

KARNATAKA EXCISE (MANUFACTURE AND BOTTLING OF TODDY) RULES, 1972

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KARNATAKA EXCISE (MANUFACTURE AND BOTTLING OF TODDY) RULES, 1972

Whereas a draft of the Karnataka Excise (Manufacture and Bottling of Toddy) Rules, 1972 was published as required by sub-section (1) of Section 71 of the Karnataka Excise Act, 1965 (Karnataka Act 21 of 1966) in Notification No. GSR 90 (HD 1 PES72), dated 24th February, 1972 in Part IV, Section 2C(i) of the Karnataka Gazette, Extraordinary, dated 28th February 1972 and the Karnataka Gazette, dated 2nd March, 1972 inviting objections and suggestions from all persons likely to be affected thereby on or before 20th March 1972; And, whereas, the said Gazette was made available to the public on 2nd March, 1972; And, whereas, the objections and suggestions received on the said draft have been considered by the State Government; Now, therefore, in exercise of

the powers conferred by Section 71 of the Karnataka Excise Act, 1965 (Karnataka Act 21 of 1966), the Government of Karnataka hereby makes the following rules, namely:

1. Title, extent and commencement :-

(1) These rules may be called the Karnataka Excise (Manufacture and Bottling of Toddy) Rules, 1972.

(2) They shall extend to such of the areas of the State of Karnataka, where the Karnataka Excise Act, 1965 is in force.

(3) They shall come into force at once.

2. Definitions :-

In these rules, unless the context otherwise requires:

(a) "Act" means the Karnataka Excise Act, 1965;

(b) "Form" means a form appended to these rules;

(c) "Licence" means a licence granted under these rules;

(d) "Section" means a section of the Act;

(e) "Warehouse" means a warehouse established or licensed under Clause (e) of Section 16 of the Act or any premises specially licenced as such for the purpose of these rules;

(f) "Warehouse Officer" means an Excise Officer placed in charge of a warehouse;

(g) "Year" means a period of twelve months commencing on the first day of July.

3. Scope of the rules :-

(1) A licensee under these rules shall be entitled to tap excise trees situated in private lands and Government excise trees left over assigning to licensees under the Karnataka Excise (Lease of the Right of the Retail Vend of Liquors) Rules, 1969, in accordance with the Karnataka Excise (Tapping of Trees) Rules, 1967.

(2) Any objections against the assignment of excise trees to a licence under these rules shall be decided by the Deputy Commissioner after affording reasonable opportunity to all the parties concerned.

4. Manufacture and bottling licences :-

No person shall manufacture and bottle toddy except under and in accordance with the terms and conditions of a licence granted under these rules. Toddy shall not be bottled except at a warehouse.

5. Application for licence :-

A person desirous of obtaining a licence specified in Rule 4 may make an application in Form 1 to the Deputy Commissioner of the district in which he wishes to establish the operation of manufacture and bottling of toddy along with full description of the premises, plan of the building together with the details of machinery, etc.

6. Grant of licence :-

On receipt of an application under Rule 5, if after making such enquiries as he may deem necessary, the Deputy Commissioner is satisfied that the applicant is a fit person to hold a licence and that the premises in which he proposes to carry on the operations is suitable, he may, with the previous approval of the Excise Commissioner, grant a licence in Form 2 on payment of the fee prescribed under Rule 9 subject to the conditions hereinafter provided, the conditions specified in the licence and such other conditions as the Excise Commissioner may impose from time to time.

7. Duration of licence :-

A licence granted or renewed under these Rules shall expire on the last day of June next following.

8. Renewal of licence :-

Application for renewal of licence shall be made not less than one month before it expires. Such application shall be made to the Deputy Commissioner and accompanied by the licence fee prescribed under Rule 9.

9. Licence fee :-

The fee for a licence shall be rupees one thousand: Provided that for licences granted between 1st July and 31st December, full licence fee shall be payable and for licences granted on or after 1st January, half the licence fee shall be payable.

9A. Warehouse Licence :-

¹ [A person desirous of obtaining a licence under Clause (e) of rule (2) shall make an application to the Excise Commissioner containing

the following particulars, namely:

(a) Name and address of the applicant. (if the applicant is a company or firm, the names of all the directors and partners of the company or firm should be given).

(b) The location of the premises where the applicant intends to conduct the business. The Excise Commissioner, if after such enquiry as he deems necessary, is satisfied that the applicant is a fit person to hold a licence and that the premises is suitable for being used as a warehouse, he may, with the previous approval of the State Government grant the licence applied for.]

1. Rule 9-A, inserted by GSR 275, dated 3-8-1972, w.e.f. 4-8-1972.

10. Arrangement of Warehouse :-

(1) Separate rooms or compartments shall be provided for (a) storage of toddy in bulk (b) bottling operation and (c) storage of toddy in sealed bottles.

(2) Every room or compartment in the warehouse shall be well ventilated and all the windows shall be well secured. Each room or compartment shall bear a sign board stating the purpose for which the room or compartment is used. The warehouse and every room shall be locked by the Warehouse Officer and by the licensee, if he so desires.

(3) The licensee shall not make any alterations in the permanent structure without the previous approval of the Deputy Commissioner.

(4) The licensee shall make necessary arrangements and give all facilities to the Warehouse Officer and his staff for the performance of official work.

(5) No smoking or any naked light or fire shall be allowed within the premises of the warehouse.

11. Conditions to be observed by the licensee :-

(1) Licensee shall not manufacture and bottle toddy other than that collected from excise trees situated in private lands and Government excise trees assigned to him and the toddy so collected shall not be adulterated.

(2) The licensee shall give notice to the Warehouse Officer of his

intention to bottle toddy at least six hours before the commencement of the bottling operation.

(3) He shall not carry on the bottling operation except in the presence of the Warehouse Officer.

(4) He shall carry on the bottling operation only during the hours prescribed in the licence.

(5) No liquor other than toddy shall be bottled.

12. Cost of the Supervisory Staff :-

The licensee shall pay in advance to the Government at the beginning of each quarter the cost including the pension contribution, house rent allowance, conveyance allowance and other charges of the supervisory staff as may be fixed by the Excise Commissioner. The licensee shall provide the staff deputed with quarters properly furnished and maintained without interference in their use or enjoyment thereof. If the licensee is unable to provide such quarters, he shall, pay the rent fixed by the Deputy Commissioner.

13. Fee for examination of samples :-

The licensee shall pay such fees, as may be fixed by the Excise Commissioner, for the examination of the sample of toddy sent for Chemical examination.

14. Notice for discontinuing bottling operation :-

The licensee shall not discontinue 'the bottling operation unless he gives ninety days' notice to the Excise Commissioner of his intention to do so.

15. Accounts and storage :-

(1) No toddy shall be bottled unless the quantity and description are taken down by the Warehouse Officer,

(2) The licensee shall maintain true accounts of the quantity of toddy used in bottling operations and the Warehouse Officer shall check the stock at the close of each day's work.

(3) The licensee shall store the toddy in casks or containers serially marked with their capacities.

16. Procedure for starting bottling operation :-

(1) The licensee shall make the application to the Warehouse

Officer of his intention to bottle the toddy giving the quantity and description of the toddy to be bottled.

(2)

(a) The Warehouse Officer shall note down and compare the mark on the cask or containers as stated in the application.

(b) He shall note down the quantity and description of the toddy to be bottled.

(c) He shall make note of the quantity and description on the application.

(3) The entire quantity of toddy in a container shall be removed, at a time, from the store room to the bottling room.

17. Cleaning of bottles and bottling of toddy :-

(1) The bottles shall be cleaned and rinsed by freshly prepared solution of permanganate of potash in the proportion of 0.065 gram to 4.516 litres of water or any other disinfectants of such strength as the Excise Commissioner may prescribe.

(2) Each bottle shall contain either 650 or 325 millilitres of toddy.

(3) After the bottles are filled with toddy they shall immediately be corked and sealed and labelled as approved by the Excise Commissioner in the following manner:

(a) The description of toddy;

(b) Place of manufacture;

(c) Place and date of bottling;

(d) Full name and address of the manufacturer.

(4) The labels or capsules shall bear the words "Bottled in the Excise Bonded Warehouse" with no misdescription of any operation.

(5) The Warehouse Officer shall see that capsuling and labelling of bottles is done according to the provisions of Indian Merchandise Market Act, 1889.

(6) The whole of the contents of cask or a container shall be bottled in one operation, at the end of which, the Warehouse Officer shall note down the quantity and description of the toddy bottled and adjust the accounts by writing off wastage.

(7) The bottles shall be packed immediately after filing. Each package shall contain six or twelve bottles or multiples thereof. This shall be carried on in the presence of the Warehouse Officer and stored in the store-room.

(8) Rebottling shall not be permissible.

(9) The Warehouse Officer shall record all the details in a register.

18. Cleaning of the premises :-

The licensee shall get the entire premises cleaned to the satisfaction of the Warehouse Officer, every day after bottling operation is over.

19. Samples for analysis :-

The licensee shall allow the Warehouse Officer to take the sample of toddy upto one litre from each batch for chemical analysis and the Warehouse Officer shall give a written acknowledgment for the same.

20. Transport and sale of bottled toddy :-

(1) The toddy manufactured and bottled by a licensee under these rules shall not be removed from the warehouse until he pays the excise duty and countervailing duty payable on it.

(2) Bottled toddy manufactured and bottled under these rules may be sold by lessee of the right of retail vend of toddy under Section 17: Provided that any person holding a licence in Form No. C.L. 1; C.L. 2; C.L. 4; C.L. 5; C.L. 6; C.L. 7; C.L. 8; C.L. 9 and C.L. 11 granted under the Kar. Excise (Sale of Indian and Foreign Liquors) rules, 1968 may, subject to the terms and conditions specified in the licence, sell bottled toddy in such districts as may be notified by the Government under Section 17.

(3) The Karnataka Excise (Possession, Transport, Import and Export of Intoxicants) Rules, 1967 shall mutatis mutandis be applicable to bottled toddy manufactured under these rules.

21. Cancellation, suspension and withdrawal of licence :-

(1) The licensing authority may cancel, suspend or withdraw any licence issued under these rules for any breach of conditions of licence or for any other reasons to be recorded in writing.

(2) In the event of such cancellation, suspension or withdrawal, the licensee shall not be entitled to any compensation.

