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## **ANDHRA PRADESH DENATURED SPIRIT AND DENATURED SPIRITUOUS PREPARATIONS RULES, 1971**

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## **SCHEDULE 1 :- SCHEDULE**

### **ANDHRA PRADESH DENATURED SPIRIT AND DENATURED SPIRITUOUS PREPARATIONS RULES, 1971**

In exercise of the powers conferred by Section 72 of the Andhra Pradesh Excise Act, 1968 (A.P. Act 17 of 1968), the Governor of Andhra Pradesh, hereby makes the following Rules, the same having been previously published, as required by sub-section (1) of Section 72 of the said Act.

#### **1. Short title, extent and commencement :-**

(1) These Rules may be called the Andhra Pradesh Denatured Spirit and Denatured Spirituous Preparations Rules, 1971.

(2) These rules shall extend to all the areas of the State of Andhra Pradesh where the Andhra Pradesh Excise Act, 1968 is in force.

(3) These rules shall be deemed to have come into force on the 1st day of October, 1970.

#### **2. Definitions :-**

In these rules, unless there is anything repugnant to the subject or context :

(a) 'The Act' means the Andhra Pradesh Excise Act, 1968 :

(b) 'Commissioner' means the Commissioner of Excise :

(c) 'Denatured Spirit' means specifically denatured alcohol specified in the schedule and includes spirit subjected to any of the following processes for the purpose of rendering it unfit for human consumption, namely :

(i) The admixture with spirit of atleast 50 degrees over proof of light Caoutchoucine and Pyridine bases in the proportion of 1/2 of one part of Pyridine and 1/2 of one Caoutchoucine to 99 parts of spirit by volume;

(ii) The addition of liquid soap that is, a preparation made by mixing together and heating three parts of castor oil and one part of caustic soda in the preparation of one of liquid soap to 99 parts

of spirit of atleast 50 degrees over-proof;

(iii) The addition of 5 parts of Woodnaptha or Methyl Alcohol with 100 parts of spirit of over 50 degrees O.P. by volume;

(iv) The addition of 4 parts of Formalin by weight to 100 parts of spirit by weight of 60 degrees OP;

(v) The Addition of castor oil and caustic soda as specified below :\_For hundred parts of spirit of over 50 degrees O.P. use one part of castor oil and two fifths of one part of caustic soda solution all by volume. The caustic soda solution is to be prepared by dissolving one part of caustic soda in three parts of water. Adding to castor oil, one and half times its volume of spirit stirring and finally adding the caustic soda solution, and the clear solution which will be obtained will be added to the bulk of the spirit.

(vi) The addition of Ammonia in the proportion of three parts of liquid Ammonia containing 25 to 35 percent by weight of Ammonia gas to 97 parts of spirit of over 72 degrees OP;

(vii) The addition of 5 percent of concentrated Sulphuric Acid to 95 percent of spirit of over 50 degrees O.P. by weight ;

(viii) The addition of any of the above or other ingredients in such proportions as may be specified by the Government;

(d) 'Form' means a form appended to these rules ;

(e) 'French polish' means denatured spirituous preparation containing not more than 85 percent by weight of denatured or methylated spirit and other ingredients including shellak in such proportion as may be specified by the Indian Standard Institution or by the Commissioner;

(f) 'Methyl Alcohol' means the liquid having the chemical formula as laid down by the Indian Standard Institution and having other chemical names and includes woodnaptha, Woodspirit, Wood Alcohol, Phyoxylic Spirit and Phyrolineous Spirit;

(g) 'Methylated Spirit' means denatured spirit rendered effectually unfit for human consumption by the admixture of crude woodnaptha otherwise than in highly purified condition, in the proportion of one part of Woodnaptha to nine parts of spirit by volume or in any other proportion that may be specifically prescribed by Government;

(h) 'Retail sale' means sale to the public who do not hold licence issued under these rules in quantities not exceeding the quantities specified in Rule 5 or these rules;

(i) 'Schedule' means the schedule appended to these rules;

(j) 'Thinner' means a denatured spirituous preparation containing not more than 20 percent of denatured spirit and other ingredients in such proportion as may be specified by the Indian Standard Institution or by the Commissioner;

(k) 'Varnish' means a denatured spirituous preparation containing not more than 60 percent of denatured spirit and such other ingredients in such proportions as may be specified by the Indian Standard Institution or by the Commissioner;

(l) 'Wholesale' means sale to holders of licences issued under these rules;

(m) 'Denatured Spirituous Preparation' for the purpose of these rules shall mean and include every article for manufacture of which denatured spirit has been employed as solvent, reagent or otherwise and which contains alcohol.

### **3. Administrative fee :-**

No excise duty or countervailing duty shall be levied on the denatured spirit, methylated spirit, methyl alcohol or denatured spirituous preparations except the administrative fee at the rate of 0.50 paise only per bulk litre or such other rate as may be fixed by the Government from time to time 3[on the quantity obtained by the licensee from a Distillery.

### **4. Manufacture of denatured spirit :-**

(1) Spirit shall not be denatured by any process other than those specified in clause (c) of sub-rule (1) of Rule 2.

(2) No denatured spirit, methylated spirit or methyl alcohol shall be manufactured except by the holder of a distillery licence issued for the purpose of establishment of a distillery for the manufacture and issue therefrom of absolute alcohol, rectified spirit, denatured spirit methylated spirit or methyl alcohol in accordance with the rules for the time being in force relating to the issue of such licence.

(3) No Denatured Spirituous preparations shall be manufactured except in accordance with the terms and conditions of a licence

issued for the purpose under these rules.

## **5. Possession :-**

No person or Institution shall possess without a licence or permit issued under these rules. Denatured spirit, Methylated spirit or Methyl alcohol in excess of these quantities specified below :

## **6. Transport :-**

(1) No person shall transport denatured spirit, methylated spirit or Methyl Alcohol Denatured Spirituous preparations in excess of quantities specified in Rule 5 except under a transport permit granted by the Excise Superintendent in Form D.S-I :

Provided that in the case of holders of licences in Forms D.S.IX, D.S.XIII or D.S.XV the Excise Superintendent may issue general permit of transport of D.S. from the wholesaler to the licensed premises when the quantity to be transported at any one time does not exceed 200 litres.

(2) The application for the transport permit shall be in Form D.S.II and shall bear a court fee stamp of the value of Rs.2/-. The transport permit shall authorise movement of Denatured spirit only within the State.

(3) The transport permit shall in all cases be prepared in four parts. Part one shall be sent to the transporter to accompany the consignment. Part two shall be sent to the Excise Superintendent of the District into whose jurisdiction the consignment is to be transported for onward transmission to the local Excise Officer into whose jurisdiction the consignment is to be transported. Part three shall be sent to the Excise Officer of the place of issue. Part four shall be retained in the office of issue. The currency of the Transport Permit shall be restricted to such reasonable period as may be required for its transport in normal course.

(4) Transport permit shall not be granted before payment of administrative fees where the denatured spirit, methylated spirit or methyl alcohol, denatured spirituous preparations is obtained from a distillery by a licensee under these Rules.

## **7. Import :-**

(1) No denatured spirit, methylated spirit or Methyl Alcohol Denatured spirituous preparations shall be imported except by the person or institution holding licence issued under these rules and

except under an import permit in the Form DS.III.

(2) [x x x x]

(3) The holder of a licence in Form DS-VII or DS-XI under these rules desiring to import denatured spirit as the case may be from outside the State shall apply to the Collector for granting the issue of a permit. The application for an import permit shall be in Form DS-IV and shall bear a court fee stamp of the value of Rs. 2/-.

(4) On receipt of an application in Form DS IV the Collector may after such enquiry as he may consider necessary and on being satisfied that there is no objection to grant the issue of the import permit applied for may grant the issue of an import permit.

(5) As soon as the Collector orders granting of the import permit the Excise Superintendent shall issue the import permit over his signature and seal. The first copy of the permit shall be issued to the applicant to accompany the consignment. The second copy shall be sent by post to the Excise authority of the State from where the denatured spirit is to be imported or to the Collector of Customs in case the import is from abroad. The third copy shall be sent to the Excise Officer of the place of import. The fourth copy of the permit shall be kept in the records of the Excise Superintendent issuing the permit. Immediately after the denatured spirit covered by the import permit is received at the licensed premises, the permit holder shall send an intimation to the Excise Officer who is authorised to inspect and obtain a certificate of the sufficiency of denaturisation of denatured spirit imported.

## **8. Export :-**

(1) No denatured spirit, methylated spirit or Methyl alcohol Denatured spirituous preparations shall be exported without a permit granted by the Commissioner. An export pass fee of 50 paise per bulk litre shall be payable on the quantity for export.

(2) The export permit shall be in Form DS-V Part one shall be sent to the exporter to accompany the consignment, part two shall be sent to the Excise Superintendent of the District from whose jurisdiction the consignment is exported, part three shall be sent by registered post acknowledgment due to the Excise Officer of the State who has issued the import permit or the no objection certificate and part four shall be retained in the office.

(3) No export permit for export of denatured spirit, methylated spirit or methyl alcohol Denatured spirituous preparations shall be issued unless the export fee is paid in the State .of Andhra Pradesh and the Treasury receipted challan produced along with a no objection certificate from the competent Excise authority of the place to which the export is to be made.

(4) The application shall be in Form DS-VI, and shall bear court fee stamp of the value of Rs.2/- On receipt of an application in Form DS.VI, the Commissioner may after such enquiry as he may consider necessary and on being satisfied that there is no objection to issue export permit applied for may grant the same.

#### **9. Sale :-**

No person or institution shall sell denatured spirit, Methylated spirit or Methyl alcohol except in accordance with the provisions of these rules and on terms and conditions of a licence issued under these rules.

#### **10. Wholesale licence :-**

The wholesale licence for vending of denatured spirit, methylated spirit or methyl alcohol shall be in Form DS.VII. The licence fee shall be Rs.150 per annum. The licensee shall obtain his supplies from a distillery manufacturing denatured spirit under Rule 4 or from another wholesale licensee in Form DS.VII or from sources outside the State under an import permit. The licensee shall maintain accounts of his transactions in Form DS.VIII.

#### **11. Retail licence :-**

Licence for retail sale of denatured spirit, methylated spirit or methyl alcohol shall be in Form DS. IX. The licence fee shall be Rs.25 per annum. The licensee shall obtain his supplies from the holder of a wholesale licence in Form DS VII. The licensee shall sell denatured spirit, methylated spirit or methyl alcohol as the case may be in quantities not exceeding 3 bulk litres to any person at a time for bona fide use. The licensee shall maintain account of transactions in Form DS X.

#### **12. Licence for possession and use of denatured spirit in manufacture of french polish, varnish, thinners, metal polish, soaps, other denatured spirituous preparations or for industrial purposes as reagents or solvents etc. :-**

(1)

(a) The licence for possession and use of denatured spirit in manufacture of french polish, thinner, varnish and metal polish shall be in Form DS. XI. The licence fee shall be rupees fifty per annum ;

(b) The licence for possession and use of denatured spirit for industrial purposes as re-agents or solvent and for manufacture of denatured spirit preparations other than those mentioned in clause (a) shall be in Form DS.XI-A.

1. The licence fee shall be rupees one hundred per annum

2. The licensee is forbidden to sell denatured spirit methylated spirit or methyl alcohol under the licence. The licensee shall maintain accounts in Form XII.

3. No licence for the above purposes shall be granted to any person who has not registered his industry with the Director of industries.

(2) The licensee shall also provide satisfactory and sufficient storage facilities to hold the quantity of denatured spirit, etc., which he is permitted to keep in possession at one time as entered in the licence.

(3) Every time the vessel intended for spirit is changed there shall be attached to it a label showing the following particulars :

(a) The name of the preparation;

(b) Description and quantity of spirit placed in it from time to time; and

(c) The date of removal of the preparation and the quantity of such preparation removed.

(4) On completion of production of a preparation of a batch the licensee shall declare the alcoholic strength of finished preparation before such preparation is removed from the manufactory and the sale shall be entered in the register maintained in Form DS-XII.

(5)

(a) The preparations shall on completion of production be stored in bulk in containers or bottles.

(b) Every container of a finished preparation shall bear a label showing the name of the preparation, its batch number, if any, its alcoholic strength and the name of the manufacturer.



(c) The label of each container of a preparation stored in bulk shall in addition, indicate the actual contents in bulk litres, alcoholic strength and the date of manufacture.

(6)

(a) The permanent vessels for the storage of spirits and finished preparations in the spirit room and the manufactory shall be gauged accurately and tables shall be computed to show the contents of each centimetre of its depth.

(b) The receptacles for the storage of spirit and finished preparations in the spirit store or the manufactory shall be of metal, porcelain, wood or glass as may be convenient and necessary :

(c) Each permanent vessel shall bear a distinctive serial number, its full capacity, and the purpose for which it is to be used, distinctly and indelibly marked on it.

(7)

(a) The salaries and allowances of the Excise staff posted at the unit for the enforcement of the conditions of the licence granted under the provisions of these rules shall be payable apart from the administrative fee.

(b) The licensee shall, if required by the Commissioner deposit into the Government treasury such amounts as may be demanded towards the salaries and allowances of the Government establishment posted at the unit, but he shall not make any direct payment to any member of such establishment.

**13. Licence for possession and use of denatured spirit, methylated spirit and methyl alcohol by medical practitioner, Non-Government Hospitals, Educational, Scientific or research institutions Clinics and laboratories :-**

The licence for possession and use of medical practitioners, Non-Government hospitals, Educational, Scientific or research institutions and laboratories shall be in Form XIII. The licence fee shall be Rs. 5 per annum. The licensee shall obtain his supplies of denatured spirit, methylated spirit or methyl alcohol as the case may be from the holders of wholesale licence in Form DS-VII or retail licence in Form DS-IX. The licensee shall be eligible only for use of the denatured spirit for bona fide use for medicinal, scientific

or educational purposes in his clinic, laboratory or Institute but shall not sell the denatured spirit, methylated spirit or methyl alcohol. The licensee shall maintain accounts in Form D S-XIV.

**14. Licence for possession and use of denatured spirit, methylated spirit or methyl alcohol for Government Departments, Railways, Local Bodies :-**

The licence for possession and use of denatured spirit, methylated spirit or methyl alcohol in Government Departments, Government Hospitals, Government Educational Institutions, Universities, Charitable Institutions and other Government institutions, Railways and local bodies shall be in Form DS-XV, and it shall be granted by the Commissioner on the application of the Head of the office or institution free of charge. The licensee shall obtain supplies direct from the distilleries or from the wholesale licensee in Form DS-VII or from sources outside the State. The licensee shall maintain an account of the transactions in Form DS-XVI.

**15. Verification of Consignment :-**

(1) The consignment of denatured spirit, methylated spirit or methyl alcohol received by the holder of licences in Form Nos. VII or XI shall not be opened without being verified by an Excise Sub-Inspector having jurisdiction.

(2) Denatured spirit, methylated spirit or methyl alcohol so permitted may be imported provided it is certified by the officer of the Distillery where the spirit has been denatured or a certificate has been obtained from the Excise Inspector concerned of the place from where it has been exported that the spirit to be imported has been denatured. If the denatured spirit or methylated spirit or methyl alcohol is imported without one of the two certificates mentioned above, it shall not be sold, and an Excise Officer not below the rank of an Inspector shall have the power to take into his custody such imported spirit. A sealed sample of such spirit, may be sent to the Chemical Examiner for analysis at the importer's expense. On receipt of Certificate from the Chemical Examiner that the above sample has been sufficiently denatured, the spirit shall be handed over to the importer. If after the analysis, the spirit is found to be not sufficiently denatured it shall be denatured fully at the expense of the importer. The spirit shall thereafter be released in favour of the importer, after collecting from him necessary charges and compounding fee which at the discretion of the Excise Superintendent may be from 25 naye paise to rupee one per litre.

Should the importer refuse to bear the expenses of denaturation and to pay the Compounding fee imposed on him, the quantity shall be confiscated.

(3) On receipt of the consignment the licensee shall give intimation thereof to the local Excise Officer who after satisfying himself about the quality and strength of the spirit and the quantity noted in the permit, shall record a certificate of verification on the transport permit or the import permit.

(4) If in the opinion of Excise Superintendent any consignment of spirit insufficiently denatured, notwithstanding the consignment being accompanied by a certificate of denaturation granted by the officer of the distillery or the Excise Inspector concerned of the place from where it has been exported, he may withhold the stock from sale and send a sealed sample to the Chemical Examiner for analysis and release it only after satisfying himself that it has been sufficiently denatured.

#### **16. Procedure for obtaining licence :-**

(1) Every person desiring to obtain a licence shall submit an application in Form DS-XVII to the Excise Superintendent. The application shall be affixed with a court fee stamp of the value of Rs.2.

(2) If any person desires to have more than one kind of licence he shall submit separate applications for every such licence:

(3) Where the applicant has more than one place of business he shall obtain a separate licence of each such place of business.

(4) The licence issued or renewed under these Rules shall be for a period not exceeding one year commencing from the 1st April of the year and ending with 31st March of the succeeding year.

(5) On receipt of the application, the Excise Superintendent may make such enquiries for verification of the details stated in the application and also such other enquiries as may be necessary and on being satisfied that the conditions for the grant of the licence applied for have been complied with, the Excise Superintendent may collect the licence fee and grant the licence. When a licence is granted by the Excise Superintendent the licence may be signed and issued by the Assistant Superintendent of the district. Mere grant of a licence shall not entitle the applicant or confer on him

any right to commence business until the licence has been actually issued. Normally 15 days time shall be allowed to the applicant to rectify defects, supply omissions or to comply with other directions of the licensing authority. Failure to remit fees or rectify defects, supply omissions or to comply with other directions shall entail rejection of an application. As soon as an order is passed on the application it shall be communicated to the applicant. The fraction of a year shall be reckoned as one complete year for the purpose of charging licence fee specified under these Rules.

### **17. Renewal of licence :-**

(1) An application for the renewal of licence shall bear a court fee stamp of Rs.2 and shall be submitted to the licensing authority one month in advance of its expiry together with challan in original in support of payment of the annual licence fee.

(2) In case the application for renewal of licence is made as prescribed in sub-rule (1) and if the licence is not duly renewed and returned before the licence expires, the licensee shall have the right to carry on business till its renewal is refused and the fact intimated. If the application is not made within time, it shall not however, be open to the licensee to continue the business on the expiry of the licence.

### **18. Transfer or amendment of licence :-**

(1) Every licence shall be deemed, to have been granted or renewed personally to the licensee.

(2) Where a licensee sells or transfers his business to another person the purchaser or the transferee shall obtain a fresh licence under these rules but it shall be granted free of fee for the residue of the period covered by the original licence.

(3) If the holder of a licence wishes to enter into partnership in regard to the business covered by the licence he shall do so after obtaining the previous sanction of the Licensing Authority and his licence thereafter be suitably amended. Where a partnership is entered into, the partner as well as the original holder of the licence shall be bound by the conditions of that licence.

(4) If a partnership is dissolved, every person who was a partner immediately before such dissolution shall send a report of the dissolution to the Licensing authority within ten days thereof.

(5) If during the currency of a licence, the licensee desires to shift his business to another premises he shall make an application in writing to the Licensing Authority specifying the address of the new premises and get his licence suitably amended after obtaining approval. The licence shall thereupon, hold good in respect of the new premises.

(6) The Licensing Authority may, at any time call for any licence and may amend or alter it or may tender to the licensee a new licence in accordance with any further conditions which may be prescribed. No correction in the licence shall be effective and valid unless ordered and attested by the Licensing Authority.

### **19. Cancellation and suspension of the licence :-**

(1) All licences granted under these rules may be suspended or cancelled or withdrawn in accordance with the provisions of Sections 31 and 32 of the Act.

(2) In case where licence is suspended or cancelled during the currency of the licence period or is not renewed on its expiry, the licensee shall forthwith intimate to the Licensing Authority of the quantity of Denatured spirit, methylated spirit or methyl alcohol or denatured spirituous preparation stocked with him. On receipt of such intimation the Licensing Authority shall instruct the Excise Officer or other authorised officer to verify the stocks and as well as the premises where the stocks are stored. The stocks shall however be deemed to be in the custody of the ex-licensee who shall make arrangements and shall be responsible for their safe custody. The stocks shall be sold with the permission of the Licensing Authority to other Licensees.

(3) The licensee shall not however be allowed to receive fresh stock after his licence expires or is suspended, cancelled or withdrawn. The permission to sell the stock to other licensee shall be subject to the condition that all sums due to the Government are paid :

Provided that where the stock does not exceed 5 (five litres) the Licensing Authority may dispose of the stock in any manner he thinks fit :

Provided further that where the licensing authority is of the opinion that the stock is not fit for use, it shall be competent for the licensing authority to destroy such stock and the licensee shall not be entitled to any compensation. However, the licensing authority

shall; before taking a decision to destroy the stock, issue a show cause notice to the licensee intimating as to why the stock should not be destroyed and examine the explanation of the licensee, if any, to such show cause notice.

**20. Refund of licence fee :-**

If the licence applied for is refused the licence fee paid, if any, with the application shall be refunded.

**21. Licence to be exhibited :-**

Every licensee shall exhibit his licence (or a copy thereof certified by the Licensing Authority) in a conspicuous part of the licensed premises.

**22. Regulation of business of Licence :-**

(1) The licensee shall conduct his business under the licence either personally or by an agent authorised in writing by him in this behalf and approved by the licensing authority.

(2) The licensed premises and all the goods licensed to be dealt with shall at all times be open to inspection by the Excise Commissioner and any other Excise Officer empowered by him in this behalf.

(3) The licensee shall when so required by the Excise Commissioner or any officer empowered by him in this behalf give an explanation in writing regarding any irregularity detected at his licensed premises and shall furnish any information regarding the management of the said premises. He shall answer all the questions put to him to the best of his knowledge and belief. He shall also, if so required, allow any officer duly empowered by the Excise Commissioner to take samples of any of the goods he is licensed to deal in or manufacture, for analysis.

(4) The licensee shall provide an inspection book paged and stamped by the Excise Superintendent concerned and which the inspecting officers may record any remarks when inspecting the licensed premises. The licensee shall, on the termination of the period of the licence deliver up the inspection book and the licence to such officer as may be directed by the Licensing Authority.

(5) The Licensee shall preserve invoices, cash memoranda, permits and other documents relating to the consignments received and dealt with by him for a period of one year after the year to which

they relate.

(6) Stocks pertaining to wholesale, retail manufactory licences shall be kept separately and accounted for accordingly.

(7) The licensed premises shall be kept open for business or for inspection by Excise Officers on all days except on weekly holidays or such other days on which the Commissioner may order closure.

(8) In the absence of the Licensee, his authorised representative shall be incharge of the licensed stocks and account books. Authorised representatives should obtain a letter of approval from the Officer issuing the licence.

(9) Denatured spirit, Methylated spirit or Methyl Alcohol possessed or exposed for sale on the licensed premises shall be of standard strength and quality. Denatured spirit, Methylated Spirit or Methyl alcohol whose strength is below 50 degrees O.P. shall not be possessed or sold.

**23. In case of a firm certain particulars to accompany the application for grant of licence :-**

In case of a firm a true copy of the partnership deed and if the Company, a list of the Directors and Managers as certified by the Registrar of Joint Stock Companies, together with copies of Memorandum of Association shall be submitted with the application.

**24. Suspension of licence pending investigation :-**

In case any breach of the Act or the Rules is detected in the licensed premises, or if any licensee commits any breach of the Act or the Rules, the Commissioner or an Officer authorised by him in that behalf shall be competent to suspend the licence pending investigation and disposal of the case. A licensee shall not be entitled to any compensation or refund of the fee paid towards the licence under any circumstances.

**25. Power to require access to place, vessel or conveyance for inspection or examination of goods :-**

Any officer not below the rank of an Excise Sub-Inspector may require any person who has the immediate possession, control and use of any land, building, enclosed place premises, vessel, conveyance or other place which he desires to search under these rules or any of denatured spirit preparation, denatured spirit manufactured or carried thereupon and therein to open or allow

access to inspect or examine such places or conveyance or to open, unload, unpack or allow the inspection or examination of such goods.

**26. Power of adjudication and confiscation and penalty :-**

The A.P.Excise (Disposal of Confiscated and other Articles) Rules, 1969 shall govern the confiscation and disposal of articles liable for confiscation.

**27. . :-**

Stocks of denatured spirit and manufactured goods to be stored in an orderly manner All goods stored in the premises of a person licensed under these rules shall be stocked in an orderly manner so as to permit of actual counting and if the Commissioner so requires, packages containing goods of the same kind and with the same quality in each shall be kept together separate lots and the goods shall be arranged in separate rows and each row containing the same number of package of uniform size or volume or strength. The Commissioner may also require the licensed person to maintain stock cards in respect of the separate lots and to leave an accessible passage free of package in the middle of the places of storage at right angle to the aforesaid passage so as to facilitate counting and may require that each separate lot or consignment shall be clearly marked with the number and date of the relevant records in stock card, account or register and such identifying particulars as he may direct.

**28. Denatured spirit goods not to be sold except in prescribed containers bearing a label :-**

Every bottle, jar, cask or other receptacle containing denatured spirit, methylated spirit, methyl alcohol and denatured spirit preparations received into and kept for storage or sale in the premises licensed under these Rules or possessed by a private person or institution permitted to be in possession of such spirit or methyl alcohol shall have affixed to it in a conspicuous manner a label which should contain the picture of a full human skeleton of at least three inches in length extending from top to bottom of the label with the following words printed in red on the right and left of the picture : "Poison not to be taken internally". Denatured Spirit Methylated Spirit Methyl Alcohol Spirit made in.....and bottled by..... The words "Poison not to be taken internally" shall be printed in red and bold letters in English, Telugu, Urdu and Hindi. In the case of denatured spirit preparations the labels to be affixed



shall contain the words "Poison not to be taken internally."

**29. Import, Export and Transport permits and consequence of misuse :-**

The import, export and transport of denatured spirit from one place to another shall follow the route specified therein but it shall not be moved into or partly unloaded at any other place or premises. If permit holder has more than one licenced premises, separate permits shall be obtained. Misuse of a permit entails its cancellation and also the licence held by the permit holder without prejudice to the licensee being made liable for punishment under the Act.

**29A. Allotment of alcohol :-**

The Commissioner may consult the Director of Industries in regard to the allotment of alcohol to a particular industry. The Commissioner shall be competent to impose such restrictions or to fix such quotas and to impose cuts on the quotas so fixed as he may consider necessary on the quantity of denatured spirit allotted to the licensees depending on the availability, the demand and the need for regulation and equitable distribution of denatured spirit in different local areas of the State and also depending upon the use for which it is intended and Director of Distilleries and Breweries will issue permit for such quantity.

**29B. Security Deposit :-**

The licensee shall pay such amount as fixed by the licensing authority towards security deposit to ensure compliance with the conditions of licence and these rules.

**30. Transitory provisions :-**

The permits and provisional licences for possession use or sale of denatures spirit, methylated spirit, methyl alcohol or denatured spirituous preparations granted from the 1st April, 1970 pending framing of these rules shall be deemed to have been the permits and licences issued under and subject to these rules.

**SCHEDULE 1**

**SCHEDULE**

<b>SCHEDULE</b>			
<b>Formula for Specially denatured Alcohol</b>			
<b>Designation</b>	<b>Denaturant</b>	<b>Formula for 100 litres of alcohol</b>	<b>Consuming industry</b>
(1)	(2)	(3)	(4)

(1)	(2)	(3)	(4)
S D	1 Methyl alcohol	5.0 litres	General
S D	2 Methyl alcohol	2.0 litres of each	
S D	3 Benzene toluene petroleum hydrocarbon solvent.	1.0 litre of either or any combination of these.	Chemical conversion of alcohol namely, manufacture of methylene and its derivatives acetaldehyde and derivatives ether acetone etc.
S D	4 Ether	5.0 litres	
S D	5 Crotonaldehyde	0.2 litres	
S D	6 Acetone	0.5 litres	
S D	7 Acetaldehyde (or Acetaldol)	0.5 litres	
S D	8 Chloroform	1.0 litres	Manufacture of Chloroform Chloral and its derivative including D.D.T.
S D	9 Chloral Hydrate	1.0 Kg. (W/V)	
S D	10 Ethylacetate or Ethyl Benzoate	2.0 litres	Manufacture of Ethyl Acetate Ethyl Benzoate and other Ethylesters.
S D	11 Methyl alcohol Benzene Acetone Ether	5.0 litres of either or any combination of these	(i) Solvent for lacquers Varnishes and Polishes. (ii) Manufacture of thinners and of cellulose and resinous material (iii) Purification of chemicals (iv) Use in extraction processes
S D	12 Formaldehyde	10.0 litres	Manufacture of adhesives and binders, disinfectants insecticides, embalming and preserving solutions.
S D	13 Acetone or Methyl alcohol	1.0 litre	Shellac from erudelac
S D	14 Caustic Soda (or Caustic Potash) & Castor Oil	0.6 Kg.	Transparent soap
S D	15 Turpentine Oil	5.0 litres	Synthetic Pine Oil
S D	16 Diethyl Phthalate	1.0 litre	
S D	17 Brucine or Brucine Sulphate	1.0 225 Kg.	Perfumery

S D	18 Diethyl Amine	1.5%	Manufacture of Rose crystals.
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