officer of and above the rank of Deputy Commissioner of Excise shall be competent to impose all or any of the above penalties.

SCHEDULE SHOWING THE BOUNDARIES OF THE LICENSED PREMISES

<i>Taluk, Village, Muri</i>	<i>Building No.</i>	<i>Bounded on the</i>			
		North by	East by	South by	West by

Place:

Date:

Deputy Commissioner of Excise

APPENDIX VIII
FORM No. ND 1
[Rule 60]

**LICENCE GRANTED TO A DEALER FOR THE MANUFACTURE AND OR
POSSESSION AND SALE OTHERWISE THAN ON PRESCRIPTION OF
MANUFACTURED DRUGS OTHER THAN PREPARED OPIUM**

Number of licence :
Name and address of the person licensed :
His residence :
His place of business :

Note: - The counterfoil of this licence is to be signed by the dealer and filed in the office of the Licensing authority.

The person described above is hereby authorized by the Deputy Excise Commissioner, to manufacture, possess and sell otherwise than on prescription manufactured drugs other than opium from the date of this licence to the 31 st day of March 19 subject to the following conditions:-

CONDITIONS

- I. This licensee shall be bound by the provisions of the Narcotic Drugs and Psychotropic Substances Act, 1985, and any additional, general or special rules which may be made from time to time.
- II. This licence extends:-
 - (1) to the manufacture of medicinal opium from which the licensee is lawfully entitled to possess;
 - (2) to the manufacture of any preparation containing morphine, diacetyl-morphine or cocaine from morphine, diacetyl-morphine opium or cocaine which the licensee is lawfully entitled to possess; and/or
 - (3) to the possession and sale otherwise than on prescription of manufactured drugs other than prepared opium.
- III. The licensee shall pay to Government in advance, a fee of rupees [five thousand] and he shall pay the same into a Government Treasury.
- IV. The licensee shall not have in his possession at any one time:-
 - (a) Opium derivatives other than prepared opium containing in the aggregate not more than of either morphine or diacetyl-morphine or both.
 - (b) Coca derivatives containing in the aggregate not more than of cocaine.
 - (c) Medicinal hemp upto in the case of extract and in the case of tincture.
 - (d) Any other narcotic substance declared to be a manufactured drug up to

To be affixed by the Deputy Excise Commissioner according to requirements.
Substituted for "fifty" by SRO No. 370/2003, w.e.f. 30-4-2003.

V. He shall obtain his supplies of drugs from a licensed dealer within the State or from a dealer licensed under the corresponding rules for the time being in force in any other part of India or by manufacture from drugs which he is lawfully authorized to possess. He may possess excise opium or opium in powder up to for the manufacture of medical opium. Such opium shall be obtained from Government Treasury.

VI. No consignment of manufactured drugs other than prepared opium imported shall be opened before it has been verified and passed by an officer of the Excise Department not below the rank of an Excise Inspector.

VII. He shall not manufacture, possess, or sell manufactured drugs by virtue of this licence, at any place except at his place of business.

VIII. The licensee shall mark every package or bottle containing manufactured drugs other than prepared opium with the percentage or proportion or amount of opium (Cannibisindica) morphine; diacetyl-morphine or cocaine contained in the drugs.

IX. The sale of manufactured drugs by the licensee is limited to the conditions laid down in rule 20 of the Kerala Narcotic Drugs and Psychotropic Substances Rules.

X. The licensee shall on requisition by the Excise Commissioner or any other officer duly authorized by him deliver up his licence for amendment or for the issue of a fresh licence.

XI. The licensee shall maintain true accounts of all transactions in the forms prescribed under the rules. Such accounts shall be preserved for not less than two years after the expiry of the licence period.

XII. The licensee shall furnish periodically to the Deputy Excise Commissioner such statistics as he may require from time to time.

XIII. Stocks of manufactured drugs and all accounts and record of transactions under this licence shall be open to inspection by any Excise Officer not below the rank of an Inspector or any Police Officer not below the rank of a Sub-Inspector.

XIV. An inspection note book with pages numbered consecutively shall be maintained for the use of the inspecting officers.

XV. In case of breach of any of the conditions of the licence, the licensing authority may cancel or suspend the licence or in lieu thereof impose a penalty not exceeding ₹ 2000/-

XVI. The imposition of a penalty or the cancellation or suspension of the licence under the foregoing condition shall not operate as a bar to prosecution for any offence which have been committed under the Narcotic Drugs and Psychotropic Substance Act, 1985.

Deputy Excise Commissioner.

FORM No. ND. 1
[Rule 60]

**LICENCE FOR THE MANUFACTURE, POSSESSION AND SALE OTHERWISE
THAN ON PRESCRIPTION OF MANUFACTURED DRUGS OTHER THAN
PREPARED OPIUM BY A DEALER**

COUNTER FOIL

Name of Division :
Number of licence and Register No :
Name of the licensed dealer :
Locality of manufacture and vend :
Licence current from : to
Amount of fee paid in advance : Rs.

Received the licence of which this is the counterfoil

Signature of the Licensed dealer

FORM No. ND 2

[Rule 61]

**LICENCE GRANTED TO A CHEMIST FOR THE MANUFACTURE, POSSESSION
AND SALE ON PRESCRIPTION OF MANUFACTURED DRUGS OTHER THAN
PREPARED OPIUM**

Number of licence :
Name and address of the person licensed :
His residence :
His place of business :

Note:- The counterfoil of this licence is to be signed by the Chemist and filed in the office of the Licensing authority.

The person described above is hereby authorized by the Deputy Excise Commissioner to manufacture, possess and sell (on prescription) manufactured drugs, other than prepared opium from the date of this licence to the 31 st day of March 19 subject to the following conditions:-

CONDITIONS

- I. This licensee shall be bound by the provisions of the Narcotic Drugs and Psychotropic Substances Act, 1985, and any additional, general or special rules which may be made from time to time.
- II. This licence extends:-
 - (1) to the manufacture of medicinal opium from opium which the licensee is lawfully entitled to possess;
 - (2) to the manufacture of any preparation containing morphine, diacetyl-morphine, opium or cocaine which the licensee is lawfully entitled to possess; and
 - (3) to the possession and sale on prescription of manufactured drugs other than prepared opium.
- III. He shall pay to Government in advance, a fee of rupees [three hundred] and he shall pay the same into a Government Treasury.
- IV. The licensee shall not have in his possession at any one time:-
 - (a) Opium derivatives other than prepared opium containing in the aggregate not more than..... of either morphine or diacetyl morphine or both;
 - (b) Coca derivatives containing in the aggregate not more than of cocaine.
 - (c) Medicinal hemp upto..... in the case of extract in the case of tincture.
 - (d) Any other narcotic substance declared to be a manufactured drug up to
- V. He shall obtain his supplies of drugs from a licensed dealer within the State or from a dealer licensed under the corresponding rules for the time being in force in any other part of India or by manufacture from drugs which he is lawfully authorized to possess. He may possess excise opium or opium in powder up to for the manufacture of medical opium. Such opium shall be obtained from a Government Treasury.

Substituted for "fifty" by SRO No. 370/2003, w.e.f. 30/4/2003.

To be fixed by Deputy Excise Commissioner

- VI. No consignment of manufactured drugs other than prepared opium imported shall be opened before it has been verified and passed by an officer of the Excise Department not below the rank of an Excise Inspector.
- VII. He shall not manufacture, possess or sell manufactured drugs by virtue of this licence at any place except at his place of business.
- VIII. He shall not sell or deliver manufactured drugs to any child apparently under the age of 16 years whether for consumption on or off the premises.
- IX. The licensee shall mark every package or bottle containing manufactured drugs other than prepared opium with the percentage or proportion or amount of opium (Cannibisindica) morphine; diacetyl-morphine or cocaine contained in the drugs.
- X. The licensee shall sell manufactured drugs other than prepared opium only on prescription subject to the provisions of rules 20 and 21 of the Kerala Narcotic Drugs and Psychotropic Substances Rules, 1985.
- XI. The licensee shall on requisition by the Excise Commissioner or any other officer duly authorized by him deliver up his licence for amendment or for the issue of a fresh licence.
- XII. The licensee shall maintain true accounts of all transactions in the forms prescribed under the rules. Such accounts shall be preserved for not less than two years, after the expiry of the licence period.
- XIII. The licensee shall furnish periodically to the Deputy Excise Commissioner such statistics as he may require from time to time.
- XIV. Stocks of manufactured drugs and all accounts and records of transactions under this licence shall be open to inspection by any Excise Officer not below the rank of an Inspector, or any Police Officer not below the rank of a Sub-Inspector.
- XV. An inspection note book with pages numbered consecutively shall be maintained for the use of the inspecting officers.
- XVI. In case of breach of any of the conditions of the licence, the licensing authority may cancel or suspend the licence or in lieu thereof impose a penalty not exceeding ₹ 2000.
- XVII. The imposition of a penalty or the cancellation or suspension of the licence under the foregoing condition shall not operate as a bar to prosecution for any offence which may have been committed under the Narcotic Drugs and Psychotropic Substance Act, 1985.

Deputy Excise Commissioner

FORM No. ND. 2

[Rule 60]

**LICENCE FOR THE MANUFACTURE, POSSESSION AND SALE
ON PRESCRIPTION OF MANUFACTURED DRUGS OTHER THAN
PREPARED OPIUM BY A CHEMIST**

COUNTER FOIL

Name of Division :
Number of licence and Register No :
Name of Chemist :
Locality of manufacture and of vend :
Licence current from : to
Amount of fee paid in advance : Rs.

Received the licence of which this is the counterfoil

Signature of the Licensed Chemist

FORM No. ND 3

[Rule 62]

**PERMIT FOR THE IMPORT, TRANSPORT AND POSSESSION OF
MANUFACTURED DRUGS OTHER THAN PREPARED OPIUM FOR MEDICAL,
SCIENTIFIC OR EDUCATIONAL PURPOSES**

(The counterfoil of this permit is to be signed by the permit holder or his authorized agent and filed on the Office of the authority who issued the permit)

Division :
Number of permit and Register Number :
Name of permit holder :
Locality :

It is required of the holder of this permit, as a condition of its remaining in force, that he shall duly and faithfully perform and abide the following conditions:-

- I. That he shall not transfer his permit to any other person.
- II. That he shall not possess more than the following weights of manufactured drugs at a time: -
 - (a) opium derivatives other than prepared opium containing in the aggregate not more than..... of either morphine or diacetyl-morphine or both;
 - (b) coca derivatives containing in the aggregate not more than of cocaine
 - (c) medical hemp up to in the case of extract and up to in the case of tincture;
 - (d) any other narcotic substance declared to be a manufactured drug up to
- III. That he shall use manufactured drugs other than prepared opium only for medicinal, educational, or scientific purposes, as the case may be, at the premises for which this permit is granted and that he shall not use the drugs in any other place without a separate permit.
- IV. That he shall purchase all manufactured drugs only from a dealer licensed under the Kerala Narcotic Drugs and Psychotropic Substances Rules or under any corresponding rules for the time being in a force in any part of India.
- V. That he shall abide by the rules regarding import and transport of manufactured drugs.
- VI. That he shall not sell the manufactured drugs to any-one.
- VII. Infraction of any of the above conditions or any rule of the Kerala Narcotic Drugs and Psychotropic Substances Rules by the holder of this licence will be subject to cancellation or suspension of the licence and to all or any of the penalties prescribed by the law or rules.

Deputy Excise Commissioner

FORM No. ND. 3

**PERMIT FOR THE IMPORT, TRANSPORT AND POSSESSION OF
MANUFACTURED DRUGS OTHER THAN PREPARED OPIUM
COUNTER FOIL**

Name of Division :
Number of permit and Register No :
Name of Permit-holder :
Locality :
Permit current form : To

Received the permit of which this is the counterfoil

Signature of the permit - holder

FORM No. ND 14

[See rule 44]

**LICENCE TO A REGISTERED MEDICAL PRACTITIONER FOR THE
POSSESSION AND SALE (ON HIS OWN PRESCRIPTION) OF MEDICINES
CONTAINING OPIUM**

Licence is hereby granted under and subject to the provisions of the Narcotic Drugs and Psychotropic Substances Act, 1985, and the rules made there under to.....of (Hereafter called “the licensee”) for the possession and sale of their own prescription of medicines containing Opium at his premises situated at..... in the Taluk of.....in the District of..... Subject to the following conditions, namely:-

Conditions

1. The licence shall remain in force fromto.....
2. The licensee shall be bond by the provision of the Narcotic Drugs and Psychotropic Substance Act, 1985 and the Kerala Narcotic Drugs and Psychotropic Substances Rules, 1985 and any additional general or special Rules which may be made from time to time.
3. The licensee shall obtain his requirements of medicines containing Opium from any licensee who is permitted to sell such medicines under the Kerala Narcotic Drugs and Psychotropic Substances Rules, 1985 or the Medical and Toilet Preparations (Excise Duties) Act, 1955 and the rules there under or may import the same from any other part in India subject to the provisions of the said rules.
4. The licensee shall sell medicines containing Opium only on their own prescription.
5. Correct accounts of receipts and sales of medicines containing opium shall be maintained by the licensee from day to day in Form ND 17 appended to the Kerala Narcotic Drugs and Psychotropic Substances Rules, 1985. Such accounts and prescriptions shall be preserved for a period of two years.
6. Stocks of medicines containing Opium and all accounts and records of transaction under this licence shall be open to inspection by any officer of the Excise Department not below the rank of an Excise Inspector or any officer of the Police Department not below the rank of a Sub Inspector.
7. An inspection note book with pages numbered consecutively shall be maintained for the use of the Inspecting Officers.

8. The licence is not transferable.
9. In case of breach of any of the condition of the licence, the Deputy Excise Commissioner may suspend or cancel the licence.
10. The cancellation or suspension of the licence under the foregoing condition shall not operate as a bar to prosecution for any offence which may have been committed under the Kerala Narcotic Drugs and Psychotropic Substances Act, 1985, or any law relating to Excise Revenue, or of any criminal offence.
11. In case this licence is suspended or cancelled during the currency of the period for which it is granted or is not renewed on its expiry the licensee shall forthwith handover the whole , of the unused stock of medicines containing Opium to the Deputy Excise Commissioner. The licensee shall also handover to such authority all accounts, passes and prescriptions which he is required to keep and preserve under this licensee.
12. A fee of rupees [Five hundred] per annum shall be paid for each license.

Granted thisday of20.....

Deputy Excise Commissioner