

## Chapter V

### RULES RELATING TO FOREIGN LIQUOR

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# RULES RELATING TO FOREIGN LIQUOR

## SECTION XIII

### I- Import, Export and Transport of Foreign Liquor other than Denatured Spirit

#### GENERAL

Quantitative Limits of Import etc.-(1) No quantitative limit is prescribed for the export, transport or possession of foreign liquor (other than denatured spirit) obtained from overseas.

**NOTE** - No duty -paid foreign liquor imported from foreign countries (other than denatured spirit) exceeding 6 quart bottles shall be imported in Uttar Pradesh in the local areas mentioned in the following Schedule except under a pass issued in accordance with rules relating to import of overseas foreign liquor.

Cf. Govt. Notification No. 1710- E/XIII-83, dated July 30, 1937

#### SCHEDULE

**(1) All Municipal areas, (2) All town areas. (3) All Cantonment areas, (4) All Notified areas, and (5) All Railway Stations.**

(2) A *bonafied* traveller coming into Uttar Pradesh may import for his own personal use. Indian - made foreign liquor not exceeding two-quart bottles in all. India - made foreign liquor may be imported in larger quantities only in accordance with the rules hereinafter following. There is no quantitative limit for transport of Indian - made foreign liquor.

Cf. Notification No. 192/ XIII-60, dated April 5, 1929

#### RULES

##### A-I IMPORT

##### India -made foreign liquor

**Rule 1- Methods of import- Indian -made foreign liquor** may be imported either:-

- (1) in bond for payment of duty in Uttar Pradesh.
- (2) On prepayment of duty in Uttar Pradesh .
- (3) on prepayment of duty in the State of Union Territory of export, at the rates leviable in Uttar Pradesh to be subsequently transferred to this State by book transfer.

Cf. Notification No. 192/ XIII-60, dated April 15 1929

- (4) free duty or at a reduced rate of duty under the conditions

laid down in the rules hereinafter following:-

Cf. Govt. Notification No. 137/ XIII-60, dated March 14, 1930

## (I) Import in Bond

**Rule 2- Conditions to be fulfilled by importer-** Any person holding a licence for the vend or foreign liquor and also regimental units in Uttar Pradesh may import Indian - made foreign liquor from a distillery, brewery, bonded warehouse or bonded laboratory in another State or Union Territory under a bond for payment of the duty State or Union Territory under a bond for payment of the duty imposed under section 28 of the United Provinces Excise Act, 1910 (Act IV of 1910) after he or his agent has :-

Cf. Notification No. 192/ XIII-60 , dated April 5, 1929

- (a) obtained a permit from the Collector of the district of import in prescribed Form (F.L.22);
- (b) executed a bond (which may be either general or special ) in favour of the Collector of the district of import for payment of the duty leviable on the liquor to be imported;
- (c) Obeyed all the rules in force in the District, State or Union Territory from which the export is to be made

**Rule 3- Permit for import -** (a) The importer shall present an application to the Collector of the district of import specifying (1) the quantity and description of the Indian - made foreign liquor to be imported (2) the name fo the distillery, brewery , bonded warehouse or bonded laboratory from which the liquor is to be imported (3) the quantity of liquor to be imported in terms of L.P. and the amount of duty leviable thereon in this State , and (4) the name of the bonded warehouse to which the liquor is to be consigned.

Cf. Notification No. 192/ XIII-60 , dated April 5, 1929

(b) The licensed retail vendor shall also deposit in the treasury a fee at the rate of rupees five per quart bottle on spirits, cordials and wines and sixty paise per quart bottle on beer, stout and other fermented liquors in advance and shall: attach the treasury challan with the application presented to the Collector of the district of the improt. The collector shall issues a permit as laid down in sub-rule (d) only when the treasury challan evidencing payment of the fee is produced.

Cf. Govt. Notification No. 1991- E/ XIII - 337 (1) - 74 dated March 26, 1974

(c) The importer shall also execute (unless a general bond previously executed by him still in force ) either a general or a special bond in the prescribed form in favour of the Collector of the district of import for the payment of duty leviable under section 28 on the acutal import and on the excess loss in transit according to

Cf. Notification No. 192/ XIII-60 , dated April 15, 1929

the rule in force in the exporting, State or Union territory.

(d) The Collector shall, unless there is any reason to the contrary, prepare a permit in triplicate [in Form F.L. -22] sanctioning the import under bond. The permit shall contain all the particulars specified in sub-clause (a) and shall clearly specify that a bond for payment of duty has been executed in the district of import. One copy of the permit shall be made over to the importer, the second copy shall be forwarded to the Chief Revenue Authority of the district of export and the third shall be retained by the Collector for record and verification of the consignment on arrival. The permit shall remain in force up to the date specified therein.

Cf. Notification  
No. 192/ XIII-  
60 , dated April  
5, 1929

**Rule 4- Procedure at place of export-** The importer shall present his copy of the permit before the Chief Revenue Authority of the district or place of export or the officer-in-charge of the distillery, brewery, bonded warehouse or bonded laboratory from which export is to be made, who after comparing it with the copy received direct shall authorise the export and grant a pass in the prescribed form. The pass shall specify the number and date of the permit authorising import into Uttar Pradesh and copy of it shall be forwarded direct to the collector of the district of import.

Cf. Notification  
No. 192/ XIII-  
60 , dated April  
5, 1929

**Rule 5- Procedure on arrival -** On arrival in Uttar Pradesh the Indian - made foreign liquor shall be taken direct to the bonded warehouse or distillery, as the case may be mentioned the permit where it shall be tested and measured by the officer-in-charge of the bonded warehouse, and shall be taken into store and entered in the importer's accounts.

Cf. Notification  
No. 192/ XIII-  
60 , dated April  
5, 1929

**Rule 6 - Pass to be verified by Assistant Excise Commissioner -** (1) As soon as may be after such arrival the officer-in-charge of the bonded warehouse shall certify on the importer's copy of the pass full details regarding the liquor received in such form as may be prescribed in the pass or required by the authorities of the district or place of export and shall return it to the officer who granted it after verification by the assistant Excise Commissioner.

Cf. Notification  
No. 192/ XIII-  
60 , dated April  
5, 1929

(2) Within fifteen days of the date of receipt at the warehouse the importer shall clear the whole consignment on payment of duty in the treasury of the district of import. If he fails to do so, the Collector may charge storage fees at such rates as he thinks fit for the period it remains in the warehouse in excess of 15 days. The Collector may dispose it of, as he thinks proper , at the risk of the importer, if it is not cleared within three months from the

date of receipt.

(3) The importer shall also be liable to pay duty on excess transit wastage according to the rules in force in the State or Union Territory of export.

**NOTE** - Clause (2) of this rule does not apply to cases where spirit has been imported by distillers and stored in the distillery building.

Cf. Govt.  
Notification No.  
709 / XIII-122,  
dated  
November 13,  
1935

## (2) Import on prepayment on duty in Uttar Pradesh

**Rule 7- Indian** - made foreign liquor may be imported by a person holding a licence for the vend of foreign liquor, regimental units and private individuals in Uttar Pradesh on prepayment of duty at the rates in force in Uttar Pradesh on such liquor and in the case of private individuals and licensed retail vendors, a permit fee also at the rate specified below into the treasury of the , district into which it is desired to import the liquor. Such import can be made only from (1) distillery, (2) a brewery(3) a bonded warehouse or (4) a bonded laboratory in the exporting State if the payment of the duty of the exporting State is to be avoided. No claim for the refund of this duty will ever be entertained except as provided for in Rule 8(10).

Cf. Govt.  
Notification No.  
1916- E(2)/  
XIII dated  
March 19, 1940  
Cf. Govt.  
Notification No.  
6268 - E/XIII-  
275 (12) 56,  
dated December  
27, 1961  
Cf. Govt.  
Notification No.  
1991 - E/XII  
337 (1)- 74 ,  
dated March  
26, 1974

**NOTE** (1) The rate of permit fee shall be according to the following scale:-

1. Spirits, wines, liquors, cordials etc.  
of all kinds 10.00 per reputed quart bottle
2. Beer, stout and other fermented liquors 0.90 per reputed quart bottle  
Retail vendors of foreign liquor shall be exempted from the permit fee given in this 'Note' but they shall pay the permit fee laid down in Rule 3(b)

Cf. Govt.  
Notification No.  
1991 - E/ XIII -  
333- 70 , dated  
March 31, 1970  
Cf. Govt.  
Notification No.  
1991 E/XIII -  
333 (1) 74,  
dated March 26,  
1974

**NOTE**-(2) Private individuals mentioned in this rule include clubs and messes also.

**NOTE**-(3) For the purpose of this rule the work 'club' shall not include a regimental mess.

**Rule 8- Permit to be obtained from Collector**-(1) A licensed vendor of foreign liquor, a regimental unit, or a private individual desiring to import Indian- made foreign liquor under the above rules in Uttar Pradesh shall present personally or through his agent an application (in Form F.L.-21) to the Collection of the district in which the liquor is desired to be imported stating (a) the name of the distillery, brewery, bonded warehouse or bonded laboratory, from which the import is to be made, (b) the name,

Cf. Govt.  
Notification No.  
709 / XIII-122,  
dated  
November 13,  
1935

Cf. Govt.  
Notification No.  
6968- E/XIII -  
275 (12)- 50,

complete description and quantity of each kind of liquor which is to be imported and whether the import is to be made in bulk or in bottles, (c) the route by which it is proposed to import the liquor and (d) the amount of duty leviable on the total quantity of liquor to be imported and (e) in the case of import by private individuals and licensed retail vendors also the amount of permit fee leviable vide Rule 7 and Rule 3 (b), respectively on the total quantity of liquor to be imported. A separate application shall be necessary in respect of each consignment.

dated December 27, 1956

(2) If the application is in order and the amount of duty and in the case of the private individuals and licensed retail also permit fee Rs. 5 laid down in Rules 7 and 3 (b) respectively, entered therein is correct the Collector shall endorse the application with an order directing the applicant to pay the amount into the treasury.

Cf. Govt. Notification No. 709 / XIII-122, dated November 13, 1935

Cf. Govt. Notification No. 6968 - E/XIII -275 (12)/59, dated December 27, 1961

(3) On receipt of the application so endorsed, the treasury Officer shall receive the sum payable by the applicant in respect of the duty or duty and permit fee as the case may be and shall credit the duty to head "X-Excise Wines and Spirits, still head' Duty on wines and Spirit locally manufactured" and the permit fee to the head "Licence fee". The amount so paid shall not be refund to the applicant in any circumstances, nor shall any application for a refund on the ground of neglect by the consignor or carrier of the liquor or on account of wastage in transit be entertained.

Cf. Govt. Notification No. 709 / XIII-122, dated November 13, 1935

(4) The Treasury Officer shall return the application endorsed by him to the applicant and shall furnish him with a receipt in duplicate. The applicant shall then present the application and one copy of the receipt to the Collector.

Cf. Govt. Notification No. 709 / XIII-122, dated November 13, 1935

(5) The Collector shall receive and keep the application and shall issue a permit in triplicate in Form F.L.-22 sanctioning the import by the applicant of foreign liquor of the kind and quantity specified in the pass to the applicant's licensed premises or the authorised place if he is not a licensed vendor. One copy of the permit shall be given to the applicant to cover the import of the liquor from the place of export. The second copy shall be sent to the chief Revenue authority of the place of export. The third copy shall be retained by the Collector for record and for verification (if deemed necessary) of the consignment on arrival

Cf. Govt. Notification No. 709 / XIII-122, dated November 13, 1935

Cf. Govt. Notification No. 6968 - E/XIII -275 (12)/59, dated December 27, 1961

[The details shall be entered in the register F.L.-24

maintained in the District Excise Office]

(6) The applicant shall also comply with all rules and regulation in force in the place of export.

Cf. Govt.  
Notification No.  
709 / XIII-122,  
dated  
November 13,  
1935

(7) On receipt of the consignment the applicant shall at once notify its arrival to the Excise Inspector of the circle in which his licensed premises or authorised place is situated and shall allow him to check the consignment and to examine, and if necessary, test the contents or to take a sample thereof for test.

Cf. Govt.  
Notification No.  
709 / XIII-122,  
dated  
November 13,  
1935

(8) The Collector may cause the contents of the consignment to be checked with the original application and with the permit issued by him.

Cf. Govt.  
Notification No.  
709 / XIII-122,  
dated  
November 13,  
1935

(9) The importer shall be liable to pay duty on excess transit wastage, if any, to the exporting State of Union Territory, if a claim is made therefor. In that case he will be allowed to set off against that claim the amount of duty prepaid by him on the quantity representing the excess loss in transit.

Cf. Govt.  
Notification No.  
709 / XIII-122,  
dated  
November 13,  
1935

(10) If the person authorized to import Indian - made foreign liquor under Rule 7 does not import the liquor for which he has deposited either the duty or the permit fee or both, he will be entitled to a refund of the full amount deposited by him after the facts have been verified from the exporting States or Union Territories.

Cf. Govt.  
Notification No.  
709 / XIII-122,  
dated  
November 13,  
1935

[NOTE - Private individuals mentioned in this rule include clubs and messes also.]

Cf. Govt.  
Notification No.  
1011/ IX-281-C  
Dt- IX-281-  
C, dated June  
29, 1938

### **(3) Import on pre-payment of duty in the exporting State or Union Territory**

**Rule 9- By whom to be imported-** (1) Indian - made foreign liquor may be imported by a person holding a licence for the vend of foreign liquor and also regimental units in Uttar Pradesh from any distillery, brewery, bonded warehouse or wholesale premises in another State or Union Territory to which this provision may be applied by the State Government by notification on pre-payment of duty in the exporting State or Union Territory at the rates enforced in Uttar Pradesh.

Cf. Govt.  
Notification No.  
192/XIII-60  
dated April 15,  
1929  
Cf. Govt.  
Notification  
No. 6968 -  
E/XIII -275  
(12)/59, dated  
December 27,  
1961

**NOTES** -(a) The provisions of their paragraph have been applied to the import of beer from the Solon and Kasauli Breweries, with effect from July 29, 1926 foreign liquor from Cox's Distillery, Naogaon with effect from December 1, 1929 and from the States of Maharashtra and Gujrat with effect from October 1, 1935.

Cf. Govt. Notification No. 650/ XIII-198 , dated November 4, 1935, Govt. Notification No. 1836 (1) E/ XIII-414 - 1946 dated July 31, 1954

(b) The State of Uttar Pradesh has entered into reciprocal arrangement for the adjustment of excise duty on foreign liquor , by book transfer with the states or Union territories details below:-

- (i) The States of Assam, Bihar , Maharashtra, Gujrat Madhya Pradesh , Orissa , Punjab and West Bengal.
- (ii) The Union Territory of Delhi (erstwhile Part C State of Delhi.)

Cf. Govt. Notification No. 3943-E/ XIII - 151 - 1953, dated November 29, 1954, amended by the Constitution (Seventh Amendment Act, 1956)

The licensed retail vendor shall deposit into the treasury a fee at the rate of 25 paise per quart bottle on spirits, cordials and wines and 4 paise per quart on beer, stout and other fermented liquor in advance and shall attach the treasury challan evidencing payment of duty with his application presented to the Collector of the district of import.

Cf. Govt. Notification No. 9968 - E/XIII -75 (12)/59, dated December 27, 1961

(2) *How imported*-The importer, unless generally or specially exempted by the Excise commissioner to this effect, shall first apply to the Collector of the district of import for the issue of a permit in accordance with Rule 8(1)

Cf. Notification No. 192/ XIII-60 , dated April 5, 1929

(3) The Collector, if he sees no objection, shall issue a permit in Form F.L.-22 in triplicate containing the particulars given in the application referred to in the previous sub-clause. The permit shall be in force upto the date noted therein. One copy of the permit shall be made over to the importer, the second copy shall be forwarded to the Chief Revenue Authority of the district or place of export, and the third shall be retained for record. The permit shall clearly specify that import is authorized on pre-payment of duty in the exporting State or Union Territory at the rates prevailing in Uttar Pradesh.

Cf. Notification No. 192/ XIII-60 , dated April 5, 1929

(4) The importer shall present his copy of the permit before the Chief Revenue Authority of the district or place of export or the officer-in-charge of the distillery, brewery, bonded warehouse or bonded laboratory from which export is to be made together with a treasury receipt for the amount of duty paid by him. The said officer, after satisfying himself that the import is duly authorized

Cf. Notification No. 192/ XIII-60 , dated April 5, 1929



and that the amount of duty paid is correct, shall authorize export and issue a pass to cover the same. A copy of the pass shall be sent direct to the Collector of the district of import.

(5) The Collector shall send the copy of the pass received by him to the Excise Inspector of the circle, who will check the consignment and endorse the result on the pass and return it to the Assistant Excise Commissioner who shall consolidate all such passes received during the quarter and send them to the Excise Commissioner by the end of the month following the quarter.

Cf. G.O. No. 916/O and M dated December 26, 1956 read with E.C.s. o. 2398 / XV- 411, dated August 4, 1958

Cf. Govt. Notification No. 9968 - E/XIII -75 (12)/59, dated December 27, 1961

(5) The Chief Excise Authority of the exporting State or Union Territory will furnish or cause to be furnished as soon after the close of a month as possible a statement to the Excise Commissioner, Uttar Pradesh showing for the month concerned, all exports from that State of Uttar Pradesh and the amount of duty realised on such exports giving the number and date of the export passes covering the consignments.

Cf. Govt. Notification No. 260-E/XIII-29, dated February 6, 1937

**(4) Import free of duty or at a reduced rate of duty**

Cf. Govt. Notification No. 137 / XIII-160, dated March 4, 1930

**Rule 10-(a) Indian-made certified spirits including absolute alcohol may be imported free of duty by the persons and institutions mentioned in Appendix after securing a permit in prescribed Form [F.L.-32]**

(b) Indian-made rectified spirit may be imported at the reduce rate of duty y person holding licence in Form L-2 granted under the Medicinal and Toilet Preparations (Excise Duties) Rules, 1956.

Cf. Govt. Notification No. 9968 - E/XIII -75 (12)/59, dated December 27, 1961

(c) The provisions contained in sub- rule (1) to (8) of rules shall also apply *mutatis mutandis* , to all imports under this rule.

**Rule 11- Prohibition of import** – Except as provided for by the foregoing paragraphs, the impor of Indian - made foreign liquor into Uttar Pradesh by any person in any quantity whatever is prohibited.

Cf. Notification No. 192/ XIII-60 , dated April 5, 1929

**NOTE** - These rules shall not apply to denatured spirit.

**(A-II) IMPORT OF OVERSEAS FOREIGN LIQUOR IN SCHEDULES AREAS IN UTTAR PRADESH**

**Rule 1-** In these rules, unless there is something repugnant to the context:

Cf. Govt.  
Notification No.  
4812-E/ XIII-  
83, dated March  
21, 1938

(1) "Overseas foreign liquor " means liquor imported into India from overseas countries which has paid duty on its importation under the Indian Tariff Act, 1894 or the Sea Customs Act. 1875, but does not include Denatured Spirit.

Cf. Govt.  
Notification  
No. 9969-  
E/XIII -275  
(12)/59, dated  
December 27,  
1961

(2) "Private individuals " means all persons or firms not holding a licence from the Collector for the wholesale or retail vend of foreign liquor.

Cf. Govt.  
Notification No.  
1836 (1) E/  
XIII-414 - 1946  
dated July 31,  
1954

(3) " Clubs" means a society of person associated together for social intercourse or for any purpose except the acquisition of gain and includes a club registered under the Indian Companies Act, 1943, co-operative societies , regimental clubs, messes and railway institutes .

**NOTE-** The association must be private and have some element of permanence. The purpose of social intercourse may be combined with and other purpose subject to the exception mentioned. The acquisition of a gain does not destroy the nature of a club, if it is merely incidental to its main purpose.

(4) " The Act" mans the United provinces Excise Act of 1910 as subsequently amended.

(5) " Scheduled Area" means local area mentioned in the schedule [to Government Notification No. 1710-E/XIII-83 dated July 30, 1937]

Cf. Govt.  
Notification No.  
1812-E XIII-83,  
dated Marc 21,  
1938

**Rule 2-** Overseas foreign liquor may be imported into the scheduled areas in Uttar Pradesh either direct from overseas countries or from any State or Union Territory in Indian by :-

Cf. Govt.  
Notification  
No. 9969-  
E/XIII -275  
(12)/59, dated  
December 27,  
1961

- (a) licensed vendors , or
- (b) clubs , or
- (c) private individuals.

Cf. Govt.  
Notification No.  
1836 (1) E/  
XIII-414 - 1946  
dated July 31,  
1954

in accordance with the rules immediately hereinafter following :-

### ***I- Import by licensed vendors***

**Rule 3-** A licensed vendor desiring to import overseas foreign liquor in the scheduled areas from the places specified in Rule 2 above shall present personally or through his agent an

Cf. Govt.  
Notification No.

application to the Collector or the District Excise Officer or the Excise Inspector of the place where the liquor is to be imported stating:

1812-E/ XIII-83, dated March 21, 1938  
Cf. Govt. Notification No. 978-E-XIII-231-1954 dated March 13, 1956

(a) the name and address of the firm from which the import is to be made

(b) complete description and the quantity of each kind of liquor which is to be imported.

(c) the route by which it is proposed to import the liquor.

(d) in the case of import by a licensed retail vendor that a treasury challan evidencing payment of permit fee at the rate of twenty - five naye paise per quart bottle of overseas foreign spirit, cordials and wins and four naye paise per quart of overseas beer, stout and other fermented liquors on the quantity to be imported has been attached to the application . The permit fee should be deposited under the head 'VIII-D- State -Excise - Wines and Spirits

Cf. Govt. Notification No. 6969-E/XIII -275 (12)/59, dated December 27, 1961

- (b) other licence fees.

The application shall be in Form F.L. -33 A separate application will be necessary in respect of each consignment.

**Rule 4** - The Collector or the District Excise Officer or the Excise Inspector of the place where the liquor is to be imported may receive the application and the Collector, District Excise Officer or Excise Inspector, unless he sees and reason to the contrary, shall issue a pass for the import of the liquor. The pass shall be in triplicate in import of the liquor from the place of import, the second copy shall be sent to the Collector or such other officer as may be authorised in this behalf in the district of export and the third copy shall be retained by the Excise Inspector for record and for verification of the consignment on its arrival.

Cf. Govt. Notification No. 4812-E/XIII-83, dated march 21 1938

A register passes shall be maintained by te Excise Inspector in Form F.L. 35 and details fo each pass issued shall be immediately entered in it together with the result of verification of the consignment.

**Rule 5** - On receipt of the consignment the applicant shall at once notify its arrival to the Excise Inspector of the place where the liquor is imported and shall allow him to check the consignment and examine its contents or to take a sample thereof for test, if necessary:

Cf. Govt. Notification No. 4812-E/XIII-68, dated march 21 1938

Provided that if the consignment is not verified by the Excise Inspector within 48 hours of the notice of arrival the

importer shall have the option of opening the consignment.

## II-Import by clubs

**Rule 6-** A club, desiring to import overseas foreign liquor into the scheduled areas in Uttar Pradesh from any place specified in Note 2 above, shall observe the procedure prescribed in Rules 3 to 5 above provided that the application [in Form F.L.33] to the Collector or the District Excise Officer or the Excise Inspector as in Rule 3 is accompanied by a treasury receipt showing that the importer has paid the pass fee at the rates specified below. The Collector, District Excise Officer or Excise Inspector shall not issue any import pass to the importers unless he has satisfied himself that the pass fee has been correctly paid.

Cf. Govt.  
Notification No.  
6812-E/XIII-83,  
dated march 21  
1938

**NOTE-** (1) The rates of permit fee shall be according to the following scale:

	Rs.
1. Spirit , wines liquors, cordials , etc. of all kinds	10.00 per reputed quart bottle
2. Beer , stout and other fermented liquor	0.90 per reputed liquor bottle

Cf. Govt.  
Notification No.  
1916 E/XIII-  
dated March 19,  
1940

Retails vendors of foreign liquor shall be exempted form the permit fee given in this "Note" but they shall pay the permit fee laid down in Rule 3(b)

**NOTE -** (2) Private individuals mentioned in this rule include clubs and meesses also.

Cf. Govt.  
Notification  
No. 1992  
E/XIII-333-70  
dated March 31,  
1970

**NOTE -** (3) For the purposes for this rule the work "club" shall not include a regimental mess.

## III- Import by private individuals

**Rule 7-** A private individual desiring to import overseas foreign liquor into the scheduled area in the Uttar Pradesh from places mentioned in Rule 2 shall submit an application [in Form F.L.33] to the Collector or the District Excise Officer or Excise Inspector of the place where the liquor is to be imported for a pass stating the particulars required by Rule 3. the application shall be accompanied by any treasury receipt showing that the importer has deposited into the treasury the pass fee mentioned in note to rule 6 above . The Collector, District Excise Officer or the Excise Inspector, shall after satisfying himself, that the fee has been correctly paid, grant a pass [ in Form F.L. 34] and enter its details in the register [ in Form F.L. 35].

Cf. Govt.  
Notification  
No. 1991-  
E/XIII-337 (1)  
74 , dted  
March 26,  
1974

**Rule 8-** On receipt of the consignment the importer shall at once notify its arrival to the Excise Inspector of the place where the liquor is to imported and

shall allow him to check the consignment and examine its contents , or take a sample thereof for test if necessary:

Cf. Govt.  
Notification No.  
4812-E/XIII-83,  
dated March 21  
1938

Provided that if the consignment is not verified by the Excise Inspector within 48 hours of the notice of arrival the importer shall have the option of opening the consignment himself.

**Rule 9** - If an importer authorized to import overseas foreign liquor under Rules 6 and 7 does not use the entire quantity of overseas foreign liquor imported by him and wishes to return it either to the exporter or sell it to a licensed vendor he may do so with the permission of the Collector who may also allow the importer a refund of pass fee on the quantity thus returned or sold. No refund will, however, be made after three months of the date of import of the consignment.

Cf. Govt.  
Notification No.  
1812-E/XIII-83,  
dated March 21  
1938

In case the importer does not utilise the permit for importing overseas foreign liquor he may return the permit to the Collector within three months from the date of the permit and apply to the Collector for refund of the permit fee. The Collector may allow a refund of the permit fee deposited by the importer provided he is satisfied after necessary enquiry that no transaction has taken place and no consignment has been received under the permit.

Cf. Govt.  
Notification No.  
4812-E/XIII-83,  
dated March 21  
1938

The Collector, however, may , with the sanction of the Excise Commissioner, allow refund even after the expiry of three months , if he is satisfied that the delay in applying for refund was due to unavoidable causes.

**Rule 10-** A *bonafied* traveller coming into the schedule area in Uttar Pradesh may import for his own personal use overseas foreign liquor not exceeding sic quart bottle in all.

Cf. Govt.  
Notification No.  
2960-E/XIII-83,  
dated July 30,  
1946

**Rule 11-** Except as provided for by the foregoing rules, the import of overseas foreign liquor into the scheduled area in Uttar Pradesh exceeding six quart bottles by any person is prohibited.

**Rule 12-** These rules shall not be applicable in the case of import overseas foreign liquor on behalf of Government Department and charitable institutions with the previous permission of the Excise Commissioner.

### **(B) EXPORT From distilleries in bond**

Cf. Govt.  
Notification No.  
4812-E/XIII-83,  
dated March 21  
1938

**Rule 1- Pass required for export in bond** - Any person may export in bond foreign liquor manufactured at a distillery in

Uttar Pradesh to any place in India under a pass [in Form P.D. 25] granted as provided in the following rules.

Cf. Govt. Notification No. 4812-E/XIII-83, dated March 21 1938

**Rule 2- Application to be made to Collector** - When any person desires to export in bond spirit manufactured at a distillery in Uttar Pradesh, he shall present a written application [in Form P.D. 18] to the Collector of the district in which the distillery of manufacture is situated.

Cf. Govt. Notification No. 4812-E/XIII-83, dated March 21 1938

The application must specify:-

- (i) the name of the consignor;
- (ii) the name of consignee;
- (iii) the description, quantity and strength of the spirit to be exported.

Cf. Govt. Notification No. 650/XIII-85, dated August 18, 1910

**Rule 3 - Exporter must produce permit from Collector of importing district-** Every application must be accompanied by :-

Cf. Govt. Notification No. 6970-E/XIII -275 (12)/59, dated December 27, 1961

- (i) a permit from the Collector, Deputy Commissioner, or other officer specially appointed in this behalf of the district to which the spirits are to be exported authorizing the import of the spirit; and
- (ii) a duly executed special bond [in Form P.D.16] or a reference to a general bond [in Form P.D.15].

Cf. Govt. Notification No. 1880 (I) E/XIII - 414 1946, dated July 31, 1954

**Rule 4- Pass granted by Collector of exporting district** - The pass granted by the Collector of the exporting district or the Excise Inspector to whom the Collector may have delegated his power shall be in triplicate [in Form P.D.25].

Cf. Govt. Notification No. 6970-E/XIII -275 (12)/59, dated December 27, 1961

One copy of the pass shall be delivered to the exporter, the second forwarded to the Collector, Deputy Commissioner, or other officer specially appointed in this behalf of the district to which the spirits are to be taken, and the third retained for record.

**NOTE** - This will usually be the officer-in-charge of the bonded warehouse to which the spirit is consigned.]

An advice [in Form P.D.26] must also be sent by the officer-in-charge direct to the authority granting the import permit who will return the same duly filled in as soon as possible after receipt and verification of the consignment.

Within a reasonable time to be fixed by the Collector of the exporting district and specified in the bond or pass the importer shall produce before the Collector of the exporting district his copy of the pass endorsed with a certificate signed by the Collector, Deputy Commissioner or other officer specially appointed in this behalf, of the importing district certifying the due arrival or otherwise of the spirit at its destination.

**Rule 5 - Particulars to be painted on casks** - On each cask or other vessel containing spirit for export there shall be legibly cut or painted:

- (i) the name and mark of the exporting distillery;
- (ii) the number of the cask or other vessel and its capacity;
- (iii) the nature, quantity and strength of its contents .

These particulars shall correspond with those entered in the pass

**Rule 6- Collector of exporting district may grant extension of time** - On a written application being made to the Collector of exporting district establishing sufficient cause for the grant of an extension of time, or on the production before him of a certificate from the Collector, Deputy Commissioner, or other officer specially appointed in this behalf, of the district of destination, to the effect that there are good and sufficient reasons for extending the currency of the pass or bond, it shall be competent for the Collector of the exporting district, if shall be competent for the Collector of the exporting district, if he thinks fit, to extend the time specified in the pass or bond for the due arrival of the spirit at its destination.

**Rule 7- Bond when to be discharged-** In the case of spirit exported under special bond the Collector of the exporting district shall discharge the bond on receipt of the pass [in Form P.D. 25] and certificate mentioned in clause (3) , provided that none of the conditions of the bond have been infringed. The duty on consignment issued under a general bond shall be written off on receipt of the pass and certificate mentioned in clause (3) , provided that none of the conditions of the bond have been infringed.

**Rule 8- If certificate not received within time or conditions of bond infringed penalty to be realised-** If the certificate be not received within the time mentioned in the bond or pass, or if on receipt of the certificate it appears that any of the

Cf. Govt.  
Notification  
No. 6970-  
E/XIII -275  
(12)/59, dated

conditions of the bond have been infringed, the Collector of the exporting district or the Excise Inspector who granted the pass shall forthwith take necessary steps to recover from executant or his surety the penalty due under the bond.

December 27,  
1961

### ( C ) FROM DISTILLERIES ON PAYMENT OF DUTY

**Rule 1- Duty paint export** - Any person may export duty paid foreign liquor manufactured at a distillery in Uttar Pradesh to any place in India under a pass [ in Form P.D. 25] granted as provided in the following rules:-

Cf. Govt.  
Notification  
No. 302- E/XIII  
-126 dated  
August 5, 1926

(1) the exporter shall present an application for a pass in Form P.D. 25 to the Excise Inspector incharge of the distillery together with a permit authoring the import signed by the Chief Revenue Authority of the importing State or Union Territory, or by an officer duly authorized in this behalf, a treasury receipt for the amount of duty on the total quantity of foreign liquor to be exported.

(e) The Inspector may thereupon grant a pass [in Form P.D. 25] authorizing the export of the foreign liquor and endorsing the rate of duty specified in the permit and the total amount of duty recovered . One copy of the pass shall be sent to the authority granting the permit.

Special rules for export of rum for troops- Rum manufactured at a distillery in Uttar Pradesh and intended for troops may be exported to any part of India in accordance with Rule 1;

Cf. Govt.  
Notification No.  
1836 (I)-E/XIII  
- 114 - 46, and  
July 31, 1954

Provided that it shall be the duty of the exporter to obtain on the back of the pass a certificate signed by the Commanding Officer of the Unit to which the rum is supplied or any Commissioned Officer empowered by the Commanding Officers in this behalf certifying the receipt fo the consignment. The exporter shall produce the pass endorsed with this certificate before the Excise Inspector incharge of the distillery within the period specified in the pass.

**Rule 2 - A distiller holding licences for bottling Indian** - made foreign liquor of his own manufacture and for selling it by wholesale may export such foreign liquor bottled on his wholesale premises, to any other State or Union Territory in India subject to the folowing conditions:-

Cf. Govt.  
Notification No.  
9943 - E/XIII-  
151-53 dated  
November 29,  
1954

(1) The exporter shall obtain from the importer a permit authorizing the import signed by the Chief Revenue Authority of the importing State or Union Territory or by an officer duly authorized in this behalf.

Cf. E.C.'s.  
Notification  
166/ XIII - 60  
dted April 10,  
1927



- (2) The permit shall specify:-
- (a) the name and address of the person or firm authorized to import;
  - (b) the description and quantity of the foreign liquor to be imported;
  - (c) the rate of duty chargeable in the importing State or Union Territory in case the Indian-made foreign liquor is imported in State or Union Territory with which the State of Uttar Pradesh has entered into reciprocal arrangements for the adjustment of the excise duty by book transfer.

Cf. Government Notification No. 6970 - E/XIII - 275 - (12)- 59, dated December 27, 1961

**NOTE** - The State of Uttar Pradesh has such reciprocal arrangements with the State and Union Territories detailed below :

- (i) The states of Assam, Bihar, Maharashtra, Gujarat, Madhya Pradesh, Orissa, Punjab and West Bengal.
  - (ii) The Union Territory of Delhi (erstwhile Part C State of Delhi ).
- (d) the rate of duty charged in the importing State or Union Territory and the fact that it has been realized in advance in cases of import other than those covered by clause(c).
- (3) On receipt of the permit the exporter shall deposit into the treasury;
- (a) Export duty on the total quantity of liquor to be exported; and
  - (b) Where the export is made to a State or Union Territory with which the State of Uttar Pradesh has entered into a reciprocal arrangement for the adjustment of the excise duty by book transfer, and the rate of duty in the importing State or Union Territory is higher than that enforced in the State of Uttar Pradesh, and that payable in the importing State or Union Territory on the total quantity of liquor to be exported.
- (1) On receipt of the permit and the treasury receipt the wholesale vendor shall prepare a pass [in Form F.L.23] in quadruplicate and submit it to the Excise Inspector in charge of the distillery. The Excise Inspector, shall after satisfying himself that duty has been correctly realized, affix his signature to the pass. The exporter shall then send one copy of the pass to the Collector of the district of export, one copy to the Chief Revenue Authority of the place of import or such other officer as may be authorized in this behalf. One copy to the consignee and shall retain the fourth copy. The treasury receipt shall always accompany the copy of the pass sent to the Collector of the exporting district.
- (2) The pass [in Form F.L. 23] shall state clearly :-
- (a) the name and address of the consignor.
  - (b) the name and address of the consignee,

- (c) the exact description and quantity of each kind of foreign liquor dispatched under the pass,
- (d) the route by which it is despatched,
- (e) the date of despatch, and
- (f) in case of export against duty paid permit, the fact that the duty has been prepaid in the state of import.

(6) A separate pass 9 (in Form F.L. 23) shall be issued in respect of each consignment. The chief Revenue Authority or other officer of the place of import should send the copy of the pass received by him, duly countersigned, to the Excise Commissioner, Uttar Pradesh, in support of the claim for refund of duty annually after the close of the excise year.

- (3) Should the rate of duty in the importing State is lower than that in force in Uttar Pradesh, exporter shall be entitled to a refund of the difference in duty. If the duty has been prepaid in the State of import at the rate in force at the time of issuing import Permit the exporter shall be entitled to be refund of duty deposited by him in the State of export on verification of the claim by the Excise Inspector incharge of the distillery on the basis of export passes (in form F.L. 23) duly countersigned by the chief Revenue Authority of the State or Union Territory of import or the officer appointed in this behalf in token of receipt of the consignment of Indian made foreign liquor.

### **(E) TRANSPORT**

Transport of foreign manufactured at a distillery shall governed by rules relating to issues from distilleries.

**NOTES-** A (i) Rules relating to import of foreign liquor

These rules were originally notified under Government Notification No. 192/XIII-60, dated April 5, 1929, published in U.P. Gazette 1929, Part I, p. 288 and were amended subsequently by marginally noted notifications.

(ii) Rules relating to import of foreign liquor (overseas)

These rules were originally notified by Government Notification No. 4812E/XIII-83, dated March 21, 1938 published in U.P. Gazette 1938, Part I, page 331 and subsequently amended by marginally noted notifications.

B. Ruling relating to export of foreign liquor (under Bond)

These rules were originally notified by Government Notification, No. 650/XII-85, dated August 18, 1910 published in U.P. Gazette 1910, Part I, page 924 and amended by marginally noted notifications.

### **On payment of Duty**

These rules were originally notified under Government, Notification No. 302/XIII-126, dated August 5, 1926 published in U.P. Gazette 1926, Part I, page 700 and were subsequently amended by marginally noted notification.

**RULES**  
**Relating to**  
**Section XIV**

**VEND OF FOREIGN LIQUOR**  
**(A) Whole sale Vend of Foreign Liquor**  
**(Other than denatured sprit)**

Cf. E.C's Rule 1- (1) Licenses for wholesale vend of foreign liquor shall be of  
Notification No. four classes, viz.  
2473/XIII-2134

- (a) In form F.L. 1 for wholesale vend by manufacturers of their own produce to wholesale vendors save that brewers holding licence in Form of F.L. 1 may issue beer to troops or regimental units and to canteen tenants licence, directly under their licence.

NOTE: Beer when issued as above to troops will be assessed at the rate of three paise per litre. No. fee will, however, be levied on issues to canteens.

- (b) In Form of F.L. 2 (appended) for wholesale vend to wholesale and retail vendors.  
(c) In Form F.L. 2-A (appended) for wholesale vend to military wholesale and retail vendors.  
(d) In form Form F.L.2-B (appended) for wholesale vend of beer only to wholesale and retail vendors.

(2) Licenses in Forms F.L. 2, F.L. 2-A or F.L. 2-B shall be granted by the Collector in accordance with the general or particular directions issued by the Excise Commissioner and on Payment of the fixed fee notified by the State Government from time to time in the behalf.

NOTE: (a) A licensee holding a license in Form F.L. 2 or F.L. 2-A or F.L.2-B and hold a licence, for retail vend of foreign liquor in the district in which he holds a licence for wholesale vend of foreign liquor.

(b) In the case of grant of new licence in any of the form F.L. 1 or F.L.2-A or F.L.2-B or whenever any existing licence of any of the above categories is vacated (including the mutation of names) and its continuance and settlement with some other party is considered necessary, the case should first be referred to the State Government with full justification for the same for their approval. After receipt of State Government's approval, further action may be taken for the selection of the grantee strictly in accordance with the rules on the subject.

(c) Licence in Form F.L.2 shall be granted district wise to one or more licenses holding F.L.5 licence on the basis of fee paid by them for

F.L.5 licence preference being given to one who has paid higher licence fee.

(d) A licence holding a licence in form F.L.2 shall sell Foreign Liquor within the limits of the district for which licence is granted, unless otherwise permitted by the Deputy Excise Commissioner Charge to sell it to any other district under his

Rule 2 – The fee for a licence for the wholesale vend foreign liquor in form F.L.2 shall be sanctioned annually in April by the Excise Commissioner on the basis of a return in Form F.L.12 to be submitted, by the Deputy/Asstt. Excise Commissioner concerned. As early as possible after the close of the excise year in the manner indicated in paragraph 644 infra.

E.C's Notifications No. 26873 dt, Jan, 15 1962 10759 dt March 10, 1976

The return submitted shall show the total quantity of each kind of foreign liquor sold under the licence during the preceding excise year and also the licence fee payable by the vendor according to rules.

Rule3- The fee for the manufacturers licence in Form F.L.1 shall be fixed but in the case of beer supplied to troops or regimental units directly, a surcharge of three paise per litre shall also be liable in addition to the fixed fee. In addition to the fixed fees the fee for a incense in Form F.L. 2-A shall be assessed on the basis of scales of surcharge fee prescribed in the next paragraph following and shall be payable restrictedly in advance. The fee for a licence in Form F.L.2 shall be the amount of money accepted at the auction of the licence as fixed fee together with an assesses fee charged on the basis of scales of surcharge fee prescribed in the next paragraph following:

E.C's Notification No. 4562/II-213, dt. March 10, 1976 27/licence 3 dt April9, 1976

Rule 4- The scales of licence fee applicable to wholesale licence for the vend of foreign liquor shall be as follows:

- (i) For a licence in Form F.L.1- A fixed fee Rs. 5,000 (Rupees Five Thousand) only and in case of sale of fermented liquor to troops or regimental units directly, a fee of Rs. 0.03P (three paise) per litre in addition.
- (ii) For a licence in Form 2- The fixed fee obtained for the licence at the auction in addition to the assesses fees according to the following scale:
  - (a) Sprints, wines, Liquor cordials, etc. of all kinds all kinds. Rs. 5.00 per reputed quart bottle on sale to licensed vendors.
  - (b) Beer, stout and other Re. 0.60 per reputed

EC's Notifications No. 4562/II-213C dt. July 13, 1938

E.C's Notification No. 14882/II 213-C dt. March 14, 1940 305 (I) PA dt. Nov. 20, 1961 .....dt April 28, 1967 G-211/II 81D dt, March 29, 1970 2535 dt dt. MArCh 24, 1974 10759 dt March 10, 1976 27/licence-3 April 14

fermented liquors                      quart bottle on sale                      1976Cf                      Govt.  
to licensed vendors.                      to licensed vendors.                      Notification No. 3842-  
E/XIII-512-83                      dated

NOTES:- (i) It may be noted that the rated of licence fees respect of F.L.,1, F.L. 2 F.L. 2-A and F.L. 2-B licence have been amended subsequently by Government Notification in Part III as page 34. The latest rates are as follows: -  
May 25, 1983 as amended last by Govt. Notification No. 885-E2/XIII 508-83 dated March 12, 1993

Fixed Fee:

(a) F.L. 1 licence                      Rs.----- per annum  
or part thereof

(b) F.L. 2 licence

(i) For districts having total                      Rs. eigh lakhs per  
licence fee more than                      annum or part thereof  
4,00,00,000 for all F.L. 3  
shops for the entire  
excise year or part thereof

(ii) For districts having total                      Rs. five lakhs per  
licence fee from 1,00,00,000                      annum or part thereof  
to Rs. 4,00,00,000 for all F.L.  
5 shops for the entire excise year  
on part thereof

(iii) For district having total                      Rs. three lakhs per  
licence fee less 1,00,00,000                      annum or part  
for all F.L. 5 shop for the                      thereof  
entire excise year on  
part thereof

Cf Govt. Notif-ication  
No. 3842-E/XIII 512-  
83, dated MAY 25,  
1993 as amended last  
by Govt. notification  
no. 3622-E-2/XIII, 37-  
85 dated Oct., 5, 1998

(c) F.L. 2-A licence                      Rs. two thousand and  
five hundred per annum or  
part thereof

(d) F.L. 2-B licence                      Rs. three lakhs per annum  
or part thereof.

(ii) Fee assesses on the basis of sales-

(a) Spirits, wines, liquor, cordials  
etc.of all kinds                      Nil

(b) Beer,----- and other  
fermented                      Re.0.50 per reputed  
quart bottle

(iii) For a licence in Form F.L.2-A-A fixed fee of Rs. 2,500 (Rupees Two thousand and five-hundred) in addition to the fees assessed according to the following scales:

- (a) Spirits, wines, liquor, cordials, etc. of all kinds. Rs. 5.00 per reputed quart bottle on sale to licences vendors.
- (b) Beer, stout and other fermented liquors. Re. 0.60 per reputed quart bottle on sale to licences vendors.

NOTE: - (i) The fixed fee in respect of licences F.L. 2-A is payable in advance before a licence is granted or renewed while in respect of licence F.L. 2 one fourth of the licence fee as obtained in the auction shall be payable in advance immediately on the acceptance of the bid and the balance by such installments as may be specified in the licence to be granted.

(ii) The assessed fee on these licences shall be recovered in accordance with the rule contained in para 644 of the Excise Manual Volume I, 1962 Edition.

Rule 5- Unless the fee or any part thereof is in arrears and unless the collector sees good reason to the contrary, a wholesale licence in Form F.L. 1 or F.L. 2-A may be renewed from year to year.

E.C's Notifications No. 9473/IX-213 A dt, March 24, 1926 29369/R-II dt, dt, Feb, 6, 1962 10759/dt March 10, 1976

Rules 6- (a) In the case of new licence in either Form F.L. 1 or F.L. 2-A, the collector, may realise in advance for the year or part thereof an amount sufficient to cover the licence fees on the volume of business likely to be transacted, subject to such adjustment either by way of increase or by way of decrease at the end of the year as may be directed by the Excise Commissioner on the basis of sales actually made during the year. For this purpose, a statement showing the sales made during the year under the licence and the licence fee payable by the licensee according to the prescribed scale of surcharge fees should be submitted in Form F.L. 13 as early as possible after the close of the manner of submission the Excise Inspector of the circle shall submit the statement relating to shops in his circle in Form F.L. 13 by April 17 to the Deputy/Assistant Excise Commissioner of the charge who after consolidation, the statement for each district of his charges as soon as possible. The fee payable in subsequent years, will be the same as those paid during the previous year and will be realised in advance subject to adjustment at the end of the year on the basis of actual sales made during the year. The further procedure for the submission of the return and assessment of licence fees will be the same as laid down in Excise Commissioner, U.P.s Notification No. 26873 dated January 15,

E.C's Notification No. 9473/IX-213 A dt March 24, 1926 29369/R-II, dt. March 10, 1976 27/licence -3 dt. April 14, 1976.

1962.

- (c) In the case of a licence in Form F.L. 2 The Collector may realise in advance for the first quarter of the year, an amount sufficient to cover the assessed licence on the volume of business likely to transacted, subject to such adjustment either by way of increase or by way of decrease at the end of the quarter as may be directed by him on the basis or sales actually made during the quarter. For this purpose a statement showing the sales made during the quarter under the licence and the licence fees payable by the licensees according to the prescribed scale of surcharge fee should be submitted to the Collector in Form F.L. 13 within one week of the close of the quarter. The fee payable in subsequent quarters of the year will be the same as those paid during the previous quarter and will be realised in advance subject to adjustment at the end of the quarter on the basis of actual sale made during the quarter. The annual assessment fee for a licence of this category shall be sanctioned at the end of the year in April by the Excise Commissioner on the basis of statement in Forms F.L. 13 to be submitted by the Excise Inspector of a circle through the Deputy/Assistant Excise Commissioner concerned who after consolidation of the statement district-wise shall submit to the Excise Commissioner for this sanction.

Rule 7 – Suppressed by the U.P. Bottling of Foreign Liquor Rules, 1969.

(B) Retail vend of Foreign Liquor other than demand Spirit

E.Cs Notification No. 9473/IX- 213 dt. March 25, 1926 29366/R-II dt. Feb. 6, 1962 35/II-619B, dt. April 2, 1968 3/Camp, dt. July 5, 1972 10756/dt. March 10, 1976 16719/X- 97-B dt. March 24, 185	Rule 8- (1) (i) the licence for retail vend of the Foreign liquor, other than denatured spirit, at shop for consumption off the premises shall be form F.L. 5 (appended). (ii) This licence covers the right to sell rectified spirit provided that the maximum limit of retail sale at one time to the same person shall be restricted to the following quantities- (a) 375 Millimeters when sold to a private individual; (b) 1,500 litres in the case of sale to chemist, medical practitioner or a scientific body; and (c) Thirteen litres and five hundred millimeters to any Government Local Fund or Municipal Hospital. Notes: (1) The licensee for the licenses will be selected by public auction or tender-cum-auction system and the provisions of Rules 5, 6 and 7 of the Uttar Pradesh Settlement of Country Liquor Licence (Tender-cum-auction), Rules 1965 shall apply mutatis mutandis to such tender-cum-auction system. (2) Before proposing the creation of a new licence of this class, the Collector shall obtain the views of the Deputy/Assistant Excise
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Commissioner of the charge.

(3) In the case of creation of a new licence in Form F.L. 5 or whenever any existing licence of the category is vacated (including the mutation of names) and their continuance and settlement with some party is considered necessary, the case shall be referred to the State Government with full justification for the same their approval. After receipt of government approval, further auction may be taken for the selection of the grantee in accordance with rules on the subject"

E.C's Notification No. 9473/IX- 213 A, dt. March 25, 1926 8032/II- 325 dt. Nov. 8, 1934	(2) Hotel and Dak-bungalow licence- Hotel and staging of Dak-bungalow licence in Form F.L.6 may be granted with the provisions sanction of the Excise Commissioner to the proprietors or leasees of premises which are bonafide places for the lodging and entertainment of travellers, and to persons incharge of staging or Dak-bungalows. They cover retail sale for consumption on the premises only to persons actually residing in the hotel for their own use or for that of their guests and bonafide travellers making a temporary halt at the hotel or staging or Dak-bungalows. They not cover the right of sale to the general public residing in the place where the hotel or staging or Dak-bungalow is situated. Such sales, where permitted, must be covered by an additional licence in Form F.L. 7 or F.L. 4
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NOTES- (1) If the licence of a hotel or staging or Dak-bungalow situated in a small station a licence in Form F.L. 6 only desires to sell a resident or bonafide traveller wishing to take a certain quantity of liquor with him for refreshment on his journey the collector on the licensee's application may in his discretion, add a condition to the licence authorising such sales in quantities not exceeding two quart bottles to any individual, but this shall be done only in the case of places where no licence exists for the sale of liquor for composition of the premises.

(2) In the case of grant of new licence in Form F.L. 6 or wherever any existing licence in vacated (including the mutation of names) and its continuance and settlement with some other party is considered necessary, the case should first be referred to the State Government with full justification for the same, for their approval. After receipt of Government's approval further action may be taken in accordance with the rules on the subject.

(3) (a) Restaurant or hotel bar licence – Restaurant or hotel bar licence in Form F.L. 7 covers sale to all customer for consumption on the premises, subject to the conditions of the licence. Such licence may be granted with the previous sanction of the Excise Commissioner only to the proprietors or lessees of premises, which are maintained for the main purpose of supplying the public with meals served in European fashion, or to the proprietors or lessees of bona fide hotels. With this consideration in view the Collector must carefully scrutinize all applications for this class of licence; and in forwarding any such application for this class of licence; and in forwarding any such application to the Excise Commissioner he should state whether, in his opinion, the application is made with the object of securing the licence as a necessary adjunct is made with the

Cf E.C's Notification  
No. 29366/R-II dated  
Feb. 6, 1962

Cf. EC's Notification  
No. 9473/IX-213 dt.  
march 25, 1926  
8032/II-325 dt. Nov.  
8, 1934 29366/R-II  
dt. Feb. 6, 1962  
25538/dt. March 24,  
1974 197/X-97D  
Licence dt. April 9,  
1990.



object of securing the licence as a necessary adjunct to genuine hotel or restaurant business or is one made with the main object in view of supplying, under the guise of a bogus hotel or restaurant business, liquor to the general public.

NOTES-(1) Before proposing the grant of a new licence of this class the Collector shall the views of Deputy Excise Commissioner/Assistant Excise Commissioner of the charge.

(2) In the case of grant of a new licence in Fourth F.L. 7 or whenever any existing licence is vacated (including the mutation of names), and its continuance and settlement with some other party is considered necessary, the case should first be referred to the State Government with full justification for the same, for their approval. After receipt of Government's approval, further action may be taken in accordance with the rules on the subjects.

NOTES-(1) For Licence in Form F.L. 6-A Rule 10 at page 85.

(2) For licence in Form F.L. 7-A see Rule 10 at page 85, for licence in Form F.L. 7-B see Rule 8 (iii) (b) at page 83 and for permit in Form F.L. C, see Excise Commissioner's Notification No. 6849/X- Foreign liquor dated 10-11-80 as last amended by Notification No. 16164//Sanssodhan-92-93 dated March 28, 1992.

(3) (b) Beer licence in Form F.L. 7-B (herewith appended) covers retail sale of beer only to customers for consumption on the premises of hotel, Dak bungalow or restaurant run by the Uttar Pradesh State Tourism Development Corporation and India Tourism Development Corporation subject to the conditions of the licence.

(Form P.L. 25) to be obtained from the Collector's office on payment and shall produce the same for inspection on the requisition of any officer authorized by Government to demand their production and shall furnish to the Collector such returns of sales as may be required.

(iii) Sales shall be made from 11 a.m. to 9 a.m.

Exception- Sales may be made at any time to bona-fide passengers by air or by licenses holding such licence at an aerodrome.

(iv) At the entrance to the licenced premises a signboard shall be affixed on which shall be painted the name of the licence holder and designation "Licenced Retail Vendor of Beer"

(v) (a) The licensees shall provide within licensed premises adequate accommodation for customers.

(b) The licensee, as well as the salesman shall be responsible for the proper upkeep and cleanliness of the premises.

(4) Railway refreshment room at dining car licence- Railway refreshment room or dining car licence shall be granted with previous sanction of the Excise Commissioner in Form F.L. 8 and shall cover retail sale in railway refreshment rooms and dining cars maintained by or under the supervision and control of railway administration. It covers the right of retail sale only to bonafide railway passengers further in course of transit by train or making a temporary halt at the railway station at the beginning or end of a railway journey, for consumption on the premises or for consumption off the premises in quantities not exceeding two quarts

Cf. E.C's. Notification No. 16165/Sanshodhan dated March 28, 1992.

Cf. E.C's. Notification No. 9178/IX021A dated March 25, 1936

of liquor to any one bonafide railway passenger. It does not cover the right of retail either for consumption on or off the premises to persons other than bonafide railway passengers. Such sales where permitted must be covered additional licence in Form F.L. 4, F.L. 5 or F.L. 7

In the case of cars or trains running through the territories administered by more than one State Government the licence shall be issued by the State Government within whose territories the headquarters of the refreshment contracting firms are situated, and shall be held to cover the whole extent of the journey of the train in respect of which it is granted. Intimation of the issue of the licence shall be given to every State Government or Administration through whose territories the train passes in the course of its journey.

NOTE- Grant of licence in F.L. 8 has been discontinued with effect from April 1, 1949 under orders from the Government.

(5) (1) Canteen tenant licence may be granted and issued by the Collectors in connection with the grant of contracts for the retail vend of foreign liquor under the Military Canteen System but the Excise Commissioner should be informed whenever such a licence is issued. Sales under this licence can only be made at the canteen or place appointed for the purpose by the Military authorities and only to persons whose are attached to the regiment for which the licence is granted or who are duly authorised under Army Regulations to use such canteen.

Cf. E.C's. Notification No. 13384 II-78 ID dt. August 25, 1967 23137/II-781 C-R, dt. Feb. 2, 1985

(2) The licence shall be in Form F.L. 9 and a separate licence shall be required for each place of vend. It will make no difference whether the places of vend belong to the same or different-military units. The fee for a canteen licence shall be levied monthly in advance on the basis of sales made in the previous month at the rate of Rs. 4 per bulk gallon, on all kinds of wines and spirits and ten paise per bulk gallon on beer subject to minimum of Rs. 5.00 in any month. The fee for the first month shall be fixed at Rs. 5.00

(3) (a) Military Units Canteen licence in Form F.L. 9-A may be granted and issued by the Collector to the 'Unit Canteen' for the retail vend of concessional duty Rum to the defence personnel, but the Excise Commissioner should be informed whenever such a licence is issued. This licence is to be granted on the request of the Officer Commanding of the unit after proper equity and scrutiny. Sales under the licence shall only be made at the "Unit Rum Canteen" or places specially earmarked by the military authorities and only to persons attached to the unit or regiment for which the licence is granted or who are

duly authorised under the Army Regulations to make purchases from the Canteen. A separate licence in Form F.L. 9-A will be required for each place of vend.

(b) Canteen licence in Form F.L. 9 may also be granted and issued by the Collector to the Indo-Tibetan Border Police Canteens/Units authorised by D.G. Indo-Tibetan Border Police for the retail vend of concessional duty Rum to the Indo-Tibetan Border Police Personnel but the Excise Commissioner should be informed whenever such licence is issued. This licence is to be granted on the request of the D.I.G. Indo-Tibetan Border Police after proper enquiry and scrutiny. Sales under this licence shall only be made at the 'Rum Canteen' or places specially earmarked by the D.I.G. Indo-Tibetan Border Police and only to person attached to the unit for which licence is granted.

(c) A fee for such licence in Form F.L. 9-A shall be levied monthly in advance on the basis of sales made in the previous month at the rate of 37 paise per reputed quart bottle and 19 paise per reputed pint bottle sold subject to minimum of Rs. 5.00 for the month. A fee for the first month shall be fixed at Rs. 5.00 subject to adjustment at the end of the month.

NOTE- It is not necessary for canteen licensee to take out a licence in the case of troops on manoeuvres the line of march, or at temporary stations when called out in aid of civil power, provided the sales at these places are incorporated in the accounts kept at the main licensee place.

(6) Auctioneers licence - An auctioneer's licence may be granted to cover the sale by auction, by any person charging a fee or commission for his services, of foreign liquor, whether the property of private persons or consigned in the ordinary course of trade for sale by auction. Sales under this licence may be held at any place within the State. Such a licence may be granted by the Collector, and will cover also the issue, on payment of sample to intending purchasers not exceeding in bulk one reputed quart bottle. Sales shall be made in wholesale quantities only. The licence shall be in Form F.L. 10 The fee shall be Rs. 10 per diem. payable strictly in advance.

Cf. E.C's  
Notification  
No. 9473/IX-  
213 dt. March  
25, 1926  
6208/IX-20 dt.  
Sep 24, 1930  
305(I) TA dt.  
Nov. 20, 1961

(7) Occasional licence - Where a licence is required for races, sports, dances or other forms of public entertainment of a purely temporary nature, the Collector, may issue an occasional licence in Form F.L. 11 to cover retail vend of foreign liquor on the premises in which the entertainment is held for such hours as he considers advisable.

Cf. E.C's  
Notifi- cation  
No. 9473/IX-  
213-A dt.  
March 25,  
1926

Cf. E.C's  
Notifi- cation  
No. 8105/IX-  
213-C, dt.  
October 26,  
1937

The licence may be granted for the whole period which the entertainment may last up to a maximum of ten days. The fee shall be Rs. 8 for 64 hours or part hereof payable strictly in advance. In the case of licensees holding licences in Form F.L. 4,6,7,8,9 and 12 the licence fee shall be further assessed on the combined sales made both under the occasional and permanent licence at the rate given in paragraph 654(a) in addition to the occasional licence paid in advance.

Cf. E.C's

Notification

No. 305  
(i)/P.A. dt.  
November 20,  
1961

(8) Theatre bar licence - Where a licence is required for a public place of entertainment of more or less permanent such as a theatre or cinema occupying permanent premises, the Excise Commissioner may sanction the issue, by the Collector of a theatre or cinema bar licence in Form F.L. 12 subject to such special conditions in each case as may appear necessary to him and for such term as may seem to him advisable to cover the retail sale of foreign liquor on the premises on which the entertainment is held, sales under cover of such licence shall be made only during an actual performance other than a rehearsal and for not more than half an hour after its conclusion provided that sales shall under no circumstances be made after midnight.

The fee shall be as follows : -

- (a) Rupees 5 per diem for first class and Rs. 3 per diem for second class cities, if the licence is taken for a period of less than a month
- (b) If the licence is taken for a month or over, but for a full year, the fee shall be assessed monthly by the Collector according to the scale laid down in clause(a) of paragraph 654 and shall be subject to minimum rates of Rs. 50 per mensem for first class cities and Rs. 25 per mensem for second class cities.
- (c) In the case of annual licence the fee shall be assessed according to paragraph 653.

The daily fee or the minimum fee prescribed shall always be payable in advance.

NOTES- (1) Allahabad, Lucknow, Kanpur, Meerut, Jhansi, Varanasi, Bareilly, Dehra Dun, Naini Tal, Gorakhpur, Aligarh, Chakrata, Mathura, Mordabad and Agra shall be first class cities and the rest shall be second class cities for the purpose of assessment. Provided that the Excise Commissioner may at his discretion change the classification of any city at any time.

(2) In future the licence in Form F.L. 12 will be granted to bars attached to theatre or cinema, only and not restaurant, dance halls of other places of public entertainment.

(3) Grant of cinema and theatre bar licence in Form F.L. has been discontinued with effect from April 1, 1947.

Cf. E.C's Notification No. 9478/IX-213-A dt. March 25, 1926

Cf. E.C's Notification No. 2396/IX-123-C, dt. May 28, 1937

Cf. E.C's Notifications No. 2787, dated June 4, 1942

Cf. E. C's order No. 18656/X-106, dated March 19, 1947

E.C's Notification No. Rule 9 - (a) The fee for any retail licence in Form F.L. 5 may be 25535 dt. March 24, fixed by public action.  
1974 10759/dt. March (b) The fee for any retail licence in Form F.L. 7, F.1. 7-A, F.L. 8

10, 1979

or F.L. 12, when taken for full year shall be sanctioned annually in April by the Excise Commissioner or the Deputy/Assistant Excise Commissioner as early as possible after the close of the Excise year in the manner indicated in para 644 supra. The return shall show the total quantity of each kind of foreign liquor sold under the licence during the preceding excise year and also the licence fee payable by the vendor according to scale of surcharge fees prescribed in the next rule and shall be payable strictly in advance.

Rule 10 - (a) Hotel or Dak-bungalow licence and hotel or restaurant bar licences shall be of the following categories:

(i) Hotel or Dak-bungalow or retail sale of foreign liquor for consumption in the premises to bonafide residents or travellers in unstarred hotels or one or two starred hotels in Form F.L. 6

(ii) Restaurant and hotel bar licence for retail sale of foreign liquor to all customers for consumption in the premises of restaurants which are maintained for the main purpose of supplying public with meals in European fashion or restaurants on one or two star hotels in Form F.L. 7.

(iii) Hotel licence for retail sale of foreign liquor for consumption in the premises to bonafide residents or travelers in 3, 4 or 5 star hotels Form F.L. 6-A.

(iv) (a) Restaurant bar licence for retail sale of foreign liquor to all customers for consumption in the premises of restaurants of 4 or 5 star hotels in Form F.L. 7-A (Appended herewithin).

(b) The fee at the following rates shall be payable by the licence in advance:

(a) In every Nagar Mahapalika area including Cantonment Board area and in each of the Nagar Palika areas of Ghaziabad, Dera Dun, Saharanpur, Muzaffarnagar and Moradabad (inclusive of Cantonment Board area), for F.L. 7 licence two lakh rupee per annum or part thereof and for F.L. 6 licence as under:

(a) Unstarred hotels having more than 30 rooms                      Rs. 1,50,00 per annum or part thereof

(b) Unstarred hotels having up to 30 rooms                      Rs. 1,20,000 per annum or part

(c) 1,2 or 3 starred hotels having more than 30 rooms                      Rs.1,45,000 per annum or part thereof.

(ii) In the areas not covered under sub-clause (i) above for F.L 7 licence one lakh fifty thousand rupees per annum or part thereof and for F.L. 6 licences as under:

(a) Unstarred hotels having more than 30 rooms.                      Rs. 75,000 per annum or part thereof

(b) Unstarred hotels having                      Rs. 60,000 per annum

upto 30 rooms. or part thereof

(c) 1,2 or 3 starred hotels Rs. 70,000 per annum  
having more than 30 rooms or part thereof

(d) 1,2 or 3 starred hotels Rs. 55,000 per annum  
having upto 30 rooms or part thereof.

(iii) for F.L. 6-A or F.L. 7-A licences as the case may be fixed fee of Rs. 2.50 lakhs (two lakh fifty thousand rupees) per annum or part thereof.

(d) For F.L. 7-B licences fixed fee of Rs. twenty-five thousand per annum or part thereof.

10-A. Assessment of fees- In all cases where two or more licences, whether wholesale or retail, are granted to a person for the same premises, the licence fee shall be assessable on the entire sales made under the various licences at the highest scale applicable to any of these licences.

Cf. E.C's  
Notification No.  
37770/IX-213  
dated July 25,  
1928

Rule 11- Unless the fees or any part thereof is in arrears, a licence for the retail vend of foreign liquor other than the licence in Form F.L. 5 may be renewed from year to year. In the case of a new licence in Forms F.L. 6, F.L. 7, F.L. 7-A, F.L.8 or F.L. 12, the Collector may realise in advance, for the year or part thereof an amount sufficient to cover the licence fees on the volume of business likely to be transacted subject to such adjustment and to the minimum prescribed in paragraph 654 (c) (Rule 10) either by way of

Cf. E.C's  
Notification No.  
8950/IX-52B dt.  
Dec. 5, 1934  
3677/IX-52-B  
dt. July 5, 1935  
2398/IX-213-C  
dt. May 28  
1937, 26871/IX-  
52B

dt. Jan. 15, 1962  
25535/III dt. March  
24, 1974, 10759 dt.  
March 10, 1976

increase or by way of decrease at the end of the year, as may be directed by the Excise Commissioner on the basis of the scale made during the year. For this purpose a return showing the sales made during the year under the licence and the licence fees payable by the licence according to the prescribed scale of surcharge fee should be submitted as early as possible after the close of the year to the Excise Commissioner or for his sanction. The fees payable in subsequent years will be the same as those paid during the previous year and will be realised in advance subject to the adjustment at the end of the year on the basis of the actual sales made during the year. further procedure for the submission of return and assessment

of licence fees will be the same as described in paragraph 653 (Rule 9).

Cf. E.C's Notification No. 424 dt. April 15, 1931 13384/II-78B dt. August 25, 1967

Rule 12 – (a) Every licensee (wholesale or retail) shall maintain a correct account of all his daily transactions in liquor in a register in Form F.L. 25 which he is Cf. E.C's Notification No. shall procure from the Collector's office on payment. The register is divided into four parts:

Part I – In this part inspecting officers will record the result of their inspections.

Part II -In this part will be entered all receipts by the licensee. Entries should invariably be made on the dates on which supplies are received. A separate line should be given to each consignment and if the consignment consists of liquor of various kinds a separate line should be given to each kind of liquor also.

Part III - In this part sales shall be entered. In this case of sales to other vendors each items of sales should be shown separately. In other cases total sales during the day should be entered in column 3 to 20. Part III will also be available separately for the use of licensees holding a licence for wholesale sale of foreign liquor in Form F.L. 2 or those holding more than one licence. Separate accounts in respect of sales made under each licence held must be maintained.

Part IV-In this part will be entered the total receipt of each kind of liquor during the day and the total sales. The figures of receipt will be obtained from Part II and those for sales will be obtained by totalling the entries for the days as shown in Part III.

Exception - This paragraph does not apply to persons holding an auctioneer's licence or an occasional licence. In the case of the former no accounts are necessary, and in the case of the latter the form is prescribed in the licence.

(b) Military Unit Canteen licensee in Form F.L. 9-A shall maintain account of all his daily transactions in concessional duty Rum in a register in Form F.L. 25-A (Four points) which he shall procure from the Collector's office on payment.

The transport of foreign liquor from whole sale premises shall be covered by a pass in the Form F.L. 36 which shall be prepared by the wholesale licensee in quadruplicate. He shall retain one copy thereof for record, and issue the second copy to the purchaser, the third copy to the Excise Inspector of the Circle in which the wholesale shop is situated and the fourth copy of the Excise Inspector of the Circle in which the purchaser resides. The purchaser shall retain his copy of pass till the consignment has reached the destination and has been examined by the Excise Inspector of his Circle. The purchaser shall retain his copy of pass to the wholesale licensee within four weeks with an endorsement

E.C's

Notification No

10800/IX-321-C (i

dt. September 22

1969.

of the Excise Inspector of the circle certifying receipt of consignment having been received and entered in Part II of the Sale Register in Form F.L. 25 in case of foreign liquor vendors, or in stock register in case of other case of foreign liquor vendors, or in stock register in case of other purchasers. The wholesale licensee shall retain his copy of pass three years or further period if ordered by the Collector of his district. The period of validity of pass shall not exceed one month.

(c) Licences for the vend of rectified spirit and medicated wines.

Rule 13- Omitted in view of the Medicinal and Toilet Preparation (Excise Duties) Act, 1955 coming into force from April, 1957.

Rule 14- **Licence for the sale of the rectified spirit-** The collector may grant to an approved chemist or druggist a licence in Form F.L. 14 for the sale of rectified spirit. The quantity of rectified spirit which may be possessed under this licence shall not exceed ten imperial gallons at one time, or such larger quantity as the Excise Commissioner may authorize by special order.

Cf. E.C's  
Notification No  
9473/IX-213-A, dt  
March 25, 1926.

Rectified spirits of wine must be sold under this licence for other than bonafide medical, industrial and scientific purposes, and the maximum limit of sale at one time to the same person is restricted to one reputed point in case of sale to a private individual, two reputed point in case of sale to a chemist, medical practitioner or scientific body, and three imperial gallons to any Government local fund or municipal hospital. The fee leviable for such licence shall be Rs. 10 per annum payable strictly in advance

Cf. E.C's Rule 15 - (1) A licence in Form F.L. 15 may be granted by the Collector for sale of such tonics or medicated imported into Uttar Pradesh as contain 20 per cent or over but under 42 per cent of proof spirit and which are not listed in the schedule of restricted preparations appended to the Medical and Toilet preparation: (Excise Duties) Rule, 1956.

Provided that when not imported into Uttar Pradesh from outside the sale of all such tonic or medicated wines can be made under licence in Form F.L. 15.

(2) Tonics or medicated wines containing 20 per cent or over but under 42 per cent of proof spirit and included in the list of Restricted Preparations specified in the schedule appended to the Medicinal and



Toilet Preparations (Excise duties) Rules, 1956, if imported into Uttar Pradesh from outside, can be sold only under the licence in Form 'F' appended to the U.P. Spirituous Preparations (Inter-State Trade and Commerce) control Rules and in accordance with the provisions of these rules.

(3) (i) Tonics or medicated wines containing 20 per cent or over but under 42 per cent of proof spirit and which are not listed in the schedule of Registered Preparations appended to the Medicinal and Toilet Preparations (Excise Duties) Rules, 1956 are given in Appendix E-II; Excise Manual Rules, 1956.

(ii) Medicated wines classed as Restricted Preparations are given in the schedule appended to the Medicinal and Toilet Preparations (Excise Duties) Rules, 1956.

(iii) Tonics or medicated wines containing 42 per cent and over of proof spirit are given in Appendix E-I, Excise Manual, Volume II. Chemists and Druggists selling medicated wines under licence F.L. 15 shall obtain copies of the above lists from the Collector to obtain information regarding its alcoholic strength or category from the Excise Commissioner.

NOTE- (a) Tonics or medicated wines containing less than 20 per cent of proof spirit may be sold without a licence.

(b) Tonic or medicated wines containing 20 per cent or over but under 42 per cent of proof spirit [excluding those medicated wines which were included in the list of Restricted Preparations specified in the Schedule appended to the Medicinal and Toilet Preparations (excise Duties) Rule, 1956] are treated as foreign liquor and can only be sold by licensed vendors of foreign liquor or by the Chemists or Druggists holding licence in Form F.L. 15.

(c) Tonic or medicated wine containing 42 per cent and over of proof spirit can be sold by a foreign liquor vendor only.

(d) Duty on Indian-made medicated wines excluding those contained in the schedule appended to the Medicinal and Toilet Preparations (Excise duties) Rules, 1956 will be charged at the rate given in item 6 of the Appendix B-II.

(e) Duty on medicated wines classed as Restricted preparation contained in the schedule appended to the Medicinal and Toilet Preparations (Excise Duties) Rules, 1956 will be charged at Rs 17.50 n.p. per L.P. gallon.

Rule 16 - No restriction on sale on prescription - Nothing in Cf. E.C's Notification these rules shall be held to prevent sale by chemists and No. 9473/IX-213 R.A druggists of excisable liquor when such liquor forms an ingredient in a bona fide prescription given by a qualified practitioner in the quantity ordered in the prescription.

**SECTION XV D  
LICENCES FOR WHOLESALE AND RETAIL VEND OF DENATURED SPIRIT**

**(a) Wholesale Vend**

Rule 17- The Collector may grant to a distiller who denatures spirit and to approved dealers of denatured spirit a licence in Form F.L. 16 for the wholesale vend of denatured spirit. This licence shall also cover the right to bottle denatured spirit. The scale of fee for such licence shall be 40 per cent ad valorem on the sale made by distillery to the wholesale vendor.

Such a licence may not be combined with one for the retail vend Form F.L. 17.

Cf. E. C's Notification Nos 9473/IX-213(H) dt March 25, 1926  
2175/IX-213-B, dt May 22, 1930  
9885/II-354A dt Nov. 14, 1935  
23760/II-805A (General) dt. 31-3-1965  
25336/ dt. 24-3-1974 952/Licence 3 dt. May 31, 1979  
1846/UPA/SAN 89-90 dt. Feb. 13 1989  
471/SAM AA dt 29-1-90

Cf. Govt. Notification No 1771-E/XIII-403-53 dated March 13, 1956 All sales under this licence shall be covered by a pass in Form F.L. 27. The wholesale vendor shall maintain in Form F.L. 30, an accurate and upto-date account of all sales of denatured spirit made from his premises to retail vendors (F.L. 17) of the district as well as to persons holding a permit in Form F.L. 18. The register F.L. 30 shall have separate pages allotted for individual purchasers arranged in alphabetical order. A copy of entry made in register F.L. 30, shall also be made by the wholesale vendor immediately after making issues to the purchaser on the back of the licence or the permit.

Any attempt on the part of the licensee or permit holder to

obtain denatured spirit fraudulently in excess of the monthly or annual quota fixed for him shall make him liable to cancellation of the licence or permit in addition to the penalties that may be imposed under Excise and other Acts for the time being in force.

**(c) Retail Vend**

Cf. E.C's Notification Nos Rule 18 - Retail Licences a suitable applicant - If satisfied that there is a reasonable demand for denatured spirit in any locality, the Collector may grant to a licence, which also covers the right to bottle denatured spirit, in Form F.L. (General) dt. March 31 17 for the retail vend of denatured spirit. The licence shall cover the sale of denatured spirit in quantities not exceeding the limit of retail sale to the public and in quantities exceeding the limits of retail sale to persons holding permits from the Collector provided there is no wholesale licence in the district.

NOTES- (1) In the case of grant of a new licence in Form F.L. 17 or whenever an existing licence is vacated (including the case of mutation of names) and its continuance and settlement with some other party is considered necessary, the case should be first referred to the State Government with full justification for the same for their approval. After receipt of Government's approval further action may be taken for the selection of the grantee strictly in accordance with the rules on the subject:

Provided that in the case of grant of a new licence in Form F.L. 17 in a 'wet' district and provided the particular case falls within the number of licences of that category allotted for the district, the Excise Commissioner may sanction the grant without reference to the Government. The Collector may, then take further necessary action in the matter.

(2) Issues exceeding the limit of retail sale will be made under a passes in Form F.L. 27.

(3) The scale of fee for a licence for the retail vend of denatured spirit shall be 25 per cent ad valorem on the sale made by a wholesale vendor to the retail vendor.

(4) Any attempt on the part of the retail licence to obtain denatured spirit fraudulently in excess of the monthly or

annual quota fixed (if any for him shall make him liable to cancellation of the licence in addition to penalties that may be imposed under the Excise and other Acts for the time being in force.

Rule 19 - All containers including bottles, jars, drums or casks etc. containing denatured spirit shall bear a label, printed in red and containing skull and crossbones with a warning 'not' to be taken internally in Hindi and Urdu. The design and style of the label in Hindi and Urdu rendering of the words of warning shall be as approved by the Excise Commissioner, Uttar Pradesh.

E.C. Notification No. 9530/II-35-A dt November 24 1986

NOTE- These rules were originally notified under Excise Commissioner's Notification No. 9473/XIII-213A, dated March 25 1926, published in U.P. Gazette. Part I, p. 266 have been amended by the marginally noted notifications.

#### General

#### THE U.P. PERMIT FOR POSSESSION OF FOREIGN LIQUOR BY CLUB RULES, 1980<sup>2</sup>

In exercise of the powers under sub-section (2)(d) and (g) of section 40 read with section 3, (d) of the U.P. Excise Act 1910 (U.P. Act No. IV of 1910) the Governor is pleased to make the following rules to regulate the possession of foreign liquor by Club in areas of Uttar Pradesh where prohibition is not in force under section 37-A of the said Act:

Rule 1- Short title and commencement-(i) These rules may be called "The U.P. Permit for possession of Foreign Liquor by Club, Rules 1980".

(ii) They shall come into force that date of their publication in the U.P. Official Gazette.

Rule 2- Grant of permit- The Collector, with the previous approval of the Excise Commissioner, may grant a permit in accordance with the provisions of sub-sections (a), (b) and (c) of section 31 of the said Act to a Club Registered under the Indian Companies Act, 1956 or U.P. Co-operative Societies Act, 1965 or Societies Registration Act, 1860 to possess foreign liquor in excess of the limit of possession laid down in section 20 of the said Act for the purpose of supplying /serving to its members including their bonafide guests for consumption "on" the premises of the Club only.

Rule 3 - Period of permit- The period of validity of permit granted

under Rule 2 shall be one year ending March 31, or part thereof.

Rule 4- Application for permit- (1) Any club desirous of obtaining permit under Rule 2 shall apply to the Collector concerned along with -

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1. Published in U.P. Gazette-Extraordinary, Part-IV Section (Ka) dated November 10, 1980 vide Notification No. 6144-E/XII-637-77 dated November 10, 1980.

- (a) Copy of rules for membership of the club.
- (b) List of the President and other office bearers.
- (c) Memorandum of association.

(2) The document mentioned in sub-rules (1) (a) and (b) above shall be duly certified by the Register, Co-operative Societies or Joint Stock Companies as the case may be.

(3) Any Club which held a valid permit under 2 during the proceeding year or part thereof ending March 31, may apply for an other permit without the documents mentioned in sub-rule (1) and on such application the Collector may grant the permit under Rule 2 provided material change in the rules for membership of the club or relating to premises, if any, is fully indicated in the said application and the Collector is satisfied that there is no reason to the club unsuitable for the permit.

Rule 5- Transport of foreign liquor - Any club granted permit under Rule 2 shall transport foreign liquor only from the wholesale point (F.I. 2 shop) of the district in the charge of the Deputy Excise Commissioner/Assistant Excise Commissioner.

Rule 6- Import of liquor - The foreign liquor transported under Rule 5 shall transport foreign liquor only into the club premises and in no circumstances any country liquor in any quantity shall be allowed to be brought into the club premises during the currency of the period of validity of the permit.

Excise Commissioner's  
Notification No. 6849/X-Foreign Liquor, dated 10-11-1980<sup>1</sup>

In exercise of the powers under sub-sections (a), (b) and (c) of section 31 of the U.P. Excise Act, 1910 (U.P. Act, No. IV of 1910) the Excise Commissioner, Uttar Pradesh, with the previous sanction of the State Government, is pleased to direct as follows to regulate the supply/service of foreign liquor in any club, granted permit under Rule 2 of the U.P. Permit of possession of Foreign Liquor by Club, Rules, 1980.

1. The permit granted by the Collector under Rule 2 of the said Rules shall be in Form F.L. 7-C appended.
2. The permit in Form F.L. 7-C (appended herewith) shall be granted on payment in advance of permit fee fixed on the basis of number of members of the Club as under:

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<sup>1</sup> 1. Published in U.P. Gazette, Extraordinary, Part IV, Section (ka), dated November 10, 1980.

2. Substituted by: -

(1) Excise Commissioner's Notification No. 552/X-97B Licence, dated March 26, 1990, published in U.P. Gazette, Part 1 (Ka), dated March 31, 1990.

(2) Excise Commissioner's Notification No. 16164/ Sanshodhan 92-93 dated March 28, 1992, published in U.P. Gazette, Part 1 (Ka), dated March 28, 1992.

- |  |  |
|--|--|
| (i) for Club having up to<br>100 members       | ... Rs. 25,000 per annum or part thereof |
| (ii) for Clubs having more than<br>100 members | ... Rs. 35,000 per annum or part thereof |

<sup>1</sup>3. Deleted

4. Every permit-holder shall pay in advance a security of Rs. 2000 in cash for the due observation of conditions of permit and the provisions of the Act and the rules made thereunder from time to time.

5. Opened bottles of foreign liquor shall be kept under lock and key after closure of the supply/service hours and the permit-holder shall take all precautions to prevent the adulteration of foreign liquor stored in the club premises.

**RULES**  
relating to

**THE U.P. EXCISE (PRICE OF FOREIGN LIQUOR) RULES, 1982**  
**Excise Commissioner's Notification October, 15, 1982<sup>2</sup>**

No. 13678/Licence- In exercise of the powers under sub-sections (iii) of clause (e) of section 41 of the U.P. Excise Act, 1910 (U.P. Act No. IV of 1910), and with the previous sanction of the state Government, the Excise Commissioner, Uttar Pradesh, makes the following rules with a view to regulating the wholesale of foreign liquor other than Denatured Spirit, Rectified Spirit and Absolute Alcohol F.L. 5, F.L. 6, F.L. 7 or F.L. 7-B licensees:

1. **Short title and commencement** - (1) These rules may be called U.P. Excise (Price of foreign Liquor) Rules, 1982.  
(1) They shall come into force with immediate effect.
2. **Regulating wholesale of foreign liquor** - The foreign liquor other than denatures spirit, rectified spirit, absolute alsohol and beer will be sold by wholesale in Uttar Pradesh to F.L. 5, F.L. 6, F.L. 7 or F.L. 7-B licencess on a price not below rupees twenty-eight and paisa sixty-five (Rs. 28.65) only per quart bottle. This price will be exclusive of the cost of the foreign liquor charged by the bonder and the sales tax thereon.
3. The beer (foreign liquor) will be sold by wholesale in Uttar Pradesh to the licensees mentioned in Rule 2 above on a price not below rupees two and paisa fifty (Rs. 2.50) only per quart bottle of 650 ml. This price will be exclusive of the cost of the foreign liquor (beer) charged by the bonder and the sales tax thereon.

## SECTION XVII

### IMPORT, EXPORT, TRANSPORT AND POSSESSION OF DENATURED SPIRIT

#### I- Import

Cf. Government Rule 1- By whom imported- denatured spirit may be imported  
Notification No into uttar Pradesh from any other part of India by:-  
120/XIII-204, Dt  
March 13, 1931

Cf. Government (a) Licensed wholesale and retail vendors of denatured spirit in  
Notification No accordance with Rules 3 to 5 on payment in Uttar Pradesh  
3592-E/XIII-55, dt of a permit fee of rupee one and ten paise per bulk litre o  
Jan 18, 1937 the quantity of the denatured spirit to be imported, excep  
Cf. Government that in the case of hospitals, dispensaries and othe  
Notification No cahritable and educational institutuions no permit fee shal  
1516-E/XIII-65, dt be charged up to a quantity allowed to be imported by the  
April 9, 1940 Excise Commissioner provided the indent is counter-signed  
by the Collector.

Cf. Government  
Notification No.6971  
E/XIII-275 (12) 59  
dt. Dec. 27, 1961

(b) Private individuals upto the limit of retail sale without pass or permit, or in larger quantities in accordance with Rules 6 and 7.  
Cf. Government Notification No. 4937 E/XIII-323 (I)/65, dt. Oct. 1, 1965

Cf. Government Notification No. 1546 E/XIII-204 dt. June 17, 1958

Cf. Government Notification No. 6971-E/XIII-275 (12)59, dt. Dec. 27 1961

Cf. Government Notification No. 129/XIII-204, dt. March 18, 1931  
Rule 2- Application for permit- A wholesale or retail vendor of denatured spirit desiring to import denatured spirit shall apply to the Collector of the district of import for a permit in Form F.L. 26.

Cf. Government Notification No. 3592-E/XIII-65, dt. Jan. 18, 1937  
The application in Form F.L. 26 shall be accompanied by the No treasury receipt in proof of prepayment in Uttar Pradesh of the dt required permit fee and shall specify : -

**(a) the place from which the spirit is to be imported.**

- (d) the name of the distillery or the firm from which the spirit is to be obtained.
- (e) the quantity of the spirit which is proposed to be imported, and
- (f) amount of permit fee deposited in the treasury.

Rule 3- Permit to be granted by Collector - The Collector may after making necessary inquiry regarding maximum quota (if any) grant a permit. The permit (Form F.L. 26) shall be in triplicate, one copy shall be sent to the Chief Excise Authority of the exporting district, one shall be given to the importer and the third shall be retained in the officer for record.

Cf. Government Notification No. 129/XIII-284, dt. March 13, 1931.

Cf. Government Notification No. 6971-B/XIII-275 (12) 99, dt. Dec. 27, 1961.

Rule 4 - Procedure at place of export - The importer shall then present his copy of the permit or cause it to be presented to the Chief Excise Authority of the exporting district, who will, subject to rules there in force, grant a pass covering the import of te spirit into this State.

Cf. Government Notification No. 129/XIII-204, dt. March 13, 1931

Cf. Government Notification No. 697-E/XIII-275 (12)/59, dt. Dec. 27, 1961.



Rule 5- Procedure on arrival - on receipt of the consignment and the pass above mentioned the importer shall record on the pass the receipt of the consignment and shall submit it to the Collector of the importing district, who shall return it to the officer who granted it.

Ditto

Rule 6 - Import by private individuals - Private individual desiring to import denatured spirit in excess of the limit of retail sale shall apply to the Collector of the district into which they propose to import the spirit. The application shall specify, in addition to particulars (a), (b) and (c) as required the purposes to which the spirit is to be applied.

Cf. Government  
Notification No. 129/XIII-  
204, dt. March 13, 1931,  
No. 536/XIII-228, dt. Sep.  
18, 1935 and No. 1546-E  
XIII-380-55, dt. June 17,  
1958

Cf. Government Rule 7- The procedure indicated in Rule 3, 4 and 5 above shall  
Notification No. 129/XIII-204, dt. March 13, 1931. No apply to imports of denatured spirit by private individuals  
except that in such cases no permit shall be granted at all for a  
quantity exceeding four gallons.

## II-Export

Cf. Government  
Notification No. 6971-  
E/XIII-275 (12)-59, dt.  
Dec. 27, 1961.

Rule 8- Export permitted by distillers and wholesale vendors-  
Denatured spirit may be exported from a distillery or by licensed  
wholesale vendors of denatured spirit.

### Permit of Export

Government  
Notification Nos.  
129/XIII-204, dt. March  
13, 1931  
2019-E/XIII-331-80-  
UPA dt. March 4, 1981

Rule 9 - Any person desiring export shall obtain a permit in his  
name from the Chief Revenue Authority or Officer appointed in  
that behalf of the district or place of import authorising the  
import of denatured spirit and /or special denatured spirit and/or  
rectified spirit and/or absolute alcohol (not for human  
consumption) and specifying the quantity to be imported.

Government  
Notification  
Nos. 129/XIII-204, dt.  
March 13, 1931  
3592-E/XIII-65 dt. Jan.  
18 1937  
2171-E/XIII-305-55, dt.  
Nov. 16, 1957

Rule 10- Application for pass- (1) Such person who has obtained  
permit under Rule 9 shall then in case of export from wholesale  
shop, present an application in duplicate to the Excise  
Commissioner specifying :

- (a) the name of consignee, and
- (b) the quantity of denatured spirit, special denatured spirit,  
rectified or absolute alcohol to be exported.

1546-E/XIII-386-55, dt.  
June 17, 1958.  
1971-E/XIII-275 (12)-59  
dt. Dec. 17, 1961  
2739-E/XIII-520-62, dt.  
July 30, 1963  
4937-E/XIII-323 (1) 65  
dt. Oct. 1, 1965  
4007-E/XIII-337-65, dt.  
Aug. 19, 1968 8228-  
E/XIII-330(1)69 dt.  
Nov. 1, 1972.

After obtaining permission from the Excise Commissioner the  
applicant shall submit an application to the Collector concerned.  
The application shall be accompanied by the permit obtained  
under Rule 9, permission of the Excise Commissioner and a  
receipt showing that the applicant has deposited into Government  
treasury; situated in the district of export, a pass fee calculated at  
the rate of Re. 0.75 (Seventy five paise) per bulk litre for the  
quantity of denatured spirit or special denatured spirit and a pass  
fee calculated at the rate of Rs. 2.50 (Rs. Two an fifty paise only)  
per bulk litre for the quantity of absolute alcohol or rectified spirit  
for industrial use and a pass ee calculated at the rate of Rs. 5.00  
(Rs. five only) per bulk litre of quantity of rectified spirit for  
potable use for which export pass fee is required.

(2) The Excise Commissioner in the event of giving  
permission for the grant of pass under Rule -11 shall  
forwarded one copy of the said application to the Collector  
concerned indicating the wholesale shop and the district of  
export.

No. 600E/XIII-91-503/83 dated march 25, 1991

No. 1048E-2/XIII-92-503/83 dated March 23, 1992.

No. 813E-2XIII-93-503/83 dated March 6, 1993

### Grant of pass

- Cf. Notification Nos. 10----E-2/XIII 92-533/83 dated March 23, 1992  
600-E-2/XIII 96-503-83, dt. march 25, 1991.  
Cf. Govt. Notification Nos. 129/XIII-204 dt. March 13, 1931.  
6971-E/XIII-275 (12)/59, dt. Dec. 27, 1961, 2018-E/XIII-331-80/UPA dt. March 4, 1981.
- Cf. Government Notification No. 129/XIII-204, dt. March 13, 1931 and No. 1889 (i) E/XIII-414 1946, dated July 31, 1954  
Cf. Government Notification No. 4937-E/XIII-323 (11)65, dt. Oct. 1, 1965.  
Cf. Government Notification No.4007-E/XIII-337-68, Dt. August 19, 1960.
- Cf. Government Notification No. 3592-E/XIII-65, dt. Jan 18, 1987.  
Cf. Government Notification No. 6971-E/XIII-275- (12)-59, dt. Dec. 27, 1961.
- Rule 11- The Collector on receipt of the permission of the Excise Commissioner may grant a pass authorizing the export. The pass (Form P.D. 25) shall be in triplicate, one copy shall be delivered to the person who has obtained the permit under Rule 9, the second shall be forwarded to the officier who granted the permit under Rule 9 and the third shall be retained for record.
- Rule 12- Export from distilleries - If the spirit is to be exported from a distillery at which it has been manufactured: -  
(a) the application, the permit and the treasury receipt (referred to in Rules 10 and 9 respectively) should be presented to the officer incharge of the distillery to whom the Collector may have delegated his powers to grant passes; and  
(b) in the case of exports to the State Maharashtra and Gujrat in addition to the procedure laid down above, a certified copy of the certificate of test by the Chemical Examiner to Government, Uttar Pradesh, of denaturing agents and of the spirit from the bulk of which the consignment is taken shall also be forwarded to the Chief Revenue Authority or to the officerspecially appointed in thatbehalf of Maharashtra and Gujrat States, as the case may be. The consignment shall be sealed with the department seal.
- Rule 12-A- In the case of denatured spirit exported outside the Satte by a wholesale vendor who has already paid vend fee, the vend fee levied shall be refunded on a claim, supported by a certificate (of the denatured spirit having reached its destination) from responsible officer of the importing State or Union Territory being made in that behalf and established to the Excise Commissioner's satisfaction.

### III-Transport

Rule 13- Transport from distilleries - Denatured spirit may be transported from a distillery on payment of the prescribed vend fee by licensed wholesale vendors of denatured spirit provided that the said vendors shall not obtain denatured spirit excess of the quantity if any specified on the licence.

Cf. Government Notification No. 192/XIII-204m dt. March 13, 1931.

The licensee shall have endorsed by the Excise Inspector incharge of the distillery particulars regarding the quantity of denatured spirit and the number and date of pass under which the issues are made.

Cf. Government Notification No. 1771-E/XIII-403/53, dt. March 13, 1956.

Cf. Government Notification No. 6971-E/XIII-275-(12)59, dt. Dec. 27, 1961.

Rule 14- Pass for transport - Such transport shall be made under cover of a pass in Form P.D. 25 granted by the Collector of the district in which the distillery is situated or by the officer incharge of the distillery to whom the power to grant transport passes may have been delegated by the Collector. The pass shall be in triplicate one part being given to the transporter, one being retained for record and one sent to Collector of the district to which transport is to be made.

Cf. Government Notification No. 129/XIII-204, dt. March 18, 1931.

Rule 15- Transport a wholesale or retail shop- Denatured spirit may be transported from the premises of a wholesale or retail vendor under Rule 13 and 15 mutatis mutandis provided that the Collector of the district in which the wholesale or retail vendor is licensed may delegate him, power to grant transport passes.

Cf. Government Notification No. 129/XIII-204, dt. March 13, 1931.

NOTES- (1) A retail is allowed to obtain denatured spirit from a wholesale dealer of his own district only and if there is no wholesale dealer in his district he will obtain his requirement of denatured spirit from a wholesale dealer of the adjoining district under of the Excise Commissioner, Uttar Pradesh.

Cf. Government Notification No. 6971-E/XIII-275- (12)-59, dated Dec. 27, 1961.  
Cf. Government Notification No. 129/XIII-204, dt. March 13, 1931.

Cf. Government Notification No. 536/XIII-228, dt. Sept. 18, 1935 and  
Government Notification No. 1546-E/XIII-386-1955, dt. June 17, 1958.  
Cf. Government

- (2) Transport of denatured spirit may also be made from such premises by a private individuals upto the quantity which is allowed to possess under a permit in Form F.L. 18 granted by the Collector in accordance with Rule 16.
- (3) No pass shall be required for the transport of denatured spirit in quantities not exceeding the limit of retail sale.

Notification No.4937-  
E/XIII-323 (1) 65, dt.  
Oct. 1 1965.  
Cf. E.C's Notification  
No. 14012/X-A-  
General dated Nov. 25,  
1965.

#### IV-Possession

Cf. Government  
Notification No.  
129/XIII-204, dt.  
March 13, 1931 and  
No. 536/XIII-228, dt.  
Sept. 18, 1935.  
No. 494, E/XIII-65, dt.  
March 4, 1937 and  
1946-E/XIII-886-55,  
dated June 17, 1958.

Rule 16- Possession in excess of limit of retail sale- No person not being a licensed wholesale or retail vendor of denatured spirit may possess denatured spirit in excess of the limit of retail sale, unless he holds a permit from the Collector authorising him to possess the spirit in a larger quantity.

Cf. Government  
Notification No. 6971  
E/XIII-275 (12) 59, dt.  
Dec. 27, 1961.

Rule 17- (1) Permit for possession - The Collector may grant a permit (in Form F.L. 18) for the purchase from a wholesale or a retail vendor where there is no wholesale vendor, and for the possession of the denatured spirit in excess of limit of retail sale:

Cf. Government  
Notification No.  
14012/X-A-General dt.  
Nov. 25, 1935

- (a) to a person requiring denatured spirit for industrial or scientific purposes for such quantity as the Collector may deem sufficient on consideration of reasonable requirements of the case; and
- (b) To a person requiring spirit for private purposes for a quantity not exceeding four gallons (18.186 litres).

NOTE: any attempt on the permit holder to obtain denatured spirit fraudulently in excess of the quantity fixed for him shall make him liable to cancellation of the permit in addition to the penalties that may be imposed under the Excise and other Acts for the time being in force.

Cf. Government  
Notification No 1771-  
E/XIII-403-53, dt.  
March 13, 1950.

(2) In the case of issues from a distillery vend fee Rs. 1.25 (One Rupee Twenty-five paise) per bulk litre will payable in advance before the Spirit is issued :

Cf. Government  
Notification No. 129  
XIII-204, dt. March 13,  
1931.  
3592-E/XIII-35 dt. Jan  
18, 1937.

Provided that in case of supply under F.L. 39 licences, the vend fee shall be charged at the rate of ten paise per bulk litre. The vend fee will not be charged on denatured spirit in the case of -

- (a) issues to hospitals, dispensaries, charitable and educational institutions and other State Government

- Departments: 1516-E/65 dt. April 9, 1940.
- Provided that the denatured spirit so issued is used purely for research work by those department, up to the quantity allowed to be issued by the Excise Commissioner and the indent is countersigned by the Collector.
- (b) issues for export out of the State provided the export is made under the authority of a permit granted by a responsible officer of the importing State or Union Territory. 1504-E/XIII-24-51, dt. Aug. 22, 1951.
- (c) the alcohol-based industrial units holding F.L. 39 licence, which started lifting industrial alcohol for production on or after December 20, 1986; 4769-E/XIII-93-1954, dt. Jan. 21, 1956.
- Provided that -
- (I) the amount of exempted vend fee added with the amount of purchase-tax and Sales Tax exempted under other relevant Acts/Rules shall not exceed the total capital investment of the unit in the original or first phase of the project but not in the second and subsequent phases. 6971-E/XIII-275 (12)-59 dt. Dec. 21, 1956.
- (II) the exemption shall be allowed for a maximum period of five, four or three years respectively for the districts of 'A', 'B' and 'C' categories as given in the Schedule below:
- (III) the exemption shall cease on the equalisation of the amount of tax and fe exempted with the amount of total capital investment under consition (II), whichever is earlier. 8228-E/XIII-33(1)-69 dt. Nov. 3, 1972.
- Explanation - For purposes of this sub-rule - 4880-E/XIII-330-779 dated March 31, 1979.
- 5665-E/XIII-330-79 dt. Aug. 31, 1980. (A) 'Unit means a factory or workshop which has started having industrial alcohol for production on or after December 20, 1986 and using totallaly new plant, machinery, equipments and appratues and includes a factory or workshop set up by a F.L. 39 licence already having an industrial unit manufacturing the same goods at any other place in the State or any other goods on, or sdjacent to, the site of any existing factory or workshop but does not include: -
- 350-E-2/XIII-503-83 dt. Dec. 22, 1984.
- 2871-E-2/XIII 503-83 dt. July 22, 1985.
- (a) any factory or workshop on or adjacent to the site of which any other project has been established by the same licensee for the manufacture of the same goods.
- (b) any addition to or extension of an existing factory or workshop entitle for vend fee exemption under Rule XVII, subrule 2(c) above.

- (c) 'Captial Investment', means investment in land on which the project is established, building and totally new plant, Machinery, equipments and apparatuses."

1887-E-2/XIII 283-86 (TC)

dt Nov. 23, 1987

1091-E-2/XIII 283-86 (TC)

dt. March 28, 1988

2254-E-2/XIII 283-86 (TC)

dt. March 9, 1989.

### SCHEDULE

Category "A" districts	Category "B" districts	Category "C" districts
1. Banda	1. Azamgarh	1. Agra
2. Jalaun	2. Bahraich	2. Aligarh
3. Hamirpur	3. Balia	3. Allahabad
4. Jaunpur	4. Barabanki	4. Bareilly
5. Fatehpur	5. Basti	5. Bijnore
6. Pauri-Garhwal	6. Badaun	6. Ghaziabad (excluding Dadri Tehsil)
7. tehri-Garhwal	7. Bulandshahr	7. Gorakhpur
8. Chamoli	8. Deoria	8. Kanpur Nagar
9. Uttar Kashi	9. Etah	9. Lakhimpur Kheri
10. Sultanpur	10. Etawah	10. Lucknow
11. Kanpur Dehat	11. Faizabad	11. Meerut
12. Almora	12. Farrukhabad	12. Mairzapur
13. Pithoragarh	13. Ghazipur	13. Muzaffarnagar
14. Nanital	14. Gonda	14. Saharanpur
15. Dehar Dun	15. Hardoi	15. Varanasi
	16. Jhansi	
	17. Lalitpur	
	18. Mainpuri	
	19. Mathura	
	20. Moradabad	
	21. Pilibhit	
	22. Pratapgarh	
	23. Rae Bareili	

24. Rampur
25. Shajahanpur
26. Sitapur
27. Unnao and
- 28 Dadri Tehsil of Ghazibad

NOTE-Dadra Tehsil- 'Dadra Tehsil of Ghazibad' means the area which was a ----- district Bulandshahr before it was included in district Ghazibad. The units ----- in the area of Dadri Tehsil which was the part of Merrut District before its----- in Ghazibad district shall not be entitled for the benefit of admissible-----.

NOTE- These rules were, originally notified under Government Notification No. 129/XIII-204, dated, March 13, 1931, published in U.P. Gazette, 1941, Part I, p. 293 and amended by the marginally noted notifications.

#### U.P. LICENCES FOR THE POSSESSION OF DENATURED SPIRIT AND SPECIALLY DENATURED SPIRIT RULES, 1976

In exercise of the powers under section 41 of the U.P. Excise Act, 1910 (Act No. IV of 1910), and in suppression of Rule 20 of the Rules made under head "D-Licence for wholesale and retail vend of denatured spirit" published under Excise Commissioner's Notification No. 9473/IX-213-A, dated March 25, 1926, as amended from time to time, the Excise Commissioner, Uttar Pradesh, with the previous sanction of the State Government, makes the following rules relating to licences for the possession of denatured spirit including specially denatured spirit for industrial purposes.

**Rule 1 – Short title and commencement** – (i) These rules may be called the U.P. Licences for the Possession of Denatured Spirit and Specially Denatured Spirit Rules, 1976.

(ii) They shall come into force with effect from the date of their publication in the Gazette.

(iii) *In these rules, unless there is anything repugnant to the subject or context, "Specially denatured spirit" means spirit rendered unfit for human consumption in such manner as may be prescribed by the Excise Commissioner by notification in this behalf and does not include ordinary denatured spirit for general use.*

**Rule 2** – Licences for the possession of denatured spirit including specially denatured spirit for industrial purposes shall be of three kinds, viz.

- (i) From F.L. 39 for use in industries in which alcohol is destroyed or converted chemically in the process into other product and the product does not contain alcohol, such such, as Ether, Styrene, Butadiene, Acetone, Polythene, etc.
- (ii) From F.L. 40 for use in industries in which alcohol is used only as a solvent or processing agent and the product does not alcohol, which is generally recovered for re0use, such as Cellulose and its derivatives, Pectin, etc.



- (iii) Form F.L. 41 for use in industries in which alcohol is used directly or alcohol is used as solvent or vehicle and appears in the final produce to some extent such as Lacquers, Varnishes, Polishes, Adhesives, Anti-freezers and Brake fluid, etc.

**Rule 13-** (a) The fee for a licence in Form F.L. 39 shall be at the rate of Fifteen paise per litre, payable on the quantity of specially denatured spirit obtained from any distillery in Uttar Pradesh. The fee shall be raised by the Excise Inspector Incharge distillery from the licensee before making issues of the specially denatured spirit from the distillery and shall be deposited in the Treasury under the head – "039-State Excise E-Commercial and shall Denatured spirit medicated wine-B-licence spirits.

- (c) The fee for a licence in Form F.L. 40 and 41 shall be at the rate of 40 percent valorem on the sale made by distillery/wholesale vendor to F.L. 40 and F.L. 41 licensees, payable in advance before the issue of licence.

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1. Submitted by the U.P. Licences for the Possession of Denatured Spirit and Specially Denatured Spirit (Amendment) Rules, 1979 and then by the U.P. Licences for the Possession of Denatured Spirit and Specially Denatured Spirit (Second Amendment), Rules, 1990.

#### GENERAL CONDITIONS

**Rule 4** – The following general conditions shall be binding on all person holding licences for the possession of denatured spirit for industrial purposes;

- (1) The licence shall be bound to observe all rules under the U.P. Excise Act IV of 1910 applicable to his licence and the general and special conditions of his licence.
- (2) The licensee shall, if required by the Excise Commissioner, before granting the licence, or at any time during the currency of his licence deposit with the Collector in cash or in Government Promissory Notes or National Savings Certificate, such amount as may be prescribed by the Excise Commissioner as security for the due observance of the terms and conditions of the licences, case of non-observance of the terms and condition of the licence, the security so deposited may be forfeited to Government and licence cancelled in addition to other penalties that may be provided under the law after giving opportunity to the licensee to explain.
- (3) The licence shall be deemed to have granted or renewed personally to the licensee and it shall not transferred or sub-let or sold without the previous permission of the Excise Commissioner.
- (4) The licence shall not exchange the premises in which he carries on his business under his licence except with the previous permission of the Excise Commissioner which fact should be noted on the licence by the Collector or any officer duly empowered by him and the Excise Commissioner informed.
- (5) If the licensee desires to enter into partnership in regard to business covered by licence, he shall do so only after obtaining the previous sanction of the Excise Commissioner and his licence shall therefore be suitably amended. Where partnership is entered into, the partner as well as the original holder of the licence shall be bound by the conditions of that licence.

- (6) If any partnership dissolved, the factum of dissolution shall be communicated to the Excise Commissioner by all partners of the dissolved partnership within three days.
- (7) If the licence becomes incapable of carrying on the business or dies or becomes insolvent or in the case of firm, company or other association of persons, it is wound up, the Excise Commissioner may-
  - (i) either cancel the licence; or
  - (ii) continue in the name of the legal representatives, if any of the licensee.
- (8) If the licensee goes out of business he shall dispose of his stock of denatured spirit in such a manner as the Excise Commissioner may direct.
- (9) The licensee shall not sell or part with as gift or otherwise any quantity of spirit obtained under the licence or utilise it for purposes other than stated in the licence:

Provided that an industrial unit manufacturing Mono Ethylinr Glycol or the like products may, with the prior sanction in writing of the Excise Commissioner to sell the residual spirit, recovered in the process of manufacture containing more than 0.5 PPM sulphur, to any unit holding a licence under these rules in accordance with the term and conditions as specified by the Excise Commissioner in this behalf.

<sup>1</sup>(10) No spirit shall be removed from the licenced premises without the sanction, in writing, of the Excise Commissioner.

(11) Any attempt on the part of the licensee to render spirit fit for human consumption shall make him liable to cancellation of his licence in addition to the penalties that may be imposed under the U.P. Excise Act. If the spirit is insufficiently denatured, the inspecting officer may seize the spirit in question.

(12) Every bottle, jar, cask or other receptacle containing spirit received into kept for storage in the licensed premises shall have affixed to it in conspicuous manner a label printed in red and containing skull and cross bones with a warning in Hindi and English. The design and style of the label shall be as approved by the Excise commissioner.

(13) The licensee shall maintain the registers prescribed for the business carried on by him and on the expiry of his licence shall make them over to the District Excise Officer of his district under a valid receipt; the licensee shall submit all prescribed returns punctually and maintain the accounts of transactions from day to day in link.

(14) The licensee shall at any time produce for inspection on demand his licence and accounts by an officer of the Excise Department not below the rank of an Inspector and shall allow the inspection of his licence, registers, permits or passes, total stock of spirit and finished products and premises by the said officer.

(15) The licensee shall maintain an inspection note book with the pages numbered consecutively and hand it over on demand to an officer of the Excise Department not below the rank of an Inspector. Any punishment or warning incurred by the licensee, without forfeiture or cancellation of his licence, shall be recovered in the book.

Submitted by the U.P. Licences for the Possession of Denatured Spirit Specially Denatured Spirit (Third Amendment) Rules, 1991.

**Rule 5- Special conditions** – Licence in Forms F.L. 39 40 and F.L. 41 shall be subject to the special conditions noted below in addition to the conditions laid in Rule 4 supra.

(1) Licence in Form F.L. 39

- (a) The spirit used shall contain denaturants approved by the State Government and the denatures shall be proportion as may be prescribed by the State Government.
- (b) Quantity of spirit allowed to be issued in any shall not exceed..... litres.
- (c) The spirit shall be obtained from a distillery suited in Uttar Pradesh.
- (d) The spirit shall be stored in gauged vats or other receptacles approved by the Excise Commissioner. All such vessels shall bear a distinctive serial number and their full capacities shall be distinctively and intelligibly marked over them.
- (e) The spirit shall be stored in a separate room spirit store.

The windows of the spirit store shall be fitted with malleable Iron Bars not less than two centimeters in thickness set not more than 10 centimeters apart and affixed in the brick work to a depth of at least 5 centimeters at each end. On the inside of each window there shall be surely fastened to the bars stout wirenetting the aperture which shall not exceed 2 centimeters in diameter. There shall be only one entrance to the spirit store, and one door to each of its compartments. All these doors shall be secured with Excise ticket lock during the absence of the Excise Officer Incharge.

No addition or alterations shall be made in the spirit store premises or in respect of permanent fixtures therein without the previous orders of the Excise Commissioner. The spirit store shall be opened and closed only in the presence of the Excise Officer Incharge.

**NOTE-** The Excise Officer may exempt a licence wholly or partly from the operations of this rule taking into consideration the requirements of a particulars industry.

- (f) No spirit shall be taken away from the premises by anyone other than a person duly authorised by the Excise Commissioner.
- (g) An application for every quantity of spirit required to be removed from the storage tanks be made in writing to the Excise Officer Incharge who shall record the quantity issued day-to-day in a prescribed register.
- (h) The licensee shall maintain an up-to-date account of the specially denatured spirit received from the distillery stored in storage tanks, used in the manufacture and the balance left in stock at the end of the day in the form F.L. 42 and manner prescribed by the Excise Commissioner, Uttar Pradesh.
- (i) The licensee shall apply to the Excise Commissioner through the Collector of the district concerned, for the renewal of the licence at least one month before the date of expiry of the licence.
- (j) The licensee shall be liable to pay a penalty at a rate equal to the prescribed rate of vend fee on denatured spirit per litre on storage wastage of denatured spirit exceeding 1.5 per cent found on the last working day of every calander month after verification of the stock by the Excise Inspector Incharge.
- (k) The licensee shall pay fee at a rate prescribed by the State Government, per litre on the issues of the specially denatures spirit obtained from any distillery in Uttar Pradesh for the manufacture of commidity.
- (l) The fee shall be realised by the Excise Inspector Incharge of the distillery before making issues of the specially denatured spirit from the distillery from the licence, and

shall be deposited in the treasury under the head " X-State Excise Duties-E-Receipt from commercial spirits including denatured spirit and medicated wines (d) vend fee for denatured spirit".

- (m) The Excise Commissioner shall decide the strength of excise personnel necessary for the supervision and his decision shall be binding on the licensee. The licensee will provide office furniture for the officer incharge and suitable quarter to the excise staff to the satisfaction of the Excise Commissioner in the vicinity of the licenced premises. The licensee shall be bound to keep the quarters and their appurtenances in proper repair and not to be interrupt or to annoy any officer residing therein, in his use or enjoyment thereof. In case any question should arise as to the sufficiency of the accommodation, the question shall be referred to the Excise Commissioner whose decision shall be final and binding on the licensee.
  - (n) The licensee shall furnish to the Excise Officer Incharge a list containing the names of the manager and other employees employed by him and of all other employees whose duties require them to enter the spirit store. He shall promptly inform the Excise Inspector concerned of any changes which he may choose to make in the list from time to time.
  - (o) The licensee shall provide himself with the following registers in duplicate:
    - (a) Register of transaction in the spirit store showing the receipt of expenditure of spirit.
    - (b) Register of transactions in the spirit store showing the receipt of expenditure of spirit.
    - (c) Register of operation in the manufactory showing the manufacture of each of the commodities, the total quantity of commodities produced and the spirit content per litre, if any.
    - (d) All registers and forms which the Excise Commissioner may prescribe shall be printed and supplied by licensee free of charge to the concerned Excise Inspector to supervise the operation.
    - (e) He shall maintain daily accounts of transactions in the manufactory.
- (2) Licence in Form F.L. 40:
- (a) The spirit used shall contain denaturants approved for the industry by the State Government. It shall be obtained for a distillery situate in Uttar Pradesh only.
  - (b) The total quantity of spirit stored in the licensed premises shall not exceed at any one time \_\_\_\_\_ bulk litres.
  - (c) The quantity allowed to be used an any one year shall not exceed\_\_\_\_\_ bulk litres.
  - (d) The entire produce of one operation for recovery of spirit shall be collected in the receiver and the whole of the recovered spirit shall be used in the next succeeding preparation and no attempt shall be made to collect the recovered spirit in separate proportions for fractions.
  - (e) The spirit vapour pipe from the evaporator shall be securely attached to the condenser and the recovered spirit shall pass through a close main pipe soldered or revetted to the condenser and the cover of the receiver respectively and extended nearly to the bottom of the receiver.

- (f) Any spirit sampling pipe shall not have an orifice exceeding one-eighth of centimeter in diameter.
- (g) The lid and the discharge cock of the receiver shall be secured by locks, which are to be fastened while spirits are running into the vessel and at all other times when any spirit remains therein.
- (h) Offices of the Excise Department not below the rank of an Inspector shall be allowed to take samples of the spirit and of materials which contain any spirit.
- (i) All specially denatured spirit received shall either be added to the materials used in the industry in the presence of the manager or other responsible person authorised by the licensee or be stored in a vat marked "specially denatured spirit". The lid and the discharge cock of the vat shall be secured by fastenings and locks and spirit must only be removed from them under the supervision of the manager or other responsible person so authorised after it has been entered in the account book.
- (j) No spirit shall be taken away from the premises by any person other than duly authorised officer of the Excise Department.
- (k) The keys of all vessels ordered to be locked shall be kept on the premises incharge of the manager or other responsible person authorised by the licensee and any such vessel must be immediately unlocked at the requisition of an officer of the Excise Department not below the rank of an Inspector.
- (l) Particulars of the quantity and strength of every consignments of specially denatured spirit must be entered in a book on the day of receipt. All transactions shall be correctly entered from day-to-day in the same book and a correct balance struck after each day's withdrawals from stock. The book shall be accessible to the Officers of the Excise Department not below the rank of an Inspector who visits the premises and every pass which accompanied the spirit received shall be retained and delivered to the Officer who next visits the premises.
- (m) The licensee shall execute a bond in Form F.L. 40-B for such amount as may be fixed by the Excise Commissioner for the privilege of storage and use of specially denatured spirit (and the observance of the conditions of this licence and the rules contained in the Excise Manual).

(3) A licence in Form F.L. 41;

- (a) A signboard shall be affixed to the licenced premises showing the kind of licence and the hours of business under it.
- (b) The licensee shall store all is stocks on the aforesaid premises. The quantity of spirit possessed at any one time and the quantity used in the manufacture in a month or in a year or during the period the licence is current shall not exceed the following limts.

Quantity that may be used for manufacture of				
Kind of spirit	Quantity that may be possessed at one time	In a month	In a year	or period of the currency of the licence
1	2	3	4	5

- (c) The licensee is not allowed to use spirit in manufacture of French polish unless he adds to it shellac or resin or both in quantity not less than 25 per cent or as may be prescribed by the Excise Commissioner from time to time.
- (d) The licensee shall maintain correct account of daily receipt and utilisation of spirit in the form as may be prescribed by the Excise Commissioner from time to time.
- (e) The licensee shall declare the composition of every manufacturing, item for which alcohol is needed specifically mentioning the percentage of alcohol in the finished product, then it shall be treated as a breach of one of the conditions of the licence.

**Rule 6 – Indent for denatures spirit** – Supplies of denatured spirit obtained by the licensee shall be on indents in Form D-1 appended to these rules, The indent shall be in printed forms bound in books in triplicate and numbered consecutively. Whenever a licensee indents for spirit he shall prepare indent in triplicate using carbon paper, send the original of the indent with the fly-leaf in Form B.F.L. of the licence concerned to the distillery or to the wholesale vendor or to retail dealer of denatured spirit. The duplicate of the indent shall be sent to the preventive Excise Inspector of the circle concerned and the triplicate retained by the Indentor for his file.

On receipt of the indent along with the prescribes fly leaf the Officer Incharge of the distillery or the wholesale dealer shall not honour the indent unless he has made accurate entries in a very legible way, in each column of the fly leaf and endorse the quantity of denatured spirit supplied on the indent. If the distillery or the wholesale or retail licensed vendor is not in a position to meet the requirements of the indent, he shall inform the indentor accordingly. A copy of the communication shall be sent to the Preventive Excise Inspector of the circle in which indenting license holds licence.

**NOTE-** The U.P. Licences for Possession of Denatured and Specially Denatured Spirit Rules, 1976 have been amended by the following rules:-

**First Amendment** – The U.P. Licences for Possession of Denatured Spirit and Specially Denatured Spirit (Amendment) Rules, 1979, published in U.P. Gazette, dated .....vide Excise Commissioner Notification No. 951/Licence-3, dated May 31, 1979.

**Second Amendment** – The U.P. Licences for Possession of Denatures Spitir and Specially Denatured Spirit (Second Amendment) Rules, 1990, published in U.P. Gazette, Part 1-(Ka), dated January 13, 1990 vide Excise Commissioner's Notification No. 464/JEC, dated January 13, 1990.

**Third Amendment-** The U.P. Licences for Possession of Denatures Spitir and Specially Denatured Spirit (Third Amendment) Rules, 1991, published in U.P. Gazette, PArt-I-(Ka), dated February 2, 1991.