

Company: Sol Infotech Pvt. Ltd.

Website: www.courtkutchehry.com

# ANDHRA PRADESH EXCISE (ARRACK and TODDY LICENCES GENERAL CONDITIONS) RULES, 1969

#### **CONTENTS**

- 1. Short title, extent and commencement
- 2. Application
- 3. Definitions
- 4. Commencement of business
- 5. Selection of Premises
- 6. Sales to be conducted within the licensed premises
- 7. Sign board to be affixed
- 8. Sale of other intoxicants prohibited
- 9. Hours of Business
- 10. Use of standard measures
- 11. Adulteration of toddy or arrack prohibited
- 12. <u>Employment of women and certain other persons for selling toddy/arrack prohibited</u>
- 13. Arrack and toddy not to be sold to certain persons
- 14. Regulation of sale of arrack and toddy
- 15. Licensee not to permit certain acts in the shop
- 16. Objectionable advertisement prohibited
- 17. Licence to be surrendered to the licensing authority on expiry
- 18. Payment of Licence Fees
- 19. Transfer of licences
- 20. Transport of arrack or toddy
- 21. Sale of arrack or toddy to be conducted in separate premises
- 22. Returns
- 23. Deposit of forms and books
- 24. <u>Drawal of Samples</u>
- 24A. <u>Manner of Packing, Sealing, Labelling and Addressing the Samples</u>
- 24B. Manner of Despatching the Samples
- 24C. <u>Contents of one or more similar sealed containers having</u> <u>identical labels to constitute the quantity of a sample</u>
- 25. Maintenance of Accounts
- 26. Intimation to Police Officer
- 27. Customers not to be allowed to stay at nights
- 28. Payment of rental
- 29. Power of Collector to postpone or defer payment of rental
- 30. Adjustment of earnest money and deposits
- 31. Suspension of licence
- 32. <u>Authorisation of servants or agents of a licensee</u>
- 33. Pecuniary dealings with officers prohibited
- 34. Inspection

- 35. <u>Inspection book</u>
- 36. Seizure of arrack or toddy unfit for human consumption
- 37. Licence to be exhibited
- 38. Cancellation of Licence
- 39. Forfeiture of deposits
- 40. Recovery of sums due to Government
- 41. Shifting of shops
- 42. <u>Licensee not entitled to claim compensation</u>
- 43. .
- 44. .

# ANDHRA PRADESH EXCISE (ARRACK and TODDY LICENCES GENERAL CONDITIONS) RULES, 1969

ANDHRA PRADESH EXCISE (ARRACK and TODD\(\frac{1}{2}\)CENCES GENERAL CONDITIONS) RULES, 1969

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

- (1) These rules may be called the Andhra Pradesh Excise (Arrack and Toddy Licences General Conditions) Rules, 1969.
- (2) They shall extend to all the areas where the Andhra Pradesh Excise Act, 1968, is in force.
- (3) They shall come into force at once.

# 2. Application :-

These rules shall apply to all licences issued under the Andhra Pradesh Excise Act, 1968 for sale of arrack and toddy, and they shall be deemed to be general conditions on and subject to which the licences shall be granted under the Act.

#### 3. Definitions :-

In these rules unless the context otherwise requires,-

- (a) 'Act' means the Andhra Pradesh Excise Act, 1968;
- (b) 'excise year' means the period of twelve months commencing from the 1st October of the year and ending with the 30th September of the succeeding year;
- (c) 'licensee' means a person to whom a licence to sell arrack or toddy has been granted under the Act;
- (d) 'rental' means the rent payable in respect of shop or group of shops as part of sum in consideration of the grant of lease or licence or both under Section 23 read with Section 17 of the Act, besides the issue price payable for the Minimum Guaranteed

Quantity of arrack of the shop or group of shops in the case of arrack shops and tree tax and tree owner's rent payable in the case of toddy shop.

(e) 'shop' means the licensed premises where arrack or toddy is sold in retail for public consumption.

#### 4. Commencement of business :-

(1) Every licensee shall commence his business from the 1st October or such other date as may be specified in the licence and shall keep the shop open every day during the hours fixed till the expiry of the term of licence, unless the closure of the shop is ordered by the competent authority for the period specified by him.

ExplanationA shop shall not be deemed to be open, unless if it is an arrack shop, it keeps so much stock of arrack in the shop as is necessary to meet the requirements of a week unless there is short supply, and if it is a toddy shop it keeps always in the shop toddy to the extent of daily requirements:

Provided that in the case of arrack shops in the cities of Hyderabad and Secunderabad or in such other places as the Commissioner may approve, wherein depots for the supply of arrack are situated, it shall be sufficient to keep stock of so much of arrack as to meet the requirements of four days only instead of one week, unless there is short supply.

#### 5. Selection of Premises :-

(1) The auction purchaser, subject to the approval of the Excise Superintendent, shall select a suitable premises for the location of the shop within the village or locality, as the case may be, notified in the Auction Gazette. It shall be atleast 100 metres away from the places of public worship, educational institutions, labour colonies, highway, hospitals and places of payment of salaries in industrial, mining and project areas:

Provided that in the case of the shops situated in areas within the jurisdiction of any Municipal Corporation, Special Grade, Selection Grade and Grade-I Municipalities the premises shall be atleast 50 metres away from the places of public worship, educational institutions, labour colonies, highway, hospitals and places of payment of salaries in industrial, mining and project areas.

ExplanationFor the purpose of sub-rule (1):

- (i) 'place of public worship' means a temple registered with the Endowment Department, Mosque and Church and includes such other religious institutions as the State Government may by order specify in this behalf;
- (ii) 'Educational Institution' means any Primary School, Middle School and High School recognised by the State Government or Central Government or any College affiliated to any University established by law;
- (iii) 'Labour Colonies' means colonies where labourers may be residing in a large number and includes Housing Board Colonies for labour or industrial workers, Labour Housing Colonies of Companies;
- (iv) 'High Way' means National High Way or State Highway but shall not include that part of the National Highway or State Highway which passes within the limits of any Municipal Corporation, Municipal Council or the Goatham in any village or Panchayat area;
- (v) 'Hospital' means any hospital which is managed or owned by a local authority, State Government or Central Government.
- (2) The distance referred to in sub-rule (1) above shall be measured from the mid-point of the entrance of the shop along the nearest path by which pedestrian ordinarily reaches, to the midpoint of the nearest gate of the institution if there is a compound wall and if there is no compound wall to the midpoint of the nearest entrance of the institution.
- (3) The boundaries of the premises shall be indicated in the licence.
- (4) The licensee shall provide easing facility like urinals and drinking water facility within the boundaries of the premises and shall keep the premises and its surroundings always clean. The licensee shall also provide moderate sitting accommodation for at least five customers within the boundaries of the shop premises.
- (5) The licensee shall screen the premises in such a way that the customers while consuming arrack/toddy are not visible to outsiders and passers-by.
- (6) Any shop in respect of which a licence has been granted shall not be deemed to be situated within the prohibited distance referred to in sub-rule (1) if at any time after such licence is

granted any institution referred in sub-rule (1) comes into existence within the prohibited distance.

## 6. Sales to be conducted within the licensed premises :-

Sale of arrack or toddy shall be conducted in a suitable place within the premises set apart for that purpose. If the premises of the shop is amidst the dwelling houses it shall be isolated so as to render it inaccessible to non-consumers.

## 7. Sign board to be affixed :-

The licensee shall affix a sign board written in the regional language in a conspicous part of the shop showing the nature of the intoxicant sold in the shops, its retail price, and the number of the licence.

## 8. Sale of other intoxicants prohibited :-

Any intoxicant other than that to which the licence pertains shall not be sold or kept in the shop.

#### 9. Hours of Business :-

Every shop shall remain open from 7 a.m. to 10-30 p.m. If at anytime during the term of the licence the Commissioner or an officer authorised by him brings about any change in the timings, the licensee shall observe the timinings so changed.

#### 10. Use of standard measures :-

The licensee shall use only the standard measures as certified and stamped by the Weights and Measures Department of the Government of Andhra Pradesh at the shop for the purposes of sale. The measures shall be obtained by the licensee at his cost.

# 11. Adulteration of toddy or arrack prohibited :-

Arrack or toddy which is sold or offered for sale in the shop shall be unadulterated and duty paid. The licensee shall not vary the intoxicating quality or strength of the arrack or toddy either by mixing any foreign ingredient or otherwise.

ExplanationMixing of sugar in toddy is permissible, while mixing of arrack of different strengths and the sale of such mixtures is not permissible.

# 12. Employment of women and certain other persons for selling toddy/arrack prohibited :-

(1) Where the licensee proposes to employ a woman, other than a woman belonging to the family of the licensee for the sale of arrack

or toddy in any shop, he shall obtain prior permission of the Excise Superintendent. The licensee shall not employ any person for the sale of arrack or toddy in a shop if he is disqualified by or under the Act or is disapproved by the Excise Superintendent for sufficient cause.

(2) No person under the age of eighteen years shall be employed in any shop where arrack or toddy is consumed.

## 13. Arrack and toddy not to be sold to certain persons :-

Arrack or toddy shall not be given or sold to the following persons namely:

- (1) Insane persons;
- (2) Persons known or believed to have been drunk;
- (3) Persons known or suspected to be about to take part in a riot or disturbance of public peace or any other crime;
- (4) Policemen, excise officers, railway servants or 2.[automobile drivers] when on duty or in uniform:
- (5) Soldiers in uniform or members of their camp in uniform.
- (6) Children below the age of 18 years.

# 14. Regulation of sale of arrack and toddy :-

The licensee shall not sell arrack or toddy to any person at any time more than the maximum quantity [notified under] Section 14 of the Act for private possession.

# 15. Licensee not to permit certain acts in the shop :-

The licensee shall not permit in any shop gambling or any other kind of [disorderly conduct.]

# 16. Objectionable advertisement prohibited :-

The licensee shall not advertise the sale of arrack and toddy by, beat of drum or displaying hoardings or in any other manner on highways, in lanes, by lanes or in public places.

# <u>17.</u> Licence to be surrendered to the licensing authority on expiry :-

(1) Every licence granted under these rules shall be deemed to have been granted either jointly or severally to the licensees named therein, and shall on its expiry, be surrendered by the licensee to the licensing authority.

(2) If any licensee dies during the currency of the licence, the licensing authority may continue such licence in favour of his legal heir, if he expresses his willingness in writing to the licensing authority within fifteen days from the date of death of the licensee. If the heir does not express his willingness to continue, the shop shall be re-auctioned after the expiry of the period of fifteen days aforesaid.

## 18. Payment of Licence Fees :-

- (1) Every application for grant of licence under these rules shall be accompanied by a treasury challan for rupees fifteen towards the payment of fee for the grant of such licence in respect of auction Toddy shops and shops allotted to Toddy Tappers Co-operative Societies.
- (2) Where Toddy shops are allotted to individual tappers under 'Tree for Tapper Scheme, each tapper shall pay one rupee as Licence Fee for the grant of Licence for a shop.
- (3) The Licence Fee payable for each Arrack shop before the grant of licence shall be at the following rates :

**TABLE** 

	Licence Fee
	Rs.
(i) Shops situated in Municipal Corporation together with a belt area of 5 Kms. From the periphery of such Corporation.	9000/-
(ii) Shops situated in Selection Grade Municipality together with a belt area of one Km. from the periphery of such Municipality.	6500/-
(iii) Shops situated in Special Grade Municipality together with a belt area of one Km. from the periphery of such Municipality and Industrial Projects and Notified areas.	5000/-
(iv) Shops situated in Grade-I and Industrial Projects and Notified areas	4500/-
(v) Shops situtated in Grade-II Municipality	4000/-
(vi) Shops situated in Grade-III Municipality.	3000/-
(vii) Shops situated in Towns as classified in the	2500/-

Census of 1981.	
(viii)Shops situated in major Gram panchayat	1250/-
(ix) Shops situated in Gram panchayat	500/-

ExplanationFor the purpose of this rule:

- (a) Municipal Corporation, Selection Grade, Special Grade, Grade-I, Grade-II, Grade-III Municipalities and notified industrial and project areas, Major Gram Panchayats and Gram Panchayats, means such areas as notified by Government of Andhra Pradesh from time to time.
- (b) 'Town' means such area as notified in the 1981 Census.

#### 19. Transfer of licences :-

- (1) There shall be no transfer of licence for the sale of arrack or toddy to any other person.
- (2) Where a licence is granted jointly, no licensee shall include or exclude any partner except with the previous permission of the licensing authority. Such permission may be granted by the licensing authority on an application made by the partners together with a fee of Rs.25/- per one shop and Rs.50/- per more than one shop. On receipt of application the licensing authority may make such enquiry for verification of the details stated in the application and the solvency of the persons concerned and for any other matter, as he deems fit and where he is satisfied about the solvency and other matters he may permit the inclusion or exclusion of partners.

# 20. Transport of arrack or toddy :-

The licensee shall not transport arrack or toddy unless it is accompanied by a transport permit granted by the authority concerned and in accordance with the terms specified in the transport permit, and in case of arrack the seals on the containers shall not be broken. The consignment of arrack or toddy shall conform to the strength and quantity and other description recorded in the permit concerned. Every permit shall be produced on demand by any excise officer not below the rank of Sub-Inspector.

# 21. Sale of arrack or toddy to be conducted in separate premises:-

Where a licensee holds licences for the sale of both arrack and toddy he shall keep separate premises for the sale of th]em.

#### **22.** Returns :-

The licensee shall furnish such returns and particulars as may be required by the Excise Superintendent from time to time.

## 23. Deposit of forms and books :-

On the expiry of the licence, the licensee shall deposit with the Range Sub-Inspector the transport permit books, the transport pass books, inspection book and other departmental forms pertaining to the shop and all accounts except those required for income-tax purposes.

# 24. Drawal of Samples :-

Any Excise Officer, not below the rank of the Sub-Inspector of Excise or Food Inspector appointed under the Prevention of Food Adulteration Act, 1954 shall be competent, at any time, to take sample of arrack or toddy, in the possession of the licensee or any other person storing arrack or toddy, for the purpose of analysis. Such Officer shall take three samples in the presence of the licensee or his agent or other person in-charge of the licensed premises or who is found selling toddy in the said premises, after conducting a Panchanama. The samples shall be sent to the Court with a requisition to send, one of the samples expeditiously to the Chemical Examiner of the Excise Department having jurisdiction in the region, in which licensed premises are situated, for chemical examination. If the sample sent to the Chemical Examiner is damaged, in transit or otherwise before the completion of the analysis, the court may be requested by the concerned Officer to send a second sample to the Chemical Examiner. If the licensee desires that the sample should be sent for analysis to an independent laboratory, he may apply to the Excise Superintendent within three days of the drawal of the sample. In cases where the licensee or one of his Nowkarnama holders was not present at the time of taking of sample, the licensee should apply within 7 days. The application should be accompanied by a demand draft for an amount sufficient to cover the analysis charges. If no such application is filed within the requisite time limit, the licensee shall not be entitled to seek analysis by an independent laboratory thereafter. On receipt of the application within time and with requisite demand draft, the concerned officer shall request the Court to send a sample to the independent Laboratory chosen by

# **24A.** Manner of Packing, Sealing, Labelling and Addressing the Samples:

All samples of arrack or toddy taken under Rule 24 shall be packed, fastened and sealed in the following manner, namely:

- (a) The stopper shall first be securely fastened so as to prevent relevant leakage of the contents in transit.
- (b) The bottle, jar or other container shall then be completely wrapped in fairly strong thick paper. The ends of the paper shall be neatly folded in and affixed by means of gum or other adhesive.
- (c) A proper slip of the size that goes round completely from the bottom to top of the container bearing the signature and code of the inspecting officer, shall be pasted on the wrapper, the signature or the thumb impression of the person from whom the sample has been taken being affixed in such a manner that the paper slip and the wrapper both carry a part of the signature or thumb-impression:

Provided that in case, the person from whom the samples have been taken refuses to affix his signature or thumb-impression, the signature or thumb-impression of the witnesses, shall be taken in the same manner;

(d) The paper cover shall be further secured by means of strong twine or thread both above and cross the bottle, jar or other container, and the twine or thread shall then be fastened on the paper cover by means of sealing wax on which there shall be atleast four distinct and clear impressions of the seal of the sender, of which one shall be at the top of the packet, one at the bottom and the other two on the body of packet. The knots of the twine or thread shall be covered by means of sealing wax bearing the impression of the seal of the sender.

# **24B.** Manner of Despatching the Samples :-

The samples after the Court as specified in Rule 24 immediately after the drawal of the following the procedure laid down in Rule 24-A shall be forwarded to the Court as specified in Rule 24 immediately after the drawal of the samples but not later than the succeeding day by any suitable means. A copy of the specimen impression of the seal, used to seal the sample shall be sent to the Chemical Examiner separately by registered post or delivered to

him or to any person authorised by him.

# 24C. Contents of one or more similar sealed containers having identical labels to constitute the quantity of a sample :-

Where arrack or toddy is sold or stocked for sale or for distribution in sealed containers having identical labels declaration, the contents of one or more such containers as may be required to satisfy the minimum quantity necessary for conducting analysis as deemed sufficient by the Chemical Examiner shall be treated as part of the sample. The quantity of sample sent for analysis shall be considered as sufficient unless the Chemical Examiner reports to the contrary].

#### 25. Maintenance of Accounts :-

Every licensee shall maintain accounts in ink and each page shall be machine numbered serially. The licensee or any person authorised in this behalf by the Excise Superintendent shall write the accounts daily and they shall be reconciled and closed at the end of the days transactions.

#### 26. Intimation to Police Officer :-

The licensee shall give intimation to the nearest Police Station of persons whom he knows or has reason to believe to have been convicted of any non-bailable offence or who are habitual offenders, resorting to or assembling or remaining in or on the premises of the shops.

# 27. Customers not to be allowed to stay at nights :-

The licensee shall not allow any person other than members of his family or his authorised servant in the shop after closure of the business for the day.

# 28. Payment of rental :-

(1) Rental of the shop shall be remitted by the licensee into the Government Treasury of the Mandal/District in which the shop is situated and the receipted challan submitted to the Excise Sub-Inspector concerned soon after the remittance. Payment of monthly rental shall ordinarily start from the month of October of every excise year; The monthly rental shall be remitted in two equal instalments. The first instalment shall be remitted by 20th of the month and the second instalment by 30th of the same month except for the month of February when the second instalment shall be remitted by 28th of that month. Where the due date or the next

day of the instalment happens to be a holiday, the instalment shall be remitted on the next working day. In case the first or second instalment of the monthly rental is not remitted by the due date(s) the licence shall be liable for suspension or cancellation after giving an opportunity to the holder thereof of making his representation within seven days against the action proposed.

- (2) Notwithstanding the suspension or cancellation of a licence arrears of rental shall bear interest at the rate prescribed in the Andhra Pradesh Excise (Levy of Interest on Government Dues) Rules,1982 from the date on which the rental becomes due upto the period for which it remains unpaid.
- (3) In the case of a licence granted for tapping an excise tree or drawing toddy from any such tree, if the licensee fails to remit tree tax and tree owner's rent immediately after the trees are booked for infraction, his licence is liable for suspension or cancellation.
- (4) In the event of failure to pay in time of any dues by the holder of licence, without prejudice to the suspension of the licence and to the re-auction of the lease the Excise Superintendent shall be competent to stop issue of arrack or release of trees for tapping or drawing toddy therefrom in favour of the licensee, after giving an opportunity of making his representation against the action proposed. Where licensee has more than one shop, in the event of failure to pay rental, tree-tax, tree owners rent or any other dues in time in respect of any of the shops, his licence for all or any one of the shops, shall be liable for cancellation or suspension irrespective of the fact that there is no default in remittance of rentals, tree-tax, tree owner's rent or other dues in respect of other shops.

# 29. Power of Collector to postpone or defer payment of rental :-

The Collector may, on written application submitted by the licensee, by order reduce or remit the rental for the period of curfew imposed by the competent authority for a period of three days or more consecutively on the scale shown below:

ExplanationFor the purpose of this rule, a day shall be reckoned from zero hours of a day to zero hours of the succeeding day.

# 30. Adjustment of earnest money and deposits :-

(1) Earnest money remitted under Rule 16(1) of the Andhra Pradesh Excise (Lease of Right to Sell Liquor in Retail) Rules, 1969

shall be adjusted against July rentals, subject to the condition that the licensee is not in arrears of either issue price, rentals or other amounts payable as on the date of adjustment and on furnishing the Bank guarantee in Form-AA for a sum equivalent to issue price of arrack to be lifted in the months of August and September of the lease period.

- (2) The cash deposit remitted under Rule 16(1) of the rules referred to in sub-rule (1) above shall be adjusted against the rentals payable for the month of August of the lease period, subject to the condition that the licensee is not in arrears of either issue price, rentals or other amounts payable as on the date of adjustment.
- (3) The deposit remitted under Rule 18(1) of the rules referred to the sub-rule (1) above shall be adjusted against the rental for the months of July towards the second instalment and September in the case of arrack and August and September in the case of Toddy of the lease period and all other sums due to the Government including those recoverable under Rule 40 of these Rules.

## 31. Suspension of licence :-

Where licence is suspended on account of default in the payment of any dues payable by the holder thereof, the Collector may at his discretion, take the shop under his management, during the period of suspension. Any loss that may accrue when, in consequence of such default, the shop has been taken under the management of the Collector shall be recoverable from the defaulting licensee; but the defaulting licensee shall not be entitled to any profit that may result during such management. The suspension of the licence may be revoked at any time if the defaulter pays the entire dues.

# 32. Authorisation of servants or agents of a licensee :-

(1) A licensee who desires to have any person in his employ for acting on his behalf as an agent or servant, shall make an application in that behalf to the Excise Inspector concerned, affixing court fee stamp of the value of rupee one and obtain a 'Nowkarnama' in Form 'A' on payment of a fees of rupees two:

Provided that the licensee under 'Tree for Tapper' Scheme may authorise his wife to sell toddy on his behalf under prior intimation of such authorisation to the Excise Inspector and Sub-Inspector of Excise concerned, under acknowledgment.

- (2) The licensee shall be bound to give effect to any orders passed by the Excise Superintendent on any such agent including the authorised wife of "Tree for Tapper" licensee or servant who commits any breach of these rules or special rules, applicable to the licensee or other provisions made by or under the Act.
- (3) Any notice or order served on such agent including the authorised wife of "Tree for Tapper" licensee or servant, shall be deemed to have been duly served on the licensee himself.

# 33. Pecuniary dealings with officers prohibited :-

The licensee or his agent or servant shall not have pecuniary dealings of any kind of personal nature with the officials of the Government.

## 34. Inspection :-

- (1) Any Excise Officer or Police Officer not below the rank of Sub-Inspector shall be competent to enter and inspect the shop and examine licence or test or measure the arrack or toddy therein.
- (2) The licensee shall furnish necessary receptacles at the time of inspection for the measurement of arrack or toddy and shall afford all facilities for such inspection.

## 35. Inspection book :-

The lincensee shall maintain an inspection book at his own cost and make it available at the shop to Inspecting Officers for recording notes of inspection. He shall be responsible for its safe custody.

# <u>36.</u> Seizure of arrack or toddy unfit for human consumption $\cdot$

Any officer of the Excise and Police Departments who is competent to inspect shall also be competent to seize or prohibit arrack or toddy from being sold when he finds the same unfit for human consumption or to have been adulterated or diluted in any manner.

#### 37. Licence to be exhibited :-

The licence shall be exhibited in a conspicuous part of the shop.

#### 38. Cancellation of Licence :-

(1) The licence may be cancelled if the contents of affidavit submitted under Rule 5 (ii) of the Andhra Pradesh Excise (Lease of Rights to Sell Liquor in Retail) Rules, 1969 is false or the value of the assets declared in the affidavit is less than an amount equal to

#### one month's rental:

Provided that the licensee may be called upon to furnish within seven days from the date of receipt of the notice Bank Guarantee from a Schduled Bank or a District Co-operative Central Bank situated in Andhra Pradesh for an amount equal to one month's rental.

(2) Where a licence is cancelled under the provisions of the Act or the rules made thereunder the rights to sale shall be re-auctioned subject to the same conditions and liabilities laid down in the Andhra Pradesh Excise (Lease of Right to Sell Liquor inRetail) Rules, 1969. Any resultant loss on account of taking management under the Collector or re-acution of the lease shall be recovered from the deposits of the defaulting licensee and the balance of dues if any after such adjustment shall be recovered from the properties of the defaulting licensee under the provisions of the Andhra Pradesh Revenue Recovery Act, 1864 (Act No.II of 1864). In case of any gain the defaulting licensee shall have no right to receive it. The cancellation of a licence shall automatically render the lease and all other ancillary permits stand cancelled:

Provided that in case of cancellation of licence for default of payment of any dues the orders of cancellation of licence of the shop (s) may be revoked by the Collector (Excise) after satisfying himself that the defaulter has paid the entire dues together with interest payable thereon as per rules on or before the date of reacution of such shop(s).

Provided further that if the licence of the auctioned toddy shop is cancelled for adulteration, the shop shall not be re-auctioned for the remaining part of the lease year. In the case of Tappers Cooperative Societies and Tree for Tappers Scheme the shop cancelled for adulteration shall be closed for the remaining period of the lease.

# 39. Forfeiture of deposits :-

Where a licence is cancelled, the deposit and earnest money made in respect thereof may be forfeited to Government either in whole or in part.

Provided that in case of cancellation of licence due to adulteration, the deposit and earnest money shall not be forfeited and they shall be refundable only after adjusting all sums due to the Government, if any.

## 40. Recovery of sums due to Government :-

Without prejudice to any other mode of recovery, all moneys due under any or all of the excise contracts from a licensee to the Government may be deducted from the deposit amount or earnest money, if it has not been already forfeited to Government. In the event of deduction from the deposit or earnest money, the licensee shall be bound to replenish the deposit or earnest money to the extent of the deduction within fifteen days of the notice to that effect served on him by the Excise Superintendent.

# 41. Shifting of shops :-

The licensee shall not shift the shop from one place to another during the currency of the licence. In special circumstances, the Commissioner or any officer authorised by him in this behalf may permit such shifting.

# 42. Licensee not entitled to claim compensation :-

Where a licence is withdrawn or a shop is ordered to be closed by or under the provisions of the Act, otherwise than by cancellation or suspension, no demand of rental shall be made for the period during which it was withdrawn or closed, as the case may be made. But the licensee shall have no right to claim any damage or compensation on that account, except to the refund of the proportionate licence fee.

**43.** .:- OMITED[x x x x]

**44.** . :-OMITED [x x x x]