

Nagaland Distillery and Brewery Rules, 1977

NAGALAND

India

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Rule NAGALAND-DISTILLERY-AND-BREWERY-RULES-1977 of 1977

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Nagaland Distillery and Brewery Rules, 1977Published vide Notification No. Ex. 9/23/76, dated the 9th May, 1977Last Updated 18th February, 2020Notification No. Ex. 9/23/76, dated Kohima, the 9th May, 1977. - In exercise of the powers conferred by Section 36 of the Nagaland Excise Act, 1967 (Act 7 of 1967), the Governor of Nagaland is pleased to make the following rules :

1. Short title, extent and commencement.

(1)These rules may be called the Nagaland Distillery and Brewery Rules, 1977.(2)These rules shall come into force on such date as the State Government may by notification appoint in this behalf.I. DistilleriesDefinitions. - In these rules, unless there is anything repugnant in the context-(a)"Brewer for sale" means a person who brews beer for the use of any other person at any place other than the premises of the persons for whose use the beer has been brewed, and includes any licensed dealer in or retailer of beer ;(b)"Distiller" means a person who holds a licence to work a distillery ;(c)"Feints" means impure spirit produced from the distillation of low wines ;(d)"Low wines" means impure spirit produced from the distillation of wash;(e)"Obscuration" means the difference caused by matter in solution between the true strength of spirit and that indicated by the hydrometer;(f)"Officer-in-charge" or the "Excise Officer" means the Excise Superintendent or Inspector or Assistant Inspector-in- charge of a distillery;(g)"Receiver" means any vessel into which the worm of a still discharges;(h)"Receiver Room" means the part of a distillery where the receivers are kept;(i)"Spent lees" is the residue left after impure spirit has been redistilled ;(j)"Spent wash" is the residue left after wash has been exhausted of spirit;(k)"Sugar" means any saccharine substance, extract or syrup and includes any material capable of being used in brewing, except malt or grain of any kind ;(l)"Vat" means any vessel used for blending, reducing or the storage of spirit;(m)"Warehouse" means the part of a distillery in which spirit in a fit state for consumption is stored ;(n)"Wash back" means a vessel in which fermentation is carried on ;(o)"Wash" means material for distillation which is under or has undergone fermentation by natural or artificial means.The terms which have not been defined in this rule will have the same meaning as defined in

Rule 89 of the Nagaland Excise Rules, 1972.

2. Application.

- Any person desiring to obtain a licence to establish and work a distillery, in any place in Nagaland shall apply in writing to the Commissioner of Excise stating the following particulars : (i) the name or names with address of addresses of person or persons applying ; if a firm, the name of every partner of the firm ; and if a company, registered name and address thereof ; (ii) the purpose for which the distillery is proposed to be opened, specifying in detail the nature of the business which the applicant desires to carry on therein ; (iii) the name of the place in which the site on which and the buildings in which the distillery is to be constructed or worked ; (iv) 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, etc. ; (v) the date from which, in the event of a licence being granted to him, the applicant proposes to commence working the distillery ; and (vi) a correct plan of the building which he intends to use or to construct for his distillery, and a plan showing the position of stills, vats and other permanent apparatus therein and list of store-rooms, etc., connected therewith.

3. Consideration of application.

(a) On receipt of the application and after consulting the Collector/Superintendent of Excise of the district in which the distillery is proposed to be opened regarding the suitability of the site and buildings, if there be any already, and on any other points, and on receipt of the Collector's/Superintendent of Excise's opinion, and after such further enquiry as he may deem necessary, the Excise Commissioner shall decide whether the licence for the opening of the distillery should be granted or not. In deciding whether a licence for the working of a distillery is to be granted or not, the Excise Commissioner will take into full consideration the purpose for which it is proposed to open the distillery and the demand or necessity for such a distillery. (b) Purposes for which distillery may be opened. - Distillery may be opened for- (1) Supply of country spirit ; (2) Supply of foreign liquor ; (3) Supply of spirit for the manufacture of chemicals, medicated articles, etc. or for other industrial purposes ; (4) For any or all of the above purposes combined. (c) Construction of distillery and grant of licence by Excise Commissioner. - The Excise Commissioner may sanction under Section 15 of the Nagaland Excise Act, 1967, the opening of a distillery and inform the applicant and the Collector/Superintendent of Excise of the district accordingly in which the distillery is to be opened. He shall also inform the applicant the amount of security to be furnished by him for the due performance of the conditions on which a licence may be granted to him. The applicant shall then be called upon to make arrangements for the construction of the distillery. Upon completion of the building and after the stills and other appliances and apparatus have been set up, he must file two fresh copies of the plan before the Collector/Superintendent of Excise who shall cause them to be verified in any manner he thinks proper and then submit one copy to the Excise Commissioner for examination and for comparison with the plans first submitted, and for any further verification he may think necessary. After final approval by the Excise Commissioner, a licence will be granted by him to the applicant in the prescribed form. (d) Applicant to carry out necessary addition or alteration. - The applicant shall be bound to conform to the wishes of the

Excise Commissioner regarding any addition or alteration to the buildings, stills, vats or other permanent apparatus or plant which he considers necessary whether before or after the final plans are submitted for the proper security of the revenue or to render illicit impracticable.(e)Additions or alterations to buildings, stills, etc., require previous sanction of Excise Commissioner. - No addition or alteration to the buildings, stills or other permanent apparatus as shown in the plans finally submitted by the applicant shall be made without the previous sanction of the Excise Commissioner obtained through the Officer-in-charge and the Collector/Superintendent of Excise. If the Excise Commissioner so directs such additions or alterations may be permitted by the Collector/Superintendent of Excise subject to the Excise Commissioner's approval. When any such additions or alterations are made, fresh plans must be submitted to the Excise Commissioner through the Collector/Superintendent of Excise with a certificate from the Officer-in-charge that they are correct. If the Excise Commissioner so directs, the Officer-in-charge of the distillery may, with the permission of the Collector/Superintendent of Excise, allow minor alterations to be made to such buildings or stills or other permanent apparatus subject to subsequent approval of the Excise Commissioner.(f)Excise Commissioner may at any time verify description and plans. - It will be left to the Excise Commissioner to verify at any time any of the descriptions and plans above mentioned, and on proof of error, to require fresh ones to be submitted for sanction. Such verification may be made by any officer deputed for the purpose and such officer shall be allowed full access to the premises. Sanctions to the plans may be withheld until any point in respect of which they differ from plans already sanctioned has been rectified to the satisfaction of the Excise Commissioner. The distiller shall be bound to carry out such rectification within a reasonable time to be fixed by the Excise Commissioner.

4. Payment of licence fee and security deposit and execution of bond.

- Before the licence to work the distillery is granted by the Excise Commissioner, the distiller shall be required to pay a licence fee of Rs. 1000 (Rupees one thousand) only and shall make a deposit with the Commissioner of Excise of an amount of Rs. 5000 (Rupees five thousand) only as security for the due observance of the conditions of the licence, and shall execute a bond in the prescribed form pledging the premises, stills and all apparatus and utensils used in the manufacture of spirit, for due discharge of all payments which may become due to the State Government by way of duty, fees, rents, fines, penalties or otherwise under the provisions of his licence or to which the distiller may be liable by law or rules or under any engagement or bond into which he may have entered ; and in lieu of executing such a bond the distiller may deposit such amount as the State Government may direct.

5. Period for which a licence may be granted or renewed.

- The licence for a distillery may be granted for any number of years not exceeding 3 years in the first instance as the State Government may decide in each case. If the work of the licensee is proved satisfactory, it may be renewed on the recommendation of the Excise Commissioner for a period not exceeding the same number of years on such terms and conditions as may then be decided upon.

6. Establishment and their cost.

- The Commissioner of Excise shall appoint such Excise Officer and establishment as he thinks fit to the charge of a distillery. The distiller shall pay to the State Government at the end of each calendar month such establishment charges as may be determined from time to time by the Excise Commissioner. The cost of establishment shall include pay as well as leave and pension contribution.

7. Quarters, establishment and office furniture.

- The distiller shall provide suitable rent free quarter to the satisfaction of the Excise Commissioner for the Officer-in-charge and other establishment, in close proximity to the distillery and shall keep the same and the appurtenances thereto in proper repair. He shall also supply such officer with such furniture as may be required for the use of the officers within the distillery.

8. Distiller to give notice for commencement and closure of working.

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

9. Power to withdraw establishment.

- In case a distillery shall cease distilling or issuing spirits for a period exceeding one month, the Excise Commissioner may withdraw the establishment stationed at the distillery and may prohibit all further distillation and issue of spirits until the distiller has given him fifteen days' notice in writing of the date on which he proposes to recommence distilling or issuing spirits as the case may be.

10. Arrangements of stills, etc.

(a)The distiller shall so arrange stills that spirit shall discharge into closed and locked receivers of such pattern that no spirit can be removed from them unless they are unlocked. Every pipe used for conveying spirit or feints must be so fixed and placed as to be visible throughout its entire length and shall, if the Excise Commissioner so directs, be coated with oil paint of a particular colour, and all joints thereof shall be sealed in such manner as the Excise Commissioner may prescribe. If the condensing worm is made of copper, such measures as the Excise Commissioner may direct shall be taken by the distiller in order to protect the liquor from serious contamination by the copper.(b)There shall be no opening into any still, condenser or refrigerator, except-(i)for connection with the wash backs on spirit receivers,(ii)properly secured air cocks or air values of the number and description approved by the Excise Commissioner.(c)Lock and fastening (Custody of keys). - The distiller shall provide and maintain suitable and secure fastenings with good quality pad locks to all stills, spirit receivers, fermentation rooms, store rooms, pipes etc. to the satisfaction of

the Excise Commissioner. The keys of such locks shall be retained by the Officer-in-charge. The distiller, if he so desires, may put his own additional locks to stills, receivers, etc. but shall be bound immediately to remove those locks, when required by the Officer-in-charge, to a low free inspection.(d)Class safe and sampling apparatus. - The distiller shall, if the Excise Commissioner so directs, provide between the stills and the spirit receivers a glass safe by which the quantity and strength of the spirits which are running will at any moment be visible to the operator, or a sampling apparatus so constructed that for every sample drawn of an exactly equal quantity shall be discharged into a closed recipient. If required both a safe and a sampling apparatus shall be provided. The distiller shall also, if so required, provide branch pipes fitted with locks by means of which spirits of different strengths and qualities may be diverted into receivers.(e)The stills, receivers and vats shall be so arranged that spirit may be conveyed from the receivers to the store-room through closed pipes. As pipes and all joints thereof shall be secured and sealed to the satisfaction of the Excise Commissioner. With special permission of the Excise Commissioner spirit collected in the receivers may be conveyed to the store room in casks.(f)All receivers and vats in the distillery must be so placed as to admit of the contents being accurately gauged or measured, and must be fitted to the satisfaction of the Excise Commissioner with proper dipping rods, so adjusted to fix dipping places that the contents thereof at each tenth of an inch of depth may at any time be ascertainable. The receivers and vats shall also be gauged in such manner as the Excise Commissioner may, from time to time, direct: and no vessel shall be used as a receiver or store-vat until it has been gauged and the gauging has been checked by such officer as the Excise Commissioner may appoint. Records of the dimensions of such vessel shall be maintained in accordance with rules prescribed by the Excise Commissioner.(g)Every cock kept or used in a distillery shall be of such pattern and constructed in such manner as the Excise Commissioner may from time to time direct.(h)Rooms and vessels to be marked and numbered. - The distiller shall cause to be painted with oil colour and shall cause to be painted upon the outside of every room or place and upon a conspicuous part of every vessel and utensil, the name of such room, place, vessel, or utensil according to the purpose for which it is to be used for the same purpose, he shall paint a progressive number of each, beginning with the number one.

11. Vessel storage.

- Spirit shall be stored in sound vessels. Each vessel shall bear a serial number, painted or cut thereon. Its external parts must also be clearly visible.

12. Dipping place or level of vessel to be altered.

- The distiller shall not cause or allow the dipping place or level of any vessel 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.

13. Materials to be used.

- The materials or bases to be used in distilling country spirit, shall only be of such description as are generally approved by the Excise Commissioner. All materials used must be of good quality and no

ingredient noxious to health shall be used in distillation or added to the spirit intended for human consumption.

14. Wash not to be removed from distillery.

(a)The distillery shall only distill wash which has been prepared within the distillery and no wash (except spent wash from which all alcohol has been extracted) shall be, on any account, removed from or allowed to pass out of the distillery except sealed samples forwarded by the officer-in-charge to the Chemical Examiner or to such other officer as may be appointed for the purpose of examination under the general or special orders of the Excise Commissioner.(b)No wash or spirit to be brought into distillery. - Except with the permission of the Excise Commissioner, no wash or spirit not prepared or manufactured in the distillery shall be brought into the distillery.(c)Wash to be conveyed directly from wash becks to still. - All wash made in the distillery shall be fermented in the wash becks and shall be conveyed directly therefrom into the still.(d)Redistillation. - Except with the written permission of the Excise Commissioner, the distiller shall not re-distill any spirits other than those which remain in the feints or weak spirit receiver attached to the still and which have not been removed therefrom.

15. Strength of spirit manufactured to be regulated.

- The spirit manufactured in the distillery shall be re-distilled above or below such strengths and shall be subject to such periodical analysis as the Excise Commissioner may direct, and the distillery shall be bound to take steps to remedy any defect in his product which the Excise Commissioner may consider material.Destruction of spirit unfit for use. - If the spirit is found to be of inferior quality and unsuitable for the purpose for which it was made it may be rejected and destroyed or otherwise dealt with under the order of the Excise Commissioner. If the officer-in-charge of the distillery, if he is not a Superintendent of Excise, considers that the spirit to be issued is bad and unsuitable he should at once report the matter to the Superintendent of Excise who may, pending orders of the Excise Commissioner, stop its issue and ask the officer to send samples of such spirits for analysis without delay.Notice

16. Declaration of proof spirit in wash.

(a)The distiller shall give such notice in writing as the Excise Commissioner may prescribe of the transfer of spirit from the spirit receivers to the spirit store room and of wash from the fermenting vessels or wash becks to the still. He shall also state the percentage of proof spirit contained in the wash immediately before the distillation thereof. This percentage shall be determined by means of instruments approved by the Excise Commissioner.(b)Periodical stoppage of distillation. - The distiller shall comply with such orders as may be prescribed by the Excise Commissioner for the periodical stoppage of distillation for the purpose of ascertaining the quantity of spirit distilled from the quantity of wash passed into the still.

17. Transfer of spirit from receiver to store-room.

- All spirit collected in the receivers shall be transferred or conveyed into the spirit store room without unnecessary delay; provided that no spirit shall be so transferred between 6 P.M. and 6 A.M.

18. Hours of work.

- All operations in a distillery require the presence of an Excise Officer, and shall be stopped on Sundays and on such holidays as may be prescribed by the Excise Commissioner. The distiller shall also so arrange his operations in a distillery that no Excise Officer needs be on duty for more than eight hours per diem.

19. Daily accounts to be kept by distiller.

- The distiller shall keep accurate and regular daily accounts showing (1) the quantity and description of materials used, (2) the quantity of wash and spirit manufactured, (3) the quantity of wash used, (4) the quantity of spirit passed out, and (5) the quantities of wash and spirit in store. Under the last head of quantity of spirit remaining in stock in each case, vats or other recipients shall be shown. Such accounts shall be opened at all times to inspection by the Excise Officer-in-charge of and other Excise Officer authorised by the Collector/Superintendent of Excise, and by all superior Officers of the Excise Department.

20. Samples of materials to be sent to Chemical Examiner.

- Samples of materials used in the distillery for the manufacture of spirit and of spirit manufactured therefrom shall be sent to the Chemical Examiner for analysis once in July and again in December and at other times when considered necessary. The samples of any preparations manufactured should, however, be paid for at the current rate but the cost of despatch of the samples and also the prescribed fee for examination shall be paid by the distiller.

21. Ejection of undesirable persons.

- The Officer-in-charge of the distillery may eject and exclude from the premises any person whom he finds to have committed, or to be about to commit any breach of these rules and of the Excise laws or rules made thereunder, or who is intoxicated, riotous or disorderly. Any action taken by such officer shall be immediately reported to his official superior.

22. Smoking and use of naked light prohibited.

- Smoking or the use of naked lights or fires in any portion of a building used for fermentation, distillation or for storage of spirit is prohibited.

23. Government not liable for loss, etc. of spirit in the distillery.

- The State Government shall not be held responsible for the destruction or loss or damage by fire, theft or any other cause whatsoever occurring to any spirit stored in the distillery or in gauging, weighment or proof. In case of fire or other accident, the officer-in-charge of the distillery shall immediately attend to open it at any hour by day or night.

24. Distiller responsible for loss, etc. of spirit in distillery.

- The distiller shall be responsible for the safe custody of the stock of spirit in his distillery and shall be liable to make good any loss of revenue caused to the State Government by his negligence.

25. Appointment of person or persons in the distillery requires approval of the Excise Commissioner.

- The appointment of all persons by the distillery shall be subject to the approval of the Excise Commissioner who will have the power to order the removal from service or prohibit the appointment of any person whom he considers undesirable. The order of removal passed by the Excise Commissioner or his decision to prohibit any one's employment shall be appealable to the State Government.

26. Control over persons entering a distillery.

- All persons other than any Government Officer entering a distillery shall be under the order of the Officer-in-charge in respect of their conduct and proceedings within the distillery and shall be liable to search on their quitting the premises at the discretion of the officer-in-charge. Note.-The Officer-in-charge must understand that the powers of search is to be used with discretion. No respectable person should be subjected to search except on very good grounds for suspicion. All cases of search of persons, other than menials, should be entered in the diary, with a statement of the Officer's reason for his action.

27. Periodical stock taking.

(1)The Superintendent of Excise, or in his absence, the Officer-in-charge of the distillery will take account of all spirit in the distillery on the last day of March, June, September and December in each year on the last preceding open day if the last day be a Sunday or holiday prescribed by the Excise Commissioner. Wastage allowance. - The distiller shall pay to the State Government duty at the rate imposed under Section 20 of the Nagaland Excise Act, 1967 on spirit manufactured, imported, exported or transported, as the case may be, and on all spirit which may not be forthcoming and for which he shall be unable to account to the satisfaction of the Excise Commissioner in excess of a wastage allowance of 1½ per cent. (2)Wastage for the purpose of collection of duty to be calculated annually and duty on excess deficiency. - Wastage for the purpose of collection of duty on the excess as aforesaid shall be calculated annually, that is, at the end of the year for which the licence is in

force :Provided that if it shall be proved to the satisfaction of the Excise Commissioner or of such officer as he may appoint, that such deficiency in excess of 1½ per cent has been caused by accident or other unavoidable cause, the duty on such deficiency may either be wholly or partly remitted at the discretion of the Excise Commissioner.

28. Procedure for stock taking.

- For taking the periodical stock, the gauging of spirit in vats of casks may be done by dip rod measurement, weighment, or by such other methods as may be prescribed by the Excise Commissioner. Whenever, by bung-rod measurement, the deficiency in any cask is found to be excessive, the whole of contents of the cask shall be promptly measured by litre measures and the actual deficiency accurately ascertained.

29. Calculation of duty in case of obscuration.

- When it is known or suspected that saccharine or other matter of such a nature as to prevent the true strength being ascertained by means of the hydrometer is present in spirit, duty shall be calculated on the quantity and strength of such spirit as ascertained before the introduction of such spirit after the addition of such matter and before removal from the distillery. Such spirit shall be kept in a separate recipient.

30. Distiller bound by all rules and special orders.

- The distiller shall be bound by the provisions of Nagaland Excise Act, 1967 and by all rules for the management of the distillery or for use of spirit therefrom, which may be prescribed under the aforesaid Act from time to time and by all special orders which may be issued by the Excise Commissioner and the State Government regarding any particular of the distillery and shall cause all persons employed by him to obey all such rules and orders.

31. Admittance of person into distilleries.

- Distilleries shall be opened only for the entrance and exit of person who have business with them. Except with the permission of the Collector or the Superintendent of Excise, no one except any Government Officers, distillers, contractors and their servants and licensed vendors who have come to purchase spirits, shall be allowed to enter the premises on any pretext. A register shall be kept of the names of all persons employed by distillery contractors and all recognised employees will be supplied with passes for ingress or egress.

32. Separate licence for manufacture of foreign liquor for sale.

- Distillers, who desire to manufacture foreign liquors for sale, must take out separate vend licence on such terms and conditions as may be determined on the merits of each case.

33. Compounding and bottling of foreign liquor require separate licences.

- Manufacturer of foreign liquor must take out separate blending, compounding and bottling licences on payment of an annual fee of Rs. 2,500 (Rupees two thousand five hundred) only.

34. Bottling, blending, etc., to be conducted within the distillery enclosure.

- All processes connected with bottling, flavouring, blending or colouring foreign liquor must be conducted in a separate building within the distillery enclosure.

35. Responsibility for breach of rules by servants.

- If it comes to the knowledge of the distiller that any person employed by him in the manufacture, storage, receipt, blending, reducing or issue of spirits has committed any breach of the Nagaland Excise Act, 1967 or the rules framed thereunder or of the agreement entered into by him, it shall be his duty to report the matter to the Officer-in-charge and to comply with the directions of that officer respecting the continued employment of such person. The officer-in-charge shall report the matter together with the action taken by him to the Superintendent of Excise, who will take thereon such action, if necessary with the approval of the Excise Commissioner as he may think fit.

36. Minimum stock for distillery.

- The Commissioner of Excise may prescribe the minimum stock of spirit to be maintained in a distillery.

37. Fine in case of breaches of conditions of licence, etc.

(a) In case of any breach of these rules or the conditions of the licence or in case of any attempt, by altering the capacities of recipients or otherwise, to deceive the officer-in-charge in gauging or proving either by the distiller or by any person in his employment the Commissioner of Excise is empowered to impose on the distiller a fine not exceeding the sum of Rs. 500 (Rupees five hundred) only for every such breach of such rules or conditions, and subject to the approval of the State Government declare the money, if any, deposited with the said Government forfeited, and to cancel the licence. (b) If the fine imposed as aforesaid be not paid within a date to be specified by the Excise Commissioner, it shall be lawful for him to deduct from the sum deposited with the latter by the licensee as security for the due performances of the conditions of the licence, and for this purpose the Excise Commissioner or the Collector, as the case may be, may sell all or any of the property hypothecated.

38. Fine deducted from security deposited to be replaced.

- Any sum deducted by the Excise Commissioner under the powers herein contained from the amount deposited by the distiller as security for the due performance of his engagement, shall be

replaced by the distiller within fifteen days from the date of receipt of a notice from the Excise Commissioner, informing him of such deduction having been made.

39. Prosecution not barred by imposition of fine, etc.

- The imposition of a fine or the forfeiture of deposit or the cancellation of the licence under Rule 37 of these rules shall not be held to prevent the prosecution of any person for any offence which may have been committed against the provisions of the Nagaland Excise Act, 1967 or the rules framed thereunder or any other law for the time being in force relating to the Excise revenue.

40. Recovery of sums due to Government.

(a) Without prejudice to the procedure prescribed for the recovery of dues under Section 35 of the Nagaland Excise Act, 1967, all sums due to the State Government may be recovered from the amount of deposit made by the distiller or by sale of the premises, stills and other things pledged under the bond. (b) Disposal of liquor on expiry of licence. - On the expiry of the licence, either on account of expiry of the term, or on account of cancellation or suspension, the Excise Commissioner may take over or permit the successor of the distiller to take over the balance of liquor in distillery at cost price or may require the distiller forthwith to remove all liquor remaining within the distillery on payment of full duty. (c) If the distiller fails so to remove all spirits within ten days of the receipt of written notice from the Collector/Superintendent of Excise, the cost of any establishment which it may be necessary to employ at the distillery may be recovered from him ; and if he shall fail to do so within one month the spirits shall be liable to forfeiture at the discretion of the Excise Commissioner. II-Breweries Licensing and regulation of breweries, premises and licence

41. Application for brewing licence.

(a) Every brewer for sale of beer shall, before he begins to brew, deliver to the Excise Commissioner through the District Collector/Superintendent of Excise, a description in writing, signed by himself, of all premises, rooms, places and vessels intended to be used in his business, specifying the purpose for which each is to be used, and the distinguishing mark of each. On the outside of the door of every room and place in which the business is carried on and on some conspicuous part of each of the aforesaid vessels there shall be legibly painted in oil colour the name of the vessel, utensil, room or place according to the purpose for which it is intended to be used. If more than one vessel is used for the same purpose, each shall be distinguished by a progressive number. (b) Inspection of premises and grant of licence. - Before the licence to brew is granted, an Excise Officer authorised by the Excise Commissioner shall inspect the premises, etc., and compare the same with the particulars stated in the aforesaid written description and certify accordingly. If the description be found satisfactory, and if on the report of the District Collector/Superintendent of Excise, the applicant is considered a fit person to receive a licence, the licence shall be granted by the Excise Commissioner realising a licence fee of Rs. 1,000 per annum on such terms and conditions as may be determined in each case by him with the approval of the State Government. The term of the licence will be as prescribed by Government subject to renewal at the discretion of the State Government. Sugar

42. Storage and use of sugar.

- All sugar shall be stored in a room specially set apart from it and duly described as a "sugar store". No sugar shall be removed from the sugar store into any other part of the brewery except in pursuance of an entry under Rule 45 of these rules for use in a brewing. Vessels

43. Manner of fixing vessels.

- Mash tuns, underbecks, wort receivers, copper and collecting and fermenting vessels shall be so placed and fixed that the contents can be accurately gauged or measured.

44. Marking.

(a) The name and number of each vessels shall be legibly painted in oil colour on some conspicuous part thereof, according to the purpose for which it is intended to be used. (b) Position, etc. not to be altered without notice. - the brewer shall not begin to construct, nor alter the shape, position or capacity of, any mash tun, underbeck, wort receiver, copper, collecting or fermenting vessels, or other brewing vessel, without giving two days previous notice in writing to the Excise Officer when the alterations have been completed, or the additional vessel or vessels have been constructed, the brewer shall deliver a description of the same in accordance with sub-paragraph (a) of Rule 41 supra.

45. Brewing book.

- The Excise Officer authorised by the Excise Commissioner shall deliver to every brewer a book in which the brewer shall enter in the proper columns at least twenty four hours before beginning to mash any malt, etc. or to dissolve any sugar, the day and hours of brewing. With the date of making the entry at least two hours before the time entered for mashing or dissolving, he shall enter separately the quantity of malt and unmalted corn, rice, rice grits, flaked rice, maize, maizgrits, flaked maize or the similar preparations and of sugar to be used, and the hour when all the worts will be drawn off the grains in the mash tuns.

46. Notice before brewing.

- The Excise Commissioner may require any brewer to send to the proper officer, 48 hours before brewing, a written notice of his intention to brew.

47. Further entries in brewing book.

- The brewer shall also enter in the same book prescribed under Rule 45 above the quantity and gravity before fermentation of the worts collected, the number and description of vessel or the vessels in which the worts were collected, and the date and hour when the entry is made. Such entry shall be made within one hour after the collection has been completed.

48. Brewing book be kept on premises.

- The brewer shall enter true original gravity of worts, and shall keep the book on the premises entered in the description referred to in Rule 41 supra at all times accessible to the officer and ready for his inspection.

49. Saccharometer.

- An approved saccharometer and tables shall be used to ascertain the quantity of worts by relation to gravity.

50. Highest account of worts to be charged with duty.

- The highest account of worts shall be accepted and charged with duty, whether it be that entered by the brewer or that found by the Excise Officer after the entry of the worts collected has been made.

51. Determination of original gravity.

- When fermentation has commenced in any worts, so that the original gravity cannot be ascertained by the saccharometer, such gravity shall be determined, if necessary, by the Chemical Examiner or by such other persons as may be appointed for the purpose by the Government of Nagaland, in such manner as shall be approved by the Excise Commissioner.

52. Increase of original gravity.

- If at any time the original gravity of any worts contained in the collecting or fermenting vessels shall be found to exceed by five degrees that entered by the brewer, or ascertained by the Excise Officer, the Excise Commissioner may deem such worts to be the produce of a fresh brewing and charge duty accordingly.

53. Brewing book is Government property.

- The brewing book is the property of the Government.

54. Altered or false entry in brewing book.

- The brewer shall not cancel, obliterate or alter any entry or make any entry which is untrue, in any particular.

55. Security may be required.

- Before the licence to work a brewery is granted the brewer may be required to make a deposit with the Commissioner of Excise of an amount of Rs. 5,000 (Rupees five thousand) only as security for the due observance and of the conditions of the licence.

56. Security liable for discharge of duty, fees, etc.

- The said security deposit shall be at the disposal of the Commissioner of Excise for the due discharge of all payments which may become due to the State Government by way of duty, fees, fines, penalties or otherwise under the provisions of a licence or to which the brewer may be liable by law or by rules or by any engagement or bond which he may have entered.

57. Date of payment of duty.

- The duty on the worts shall become due immediately on being charged. A date in each month not later than the 10th of the month succeeding that in which the duty as charged may be fixed by the Excise Commissioner for payment of duty.

58. Restriction on removal of beer.

- No worts or beer shall be removed from the brewery until the duty imposed under Chapter V of the Nagaland Excise Act, 1967 has been paid, or until a bond for payment of such duty under Sections 9 and 10 of the aforesaid Act has been executed for the payment thereof: Provided that the quantity of worts or beer which have issued without prepayment of duty as aforesaid shall not exceed the quantity which is covered by the said bond.

59. Pass required to remove issue from brewery.

- No wort or beer which has not paid the duty imposed under Chapter V of the Nagaland Excise Act, 1967, shall be removed from the brewery and beyond its premises without a pass issued by the local Superintendent of Excise or by any officer empowered in this behalf by the State Government: Provided that if a brewer has duly executed bond under Sections 9 and 10 of the aforesaid Act such brewery is authorised to issue the pass.

60. Concealment of worts, etc.

- The concealment of worts or beer, and the fraudulent increase of quantity or gravity, after an account has been taken and the duty has been charged entail penalties imposed under Sections 54 and 68 of the Nagaland Excise Act, 1967. Mode of Working

61. Collection and removal of worts.

- All worts shall be removed successively, and in the customary order of brewing to the underbeck, coppers, coolers and collecting or fermenting vessels and shall not be removed from the last named vessels until an account has been taken by the Excise Officer, or until after expiration of twelve hours from the time at which the worts are collected.

62. Time for collection of worts.

- All the produce of a brewing shall be collected in the collecting or fermenting vessels within twelve hours from the time when the wort has commenced running into the collecting or fermenting vessel.

63. Brewing to be kept separate.

- The total produce of a brewing shall be kept separate from the produce of any other brewing until and unless an account of such total produce has been taken by the Excise Officer.

64. Mixing in worts.

- No produce of any brewing shall be mixed with that of any other brewing except in the store vats or casks, unless the brewer has given previous notice in writing in the brewing book of his intention to mix worts in the fermenting vessels and specifies in writing the quantity and gravity of the worts when mixed.

65. Vessels not to be used for returned beer, etc.

- No returned beer or fermented liquor shall be put into any of the brewing or fermenting vessels described under Rule 41. Scales and Weights

66. Scales and weights and assistance to inspecting officer.

- Every brewer shall provide and maintain scales and weights prescribed by the Excise Commissioner and shall render assistance to any inspecting officer in taking account. Wastage

67. Allowance for wastage.

- An allowance of 10 per cent shall be made from the monthly total of the charges on account of wastage.

68. Remission of duty in case of accidental loss.

- Duty may be wholly or partly remitted or repaid in respect of worts or beer on which duty has been charged, and which may have been destroyed by accidental fire or other unavoidable cause, while on

the licensed premises of a brewer for sale ; provided that satisfactory evidence of such loss has been produced to the Excise Commissioner. Allowances for Sour or Spoilt Beer

69. Allowances for spoilt beer.

- Written application must be made to the Excise Commissioner for allowance for sour or spoilt beer.

70. Destruction of sour or spoilt beer.

- There must be satisfactory evidence to enable the Excise Commissioner to decide whether the beer can be identified with its proper brewing, subject to the following rules. If he is satisfied on this point, he will sanction the destruction of the beer in presence of an Excise Officer.

71. Brewer's declaration.

- The brewer must sign a declaration that the beer was brewed by him and had never left his premises and that no part of it consists of "bottoms" or "returns" from vendors or other customers.

72. Samples.

- Representative samples must be taken and sent to such laboratory as the Excise Commissioner may decide upon.

73. Destruction of spoilt beer.

- The Excise Officer must state the means by which he checked the bulk quantity and after samples have been taken as aforesaid, he must witness the destruction of the beer and record a note of the fact in the brewing book.

74. Credit of duty on spoilt beer allowable.

- On receipt of a satisfactory report from the laboratory, the brewer may be credited with the proper amount of duty. Materials

75. Use of deleterious matter may be prohibited.

- The Commissioner of Excise may prohibit the use of any material in the manufacture of beer which is, in his opinion, of a deleterious nature.

76. Analysis of samples.

- The Excise Officer or any inspecting officer may take without payment for the purpose of analysis, sample of any beer or material used in the manufacture thereof.

77. Addition of finings, etc., to beer.

- A brewer for sale, or a dealer in or a retailer of beer, shall not dilute, adulterate or add anything to beer, except finings or other matter sanctioned by the Excise Commissioner.

78. Register to be kept up.

- The following registers shall be maintained at the brewery : (a) A book showing the quantity of beer manufactured and issued, the names and places to which the beer has been consigned and the balance remaining in store after each transaction. (b) A book showing particulars and original gravity of beer which has been returned unsold to the brewery.

79. Quarterly account.

- On the 10th of the month following the close of each quarter, an account shall be forwarded by every brewer to the Collector/Superintendent of Excise of the district in which shall be shown the total quantity of beer issued during the quarter, the amount of duty paid, the quantity of beer returned unsold to the brewer and the amount claimed or received as refund of duty. The Collector/Superintendent of Excise shall, after testing the correctness of the entries forward a copy to the Excise Commissioner for record in his office by the end of the month at the latest succeeding the close of the quarter. Quarterly Examination of Stock

80. Payment of duty or fine on excess or on deficiency.

- The accounts of a brewery and the stock of beer in hand in it shall be examined by the Collector/Superintendent of Excise or by any other Excise Officer authorised in this behalf by the Excise Commissioner once a quarter. If the quantity of beer in stock of the brewery on such examination be found to exceed the quantity shown, in hand in the stock account, the brewer shall be liable to pay duty on such excess at double the rate prescribed for ordinary issue. If the quantity be found less than that shown in the stock account the case of the deficiency shall be enquired into and the result reported to the Excise Commissioner who may direct the levy of a fine not exceeding double the amount represented by the duty on such deficiency; provided that any deficiency not exceeding 10 per cent shall be disregarded, an allowance to this extent being made to cover loss in bulk due to evaporation, ullage and other contingencies within the brewery.