### U.P. Licences for the Possession of Undenatured Spirit, Bhang and other Excisable Articles for Medicinal and Toilet Preparation Purpose Rules, 2019

UTTAR PRADESH India

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#### Rule

# U-P-LICENCES-FOR-THE-POSSESSION-OF-UNDENATURED-SPIRIT-B of 2019

- Published on 8 February 2019
- Commenced on 8 February 2019
- [This is the version of this document from 8 February 2019.]
- [Note: The original publication document is not available and this content could not be verified.]

U.P. Licences for the Possession of Undenatured Spirit, Bhang and other Excisable Articles for Medicinal and Toilet Preparation Purpose Rules, 2019Published vide Notification No. 324E-2/13-2019-106-2014 T.C., dated 8.2.2019Last Updated 8th July, 2019Notification No. 324E-213-2019-106-2014 T.C. - In exercise of the powers under sub-section (1) of Section 40 of the U.P. Excise Act, 1910 (U.P. Act of 1910) read with clause (d) of sub-section (2) of the said section, the Governor is pleased to make the following rules with a view to regulating the possession of undenatured spirit, Bhang and other excisable articles for Medicinal and Toilet preparations purposes.

#### 1. Short title and commencement.

(1) These rules may be called the Uttar Pradesh Licences for the Possession of Undenatured Spirit, Bhang and other Excisable Articles for Medicinal and Toilet Purposes Rules, 2019.(2) They shall come into force with effect from the date of their publication in the Gazette.

#### 2. Definitions.

- In these rules, unless there is anything repugnant in the subject or context -(a)"Act" means the United Provinces Excise Act, 1910 (U.P. Act 4 of 1910);(b)"Bhang" means the dried leaves and small

1

stalks of hemp plant, whether male or female and whether cultivated or uncultivated;(c)"Excise Commissioner" means the officer appointed by the State Government under clause (a) of sub-section (2) of Section 10 of the Act;(d)"Medicinal preparations" means Drug as defined under Drugs and Cosmetics Act, 1940;(e)"Toilet preparations" means Cosmetic as deinfed under Drugs and Cosmetics Act, 1940;(f)"Undenatured spirit" means spirit of strength not less than 91.27% v/v which is not rendered unfit for human consumption in the manner, prescribed by the State Government by notification and ordinarily consumable as intoxicating liquor simply by adding water and includes Absolute Alcohol, Extra Neutral Alcohol and Rectified Spirit. Self generated alcohol in medicinal preparations which is in excess of 1.2%v/v, shall also be treated as undenatured spirit for the purpose of these rules.

#### 3. Licences.

(1)Licences for the possession of Undenatured Spirit, Bhang and other excisable articles for manufacturer of medicinal and toilet preparations may be granted in Form FL-49 as appended to these rules. The Licence in Form FL-49 shall be generally valid for the whole or any part of every three consecutive financial years for which it is granted or renewed. The Licence holder shall be duty bound to comply with the terms and conditions of the Licence and follow the orders and instructions issued from time to time by the Excise Commissioner in this behalf.(2)The Licence fee on undenatured spirit, self-generated alcohol and Bhang shall be leviable at such rate as may be fixed by the State Government from time to time. The licence fee shall be deposited in Government Treasury under the appropriate head of account by the Licencee at the time of taking issue of undenatured spirit from the distillery. In case of medicianl preparations containing self-generated alcohol, it shall be deposited by the Licensee before the bottling. The licence fee on Bhang shall be deposited by the Licensee before it is issued from the Bonded Warehouse.(3)The Licencee in Form FL-49 shall be granted or renewed by the Excise Commissioner in favour of the Licensed manufacturing units of such approved Ayurvedic, Unani, Allopathic and Homoeopathic medicinal and/or toilet preparations which contain alcohol or Bhang and/or other excisable articles as a necessary ingeredient or which contain self-generated alcohol on payment of Rs 5000 for a financial year or any part thereof.(4)No licence in Form FL-49 shall be granted or renewed in favour of a medicinal or toilet preparations manufacturing unit unless it holds a valid and requisite manufacturing Licence under the Drugs and Cosmetics Act, 1940.(5) Every application for grant or renewal of FL-49 licence shall be submitted in Form FL-48 to Excise Commissioner through District Excise Officer of the concerned district as appended to these rules. On receipt of the application the Excise Commissioner may make such further inquiries as is deemed necessary. If the applicant unit is found suitable for the grant or renewal of licence, the Excise Commissioner shall grant or renew the licence.(6)(a) Every licensee shall have a separate room for storage of undenatured spirit and Bhang in licensed premises;(b)All the tanks and vessels for storage of undenatured spirit shall be gauged accurately and must be fitted with proper dipping rods. Gauge chart shall be computed to show the contents of every 1 centimetre and 2 millimetre of its depth. The gauge chart shall be approved by an officer authorised by the Excise Commissioner for this purpose.(c)Undenatured spirit shall be stored in one or more tanks or vessels in the spirit room and after every transaction its dip shall be recorded in concerned dip books;(d)No spirit or Bhang shall be removed from the storage room except for manufacture of medicinal or toilet preparation. Stock register of spirit and

Bhang shall be maintained by the licensee;(e)Quantity of undenatured spirit or Bhang removed from the store room for manufacture of medicinal or toilet preparation shall be entered in the stock register as prescribed by the Excise Commissioner and in case of undenatured spirit, after transaction, accurate dip of the storage tank shall also be recorded in concerned dip book;(f)Every container of a finished preparation shall bear a label showing the name of the preparation, its batch number, percentage of pure Alcohol or Bhang content and the date of it's manufacture and on completion of production, be stored in bulk in jars or bottles each containing not less than 2273 millilitre. Such preparation may be filled in bottles or containers of not less than 30 millilitre. The Excise Commissioner may by a written order relax such condition;(g)The licensee shall maintain accounts of manufacture and sale of medicinal and toilet preparations along with the names of the buyers in the manner as prescribed by the Excise Commissioner.(7)The Excise Commissioner may cancel the licence at any time if it is established to his satisfaction that the licenced manufacturing unit is involved in misusing the undenatured spirit and Bhang.

#### 4. Annual quota.

- Allotment of annual quota of undenatured spirit and Bhang shall be made by the Excise Commissioner in view of the requirement of the unit.

#### 5. Declaration of alcohol content.

(1)On completion of production process, the licensee will declare percentage of alcoholic content in each batch of the medicinal or toilet preparation.(2)Samples of medicinal or toilet preparation shall be taken and sent for chemical examination in accordance with the relevant provisions of the Drugs and Cosmetics Act, 1940 or any other Government laboratory as specified by the Excise Commissioner.

## 6. Action against contravention of these rules or breach of any conditions of licence.

- Contravention of any provision of these rules or instructions issued thereunder and every breach of licence conditions including shortage or excess of stock of undenatured spirit or Bhang shall be referred to the Excise Commissioner who shall take appropriate action against the Licensee unit in accordance with the relevant provisions of the Act.

#### 7. Fixation of wastage limit.

- The State Government may, from time to time fix the permissible limit of manufacturing wastage, provided that unless the higher percentage of permissible wastage is fixed, the maximum limit of permissible wastage shall be twelve per cent. No manufacturing wastage of Bhang shall be allowable.

#### 8. Power to enter and search the premises.

- The Excise Commissioner or Collector or an officer of the Excise Department empowered under Section 48 of the Act, may enter premises at all reasonable times with or without notice to the manufacturer where medicinal and toilet preparations containing alcohol including self-generated alcohol and/or Bhang are stored or manufactured and inspect the stock, records and accounts. Such officer may examine, measure or weigh any material including spirits and medicinal or toilet preparations stored in such place and may seize any quantity of spirit, Bhang or preparation containing spirit and/or Bhang which he has reason to believe to have been stored or kept against the provisions of the Act or rules made thereunder.

#### 9. Power to issue instructions.

- The Excise Commissioner may from time to time issue instructions regarding online registration,
Geo Tagging, renewal and uploading of Certificate and documents, use of track and trace system and
for all other supplementary matters arising out of these rules. Form FL-48[See Rule 3(5)] Application
for licence for possession of undenatured spirit. Bhang and other excisable articles for medicinal and
toilet preparations purposes under the Uttar Pradesh Licences for the Possession of Undenatured
Spirit. Bhang and other Excisable Articles for Medicinal and Toilet Preparation Purposes Rules,
2019.(Delete the letters and words not applicable)ToThe Excise Commissioner,Uttar Pradesh,
Prayagraj.Sir,I/WeR/o
am/are the authorised representative
ofwhich is engaged/intends to engage in undenatured spirit, Bhang and
other excisable based medicinal and toilet preparations purposes under the Uttar Pradesh Licences
for the Possession of Undenatured Spirit, Bhang and other Excisable Articles for Medicinal and
Toilet Preparation Purposes Rules, 2019.So you are requested to kindly grant licence/renew the
licence enclosed herewith to possess undenatured spirit and/or Bhang or any excisable article in
favour of my/our unit for the financial year ending on 31st March. 20
2. I/We hereby declare particulars of the premises and the unit where I/We
manufacture and store/intend to manufacture and store the medicinal and

- toilet preparations containing undenatured alcohol/Bhang or other Excisable Articles in the table enclosed herewith.
- 3. I/We agree to abide by the provisions of aforementioned rules, terms and conditions of the above licence and also by the orders and instructions issued from time to time by the Excise Commissioner under the said rules.

4.	I/We have	deposited	Rs	5000	vide	treasury	challan
N	<b>1</b>	dated					

- 5. I/We have enclosed the site and elevation plans of my/our manufacturing unit with all relevant records. I/We shall furnish all other information and records as and when demanded.
- 6. I/We hold licence No.....under the Drugs and Cosmetics Act, 1940 which is valid up to .....
- 7. I/We hereby declare that no licence issued by the Uttar Pradesh Excise Department and previously held by me/us has ever been revoked or suspended or has been denied from being renewed owing to a breach of the Act and/or rules governing the grant of such licence and having no criminal records.
- 8. I/We hereby declare that I/We have not been convicted in any criminal case.
- 9. I/We declare that to the best of my/our knowledge and belief, the information furnished herein is true and complete.

Place	Date	Signature(s) of the applicant(s)Particulars of the Premises and the
Unit		
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- Name or Names and the address or addresses of the person or persons applying; if the applicant is a firm, thename and address of every partner of the firm; and if a company, the registered name and address thereof, the names of the Directors, Manager and Managing Agent, and if there is a Managing Director, the name and address of such Director.
- PAN of the unit and proof of land ownership(along with certified copies of the relevant documents).
- $^{3}$  Criminal History of the proprietor, partners/directors etc. including details of cases pending ordecided (if any).
- 4 The approximate amount of capital proposed to beinvested/involved in the venture.
  - The name of the placeand the site with other relevant details, on which the buildings housing the manufactory is/are situated or to beconstructed:Note:Relevantmap, ownership details of the premises and site plan etc. must been closed. In case of renewal of licence, the
- following particulars, to be furnished.(i) brief description(with boundaries) of the premises;(ii) description of each main division or sub-division of the manufactory;(iii) Spirit Store;(iv) Laboratory;(v) Finished preparation Store.
- Tentative date from which the applicant desiresto commence the manufacture of medicinal and toilet preparationscontaining alcohol/self-generated alcohol/ Bhang/other excisablearticles.

The number and full description of the tanks, vessels and other permanent apparatus and machinery set up in the unit/to be set up in the unit.

- 8 The list of approved preparations which are tobe manufactured along with the total requirement of undenaturedspirit and/or Bhang on the basis of approved composition of the preparations.
- 9 Details of licences held by the applicant unitunder Drugs and Cosmetics Act, 1940. List of ail preparations which the applicant proposes to manufacture in the financial year ending 31st March, 20 and those manufactured during the previous Financial Year 20...... in the unit along with the total requirement of undenatured

spirit/Bhang/other excisable articles in the financial year ending 31st March, 20......

Name of preparation	Quantitymanufaction the previous Financial Year 2020	Quantity to be unednufactured in the financialyear ending 31st March, 20	Formula of the preparation	Average percentage of alcohol or Bhang in thepreparation	Total requirement of undenatured spirit/Bhang	
1	2	3	4	5	As per Col. 2	As per Col. 3

- 2. The privilege conferred by this licence extends only to possess rectified spirit. Bhang and other excisable articles to manufacture preparations of standard pharmacopoeias of Allopathic, Ayurvedic (including self-generated alcohol) Homoeopathic and Unani Systems of Medicine, proprietary types of medicine and all toilet preparations.
- 3. The quantity of undenatured spirit and Bhang in the Licensee's possession shall not exceed........ Bulk litres and.......Kilograms respectively at any one time and he shall not be allowed to consume more than.....Bulk litres or undenatured spirit and......Kilograms of Bhang in a year.
- 4. This licence may be revoked or suspended or its renewal may be refused if any declaration made or information given in the applicable is found false.

Terms and Conditions

- 1. The licensee must have a valid drug licence to manufacture medicinal and toilet preparations containing undenatured spirit. Bhang and other excisable articles.
- 2. The licensee shall not manufacture any preparation other than the preparations mentioned in the licence.
- 3. The licensee shall abide by the provisions of the Uttar Pradesh licences for the Possession of Undenatured Spirit, Bhang and other Excisable Articles for Medicinal and Toilet Preparations Purposes Rules, 2019 as amended from time to time.
- 4. The licensee shall comply with the orders and instructions of the Excise Commissioner issued under the Uttar Pradesh Licences for the Possession of Undenatured Spirit, Bhang and other Excisable Articles for Medicinal and Toilet Preparatins Purposes Rules, 2019 as amended from time to time.
- 5. The licensee shall not indulge himself in manufacture of any preparations which contain alcohol in such quantities which may promote its consumption as portable liquor.

# 6. The licensee shall maintain all the records of receipt and use of undenatured spirit, Bhang and other excisable articles in the manner prescribed by the Excise Commissioner.

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