

Distillery, Bottling and Warehouse Rules Made Under Madhya Pradesh Excise Act, 1915

MADHYA PRADESH

India

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Rule

DISTILLERY-BOTTLING-AND-WAREHOUSE-RULES-MADE-UNDER-MADHYA-PRADESH-EXCISE-ACT-1915

- Published on 26 December 1977
- Commenced on 26 December 1977
- [This is the version of this document from 26 December 1977.]
- [Note: The original publication document is not available and this content could not be verified.]

Distillery, Bottling and Warehouse Rules Made Under Madhya Pradesh Excise Act, 1915[Section 18 (1), Section 62 (2) (e), (g) and (h)]A. Introductory

1.

Save where modified by the terms of any special licence or contract, these rules shall apply to all distilleries and warehouses in Madhya Pradesh.

2. [] [Substituted by Notification No B-1-35-87-CT-V, dated 25-03-1991.]

In these rules, unless the context otherwise requires-(1)"Act" means the Madhya Pradesh Excise Act, 1915 (No. II of 1915);(2)"Blending" means the mixing of spirit of different strength;(3)"Bub" means a composition, itself in a state of fermentation prepared for addition to wash or to promote fermentation;(4)"Compounding" means the artificial preparation of a foreign liquor by the addition, to imported or Indian-Made liquor, of flavouring or colouring matter or both;(5)"Distiller" means any person licensed to distill under these rules;(6)"Distillery" means the manufactory where spirits are distilled, compounded, blended, processed, fortified and/or diluted to produce wines or Indian made foreign liquor, Industrial alcohol, absolute alcohol and country spirit, and includes an operation for bottling of such liquors;(7)"Distillery Contractor" means any person holding a contract for the manufacture and supply of spirit to retail vendors in any area in Madhya Pradesh;(8)"Distillery Officer" in relation to any distillery means the Excise Officer incharge of such distillery not below the rank of an Inspector of Excise;(9)"Feints" means that portion of the distillate

from the low wines which is considered unit by reason of its impurities to be collected in the spirit receiver;(10)"Form" means a Form appended to these rules;(11)"Gauge" means to determine the quantity of liquid that is, or can be, contained in, or taken from any cask or receptacle or to determine the capacity of any cask or receptacle;(12)"Less" means the residue left on straining of wine after completion of the process of fermentation;(13)"Licence" means a licence granted for construction and working a distillery and for supply of liquor under Sections 13, 14, 15, 18 and 28 of the Act;(14)"Licensed premises" means premises approved by the Excise Commissioner, for use of the manufacture, bottling and storage or sale of country spirit, imported foreign liquor or Indian-made foreign liquor;(15)"Licensee" means a person who has been granted a licence under these rules;(16)"Low wine" means impure spirit produced from the first distillation of the wash in pot still;(17)"Malt" means the basic germinated grain used for the brewing obtained as a result of diastatic fermentation or subjecting grain to the process of steeping and couching;(18)"Malt substitute" means sugar or starches mixed in proper proportion for being used as a substitute for malt for brewing purposes;(19)"Obsouratin" means the difference, caused by matter in solution, of spirit between the true strength and the apparent strength as indicated by the Hydrometer;(20)"Officer-incharge" means the Excise Officer not below the rank of Sub-Inspector of Excise, incharge of distillery or bonded ware-house;(21)"Plain Spirit" means spirit to which no flavour has been communicated and to which no flavouring or colouring material or ingredient has been added;(22)"Prove" means to test and to determine the alcoholic strength of spirit by hydrometer or other suitable instruments;(23)"Private individual" means a person or firm not holding any licence under these rules or a person not holding any office which empowers him to enter distillery for inspection etc.;(24)"Proof" means the strength of proof as ascertained by Sikes hydrometer or by any other instrument approved by the Excise Commissioner;(25)"Receiver" means any vessel into which the wort of a still discharges;(26)"Receiver room" means the part of distillery where the receivers are kept;(27)"Rectified Spirit" means plain un-denatured spirit of strength of 66 degree or more over proof and includes "absolute alcohol";(28)"Reducing" means the reducing of spirit from a higher to a lower alcoholic strength by the addition of water;(29)"Spent less" means the residue left after unfinished spirit has been re-distilled;(30)"Spent wash" means the residue left after the wash has exhausted of spirit.(31)"Spiced Spirit" means a spirit re-distilled after the addition of flavours and spices of plain spirit. It includes spiced spirit manufactured as per direction of the Excise Commissioner from time to time regarding essence and colour to be added to plain spirit, and strength;(32)"Tariff rate" means the rate of import duty on plain spirit prescribed under the Tariff Act, 1894 (No. 8 of 1894);(33)"Ware house" means the part of a distillery in which spirit in fit state for consumption is stored or bonded godown where loose and bottled liquor for issue is stored without payment of duty;(34)"Ware-house Officer" means an Excise Officer not below the rank of Sub-Inspector in charge of a warehouse;(35)"Wash" means a saccharine solution from which spirit is obtained by distillation. It also includes fermented wash or wort, and(36)"Wash back" means a vessel in which fermentation is carried on.B. The Grant of Licences

3. [Substituted by Notification No. B-1-35-87-CT-V, dated 25-3-1991.]

(1)(a)The person intending to construct and work a distillery shall submit an application to the State Government through Excise Commissioner notifying his scheme in Form D-A.(b)No application mentioned in clause (a) shall be entertained unless a fee of Rs. 5000/- (Rupees five thousand) is

paid into Government Treasury and the challan in original in support of payment is produced along with the application.(c)When the Government is satisfied of the proposed scheme of the applicant, it may accord the sanction and communicate it in the form of a "Letter of Intent" in Form D-B. The letter shall be valid for one year from the date of communication, unless especially extended, within which period the holder thereof shall arrange to secure the land, building, plant and machinery and other equipment required for the construction and working of the distillery as notified in the scheme submitted under clause (a).(d)The Letter of Intent communicated under clause (c) shall not confer any right or privilege for grant of a licence and is liable to be revoked and withdraw, at any time, in the public interest, after giving its holder a notice to show cause against such action and after hearing him, if he so desires.(e)No compensation for damage or loss shall be payable, when a letter of intent is revoked or withdraw under clause (d).(2)(a)An application for approval of the plant and map of the building shall be submitted to the Excise Commissioner within three months from the date of the communication of the sanction of the Government referred to in sub-rule (1);(b)Every such application shall be accompanied by-(i)Copy of the letter of intent issued by the Government;(ii)Project report of the proposed distillery with the plan and map of the distillery building;(iii)No objection certificate from the Department of Environment and Pollution Control Board of the Government of Madhya Pradesh;(iv)No objection certificate from the Chief Inspector of Factories under the Factories Act, 1948 (No. 63 of 1948);(v)Any other certificate or authorisation required from Central Government, the local body Town and Country Planning Department and other Departments of the State Government.(3)(a)Where the Excise Commissioner is satisfied that the applicant has fulfilled the conditions specified in sub-rule (2), he may approve the plan and map of the project for the construction and working of the distillery.(b)The applicant shall, within a year from the date of the grant of the permission referred to in clause (a) above, report to the Excise Commissioner, the date on which the construction of the buildings and erection of the plant and machinery of the distillery is completed.(c)In case the applicant fails to construct the buildings and submit his completion report as contemplated in clause (b) above, within a period of one year from the date of the grant of the permission, the letter of intent so granted shall be liable to cancellation without compensation for any damage and loss:Provided that, where the Excise Commissioner is satisfied that there is sufficient cause for the applicant for not constructing and completing the works as per approved plan within the period of one year, he may for reason to be recorded in writing recommend to the Government for the extension of the said period of one year for such further period or periods, not exceeding one year in the aggregate, as he may deem fit.(4)When the Excise Commissioner is satisfied that the construction of the buildings and erection of the plant and machinery is completed in all respect, he may, subject to the prior approval of the State Government, grant a licence for the manufacture of country spirit in Form D-1 for a period of five years on a payment of Licence fee of rupees twenty five thousand, which shall be renewed every year on payment of rupees five thousand in advance subject to the due observance of the provisions of the Act, rules made thereunder and conditions of the licence.(5)No alteration or addition shall be made without the prior permission of the Excise Commissioner, in or to the buildings of the distillery or to the plant, stills or the permanent apparatus, for working therein. But the Deputy Commissioner of Excise of the concerned division may authorise the officer incharge of the distillery to allow minor alterations to be made in or to such buildings, or apparatus subject to the final approval of the Excise Commissioner.(6)[(a) A licence in Form D-2 for manufacture, Bottling and wholesale supply to country spirit may be granted by the Excise Commissioner to a holder of D-1

licence or a licensed manufacturer of spirit of any other state, after approval of the State Government. It shall commence on such date as may be specified and shall remain in force for such period as the State Government may decide. It shall be for such area or areas as may be specified in the schedule appended with the licence by the Excise Commissioner, from time to time.(b)Licence in Form D-2 will be granted by the Excise Commissioner as aforesaid on payment of annual licence fee of Rupees One Lac in advance. The licensee shall be required to deposit an additional amount of Rupees Five Lacs as security in cash or in any other form as may be directed by the Excise Commissioner for the due observance of conditions of licence, provision of the Act and the rules made thereunder and orders issued by the State Government or Excise Commissioner from time to time.](7)No licence be granted unless the applicant-(a)furnishes required security as specified in sub-rule 6 (b) for the fulfilment of all the conditions of licence;(b)has satisfied the Excise Commissioner that the proposed buildings, plant and apparatus to be used in connection with the distillation, storage and issue of spirit are built in accordance with the direction issued by the Excise Commissioner and that due precaution has been taken and adequate arrangement regarding fire fighting apparatus has been made against fire.(8)(a)The licensee shall not hypothecate, sell, mortgage, transfer or sublease this licence in Form D-1 or D-2 or enter into any partnership for the working of the said licence without the previous permission in writing of the Excise Commissioner such permission if granted shall be endorsed on the licence.(b)No agent shall be appointed for the management of the licensee's business under these licences, without Excise Commissioner's previous approval in writing.(9)The licensee shall not acquire or hold any interest in the retail sale of spirit or in the sale of any other intoxicant in any part of the area to which this licence relates or employ any person having any such interest :Provided that nothing herein contained shall apply to the wholesale supply under a licence of foreign liquor or of rectified or Denatured spirit to any person licensed to possess the same.(10)(a)The licence confers the exclusive right to manufacture country spirit in the licensed distillery and to supply in wholesale at the warehouse mentioned in the schedule appended with the licence in Form D-2. The base of country spirit shall be Mahua, Khandsari Molasses or Mill Molasses or any other base approved by Excise Commissioner. The Country spirit made from Mahua shall be not less than 7 1/2% of the total production of country spirit in each quarter in the distillery.(b)The licensee shall be bound by the Madhya Pradesh Yield Rules for recovery of Alcohol from Molasses and Mahua as and when they come into force.(11)[The cost price of country liquor to be paid to the D-2 licensee will be decided through the tender procedure or in any other manner as determined by the State Government. Spiced (Masala) liquor shall be manufactured in the manner provided in the Schedule appended with the licence as approved by the Excise Commissioner from time to time and the licenser shall be paid according to the rate determined by the State Government.] [Substituted by Notification No. B-1-27-92-CT-V, dated 29-1-1993.](12)(a)The country spirit supplied shall be of good quality and of such specification as may be determined by Excise Commissioner and shall be manufactured from Mahua, Khandsari, Molasses, Mills Molasses or any other base approved by Excise Commissioner for the purpose. It shall be subject to chemical analysis is found sub-standard or unfit for human consumption, it will be redistilled or rejected and destroyed as the case may be, under the orders of the Excise Commissioner or an officer authorised by him in this behalf. Officer-in-charge of the distillery and the warehouses may stop, pending the orders of the Excise Commissioner, issue of country spirit which they consider defective and may on every such occasion take samples of such country spirit at the cost of the licensee for sending them for purposes of chemical analysis without delay.(b)The

licensee shall have to establish his own laboratory within the distillery premises with full equipment and a qualified chemist and other technical persons, as approved by the Excise Commissioner for the chemical analysis of Molasses and country spirit. He shall have to get the samples of every consignment of Molasses received in the distillery premises and every batch of country spirit manufactured in his distillery analysed in this laboratory before it is issued to warehouses. The samples shall be drawn under the supervision of the Officer in-charge of the distillery. The expenses of the laboratory shall be borne by the licensee.(c)The licensee shall also have to get the samples of Molasses and the country spirit distilled at his distillery or obtained from any other distillery chemically analysed once in a quarter in a Government laboratory or any other laboratory approved by the Excise Commissioner. The sample for analysis shall be drawn by the Officer-in-charge of the distillery. The expenses for the analysis shall be borne by the licensee.(13)(a)The warehouse building which can accommodate at least one month's requirements of liquor shops attached to each warehouse shall be arranged by the licensee himself under the directions from the Excise Commissioner. If warehouse building is supplied by the State Government the licensee shall be bound to pay necessary rent of the building of buildings brought occupied by him on the appropriate terms and conditions determined by the Public Works Department of the State and shall also, execute a Lease Deed in the form prescribed in Appendix 54 of the Public Works Department Manual, Volume II within a period of one month of intimation of the grant of this licence. It shall be condition of the lease that it shall be terminated on the expiry of the period of his licences. The licensee shall not be entitled to get any rent from the Government for opium and Hemp Drugs stored in any warehouse by the Government. The fitting of articles connected with the supply, storage gauging, handling and issue of country spirit, including vats casks, tanks, pumps, pipes, locks, corks, gauging, rods, measures, vessels, etc., shall be supplied by the licensee and shall be of the patterns and designs approved by the Excise Commissioner.(b)The licensee shall have to pay rent of the warehouse buildings at such rates as may be fixed by the public works department and it shall be recoverable from the cost price bills of liquors payable to the licensee every month.(14)The Excise Commissioner may close any warehouse or require the licensee to open and start any other warehouse or warehouses. The Excise Commissioner may also transfer any warehouse mentioned in the schedule or added thereto hereafter, to the supply area of any other licensee. Similarly, other warehouse in the State may be added in the Schedule and the licensee shall have to supply country spirit to the additional warehouse at the rates mentioned in the Schedule The licensee shall not be entitled to claim any increase in the cost of spirit on account of the above changes, nor shall the licensee be entitled to any relaxation in any of the conditions of any licence granted to him.(15)The licensee shall maintain at the distillery at least the minimum stock of country spirit equivalent to supply of one month in the area of his licence in addition, he shall maintain at each of the warehouses mentioned in the Schedule of thereafter added thereto, a stock of country spirit equivalent to consumption of ten days. In the event of failure to maintain the minimum stock of country spirit the distillery shall be liable to pay a penalty to be imposed by the Excise Commissioner in case of Distillery and Deputy Commissioner of Excise of the Division in case of warehouses not exceeding Rs 5/- per proof litre on the quantity found short of the minimum prescribed stock. This penalty shall be payable by the licensee irrespective of the fact whether any loss has actually been caused to the Government or not :Provided that in the event of the failure of supply of country spirit by the licensee to the retail vendors in accordance with their demands the licensee shall be required to pay such losses and damages to the retail vendors and Government as

may be determined by the State Government. The decision of the State Government in the matter shall be final and binding on the licensee. Note. - For the purpose of this condition the quantity of minimum stock to be maintained at all times in warehouses shall be determined by the Deputy Commissioner of Excise of the Division where the warehouse is situated at the beginning of each financial year as per the guidelines laid down by the Excise Commissioner. The quantity of minimum stock to be maintained at the distillery shall be determined by the Excise Commissioner and communicated to the licensee soon after the grant of the licence and it shall be open to the Excise Commissioner to reduce or increase the quantity so fixed. (16) The licensee shall maintain at the distillery a minimum stock of Molasses, Mahua flowers/other approved base equivalent to requirements for two months. In the event of licensee failing to maintain the minimum stock of Molasses, Mahua flowers/other approved base, the Excise Commissioner or any officer authorised by him in that behalf may purchase molasses, mahua flowers/other approved base at the risk of the licensee. The cost of the molasses, mahua flowers/other approved base so purchased including all incidental expenses shall be payable by the licensee. Failure to maintain the minimum stock of molasses, mahua flowers/other approved base shall also entail a penalty at the discretion of the Excise Commissioner not exceeding Rs. 5 per quintal of molasses, mahua flowers/other approved base found short of the minimum stock. This penalty shall be payable by the licensee irrespective of the fact whether any loss has actually been caused to the Government or not. (17) The licensee shall maintain at the distillery the minimum stock of coal or wood fuel or both equivalent to the requirement of two months. In the event of the licensee failing to maintain the minimum stock of coal or wood fuel or both, the Excise Commissioner or any officer authorised by him in that behalf may purchase coal or wood fuel or both to the extent necessary to maintain the minimum stock at the cost and risk of the licensee. The cost of coal or wood fuel so purchased including all incidental expenses shall be payable by the licensee. Failure to maintain the stock of coal or wood fuel or both shall also entail penalty at the discretion of the Excise Commissioner, not exceeding Rs. 10 per metric ton of coal or wood fuel found short of the requisite minimum stock. It will be open to the Excise Commissioner to purchase on behalf of the licensee such quantities of coal or wood or both, as he considers necessary, to ensure the continued supply of spirit at the distillery and the warehouses and to recover the cost and all incidental expenses from the cost price bill of the licensee. This penalty shall be payable by the licensee irrespective of the fact whether any loss has actually been caused to the Government or not. (18) (1) On demand by the licensed vendors and upon proof of payment into treasury of the issue price recoverable for it, the licensee shall with all reasonable expenditure supply to the licensed vendors potable spirit of good quality in such quantity and at such of the prescribed strength as may be required. (2) Any licensed vendor may raise an objection respecting the quality of spirit before taking delivery all such objections shall be submitted to the Deputy Commissioner of Excise whose decision thereon shall be final and binding on the parties. (3) The spirit supplied by the licensee shall be subject to analysis and any officer in charge of the warehouses may if he has reason to believe that the spirit issued is not of good quality, suspend the supply, take samples and if upon analysis the spirit is found to be unfit for human consumption, report the case to the Excise Commissioner through the District Excise Officer the Excise Commissioner may order the spirit order found to be unfit for human consumption to be rejected and destroyed without any compensation being allowed to the licensee therefor. The fee for chemical analysis shall be borne by the licensee. (19) In the event of the licensee's failure to supply the spirit as required under constitution or to maintain the minimum stock of spirit as prescribed

under condition 15 or when the stock of spirit at any warehouse in the area falls so low that in the opinion of the District Excise Officer the genuine demand of the retail vendors can not be fully met, the District Excise Officer authorised by the Excise Commissioner may purchase spirit sufficient to meet one month's demand of the area from any other distillery at the risk and cost of the licensee. In addition for every such failure or threat on failure or whenever a situation as envisaged above arises, the Distiller shall also be liable to pay a penalty to be imposed by the Excise Commissioner at a rate not exceeding Rupees 3/- per proof litre on the quantity so brought from any other distillery. The quantity sufficient to meet one month's demand of the area will be calculated on the basis of average monthly consumption of the preceding year. Before imposing such penalty the Excise Commissioner, shall take into consideration the circumstances of the case and also give the licensee a reasonable opportunity to state cause against imposition of penalty.(20)(1) On demand by the Excise Commissioner or any District Excise Officer authorised in that behalf by the Excise Commissioner, the licensee shall forthwith dispatch such quantity of spirit as may be required from the distillery or the warehouses in its supply area to any other warehouses in the State.(2)In the event of a failure to despatch the spirit as required, the licensee shall be liable to such penalty not exceeding Rs. 2 per proof litre on the quantity of spirit demanded as the Excise Commissioner may determine.(3)The licensee shall be entitled to recover from any other licensee to whom any supply is made in pursuance of sub-clause (1) the cost of spirit supplied at the rate specified in the schedule and 10 per cent more, together with transport charges and rent of drums at ordinary prevalent rates and in the event of dispute decision of Excise Commissioner will be final. But the licensee to whom such supply is made shall be paid only the cost price of the spirit at the rate sanctioned in the schedule for him or for the licensee supplying it, whichever is less.(4)In the event of any shortfall in the minimum stock of the licensee as a result of any supply made in pursuance of sub-clause (1) the licensee shall not be liable to any penalty if he satisfies the Excise Commissioner that he had maintained distillation up to the average of daily production during the preceding three months.(21)(1) The issue price to be recovered from the licensed vendors for the spirit supplied to them from any of the warehouses of the licensee shall be such as the State Government may from time to time determine and it shall be lawful for the State Government to alter the rates so determined at any time and from time to time during the currency of this licence.(2)No spirit shall be issued to any licensed vendors from any of the warehouses of the licensee except upon proof of payment into treasury of the issue price recoverable for it.(22)The bottles to be brought in use for supply of country spirit shall be of standard pattern as prescribed below- $\frac{3}{4}$ litre bottle shall have such capacity as to contain 750 millilitres of liquor when filled to a point about 52 m.m. below the bottom of the cork or pilfer proof cap $\frac{1}{2}$ litre bottle shall have such capacity as to contain 500 millilitres of liquor when filled to a point about 43 m.m. below the bottom of the cork. $\frac{1}{4}$ litre bottles shall have such capacity as to contain 250 millilitres of liquor when filled to a point about 39 m.m. below the bottom of the cork:Provided that unavoidable verifications occurring in manufacture may be condoned by the Excise Commissioner within the following limits namely-

750. Millilitres-7 m.m.

500. Millilitres-5 m.m.

250. Millilitres-3 m.m.

The mouths, neck, shoulders, sides, bottom sizes, shapes, thickness, weight and clearness of glass of these bottles shall exactly correspond to the pattern of the 750 Millilitres, 500 Millilitres, and 250 Millilitres bottles agreed to be kept as an approved specimen in the office of the Excise Commissioner, Madhya Pradesh. Each bottle shall have distinctly and prominently moulded on it the following lines, marks, letters and figures-Madhya Pradesh Excise

500. Millilitres*

750. Millilitres*

250. Millilitres*

(Indicating year of manufacture in figures)*As the case may be. There shall be a ring moulded on the neck of the bottle indicating the contents of the 750 millilitres, 500 millilitres, 250 millilitres. (23) On receipt of the consignment of empty bottles at the warehouse they shall be opened in the presence of the warehouse officer, who shall examine the bottles. At the time of examination of the bottles, the warehouse office may reject any bottle which is not new or in sound condition or of the description given in rule (22). (24) The bottles which are so rejected shall be removed from the warehouse immediately by the licensee. The licensee shall not sell these rejected bottles to any person. (25) Cleaning, filling, corking, sealing, labelling, stocking and issuing of bottles shall be done to the satisfaction of the Excise Commissioner by the licensee under the supervision and direction of the Officer-in-Charge of the warehouse in the following manner and in such other manner as the Excise Commissioner may direct from time to time-(a) Each bottle shall be thoroughly cleaned and effectively capped or corked. The licensee shall make his own arrangements for water required for washing and cleaning purposes. (b) Labels of good quality paper approved by the Excise Commissioner of the following sizes and bearing the following designs in natural colours shall be pasted on each bottle as directed-(i) The size of labels for $\frac{3}{4}$ litre bottles shall be 11.4 cm x 8.9 cm., that of labels for $\frac{1}{2}$ litre bottles shall be 10.2 x 7.6 cm. and that of labels for $\frac{1}{4}$ litre bottle shall be 8.9 x 5.1 cm. Each label shall indicate the quantity of liquor contained in the bottle. (ii) On each label of spiced liquor (24 up) bottle the following will be printed in black-ns'kh efnjk elkyk & 25 ;wo iho xqyk ;k ukjaxh The label shall also include the following sentence in bold letters in red ink-'kjkc LokLF; ds fy, gkfudkj d gSA (iii) On each label for 50 up liquor or bottle, there shall be a tiger's head in centre with branches and flowers of mahua tree on either side. The words and figures-ns'kh efnjk nqckjk 50 ;wo ih shall be printed thereon in red ink. The labels shall also include the following sentence in bold letters in red ink. 'kjkc LokLF; ds fy, gkfudkj d gSA (iv) Before the label is pasted on the bottle, the licensee shall get affixed on it the prescribed rubber seal indicating the name of the warehouse and the date of bottling. (c) In addition to the above labels, a white label shall be pasted on each bottle showing in bold print in Hindi the price of the empty bottle that shall be refunded to the purchaser on the return of the bottle to the retail vendor. (d) The licensee may be required by the

Excise Commissioner to seal the bottle with read sealing wax and coaltar or pilfer proof caps or with new and unused crown corks and alu capsules or capsules of a similar type and quality for issue at specified warehouse. The colour of the capsules for each variety of country spirit will be as determined by the Excise Commissioner from time to time.(i)Sealing, labelling, and type of Glass. - If the sealing, labelling, etc. are not of the detailed specification as mentioned above or as directed, the Excise Commissioner may direct that sealing charges at such reduced rates may be paid as may be prescribed by the Excise Commissioner and his decision thereon shall be final. In addition, the Excise Commissioner may impose a penalty at the rate of Rs. 5000 for each day of such sealing or labelling as is not in the prescribed manner.(ii)Government reserve the right to introduce new system of sealing on the bottle in the distillery premises itself and also at the warehouses and the Excise Commissioner may issue such directions to enforce this provision provided that a notice of not less than 3 months will be given for the change over and such sealing and bottling will be done by automatic or semi-automatic machine as may be directed by the Excise Commissioner.(iii)[In addition to sealing in glass bottles, the Excise Commissioner shall have the right to introduce the system of packing of country liquor in poly pouch in such quantity, quality and specifications as may be directed by the Excise Commissioner from time to time.] [Inserted by Notification No. B-1-35-8-CT-V, dated 8-8-1991.](26)(a)Subject to the sanction of the Excise Commissioner the licensee shall be entitled to recover from the retail vendors bottling charges for bottle cleaning, filling, labelling, stocking issuing and sealing with pilfer proof caps, or with new unused crown corks and alu capsules or capsules of a similar type and quality or with red sealing wax and coaltar or any other method of sealing as may be ordered by the Excise Commissioner.(b)The licensee shall be entitled to recover from the retail vendors on amount per bottle on accounts of its deposit as may be determined by the Excise Commissioner from time to time.(c)The licensee shall take back empty bottles in sound condition returned by the retail vendors and return the deposit amount in full mentioned in clause (b) above.(d)In the event of there being any dispute between the licensee and the retail vendors of sealed bottles regarding to the condition of the empty bottles the same shall be referred to the warehouse officer and his decision thereon shall be final and binding on the licensee.(27)The licensee shall maintain at each warehouse such minimum stock of corks, red sealing wax and coaltar or pilfer proof caps or crown corks and alu capsules or capsules of a similar type and quality, labels, seals and empty bottles as may be fixed by the Deputy Commissioner of Excise of the division. In the event of failure to maintain the minimum prescribed stock, the licensee shall be liable to penalty under sub-rule (26).(28)Corking machines, racks, wooden or metallic receptacle required for bottling liquor and other articles approved by the Excise Commissioner shall be maintained by the licensee in good working order at his expense.(29)The licensee shall maintain pucca covered pits or steel tanks for the storage of Molasses to the extent of 40% of annual requirement of the distillery. Pits or tanks shall be properly covered and secured by boundary walls as per specifications laid down by Central Molasses Control Board, Government of India.(30)The licensee shall be bound to make such arrangement as may be prescribed by the Excise Commissioner for the removal of the waste water and refuse. He shall be bound to make proper arrangements for treatment of effluent as approved by the Madhya Pradesh Pradushan Niwaran Mandal and any direction issued by the Excise Commissioner in this regard shall be binding on the licensee.(31)The licensee shall be bound to make such arrangements as may be prescribed by the Excise Commissioner to remove any nuisance arising from the working of the distillery and the direction given by the Excise Commissioner shall be binding on the licensee.(32)Suitable residential

accommodation for the Excise staff consisting of one District Excise Officer, One Inspector, One Sub-Inspector, one Head Constable and four Constables, two clerks and two peons within the premises of the distillery or on its vicinity shall be provided free of rent by the licensee.(33)The licensee shall from time to time duly and efficiently repair, maintain and keep in good working order and condition, the Distillery and all buildings at which the manufacture and supply of spirit under the licences granted under these rules is being done and shall provide only such stills, apparatus, vats, tanks, pumps, gauging rods, vehicle, plants and utensils of such number capacity and design as the Excise Commissioner, may from time to time approve.(34)On receipt of an order in writing from the Excise Commissioner or an officer authorised by him requiring to remove any defect in the Distillery building or in the arrangements for storages, reduction, blending, of spirit, water supply etc. the licensee shall attend to it at once and shall remove the defect within the date specified in the order and on his failure to do so, he shall be liable to pay such penalty, as the Excise Commissioner may order and also to pay such cost as may be incurred by the Government for the removal of such defects.(35)The Distillery Inspector or Sub-Inspector or any excise staff working in public holidays shall be entitled to an overtime allowance to be paid by the licensee on the following scales-

From 6 A.M. to 6 P.M. Rs. 10.00 per hour

From 6 P.M. to 12 night Rs. 12.00 per hour

From 12 night to 6 A.M. Rs. 20.00 per hour

(36)The licensee holding licence in Form D-1 shall not except with the written permission of the State Government and such conditions as it may impose, manufacture, rectified spirit, denatured spirit or Indian made foreign liquor.(37)The licensee shall always keep the distillery building, plant machinery, warehouse equipment, transport vehicles and other equipments, accessories in working order and in good condition at Iris expense. In case his licence is cancelled or terminated or not renewed or some warehouse or warehouses are detached by the Excise Commissioner from the supply area of his distillery to some other distillery, he shall have to transfer all the aforesaid building, machinery, equipment etc. either to the Government or to the person in whose favour the licence is granted or area is added by the Excise Commissioner, in good working order. The price to be paid for these items will be determined by the Excise Commissioner on the basis of the recommendation of the committee constituted by the Excise Commissioner under sub-rule. The price so determined by the Excise Commissioner shall be acceptable to the outgoing and the incoming licensee.The determination of the price through approved Committee constituted under sub-rule 47 and the payment thereof shall be made within a period of three months from the date of change of or any change in the nature of conditions of contract. This period may however be extended by the State Government or the Excise Commissioner to one year in special circumstances.(38)The payment regarding the stock of liquor, bottles, capsules, corks, labels, raw material, coal, fuel, wood, etc. left in the distillery and warehouses to be made to the outgoing licensee shall ordinarily be as incurred thereon including the incidental expenses, in the case of dispute Excise Commissioner's order shall be final and binding on the licensee.(39)The licensee shall not be entitled to recover from the retail vendors or succeeding licensee any tax, fee or rent payable by him to Government or to any local body.(40)Notwithstanding anything contained in the licence, the Excise Commissioner may recover any amount payable by the outgoing licensee to the State Government from any deposit made by the licensee towards the price of the country spirit, mahua flowers, coal and wood fuel, distillery and warehouses, plant etc. payable to the outgoing

licensee or require the incoming licensee to make such deduction from the price so payable to the outgoing licensee and order him to pay the amount to the State Government.(41)(a)On the termination of the licence, the licence shall and the Governor shall buy or cause to be brought by the person to whom he may grant the licence next, the buildings and sanctioned plant at the distillery for the manufacture of country spirit including the still, boilers, condensor storage vats, drums and all equipment, machinery and apparatus necessary for the manufacture of country spirit for supply under the licence at the cost price paid by the licensee less depreciation based on wear and tear The percentage of depreciation for the plant as a whole or for separate sections e.g. still, boiler, spirit room storage vats, pump, pipe fittings etc. to be allowed will be determined by the Excise Commissioner after hearing the licensee whose decision in the matter shall be final and binding on the licensee. If at the time of the valuation it is found that nay machinery or any part of the plant requires adjustments, repairs or overhauling, a deduction on an amount equal to the probable cost of the adjustments repairs or overhauling shall be made from the depreciated value as the Excise Commissioner may, determine whose decision shall be final and binding on the licensee. The expression 'cost price' shall be construed to mean the price actually paid by the licensee as determined by the Excise Commissioner.(b)In the case of sale of the sanctioned plant and other articles under sub-clause (a) to incoming licensee, the licensee shall be entitled to receive payment of the price of the plant etc. sold by him directly from the said incoming licensee within thirty days of the communication to him of the price determined therefor. The State Government shall not be liable to the licensee for the payment of the price thereof on any account.(42)The licensee shall not enter into contract for the supply of spirit to other areas from his distillery except with the previous sanction of the Excise Commissioner. The rate per proof litre fixed as the price for country spirit so supplied may be modified under the orders of the Excise Commissioner before such sanction is given.(43)(a)It shall be incumbent upon the licensee to get the distillery building and all other buildings and structures attached thereto insured against fire and accident during the term of the licence. The insurance policy or policies shall be taken in the name of the Excise Commissioner where the building is owned or acquired by the State Government. The licensee shall pay the annual premiums regularly and shall produce the receipts thereof to the Deputy Commissioner Excise of the division. If the licensee fails to pay the premium at the appointed time, the Excise Commissioner cause the payment to be made from the security deposit with him and serve a notice on the licensee to deposit the amount so paid within fifteen days from the date of receipt of notice by him which amount shall be adjusted towards the deposits.(b)The licensee shall also arrange for fire fighting apparatus at the distillery. The number and mode of such apparatus shall be approved by the Excise Commissioner. The expenses of an apparatus shall be borne by the licensee and shall be taken on the plant list.(44)The Excise Commissioner may suspend or cancel the licence under Section 31 of the Act and may also black list the licensee upon a breach or contravention of any of these rules or of the provisions of the Act or of the rules made thereunder. The licensee shall be liable for any loss caused to Government as a result of such suspension or termination of the licence.(45)The licensee shall be bound by all general or special orders which may be issued by the Excise Commissioner from time to time.(46)All the materials, buildings, still, machinery, vats, drums, wood fuel, coal, mahua, Molasses bottling machinery, bottles, spices, red sealing vax, coaltar, pilfer proof seals, crown corks, alongwith alu capsules etc. belonging to the outgoing licensee purchased for the use of distillery and warehouses attached thereto, shall be valued before the expiry of the old contract and the commencement of the new one by a committee appointed by the Excise Commissioner. The

Committee shall consist of-

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|-----|---|------------------|
| (1) | Deputy Commissioner of Excise of the division concerned | Member |
| (2) | Executive Engineer, P.W.D. (E & M) | Technical Member |
| (3) | Accounts Officer/Audit Officer of the Excise Department | Member |
| (4) | Representative of the licensee | Member |
| (5) | The District Excise Officer Incharge of the distillery | Member Secretary |

If the representative of the licensee remains absent in the committee at the appointed time, the remaining four members shall begin their work in his absence and no objection of the licensee in this respect shall be heard. The valuation made and agreed upon by the committee shall be sanctioned by the Excise Commissioner with such necessary changes as he deems fit and in case of difference of opinion amongst the members, the Excise Commissioner shall pass orders relating to dispute in valuation. The orders of the Excise Commissioner shall be final and binding upon the licensee.(47)(a)The licences granted under these rules shall be subject to the further condition that if during the currency of the licence the policy of total or partial prohibition be introduced in the whole or part of the distillery area, or any other steps are taken towards prohibition, such an increase in the number of 'dry days' or closure of some shops or any other measures are adopted to that end as a consequence of which the total quantity of liquor expected to be supplied is reduced, the licence shall terminate or get automatically modified to that extent from the date on which the said policy is introduced or steps taken or measures adopted in that area. The licensee shall not be entitled to any compensation whatsoever for any loss sustained by him on that account.(b)(i)If during the currency of the licence or at its expiry the policy of total or partial prohibition is introduced in the whole or part of the area covered by this licence or any other steps are taken towards prohibitions such as increase in the number of 'dry days' or closure of some shops or any other measures are adopted to that end as a consequence of which the distillery or any or all of the warehouses attached thereto are to be closed, the Government shall not be bound to purchase the distillery and warehouse plants and ancillaries thereto or the stock of country spirit, mahua flowers, khandsari molasses, mill molasses, coal, wood, fuel, corks, labels, pilfer proof caps, crown corks, alu capsules or other capsules, sealing wax, coaltar, bottles, bottling plant or bottle cleaning plant or any other material whatsoever and the licensee shall not be entitled to claim any compensation at all.(ii)Should the policy of total prohibition be introduced in the whole of the area covered by any licence granted under these rules, the licensee shall be given an advance notice of atleast one month. On receipt of such notice, the licensee may, notwithstanding anything contained in sub-rule 26-C stop taking he empty bottles returned by the retail vendors after giving them three days notice.

4. [Transit Wastage. [Substituted by Notification No. B-1-35-87-CT-V, dated 25-3-1991.]

(1)An allowance shall be made for the actual loss in transit by leakage or evaporation of spirit transported or exported to warehouse or the other distilleries from distilleries or other warehouses in this State in drums/tankers at rate not exceeding the maximum quantities specified below-

Distance from distilleries to warehouse or distilleries and from the warehouse to another warehouse	Maximum rate of wastage allowance
(1)	(2)
(i) Upto 250 Kilometers	0.3 per cent.
(ii) Above 250 Kilometers but not exceeding 500 Kilometers	0.5 per cent.
In Tankers	
(iv) Upto 250 Kilometers	0.1 per cent.
(v) Above 250 Kilometers	1.2 per cent.

I. Provided that there shall be no allowance of transit wastage on spirit received from a distillery to a warehouse situated within the premises of the same distillery or warehouses receiving liquor within warehouse premises by actual measurement. But where a tanker transports spirit from Distilleries for two or more warehouses, the transit loss shall be accounted for at the last warehouse on the total quantity which was taken and transported from the distillery at a time in a single consignment. II. (i) Provided further that the Excise Commissioner may reduce the above scale for any warehouse. (ii) If the report of the officer by whom such consignment of spirit has been gauged and proved on arrival at its destination, shown that wastage exceeding the limits specified above has occurred, the Excise Commissioner or an officer authorised by him may impose a penalty at the rate not exceeding Rupees Twenty five per proof litre for the quantity of excess wastage. III. Provided also that, if it be proved to the satisfaction of the Excise Commissioner or such other officer authorised by him in this behalf, that such deficiency has been caused by some unavoidable accident or other reasonable cause, the amount levied or leviable on such deficiency shall be refunded or written off by the Excise Commissioner himself or an officer authorised by him.]

5.

[* * *] [Omitted by Notification No. B-1-35-87-CT-V, dated 25-3-1991.]

6.

[* * *] [Omitted by Notification No. B-1-35-87-CT-V, dated 25-3-1991.]

7.

[* * *] [Omitted by Notification No. B-1-35-87-CT-V, dated 25-3-1991.]

8.

[* * *] [Omitted by Notification No. B-1-35-87-CT-V, dated 25-3-1991.]

9. The receipts of spirit into warehouses.

- No spirits shall be received into any warehouse unless accompanied by a pass from the officer in charge of the distillery of the warehouse whence they have been transferred or by a special pass authorizing their receipt into the warehouse, or, if the spirit be imported by a pass from such officer or person as the Excise Commissioner may from time to time prescribe.

10. Contractor's responsibility for spirit in warehouses.

- All spirit received into warehouse shall be gauged and proved as soon as possible after arrival, and the contractor shall thereupon become responsible for them under Rule XI.D. Storage and issue of spirit

11. Stock-taking and wastage.

(1)An account will be taken of the stocks at distilleries and warehouses at such intervals and in such manner as the Excise Commissioner may direct.(2)Subject of the following proviso the distiller or contractor shall account to the Excise Commissioner for all spirit not forthcoming at such stock-taking :Provided that an allowance of 1 ½ per cent quarter will be made for storage or evaporation wastage calculated on the actual balance in hand at the date of last stock-taking plus the quantity since manufactured and received, and deducting that issued for re-distillation :[Provided further that in redistillation of operations, an allowance of 2 per cent, will be made for loss in each operation:] [Inserted by Notification No. 4587-3771-V-SR, dated 26-12-1977.]Provided also that in blending and reducing operations, an allowance of one per cent will be made for wastage in each operation. The allowance of one per cent in blending will be calculated on the quality which is added to the vat.Note. - When spirits are reduced to 60 under proof or to a weaker strength allowance of 2 per cent will be made for wastage in each operations.(3)[At the end of the financial year, the quarterly figures of such wastages shall be totalled. If the wastages exceed the quantities allowed under the above provisions as worked out for year, the distillery or contractor, shall pay duty levied by the State Government, at the tariff rate for plain spirit, the duty being levied at the end of financial year on the total wastages (both storage and blending) that have occurred in excess of the quantities permitted under the above provisos :Provided that, if it be proved to the satisfaction of the Excise Commissioner or of such officer as he may authorise that such wastage was due to some unavoidable cause, the Excise Commissioner may remit the payment of duty thereon.] [Substituted by Notification No. 1067-3416-V-SR, dated 14-3-1978.](4)Notwithstanding the foregoing proviso, if the loss was avoidable then, whatever the circumstances or the quantity of spirit involved, the distiller or contractor may be required by the Excise Commissioner to pay duty on the deficiency at the tariff rate for plain spirit.

12. The State Government not liable for loss, etc., of spirit stored in distilleries and warehouses.

- The State Government shall not be held responsible for the destruction, loss, or damage of any spirits stored in distilleries or deposited in warehouses, whether it occurs on account of fire, theft, gauging proving or any other cause whatever.

13. Strength at which spirit may be issued.

- Issue of spirit from warehouses shall be made only to duly authorised persons or to licensed shops and shall be at such strengths as may be prescribed by the Excise Commissioner.

14. Receptacles.

- Spirits shall be issued from distilleries or warehouses in such receptacles as may be prescribed by the Excise Commissioner. The receptacles shall be marked and secured in such manner as that officer may direct.

15. Minimum quantity to be issued.

- No issue of country spirits shall be made in fraction of a gallon at a time.

16. Payment of duty.

- The removal of country spirits from distilleries to warehouses or from one warehouse to another warehouse within Madhya Pradesh shall be without payment of duty or execution of a bond.E. Compound, denatured and rectified spirits

17. Storage of compounded spirits.

- Compounded and denatured spirits shall be kept in locked rooms separate from one another and in rooms other than those in which plain is stored.

18. All processes to be under control.

- All process of compounding and denaturing shall be conducted in the presence of the officer in charge of the distillery or warehouse.

19. Duty on rectified spirits.

- Rectified spirit of Indian manufacture intended for use in the manufacture of perfumes, toilet preparations, medicines or for any other industrial purpose shall be issued on payment of duty at such rate as may be fixed from time to time by the State Government. Its issue shall be subject to conditions as the Excise Commissioner may prescribe.F. Control of distilleries and warehouse

20. Distillery and warehouse officers.

- Distilleries and warehouses shall be under the direct control of the Excise Officers specially appointed by the Excise Commissioner for the purpose.

21. Cost of establishment.

- Should the cost of the establishment of the State Government at distillery and its warehouses (if any) exceed 5 per cent, of the duty on issues from such distillery, the distiller may be required by the Excise Commissioner to pay the whole or any part of such cost. Such payments shall be made monthly in advance.

22. Admission.

- Admission to distilleries and warehouse shall be in accordance with such orders as may from time to time be issued by the Excise Commissioner.

23. [] [Substituted by Notification No. B-1-35-87-CT-V, dated 25-3-1991.]

(a) No private individual shall be allowed to enter the distillery except after obtaining the permission of the distillery officer. All persons entering the distillery or warehouse shall observe all orders and instructions given by the officer in charge thereof, and, on their quitting the premises, shall at the discretion of such officer, be liable to be searched, but the distillery officer shall not have any person searched, except upon reasonable grounds for suspicion made. (b) The licensee shall, when required, permit sample of the material used or spirits manufactured in the distillery to be taken for analysis under the order of the Excise Commissioner or by any officer authorised by him to take samples or by the District Excise Officer or the Excise Inspector. Each sample shall be taken in three 750 M.L. or 500 M.L. bottles or when the materials cannot be placed in bottles, in three parcels, in the presence of a representative of the licensee, each bottle or parcel shall be immediately and securely sealed in the presence of the distillery Officer and the licensee's representative. One bottle or parcel shall then be made over to the licensee's representative, the second shall be sent for analysis and the third shall be kept by the Distillery Officer, pending final disposal of the case, after receipt of the analysis report. (c) The licensee shall afford all reasonable assistance to the Distillery Officer and his subordinates in carrying out his duties. (d) The licensee, unless he personally acts as manager shall appoint a competent person as manager to act as his agent or on his behalf. No such appointment shall be made without prior approval from the Excise Commissioner. (e) Agent or Manager for the warehouse shall be appointed after the prior approval of the District Excise Officer of the district in which, the warehouse or warehouses are situated. (f) It is intended to close the distillery for a period of 15 days or more at a time, the licensee shall give notice in writing to the Distillery Officer of his intention to do so not less than 15 days prior to the date on which it is intended to be closed. (g) Except as hereinafter provided the distillery shall be kept open during the ordinary working hours. (h) Where the distillery is to be worked at hours other than the ordinary working hours, the licensee may do so only upon giving a general notice to the Distillery Officer in that

behalf, or if night works in only occasional, upon giving notice to the Distillery Officer of not less than four hours before the ordinary closing hours of the day after which night working is to be done.(i)If the distillery works at other than the ordinary hours or on Sunday or other public holiday, Distillery Officer shall be present within premises of the distillery and shall make adequate arrangements for regulating the entry or exit of persons at fixed hours in connection with the working of the distillery.(j)The licensee shall maintain the prescribed registers in accordance with instructions issued by Excise Commissioner from time to time and submit for inspection by Excise Officers concerned when required.(k)(i)If the licensee required spirit for use in the laboratory attached to his distillery, he shall be entitled to remove the spirit to the laboratory from the distillery duty free, from either the safe of the still or spirit receivers, or the spirit stores, finished spirit and unfinished spirit to the extent of five litres per month :Provided that the spirit so removed shall not be used in the distillery laboratory otherwise than for experimental work connected with the distillery operation.(ii)The licensee shall keep a regular account of the disposal of such duty free spirit which will be subject to examination of excise officers. All spirit which becomes waste in the laboratory and does not by the addition of any chemicals or otherwise become deleterious shall be returned to the distillery for re-distillation.(iii)An application for every quantity of spirit required to be removed from the distillery under this sub-rule must be made in writing to the distillery officer, who shall record thereon the quantity and the strength of the spirit taken, and make a notice of the same in his diary and other relevant distillery registers.(iv)If spirit removed under this provision is used otherwise than as permitted by sub-rule (i) the spirit may be liable for excise duty.(l)All buildings, plant and machinery used for the manufacture and storage of wash and spirit shall be situated within the distillery premises, where no other business except that of the manufacture, storage and issue of spirit, shall be carried on.(m)The licensee shall provide for use in measuring spirit in the distillery and at the time of issue such measures, gauging machine, weighing machine and other appliances, as the Excise Commissioner may direct him to provide.(n)Where the Excise Commissioner is not satisfied with the maintenance of the building, plant and machinery including the measure and other appliance, he may require the licensee to stop working of the distillery within one week after receipt of notice to that effect.(o)If any still, vat, pipe or other part of the plant is at any time found to be defective or leaking, and the Excise Commissioner orders the discontinuance of its use, the same shall not be used again until it has been repaired to the satisfaction of the Excise Commissioner.(p) (i)The licensee shall not make any alteration in the buildings, plant or machinery specified in his licence without the sanction of the Excise Commissioner :Provided that any minor and urgent alteration or repair may be made with the consent of the distillery officer.(ii)Before applying to the Excise Commissioner for sanction of any alteration or repairs of substantial nature, the licensee shall obtain the permission or other authorisation from the Chief Inspector of Factories and the Municipality or other local authority, as the case may be, required for carrying out any such alteration or repairs and every such alteration or repairs so sanctioned shall be noted in the plant list.(q)The licensee shall no arrange his spirit receivers and store vats that the spirit are conveyed through closed pipes from the receivers into that vats by gravitation or where this is not practicable, provide apparatus whereby the spirits can be pumped from the receivers into the vat through closed pipes. The licensee shall be responsible for preventing any leakage from pipes and for arranging facility to examine the pipes intended for the conveyance of wash and spirit throughout the entire length.(r)All pipes and covered drains shall be coloured indicating the matter for which they are intended for conveyance as shown below-

Wash	Green
Spirit	Red
Water or steam	White
Spent wash	Yellow
Gas used for the purpose of illumination of power	Black
Molasses/Mahua	Blue

(s) No wash shall be prepared except within the distillery or removed from the distillery on any account. All wash shall be kept securely locked up in such places as the Excise Commissioner may approve. The licensee shall see that the saccharine material used by him is thoroughly dissolved when he sets up the wash. He shall submit a declaration in writing in the prescribed Form to the Distillery Officer giving the actual sacchroomatic gravity corrected for temperature before fermentation commenced and the total quantity of wash made and generally furnish to Distillery Officer with all the information which he may require bearing on the question of the practicability of levying a charge from attenuation of wash. (t) The licensee shall so arrange the stills that the worms shall discharge into closed and locked receivers to be provided by the licensee and approved by the Excise Commissioner and shall so construct that no spirit can be removed from them until they are unlocked. The licensee shall also provide and maintain suitable and secure fastenings to all stills, spirit receivers, storage vats, fermentation rooms, doors and the like to the satisfaction of the Excise Commissioner. For attachment of locks to be provided by the Government except the cost of such locks as are attached to any of the fittings of a distillery for the convenience of the licensee. The keys of all locks shall be retained by the Distillery Officer and the licensee shall also be at liberty to attach his own lock to all the fastenings to which the Government locks are attached : Provided that he shall, on the requisition of the Excise Commissioner or of the Distillery Officer or any Excise Officer, remove his locks so as to allow the inspection of all stills, vats, receivers and rooms and of all the contents thereof. (u) Except for a bona fide purpose, the licensee shall not use or permit the use of bottles or other vessels having a capacity of less than twenty litres each into the distillery premises. (v) The vessels as a receptacle may be of any material. They shall be of regular shape. Large covered vessels shall be fitted with mantles of size approved by the Excise Commissioner and every vessel shall be provided with proper approved arrangements for gauging with rods and with tables showing the number of litres contained in them, when filled to every tenth of centimeter, by either that wet or the dry method of gauging, according as the Excise Commissioner decides to apply one or the other method to such vessels, when the wet method of gauging is applied to any vessel, the gauging rod of the type and pattern approved by the Excise Commissioner shall be provided by the licensee. (w) Each vessel shall have regularly printed on it in English and Hindi Languages its number, capacity and the use to which it is applied and its details shall be properly registered by the Distillery Excise Officer. (x) Each vessel shall be fixed so as to permit of examination all round it. It shall slope slightly down to its cock, and its cock shall be so fitted that the vessel can drain entirely through the cock without being moved. (y) No receptacle of which the contents are estimated by gauge rod, shall be brought originally into use, till it has been gauged and passed by the Distillery Officer and a table book has been prepared for it and if any gauged receptacle is repaired or moved, it may not be brought again into use till it has been regauged and passed by the Distillery Officer and revised table book has been prepared. (z) Fermentation vats shall be placed in a room or building specially set apart for them. (z-1) No wash except that manufactured within the distillery shall be

used nor shall any wash be removed from the distillery.(z-2) All vessels in the warehouses whether used as spirit vats or water vats, shall be so placed as to admit of the content being accurately gauged or measured and shall be fitted to the satisfaction of the Excise Commissioner, with proper dipping rods so adjusted to fix dipping places that the contents may, at any time, be ascertainable. These vessels shall be gauged in such manner as the Excise Commissioner may from time to time direct and no vessel shall be used as a spirit vat or water vat until it has been gauged and the gauging has been checked by the Distillery Officer or any other Officer not below the rank of Sub-Inspector.(z-3) The licensee shall not draw off or use the attenuated wash until it has been gauged and proved by the Distillery Officer, and when he draws it off, the Distillery Officer shall enter in a register in Prescribed Form, particulars regarding the quantity drawn off and the still into which it is.(z-4) A safe furnished with a hydrometer or specific gravity heads, capable of showing the strength of the distillate, shall be provided between every still and its receiver or receivers. There may be separate safes between each still and its receiver or receivers or a central safe which controls the warm ends communicating between a number of stills and their receivers.(z-5) Two or more receivers may be fitted to the same still in order to enable the distillate to be collected in separate portions and one receiver may work in connection with more than one still. There should be a separate receiver for feints. The receiver or receivers attached to each still or set of stills be of a capacity enabling them to contain all the distillate which can be produced by the stills or set of stills in 36 hours full working.(z-6) The spirit containing alcohol and obtained by distillation whether it is denatured or not produced by any one distillation shall be run into an empty receiver or receivers, and such spirit shall be gauged and proved by the Distillery Officer in the receiver or receivers of the still or set of stills in which it is produced before it is passed out of such receiver or receivers or mixed with spirit produced by any other distillation.(z-7) The admixture of sugar or such other substance in the spirit after it has been drawn from the still and before it is tested is prohibited.(z-8) The Distillery Officer shall arrange ordinarily to discharge into a still or charger, as chosen by the licensee, directly after each distillation all unfinished spirit run into the receiver or receivers connected with such alcohol and obtained by distillation and to pass into the store vats each evening all spirits finished during the day and each morning all spirits fished during the night, and he shall by the use of the gauge and hydrometer, verify and record in the register in Prescribed Form the quantity and strength of all spirits so discharged or passed in.(z-9) Store vats shall be kept in a room or building set apart entirely for them and provided with only one door, such room or building shall be designated as the store room or a ware-house and shall be under the lock and key of the licensee as well as the Distillery Officer. Any spirit that may be brought from outside the distillery for blending, fortification, compounding or any other process and purpose shall be deposited in the store room or the ware-house.(z-10) The licensee shall provide store vats, having an aggregate capacity equal atleast to maximum spirit issued in two months during a year, the existing capacity at any time appears from the average of the issue recorded during the previous three years to be materially deficient the licensee shall, if required by the Excise Commissioner make good the deficit.(z-11) A store vat or vats may be separately set apart and used for the storage of each of the following different kinds of spirit (wherever such permission has been specially given).(i) Plain spirit(ii) Spiced spirit(iii) Malt spirit compounded with caramel(iv) Malt Whisky(v) Industrial Spirit: Provided that any vessel set apart and used for the storage of any one of the above kinds of spirit shall not be used for the storage of any other kind.(z-12) Blending or reduction of plain spirit may be permitted in the store vats, provided the blending and reduction is done in the presence of

the Distillery Officer/Warehouse Officer and under his supervision. Essences used for blending or water used for reduction must be pure, and the licensee must comply with the direction of the Distillery Officer/Warehouse Officer regarding the essences, water or any other material used for the purpose.(z-13) The colouring or compounding of spirit, except in the case of spirit coloured or compounded in the store room in a special vat set apart and used only for the storage of such spirit, shall take place only at the time of issue and in a special room to be provided for the purpose by the licensee near the exist from the distillery premises. All colouring and compounding materials brought into the distillery/warehouse shall be kept in a room and registered as to the quantity and character and shall be subject to check and the licensee shall not use any materials which are disapproved by the Excise Commissioner.(z-14) (i) Operations connected with the filling of bottles with liquors for issue shall be conducted in bond under the supervision of the Distillery Officer/Warehouse Officer in a separate room called the Bottling room for liquor set apart for the purpose within the distillery premises near the spirit store. Bottled spirit shall be stored in separate room called the "bottled store for liquor" set apart for the purpose within the distillery/warehouse premises near the bottling room. The bottling room and the bottled spirit store-room shall be secured in such manner as the Excise Commissioner may approve. In the bottling room, bottling vats may be erected and spirits stored therein.(ii)Liquor shall be bottled at the strengths specified by the Excise Commissioner from time to time.(iii)Bottling shall be done during the ordinary working hours of the distillery/warehouse. If the licensee has reduced the strength of spirit by blending or otherwise, he shall not bottle the spirit until 24 hours after operations are completed but in case of emergency the Warehouse Officer may permit relaxation of above rule but gauge and proof shall in no case be taken until after the lapse of two hours.(iv)No bottle shall be filled with a spirit except in the joint presence of the Distillery Officer and a representative of the licensee.(v)Spirit required for bottling shall be measured out and brought into the bottling rooms by a permanently fixed pipe (bearing, with the spirit, a cock and fastening for an excise lock) or such other means as may be approved by the Excise Commissioner.(vi)The licensee shall not use bottling spirit any bottle bearing the name or trade mark of any other bottle or any other distillery.(viii)Labels shall be so affixed as to be easily distinguishable. No label shall be pasted over the words and figures, 750 ml or 500 ml moulded on the bottles.(z-15) No vessel may be filled with spirit for issue except in the joint presence of the Distillery Officer and a representative of the licensee.(z-16) In the process of filling vessels for issue, spirit from different store vats may be blended according to calculation, or water may be added for the purpose of producing spirit of a strength required, but the Distillery Officer shall record the actual quantity and strength of the spirit actually drawn from each vat.(z-17) Spirit in a vessel for issue may be measured by passing it directly from a store vat into the issue vessel through a pipe or armoured hose attached to the cock of the vat and discharging it into a gauging machine placed in the issue room at a convenient level:Provided that, when such arrangement cannot be made spirit in a vessel for issue may, with the permission of the Distillery Officer, be measured by using measures.(z-18) Before gauging machine is brought into use, the Distillery Officer shall verify the correctness with his standard measures, and he shall, with these measures, re-verify it on the 1st and 15th day of each month.(z-19) The licensee shall be responsible for securing the bung or other openings of all casks and vessels filled for issue and for preparing them, or, if they are to be packed, for preparing their packages to be sealed by the Distillery Officer, in such a way that they cannot be opened without damaging the seal.(z-20) The Distillery Officer shall weight the empty casks and the cask filled with spirit and record the weight in the register in the

Form as may be prescribed by the Excise Commissioner. If the check by weighment shows an excess or deficiency of more than 200 litres the liquor should be re-measured. As issues are made by measurement and not by weight the result of weighment shall not be accepted as final without re-measurement.(z-21) No spirit shall be issued until its quantity and strength have been verified by the Distillery Officer.(z-22) Every application for the issue of country liquor from the warehouse shall be made in writing to the Warehouse Officer and shall be accompanied by a challan in original in support of payment of issue price therefor.(z-23) If the Warehouse Officer is satisfied that the applicant is satisfied to remove spirit and that the excise duty has been paid, he shall issue the spirit under a pass.(z-24) All spirit produced in a distillery shall be at the disposal of the Government.(z-25) For issue of spirits of prescribed strength, the distillery may blend or reduce the spirit to these strength in such vats as may be approved by the Deputy Commissioner of Excise of the division for this purpose. (Blended or reduced spirit receptacles).(z-26) The licensee shall also get himself registered as a dealer under the Madhya Pradesh General Sales Tax Act, 1958 (No. 2 of 1958) and pay the prescribed tax, if any, to the State Government.(z-27) Without prejudice to the provisions of the conditions of the licence and save where provision is expressly made for any other penalty in these rules the Excise Commissioner may impose a penalty not exceeding Rs. 50,000 for any breach or contravention of any of these rules or of the provisions of Madhya Pradesh Excise Act, 1915 or rules made thereunder or orders of the Excise Commissioner and may further impose in the case of such contravention an additional penalty not exceeding Rs. 1,000.00 for every day during which the breach or contravention is continued.

Counter Part Agreement

This deed is made this..... day of..... 20..... between the Governor of Madhya Pradesh acting through the Excise Commissioner of Madhya Pradesh (hereinafter called the Governor, which expression shall unless inconsistent with the subject or context include his successors in office) of the one part and Shri (hereinafter called the licensee, which expression shall unless inconsistent with the subject or context, include his permitted assigns) of the other part. Whereas the licensee has been granted on the..... day of..... 20..... by the Excise Commissioner, a licence for the manufacture of country spirit, its supply to warehouse and issues therefrom to retail contractors in..... distillery area. Now, therefore, this deed witnesses that-

- (1) The licensee shall abide by and carry out all his obligations under the terms and conditions of the said licence.
- (2) The licensee shall always maintain a cash deposit in the amount given in the tender notice with the Excise Commissioner for the due fulfilment of the conditions of this licence.
- (3) Any penalties or other liabilities incurred by the licensee under the provisions of the license or under Rules made under the Madhya Pradesh Excise Act, 1915 shall be recoverable by the Governor from the security deposit or from any amount due to the licensee on account of the price of the spirit supplied or any other account as arrears of land revenue but without prejudice to any other right or remedy of the State Government.
- (4) The licensee shall pay and discharge during the terms of the licence all assessments, rates, taxes and charges of every description now or hereafter assessed, imposed or charged on the owner or occupier in respect of or upon the distillery and warehouse buildings specified in the Schedule, if the same is supplied by the State Government.

Form D-1 Licence to Manufacture Spirits in the Distillery at..... Under Rule 3 (4) of the Distillery, Bottling and Warehouse Rules and in consideration of the payment of a fee of Rs..... the receipt of which is hereby acknowledged, licence is hereby granted to..... resident of..... hereinafter called the licensee, to manufacture spirits in the distillery at..... from the 1st April, 20..... to 31st March, 20..... subject to the following conditions-Conditions

- 1. The licensee shall observe all the rules applicable to Distillery, Bottling and warehouses generally and to the issue of spirits therefrom prescribed by Government and also all such further rule as may be made by the State Government under the authority of the Madhya Pradesh Excise Act, 1915, or under any other law or the time being in force and relating to excise revenue and such subsidiary orders and instructions as are consistent with the conditions of this licence and may be issued by the Excise Commissioner for carrying them out.**
- 2. The licensee shall make such provisions as the Excise Commissioner may from time to time require for removing and disposing of waste water and refuse from the said buildings and premises and for abating any nuisance or inconvenience caused in working the distillery.**
- 3. The licensee shall not except with the written permission of the State Government and on such conditions as it may impose, manufacture rectified spirit, denatured spirit or foreign liquor.**
- 4. On breach of any of the conditions of this licence or of the provisions of the Madhya Pradesh Excise Act, 1915 or of the rules made thereunder this licence may be cancelled by the Excise Commissioner.**

Granted this.....day of.....20....Excise CommissionerMadhya PradeshForm D-2Licence for the wholesale supply of Country sealed bottles under the contract supply system in..... distillery area.Under Sections 13, 14, 15 and 28 of the Madhya Pradesh Excise Act, 1915 and in pursuance of the Government's sanction conveyed in Separate Revenue Department's Letter No..... (hereinafter called the licensee) for the period from 1st April..... to 31st March, 20..... in respect of area attached to the..... Distillery..... as mentioned in the Schedule.Condition

1. This licence is granted under, and shall be subject to the provisions of the Madhya Pradesh Excise Act, 1915 and the rules made thereunder and shall also be subject to such subsidiary orders and instructions consistent with the condition of this licence as the Excise Commissioner Madhya Pradesh (hereinafter referred to as the Excise Commissioner) may, from time to time, issue in this behalf.

Excise CommissionerMadhya Pradesh.

24. Removal of certain powers.

- The officer in charge of a distillery or warehouse may eject or exclude from the premises any person whom he finds to have committed, or suspects to be about to commit, any breach of these rules, or of the provisions of the Madhya Pradesh Excise Act, 1915, who is intoxicated, riotous or disorderly. Any action taken by such officer under this rules shall forthwith be recorded by him in writing in his official diary for the information of his official superiors.

25. Use of Lights.

- Smoking or the use of naked lights of any description by any person within a distillery or warehouse is prohibited. Only closed lanterns shall be used.

26. Distillery bound to report breaches of law, etc., committed by their servants, etc.

- If it comes to the knowledge of a distiller, contractor or his agent that any person employed by such distiller, contractor in the manufacture, storage, receipt, blending or issue of spirits, in a distillery or a warehouse, has committed any breach of the Excise Act or of the rules made thereunder or of the engagements entered into by such distiller or contractor, it shall be his duty to report the matter to the District Excise Officer of the district in which the distillery or warehouse is situated, and to comply with the directions of that officer respecting the continued employment of such person.

27. Removal of spirit, etc., after expiry of licence.

- On the expiry of his licence (unless a fresh licence shall have been granted to him or unless his contract contains provisions to the contrary), or on the cancellation or suspension of his licence, every distiller or contractor shall be bound forthwith to pay the duty on, and to remove; all spirits remaining within the distillery or warehouse; and, if he fails to do so within ten days of the receipt of a written notice from the Excise Commissioner, the cost of any establishment which it may be necessary to employ at the distillery or warehouse may be recovered from the defaulter. In the event of continued neglect, the spirits shall be liable to be forfeited at the discretion of the Excise Commissioner.

Form D-1 Licence for the wholesale supply of country spirit in sealed Bottles and Loose in the areas under the contract supply in the district of..... Under Sections 13, 14, 15 and 28 of the Madhya Pradesh Excise Act, 1915, and in pursuance of the Government's sanction conveyed in Separate Revenue Department Letter No. dated this licence is hereby granted to (hereafter called the licensee) for the period from to 31st March in respect of..... districts.

Conditions

1.

(1) This licence is granted under, and shall be subject to the provision of the Madhya Pradesh Excise Act, 1915, and the rules made thereunder and shall also be subject to such subsidiary orders and

instructions consistent with the conditions of this licence as the Excise Commissioner, Madhya Pradesh (hereinafter referred to as the Excise Commissioner) may, from time to time, issue in this behalf.(2)[This licence shall be subject to the further condition that if during the currency of the licence between the 1st April 20..... to 31st March 20..... the policy of total or partial prohibition, be introduced in the whole or part of the above..... distillery/ supply area, or any other steps are taken towards prohibition such as increase in the number of dry days or closure of some shops or any other measures are adopted to that end as a consequence of which the total quantity of liquor expected to be supplied is reduced, the licence shall terminate or get automatically modified to the extent from the date on which the said policy is introduced or steps taken or measures adopted, in that area and the licensee shall not be entitled to any compensation whatsoever for any loss sustained by him on that account.] [Substituted by Notification No. 1225-318-V-SR-78, dated 22-3-1978.]

2.

(1)The licensee shall not sell, mortgage, transfer or sub-lease this licence or enter into any partnership for the working of the licence without the previous permission in writing of the Excise Commissioner. Such permission, if granted shall be endorsed on the licence.(2)No agent shall be appointed for the management of the licensee's business under, this licence without the Excise Commissioner's previous approval in writing.

3. The licensee shall not acquire or hold any interest in the retail sale of spirit or in the sale of any other intoxicants in any part of the area to which this licence relates or employ any such interest :

Provided that nothing herein contained shall apply to the wholesale supply under a licence of foreign liquor or of rectified or denatured spirit to any person licensed to possess the same.

4. [The licence confers, subject to the provisions of the condition No. 28, the exclusive right to supply country spirit in wholesale at the warehouse mentioned in the Schedule. The base of such spirit shall be Mahua. In case of non-availability of Mahua, or any other circumstances, beyond the control of the licensee he may be permitted by the Excise Commissioner to supply liquor made from molasses or Khandsari Molasses or a mixture of molasses based or Mahua based liquor in such proportion as may be approved by the Excise Commissioner. Liquor made from molasses or Khandsari molasses may be obtained in accordance with the permission of the Excise Commissioner from any distillery located within or outside the State or may be allowed to be manufactured by the licensee himself. The rate for the liquor made from molasses or Khandsari Molasses, unless already determined on the basis of the rates tendered, by the licensee and accepted by the State

Government, shall be determined by the Excise Commissioner before permission to manufacture liquor from such base is accorded to him. If the rate so determined by the Excise Commissioner is not acceptable to the licensee, he may represent to the State Government, whose decision in the matter shall be final and binding. The spiced (Masala) liquor shall be manufactured in accordance with the licence, as approved by the Excise Commissioner from time to time and the licensee shall be paid according to the under rate as proved by the State Government.] [Substituted by Notification No. 1225-318-V-5R 78, dated 22-3-1978]

5. The licensee shall distill spirit within the State at..... distillery. In case the licensee fails to distill spirit on account of non-availability of raw materials or any other special circumstances beyond his control he may be permitted by the Excise Commissioner to obtain country spirit at a strength not exceeding 45 UP. from other distilleries located within or outside the State. If spirit obtained is not manufactured from Mahua or Gur but is manufactured from molasses the licensee shall be entitled to cost price mentioned in condition No. 4 for molasses liquor.

6. [x x x] [Omitted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.]

7. The warehouse building shall be arranged by the licensee himself under the control of Excise Department. If warehouse building is supplied by the State Government the licensee shall be bound to pay necessary rent to the building or buildings on the terms and conditions offered by the Public Works Department of the State. The filling of articles connected with the supply, storage, gauging, handling and issue of spirit including vats, casks, tanks, pumps, pipes, locks, cocks, gauging rods, measures, vessels, etc., shall be supplied by the licensee and shall be of patterns approved by the Excise Commissioner.

[7-A. The licensee shall have to get the samples of the spirit distilled at his distillery or obtained from any other distillery chemically analysed at least once every quarter or immediately on receipt from outside, as the case may be, unless upon to get it analysed more frequently, sample for analysis shall be drawn under the supervision of the Excise Officer in charge, of the distillery and shall be sent for analysis to the place and on the date determined by the Excise Commissioner. The expenses for the analysis shall be borne by the licensee.] [Inserted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.]

8.

(1) Payment for spirit supplied by the licensee in any month shall ordinarily be made the 15th day of the next following month. (2) [The licensee shall have to pay rent of the warehouse building at such rates as may be fixed by the public works department and it shall be recoverable from the cost price bills of liquor payable of the licensee.] [Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.]

9. [The payment for spirit supplied by the licensee in any month shall ordinarily be made by the 15th day of the following month.] [Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.]

10. [The licensee shall maintain at..... distillery at least the minimum stock to spirit equivalent to supply of one month in the areas of his licence. In addition he shall maintain at each of the warehouse mentioned in the schedule or hereafter added there to a stock of spirit equivalent to consumption of one month :

Provided that in the event of the failure of country spirit by the licensee the retail vendors in accordance with their demands, the licensee shall be required to pay such losses and damages to the retail vendors and Government as may be determined by the State Government. This decision of the State Government in the matter shall be final and binding on the licensee. Note. - For the purpose of this condition one month's supply or consumption will be determined as the average of supply or consumption during the year 20.....]

11. The licensee shall maintain at the..... distillery the minimum stock of coal or wood-fuel or both equivalent to the requirement of three months. In the event of the licensee failing to maintain the minimum stock of coal or wood-fuel or both the Excise Commissioner or any Collector authorised by him in that behalf may purchase coal or wood-fuel or both to the extent necessary to maintain the minimum stock at the risk of the licensee. The cost of coal or wood fuel so purchased including all incidental expenses shall be payable by the licensee. Failure to maintain the stock of coal or wood-fuel or both shall also entail penalty at the discretion of the Excise Commissioner not exceeding Rs. 5 per ton of coal or wood-fuel short of the requisite minimum stock. It will be open to the Excise Commissioner to purchase on behalf of the licensee such quantities of coal or wood-fuel or both as he considers necessary to ensure the continued supply of spirit at the distillery and the warehouses and to recover the cost and all incidental expenses from

their cost price bill.

12. It will be open to the Excise Commissioner to require the licensee to purchase such quantities of Mahua flowers at such places and within such periods as he considers necessary to ensure the supply of the spirit at the distillery and the warehouse. On the failure of the licensee to purchase the quantity or quantities as aforesaid mahua flowers may be purchased at the risk of the licensee by the Excise Commissioner or by any Collector or by any other person or persons authorised in this behalf by the Excise Commissioner. The cost of Mahua flowers purchased together with all incidental expenses including packing, loading, unloading and transportation shall be payable by the licensee in addition to any other penalties prescribed in this licence.

13. [Omitted] [Omitted by Notification No. 1225-318-V-SR-78, dated 22-3-1978.]

14. On receipt of the bottles at the warehouse they shall be opened in the presence of the Warehouse Officer, who shall examine the bottles. At the time of examining the bottles the Warehouse Officer may reject any bottle which is not new or in sound condition or of the description given in Condition No. 13. The bottles which are so rejected shall be removed from the warehouse immediately by the licensee. The licensee shall not sell these rejected bottles to any person.

15. Bottle cleaning, filling, corking, sealing, labelling, stocking and issuing shall be done to the satisfaction of the Excise Commissioner by the licensee under the supervision and direction of the Excise Officer in charge of the warehouse in such manner as the Excise Commissioner may direct from time to time :

(i) Each bottle shall be thoroughly cleaned and effectively corked. The licensee shall make his own arrangement for water required for washing and cleaning purposes. (ii) Label of good quality paper approved by the Excise Commissioner, and of the following size and bearing the following designs in natural colours shall be pasted on each bottle as directed : (a) the size of labels for eight dram bottles shall be 4 ½ inches plus 3 ½ inches, that of labels for four-dram bottle shall be 4 inches plus 3 inches and that of labels for two dram bottles shall be 3 ½ inches plus 2 inches. (b) on each label for 45 U.P. there shall be a tiger's head in the centre with branches and flowers of Mahua tree on both sides. The words and figures Deshi Madira 45 U.P. in Hindi and "Bottled at..... warehouse" in

English also be printed thereon in red type.(c)[On each label for 50 U.P. Liquor bottle, there shall be a tiger's head in the centre with branches and flowers of Mahua tree on either side, the words and figures- [Substituted by Notification No. 685-1413-V-SR, dated 6-3-1981.] shall be printed thereon in red. The labels shall also include the following sentence in bold red ink.] [Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.] In addition to the above labels, a white label shall be pasted on each bottle showing in bold print in Hindi the full bottling charges and the sum that shall be refunded to the purchaser on the return of the bottles to the shop-keeper.(iv)The licensee may be required by the Excise Commissioner to sell the bottles with red sealing wax, pilfer proof seals or with crown corks and alu capsules for issue at specified warehouse.

16. [Bottle cleaning, filling, corking, sealing, labelling, stocking and issuing shall be done to the satisfaction of Excise Commissioner by the licensee under the supervision and direction of the Excise Officer in charge of the warehouse, in the following manner and in such other manner as the Excise Commissioner may direct from time to time-

(i)Each bottle shall be thoroughly cleaned and effectively corked. The licensee shall make his own arrangement, for water required for washing and cleaning purposes.(ii)Labels of good quality paper approved by the Excise Commissioner of the following sizes and bearing the following designs in natural colours shall be pasted on each bottle as directed-(a)The size of labels for $\frac{3}{4}$ litre bottle shall be 11.4 cm. x 8.9 cm. that of labels for $\frac{1}{2}$ litre bottle shall be 10.2 cm. x 7.6 cm. and that of label for 1 litre bottle shall be 8.9 x 5.1 cm. Each label shall indicate the quantity of liquor contained in the bottle.(b)On each label of spiced liquor (25 U.P.) the following will be printed in black- On each label for 45 U.P. liquor bottle there shall be a tiger's head in the centre with branches and flowers of mahua tree on either side the words and figures- shall be printed thereon in red, the labels shall also include the following sentence in bold red ink. On each label for 60 U.P. liquor bottle shall have a sembar's head in the centre with branches and figures of mahua on either side. The words and figures- shall be printed thereon in blue. The label shall include the following sentences in bold red ink.(e)Before the label is pasted on the bottle, the licensee shall get affixed on it the prescribed rubber seal indicating the name of the house and the date of bottling by the warehouse officer.(iii)In addition to the above labels, a white label shall be pasted on each bottle showing in bold print in Hindi the full bottling charges and the sum that shall be refunded to the purchaser on the return of the bottle to the shopkeepers.(iv)The licensee may be required by the Commissioner to seal the bottle with red sealing wax and coaltar or pilfer proof seals or with new and unused crown and alu capsules or capsules of a similar type and quality for issue at specified warehouse. The colour of the capsules of each variety of country spirit will be determined by the Excise Commissioner from time to time.]

17. The licensee shall maintain at each warehouse such minimum stock of red sealing wax, pilfer proof seals or crown corks and alu-capsules labels and empty bottles as may be fixed by the Collector.

18. The licensee shall keep regular and correct account in ink of empty and sealed bottles, etc., in such forms as may be prescribed by the Excise Commissioner. The accounts shall be open to inspection by the officers of the Excise Department.

19. Corking machines, racks, wooden or metallic receptacles required for bottling liquor and other articles approved by the Excise Commissioner shall be taken on the sanctioned Plant list. This licensee shall keep them in good working order at his expense.

20.

(1) At the commencement of the term of this licence the licensee shall buy the stock of empty bottles in sound condition as well as the stock of sealed bottles remaining in balance at the..... distillery and at the warehouses specified in the Schedule at the rates applicable to the outgoing licensee. (2) Similarly the licensee shall buy from the outgoing licensee corks, labels, red sealing wax, coaltar, pilfer proof seals in good condition remaining in balance at the distillery and warehouses at a price which shall ordinarily be that incurred thereon including the incidental expenses. In the event of any dispute. Excise Commissioner's decision will be final and binding on the licensee.

21. The licensee shall pay the price of the articles mentioned in Condition No. 20 above directly to the outgoing licensee within thirty days of the communication to it of the price. The State Government shall not be liable for payment of the price thereof to the outgoing licensee on any account:

Provided that the Excise Commissioner may require the licensee to deposit such amount on account of the price of the above articles as he may deem fit and may after fixation of the price apply the amount so deposited towards the payment of the sum due to the outgoing licensee and refund the balance, if any, to the licensee.

22. On the termination of his licence should the contract not be renewed the licensee shall sell and the Governor shall buy or cause to be brought by the succeeding licensee or licensees, red sealing wax, coaltar, pilfer seals or crown corks with alu-capsules and labels in good condition up to two months' average demand and sealed bottles up to one week's average demand based on actual issues in the three months from October to

December..... Sealed bottles shall be paid for at the rates mentioned in Condition No. 16 (a) and

(b)fixed for the period from..... for sale or retail vendors and for the others articles the actual cost be paid, the decision of the Excise Commissioner being final as to what is the actual cost.

23. [Except as provided in Condition No. 1 (2), if the contract, terminates and is not renewed, the licensee, shall sell and the Governor shall buy or cause to be brought by the successful licensees or licensee corks, labels, red sealing wax, alu capsules or capsules of a similar type and quality and average proof seals in good condition up to two months' average demand and sealed bottles up to one week's average demand, based on actual issues in the three months from October to December 20 sealed bottles shall be paid for at the rates mentioned in C. No. 18 (a) and (b) shall be paid for at the period from the 1st April, 20..... to 31st March, 20..... for sale to retail vendors and for other articles, the actual cost shall be paid, the decision of the Excise Commissioner shall be final, as to what is the actual cost.]
[Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.]

24. (i) In the case of sale of red sealing wax, coaltar or pilfer proof seals or crown corks and alu-capsules, labels and sealed bottles under clause 22 and of the sanctioned bottling plant and empty departmental bottles under clause 23 to an incoming licensee the licensee shall be entitled to receive payment of their price directly from the incoming licensee within thirty days of the communication to him of the price determined as payable therefor. The State Government shall not be liable to the licensee for the payment of the price thereof on any account.

(ii)Notwithstanding anything contained in sub-clause (i) the Excise Commissioner may recover any amount payable by the outgoing licenses to the State Government from any deposit made by the incoming licensee towards the price of the red sealing wax, coaltar, corks, labels, pilfer proof seals or crown corks and alu-capsules sealed bottles sanctioned bottling plant and empty departmental bottles or require the incoming licensee to make such deduction from the price so payable and pay the amount to the State Government.(iii)Any dispute relating to the sale of the red sealing wax, coaltar, corks, labels, pilfer proof seals or crown corks with alu-capsules bottles sanctioned bottling plant and empty bottles by the licensee or relating to the valuation of the sanctioned plant shall be referred to the State Government and the decision of the State Government in the matter shall be final and binding on the parties to the dispute.

25. The licensee shall not be entitled to recover from the retail vendor or succeeding licensee any tax payable by him to Government or any local body. But in the event of any increase in the existing rates of sales tax or octroi duty or terminal tax levied by Government or a local body, the Excise Commissioner may consider whether or not the contract rate should be suitably raised and the Excise Commissioner's decision in the matter shall be final and binding on the licensee.

26. (a) The licensee shall pay such terminal or other taxes as may be levied by the Municipal Committees or other local bodies on empty bottles, corks, asphalt, labels etc.

(b) The licensee shall also get himself registered as a dealer under the Madhya Pradesh Sales Tax Act, 1947 (XXI of 1947) and pay the prescribed rate to the State Government.

27.

(1) The Excise Commissioner may close any warehouse or require the licensee to open other warehouse. The Excise Commissioner may also transfer any warehouse mentioned in the Schedule or added thereto hereafter to the supply area of other licensee. Similarly other warehouse in the State may be added in the Schedule and licensee shall have to supply country spirit to the additional warehouse at the rates mentioned in the Schedule. The licensee shall not be entitled to claim any increase in the cost of spirit on account of the above changes. (2) In the event of the extension of the Madhya Pradesh Prohibition Act, 1938 to any part of the area of this licensee the Excise Commissioner may reduce the number and change the location of warehouse specified in the Schedule. The licensee shall not be entitled to claim any compensation on account of such reduction or change.

28.

(1) On demand by the Excise Commissioner or any Collector authorised in that behalf by the Excise Commissioner the licensee shall forthwith despatch such quantity of spirit as may be required from the distillery of the warehouse in its supply areas to any other warehouses in the State. (2) In the event of a failure to despatch the spirit as required the licensee shall be liable to such penalty not exceeding Rs. 5 per proof gallon on the quantity of spirit demanded as Excise Commissioner may determine. (3) [The licensee shall be entitled to recover from any other licensee to whom any supply is made in pursuance of sub-clause (1), that the cost of spirit supplied at the rate specified in the schedule and 10 per cent more together with transport charges and rent of drums at such rates as the Excise Commissioner may determine. But the licensee to whom such supply is made shall be paid only the cost price of the spirit at the rate sanctioned in the schedule from him or for the licensee supplying it, whichever is less.] [Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.] (4) In the event of any short fall in the minimum stock of the licensee as a result of any

supply made in pursuance of sub-clause (1) the licensee shall not be liable to any penalty if it satisfies the Excise Commissioner that it had maintained distillation up to the average of its daily production during the preceding three months.

29.

(1)The issue price to be recovered from licensed vendors for the spirit supplied to them from any of the warehouse of the licensee shall be such as the State Government may from time to time determine and it shall be lawful for the State Government to alter the rates so determined at any time and from time to time during the currency of this licence.(2)No spirit shall be issued to any licensed vendors from any of the warehouses of the licensee except upon proof of payment into treasury of. the issue price recoverable for it.

30.

(1)On demand by licensed vendors and upon proof of payment into treasury of the issue price recoverable for it the licensee shall with all reasonable expedition supply to the licensed vendors Mahua spirit of good quality or such other good quality spirit as the Excise Commissioner may approve in such quantity and at such of the prescribed strength as may be required.(2)Any licensed vendor may raise an objection respecting the quality of spirit before taking delivery. All such objections shall be submitted to the Excise Commissioner whose decision, thereon shall be final and binding on the parties.(3)The spirit supplied by the licensee shall be subject to analysis and any officer in charge of the licensee's warehouse may if he has reason to believe that the spirit issued is not of good quality suspend the supply, take samples and if upon analysis the spirit is found to be unfit for human consumption report the case to the Excise Commissioner who may order the spirit found to be unfit for human consumption to be rejected and destroyed without any compensation being allowed to the licensee therefor.

31. In the event of the licensee's failure to supply the spirit as required under Condition No. 30, the Excise Commissioner or the Collector may purchase the spirit required from any other source at the risk and cost of the licensee and the Excise Commissioner may further impose on the licensee a penalty calculated on the quantity omitted to be supplied at such rate not exceeding Rs. 5 per proof gallon as he may determine :

Provided that the penalty shall not be levied in the licensee proves to the satisfaction of the Excise Commissioner that the failure was due to cause beyond his control or to any strike, pestilence, riot, mob violence or other irresistible force and the licensee has given immediate notice of such cause or occurrence to the Excise Commissioner and the Collector.

32. [In the event of the licensee's failure to supply the spirit as required under Condition No. 31, or to maintain the minimum stock of spirit as prescribed under Condition No. 10, or when the stock at any warehouse in the area falls so low that in the opinion of the Collector, the genuine demand of the retail vendors cannot be fully met, the Collector of the Excise Commissioner, may purchase spirit sufficient to meet one month's demand of the area from any other distillery at the risk and cost of the licensee, for every failure or threatened failure, or whenever a situation as for every envisaged above arises, the distiller shall be liable to pay a penalty to be imposed by the Excise Commissioner at a rate not exceeding Rupees two per proof liter on the quantity so brought from any other distillery. The quantity sufficient to meet one month's demand of the area will be calculated on the basis of average monthly consumption of the proceeding year. Before, imposing such a penalty the Excise Commissioner shall take into consideration the circumstances of the case and also give the licensee a reasonable opportunity to state cause against imposition of penalty.] [Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.]

33.

(1)The licensee shall maintain in good working order such number of the motor lorries as the Excise Commissioner may fix for the transport of drums of spirit from the distillery to the warehouse and the return of empties therefrom.(2)In the event under or default by the licensee in making arrangements for transport of drums of spirit of empty drums, the Excise Commissioner, or the Collector may hire lorries or other conveyances at the risk and the cost of the licensee.

34.

(1)The licensee shall maintain the sanctioned plant and machinery in its distillery and warehouses in good and proper order.(2)When any part of the plant or machinery is replaced the price of such part shall be written off and the cost of the substituted part shall be entered against such part :Provided that the cost of minor repairs including cost of the substituted component part of an article on the plant list shall not be added to the value of the Plant.(3)The licensee shall make all necessary arrangements for supply of water storage and issue of spirit and removal of used up materials or refuse to an unobjectionable remote place so as to ensure that no public nuisance is caused thereby and shall carry out any directions which the Excise Commissioner may from time to time give in this behalf.(4)In the event of the failure of the licensee to carry out the provisions of sub-section (1) of the directions of the Excise Commissioner under sub-clause (3) the Excise Commissioner may take all necessary steps for removal of the defect in the plant or machinery or for making proper arrangements for water supply or the storage or issue of spirit or for the removal of

used up materials or refuse at the cost of the licensee in each case and may further impose such penalty not exceeding Rs. 1,000 as he may deem fit.

35.

(1)The licensee shall use the distillery and warehouse building placed at its disposal by State Government in a reasonable and safe manner and shall not make any alteration or addition thereto whether permanent or temporary, without the previous sanction in writing of the Collector.(2)The licensee shall make over the said distillery and warehouse buildings at the termination of this licence in as good condition as they were in at the commencement thereof excluding reasonable wear and tear.(3)The licensee shall be bound to pay such compensation to the State Government as may be determined by the Excise Commissioner for any damage to the distillery or warehouse buildings whether by fire or otherwise in any manner whatsoever arising or resulting from or in consequence of its negligence or the negligence of its servants or agents in the use thereof. The decision of the Excise Commissioner both as to the liability of the licensee to make compensation and to the amount of compensation payable shall be final and binding to the licensee.

36.

(1)At the commencement of the term of this licence the licensee shall buy-(a)the entire stock of spirit remaining in balance at the..... distillery and at the warehouse specified in the schedule at the rate applicable to the outgoing licensee; and(b)all sanctioned plant installed in the warehouses specified in the Schedule at the valuation made under the orders of the Excise Commissioner.(2)If any warehouses are opened in pursuance of Condition No. 27 during the currency of this licence the licensee shall buy the plant and spirit installed or in stock at such warehouse at the valuation made under the orders of or at the price fixed by the Excise Commissioner.(3)The licensee shall pay the price of the spirit and plant purchased by him under sub-clauses (1) and (2) directly to the outgoing licensee within thirty days of the communication to him of the price fixed or determined therefor. The State Government shall not be liable for payment of the price thereof to the outgoing licensee on any account :Provided that the Excise Commissioner may require the licensee to deposit such amount on account of the price of the spirit and plant as he may deem fit and may after fixation of the price of the spirit or valuation of the plant apply the amount to deposited towards the payment of the sum due to the outgoing licensee and refund the balance, if any, to the licensee.(4)Any dispute relating to the sale of the spirit or plant to the licensee or the valuation thereof shall be referred to the State Government and the decision of the State Government in the matters shall be final and binding on the parties to the dispute.

37.

(1)On termination of this licence the licensee shall sell and the State Government shall buy or cause to be bought by the incoming licensee-(a)a quantity of spirit of good quality equal to two months' supply of the area of his licence determined upon the basis of the average monthly supply made during the period of six months from July to December 20..... at the rate of Rs..... of Rs..... as shown in the Schedule per proof gallon for spirit delivered at the warehouse and the rate for spirit in

distillery shall be less by Re. 0.4-0 per proof gallon than that shown in the Schedule.(b)all the sanctioned plant used at the warehouse specified in the Schedule as may in the opinion of the Excise Commissioner be in good working order at a valuation made under the orders of the Excise Commissioner. If at the time of valuation it is found that any part of the plant requires repairs, adjustments of overhauling suitable deduction on account of the above item will be made from the depreciated value as the Excise Commissioner may determine:Provided that the Excise Commissioner may waive the requirement for sale of spirit by giving two months' notice before termination of this licence in which case the licensee shall with the previous sanction of the Excise Commissioner dispose of any stock of spirit held by it on the date of expiry of this licence within a period of two months from such date but it shall not be entitled to complain any compensation for any loss sustained in such disposal.(2)The Excise Commissioner may impose a penalty at a rate not exceeding Rs. 5 per proof gallon for every gallon of spirit delivered short of the quantity specified in clause (1) (a) and he or the incoming the licensee may purchase such quantity from any other source at the cost of the licensee, who shall also be liable for expenses incidental to such purchase.(3)In the case of sale of the spirit or plant to the incoming licensee the licensee shall be entitled to receive payment of the price of the spirit and plant sold by it directly from the said incoming licensee within thirty days of the communication to it of the price determined therefor. The State Government shall not be liable to the licensee for the payment of the price thereof on any account.(4)Any dispute relating to the sale of the spirit of plant by the licensee of the valuation of the plant shall be referred to the State Government and the decision of the State Government in the matter shall be final and binding.

38.

(1)At the commencement of the terms of this licence the licensee shall purchase the entire stock of Mahua flowers, coal and wood fuel at the distillery at a price which shall ordinarily be that incurred thereon including the incidental expenses. In the event of any dispute the Excise Commissioner's decision in the matter shall be final and binding on the licensee.(2)The licensee shall pay the price of the Mahua flowers, coal and wood fuel purchased by it under sub-clause (1) directly to the outgoing licensee within thirty days of the communication to it of the price. The State Government shall not be liable for payment of the price thereof to the outgoing licensee on any account :Provided that the Excise Commissioner may require the licensee to deposit such amount on account of the price of the Mahua flowers, coal and wood fuel as he may deem fit and may after fixation of the Mahua flowers, coal and wood fuel apply the amount so deposited towards the payment of the sum due to the outgoing licensee and refund the balance, if any, to the licensee.

39.

(1)On the termination of this licence the licensee shall sell and the Governor shall buy or cause to be bought by the incoming licensee the stock of Mahua flowers, coal and wood fuel held by the licensee in accordance with Conditions 10 and 11 at a price based on the purchase made by him during the year 20..... including incidental expenses :Provided that if the Excise Commissioner authorised the licensee to keep any additional stock of Mahua flowers, coal and wood fuel over and above that required by Conditions 10 and 11 the additional stock shall also be similarly bought by the Governor

or cause to be brought by the incoming licensee. In the event of any dispute the State Government's decision in the matter shall be final :Provided that this condition may be waived by the Excise Commissioner by giving three months' notice to the licensee. If on such termination of the licence any stock of Mahua flowers, coal or wood fuel is left at the distillery the licensee shall subject to the previous approval of the Excise Commissioner, remove it from the distillery premises within two months of the termination of the licence and the licensee shall not be entitled to any compensation for the loss, if any, suffered in such removal or disposal of the stock.(2)In the case of sale of the stock of Mahua flowers, coal and wood fuel to incoming licensee the licensee shall be entitled to receive payment of the price of the stock of these articles sold by it directly from the said incoming licensee within thirty days of the communication to it of the price determined therefor, the State Government shall not be liable to the licensee for the payment of the price thereof on any account.

40.

(1)At the commencement of the term of this licence the licensee shall buy all sanctioned plant at the..... distillery including spare parts, furniture, motor lorries and fittings at a price to be fixed by the State Government.(2)The licensee shall pay the price of the plant at the..... distillery including spare parts, furniture, motor lorries and fittings purchased by it under sub-clause (1) directly to the outgoing licensee within thirty days of the communication to it of the price as fixed or determined therefor, the State Government shall not be liable for payment of the price thereof to the outgoing licensee on any account :Provided that the Excise Commissioner may require the licensee to deposit such amount on account of the price of the plant etc. as he may deem fit and after fixation of the valuation of the plant etc., apply the amount so deposited towards the payment of the sum due to the outgoing licensee and refund the balance, if any, to the licensee.

41. Notwithstanding anything contained in this licence the Excise Commissioner may recover any amount payable by the outgoing licensee to the State Government from any deposit made by the licensee towards the price of the spirit, Mahua flowers, coal and wood-fuel, distillery and warehouse plant etc., payable to the outgoing licensee for require the licensee to make such deduction from the price so payable to the outgoing licensee and pay the amount to the State Government.

42. Before the commencement of the term of the licence, as the Excise Commissioner may direct, the licensee shall refix or reassemble the boilers, stills, condensers, pumps and other machinery at the distillery, if connected for the purpose of the valuation to the distillery plant. The cost of refixing or reassembling, as approved by the Excise Commissioner, shall be added to the price of the plant which may be fixed by the State Government under Condition No. 40.

43.

(1) On the termination of this licence, the licensee shall sell and the Governor shall buy or cause to be bought by the person to whom it may grant the licence next following the sanctioned plant at the distillery for the manufacture of spirit including the still, boilers, condensers, storage vats, drums and all apparatus necessary for the manufacture of the spirit for supply under this licence at cost price paid by the licensee less depreciation based on wear and tear. The percentage of the depreciation for the plant as a whole or for separate sections, e.g., still room, boiler room, spirit room etc., to be allowed will be determined by the Excise Commissioner after hearing the licensee and be subject to the approval of the State Government whose decision in the matter shall be final and binding on the licensee. If at the time of the valuation it is found that any machinery or any part of the plant require adjustments, repairs or overhauling a deduction of an amount equal to the probable cost of adjustments, repairs overhauling shall be made from the depreciated values as the Excise Commissioner may determine and be subject to the approval of the State Government whose decision shall be final and binding on the licensee. The expression "cost price" shall be construed to mean the price actually paid by the licensee as determined by the State Government or the Excise Commissioner. (2) In the case of sale of the sanctioned plant and other article under sub-clause (1) to incoming licensee the licensee shall be entitled to receive payment of the price of the plant etc., sold by it directly from the said incoming licensee within thirty days of the communication to it of the price determined therefor. The State Government shall not be liable to the licensee for the payment of the price thereof on any account.

44. The licensee shall enter into any contract for the supply of spirit of other areas from the..... distillery except with the previous sanction of the State Government. The rate per London Proof Gallon fixed as the price for spirit, supplied under this licence may be modified under the orders of the State Government before such sanction is given.

45. [The licensee shall take on lease the distillery building and all other buildings and structures etc., attached thereto at on such conditions as regards term, rent and otherwise, as may be prescribed, by the Public Works Department, of the State Government and also execute a lease deed in the form prescribed in Appendix 54 of the Public Works Department Manual, Volume II within a period of one month, of the intimation of acceptance of his tender. It shall be a condition of the lease that it shall be terminated on the termination of his licence. The rent shall be recovered from the cost price bills of liquor payable to the licensee.] [Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.]

46. It shall be incumbent upon the licensee to get the Government distillery building and all other buildings and structure attached thereto insured against fire and accident during the term of this licence. The insurance policy or policies shall be taken in the name of the Excise Commissioner. The licensee shall pay the annual premiums regularly and shall produce the receipt thereof to the Excise Commissioner. If the licensee fails to pay the premium at the appointed time the Excise Commissioner may cause the payment to be made from the security deposit with him and serve a notice on the licensee to deposit the amount so paid within fifteen days from the date of receipt of notice by him which amount shall be adjusted towards the deposit.

47. The Excise Commissioner may terminate this licence [and may also black list the licensee] [Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.] upon a breach or contravention of any of these conditions or the provisions of the Madhya Pradesh Excise Act, 1915, or the M.P. Prohibition Act, 1938, or of the rules made thereunder. The licensee shall be liable for any loss caused to Government as a result of such termination of the licence.

48. Without prejudice to the provisions of the conditions of this licence and save where provision is expressly made for any other penalty in these conditions the Excise Commissioner may impose a penalty not exceeding Rs. 1000 for any breach or contravention of any of these conditions or of the provisions of the Madhya Pradesh Excise Act, 1915, or of the Madhya Pradesh Prohibition Act, 1938, or of rules made thereunder and may further impose in the case of continuing breach an additional penalty not exceeding Rs. 100 for every day during which the breach of contravention is continued.

49. Should the policy of total prohibition in..... districts be introduced during the continuance of this licence and in consequence of which the distillery or warehouse attached thereto are to be closed, Government shall not be bound to purchase the distillery and warehouse plants and accessories thereto or the stocks of corks, labels, pilfer proof seals or crown corks with alu-capsules, red sealing wax or coaltar, sealed bottles, empty bottles, or sanctioned bottling plant or the stock of spirit, Mahua flowers, coal and wood fuel or to pay any compensation whatsoever to the licensee.

50. [(1) If during the currency of this licence or at its expiry, the policy of total or partial prohibition be introduced, in the whole, or part of the area covered by this licence or any other steps are taken towards prohibition, such as increase in the number of dry days of closure of some shops or any other measures are adopted to that end as a consequence of which the distillery or any or all the warehouse attached thereto are to be closed the Government shall not be bound to purchase the distillery and warehouse plants and ancillaries thereto or the stock of spirit mahua flowers, molasses, khandsari, molasses, coal wool-fuel, corks, labels, pilfer proof, seals crown corks, alu capsules or other capsules sealing wax, coaltar, bottles bottling plant or bottle cleaning plant or any other material whatsoever any the licensee shall not be entitled to claim any compensation, at all.

(2) Should the policy of total prohibition be introduced in the whole of the area, covered by this licence the licensee shall be given an advance notice of at least one month. On receipt of such notice the licensee may notwithstanding anything contained in Condition No. 18 stop taking back empty bottles returned by the retail vendors after giving them three days notice.]

51. [The distillery inspector or sub-inspector, or any excise staff working on public holidays shall be entitled to an overtime allowance to be paid by the licensee on the following scale-

Scale for overtime allowance

From 6 a.m. to 6 p.m.	From 6 p.m. to 12 night	From 12.00 night to 6 a.m.	Rs. 1.00 per hour	Rs. 1.50 per hour	Rs. 2.00 per hour
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[Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.]

Schedule

District Warehouse Rate of cost price per London Proof Gallon (Condition No. 4)

(1)	(2)	(3)
-----	-----	-----

Excise Commissioner, Madhya Pradesh Counter-Part Agreement This deed is made this..... day of..... 20..... between the Governor of Madhya Pradesh acting through the Excise Commissioner for Madhya Pradesh (hereinafter called the Governor which expression shall unless inconsistent with the subject or context include his successors in office) of the one part and Shri..... (hereinafter called the licensee which expression shall unless inconsistent with the subject or context, include its permitted assigns) of the other part. Whereas the licensee has been granted on the..... day of..... 20..... by the Excise Commissioner a licence for the wholesale supply to country spirit in the areas under the contract supply system in the districts of..... Now, therefore, this Deed witnesseth that-

- 1. The licensee shall abide by and carry out all its obligations under the terms and conditions of the said licence.**
- 2. [The licensee shall always maintain a deposit in the amount given in the tender notice with the Excise Commissioner for the due fulfillment of the conditions of this licence.] [Substituted by Notification No. 685-1413-V-SR, dated 6-3-1981.]**
- 3. Any penalties or other liabilities incurred by the licensee under the provisions of the licence or under the rules made under the Madhya Pradesh Excise Act, 1915 shall be recoverable by the Governor from the security deposit or from any amount due to the licensee on account of the price of the spirit supplied or any other account or as an arrear of land revenue but without prejudice to any other right or remedy of State Government.**
- 4. The licensee shall pay and discharge during the term of this licence all assessments, rates, taxes and charges of every description now or hereafter assessed, imposed or charged on the owner or occupier in, respect of or upon the distillery and warehouse building specified in the Schedule.**

Schedule 2

District Warehouse Rate of cost price per London Proof Gallon(Condition No. 4)

(1)	(2)	(3)
-----	-----	-----

In witness whereof the parties hereto have signed this Deed on the date and year respectively mentioned against their signatures.Witness

1.

.....

2.

.....Excise Commissioner,on behalf of the Governor.Dated the

1..... Licensee

2..... Dated.....20.

[FORM D-1(S)] [Inserted by Notification No. 685-1413-V-SR, dated 6-3-1981.]Licence for the wholesale supply of country spirit to warehouse and issues therefrom to retail vendors in sealed bottles in the Supply Area.Under Sections 13, 14, 15 and 28 of the Madhya Pradesh Excise Act, 1915 and in pursuance of the Government's sanction conveyed in Separate Revenue Department Letter No..... dated..... this licence is hereby granted to..... (hereinafter called the licensee) for the period from 1st April, 20..... in respect of..... Supply Area.Conditions

1.

(1)This licence is granted under and shall be subject to the provisions of the Madhya Pradesh Excise Act, 1915 and the Rules made thereunder and shall also be subject to the such subsidiary orders and instructions consistent with the conditions of the licence as the Excise Commissioner, Madhya Pradesh (hereinafter referred to as the Excise Commissioner) may, from time to time, issue in this behalf.(2)This licence shall be subject to the further condition that if during the currency of the licence between the 1st April 20..... to 31st March, 20..... the policy of total or partial prohibition be introduced in the whole or part of the above..... Supply Area, or any other steps are taken towards prohibition such as increase in the number of 'dry' days or closure of some shops or any other measures are adopted to that end, as a consequence of which the total quantity of liquor expected to be supplied is reduced, the licence shall terminate or get automatically modified to that extent from the date on which the said policy is introduced or steps taken or measures adopted, in that area and the licensee shall not be entitled to any compensation whatsoever for any loss sustained by him on that account.

2.

(1)The licensee shall not sell, mortgage, transfer or sub-lease this licence or enter into any partnership for the working of the licence without the previous permission in writing of the Excise Commissioner. Such permission, if granted, shall be endorsed on the licence.(2)No Agent shall be appointed for the management of the licensee's business under this licence without the Excise Commissioner's previous approval in writing.

3. The licensee shall not acquire or hold any interest in the retail sale of spirit or in the sale of any other intoxicants in any part of the area to which this licence relates or employ any person having such interest :

Provided that nothing herein contained shall apply to the wholesale supply under a licence of Foreign liquor or of Rectified or Methylated spirit to any person licensed to possess the same.

4.

(1)Subject to the provisions of Condition No. 22, this licence confers on the licensee the exclusive right to make wholesale supply of Country spirit at the warehouse mentioned in the Schedule.(2)The spiced (flavoured) liquor shall be manufactured in accordance with the procedure shown in the

annexure to the licence.(3) Spirit shall be supplied by the licensee at the said warehouses at the rate mentioned in the Schedule. The licensee shall not be entitled to a higher rate of cost price consequent on the increase in the cost of raw materials during the currency of this licence.

5. The spirit supplied shall be of good quality and shall manufactured from approved base. It shall be subject to analysis and if found unfit for human consumption, will be rejected and destroyed under the orders of the Excise Commissioner. The Excise Officer Incharge of the warehouses may stop, pending the orders of the Excise Commissioner, issue of spirit he considers bad and may on every such occasion take samples of such spirit for sending them for purpose of analysis to the place and on the date determined by the Excise Commissioner. The expenses for the analysis shall be borne by the licensee.

6.

(1) The warehouse building which can accommodate at least 2 months' requirements of liquor shops attached to each warehouse shall be arranged by the licensee himself under the directions from the Excise Department. If warehouse building is supplied by the State Government, the licensee shall be bound to pay necessary rent of the buildings or the buildings occupied by him on the terms and conditions offered by the Public Works Department of the State and also execute a lease in the form prescribed in Appendix 54 of the Public Works Department Manual Volume II within a period of one month of the intimation of acceptance of his tender. The licensee shall not be entitled to get any rent from the Government for Opium and Hemp Drugs stored in the warehouses by the Government. The fitting of articles connected with the supply, storage gauging, handling and issue of spirit including vats, casks, tanks, pumps, pipes, locks, cocks, gauging rods,, measures, vessels, etc. shall be supplied by the licensee and shall be of patterns approved by the Excise Commissioner.(2) The licensee shall have to pay rent of the warehouse building at such rates as may be fixed by the Public Works Department and it shall be recoverable from the cost price bills of liquor payable of the licensee.(3) The licensee shall also arrange for Fire Fighting Apparatus at each warehouse. The expenses of these apparatus shall be borne by the licensee and shall be taken on the plant list.

7. The payment for spirit issued by the licensee in any month shall ordinarily be made by the 15th day of the following month.

8. The licensee shall maintain at each of the warehouses mentioned in the schedule or hereafter added thereto at least the minimum stock of spirit equivalent to consumption of two months as determined by the Excise Commissioner :

Provided that in the event of failure of supply of country spirit by the licensee to the retail vendors in accordance with their demand, the licensee shall be required to pay such losses and damages to the retail vendors and the Government as may be determined by the State Government. The decision of the State Government in the matter shall be final and binding on the licensee. Note. - For the purpose of this condition "one month's supply or consumption" will be determined as the average of supply or consumption during the year 20.....

9. The bottles to be brought in sue shall be of standard pattern as prescribed below-

$\frac{3}{4}$ litre bottle shall have such capacity as to contain 750 milliliters of liquor when filled to a point about 52 mm. below the bottom of the cork; $\frac{1}{2}$ litre bottle shall have such capacity as to contain 500 milliliters of liquor when filled to a point about 43 mm. below the bottom of the cork, $\frac{1}{4}$ litre bottle shall have such capacity as to contain 250 milliliters of liquor when filled to a point 39 mm. below the bottom of the cork: Provided that unavoidable variations occurring in manufacture may be condoned by the Excise Commissioner within the following limits, namely-

750 milliliters 7 milliliters

500 milliliters 5 milliliters

250 milliliters 3 milliliters

The mouths, necks, shoulders, sides, bottom sizes and shapes, thickness, weights and clearness of glass of these bottles shall exactly correspond to the in pattern of the $\frac{3}{4}$ litre, $\frac{1}{2}$ litre, $\frac{1}{4}$ litre bottles agreed to be kept as a specimen in the office of the Excise Commissioner Madhya Pradesh. Each bottle shall have distinctly and prominently moulded on it the following lines, marks, letters and figures :Madhya Pradesh Excise

175. milliliters*

500. milliliters*

250. milliliters*

198.

..(*As the case may be) There shall be a ring moulded on the neck of the bottles indicating the contents of 750 milliliters, 500 milliliters and 250 milliliters.

10. On receipt of the bottles at the warehouse, they shall be opened in the presence of the warehouse officer, who shall examine the bottles. At the time of examining the bottles, the Warehouse Officer may rejected any bottle which is not new or in sound condition or of the description given in

Condition No. 9. The bottles which are so rejected shall be removed from the warehouse immediately by the licensee. The licensee shall not sell these rejected bottles to any person.

11. Bottle cleaning, filling, corking, sealing, labelling, stocking and issuing shall be done to the satisfaction of the Excise Commissioner by the licensee under the supervision and direction of the Excise Officer Incharge of the warehouses in the following manner and in such other manner as the Excise Commissioner may direct from time to time -

(i) Each bottle shall be thoroughly cleaned and effectively corked. The licensee shall make his own arrangement for water required for washing and cleaning purposes. (ii) Labels of good quality paper approved by the Excise Commissioner of the following sizes and bearing the following designs in natural colours shall be pasted on each bottle as directed : (a) The size of labels for $\frac{3}{4}$ litre bottle shall be 11.4 cm x 8.9 cm., that of labels for $\frac{1}{2}$ litre bottles shall be 10.2 cm. x 7.6 cm., and that of labels for $\frac{1}{4}$ litre bottle shall be 8.9 cm. x 5.1 cm. Each label shall indicate the quantity of liquor contained in the bottle. (b) On each label of spiced liquor (25 degree U.P.) the following will be printed in black : ns'kh efnjk elkyk 25 ;w0 ihoxqykucukjxhosvj gkml The labels shall also include the following sentence in bold red ink. 'kjkc LokLF; ds fy, gkfudkj d gSA (c) On each label for 50 U.P. degree liquor bottle, there shall be a Tiger's head in the centre with branches and flowers of mahua tree on either side. The words and figures : ns'kh efnjk nqckjk

50. ;w0 ih0

osvj gkml shall be printed thereon in red. The label shall also include the following sentence in bold red ink. 'kjkc LokLF; ds fy, gkfudkj d gSA (d) Before the label is pasted on the bottle, the licensee shall get affixed on it the prescribed rubber seal indicating the name of the warehouse and the date of bottling by the Warehouse Officer. (iii) In addition to the above labels, a white label shall also be pasted on each bottle showing in bold print in Hindi the full bottling charges and the sum that shall be refunded to the purchaser on the return of the bottle to the shopkeeper. (iv) The licensee may be required by the Excise Commissioner to seal the bottle with red sealing wax and coal-tar or pilfer proof seals or with new and unused crown corks and alu capsules or capsules of similar type and quality for issues at specified warehouses. The colour of the capsules for each variety of country spirit will be determined by the Excise Commissioner from time to time.

12. The licensee shall be entitled to recover from the retail vendors :

(a) (i) Bottling charges for bottle cleaning, filling, sealing by crown corks and alu capsules or capsules of a similar type and quality, labelling, stocking and issuing at the following rate per bottle :

Rate per bottle
Rs. P.

¾ litre bottle

½ litre bottle

¼ litre bottle

(ii) Bottling charges for bottle cleaning, filling, corking, sealing with coal-tar and red wax, labelling, stocking and issuing at the following rate per bottle :

Rate per bottle

Rs. P.

¾ litre bottle

½ litre bottle

¼ litre bottle

(iii) Bottling charges for bottle cleaning filling, sealing with pilfer proof seal, labelling, stocking and issuing at the following rates per bottle :

Rate per bottle

Rs. P.

¾ litre bottle

½ litre bottle

¼ litre bottle

(b) The following amount per bottle an account of its deposit :

Rate per bottle

Rs. P.

¾ litre bottle

½ litre bottle

¼ litre bottle

(c) The licensee shall take back empty departmental bottles in sound condition returned by the retail vendors and return the deposit mentioned in para (b) above. (d) In the event of there being any dispute between the licensee and the retail vendor of sealer bottles as to the condition of the empty departmental bottles the same shall be referred to the Warehouse Officer and his decision thereon shall be final and binding on the licensee.

13. The licensee shall maintain at each warehouse such minimum stock of corks, red sealing wax and coal-tar of pilfer proof seals or crown corks and alu capsules or capsules of a similar type and quality, labels, sealed and empty bottles as may be fixed by the Collector.

14. Corking machines, racks, wooden or metallic receptacles required for bottling liquor and other articles approved by the Excise Commissioner shall be taken on the sanctioned plant list. The licensee shall keep them in good working order at his expenses.

15.

(1)At the commencement of the term of this licence, the licensee shall buy the stock of empty bottles in sound condition as well as the stock of sealed bottles remaining in balance at the warehouses specified in the schedule at the rate applicable to the outgoing licensee.(2)Similarly, the licensee shall buy from the outgoing licensee, corks labels, red sealing wax and coal-tar, crown corks, alu capsules or capsules of a similar type and quality and pilfer proof seals in good condition remaining in balance at the warehouses at a price which shall ordinarily be that incurred thereon including the incidental expenses. In the event of any dispute, the Excise Commissioner's decision will be final and binding on the licensee.

16. The licensee shall pay the price of the articles mentioned in Condition No. 15 above directly to the outgoing licensee within thirty days of the communication to him of the price. The State Government shall not be liable for payment of the price thereof to the outgoing licensee on any account :

Provided that the Excise Commissioner may require the licensee to deposit such amount on account of the price of the above articles as he may deem fit and may after fixation of the price apply the amount so deposited towards the payment of the sum due to the outgoing licensee and refund the balance, if any, to the licensee.

17. Except as provided in Condition 1 (ii), if the contract terminates and is not renewed, the licensee shall sell and the Governor shall buy or cause to be bought by the successful licensee or licensees corks, labels, red sealing wax, alu capsules or capsules of similar type and quality and pilfer proof seals in good working condition up to 2 months' average demand and sealed bottles up to 1 week's average demand, based on actual issues in the three months from October to December 20..... Sealed bottles shall be paid for at the rates mentioned in Condition 2 (a) and (b) fixed for the period from 1st April 20..... to 31st March 20..... for sale to retail vendors and for other articles, the actual cost will be paid. The decision of the Excise Commissioner shall be final as to what is the actual cost.

18. On the termination of this licence, the licensee shall sell and the Governor shall buy or cause to be bought by the succeeding licensee or licensees, the sanctioned bottling plant in good working order, including the things referred to in clause 14 above at the valuation made by the persons appointed under the orders of the Excise Commissioner and empty departmental bottles in sound condition at the rates specified in clause 12 (b) above.

19. (i) In the case of sale of corks, labels, red sealing wax, coal-tar, crown corks, alu capsules, or capsules of similar type and quality, pilfer proof seals and sealed bottles under clause 17 and of the sanctioned bottling plant and empty departmental bottles under clause 18 to incoming licensee, the licensee shall be entitled to receive payment of their price directly from the incoming licensee within 30 days of the communication to him of the price determined as payable therefor. The State Government shall not be liable to the licensee for the payment of the price thereof on any account.

(ii) Notwithstanding anything contained in sub-clause (i), the Excise Commissioner may recover any amount payable by the outgoing licensee to the State Government from any deposit made by the incoming licensee towards the price of the corks, labels, red sealing wax, coal-tar, crown corks, alu capsules or capsules of similar type and quality, pilfer proof seals, sealed bottles, sanctioned bottling plant and empty departmental bottles or require the incoming licensee to make such deduction from the price so payable and pay the amount to the State Government. (iii) Any dispute relating to the sale of corks, labels, red sealing wax, coal-tar, crown corks, alu capsules or capsules of similar type and quality, pilfer proof seals, sealed bottles, sanctioned bottling plant and empty bottles by the licensee or relating to the valuation of the sanctioned plant shall be referred to the State Government and the decision of the State Government in the matter shall be final and binding on the parties to the dispute.

20. The licensee shall not be entitled to recover from the retail vendors or succeeding licensee any tax payable by him to Government or any local body- But in the event of any increase in the existing rates of sale tax or octroi duty or terminal tax levied by Government or a local body, the Excise Commissioner may consider whether or not the contract rate should be suitably raised and the Excise Commissioner's decision in the matter shall be final and binding on the licensee.

21. (a) The licensee shall pay such terminal tax or other taxes as may be levied by the Municipal Committee or other local bodies on spirit, empty bottles, corks, asphalt, labels, etc.

(b) The licensee shall also get himself registered as a dealer under the Madhya Pradesh General Sales Tax Act, 1958 (2 of 1958) and pay the prescribed tax, if any, to the State Government.

22. (i) The Excise Commissioner may close any warehouse or require the licensee to open other warehouses. The Excise Commissioner may also transfer any warehouse mentioned in the schedule or added thereto hereafter to the supply area of other licensee. Similarly, other warehouses in the State

may be added in the schedule and the licensee shall have to supply country spirit to the additional warehouses at the rates mentioned in the schedule. The licensee shall not be entitled to claim any increase to the cost of spirit on account of the above changes.

(ii) In the event of introduction of Prohibition policy to any part of the area of this licence, the Excise Commissioner may reduce the number and change the location of the warehouse specified in the schedule. The licensee shall not be entitled to claim any compensation on account of such reduction or change.

23. (i) On demand by the Excise Commissioner or any Collector authorised in this behalf by the Excise Commissioner, the licensee shall forthwith despatch such quantity of spirit as may be required from the warehouses in his supply area to any other warehouses in the State.

(ii) In the event of his failure to despatch the spirit as required, the licensee shall be liable to such penalty not exceeding Rs. 2 per proof litre on the quantity of spirit demanded as the Excise Commissioner may determine. (iii) The licensee shall be entitled to recover from any other licensee to whom any supply is made in pursuance of sub-clause (1) the cost of spirit supplied at the rate specified in the schedule and 10% more together with transport charges and rent of drums at such rates as the Excise Commissioner may determine but the licensee to whom such supply is made shall be paid only the cost price of the spirit at the rate sanctioned in the schedule for him or for the licensee supplying it, whichever is less. (iv) In the event of any shortfall in the minimum stock of the licensee as a result of any supply made in pursuance of sub-clause (i), the licensee shall not be liable to any penalty if he satisfies the Excise Commissioner that he had maintained the minimum stock of spirit at the warehouse in his supply area.

24. (i) The issue price to be recovered from the licensed vendors for the spirit supplied to them from any of the warehouses of the licensee shall be such as the State Government may from time to time determine and it shall be lawful for the State Government to alter the rates so determined at any time and from time to time during the currency of this licence.

(ii) No spirit shall be issued to any licensed vendor from any of the warehouses of the licensee except upon proof of payment into treasury of the issue-price recoverable for it.

25. (i) On demand by the licensed vendors and upon proof of payment into Treasury of the issue price recoverable for it, the licensee shall with all reasonable expedition supply to the licensed vendor spirit of good quality, manufactured out of approved base or such other good quality spirit as the Excise Commissioner may approve in such quantities and at such of the

prescribed strengths as may be required.

(ii) Any licensed vendor may raise an objection respecting the quality of spirit before taking delivery. All such objections shall be submitted to the Excise Commissioner, whose decision thereon shall be final and binding on the parties. (iii) The spirit supplied by the licensee shall be subject to analysis and any officer-in-charge of the licensee's warehouses may, if he has reason to believe that the spirit issued is not of good quality suspend the supply, take samples, and, if upon analysis the spirit is found to be unfit for human consumption, report the case to the Excise Commissioner, who may order the spirit found to be unfit for human consumption to be rejected and destroyed without any compensation being allowed to the licensee therefor. The fee of chemical analysis shall be borne by the licensee.

26. In the event of the licensee's failure to supply the spirit as required under Condition No. 25, or to maintain the minimum stock of spirit as prescribed under Condition No. 8, or when the stock of spirit at any warehouse in the area falls so low that in the opinion of the Collector, the genuine demand of retail vendors cannot be fully met, the Collector or the Excise Commissioner may purchase spirit sufficient to meet one month's demand of the area at the risk and cost of the licensee. For every failure or threatened failure, or whenever a situation as envisaged above arises, the contractor shall be liable to pay a penalty to be imposed by the Excise Commissioner at a rate not exceeding Rs. 2 per proof licensee. For every failure or threatened failure, cost of the licensee. The quantity sufficient to meet one month's demand of the area will be calculated on the basis of average monthly consumption of the proceeding year. Before imposing such penalty, the Excise Commissioner shall take into consideration the circumstances of the case and also give the licensee a reasonable opportunity to state cause against imposition of penalty:

Provided that the penalty shall not be levied if the licensee proves to the satisfaction of the Excise Commissioner that the failure was due to cause beyond his control or to any strike, pestilence, riot, mob violence or other irresistible force and the licensee has given immediate notice of such cause or occurrence to the Excise Commissioner and the Collector.

27. The licensee shall maintain at each warehouse in his supply area such minimum stock of drums for storing water as the Collector or any officer authorised by him may prescribe.

28.

(1)The licensee shall maintain in good working order such number of motor trucks as the Excise Commissioner may fix for the transport of drums of spirit to the warehouses, and the return of empties therefrom.(2)In the event of any undue delay or default by the licensee in making arrangements for transport of drums of spirit or empty drums, the Excise Commissioner or the Collector may hire trucks or other conveyance at the risk and cost of the licensee.

29.

(1)The licensee shall maintain the sanctioned plant and machinery in his warehouses in good and proper order.No addition or alteration in the warehouse plant shall be effected without the previous sanction of the Excise Commissioner.(2)When any part of the plant or machinery is replaced, the price of such part shall be written off and the cost of the substituted part shall be entered against such part:Provided that the cost of minor repairs, including cost of the substituted component, part of an article on the plant list shall not be added to the value of the plant.(3)The licensee shall make all necessary arrangements for supply of water storage and issue and removal of used up materials or refuse to an unobjectionable remote place so as to ensure that no public nuisance is caused thereby and shall carry out any direction which the Excise Commissioner may from time to time give in this behalf.(4)In the event of the failure of the licensee to carry out the provisions of sub-clause (1) or the directions of the Excise Commissioner under sub-clause (3), the Excise Commissioner may take necessary steps for removal of the defect in the plant or machinery or for making proper arrangements for water supply or the storage or issue of spirit or for the removal of used up materials or refuse at the cost of the licensee in each case and may further impose such penalty not exceeding Rs. 5,000 as he may deem fit.

30.

(1)The licensee shall use the warehouse buildings placed at his disposal by the State Government in a reasonable and safe manner and shall not make any alteration or addition thereto whether permanent or temporary, without the previous sanction in writing of the Collector.(2)The licensee shall make over the said warehouse buildings at the termination of this licence in as good condition as they were at the commencement thereof, excluding reasonable wear and tear.(3)The licensee shall be bound to pay such compensation to the State Government as may be determined by the Excise Commissioner, for any damage to warehouse buildings whether by fire or otherwise in any manna whatsoever arising or resulting from or in consequence of his or the negligence of his servants or agents m the use thereof. The decision o the Excise Commissioner both as to the liability of the licensee to make compensation and as to the amount of compensation payable shall be final and binding on the licensee.

31.

(1)At the commencement of the term of this licence, the licensee shall buy -(a)The entire stock of

spirit remaining in balance at the warehouse specified in the schedule, at the rate applicable to the outgoing licensee. For the spirit so taken over, the licensee shall be paid the same price which he has paid to the outgoing licensee; and (b) All sanctioned plant installed in the warehouse specified in the schedule at the valuation made under the orders of the Excise Commissioner. (2) If any warehouses are opened in pursuance of Condition No. 22 during the currency of this licence the licensee shall buy the plant and spirit installed or in stock at such warehouses at the valuation made under the orders of or at the price fixed by the Excise Commissioners. (3) The licensee shall pay the price of the spirit and the plant purchased by him under sub-clauses (1) and (2) directly to the outgoing licensee within thirty days of the communication to him of the price as fixed or determined therefor: Provided that the price of warehouse plant owned by Government shall be payable by the incoming licensee to Government. The State Government shall not be liable for payment of the price thereof to the outgoing licensee on any account: Provided that the Excise Commissioner may require the licensee to deposit such amount or, account of the price of the spirit and plant as he may deem fit and may after fixation of the price of the spirit or valuation of the plant apply the amount so deposited towards the payment of the sum due to the outgoing licensee and refund the balance, if any, to the licensee. (4) Any dispute relating to the sale of the spirit or plant to the licensee or the valuation thereof shall be referred to the State Government and the decision of the State Government in the matter shall be final and binding on the parties to the dispute.

32.

(1) On termination of this licence, the licensee shall sell and the State Government shall buy or cause to be bought by the incoming licensee—(a) a quantity of spirit (Plain and spiced separately) of good quality equal to two months' supply of the area of this licence determined upon the basis of the average monthly supply made during the period of six months from July to December 20..... at the rate of Rs.... or Rs..... as shown in the schedule per proof litre for spirit delivered at the warehouses. The stock of spirit remaining in balance in excess of two months' supply may also be taken over at the rate applicable to the outgoing licensee or the incoming licensee, whichever is less; (b) all the sanctioned plant used at the warehouses specified in the schedule as may in the opinion of the Excise Commissioner be in good working order at a valuation made under the orders of the Excise Commissioner. If at the time valuation, it is found that any part of the plant requires repairs, adjustments or overhauling, suitable deduction on account of the above item will be made from the depreciated value as the Excise Commissioner may determine; provided that the Excise Commissioner may waive the requirement for sale of spirit by giving two months' notice before termination of this licence, in which case the licensee shall with the previous sanction of the Excise Commissioner dispose of any stock of spirit held by him on the date of expiry of this licence within a period of two months from such date but he shall not be entitled to claim any compensation for any loss sustained in such disposal. (2) The Excise Commissioner may impose a penalty at a rate not exceeding Rs. 2 per proof litre for every litre of spirit delivered short of the quantity specified in clause (1) (a) and he or the incoming licensee with the previous sanction of the Excise Commissioner may purchase such quantity from any other source at the cost of the licensee who shall also be liable for expenses incidental to such purchase. (3) In the case of sale of spirit or plant to the incoming licensee, the licensee shall be entitled to receive payment of the price of the spirit and plant sold by him directly from the said incoming licensee within thirty days of the communication to him of the

price determined therefor The State Government shall not be liable to the licensee for the payment of the price thereof on any account.(4)Any dispute relating to the sale of the spirit or plant by the licensee or the valuation of the plant shall be referred to the State Government and the decision of the State Government in the matter shall be final and binding.

33. Notwithstanding anything contained in this licence, the Excise Commissioner may recover any amount payable by the outgoing licensee to the State Government from any deposit made by the licensee towards the price of the spirit and warehouse plant, etc., payable to the outgoing licensee or require the licensee to make such deduction from the price so payable to the outgoing licensee and pay the amount to the State Government.

34. The Excise Commissioner may terminate this licence and may also black list the licensee upon a breach or contravention of any of the conditions or of the provisions of the M.P. Excise Act, 1915 or of the rules made thereunder. The licensee shall be liable for any loss caused to Government as a result of such termination of the licence.

35. Without prejudice to the provisions of the conditions of this licence and save where provision is expressly made for any other penalty in these conditions, the Excise Commissioner may impose a penalty not exceeding Rs 50.00 for any breach or contravention of any of these conditions or of provisions of the M.P. Excise Act, 1915 or of the rules made hereunder or order of the Excise Commissioner under Condition No. 37 and may further impose, in the case of continuing breach, an additional penalty not exceeding Rs 100 for every day during which the breach or contravention is continued.

36.

(1)If during the currency of this licence or its expiry, the policy of total or partial prohibition be introduced in the whole or part of the area covered by this licence or any other steps are taken towards prohibition, such as increase in the number of 'dry' days or closure of some shops or any other measures are adopted to that end as a consequence of which any or all the warehouses attached thereto are to be closed, the Government shall no be bound to purchase the warehouse plant and ancillaries thereto or the stock of spirit, pilfer-proof seals, corks, labels, alu capsules or red sealing wax and coal tar, bottles, bottling plant or bottle-cleaning plant or any other material whatsoever and the licensee shall not be entitled to claim by compensation at all.(2)Should the policy of total prohibition be introduced in the whole of the area covered by this licence, the licensee shall be given an advance notice of at least one month. On receipt of such notice, the licensee may,

notwithstanding anything contained in Condition No. 12, stop-taking back empty bottles returned by the retail vendors after giving them 3 days notice.

37.

(1)The Excise Commissioner shall have power to pass order or give direction in respect of any matter not herein expressly provided for.(2)The licensee may within ten days of the communication to him of any such order or direction of the Excise Commissioner appeal to the State Government against such order or direction.(3)The decision of the State Government and subject only to such decision the order or direction of the Excise Commissioner shall be final and binding on the licensee.

38. The licensee shall maintain registers and accounts relating to storage and issue of spirit in loose or sealed bottles, containers, etc., and submit such returns as may be presented by the Excise Commissioner. Such registers and accounts shall be open to inspection by the Excise officers.

Schedule 3

District Warehouse Rate of cost price per proof litre (Condition No.4)

Excise CommissionerMadhya Pradesh.Counterpart AgreementThis deed is made this..... day of..... 20..... between the Governor of Madhya Pradesh acting through the Excise Commissioner of Madhya Pradesh acting through the Excise Commissioner of Madhya Pradesh (hereinafter called the Governor, which expression shall unless inconsistent with the subject or context include his successor in office) of the one part and Shri..... (hereinafter called the licensee which expression shall unless inconsistent with the subject or context include his permitted assigns) of the other part.Whereas the licensee has been granted on the..... day of..... 20..... by the Excise Commissioner a licence for the wholesale supply of country spirit in the area under the supply system in the..... supply area.Now, therefore, this deed witnesses that-(1)The licensee shall abide by and carry out all his obligations under the terms and conditions of the said licence.(2)The Licensee shall always maintain a deposit in the amount given in the tender notice with the Excise Commissioner for the due fulfillment of the conditions of this licence.(3)Any penalties or other liabilities incurred by the licensee under the provisions of the licence or under the rules made under the Madhya Pradesh Excise Act, 1915 shall be recoverable by the Governor from the security deposit or from any amount due to the licensee on account of the price of the spirit supplied or on any other account as an arrear of land revenue but without prejudice to any other right or remedy of the State Government.(4)The licensee shall pay and discharge during the term of this licence all assessments, rents, taxes and charges of every descriptions now or hereafter assessed imposed or charged on the owner or occupier in respect of or upon the warehouse buildings specified in the schedule hereunder, if the same is supplied by the State Government :

Schedule 4

District Warehouse Rate of cost price per proof litre (Condition No.4)

(1) (2) (3)

In witness whereof the parties hereto have signed this deed on the date and year respectively mentioned against their signature. Witness :

1.

.....

2.

.....Excise Commissioner, Madhya Pradesh on behalf of the Governor of Madhya Pradesh. Dated the

1..... Licensee

2..... Full name and address.....

Dated..... 20.....

Form D-2 Licence to Manufacture Spirits in the Distillery at..... Under Rule IV/V of the Distillery and Warehouse Rules and in consideration of the payment of a fee of Rs. 100, the receipt of which is hereby acknowledged, licence is hereby granted to you, resident of..... hereinafter called the licensees, to manufacture spirits in the distillery at..... from the 1st April, 20..... to the 31st March, 20..... subject to the following conditions : Conditions

1. The licensees shall observe all the rules applicable to distilleries and warehouses generally and to the issue of spirits therefrom prescribed by Government, of which copies are attached and also all such further rules as may be made by the State Government under the authority of the Madhya Pradesh Excise Act, 1915, or under any other law for the time being in force and relating to excise revenue and such subsidiary orders and instructions as are consistent with the conditions of this licence and may be issued by the Excise Commissioner for carrying them out.

2. The licensees shall make such provision as the Excise Commissioner may from time to time require for removing and disposing of waste water and refuse from the said buildings and premises and for abating any nuisance or inconvenience caused in working the distillery.

3. [The licensee shall not, except with the written permission of the State Government and on such conditions as it may impose, manufacture rectified spirit, denatured spirit or foreign liquor.] [Substituted by Notification No. 1129-585-V-SR, dated 9-4-1962.]

4. On breach of any of the conditions of this licence, or of the provisions of the Madhya Pradesh Excise Act, 1915, or of the rules made thereunder, this licence may be cancelled by the Excise Commissioner or the Collector.

Granted this.....day of.....20...Excise Commissioner or Collector.[Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.][Substituted by Notification No. 1222-318-V-SR-78, dated 22-3-1978.][Substituted by Notification No. B-1-27-92-CT-V, dated 29-1-1993.]