Revenue (1897) Department.

PRESS SERIES.

G.O., No. 1052

Dated 15 th December

[Despatch Abstract.]

Rules regarding the Methylation of Suspended Spirits.

Approving and ordering the publication in the Post-Office
George Gazette of the — and instructions for the guidance
of Customs officers.

| G.O. | No. | Department. | Date. | G.O. | No. | Department. | Date. |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

## FURNISHED PAPERS.

| G.O. | No. | Department. | Date. | G.O. | No. | Department. | Date. |
|---|---|---|---|---|---|---|---|
| | | | | | | | |

REVENUE DEPARTMENT.

1897.

# Board of Revenue

(Separate Revenue),

MADRAS.

The Hon. Sir Henry Bliss K.C.I.E

*Printed November 1st.*

Read 6 in
Rejd 8 in

**Proceedings, No. 459, 13th October 1897.**

G.O. 14 no

The draft notifications and instructions for the guidance of Customs officers are approved and will be published in the Fort Saint George Gazette.

OCTOBER.

8/10
20/10/97

KD
26 Oct 1897

Apparently dealers in methylated spirit do not take advantage of the concession to purchase spirit duty paid under the rules framed under G.O. 1st Sept. 1897 to any extent worth mentioning. Should they do so, it will be open to Government to withdraw the concession. Meanwhile I see no objection to the proposals contained in the draft notification and instructions. Please send a copy of the Gazette containing the notification when published.

24/10/97

Please see note below.

To The Secy. to Govt. (J. R.)
The Secy. to Govt. Fort Press.

Communicating to all Collectors and Deputy and Assistant Commissioners Government Order communicating letter from the Government of India stating that executive orders may be issued to the effect that spirit which has been effectually and permanently rendered unfit for consumption may be removed from distilleries on payment of the reduced rate of duty of 5 per cent. *ad valorem* irrespective of the purpose to which it may subsequently be applied, and submitting to Government a form of license for the sale of methylated spirits and a revised notification regarding methylation of spirits under the Sea Customs Act.

Note

No rules are unobjectionable

C. 30/11

# PROCEEDINGS OF THE BOARD OF REVENUE

## (SEPARATE REVENUE).

READ—the following G.O., Mis. No. 2996, Revenue, dated 14th June 1897 :—

*Read*—the following letter from W. S. MEYER, Esq., Officiating Deputy Secretary to the Government of India, Finance and Commerce Department (Separate Revenue—Excise), to all Local Governments and Administrations (except Bengal and Bombay), dated Simla, May 1897, No. 2112-E.X. :—

With reference to the correspondence ending with your letter No.

I am directed to forward for the information of {His Excellency the Governor in Council / His Honour the Lieutenant-Governor} your information

a copy of the correspondence noted on the margin in connection with the draft rules framed by the Government of Bengal for regulating the importation, preparation, and sale of methylated spirits in Bengal.

Letter from the Government of Bengal, No. 4062-S.R., dated the 28th July 1896, and enclosures.
Letter to the Government of Bengal, No. 1851-S.R., dated the 24th April 1897.

2. As will be seen from paragraph 4 of this Department's letter No. 1851-S.R., dated the 24th April 1897, to which I am to invite attention, the Government of India have decided that it is unnecessary to undertake legislation for the amendment of Act XVI of 1863. I am accordingly to request that where there is manufacture of methylated spirit at local distilleries, executive orders may with the permission of {His Excellency the Governor in Council / His Honour the Lieutenant-Governor} be issued to District and Exise Officers informing them that, notwithstanding the preamble and the provisions of section I of Act XVI of 1863, spirit which has been rendered effectually and permanently unfit for human consumption may be removed from any licensed distillery, on payment of duty calculated at 5 per cent. on the value of such spirit, without the necessity of ascertaining that it is to be "used exclusively in arts and manufactures or in chemistry."

3. The Government of India, I am to say, leave it to the Government of {Madras / N.W.P. & Oudh / Punjab / Burma} you to take such action as may be considered necessary for the suppression or prevention of any abuse of the above concession which may arise or be apprehended. If it be found that methylated spirits are passing into consumption as a drink, the preventive measure which is being adopted in Bengal, viz., to insist on caoutchouc-nation as the only method of rendering spirit really non-potable, should, in the opinion of the Government of India, be resorted to.

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ENCLOSURES.

From H. H. RISLEY, Esq., C.I.E., Secretary to the Government of Bengal, to the Secretary to the Government of India, Department of Finance and Commerce, dated 28th July 1896, No. 4062-S.R.

I am directed to acknowledge the receipt of your letter No. 5829, dated the 14th December 1895, in paragraphs 5 and 6 of which the Government of India suggest the amendment of certain draft rules for regulating the importation, preparation and sale of methylated spirits, submitted with my letter No. 75-T.F. of the 14th October 1895.

2. In reply, I am to submit the accompanying copy of a letter from the Board of Revenue, No. 617, dated the 14th July 1896, and of the enclosed draft rules which have been revised as nearly as possible on the lines suggested by the Government of India. The Lieutenant-Governor agrees with the views expressed by the Board, and desires to recommend the revised draft rules for the approval of the Supreme Government.



3. I am to add that the Board have not discussed in their present letter the question of circulating, for the information of the public, the instructions to be prescribed for the guidance of the Collector of Customs, referred to in the last sentence of paragraph 5 of your letter, but it is presumed that they will make and circulate an executive rule embodying those instructions on receipt of the final orders of the Government of India.

---

From E. H. WALSH, Esq., Officiating Secretary to the Board of Revenue, L.P., to the Secretary to the Government of Bengal, Financial Department, dated 14th July 1896, No. 617-B.

I am directed by the Board of Revenue to acknowledge the receipt of Government Order, No. 47-S.R., dated 3rd January 1896, forwarding a copy of a letter No. 5289-S.R., dated 14th December 1895, from the Government of India, and its annextures, and calling for a report as to whether the rules for regulating the importation, preparation and sale of methylated spirits, curtailed as proposed by the Government of India, would be sufficiently effective.

2. In reply I am to state that the Board have consulted the Commissioner of Excise, Bengal, the Superintendent of Excise Revenue, Calcutta, and the Collector of Customs, Calcutta, on the subject; and the accompanying revised rules, which have been altered in accordance with the orders of the Government of India, subject to the slight modifications noticed below, are submitted for the approval of Government. With regard to the ruling of the Government of India that the Chemical Examiner's report on the analysis of samples of methylated spirit should be confined to a statement of the composition of the spirit, it must be borne in mind that the Collector, who has not any technical knowledge, would scarcely be in a position to arrive at a definite decision in the matter, unless he had the clearly expressed views of an expert before him. The Government of India, however, has anticipated this difficulty by recognising the necessity of laying down ful instructions for the Collector's guidance. It is quite clear that the misuse of methylated spirit cannot be prevented so long as wood-naphtha is permitted to be used as the ingredient. In the case of ready-made methylated spirit imported into Bengal, the Collector should therefore have power, under the instructions to be issued to him, to refuse to treat spirit methylated with wood-naphtha as having been rendered permanently and effectually unfit for human consumption, and though the Chemical Examiner may not be required by the rules to express any opinion whether the spirit has or has not been rendered effectually and permanently unfit for human consumption, it may be essential that he should advise the Collector in this respect, it being understood that the Collector will not be bound by the Chemical Examiner's opinion. Instructions on this point will be drawn up apart from the rules.

3. Rule 1 of the rules under the Sea Customs Act, as curtailed by the Supreme Government, would leave it undecided as to how the Collector is to proceed on receipt of the Chemical Examiner's report. A sentence has therefore been added to this rule making it complete. Rules 5 and 6 of the rules proposed to be issued under the Bengal Excise Act, are objected to on the ground that when spirit is rendered unfit for consumption by the distiller or by some other person, the rules can deal only with the tests which are to be applied to ascertain whether effectual and permanent unfitness has been obtained, and cannot prescribe the process by which the alteration of the spirit is to be effected. I am, however, to point out that the practical effect will be to prohibit methylation of spirit in a licensed distillery in India, except under the direct supervision of a Government officer, a power which it is very desirable to maintain in the interests of the revenue, and which is specially reserved by the penultimate clause of section 2 of Act XVI of 1863. Rule 5 has therefore been modified so as to make it clear that spirit shall be methylated by Excise Officers only, and rule 6 has been retained as it is. The words "or imported spirit" in rule 5 need no longer be retained, as imported spirit is methylated by officers of the Customs Department.

4. I am to point out that most of the rules to which objection has been taken by the Government of India are rules already in existence; for example, rules 1 and 5 of the proposed rules under the Sea Customs Act correspond very nearly to rules 4 and 9 of the present rules, which were approved by the Government of Bengal and published in the *Calcutta Gazette*, while rules 5, 6, 10 and 11 of the rules proposed to be issued under the Excise Act correspond, with slight modifications, to the present rules 4, 5, 8 and 10, respectively, in section XII of the Excise Manual.

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From W. S. MEYER, Esq., Officiating Deputy Secretary to the Government of India, Finance and Commerce Department, to the Secretary to the Government of Bengal, Financial Department, dated 24th April 1897, No. 1851-S.R.

I am directed to reply to your letter No. 4062-S.R., dated 28th July 1896, submitting, for the approval of the Government of India, revised draft rules under the Sea Customs Act, VIII of 1878, and the Bengal Excise Act, VII of 1878, to regulate the importation, preparation, and sale of methylated spirits in Bengal.

2. I am to say that the Government of India approve the revised draft rules which it is proposed to make under section 155 of the Sea Customs Act, and to request that they may be published for general information. It is not considered desirable to go beyond the proposals of the Government of Bengal in passing rules under the first paragraph of section 155, because to do so would have the effect of unnecessarily restricting the Collector's legal powers under the second paragraph of that section. The instructions which the Board of Revenue proposes to issue for the guidance of the Collector of Customs in the application of the rules should, the Government of India consider, be published for the information of the public. It may, if the Government of Bengal considers this to be necessary, be laid down in these instructions that the Collector shall ordinarily admit, at the reduced rate of duty prescribed in Schedule III, clause (1) of the Indian Tariff Act, only such spirit as may have been effectually and permanently rendered unfit for human consumption by the admixture of caoutchoucine in the proportion of at least one part by volume of the caoutchoucine to 99 parts by volume of the spirit. The Collector may, however, also be authorised to admit specially at the reduced rate of duty spirit which has been methylated with wood-naphtha, if he is satisfied that it is required for a purpose for which caoutchoucined spirits are not suited and that it will be used after admission in such a way that there will be no danger of its passing into consumption as potable spirit.

3. The rules under the Bengal Excise Act, as now revised, contain one provision which appears to the Government of India to be unnecessarily restrictive. Rule 5 provides that whenever country-spirit is to be rendered effectually and permanently unfit for human consumption it shall be so rendered by an Excise Officer; the object of the rule being, it is understood, to ensure that caoutchoucine shall be the ingredient used for admixture with the spirit. The rule has been framed to meet the instructions conveyed in paragraph 6 of this Department letter No. 5829-S.R., dated 14th December 1895; but the practical working of such a rule may, in the opinion of the Government of India, be found to be inconvenient. It is not likely to be popular with respectable distillers, and may possibly have the effect of restricting the manufacture within the province of methylated spirit. On further consideration, therefore, the Government of India are of opinion that the objections taken in paragraph 6 of this Department letter No. 5829-S.R., dated 14th December 1895, to rules 5 and 6 and the last sentence of rule 9 of the draft rules submitted with your letter No. 75-T.F., dated 16th May 1895, need not be maintained. If the Government of Bengal is of opinion that rules in the form then submitted are required for the protection of the revenue, the Government of India will not, I am to say, offer any objection to their adoption. The rules forwarded with your letter No. 75-T.F., dated 16th May 1895, may therefore be made and published with the omission only of rules 10 and 11 which do not appear to be required as rules under the Act.

4. I am also to say that, after considering the replies received from other Local Governments and Administrations, the Government of India have decided that it is unnecessary to undertake legislation for the amendment of Act XVI of 1863. The executive instructions, which the Government of Bengal has already been authorised to issue under the orders contained in paragraph 3 of this Department letter of the 14th December 1895 above quoted, will, they think, be sufficient to prevent any practical inconvenience arising from the wording of the Act; and the other Local Governments will be advised, where they find that methylated spirits are passing into consumption as potable, to take the same measures as are being adopted in Bengal, namely, to insist on caoutchoucination as the only method of rendering spirit really non-potable.

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*Order*—Mis. No. 2996, Revenue, dated 14th June 1897.

Communicated to the Board of Revenue (Separate Revenue), for information and guidance.

(True Extract.)

(Signed) A. R. KNAPP,
*for* Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).

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READ—also letter from the Deputy Commissioner of Salt, Abkári and Customs Department, Central Division, dated 4th July 1897, No. 3657.

ABSTRACT.—Reporting to the Board how the heavy increase in the importation of methylated spirit into the Port of Madras during 1896–97 as compared with the quantity imported in previous years is accounted for and how it has been disposed of.



RESOLUTION—No. 459, dated 13th October 1897.

The Government Order first read above will be communicated to all Collectors and Deputy and Assistant Commissioners for information and guidance.

2. The attention of all officers will be specially drawn to the fact that, notwithstanding the preamble and the provisions of section I of Act XVI of 1863, spirit which has been rendered effectually and permanently unfit for human consumption may be removed from distilleries on payment of the reduced duty of 5 per cent. *ad valorem* irrespective of the purpose to which it may subsequently be applied.

3. With reference to the concluding sentence of paragraph 3 of the letter from the Government of India, the Board begs to report that enquiries which have recently been instituted afford reason to believe that methylated spirit is being drunk to a decidedly appreciable extent, and that the introduction into this Presidency of restrictive measures similar to those which are being adopted in Bengal is desirable. The revised rules which have been sanctioned for the latter Presidency provide for two safeguards: (1) the subjection of the vend of methylated spirits to a license system, and (2) the recognition of caoutchoucination as the only method of rendering spirits really non-potable.

4. The Abkári Deputy Commissioner has just pointed out to the Board a very simple and effective manner of dealing with spirits rendered unfit for human consumption by the addition of caoutchoucine which apparently renders them potable by persons not too particular as to flavour. He believes that the risk of spirits so treated passing into consumption is but little less than in the case of spirits spoiled by wood-naphtha. The only really safe ingredient appears to be mineral naphtha, but it is believed to render the spirits less suitable for certain purposes. The Abkári Deputy Commissioner will be requested to make further proposals on the subject, but the information which he has already supplied shows the necessity for prohibiting the unlicensed sale of methylated spirits and requiring the maintenance of correct accounts by dealers, and also that too much reliance must not be placed on caoutchoucine. It will be necessary that the licenses should be issued with discretion, that they should never be granted to persons licensed to sell liquors for consumption on the premises and to persons licensed to sell in bottles only when the respectability of the applicant and the fact that he is likely to have a legitimate demand for methylated spirits is beyond doubt. A form of license which the Board proposes to issue if the foregoing proposals are approved is appended hereto for the information of Government.

5. As regards the material to be used for methylation, it is observed that in the case of spirits methylated at local distilleries the rules which have been framed under Act XVI of 1863 already prohibit the use of any ingredient other than caoutchoucine, except in certain specified cases, when wood-naphtha may be employed with the previous sanction of the Board. The Board considers in view of the remarks just made that these rules, although somewhat less stringent than those of Bengal, afford as much security to the revenue as can be expected at present and that it is not necessary to absolutely prohibit the methylation of spirits by admixture of wood-naphtha.

Act VIII of 1878

Vide G.O. 275 5-3-98 flagged MI.

6. As regards imported spirits, the rules at present in force are those under section 155 of the Sea Customs Act which have now been revised by the Government of Bengal and which, as already stated, have shown themselves liable to abuse. The remarkable increase which has taken place in the imports * of methylated spirit into this Presidency from Germany without any apparent cause, render it more than probable that a good deal of the spirit passes into consumption after the nauseating effects of the wood-naphtha, with which it is almost universally prepared, have been wholly or partially removed. The rules now approved for the

| * Imports of methylated spirits. | 1895–96. | | 1896–97. | |
|---|---|---|---|---|
| | GALS. | RS. | GALS. | RS. |
| From the United Kingdom .. | 33 | 131 | 26 | 113 |
| From Germany .. .. | 2,914 | 4,608 | 4,701 | 6,780 |

Bengal Presidency will put a stop to these practices and the Board therefore submits to Government, for approval and publication in the *Fort St. George Gazette*, a draft notification embodying them altered a little to make them applicable to this Presidency. These rules will supersede those published on pages 830 and 831 of the *Fort St. George Gazette*, dated 11th December 1883, Part I, and modified by G.O., No. 275, Revenue, dated 5th March 1885.

7. Instructions for the guidance of Customs officers in the application of the rules are also appended, and they may, if approved, be published in the *Fort St. George Gazette* as appears to be intended in paragraph 2 of the Government of India letter to the Government of Bengal, No. 1851-S.R., dated 24th April 1897.

(True Copy and Extract.)

(Signed) N. S. BRODIE,
Acting Secretary.

(True Copy.)

Assistant Secretary.

To the Secretary to Government, Revenue Department,
(~~with certain enclosures~~).
„ all Collectors.
„ Deputy and Assistant Commissioners and Inspectors.

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## APPENDIX A.

*Rules regarding the methylation of imported spirits.*

The following rules for the importation of spirit rendered unfit for human consumption under the provisions of section 155 of the Sea Customs Act, VIII of 1878, having been approved by His Excellency the Governor in Council, are published for general information, as required by section 204 of the Act, in supersession of the rules published at pages 830 and 831 of the *Fort St. George Gazette*, dated 11th December 1883, Part I:—

1 Whenever spirit said to have been rendered unfit for human consumption, and for which the reduced rate of duty under schedule III (1) of the Tariff Act is claimed, is imported into any port of the Madras Presidency, the Collector of Customs at that port shall send a sample of such spirit to the Chemical Examiner for examination and report at the expense of the importer. After considering the Chemical Examiner's report and other circumstances, if any, bearing upon the case, the Collector will decide whether the claim is to be admitted or not.

2. Whenever imported spirit is to be rendered effectually and permanently unfit for human consumption by officers of the Customs Department, the ingredient to be used for admixture with the spirit shall be caoutchoucine and it shall be mixed with the spirit in the proportion of one part by volume of the caoutchoucine to 99 parts by volume of the spirit, which shall not be of less strength than 30 per cent. over-proof.

3. The caoutchoucine, before its admixture with the spirit, must be tested by the Chemical Examiner to Government, who must certify to the Collector of Customs that it is of the proper strength, fitted, if used in the proportions mentioned in rule 2, to effectually and permanently render unpalatable and unfit for human consumption, the spirit with which it is mixed.

4. Any expense which may be incurred by the Collector of Customs in rendering spirit unfit for human consumption, or in ascertaining that it has been so rendered, must be paid by the importer.



## APPENDIX B.

*Instructions for the guidance of Customs officers regarding methylation of imported spirits.*

The Customs Collector shall ordinarily admit at the reduced rate of duty prescribed in schedule III, clause (I) of the Indian Tariff Act only such spirit as may have been effectually and permanently rendered unfit for human consumption by the admixture of caoutchoucine in the proportion of at least one part by volume of the caoutchoucine to 99 parts by volume of the spirit.

2. But the Board of Revenue may specially authorize the admission at the reduced rate of duty of spirit which has been methylated with wood-naphtha if it is satisfied that it is required for a purpose for which caoutchoucined spirits are not suited and that it will be used after admission in such a way that there will be no danger of its passing into consumption as potable spirit. In this case, one part by volume of crude wood-naphtha shall be mixed with 9 parts by volume of spirit having strength not less than 30 per cent. over-proof.

3. The wood-naphtha however before its admixture with the spirit must be tested by the Chemical Examiner to Government, who must certify to the Collector of Customs that it is of the proper strength and fitted, if used in the proportion mentioned in rule 2 above, to render unpalatable and unfit for human consumption the spirit with which it is mixed.

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## LICENSE FOR THE SALE OF METHYLATED SPIRITS.

I _____, Collector of _____, under the provisions of the Madras Abkári Act hereby license you _____ to sell methylated spirits at your shop at _____ subject to the following conditions and stipulations to be observed by you the said _____.

### CONDITIONS.

1. This license extends only to the sale of methylated spirit, which means spirit which has been rendered effectually and permanently unfit for human consumption in accordance with the rules on the subject prescribed by Government.

2. You shall not keep for sale any methylated spirit other than that purchased from a licensed vendor, or licensed distillery, or direct through the Custom House on payment of the reduced duty at 5 per cent. *ad valorem*.

3. You shall place the license granted to you in a conspicuous place in your shop which shall not be located in the same building with a foreign liquor tavern, refreshment-room, hotel, arrack shop or toddy shop.

4. You shall keep a correct account of the daily transactions under this license in the following form. Such account as well as the stock of the methylated spirits maintained by you shall be immediately produced on demand for inspection by any Abkári officer of not lower rank than Sub-Inspector:—

| Date. | Opening balance. | Quantity received. | Source of supply. | Total quantity in hand and received. | Quantity sold (each transaction). | Name of purchaser. | Address of purchaser. | Total quantity sold each day. | Remarks. |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | | | | | | | | |

5. You shall not, except with the permission of the Collector, sell, transfer or sub-rent your privilege.

6. Every bottle, jar and cask containing methylated spirits received into or kept for sale in your shop shall be conspicuously labelled or branded with the words "spirit made and methylated in India" or "made in ——and methylated in India" or "made and methylated in ——" as the case may be.

7. You shall also at your cost maintain intact an inspection note-book with the pages numbered consecutively so that officers inspecting the shop may enter their remarks therein. The note-book shall be handed over to the Inspector of the circle or any officer authorized by him to receive it at any time on a receipt being given therefor.

8. In case of any breach of the conditions of this license, either by you or by any person in your employment, it shall be competent to the Collector to impose on you a fine not exceeding Rs. 10 for every such breach of such conditions or to cancel your license forthwith.

9. This license shall also be revocable by the Collector, with the sanction of the Board of Revenue, or the officer having the chief control of the abkári revenue, for any other cause on giving fifteen days' notice of such revocation.

Dated the ——————day of ——————— 189 .

*Collector.*

Ed. A. F. Eccleston.

INDIAN TELEGRAPHS. Monthly Number.

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C. No 9585.

NOTE FOR THE SECRETARY.

Please see the H. his remarks on the current and also the telephone message from the Board of Revenue.

2. Under the law (Section 13 of Act I of 1896) dealers in methylated spirits have to take out licenses, and it appears to be a fact that they do not do so now (vide the Board's message). This anomaly cannot, however, be explained. No notification has been published exempting them from taking out licenses.

3. With reference to the remark that "the form of license proposed by the Board would seem to need approval" attention is solicited to Rule XL at page 10 of S.O. No 327 dated 13.7.96. in which the power to fix the form of license was delegated to the Commissioner of Salt, Abkari and Customs Revenue.

4.

A revised draft order is submitted below with reference to H.'s concluding remarks.

KD
11/12-197

H.M.
13/12/97

REVENUE DEPARTMENT.

# PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read C. 40 95 85.

Sep. Reg. No 108

G.O No 1052 / 15th Dec. 1897.

The draft notification and instructions for the guidance of customs officers are approved and will be published in the Fort Saint George Gazette.

2. The result of the further proposals called for from Abkari by Comm. in para 6 of the Procs should be submitted for the information of Govt.

KD.
11/12-197

13/12/97

Printed Proceedings of meeting re Abkari Policy

To
The B. of Rev. (V.R.)
The Secy. to Govt. Revenue
Secy. to Govt. Jt.

30/3 Sent. 11.1.98

# Government {1897} of Madras.

## REVENUE.

| | | |
|---|---|---|
| *Recd.* | } 1897. | *Enclosures* |
| *Regd.* | | *Spare copies* |

**G.O., No. 1052, 15th December 1897.**

## DECEMBER.

### Rules regarding the Methylation of Imported Spirits.

Approving and ordering the publication in the *Fort St. George Gazette* of the — and instructions for the guidance of Customs officers.

GOVERNMENT OF MADRAS.

## REVENUE DEPARTMENT.

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With reference to the correspondence ending with your letter No.

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Enclosures.

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From E. H. WALSH, Esq., Officiating Secretary to the Board of Revenue, L.P., to the Secretary to the Government of Bengal, Financial Department, dated 14th July 1896, No. 617-B.

I am directed by the Board of Revenue to acknowledge the receipt of Government Order, No. 47-S.R., dated 3rd January 1896, forwarding a copy of a letter No. 5289-S.R., dated 14th December 1895, from the Government of India and its annextures, and calling for a report as to whether the rules for regulating the importation, preparation and sale of methylated spirits, curtailed as proposed by the Government of India, would be sufficiently effective.

2. In reply I am to state that the Board have consulted the Commissioner of Excise, Bengal, the Superintendent of Excise Revenue, Calcutta, and the Collector of Customs, Calcutta, on the subject; and the accompanying revised rules, which have been altered in accordance with the orders of the Government of India, subject to the slight modifications noticed below, are submitted for the approval of Government. With regard to the ruling of the Government of India that the Chemical Examiner's report on the analysis of samples of methylated spirit should be confined to a statement of the composition of the spirit, it must be borne in mind that the Collector, who has not any technical knowledge, would scarcely be in a position to arrive at a definite decision in the matter, unless he had the clearly expressed views of an expert before him. The Government of India, however, has anticipated this difficulty by recognising the necessity of laying down ful instructions for the Collector's guidance It is quite clear that the misuse of methylated spirit cannot be prevented so long as wood-naphtha is permitted to be used as the ingredient. In the case of ready-made methylated spirit imported into Bengal, the Collector should therefore have power, under the instructions to be issued to him, to refuse to treat spirit methylated with wood-naphtha as having been rendered permanently and effectually unfit for human consumption, and though the Chemical Examiner may not be required by the rules to express any opinion whether the spirit has or has not been rendered effectually and permanently unfit for human consumption, it may be essential that he should advise the Collector in this respect, it being understood that the Collector will not be bound by the Chemical Examiner's opinion. Instructions on this point will be drawn up apart from the rules.

3. Rule 1 of the rules under the Sea Customs Act, as curtailed by the Supreme Government, would leave it undecided as to how the Collector is to proceed on receipt of the Chemical Examiner's report. A sentence has therefore been added to this rule making it complete. Rules 5 and 6 of the rules proposed to be issued under the Bengal Excise Act, are objected to on the ground that when spirit is rendered unfit for consumption by the distiller or by some other person, the rules can deal only with the tests which are to be applied to ascertain whether effectual and permanent unfitness has been obtained, and cannot prescribe the process by which the alteration of the spirit is to be effected. I am, however, to point out that the practical effect will be to prohibit methylation of spirit in a licensed distillery in India, except under the direct supervision of a Government officer, a power which it is very desirable to maintain in the interests of the revenue, and which is specially reserved by the penultimate clause of section 2 of Act XVI of 1863. Rule 5 has therefore been modified so as to make it clear that spirit shall be methylated by Excise Officers only, and rule 6 has been retained as it is. The words "or imported spirit" in rule 5 need no longer be retained, as imported spirit is methylated by officers of the Customs Department.

4. I am to point out that most of the rules to which objection has been taken by the Government of India are rules already in existence; for example, rules 1 and 5 of the proposed rules under the Sea Customs Act correspond very nearly to rules 4 and 9 of the present rules, which were approved by the Government of Bengal and published in the *Calcutta Gazette*, while rules 5, 6, 10 and 11 of the rules proposed to be issued under the Excise Act correspond, with slight modifications, to the present rules 4, 5, 8 and 10, respectively, in section XII of the Excise Manual.

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From W. S. MEYER, Esq., Officiating Deputy Secretary to the Government of India, Finance and Commerce Department, to the Secretary to the Government of Bengal, Financial Department, dated 24th April 1897, No. 1851-S.R.

I am directed to reply to your letter No. 4062-S.R., dated 28th July 1896, submitting, for the approval of the Government of India, revised draft rules under the Sea Customs Act, VIII of 1878, and the Bengal Excise Act, VII of 1878, to regulate the importation, preparation, and sale of methylated spirits in Bengal.

2. I am to say that the Government of India approve the revised draft rules which it is proposed to make under section 155 of the Sea Customs Act, and to request that they may be published for general information. It is not considered desirable to go beyond the proposals of the Government of Bengal in passing rules under the first paragraph of section 155, because to do so would have the effect of unnecessarily restricting the Collector's legal powers under the second paragraph of that section. The instructions which the Board of Revenue proposes to issue for the guidance of the Collector of Customs in the application of the rules should, the Government of India consider, be published for the information of the public. It may, if the Government of Bengal considers this to be necessary, be laid down in these instructions that the Collector shall ordinarily admit, at the reduced rate of duty prescribed in Schedule III, clause (1) of the Indian Tariff Act, only such spirit as may have been effectually and permanently rendered unfit for human consumption by the admixture of caoutchoucine in the proportion of at least one part by volume of the caoutchoucine to 99 parts by volume of the spirit. The Collector may, however, also be authorised to admit specially at the reduced rate of duty spirit which has been methylated with wood-naphtha, if he is satisfied that it is required for a purpose for which caoutchoucined spirits are not suited and that it will be used after admission in such a way that there will be no danger of its passing into consumption as potable spirit.

3. The rules under the Bengal Excise Act, as now revised, contain one provision which appears to the Government of India to be unnecessarily restrictive. Rule 5 provides that whenever country-spirit is to be rendered effectually and permanently unfit for human consumption it shall be so rendered by an Excise Officer; the object of the rule being, it is understood, to ensure that caoutchoucine shall be the ingredient used for admixture with the spirit. The rule has been framed to meet the instructions conveyed in paragraph 6 of this Department letter No. 5829-S.R., dated 14th December 1895; but the practical working of such a rule may, in the opinion of the Government of India, be found to be inconvenient. It is not likely to be popular with respectable distillers, and may possibly have the effect of restricting the manufacture within the province of methylated spirit. On further consideration, therefore, the Government of India are of opinion that the objections taken in paragraph 6 of this Department letter No. 5829-S.R., dated 14th December 1895, to rules 5 and 6 and the last sentence of rule 9 of the draft rules submitted with your letter No 75-T.F., dated 16th May 1895, need not be maintained. If the Government of Bengal is of opinion that rules in the form then submitted are required for the protection of the revenue, the Government of India will not, I am to say, offer any objection to their adoption. The rules forwarded with your letter No. 75-T.F., dated 16th May 1895, may therefore be made and published with the omission only of rules 10 and 11 which do not appear to be required as rules under the Act.

4. I am also to say that, after considering the replies received from other Local Governments and Administrations, the Government of India have decided that it is unnecessary to undertake legislation for the amendment of Act XVI of 1863. The executive instructions, which the Government of Bengal has already been authorised to issue under the orders contained in paragraph 3 of this Department letter of the 14th December 1895 above quoted, will, they think, be sufficient to prevent any practical inconvenience arising from the wording of the Act; and the other Local Governments will be advised, where they find that methylated spirits are passing into consumption as potable, to take the same measures as are being adopted in Bengal, namely, to insist on caoutchoucination as the only method of rendering spirit really non-potable.

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Order—Mis. No. 2996, Revenue, dated 14th June 1897.

Communicated to the Board of Revenue (Separate Revenue), for information and guidance.

(True Extract.)

(Signed) A. R. KNAPP,
*for* Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).

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*Read*—also letter from the Deputy Commissioner of Salt, Abkári and Customs Department, Central Division, dated 4th July 1897, No. 3657.

Abstract.—Reporting to the Board how the heavy increase in the importation of methylated spirit into the Port of Madras during 1896–97 as compared with the quantity imported in previous years is accounted for and how it has been disposed of.



*Resolution*—No. 459, dated 13th October 1897.

The Government Order first read above will be communicated to all Collectors and Deputy and Assistant Commissioners for information and guidance.

2. The attention of all officers will be specially drawn to the fact that, notwithstanding the preamble and the provisions of section I of Act XVI of 1863, spirit which has been rendered effectually and permanently unfit for human consumption may be removed from distilleries on payment of the reduced duty of 5 per cent. *ad valorem* irrespective of the purpose to which it may subsequently be applied.

3. With reference to the concluding sentence of paragraph 3 of the letter from the Government of India, the Board begs to report that enquiries which have recently been instituted afford reason to believe that methylated spirit is being drunk to a decidedly appreciable extent, and that the introduction into this Presidency of restrictive measures similar to those which are being adopted in Bengal is desirable. The revised rules which have been sanctioned for the latter Presidency provide for two safeguards: (1) the subjection of the vend of methylated spirits to a license system, and (2) the recognition of caoutchoucination as the only method of rendering spirits really non-potable.

4. The Abkári Deputy Commissioner has just pointed out to the Board a very simple and effective manner of dealing with spirits rendered unfit for human consumption by the addition of caoutchoucine which apparently renders them potable by persons not too particular as to flavour. He believes that the risk of spirits so treated passing into consumption is but little less than in the case of spirits spoiled by wood-naphtha. The only really safe ingredient appears to be mineral naphtha, but it is believed to render the spirits less suitable for certain purposes. The Abkári Deputy Commissioner will be requested to make further proposals on the subject, but the information which he has already supplied shows the necessity for prohibiting the unlicensed sale of methylated spirits and requiring the maintenance of correct accounts by dealers, and also that too much reliance must not be placed on caoutchoucine. It will be necessary that the licenses should be issued with discretion, that they should never be granted to persons licensed to sell liquors for consumption on the premises and to persons licensed to sell in bottles only when the respectability of the applicant and the fact that he is likely to have a legitimate demand for methylated spirits is beyond doubt. A form of license which the Board proposes to issue if the foregoing proposals are approved is appended hereto for the information of Government.

5. As regards the material to be used for methylation, it is observed that in the case of spirits methylated at local distilleries the rules which have been framed under Act XVI of 1863 already prohibit the use of any ingredient other than caoutchoucine, except in certain specified cases, when wood-naphtha may be employed with the previous sanction of the Board. The Board considers in view of the remarks just made that these rules, although somewhat less stringent than those of Bengal, afford as much security to the revenue as can be expected at present and that it is not necessary to absolutely prohibit the methylation of spirits by admixture of wood-naphtha.

6. As regards imported spirits, the rules at present in force are those under section 155 of the Sea Customs Act which have now been revised by the Government of Bengal and which, as already stated, have shown themselves liable to abuse. The remarkable increase which has taken place in the imports * of methylated spirit into this Presidency from Germany without any apparent cause, render it more than probable that a good deal of the spirit passes into consumption after the nauseating effects of the wood-naphtha, with which it is almost universally prepared, have been wholly or partially removed. The rules now approved for the Bengal Presidency will put a stop to these practices and the Board therefore submits to Government, for approval and publication in the *Fort St. George Gazette*, a draft notification embodying them altered a little to make them applicable to this Presidency.

| * Imports of methylated spirits. | 1895–96. | | 1896–97. | |
|---|---|---|---|---|
| | GALS. | RS. | GALS. | RS. |
| From the United Kingdom .. | 33 | 131 | 26 | 113 |
| From Germany .. .. | 2,914 | 4,608 | 4,701 | 6,780 |

These rules will supersede those published on pages 830 and 831 of the *Fort St. George Gazette*, dated 11th December 1883, Part I, and modified by G.O., No. 275, Revenue, dated 5th March 1885.

7. Instructions for the guidance of Customs officers in the application of the rules are also appended, and they may, if approved, be published in the *Fort St. George Gazette* as appears to be intended in paragraph 2 of the Government of India letter to the Government of Bengal, No. 1851-S.R., dated 24th April 1897.

(True Copy and Extract.)

(Signed) N. S. BRODIE,
Acting Secretary.

To the Secretary to Government, Revenue Department
„ all Collectors. (with certain enclosures).
„ Deputy and Assistant Commissioners and Inspectors.

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Order—No. 1052, Revenue, dated 15th December 1897.

Separate Revenue, No. 108.

The draft notification and instructions for the guidance of Customs officers are approved and will be published in the *Fort St. George Gazette*.

2. The result of the further proposals called for from the Abkári Deputy Commissioner in paragraph 4 of the Proceedings should be submitted for the information of Government.

(True Extract.)

(Signed) G. S. FORBES,
Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).
„ the Superintendent, Government Press, with notification and instructions.

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## NOTIFICATION.

## APPENDIX A.

*Rules regarding the methylation of imported spirits.*

The following rules for the importation of spirit rendered unfit for human consumption under the provisions of section 155 of the Sea Customs Act, VIII of 1878, having been approved by His Excellency the Governor in Council, are published for general information, as required by section 204 of the Act, in supersession of the rules published at pages 830 and 831 of the *Fort St. George Gazette*, dated 11th December 1883, Part I:—

1. Whenever spirit said to have been rendered unfit for human consumption, and for which the reduced rate of duty under schedule III (1) of the Tariff Act is claimed, is imported into any port of the Madras Presidency, the Collector of Customs at that port shall send a sample of such spirit to the Chemical Examiner for examination and report at the expense of the importer. After considering the Chemical Examiner's report and other circumstances, if any, bearing upon the case, the Collector will decide whether the claim is to be admitted or not.

2. Whenever imported spirit is to be rendered effectually and permanently unfit for human consumption by officers of the Customs Department, the ingredient to be used for admixture with the spirit shall be caoutchoucine and it shall be mixed with the spirit in the proportion of one part by volume of the caoutchoucine to 99 parts by volume of the spirit, which shall not be of less strength than 30 per cent. over-proof.

3. The caoutchoucine, before its admixture with the spirit, must be tested by the Chemical Examiner to Government, who must certify to the Collector of Customs that it is of the proper strength, fitted, if used in the proportions mentioned in rule 2, to effectually and permanently render unpalatable and unfit for human consumption, the spirit with which it is mixed.

4. Any expense which may be incurred by the Collector of Customs in rendering spirit unfit for human consumption, or in ascertaining that it has been so rendered, must be paid by the importer.



## APPENDIX B.

*Instructions for the guidance of Customs officers regarding methylation of imported spirits.*

The Customs Collector shall ordinarily admit at the reduced rate of duty prescribed in schedule III, clause (I) of the Indian Tariff Act only such spirit as may have been effectually and permanently rendered unfit for human consumption by the admixture of caoutchoucine in the proportion of at least one part by volume of the caoutchoucine to 99 parts by volume of the spirit:

2. But the Board of Revenue may specially authorize the admission at the reduced rate of duty of spirit which has been methylated with wood-naphtha if it is satisfied that it is required for a purpose for which caoutchoucined spirits are not suited and that it will be used after admission in such a way that there will be no danger of its passing into consumption as potable spirit. In this case, one part by volume of crude wood-naphtha shall be mixed with 9 parts by volume of spirit having strength not less than 30 per cent. over-proof.

3. The wood-naphtha however before its admixture with the spirit must be tested by the Chemical Examiner to Government, who must certify to the Collector of Customs that it is of the proper strength and fitted, if used in the proportion mentioned in rule 2 above, to render unpalatable and unfit for human consumption the spirit with which it is mixed.

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## LICENSE FOR THE SALE OF METHYLATED SPIRITS.

I _____, Collector of _____, under the provisions of the Madras Abkári Act hereby license you _____ to sell methylated spirits at your shop at _____ subject to the following conditions and stipulations to be observed by you the said _____.

Conditions.

1. This license extends only to the sale of methylated spirit, which means spirit which has been rendered effectually and permanently unfit for human consumption in accordance with the rules on the subject prescribed by Government.

2. You shall not keep for sale any methylated spirit other than that purchased from a licensed vendor, or licensed distillery, or direct through the Custom House on payment of the reduced duty at 5 per cent. *ad valorem*.

3. You shall place the license granted to you in a conspicuous place in your shop which shall not be located in the same building with a foreign liquor tavern, refreshment-room, hotel, arrack shop or toddy shop.

4. You shall keep a correct account of the daily transactions under this license in the following form. Such account as well as the stock of the methylated spirits maintained by you shall be immediately produced on demand for inspection by any Abkári officer of not lower rank than Sub-Inspector:—

| Date. | Opening balance. | Quantity received. | Source of supply. | Total quantity in hand and received. | Quantity sold (each transaction). | Name of purchaser. | Address of purchaser. | Total quantity sold each day. | Remarks. |
|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | | | | | | | | | |

5. You shall not, except with the permission of the Collector, sell, transfer or sub-rent your privilege.

6. Every bottle, jar and cask containing methylated spirits received into or kept for sale in your shop shall be conspicuously labelled or branded with the words "spirit made and methylated in India" or "made in ——and methylated in India" or "made and methylated in ——" as the case may be.

7. You shall also at your cost maintain intact an inspection note-book with the pages numbered consecutively so that officers inspecting the shop may enter their remarks therein. The note-book shall be handed over to the Inspector of the circle or any officer authorized by him to receive it at any time on a receipt being given therefor.

8. In case of any breach of the conditions of this license, either by you or by any person in your employment, it shall be competent to the Collector to impose on you a fine not exceeding Rs. 10 for every such breach of such conditions or to cancel your license forthwith.

9. This license shall also be revocable by the Collector, with the sanction of the Board of Revenue, or the officer having the chief control of the abkári revenue, for any other cause on giving fifteen days' notice of such revocation.

Dated the ——day of ——189 .

*Collector.*

Ed A. F. Eccleston.

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Letter of Government

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