

The Orissa Excise (Methyl Alcohol) Rules, 1976

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Rule THE-ORISSA-EXCISE-METHYL-ALCOHOL-RULES-1976 of 1976

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The Orissa Excise (Methyl Alcohol) Rules, 1976 Published vide Notification No. 1275-4-Ex. 46/76-Ex., dated 28th July, 1976, Orissa Gazette Extraordinary No. 1322/10.8.1976 Notification No. 1275-IV-Ex. 46/76-Ex., dated the 28th July, 1976. - Whereas the draft Orissa Excise (Methyl Alcohol) Rules, 1976 were published as required by Sub-section (3) of Section 89 of the Bihar and Orissa Excise Act, 1915 (Bihar and Orissa Act 2 of 1915), in the Extraordinary Gazette of Orissa No. 948, dated the 8th June, 1976, under the notification of the Government of Orissa in the Excise Department No. 967-IV-Ex. 46/76-Ex., dated the 8th June, 1976, inviting objections and suggestions from all persons likely to be affected thereby before the 10th July, 1976 ;And whereas no objections or suggestions have been received;Now, therefore, in exercise of the powers conferred by Section 89 of the Bihar and Orissa Excise Act, 1915 (Bihar and Orissa Act 2 of 1915), the State Government do hereby make the following rules, namely ;Chapter-I General

1. Short title.

(1)These rules may be called the Orissa Excise (Methyl Alcohol) Rules, 1976.(2)They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.

- In these rules unless the context otherwise requires-(i)"Act" means the Bihar and Orissa Excise Act, 1915 ;(ii)"denatured spirit" means as described under Rules 51-52 of the Board's Excise Rules, 1965 and includes methylated spirit;(iii)"Methyl Alcohol" means the alcohol with the chemical composition of CH₃OH obtained by distillation of wood or wood pulp, its other chemical names being methanol, carbinol and methylhydrate and includes wood naphtha, wood spirit, wood alcohol, pyroxylic spirit and pyrolygenous spirit and it is an intoxicating drug as declared under Sub-clause (iv) of Clause (13) of Section 2 of the Act vide Para (1) in Part I of Government of Orissa Revenue and Excise Department Notification No. 49749-R., dated the 24th July, 1965 ;(iv)"Prescribed form"

means the appropriate forms as prescribed in the Appendix to the Board's Excise Rules, 1965.(v) Words and expressions used but not defined in these rules shall have the same meaning as assigned to them in the Act and the rules made thereunder. Chapter-II Manufacture

3. Installation of plant.

- Plants may be established for the manufacture and supply of methyl alcohol for scientific, industrial or commercial purposes subject to the conditions and regulations prescribed under these rules.

4. Preliminaries for grant of licence.

(1) Any firm or person desiring to obtain an exclusive privilege to instal a plant for manufacture and supply of methyl alcohol at any place within the State of Orissa shall apply in writing to the Government through the Collector of the district where the plant is to be situated. (2) The application shall, besides such other particulars as may be required by the Government, contain the following particulars, namely : (a) The name and address of the applicant, in case of a firm, the name and address of every partner thereof, and in case of a company the registration number and its other particulars; (b) The purpose and nature of the transactions which the applicant intends to carry on; (c) The name of the place and the particulars of the site and the building in which the plant is proposed to be constructed or worked; (d) The number and full description of the stills, vats and other permanent apparatus which the applicant wishes to work or set up and the size and capacity of such Stills, vats, etc.; (e) In the event of a licence being granted to an applicant the date from which working of the plant is proposed to commence; (f) The amount of the security which the applicant is ready to furnish for the due compliance and performance of the conditions containing the licence ; and (g) Correct plan of the building or buildings which the applicant intends to use or erect for the plant, a plan showing the position of stills, vats and other permanent apparatus and the storeroom(s) connected with the plant.

5. Procedure for grant of licence.

(1) On receipt of the application with the opinion of the Collector concerned the Commissioner shall decide whether an exclusive privilege is to be granted under Section 22 of the Act and send his recommendation to Government. (2) If the Government sanction establishment of the plant, the Commissioner shall so inform the Collector concerned and direct the applicant to make arrangements for installation of the plant, and for construction of the building if such construction is necessary. (3) Upon completion of the requirements under Sub-rule (2) the applicant shall furnish two fresh copies of the plans to the Collector concerned who shall cause them to be verified in any manner he thinks fit, and then submit, with his observations, if any, one such copy of the plan to the Commissioner for examination and comparison with the plans first submitted by the applicant and for any further verification which the Commissioner may think necessary. (4) After the Commissioner approves of the plan, he may instruct the Collector concerned to grant on behalf of the Government a licence to the applicant in the form set out in the Appendix to these rules. (5) The applicant shall be bound to conform to the orders of the Commissioner regarding any addition or

alteration to the buildings or plans, whether before or after the final plans are submitted, for the proper security of revenue and to render illicit practices, impracticable.(6)Whenever any addition of, alteration to, the buildings, stills or other apparatus as shown in the plans submitted under Sub-rule (3) becomes necessary, the applicant shall submit fresh plans through the officer-in-charge of the plant who will check the same regarding correctness of the existing portions of the plan and submit them, with his comments on the suitability and feasibility of the changes proposed, to the Collector for orders of the Commissioner and no such addition or alteration shall be made without the previous sanction of the Commissioner.

6. Public notice, execution of bond and written instrument prior to grant of licence.

(1)The procedure described under the proviso to Subsection (1) and Sub-section (1-a) of Section 22 of the Act and under the Orissa Excise (Exclusive Privilege) Rules, 1970 relating to a public notice shall be followed prior to grant of a licence for manufacture of methyl alcohol.(2)Before the licence to work the plant is granted the applicant shall execute a bond in the prescribed form pledging the premises, stills, all apparatus and utensils employed in the manufacture and/or supply of methyl alcohol for the due discharge of all payments which may become due to Government; or in lieu of executing such a bond the applicant may deposit Government promissory notes of such value as the Commissioner may direct.(3)In addition to the requirement under Sub-rule (1) the Collector, concerned shall also at the same time ensure the applicant executes a written agreement agreeing to such terms and conditions as he may be called upon at the time by the Commissioner to guarantee the manufacture and supply of the standard quality and quantity of methyl alcohol.(4)On execution of the bond and the written instrument referred to in Sub-rules (2) and (3) respectively, the Collector concerned shall grant a licence in the prescribed form on behalf of the State Government after payment of the consideration money determined under Rule 37.

7. Intimation by licensee on starting work in the plant.

- Every proprietor or manager of a plant shall give at least fifteen days' notice in writing to the Collector of the date on which he proposes to commence working the plant and at least one month's notice before he ceases to work it.

Chapter-III Control and regulation of manufacture

8. Arrangement of stills and pipes in the plant.

(1)Manufacturers of methyl alcohol shall so arrange their stills that such alcohol shall discharge into closed and locked receivers of such patterns that no such alcohol can be removed from them unless they are unlocked.(2)Every pipe used for conveying methyl alcohol shall be fixed and placed that the officer-in-charge can examine it throughout its whole course of passage from still to the receiver vat.(3)They shall also provide and maintain suitable and secured fastenings and Chhubs's locks, or any other equally suitable locks or Indian make approved by the Commissioner, for all stills, receivers, fermentation rooms, store rooms, nipes and the like, to the satisfaction of the Commissioner, and the keys of all such locks shall be retained by the

Officer-in-charge.(4)Manufacturers, if they so desire, may put their additional locks on all stills, receivers, and the like but shall be bound to open such locks when required by the Officer-in-charge to allow free inspection.(5)Duplicate keys of all locks for fastenings on stills, receivers, vats, pipes, pipe connections and the like, shall be deposited with the Treasury Officer by the Superintendent.(6)Stills, receivers and vats shall be so arranged that methyl alcohol may be conveyed from the receiver to the store-room by gravitation through pipes having sealed flanges or may be pumped through closed pipes.(7)Methyl alcohol collected in the receivers shall be conveyed to the store-room pumped through overhead metal pipes to the stores, vats or, with special permission of the Commissioner, in casks or steel drums.

9. Licensing of methyl alcohol.

(1)Methyl alcohol shall be stored in sound casks, steel drums or vats and no such container shall be used for storage or conveyance from the receivers to the store room until these have been examined, gauged, and registered by the Officer-in-charge or by such other officer as the Collector may depute for the purpose.(2)Each cask, steel drum, or vat shall be so placed as to admit of the contents being accurately gauged; its internal parts must also be clearly visible and it shall also be fitted with a proper dipping rod for gauging.(3)The distiller shall not cause or allow the dipping place or level of any vat, cask or steel drum to be altered or any device to be used to deceive the Officer-in-charge in taking the gauge of any vessel, or to prevent him from taking a true account of all wash or spirit in any vessel.(4)All such alcohol collected in the receiver shall be transferred or conveyed into the store-room without unnecessary delay provided that no such work is effected between 6 p.m. to 6 a.m.

10. Responsibility for loss, damage or theft in a plant.

(1)Government shall not be made responsible for any destruction, loss or damage by fire, theft or any other cause whatsoever, occurring to the plant or any part thereof, or to any methyl alcohol stored, received, gauged, weighed or verified within the plant.(2)In case of fire or other accident in the plant the Officer-in-charge shall immediately attend to and open it at any hour of day or night.

11. Materials to be used for manufacture.

- The materials or bases to be used in manufacturing methyl alcohol shall only be of such standard quality as approved by the Commissioner.

12. Account of methyl alcohol and inspection.

(1)The manufacturer of methyl alcohol shall keep accurate and regular daily account showing the following particulars, namely : (a)quantity and description of materials used; (b)quantity of wash used; (c)quantity of wash and of such alcohol manufactured; (d)quantity of such alcohol passed out ; and (e)quantity of wash and such alcohol in store.(2)The quantity of such alcohol remaining in stock in each cask, vat or other receptacles shall be shown under Clause (a), Sub-rule (1).(3)Such accounts

shall be open at all times to inspection by the Officer-in-charge, the Superintendent, the Deputy Commissioner or the Commissioner, or any other Excise Officer authorised for the purpose by the Collector.

13. Samples for chemical examination and its cost.

- Samples of materials, bases and wash used in the plant for the manufacture of methyl alcohol and of the alcohol manufactured shall be sent to the Chemical Examiner for examination once in July and again in December of each year and at other times, if required and the cost of despatch of the samples and also the fee for the examination as may be determined by the Chemical Examiner from time to time shall be paid by the manufacturer.

14. Destruction of material or methyl alcohol.

- If it appears from the report of the Chemical Examiner that either any material or the methyl alcohol does not conform to the quality, description or standard prescribed for each, all such material or methyl alcohol, as the case may be, from which the sample was drawn shall be destroyed in presence of the Superintendent at the loss and risk of the manufacturer after the copy of such report has been served on him and an opportunity of being heard is given.

15. Use of fire or naked light prohibited in distillery.

(1)The use of fire or of naked lights of any description in any room within the plant in which methyl alcohol is manufactured, received, stored, issued or otherwise handled, is prohibited.(2)Naked lights may, if necessary, be used in the laboratories attached to the plant provided such laboratories are quite separated, and at least ten metres apart from rooms mentioned in Sub-rule (1).Chapter-IV
Procedure of working

16. Limit of quantity.

- A licence granted for manufacture of methyl alcohol may specify the maximum quantity which may be manufactured in any one month.

17. Storing of methyl alcohol.

(1)The stock of methyl alcohol shall be kept in a separate room within the plant premises as has been approved by the Commissioner in the plan for the building of the plant.(2)For receiving as well as for storing methyl alcohol wooden or stainless steel vats accurately gauged shall be permanently fixed in the room set apart for manufacture of methyl alcohol as well as in the room earmarked for its storage.(3)Each such permanent vessel shall bear descriptions of its serial number, full capacity and the purpose for which it is to be used, distinctly and indelibly marked on it and a record of such details shall be kept in the register of vats.(4)On no account shall any vessel be used for any purpose other than that for which it has been earmarked.(5)Each vat shall be properly and regularly gauged

and its capacity accurately tabulated by the Officer-in-charge before and after receipt of transaction made into or from it from day-to-day.

18. Appointment of Officer-in-charge and guarding staff.

(1)The Commissioner may appoint an Officer-in-charge not below the rank of an Inspector of Excise who shall be the Officer-in-charge of the plant to control and regulate manufacture, storage and issue of methyl alcohol from the plant :Provided that the Commissioner may appoint a Sub-Inspector of Excise to function as an Officer-in-charge of the plant in the exigencies of Government work for a period not exceeding six months at any one time.(2)Such excise staff as may be considered necessary by the Commissioner to assist the Officer-in-charge shall be appointed by the collector or the Superintendent of the district who may be competent to make the appointments.

19. Cost of establishment.

(1)The manufacturer shall bear such cost as determined by the Excise Commissioner in respect of the Excise Establishment consisting of the Officer-in-charge and such other staff as may be attached to him.(2)The cost of Excise Establishment determined in Sub-rule (1) shall be credited into the Treasury and a copy of the Chalan shall be submitted to the Collector by the manufacturer prior to issue of the licence.(3)The manufacturer shall also furnish cash security to such extent as may be determined by the Excise Commissioner and shall execute a general bond and indenture with appropriate modifications in the respective forms, i.e. D.W. 2 and D.W. 3 prescribed by the Board of Revenue under the Board's Excise Rules, 1965.(4)The manufacturer shall also provide free and suitable residential quarters and office accommodation including guarding room or rooms, as may be necessary in each case for the Officer-in-charge and the staff attached to him.

20. Duties of Officer-in-charge.

(1)The Officer-in-charge of the plant shall be responsible to insure that no methyl alcohol is issued to any person in excess of the quantity mentioned in the export, or transport pass, as the case may be, issued in favour of such person under rules in Chapter V of these rules and the quantity for which duty, and cost price when it is payable to Government, has been paid or remitted by such person.(2)Prior to any operation involving removal of such alcohol from any cask or vat, he shall always gauge and prove the alcohol in such cask or vat and shall record the results in the concerned register making mention therein of any wastage which might have occurred since it was last gauged and proved.(3)He shall ensure manufacture of methyl alcohol of the standard quality, conforming to the definition under Rule 2 (iii) of these rules and keep apart all such alcohol of sub-standard quality for destruction in presence of the Superintendent.(4)He may allow the re-distillation of methyl alcohol of substandard quality under orders of the Superintendent.

21. Labels in vessels manufactured, stored, supplied or issued.

- All vessels in any from which methyl alcohol is manufactured, stored, supplied or issued shall be

legibly painted and labelled in red and bear the picture of cross-bones with the word "methyl alcohol" "poison" and "not for oral consumption" both in English and the local vernacular in separate lines or above the other in the order of mention.

22.

(1) If the wastage in respect of any such cask, vat or other receptacle is found to exceed one per cent calculated on the number of proof litres of the quantity of methyl alcohol stored therein, after including the quantity of such alcohol extracted therefrom by grogging, the Superintendent shall specially enquire into the cause of such wastage and after such inquiry report the facts with his views to the Collector who shall pass such orders as he thinks fit in the matter. (2) The Superintendent shall note briefly, in the remarks column of the appropriate register of the prescribed form, the result of the reference to, and also the orders passed by the Collector, and shall duly initial every such note which shall, as the case may be, be complied with by the Officer-in-charge and the manufacturer. (3) The licensee shall be responsible for any excess wastage found to occur from any negligence on his part in supplying unsound casks, vats and receptacles or from any negligence on the part of any person conducting the operation on his behalf and shall pay the duty on all such excess wastage. Chapter-V Import, export and transport A. Import

23. Restrictions on import.

- Import of methyl alcohol into Orissa in any quantity whatever by any person for any purpose is prohibited: Provided that the Commissioner may permit in writing the import of methyl alcohol and specify the quantity to be imported by any scientific or industrial laboratory authorised by the Government for purposes of research in such laboratory.

24.

Import of methyl alcohol under the proviso to Rule 23 shall be allowed only under cover of passes issued by the Collector of the importing district when the Collector is satisfied that the quantity is to be obtained from licensed suppliers and that the duty on methyl alcohol has been prepaid.

25.

Methyl alcohol imported as aforesaid shall on arrival in Orissa be taken as soon as possible to the place specified in this behalf in the import pass and by the route specified therein. B. Export

26. Procedure for export.

(1) When any licensed manufacturer of methyl alcohol desires to remove methyl alcohol from the plant for export to any other State or outside India on payment of duty, he shall apply to the Commissioner who may, after necessary enquiries, grant the application and direct the Collector of the district wherein the plant is situated to permit the export. (2) No methyl alcohol shall be issued

for export until it has been measured or gauged by a bung rod/dip rod and proved by the Officer-in-charge of the plant wherein such alcohol has been manufactured and particulars thereof have been recorded in the appropriate register of the prescribed form by such officer.(3)On receipt of permission from the Collector under Sub-rule (1), the Officer-in-charge of the plant shall prepare a pass in triplicate, one copy of which shall be delivered to the exporter, the second copy shall be forwarded to the Collector of the district to which the methyl alcohol is to be exported and the third shall be retained for record.(4)Accounts of all exports shall be kept by the Officer-in-charge of plant in the register of the vat as may be prescribed from which the transaction is made.

27. Marking of vessel or container.

(1)Each vessel or container containing methyl alcohol for export shall bear the mark clearly showing the name of the plant from which the export is made and the serial number of the vessel or container, the nature and quantity, the strength of the methyl alcohol contained in it.(2)Each such vessel or container shall be sealed by the Officer-in-charge and distinct impression and facsimile of the seal shall be fixed on all copies of the pass issued under Sub-rule (3) of Rule 26.

28. Description and labelling of container.

- All containers used for conveying methyl alcohol for export shall bear the descriptions and labelling in the same manner as prescribed in Rule 21.

29. Transport of methyl alcohol.

- Rules 26 to 28 relating to export shall mutatis mutandis apply to transport of methyl alcohol within the State.

30. Transmission of methyl alcohol by post.

- Transmission of methyl alcohol by post into, within or out of Orissa is prohibited.

31. Penalty for tampering of consignment.

- If any methyl alcohol in any consignment under import, export or transport or under storage at any place is in any way altered or manipulated at any stage by any process of addition or alteration by any person to render it fit for human consumption in any manner such person besides being punishable under the Act, shall be liable to pay the duty on the total quantity of such methyl alcohol at the full rate prescribed for "all other sorts of spirit" by the State Government under Section 27 of the Act.

32. Procedure for grant of licence for sale.

(1)A person desiring to obtain licence for wholesale or retail sale of methyl alcohol shall apply to the Collector of the district wherein the sale is to be all acted.(2)The holder of a licence for retail sale of methyl alcohol shall not possess more than two hundred litres of such alcohol at any one time.(3)A licence for wholesale or retail sale of methyl alcohol may be granted by the Collector on behalf of Government after suitable enquiries, only to person whose solvency and antecedents have not been doubtful.(4)The procedure prescribed under the proviso to Sub-section (1) and Sub-section (1 -a) of Section 22 of the Act and under the Orissa Excise (Exclusive Privilege) Rules, 1970 shall be followed prior to grant of any licence for sale of methyl alcohol.

33. Restriction on grant of licence.

(1)Licences for wholesale or retail sale of methyl alcohol shall not be granted to any firm or person licenced to sell by wholesale or retail any potable spirit or denatured spirit.(2)The licence for retail sale of methyl alcohol shall not be granted to any firm or person licensed to sell such alcohol by wholesale.

34. Restrictions on retail sale.

(1)General conditions of, licences applicable to vend licences under Excise Law prescribed under the Board's Excise Rules, 1965 shall mutatis mutandis be applicable to sell methyl alcohol.(2)The holder of licence for wholesale of methyl alcohol shall sell it only to any firm or person licensed to manufacture denatured spirit or for retail sale of such alcohol and to such other purchasers as the Commissioner may specify from time to time.

35. Conditions for storage.

(1)The room where methyl alcohol is stored for wholesale or retail sale under a licence shall be built of unflammable materials.(2)In all cases, a room wherein methyl alcohol is stored for such sale shall be ventilated so as to prevent accumulation of spirit fumes and no naked lights nor fire shall be used or kept in such room.(3)All vessels or receptacles or containers in which methyl alcohol is stored for such sale shall be tightly closed as to prevent accumulation of spirit fumes in the room.Chapter - VII

36. Duration of licence.

- An exclusive privilege for manufacture, for wholesale or for retail sale of methyl alcohol shall be granted for not more than one year with effect from the 1st of April.

37. Consideration money.

- The consideration money payable for manufacture of methyl alcohol shall be such as may be determined by Government in each case and shall be payable in advance prior to issue of the licence.

38.

The consideration money payable for wholesale or retail sale of methyl alcohol shall not be less than rupees six hundred per annum or any part thereof which shall be paid in advance prior to issue of the licence. Chapter-VIII Inspections and Forms of licences and accounts, etc.

39.

(1) A plant or premises licensed for manufacture and/or storage of methyl alcohol shall be inspected at least once a year by the Collector, at least once every quarter by the Superintendent and, when the plant is in charge of a Sub-Inspector, once in every month by the Inspector having jurisdiction over the area within which the plant is situated. (2) Premises licensed for wholesale or retail sale of methyl alcohol shall be inspected at least once a year by the Collector, and the Superintendent, at least once every six months by the Inspector and at least once every month by the Sub-Inspector, having jurisdiction over the place of sale.

40. Forms of licence and accounts etc.

- Excepting the form of licence as set out in these rules for manufacture of methyl alcohol, the forms of licences for storage, wholesale sale or retail sale and the forms of pass for import, export or transport as well as the forms for maintenance of accounts on operations relating to the manufacture, storage or sale as prescribed in the Appendix to the Board's Excise Rules, 1965 and contained under the Distillery Series and the Denature Spirit Series shall mutatis mutandis apply to the respective operations or transactions relating to methyl alcohol. Appendix

Licence for the manufacture of methyl alcohol	Licence for the manufacture of methyl alcohol
Counterfoil	Serial No.
Serial No.	Number of licensee in Register No.
District-	Name of licensee
Number of licence in Register No.	Place of manufacture
Name of licensee-	
Place of manufacture and storage	
Current from to	
Date of licence	

Received the licence for which this is the counterfoil and acopy
of the general conditions

Applicable to Excise Licences

The20.....

Licensee

Be it known that of..... is authorised to manufacture methyl alcohol at his
plant at..... in the district of and to issue the same on payment of duty to
licensed dealers for wholesale/ retail sale from the date of this licence to the 31st March, 20.....
subject to the following conditions :

- 1. That he shall manufacture methyl alcohol of strength not less than 50.00 or such other strength as may be fixed in any case by the State Government manufactured in his own distillery imported from any distillery in India.**
- 2. That he shall use only approved ingredients which have been previously examined by the Chemical Examiner for Orissa, and that he will bear the cost of such examinations.**
- 3. That he shall conduct manufacture and store methyl alcohol in separate buildings or rooms within the plant approved by the Excise Commissioner. The place of storage shall be of unflammable materials and shall be well ventilated so as to prevent accumulation of spirit fumes, and naked lights or fires shall not be used or kept in such room.**
- 4. That he shall not manufacture more than litres of methyl alcohol in any month without the previous sanction of the Excise Commissioner and that he shall abide by the instructions of the Excise Commissioner from time to time in respect of denaturation of spirit.**
- 5. That he shall conduct the manufacturing operations in presence of the appointed Excise Officer who shall send samples of methyl alcohol from each vessel to the Chemical Examiner of Orissa, for examination and report.**
- 6. That the methyl alcohol shall ordinarily generally be issued only after the Chemical Examiner has reported to have conformed to the prescribed chemical formulas. It may, however, be issued under the conditions and circumstances specified under the relevant rules before the receipt of the Chemical Examiner's report provided that the licensee executes a bond undertaking to pay duty at the full rate prescribed for "all other sorts of**

spirit" on the total quantity issued in the event of the Chemical Examiner's report being otherwise and to be liable for penal action as prescribed by or under the Bihar and Orissa Excise Act, 1915.

7. Issues of methyl alcohol shall not be issued from the plant in quantities less than one bulk litre and all containers in which methyl alcohol is issued bear prescribed labels and also be in sealed container under the seal of the Officer-in-charge of the plant.

8. That the licensees keep an accurate account of all methyl alcohol in the prescribed forms.

N. B.-Infraction of any of the above conditions or of the general conditions applicable to all Excise Licensees shall render this licence liable to cancellation and its holder to all or any of the penalties prescribed under the relevant law. CollectorateThe20.....Collector