

# The Punjab Excise Act, 1914

PUNJAB

India

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### Act 1 of 1914

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The Punjab Excise Act, 1914(Punjab Act 1 of 1914)Last Updated 30th September, 2019Whereas it is expedient to consolidate and amend the law in, [Punjab] [Substituted for 'East Punjab' which had been substituted for the 'Punjab' by Indian Independence (Adaptation of Bengal and Punjab Acts) Order, 1948 by Adaptation of Law (Third Amendment) Order, 1951.] relating to import, export, transport, manufacture, sale and possession of intoxicating liquor and of intoxicating drugs; it is hereby enacted as follows:-

## Chapter I

### Preliminary and definitions.

#### 1. Short title.

(1)This Act may be called the Punjab Excise Act, 1914 and(2)Extent and commencement. - It extends to the whole of Punjab.(3)It shall come into force on such date as the State Government may be notification direct.

#### 2. Repeal of enactments.

- The enactments, mentioned in Schedule (1) are repealed to the extent specified in the fourth column thereof.

#### 3. Definitions.

- In this Act and the rules made under it unless there is something repugnant in the subject or context :-(1)Beer. - "Beer" includes ale, porter, stout and all other fermented liquors made from malt.(2)Bottle. - "to bottle" means to transfer liquor from a cask or other vessel to a bottle, jar, flask or similar receptacle whether any process of manufacture be employed or not, and bottling

including re-bottling. [(2-a) "club" means any person or body of persons providing services, facilities or advantages, primarily to its members, for a subscription or any other amount;] [Inserted by Punjab Act No. 10 of 2017, dated 13.7.2017.](3)Collector. - "Collector" includes any revenue officer in independent charge of district and any official appointed by the State Government to discharge throughout any specified local area, the functions of a Collector under this Act.(4)Commissioner. - "Commissioner" means the chief officer incharge of the revenue administration of a division.(5)Denatured. - "denatured" means effectually and permanently rendered unfit for human consumption.(6)Exciseable article. - "Exciseable article" means : (a) any alcoholic liquor for human consumption ; or (b) any intoxicating drug [(6-a) "excise bottle" means a bottle of such type or description as may be or may have been at any time permitted for the bottling of liquor or beer by rules made under this Act]. [(6-b) "excise duty" and "countervailing duty" means any such excise duty or countervailing duty as the case may be as in mentioned in entry 51 of list II in the Seventh Schedule to the Constitution.(7) [ "Excise Commissioner" means the Excise Commissioner appointed as such by the State Government under section 9 and includes any other officer appointed by the State Government to discharge the functions of the Excise Commissioner under this Act.] [Substituted vide Punjab Act No 20 of 1998.](8)Excise Officer. - "excise officer" means any officer or person appointed or invested with powers under this Act.(9)Excise revenue. - "Excise revenue" means revenue derived or derivable from any payment, duty, fee, tax confiscation or fine imposed or ordered under the provisions of this Act, or of any other law for time being in force relating to liquor or intoxicating drugs, but does not include a fine imposed by a court of law.(10)Export. - "Export" means to take out of Punjab otherwise than across a customs frontier as defined by the Central Government.(11)Financial Commissioner. - "Financial Commissioner' shall when there are more Financial Commissioners than one be construed as meaning one or more of the Financial Commissioners] [(11 -a) "hotel" includes a building or part of a building where residential accommodation is, by way of business, provided for a monetary consideration;] [Inserted by Punjab Act No. 10 of 2017, dated 13.7.2017.](12)Import. - "Import" (except) in the phrase "import into India means to bring into Punjab otherwise than across a custom frontier as defined by the Central Government]. (12-a) Intoxicant. - "intoxicant" means any liquor or intoxicating drug.(13)Intoxicating drugs. - "intoxicating drugs" mean. (i) the leaves, small stalks and flowering or fruiting tops of the Indian hemp plant (*Canabis Sativa* L.) including all forms known as bhang, siddhi or ganja. (ii) Charas, that is the resin, obtained from the Indian hemp plant, which has not been submitted to any manipulations other than those necessary for packing and transport. (iii) any mixture with or without natural materials of any of the above forms of intoxicating drug or any drink prepared there from ; and (iv) any other intoxicating or narocatic substance which the State Government may by notification declare to be an intoxicating drug such substance not being opium coca leaf, or a manufactured drug as defined in Section 2 of the Dangerous Drugs Act, 1930. [(13-A) Lahan. - "Lahan" means any solution made from any kind of gur or molasses or both: [Added by Punjab Act 36 of 1973.] (i) to which a fermentation agent has been added to promote fermentation; or (ii) which has undergone the process of fermentation; and from which spirit can be obtain by distillation; and] (14) Liquor. - "Liquor" means intoxicating liquor and includes [Lahan and] [Added by Punjab Act 36 of 1973.] all liquid consisting of or containing alcohol; also any substances which the State Government may by notification declare to be liquor for the purposes of this Act. [(14-a) "liquor vends" shall mean retail shops that are licensed to sell liquor and shall not include any hotels, clubs or restaurants or any notified place;] [Inserted by Punjab Act No. 10 of 2017, dated

13.7.2017.](15)[-] [Clause (15) was omitted by the Punjab Separation of Judicial and Executive Functions Act, 1964 (Punjab Act No. 25 of 1964).](16)Manufacture. - "manufacture" includes every process, whether natural or artificial by which any intoxicant is produced or prepared and also redistillation, and every process for the rectification, reduction flavouring, blending or colouring of liquor.[(16-A) "Offender" means any person, who in contravention of any provision of this Act, the rules framed thereunder, any notification issued or any order made or any licence, permit or pass granted under this Act, imports or exports or transports or possession any liquor.] [Inserted vide Punjab Act 10 of 2003.](16-b) "notified place" means any building or part of a building and the premises appurtenant thereto and any specifically demarcated land wherein the supply of liquor in terms of a licence is permitted for consumption within such notified place;] [Inserted by Punjab Act No. 10 of 2017, dated 13.7.2017.](17)Place. - "place" includes a building, shop, tent, enclosure, booth, vehicle, vessel, boat and raft.(18)Sale. - expression referring to "sale" include any transfer otherwise than by way of gift.[(18-a) "sale of liquor" means the transfer of liquor for consideration by a liquor vend for consumption by the purchaser at a place other than the premises of the liquor vend;] [Inserted by Punjab Act No. 10 of 2017, dated 13.7.2017.](19)Spirit. - "spirit" means any liquor containing alcohol obtained by distillation whether denatured or not.[(19-a) "supply of liquor" means the provision of liquor for consideration at clubs, hotels, restaurants and any other notified place on the basis of a licence that is issued on the condition that such liquor shall be consumed within the premises of such hotel, club, restaurant or other notified place;] [Inserted by Punjab Act No. 10 of 2017, dated 13.7.2017.](20)Tari. - "tari" means fermented or unfermented juice drawn from any kind of palm tree.(21)Transport. - "transport" means to move from one place to another within Punjab.

#### **4. 'Country Liquor' and 'Foreign liquor'.**

- The State Government may by notification declare what for the purposes of this Act or any portion thereof shall be deemed to be "country liquor" and "foreign liquor".

#### **5. Power of State Government to declare limit of sale by retail and by wholesale.**

- The State Government may by notification declare with respect either to the whole of Punjab or to any local area comprised therein, and as regards purchasers generally or any specified class of purchasers and generally or for any specified occasions the maximum or minimum quantity or both of any intoxicant which for the purposes of this Act may be sold by retail and by whole sale.

#### **6. Power to limit application of notifications, permits, etc, made under this Act.**

- Where under this Act any notification is made any power conferred, any appointment made or any license, pass or permit granted, it shall be lawful to direct :-(a)that it shall apply to the whole of Punjab or to any specified local area or areas;(b)that it shall apply to all or any specified intoxicant or intoxicants or class thereof;(c)that it shall apply to all or any class or classes of persons or

officers;(d)that it shall be in force only for some special period or occasion.

## **7. Saving of enactments.**

- Save as provided by the Scheduled I nothing contained in this Act shall effect the provisions of the [See Customs Act, 1887] [See now the Customs Act, 1962.] (VII of 1878) the Cantonments Act, 1910] or the Indian Tariff Act, 1894 or any rule or order made there under.

## **Chapter II**

### **Establishment and Control**

## **8. Superintendence and control of excise administration and excise officers.**

(a)Subject to the control of the State Government and unless the State Government shall by notification otherwise direct, the general superintendence and administration of all matters relating to excise shall vest in the Financial Commissioner.(b)Subject to the general superintendence and control of the Financial Commissioner and unless the State Government shall by notification otherwise direct, the Commissioner shall control all other excise officers in his division.(c)Subject as aforesaid and to the control of the Commissioner and unless the State Government shall by notification otherwise direct the Collector shall control all other excise officers in his district.

## **9. Excise Commissioner.**

- The State Government may by notification appoint an Excise Commissioner and subject to such conditions and restrictions as it may deem fit may invest him with all or any of the powers conferred on the Financial Commissioner by this Act.

## **10. Other classes of excise officers.**

(a)There shall be such other classes of excise officers as the State Government may by notification declare and the State Government may appoint as many person as it deems fit to be excise officers of these classes.(b)Their powers. - The State Government shall by notification declare what powers under this Act shall be exercised by excise officers of each class.(c)Mode of conferring powers. - In conferring powers under this Act the State Government may empower persons by name or in virtue of their office or classes of official generally by their official title.

## **11. Power to invest persons with special powers under this Act.**

- The State Government may by notification invest any person, not being an excise officer, with power to perform all or any of the functions of an excise officer, under this Act, and such person shall in the exercise of these functions be deemed to be an excise officer.

## **12. Local limits of jurisdiction.**

- The jurisdiction of the Financial Commissioner and of the Excise Commissioner shall extend to Punjab the jurisdiction of Commissioners shall extend to their divisions and the jurisdiction of Collectors and other excise officers shall unless, the State Government shall otherwise direct, extend to the districts in which they are for the time being employed.

## **13. Delegation.**

(a)The State Government may by notification delegate to the Financial Commissioner or Commissioners all or any of its powers under this Act, except the powers conferred by Sections 14, 21, 22, 31, 56 and 58 of this Act.(b)The State Government may by notification permit the delegation by the Financial Commissioner, Commissioner or Collector to any person or class of persons specified in such notification of any powers conferred by this Act or exercised in respect of excise revenue under any Act for the time being in force.

## **14. Appeal.**

- An appeal shall lie from an original or appellate order of any excise officer in such cases or classes of cases and to such authority as the State Government shall by notification declare.

## **15. [ Revision and review. [Substituted by Punjab Act 8 of 1965, Section 2.]**

(1)The Excise Commissioner may, suo moto, at any time or on an application made to him, call for the record of any proceedings which are pending before, or have been disposed of, by any excise officer subordinate to him for the purpose of satisfying himself as to the legality or propriety of such proceedings or of any order made therein and may pass such order in relation thereto as he may deem fit :Provided that the application shall be made within a period of one hundred and eighty days of the date of taking of the proceedings or of passing of the order, as the case may be.(2)The State Government may by notification also confer upon any excise officer the powers of the Excise Commissioner under sub-section (1) to be exercised subject to such conditions, and in respect of such areas, as may be specified in the notification.(3)The Excise Commissioner or the Excise Officer on whom powers of the Excise Commissioner have been conferred under sub-section (2) may review his own order.(4)The Financial Commissioner may, suo moto, at any time or on an application made to him, call for the record of any case decided under the proceeding sub-sections and if in his opinion the final order contains an erroneous decision on any question of law, he may pass such order on the case as he may deem fit.(5)No order shall be made under this section which adversely effect the rights of any person upon whom an obligation is imposed by or under this Act, without giving such persons a reasonable opportunity of being heard.]

## **Chapter III**

### **Import, Export and Transport**

#### **16. Import, export and transport of intoxicants.**

- No intoxicant shall be imported, exported or transported except :-(a)after payment of any duty to which it may be liable under this Act or execution of [an agreement] [Substituted 'a bond' by Punjab Act No. 26 of 2013, dated 9.4.2013], for such payment, and(b)in compliance with such conditions as the State Government may impose.

#### **17. Power of State Government to prohibit import, export and transport of intoxicants.**

- The State Government may by notification (a) prohibit the import or export of any intoxicant into or from Punjab, or any part thereof ; or(b)prohibit the transport of any intoxicant.

#### **18. Passes necessary for import, export and transport.**

- Except as otherwise provided by any rule made under this Act, no intoxicant exceeding such quantity as the State Government may prescribe by notification shall be imported, exported or transported except under a pass issued under the provisions of the next following section :Provided that in the case of duty paid foreign liquor such passes shall be dispensed with unless the State Government shall by notification otherwise direct :Provided further, that on such conditions as may be determined by the Financial Commissioner, a pass granted under the excise Law in force in another State may be deemed to be a pass granted under this Act.

#### **19. Grant of passes for import, export and transport.**

- Passes for the import, export and transport of intoxicants may be granted by the Collector.Provided that passes for the import and export of such intoxicant as the Financial Commissioner may from time to time determine shall be granted only by the Financial Commissioner.

## **Chapter IV**

### **Manufacture, Possession and Sale**

#### **A. Manufacture**

## **20. Manufacture of intoxicants prohibited except under the provisions of this Act.**

(1)(a)No intoxicant shall be manufactured or collected ;(b)no hemp plant shall be cultivated ;(c)no tari-producing tree shall be tapped ;(d)no tari shall be drawn from any tree, and(e)no person shall use, keep or have in his possession, any materials, still, utensil, implement or apparatus whatsoever for the purpose of manufacturing any intoxicant other than tari.Except under the authority and subject to the terms and conditions of a licence granted in that behalf by the Collector.(2)No distillery or brewery shall be constructed or worked except under the authority and subject to the terms and conditions of a licence granted in that behalf by the Financial Commissioner under Section 21.

## **21. Establishment or licensing of distilleries and breweries.**

- The Financial Commissioner, subject to such restriction or condition as the State Government may impose may, -(a)establish a distillery in which spirit may be manufactured under a licence granted under Section 20.(b)discontinue any distillery so established.(c)licence the construction and working of a distillery or brewery.(d)make rule regarding (1) the granting of licences for distilleries, stills or breweries.(2)the security to be deposited by the licensee of a distillery or brewery;(3)the period for which the licence shall be granted ;(4)the inspection and examination of such distillery or brewery and the warehouses connected therewith and of the spirit or fermented liquor made and stored therein ;(5)the management and working of the distillery or brewery ;(6)the form of accounts to be maintained and the returns to be submitted by the licensee;(7)the upkeep of buildings and plant ;(8)the size and description of stills and other plants ;(9)the manufacture, storing and passing out of spirit and contents of passes;(10)the prices to be charged by the licensee ;(11)any other matters connected with the working of distilleries or breweries.

## **22. Establishment or licensing of warehouses.**

- The Financial Commissioner, subject to such restrictions or conditions as the State Government may impose, may:-(a)establish or licence a warehouse wherein any intoxicant may be deposited and kept without payment of duty(b)discontinue any warehouse so established.

## **23. Removal of intoxicants from the distillery etc.**

- No intoxicant shall be removed from any distillery, brewery, warehouse or other place of storage, established or licensed under this Act, unless the duty if any (payable under Chapter V) has been paid or [an agreement] [Substituted 'a bond' by Punjab Act No. 26 of 2013, dated 9.4.2013] has been executed for the payment thereof.B. Possession

## **24. Possession of intoxicants.**

(1) No person shall have in his possession any quantity of any intoxicants in excess of such quantity as the State Government has, under Section 5, declared to be the limit of retail sale, except under the authority and in accordance with the terms and conditions of (a) a licence for the manufacture, sale or supply of such article ; or (b) in the case of intoxicating drugs, a licence for the cultivation or collections of the plants from which such drugs were produced ; or (c) a permit granted by the Collector in that behalf ; (2) Exceptions. - Sub-section (1) shall not apply to (a) any intoxicant in the possession of any Excise Officer, common carrier or warehouse man as such or ; (b) Omitted by East Punjab Act 12 of 1949. (3) A licensed vendor shall not have in his possession at any place, other than that authorised by his licence, any quantity of any intoxicant in excess of such quantity as the State Government has under Section 5 declared to be the limit of sale by retail except under a permit granted by the Collector in that behalf. (4) Prohibition and restriction of possession of intoxicant in certain cases. - Notwithstanding anything contained in the forgoing sub-sections the State Government may by notification prohibit the possession of any intoxicant or restrict such possession by such conditions as it may prescribe.

### **24A. [ Possession of unused and printed lables, corks, etc. by certain persons to be punishable. [Substituted by Punjab Act 31 of 1963, Section 2.]**

- No person shall have in his possession any unused and printed lable, cork, capsule or seal, duly approved by any authority under this Act or under any rule or order made thereunder for use by a person licensed to establish or work a distillery or brewery or to bottle liquor, or any other label, cork, capsule or seal which is an imitation of such unused and printed label, cork, capsule or seal, as the case may be : Provided that nothing herein shall apply to - (a) a person licensed to establish or work a distillery or brewery or to bottle liquor ; or (b) a person who, in execution of an order received from a person specified in clause (a) manufactures or prints any such label, cork, capsule or seal.]

## **25. Prohibition of possession of intoxicant unlawfully manufactured, imported etc.**

- No person shall have in his possession any quantity of any intoxicant knowing the same to have been unlawfully imported, transported, manufactured, cultivated or collected or knowing the prescribed duty not to have been paid thereon. C - Sale

## **26. Sale of intoxicants.**

- No liquor shall be bottled for sale and no intoxicant shall be sold except under the authority and subject to the terms and conditions of a licence granted in that behalf provided that - (1) a person licensed under Section 20 to cultivate the hemp plant may sell without a licence those portions of the plant from which any intoxicating drug can be manufactured to any person licensed under this Act to deal in the same or to any officer whom the Financial Commissioner may appoint in this behalf ; (2) a person having the right to the tari drawn from any tree may sell the same without a



licence to a person licensed to manufacture or sell tari under this Act ;(3)on such conditions as the Financial Commissioner may determine a licence for sale under the Excise Law for the time being in force in other parts of the whole of the India Except Part B States may be deemed to be a licence granted in that behalf under this Act;(4)nothing in this section applies to the sale of any foreign liquor lawfully procured by any person for his private use and sold by him or on his behalf or on behalf of his representatives in interest upon his quitting a station or after his decease.

## **26A. [ Sale or supply of liquor. [Substituted by Punjab Act No. 10 of 2017, dated 13.7.2017.]**

(1)The sale of liquor shall be permitted only through licensed liquor vends which shall not be located within motorable or walking distance of 500 meters from the outer range of the National or State Highway or by a service lane along such highway and such liquor vends shall neither be directly visible nor accessible from such National or State Highway.(2)Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or authority, every club, hotel, restaurant or any notified place having a licence shall be entitled to engage in the supply of liquor to members, guests or other persons for consumption of such liquor within the premises of such club, hotel, restaurant or notified place, irrespective of whether such club, hotel, restaurant or notified place, is located on or near any National or State Highway:Provided that, if any person obtains permit for serving of liquor at a private place, then such place shall be considered as notified place for the purpose of this section:[Provided that the above restriction shall not apply to the licensed liquor vends within the limits of Municipal areas. ](3)Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any licence issued to any club, hotel, restaurant or other notified place for the sale of liquor shall be deemed to have been and always be deemed to have been issued for the supply of liquor and all relevant provisions of this Act and the rules made thereunder shall continue to apply as they did for sale of liquor.Explanation. - For the removal of doubt, it is hereby clarified that all taxes, duties, cess or other levies as applicable to sale of liquor shall apply to supply of liquor unless otherwise specified in this or any other Act, rule or notification made thereunder.]

## **27. Grant of lease of manufacture etc.**

(1)The State Government may lease to any man not below the age of twenty-five years, on such conditions and for such period as it may deem fit, the right -(i)of manufacturing or of supplying by wholesale, or of both, or(ii)of selling by wholesale or by retail, or(iii)of manufacturing or of supplying by wholesale, or of both and of selling by retail;any [Excisable article] [Substituted vide Punjab Act No. 20 of 1998. for 'country liquor or intoxicating drug'.] within any specified local area.(2)The Collector shall grant to a lessee under sub-section (1) a licence in the terms of his lease ; and, when there is no condition in the lease which prohibits sub-letting, may, on the application of the lessee, grant a licence to any sub-lessee approved by the Collector.

## **28. Manufacture and sale of liquor in military Cantonments.**

- Within the limits of any military cantonment and within such distance from those limits as the Central Government in any case may prescribe, no licence for the manufacture or sale of liquor and no lease of the retail vend of liquor, such as is described in Section 27, shall be granted unless with the consent of the Commanding Officer.

## **29. Prohibition of sale to persons under the age twenty-five years.**

- No licensed vendor and no person in the employ of such vendor or acting on his behalf shall sell or deliver any liquor or intoxicating drug to any person apparently under the age of twenty-five years whether for consumption by such person or by another person and whether for consumption on or off by the premises of such vendor.

## **30. Prohibition of employment of men under the age of twenty-five years and of women.**

- No person who is licensed to sell any liquor or intoxicating drug for consumption on his premises shall during the hours in which such premises are kept open for business, employ or permit to be employed either with or without remuneration any man under the age of 25 years or any women in any part of such premises in which such liquor or intoxicating drug is consumed by the public.

## **Chapter V**

### **Duties and Fees**

## **31. Duty [or extra license fee and other chargeable levies] [Inserted by Punjab Act No. 3 of 2016, dated 28.3.2016.] on excisable articles.**

- An excise duty [or extra license fee and other chargeable levies] [Inserted by Punjab Act No. 3 of 2016, dated 28.3.2016.] or a countervailing duty [or extra license fee and other chargeable levies] [Inserted by Punjab Act No. 3 of 2016, dated 28.3.2016.] as the case may be at such rate or rates as the State Government shall direct, may be imposed either generally or for any specified local area, on any excisable article. (a) imported, exported or transported in accordance with the provisions of Section 16 ; or (b) manufactured or cultivated under any licence granted under Section 20 ; or (c) [manufactured in any distillery established or any distillery or brewery or warehouse licensed under Section 21 and 22:] [Substituted by Punjab Act No. 16 of 2019, dated 25.9.2019.] Provided as follow :- (i) duty [or extra license fee and other chargeable levies] [Inserted by Punjab Act No. 3 of 2016, dated 28.3.2016.] shall not to be so imposed or any article which has been imported into India and was liable on importation to duty under the Indian Tariff Act, 1894, or the [See Customs Act, 1878 ;] [See now the Customs Act, 1962.] (ii) Explanation. - Duty [or extra license fee and other chargeable levies] [Inserted by Punjab Act No. 3 of 2016, dated 28.3.2016.] may be imposed under this section at different rates according to the places to which any excisable article is to be removed for

consumption, or according to the varying strength and quality of such article.

### **32. Manner in which duty may be levied.**

- Subject to such rules regulating the time, place and manner as the Financial Commissioner may prescribe, such duty shall be levied rateably, on the quantity of excisable article imported, exported, transported, collected or manufactured in or issued from a distillery brewery or warehouse: Provided that duty may be levied : (a) on intoxicating drugs by an acreage rate levied on the cultivation of the hemp plant or by a rate charged on the quantity collected. (b) on spirit or beer manufactured in any distillery established or any distillery or brewery licensed, under this Act in accordance with such scale or equivalents calculated on the quantity of materials used, or by the degree of attenuation of the wash or wort, as the case may be, as the State Government may prescribe ; (c) on tari, by a tax on each tree from which the tari is drawn : Provided further that where payment is made upon issue of an excisable article for sale from a warehouse established or licensed under Section 22(a) it shall be made- (a) if the State Government by notification so directs, at the rate of duty which was in force at the date of import of that article, or (b) in the absence of such direction by the State Government, at the rate of duty which is in force on that article on the date when it is issued from the warehouse.

### **33. Payment for grant of leases.**

- Instead of or in addition to any duty leviable under this chapter the State Government may accept payment of a sum in consideration of the lease of any right under Section 27.

### **33A. Saving for duties being levied at commencement of the Constitution.**

(1) Until provision to the contrary is made by Parliament, the State Government may continue to levy any duty which it was lawfully levying immediately before the commencement of the Constitution under this chapter as then in force. (2) The duties to which this section applies are : (a) any duty on intoxicants which are not excisable articles within the meaning of this Act ; and (b) any duty on an excisable article produced outside India and imported into Punjab whether across a customs frontier as defined by the Central Government or not. (3) Nothing in this section shall authorise the levy by the State Government of any duty which as between goods manufactured or produced in the State and similar goods not so manufactured or produced, discriminates in favour of the former or which, in the case of goods manufactured or produced outside the State, discriminates between goods manufactured or produced in one locality and similar goods manufactured or produced in another locality.

## **Chapter VI**

### **Licences, Permit and Passes**

### **34. Fees for terms, conditions and form of, and duration of licences, permits and passes.**

(1) Every licence, permit or pass granted under this Act shall be granted -(a) on payment of such fees, if any, (b) subject to such restrictions and on such conditions, (c) in such form and containing such particulars, (d) for such period. As the Financial Commissioner may direct. (2) Security. - Any authority granting a licence under this Act may require the licensee to give such security for the observance of the terms of his licence, or to make such deposit in view of security, as such authority may think fit.

### **35. Grant of licence for sale.**

(1) Subject to the rules made by the Financial Commissioner under the power conferred by this Act, the Collector may grant licences for the sale of any intoxicant within his District. (2) Ascertainment of public opinion. - Before any licence is granted in any year for the retail sale of liquor for consumption on any premises which have not been so licensed in the preceding year, the Collector shall take such measure in accordance with rules to be made by the State Government in this behalf, as may best enable him to ascertain local public opinion in regard to the licensing of such premises. (3) A licence for sale in more than one district of the Punjab shall be granted by the Financial Commissioner only.

### **36. Power to cancel or suspend licences, etc.**

- Subject to such restrictions as the State Government may prescribe, the authority granting any licence, permit or pass under this Act may cancel or suspend it. (a) If it is transferred or sublet by the holder thereof without the permission of the said authority; or (b) if any duty or fee payable by the holder thereof be not duly paid; or (c) in the event of any breach by the holder of such licence, permit or pass or by his servants, or by any one acting on his behalf with his express or implied permission, of any of the terms or conditions of such licence, permit or pass; or (d) if the holder thereof is convicted of any offence punishable under this Act or any other law for the time being in force relating to revenue, or of any cognizable and non bailable offence, or of any offence punishable under the Dangerous Drugs Act, 1930, or under the Merchandise Marks Act, 1889, or of any offence punishable under Sections 482 to 489 (both inclusive) of the Indian Penal Code; or (e) if the holder thereof is punished for any offence referred to in clause (8) of Section 197 of the [See Customs Act, 1878; or] [See now the Customs Act, 1962.]; (f) where a licence permit or pass has been granted on the application of the grantee of a lease under this Act, on the requisition in writing of such grantee; or (g) at will, if the conditions of the licensee or permit provide for such cancellation or suspension.

### **37. Power to cancel any other license.**

- When a license, permit, or pass held by any person is cancelled under clause (a), (b), (c), (d) or (e) of section 36, the authority aforesaid may cancel any other license, permit or pass granted to such person by or by the authority of the State Government, within the same district under this Act or

under any other law for the time being in force relating to excise revenue or under the Opium Act, 1878, and the Financial Commissioner may cancel any such license, permit or pass granted to such person in any district to which this act applies.

### **38. Power to recover fee.**

- In the case of cancellation or suspension of license under clause (a), (b), (c), (d) or (e) of Section 36, the fee payable for the balance of the period for which any license would have been current but for such cancellation or suspension, may be recovered from the ex-licensee as excise revenue.

### **39. Power of collector to take grants under management or to resell.**

- If any holder of a license granted under this Act, or any person to whom a lease has been granted under Section 27, makes default in complying with any condition imposed upon him by such license or lease, the collector may take the grant under the management at the risk of the person who has so defaulted or may resell it and recover in the manner laid down in Section 60 of this Act any deficiency in price and all expenses of such resale.

### **40. No compensation or refund claimable for cancellation or suspension of license, etc. under this section.**

- When a license permit or pass is cancelled or suspended under clause (a), (b), (c), (d) or (e) of Section 36 or under Section 37 the holder shall not be entitled to any compensation for its cancellation or suspension nor to the refund of any fee paid or deposit made in respect thereof.

### **41. Powers to withdraw licenses.**

(1)Whenever the authority which granted a licence, permit or pass under this Act considers that such license permit or pass should be withdrawn for any cause other than those specified in Section 36, it may on remitting a sum equal to the amount of the fees payable in respect thereof for fifteen days, withdraw the license either :-(a)on the expiration of fifteen days notice in writing of its intention to do so; or(b)forthwith without notice.(2)Compensation in the case of withdrawal. - If any license, permit or pass be withdrawn under clause (b) of sub-clause (1) in addition to the sum remitted as aforesaid there shall be paid to the licensee such further sum (if any) by way of compensation as the Financial Commissioner may direct ;(3)Refund of fee of deposit. - When a license, permit or pass is withdrawn under this section, any fee paid in advance or deposit made by the licensee in respect thereof shall be refunded to him after deducting the amount (if any) due to the State Government.

### **42. Technical irregularities in license etc.**

- No license, permit or pass granted under this Act shall be deemed to be invalid by reason merely of any technical defect, irregularity or omission in the license or in any proceedings taken prior to the

grant thereof.(2)The decision of the Financial Commissioner as to what is a technical defect, irregularity or omission shall be final.

### **43. No claim in consequence of refusal to renew a license etc.**

- No person to whom a license permit or pass may have been granted shall be entitled to claim any renewal thereof and no claim shall lie for damages or otherwise in consequence of any refusal to renew a license, permit or pass on the expiry of the period for which it remains in force.

### **44. Surrender of license.**

(1)No holder of a license granted under this Act to sell an intoxicant shall surrender his license except on the expiration of one month's notice in writing given by him to the Collector of his intention to surrender the same and on payment of the fee payable for the license for the whole period for which it would have been current but for the surrender :Provided that, if the Collector is satisfied that there is sufficient reason for surrendering, the license, he may remit to the holder thereof the sum so payable on surrender or any portion thereof.(2)Sub-section (1) shall not apply in the case of any license granted under Section 27(2).Explanation. - The words "holder of a license" as used in this section include a person whose tender or bid for a license has been accepted although he may not actually have received the license.

## **Chapter VII**

### **Powers and Duties of Officers, Etc.**

### **45. Power to enter and inspect places of manufacture and sale.**

- Any excise officer not below such rank as the State Government may prescribe to:-(a)enter and inspect at any time by day or by night, any place in which any licensed manufacturer carries on the manufacture of or stores any intoxicant;(b)enter and inspect at any time within the hours during which sale is permitted, and at any other time during which the same may be open, any place in which any, intoxicant is kept for sale by any person holding a license under this Act ;(c)examine accounts and registers, test, measure or weigh any materials, stills, utensils, implements, apparatus or intoxicant found in that place;(d)seize any account, registers, measures, weights, or testing instruments which he has reason to believe to be false.

### **46. Power of Excise Officers to investigate offences punishable under this Act.**

(1)The [State] [Substituted for the word ``Provincial" by the Adaptation of Laws order, 1950.] Government may by notification invest any excise officer, not below the rank of [Inspector] [Substituted vide Punjab Act No. 20 of 1998 for 'sub-inspector'.] with power to investigate any offence punishable under this Act, committed within the limits of the area in which the officer

exercises jurisdiction.(2)Every officer so empowered may within those limits exercise the same powers in respect of such investigation as an officer incharge of a police station may exercise in a cognizable case under the provisions of [Chapter XII of the Code of Criminal Procedure 1973.] [Substituted vide Punjab Act No. 20 of 1998.]

#### **47. Powers of arrest, seizure and detention.**

- Any officer of the excise, police, salt, or land revenue department, not below such rank and subject to such restrictions as the State Government may prescribe, any other person duly empowered by notification by the State Government in this behalf, may arrest without warrant any person found committing an offence punishable, under Section 61, or Section 63, and may seize and detain any intoxicant or other article which he has reason to believe to be liable to confiscation under this Act or other law for the time being in force relating to excise revenue; and may detain and search any person upon whom, and any vessel, raft, vehicle, animal, package, receptacle or covering in or upon which he may have reasonable cause to suspect any such article to be.

#### **48. Power of Magistrate to issue warrant for search or arrest.**

- A Magistrate having reason to believe that an offence under Section 61 or 63, has been, is being or is likely to be committed, may :-(a)issue a warrant for search of any place in which he has reason to believe that any intoxicant, still, utensil, implement, apparatus or materials, in respect of which such offence has been, is being or is likely to be committed, are kept or concealed; and(b)issue a warrant for the arrest of any person whom he has reason to believe to have been, to be or to be likely to be engaged in the commission of any such offence.

#### **49. Powers of Excise Officer to search without warrant.**

(1)Whenever any excise officer not below such rank as the State Government may by notification prescribe, has reason to believe that an offence punishable under Sections, 61, 62, 63 or 64, has been, is being or is likely to be committed in any place, and that a search warrant cannot be obtained without affording the offender an opportunity of escape or of concealing evidence of the offence, he may, at any time, by day or night enter and search such place.(2)Further powers of seizure, detention, search and arrest. - Every excise officer as aforesaid may seize anything found in such place which he has reason to believe to be liable to confiscation under this Act and may detain, and search and, if he thinks proper, arrest any person found in such place whom he has reason to believe to be guilty of such offence as aforesaid.

#### **49A. Power of excise officer to obtain information.**

(1)Any excise officer not below such rank as the State Government may by notification prescribe, may by order require any person to furnish to any specified authority or person any such information in his possession concerning any unlawful import, transport, manufacture or possession of any intoxicant, or any materials, still, utensil, implement or apparatus whatsoever, for

the purpose of manufacturing any intoxicant, or any unlawful cultivation of any plants from which an intoxicating drug can be produced as may be specified in the order.(2)Any person upon whom an order is served under sub-section (1) shall be bound, in the absence of reasonable excuse, to furnish correct information.

## **50. Procedure relating to arrests, searches etc.**

- Save as in this Act otherwise expressly provided, the provisions of the [Code of Criminal Procedure 1973] [Substituted vide Punjab Act No. 20 of 1998.] relating to arrests, detentions in custody, searches, summonses warrants of arrests, search warrants, production of persons arrested and investigation of offences shall be held to be applicable to all actions taken in these respects under this Act, provided that :-(1)any offence under this Act may be investigated by an officer empowered under Section 46 without the order of a Magistrate.(2)whenever an excise officer below the rank of Collector makes any arrest, seizure or search he shall within twenty four hours thereafter make, a full report of all the particulars of the arrest, seizure or search to his immediate official superior and shall unless bail be accented under Section 73 take or send the person arrested or the article seized, with all convenient despatch to a [Judicial Magistrate] [Substituted for the word 'Magistrate' by the Punjab Separation of Judicial and Executive Functions Act, 1963 (Punjab Act No. 25 of 1964.)] for trial or adjudication.

## **51. Police to aid excise officer.**

- All police officers are required to aid the excise officers in the due execution of this Act, upon request made by such excise officers.

## **52. Duty of landholders and others to give information.**

(a)every owner or occupier of land or any building and the agent of any owner or occupier of land or any building on which,(b)every lambardar, village headman, village accountant, village watchman, village policeman and every officer employed in the collection of revenue or rent of land on the part of Government or the court of wards in whose village:-there shall be any manufacture or illegal import or collection of any intoxicant not-licensed under this Act, or any unlawful cultivation of any plants from which an intoxicating drug can be produced, shall be bound, in the absence of reasonable excuse, to give notice of the same to a magistrate or to an officer of the excise, police or land revenue department as soon as the fact comes to his knowledge.

## **53. Duty of officer incharge of police station to take charge of articles seized.**

- Every officer incharge of a police station shall take charge of and keep in safe custody, pending the orders of a Magistrate, or of the Collector or of an officer empowered under Section 46(1) to investigate the case, all articles seized under this Act which may be delivered to him, and shall allow any excise officer who may accompany such articles to the police station, or may be deputed for the purpose by his superior officer to affix his seal to the articles and to take samples of and from them.



All samples so taken shall also be sealed with the seal of the officer incharge of the police station.

#### **54. Power to close shops for the sake of public peace.**

(1)The District Magistrate or sub-Divisional Magistrate by notice in writing to the licensee; may require that any shop in which any intoxicant is sold shall be closed at such times or for such period as he may think necessary for the preservation of the public peace.(2)If a riot or unlawful assembly is apprehended or occurs in the vicinity of any such shop, [an Executive Magistrate] [Substituted for the words 'a magistrate' by the Punjab Separation of Judicial and Executive Functions, Act, 1964 (Punjab Act No. 25 of 1964).] of any class may require such shop to be kept closed for such period as he may think necessary :Provided that where any such riot or unlawful assembly occurs the licensee shall, in the absence of, a Magistrate, close his shop without any order.(3)When any sub-Divisional Magistrate makes a direction under sub-section (1) or [any Executive Magistrate] [Substituted for the words 'a magistrate' by the Punjab Separation of Judicial and Executive Functions, Act, 1964 (Punjab Act No. 25 of 1964).] makes a direction under sub-section(2)he shall forthwith inform the Collector of his action and his reasons thereof.

### **Chapter VIII**

#### **General Provisions**

#### **55. Measures weights and testing instruments.**

- Every person who manufactures or sells any intoxicant under a license granted under this Act shall be bound;(a)to supply himself with such measures, weight and instruments as the Financial Commissioner may prescribe, and to keep the same in good condition; and(b)on the requisition of any excise officer, duly empowered by the Collector in that behalf at any time to measure, weight or test any intoxicant in his possession in such manner as the said excise officer may require.

#### **56. Power of State Government to exempt intoxicants from the provision of the Act.**

- The [State] [Substituted for the words 'a magistrate' by the Punjab Separation of Judicial and Executive Functions, Act, 1964 (Punjab Act No. 25 of 1964).] Government may by notification, either wholly or partially and subject to such conditions as it may think fit to prescribe, exempt any intoxicant from all or any of the provisions of this Act.

#### **57. Bar of certain suits.**

- No suit shall lie in any civil court against the Government or any officer or person for damages for any act in good faith done, or ordered to be done, in the pursuance of this Act or of any other law for the time being in force relating to the excise revenue.

## 58. Power of State Government to make Rules.

(1)The State Government may by notification make rules for the purpose of carrying out the provisions of this Act or any other law for the time being in force relating to excise revenue.(2)In particular and without prejudice to the generality of the foregoing provisions, the State Government may make rules : (a)prescribing the duties of excise officers;(b)regulating the delegation of any power by the Financial Commissioner, Commissioner or Collector, under Section 13, Clause (b);(c)prescribing the time and manner of presenting and the procedure for dealing with appeals from orders of excise officers;(d)regulating the import, export, transport or possession of any intoxicant or Excise bottle and the transfer, price or use of any type of description of such bottle;(e)regulating the period and localities for which, and, the persons, or classes of persons, to whom licenses, permits and passes for the vend by wholesale or by retail of any intoxicants may be granted and regulating the number of such licenses which may be granted in any local area;(f)prescribing the procedure to be followed and the matters to be ascertained before any license is granted for the retail vend of liquor for consumption on the premises;(g)for the prohibition of the sale of any intoxicant to any person or class of persons;(h)regulating the power of excise officers to summon witnesses from a distance;(i)regulating the grant of expenses to witnesses and compensation to persons charged with offences under this Act and subsequently released, discharged or acquitted;(j)for the prohibition of the employment by a license holder of any person or class of persons to assist in his business in any capacity what so ever;(k)for the prevention of drunkenness, gambling and disorderly conduct in or near any licensed premises and the meeting or remaining of persons of bad character in such premises;(l)Prohibiting the printing, publishing or otherwise displaying or distributing any advertisement or other matter commending or soliciting the use of, or offering any intoxicant calculated to encourage or incite any individual or class of individuals or the public generally to commit an offence under this Act, or to commit a breach or evade the provisions of any rule or order made there under, or the conditions of any license, permit or pass obtained there under : (m)prohibiting within the State the circulation, distribution or sale of any newspaper, book, leaflet, booklet, or other publication printed and published out side the State which contains any advertisement or matter of the nature described in clause (1):(n)declaring any newspaper, book, leaflet, booklet, or other publication, wherever printed or published, containing any advertisement or matter [of the nature described in clause (1)] [Substituted for the words 'commending or soliciting the use of, or offering any intoxicant, by Punjab Act 18 of 1955, section 2.] to be forfeited to the State Government; and(o)implementing generally the policy of prohibition.(3)Previous publication of rules. - The power conferred by this section of making rules is subject to the condition that the rules be made after previous publication;Provided that any such rules may be made without previous publication if State Government consider that they should be brought into force at once.

## 59. Powers of Financial Commissioner to make rules.

- The Financial Commission may, by notification, make rules.(a)regulating the manufacture, supply, storage or sale of any intoxicant, including:-(i)the character, erection, alteration, repair, inspection, supervision, management and control of any place for the manufacture, supply storage or sale of such article and the fittings, implements apparatus and registers to be maintained therein;(ii)the

cultivation of the hemp plant and the collection of spontaneous growth of such plant and the preparation of any intoxicating drug.(iii)the tapping of drawing of tari from any tari producing tree.(b)regulating the bottling of liquor for purposes of sale.(c)regulating the deposit of any intoxicant in a warehouse and the removal of any intoxicant from any warehouse or from any distillery or brewery.(d)prescribing the scale of fees or the manner of fixing the fees payable in respect of any license, permit or pass or in respect of the storing of any intoxicant;(e)regulating the time, place and manner of payment of any duty or fee;(f)prescribing the authority by, the restrictions under, and the conditions on, which any license, permit or pass may be granted including provision for the following matters :-(i)the prohibition of the admixture with any intoxicant of any substance deemed to be noxious or objectionable;(ii)the regulation or prohibition of the reduction of liquor by a licensed manufacturer or licensed vendor from a higher to a lower strength;(iii)[ the fixing of strength and price below and above which any intoxicant shall not be sold, supplied or possessed;] [Substituted by Punjab Act No. 6 of 2014, dated 31.3.2014.](iv)the prohibition of sale of any intoxicant except for cash;(v)the fixing of the days and hours during which any licensed premises may or may not be kept open, and the closure of such premises on special occasions;(vi)the specification of the nature of the premises in which any intoxicant may be sold, and the notice to be exposed at such premises;(vii)the form of the accounts to be maintained and the return to be submitted by license holders; and(viii)the prohibition or regulation of the transfer of licenses;(g)(i)declaring the process by which spirit shall be denatured;(ii)for causing spirits to be denatured through the agency or under the supervision of its own officers;(iii)for ascertaining whether such spirit has been denatured;(h)providing for the destruction or other disposal of any intoxicant deemed to be unfit for use;(i)regulating the disposal of confiscated articles;(j)prescribing the amount of security to be deposited by holders of leases, licenses, permits or passes for the performance of the conditions of the same.

## **60. Recovery of dues.**

(1)The following moneys namely :-(a)all excise revenue.(b)any loss that may accrue, when in consequence of default a grant has been taken under management by the Collector or has been resold by him under Section 39; and(c)all amounts due to the Government by any person on account of any contract relating to the excise revenue;may be recovered from the person primarily liable to pay the same, or from his surety (if any), by distress and sale of his moveable property or by any other process for the recovery of arrears of land revenue due from land holders or from farmers of land or their sureties.(2)When a grant has been taken under management by the Collector or has been resold by him under Section 39 the Collector, may recover in any manner authorised by sub-section (1) any money due to the defaulter by any lessee or assignee.(3)In the event of default by any person licensed or holding a lease under this Act all his distillery, brewery, warehouse or shop premises, fittings or apparatus and all stocks of intoxicants or materials for manufacture of the same held in or upon any distillery, brewery, warehouse or shop premises shall be liable to be attached in satisfaction of any claim for excise revenue or in respect of losses incurred by State Government through such default and to be sold to satisfy such claim which shall be a first charge upon the sale proceeds.

## Chapter IX

### Offences and Penalties

#### **61. [ Penalty for unlawful import, export, transport manufacture and possession etc. [Substituted by Punjab Act No. 26 of 2013, dated 9.4.2013.]**

(1)Whoever, in contravention of any section of this Act or of any rule, notification issued thereunder or any order passed or of any license, permit or pass granted under this Act,-(a)imports, exports, transports, manufactures, collects or possesses any intoxicant; or(b)constructs or works any distillery or brewery; or(c)uses, keeps or has in his possession any material, still, utensil, implement or apparatus whatsoever, for the purpose of manufacturing any intoxicant;shall be punished for every such offence with imprisonment for a term which may extend to three years and with fine which may extend to ten lac rupees:Provided that in the case of an offence relating to the possession of,-(i)a working still for the manufacture of any intoxicant, such imprisonment shall not be less than two years and such fine shall not be less than two lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment;(ii)lahan, such imprisonment shall not be less than one year and such fine shall not be less than one lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment;(iii)country liquor manufactured otherwise than in a licensed distillery in Punjab, in a quantity not exceeding twelve bottles, each bottle containing 750 mil ilitres, such imprisonment shall not be less than six months and such fine shall not be less than five thousand rupees and in a quantity exceeding twelve bottles ofthe aforesaid capacity, such imprisonment shall not be less than two years and such fine shall not be less than two lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment;(iv)foreign liquor other than -(a)manufactured in a licensed distillery or brewery or bottling plant in India ; or(b)imported into India on which custom duty is leviable under the Indian Tariff Act, 1934, or the Customs Act, 1962;such imprisonment shall not be less than two years and such fine shall not be less than two lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment;(v)foreign liquor manufactured in a distillery or brewery or bottling plant in India or imported into India on which custom duty is leviable under the Indian Tariff Act, 1934 or the Customs Act, 1962, in a quantity exceeding ten cases i.e. Ninety bulk litres, on which the excise duty or any other levy payable under this Act, has not been paid, such imprisonment shall not be less than two years and such fine shall not be less than two lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment;(vi)country liquor manufactured in a licensed distillery in Punjab, beyond the prescribed limit for private possession, such imprisonment shall not be less than six months and such fine shall not be less than one lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment;(vii)foreign liquor manufactured in a licensed distillery or brewery or bottling plant in India or imported into India on which custom duty is leviable under the Indian Tariff Act, 1934 or the Customs Act, 1962, on which excise duty and all other levies payable under this Act, has been paid beyond the prescribed limit for private possession, such imprisonment shall not be less than six months and such fine shall not be less than one lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment; and(viii)foreign liquor manufactured in a licensed distillery or brewery or bottling plant in India or imported into India on which custom duty is leviable under the Indian Tariff Act, 1934 or the Customs Act, 1962 in a quantity not exceeding ten

cases i.e. 90 bulk litres on which excise duty or any other levy payable under this Act, has not been paid, such imprisonment shall not be less than one year and such fine shall not be less than two lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment;(2)A penalty imposed under clauses (vi) to (viii) of sub-section (1), shall be recoverable by an Excise Officer in the manner, as(3)Whoever, in contravention of any section other than section 29 and 30 of this Act or of any rule, notification issued or given there under or order made or of any license, permit or pass granted under this Act-(a)sells any intoxicants; or(b)cultivates the hemp plant; or(c)removes any intoxicant from any distillery, brewery or warehouse established or licensed under this Act; or(d)bottles any liquor for the purposes of sale; or(e)taps or draws tari from any tari producing tree, shall be punishable with imprisonment not less than one year which may extend to two years and such fine shall not be less than two lac rupees. In case the fine is not paid, he shall have to undergo further imprisonment.]

## **61A. [ [Omitted by Punjab Act No. 26 of 2013, dated 9.4.2013.]**

[\*\*\*].

61A. [ Penalty for offences not triable by a court. [Substituted by Punjab Act No. 10 of 2004.]- (1) Whosoever, in contravention of any provision of this Act, the rules framed thereunder, any notification issued or any order made or any license, permit or pass granted under this Act, imports, exports, transports, or possesses any liquor, shall alongwith liquor and means of transport, except the passenger buses, owned by the Central Government or the State Government or any of their undertaking, be detained by an Excise Officer, who shall make a report to the Assistant Excise and Taxation Commissioner, in-charge of the district within a period of twenty-four hours of such detention. The Excise Officer shall forward such liquor and the means of transport alongwith the necessary documents to the Assistant Excise and Taxation Commissioner in-charge of the district.(2) On the receipt of the report referred to in sub-section (1), the Assistant Excise and Taxation Commissioner in-charge of the district, shall record the statements of the offender and the officers, concerned with the case, and release the offender.(3) The Assistant Excise and Taxation Commissioner in-charge of the district, may impose the following penalties after providing the offender a reasonable opportunity of being heard in case a liquor detained is illicit, on which the excise duty and other levies have been paid in the State of Punjab, namely :-(a) rupees five thousand in case of detection of such liquor upto two cases i.e. 8 bulk litres; and(b) rupees ten thousand in case of detection of such liquor exceeding more than two cases i.e. 18 bulk litres.(4) The Assistant Excise and Taxation Commissioner in-charge of the district, may confiscate the illicit liquor and may also impose the following penalties after providing the offender a reasonable opportunity of being heard in case the liquor detained is illicit, on which the excise duty and other levies have not been paid in the State of Punjab, namely :-(a) rupees twenty five thousand in case of detection of such liquor up to five cases i.e. 45 bulk litres;(b) rupees fifty thousand in case of detection of such liquor exceeding five cases i.e. 45 bulk litres, but not exceeding fifty cases i.e. 450 bulk litres; and(c) rupees one lac in case of detection of such liquor exceeding fifty cases i.e. 450 bulk litres.(5) If the penalty referred to in sub-section (4), is not paid within a period of one week from the date of the order, then the Assistant Excise and Taxation Commissioner in-charge of the district shall pass a speaking order for confiscation of the means of transport and the liquor after

giving an opportunity of being heard to the offender and the owner of the means of transport. In case the owner of the liquor and the means of transport are not available, then the order for confiscation may be passed by the Assistant Excise and Taxation Commissioner in-charge of the district by affording an opportunity of being heard to the offender, who has been caught with the goods. The confiscated liquor shall thereafter, be destroyed under the supervision of the Assistant Excise and Taxation Commissioner in-charge of the district and an authenticated copy of the said order shall be supplied to the affected person free of costs.(6) The Assistant Excise and Taxation Commissioner incharge of the district, shall put to auction the confiscated means of transport within a period of thirty days from the date of the order of confiscation passed under sub-section (5). The amount received from auction after deducting the expenditure incurred on it, shall be adjusted towards the payment of penalty by the owner. The unrecovered amount of penalty, if any, shall be recoverable as arrears of land revenue.]

## **62. Penalty for unlawful selling to person under twenty five or employing them or women.**

- If any licensed vendor, or any person in his employ or acting on his behalf:-(a)in contravention of Section 29 sells or delivers any liquor or intoxicating drug to any person apparently under the age of twenty five years, or(b)in contravention of Section 30 employs or permits to be employed, on any part of his licensed premises referred to in that section any man under the age of twenty five years or women, or,(c)sells any intoxicant to a person who is drunk or intoxicated ; or(d)permits drunkenness, intoxication, disorderly conduct or gaming on the licensed premises of such licensed vendor; or(e)permits any person whom he know or has reason to believe to have been convicted of any non-bailable offence or any reputed prostitute to frequent his licensed premises whether, for the purposes of crime or prostitution or not.he shall in addition to any other penalty to which he may be liable be punishable with a fine which may extend to five hundred rupees.When any licensed vendor or any person in his employ or acting on his behalf is charged with permitting drunkenness or intoxication on the licensed premises of such vendor and it is proved that any person was drunk or intoxicated on such premises, it shall lie on the person charged to prove that the licensed vendor or the person employed by him or acting on his behalf took all reasonable steps for preventing drunkenness or intoxication on such premises.

## **63. Penalty for rendering or attempting to render denatured spirit fit for human consumption.**

- Whoever renders or attempts render fit for human consumption any spirit, whether manufactured in India or not, which has been denatured, or has in his possession any spirit rendered fit for human consumption in respect of which he knows or has reason to believe that any such attempt has been made, shall be punishable with imprisonment for a term which may extend to one year [and with fine which may extend to one thousand rupees.] [Substituted for the words 'or with fine which may extend to one thousand rupees, or with both' by Punjab Act 35 of 1956, Section 3.]

**63A. [ Penalty for possession of unused and printed lables, corks etc. in contravention of Section 24-A. [Inserted by Punjab Act 31 of 1963, Section 3.]**

- Whoever in contravention of the provisions of Section 24-A has in his possession any unused and printed lable, cork, capsule or seal or an imitation there of, shall be punishable with imprisonment for a term which may extend to six months and with fine.

**64. Penalty for fraud by licensed manufacturer or vendor or his servant.**

- If any licensed manufacturer or licensed vendor or any person in his employ or acting on his behalf;(a)sells, or keeps or exposes for sale, as foreign liquor any liquor which he knows or has reason to believe to have been manufactured from rectified spirit or country liquor; or(b)marks any bottle, case, package or other receptacle containing liquor so manufactured from rectified spirit or country liquor, or the cork of any such bottle or deals with any bottles, case package or other receptacle containing such liquor with the intention of causing it to be believed that such bottle, case, package, or other receptacle contains foreign liquor;he shall be punishable with imprisonment for a term which may extend to three months, [and with fine which may extend to five hundred rupees.] [Substituted for the words 'or with fine which may extend to five hundred rupees, or with both,' by Punjab Act 35 of 1956, Section 4.]

**65. Penalty for certain acts by license or his servant.**

- Whoever being the holder of a license, permit or pass granted under this Act or being in the employ of such holder or acting on his behalf:(a)fails wilfully to produce such license, permit or pass on the demand of any excise officer or of any other officer duly empowered to make such demand; or(b)in any case not provided for in Section 61 wilfully contravenes any rule made under Section 58 or Section 59; or(c)wilfully does or omits to do anything in breach of any of the conditions of the license, permit or pass not otherwise provided for in this Act:[shall be punishable with a fine which may extend to to five thousand rupees.] [Substituted vide Punjab Act No. 20 of 1998.]

**66. Penalty for consumption in chemists shops etc.**

(1)If any chemist, druggist, apothecary or keeper of a dispensary allows any intoxicant which has not been bona fide medicated for medicinal purposes to be consumed on his business premises by any person not employed in his business, he shall be punishable with imprisonment for a term which may extend to three months [and with fine which may extend to one thousand rupees.] [Substituted for the words 'or with fine which may extend to one thousand rupees, or with both', by Punjab Act 35 of 1956, Section 5.](2)If any person not employed as aforesaid consumes any such intoxicant on such premises, he shall be punishable with fine which may extend of two hundred rupees.

## **67. Manufacture, sale or possession by one person on account of another.**

(1)When any intoxicant has been manufactured or sold or is possessed by any person on account of any other person and such other person known or has reason to believe that such manufacture or sale was, or that such possession is, on his account, the article, shall for the purpose of this Act be deemed to have been manufactured or sold by or to be in the possession of such other person.(2)Nothing in sub-section (1) shall absolve any person who manufactures, sells or has possession of an intoxicant on account of another person from liability to any punishment under this Act for the unlawful manufacture, sale or possession of such article.

## **68. Penalty for offences not otherwise provided for.**

- Whoever is guilty of any act or intentional omission in contravention of any of the provisions of this Act; or of any rule, notification or order made, issued or given, thereunder and not otherwise provided for in this Act, shall be punishable for every such act or omission with a fine may extend to [five thousand rupees.] [Substituted by Punjab Act 20 of 1998 for the words 'five hundred rupees'.]

## **68A. [ Enhanced punishment for certain offences after previous conviction. [Substituted by Punjab Act 22 of 1963, Section 2, previously inserted by Punjab Act 35 of 1956.]**

- Whoever having been convicted for an offence punishable under sub-section (1) of Section 61 of this Act, is again convicted of an offence punishable under the said sub-section shall :-(a)for a second offence be punished with not less than twice the punishment awarded to him on his first conviction; and(b)for a third or subsequent offence be punished with not less than twice the punishment awarded to him on his second conviction or immediate last conviction:Provided that the enhanced punishment does not exceed the imprisonment of three years and a fine of [ten lac] rupees :Provided further that if on a previous conviction the sentence awarded was that of fine only, a sentence of imprisonment for a term which may extend to three years shall also be awarded on subsequent conviction and such sentence of imprisonment shall be in addition to the enhanced penalty of fine:Provided further that the enhanced punishment would not in any way affect the minimum sentence prescribed for the offence of possession of a working still for the manufacture of any intoxicant:][Provided further that for the cases covered under sub-section (1) of section 81, the penalty for the second offence shall be twice, the amount of penalty imposed for the first offence, however, third or any subsequent offence shall not be compoundable.] [Added by Punjab Act No. 26 of 2013, dated 9.4.2013]

## **69. Attempt to commit offences punishable under the Act.**

- Whoever attempts to commit or abets any offence punishable under this Act shall be liable to the punishment provided for the offence.



## **69A. Security for abstaining from commission of certain offences.**

(1) Whenever any person is convicted of an offence punishable under Sections 61, 63 and 69 and the court convicting him is of the opinion that it is necessary to require such person to execute a bond for abstaining from the commission of offences punishable under these sections, the Court may, at the time of passing sentence on such person, order him to execute a bond for a sum proportionate to his means, with or without sureties, for abstaining from the commission of such offences during such period, not exceeding three years, as it thinks fit to fix. (2) [The bond shall be in the form contained in Schedule II and the provisions of the Code of Criminal Procedure, 1973, shall, in so far as they are applicable, apply to all matters connected with such bond, as if it were a bond to keep the peace ordered to be executed under Chapter VIII of the said Code.] [Substituted vide Punjab Act No. 20 of 1998.] (3) If the conviction is set aside on appeal or in revision, the bond, so executed shall become void. (4) An order under this section may also be made by an appellate court, or by the High Court, when exercising its powers of revision.

## **70. Penalty for excise officer making vexatious, search, etc.**

- If an excise officer-(a) vexatiously and unnecessarily enters or searches, or causes to be entered or searched, any place under colour of exercising any power conferred by this Act; or (b) vexatiously and unnecessarily seizes the moveable property of any person on the pretence of seizing or searching for any article liable to confiscation under this Act; or (c) vexatiously and unnecessarily searches, arrests, or detains any person; or (d) without lawful excuse ceases or refuses to perform or withdraws himself from the duties of his office unless expressly allowed to do so in writing by the Collector or unless he shall have given to his immediate superior officer two months notice in writing of his intention to do so; he shall be liable to imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees or with both.

## **71. Report by investigation officer for institution of proceedings.**

- If on an investigation by an excise officer, empowered under Section 46 sub-section (1), it appears that there is sufficient evidence to justify the prosecution of the accused, the investigating officer unless he submits the case for the orders of the Collector under Section 80, shall submit a report [(which shall deem to be a Police report under Code of Criminal Procedure, 1973)] [Substituted vide Punjab Act No. 20 of 1998.] to a Magistrate having jurisdiction to enquire into or try the case and empowered to take cognizance of offences on police reports.

## **72. [ Offences to be bailable. [Substituted by Punjab Act No 21 of 2017, dated 21.12.2017]**

- All offences, punishable under this Act shall be bailable within the meaning of the Code of Criminal Procedure, 1973 : Provided that the offences punishable under clauses (i), (ii), (iv), and (v) and of possession of country liquor and foreign liquor in a quantity exceeding twelve bottles of 750 milliliters capacity each punishable under clauses (iii) and (viii) of the proviso to sub-section (1) of section 61,

shall be non-bailable.]

### **73. Security for appearance in case of arrest without warrant.**

- The State Government may empower any excise officer to grant bail notwithstanding that such officer is not empowered under Section 46.(2)When a person is arrested under this Act, otherwise than on warrant, by a person or officer who is not empowered to grant bail, he shall be produced before or forwarded to:(a)the nearest Excise Officer empowered to grant bail; or(b)the nearest officer-in-charge of a police station whoever is nearer.(3)Whenever any person arrested under this Act, otherwise than on a warrant, is prepared to give bail, and is arrested by or produced in accordance with sub-section (2) before an officer empowered to grant bail, he shall be released upon bail, or, at the discretion of the officer, releasing him on his own bond.(4)The provisions of [Section 441 to 446 and 449 of the Code of Criminal Procedure, 1973] [Substituted vide Punjab Act No. 20 of 1998.], shall apply so far as may be, in every case in which bail is accepted or a bond taken under this section.

### **74.**

Repealed.

### **75. Cognizance of offences.**

(1)No [judicial Magistrate] [Substituted for the word 'Magistrate' by Punjab Separation of Judicial and Executive Functions Act, 1964 (25 of 1964).] shall take cognizance of an offence punishable.(a)under Section 61 or Section 66 except on his own knowledge or suspicion or on the complaint or report of an excise officer; or(b)under Section 62, Section 63, Section 64, Section 65, Section 68, or Section 70, except on the complaint or report of the Collector or a excise officer authorized by him in that behalf.(2)Except with the special sanction of the State Government no [judicial Magistrate] [Substituted for the word 'Magistrate' by Punjab Separation of Judicial and Executive Functions Act, 1964 (25 of 1964).] shall take cognizance of any offence punishable under this Act unless the prosecution is instituted within a year after the date on which the offence is alleged to have been committed.

### **76. Presumption as to commission of offence in certain cases.**

- When ever any person is found in possession of :(a)any still utensil, implement or apparatus what so ever or any part or thereof such as are ordinarily used for the manufacture of any intoxicant other than tari.(b)any materials which have under gone any process towards the manufacture of an intoxicant or from which an intoxicant has been manufactured; it shall be presumed until the contrary is proved, that his possession was in contravention of the provisions of this Act.

## **76A. Presumption as to commission of offence in prosecution under Section 63 of the Act.**

- In prosecution under Section 63, it shall be presumed without further evidence, until the contrary is proved, that the accused person has committed an offence under that section in respect of any denatured spirit which has been or attempted to be rendered fit for human consumption.

## **77. Liability of employer for offence committed by employee or Agent.**

- The holder of a license, permit or pass under this Act as well as the actual offender, shall be liable to punishment, of any offence punishable under Section 61, Section 62, Section 63, Section 64 or Section 65, committed by any person in his employ or acting on his behalf as if he had himself committed the same, unless he shall establish that all due and reasonable precautions were exercised by him to prevent the commission of such offence.

## **78. Confiscation of article in respect of which offence committed.**

(1)Whenever an offence punishable under this Act has been committed;(a)every intoxicant or excise bottle in respect of which such offence has been committed together with the contents of such bottle, if any;(b)every still, utensil, implement or apparatus and all material in respect of or by means of which such, offence has been committed;(c)every intoxicant or excise bottle lawfully imported, transported, manufactured, had in possession or sold along with, or in addition to, any intoxicant or excise bottle liable to confiscation under clause (a);(d)every receptacle, package and covering in which any intoxicant for excise bottle, materials, still, utensil, implement or apparatus as aforesaid is or are found together with the other contents (if any) of such receptacle or package; and(e)every animal, cart, vessel, raft or other conveyance used in carrying such, receptacle, or package, covering or articles as aforesaid;shall be liable to confiscation:[Provided that when it is proved that the receptacles, animals or other articles specified in clauses (d) and (e) (except public undertaking vehicles) are not the property of offenders, they shall not be liable to confiscation if the owner thereof established that he had no reason to believe that such offence was being or was likely to be committed.Explanation. - "Public undertaking vehicles" means any vehicle owned/run by:-(i)the Central Government or a State Government;(ii)any municipality or any corporation or company owned or controlled by the Central Government and one or more State Governments for the purpose of providing transport and goods services.](2)When confiscation may be ordered. - When in the trial of any offence punishable under this Act the Magistrate decides that anything is liable to confiscation under sub-section (1), he may order confiscation:[Provided further that in cases where the quantity of liquor found at the time or in the course of detection of such offence exceeds twenty-seven bulk liters of country liquor and foreign liquor, the Magistrate shall order the confiscation of conveyance. However, in lieu of ordering confiscation of conveyance, the Magistrate may give the owner of the conveyance liable to be confiscated an option to pay an amount equal to the value thereof as estimated by the Magistrate:Provided further that during pendency of trial, conveyance shall only be released on submission of security (in form of cash security or bank guarantee) equivalent to the value of the conveyance thereof.] [Substituted by Punjab Act No 21 of

2017, dated 21.12.2017.](3)[ Such officer or authority, as specified by the State Government for composition of offences under sub-section (1) of section 81, may confiscate liquor in respect of which offence has been committed.(4)When the Officer or authority, as specified by the State Government for composition of offences under sub section (1) of section 81, upon production before him of liquor, conveyance etc. or on receipt of a report about such seizure, as the case may be, is satisfied that an offence has been committed and where the quantity of liquor found at the time or in the course of detection of such offence exceeds ninety bulk litres he may, on the grounds to be recorded in writing, order the confiscation of the conveyance etc. so seized. He may, during the pendency of the proceedings for such confiscation also pass an order of interim nature for the custody, disposal etc. of the confiscated liquor, conveyance etc. as may appear to him to be necessary in the circumstances of the case:Provided that such officer or authority shall not pass an order for confiscation of conveyance without affording an opportunity of being heard to the person from whom conveyance was seized and to any other person who may appear before such officer or authority with a claim of an interest in the same:Provided further that such officer or authority may release the conveyance so confiscated, on payment of the value thereof as estimated by the same authority:Provided further that in case the owner of confiscated vehicle does not get the vehicle released within a period of thirty days from the decision of the case, such authority may proceed to auction the confiscated conveyance. The amount received from auction, after deducting the expenditure incurred on it, shall be deposited in the Government treasury.] [Added by Punjab Act No. 26 of 2013, dated 9.4.2013]

## **79. Further provisions for confiscation.**

- When there is reason to believe that an offence under this Act has been committed, but the offenders is not known or cannot be found and when any thing or animal liable to confiscation under this Act and not in the possession of any person cannot be satisfactorily accounted for the case shall be enquired into and determined by the collector, who may order confiscation :Provided that no such order shall be made until the expiration of one month from the date of seizing the thing or animal in question or without hearing the person (if any) claiming any right thereto, and the evidence (if any) which he produces in support of the claim:Provided further, that if the thing in question is liable to speedy and natural decay, or if the collector is of opinion that the sale of the thing or animal in question would be for the benefit of its owner, the collector may at any time direct it to be sold; and provisions of this section shall, so far as may be, apply to the net proceeds of such sale.

## **80. Power of excise officers to compound offences.**

(1)The collector may accept from any person who is reasonably suspected of having committed an offence punishable under Section 62, Section 65 or Section 68 of this Act a sum of money by way of composition for such offence; and on the payment of such sum of money to the collector the accused person if in custody shall be discharged and no further proceedings shall be taken against him in respect of such offence.(2)The cancellation or suspension of any license, permit or pass under Section 36(a), (b), or (c) of this Act may be foregone or revoked by and at the sole discretion of the authority having power to cancel or suspend it on payment by the holder of such license, permit or

pass of such penalty as such authority may fix.(3)Where any intoxicant has been seized under the provisions of this Act, the Collector, may in his discretion, at any time before a magistrate has passed an order under Section 78, sub-section (2), release it on receiving payment of the value thereof.

### **80A. [ Imposition of penalty. [Added vide Punjab Act 10 of 2003.]**

- If any violation of any of the provisions of this Act, except sections 61, [\*\*\*] [Substituted by Punjab Act No 21 of 2017, dated 21.12.2017.], 62, 65 and 68 of this Act or the rules made thereunder, is brought to the notice of the [Assistant Excise and Taxation Commissioner in-charge of the district] [Substituted for the words 'Deputy Excise and Taxation Commissioner in- charge of the Division' by Punjab Act No. 10 of 2004.], he may, in lieu of criminal proceedings against the offender, pass an order, imposing a penalty, not exceeding the maximum amount of fine as provided for such an offence in the relevant provisions of this Act and also confiscate the liquor and other connected or related goods after giving him a reasonable opportunity of being heard. On payment of such penalty, the offender, if in custody or on bail, shall be discharged and no further criminal proceedings shall be taken against him in respect of such offence.]

### **80AA. [ Penalty for sale of liquor on prohibited days. [Inserted by Punjab Act No. 10 of 2004.]**

- Whosoever opens a liquor vend on any day on which the sale of liquor is prohibited under this Act, or any rules framed, notification issued or order made thereunder, shall be liable to be imposed a minimum penalty of fifty thousand rupees.]

### **80B. [ Appeal. [Substituted by Punjab Act No. 10 of 2004.]**

- Any person aggrieved by the order of the Assistant Excise and Taxation Commissioner in-charge of the district, under section 80-A and 80-AA, may file an appeal to the Excise and Taxation Commissioner, Punjab, within a period of one month from the date of passing of the order.]

### **81. [ Composition of Certain offences. [Added by Punjab Act No. 26 of 2013, dated 9.4.2013]**

(1)Any offence relating to type and quantity of liquor as specified in clauses (vi), (vii) and (viii) of proviso to sub-section (1) of section 61, may either before or after the institution of the prosecution, be compounded by such officers or authorities and for such amount as the State Government may, by notification in the Official Gazette, specify in this behalf.(2)Where an offence has been compounded under sub-section (1) the offender, if in custody, shall be discharged and no further proceedings shall be taken against him in respect of such offence.]