

Revenue (1897) Department.

MISCELLANEOUS SERIES.

G.O., No. 2996

DATED 14th June

[Despatch Abstract.]

Communicating to the Bd of Rev. letter from
the Govt. of India forwarding correspondence
in connection with the draft rules framed
by the Govt. of Bengal for regulating the
importation, preparation & sale of methy-
lated spirits in Bengal.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O. C.No.	No.	Department.	Date.	G.O.	No.	Department.	Date.
6944/99							

Revenue (1897) Department.

CURRENT No. 4344.

on ulb

From

The Govt of India,
Fin. & Com. Dept.

No. 2112-En

Order hri c. no. 2996 of 14th June 97.

Communicated to
the Board of Revenue (Dep. Reue)
for information and guidance.

14/6/97.

Dated 15th May 1897

Received 25-5-97

Registered

Enclosures 1

Spare copies

SUBJECT.

Measures for regulating
the importation, preparation
and sale of methylated spirit

14/6/97
and
To

5th B. of Reue (Dep. Reue)
Des. 19-6-97.

12/5/97

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O. C. No.	No.	Department.	Date.
6977/1899			

GOVERNMENT OF INDIA.

FINANCE AND COMMERCE DEPARTMENT.

No. 4062-S. R., dated 28th July 1896.

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.

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.

No. 617-B., dated 14th July 1896.

From—E. H. WALSH, Esq., Offg. Secretary to the Board of Revenue, L. P.,

To—The Secretary to the Government of Bengal, Financial Department.

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 annexures, 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 full 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.

APPENDIX A.

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 the Lieutenant-Governor, are published for general information, as required by section 204 of the Act, in supersession of the rules published at page 354, Part I of the *Calcutta Gazette* of the 16th April 1879:—

1. Whenever spirit said to have been rendered unfit for human consumption, and for which the reduced rate of duty under schedule III (t) of the Tariff Act is claimed, and imported into any port of the Bengal 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. overproof.*

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.

Section XII.—Spirit rendered effectually and permanently unfit for human consumption, generally known as methylated spirit.

1. Spirit rendered effectually and permanently unfit for human consumption, whether country-made or imported, is an exciseable article within the meaning of section 4 of the Bengal Excise Act (VII of 1878), but is subject to the special relaxations allowed under this section.

2. An application for a license to remove spirit rendered effectually and permanently unfit for human consumption on payment of an *ad valorem* duty of 5 per cent. must be made to the Collector of the district, or to the Superintendent of Excise Revenue of Calcutta, if the spirit is to be taken from a distillery within twenty miles of Calcutta, or from the Custom House, or is to be used in his jurisdiction.

3. The Collector may also authorise the use of spirits so rendered effectually and permanently unfit for human consumption within the walls of the licensed distillery in which it was manufactured after payment of the reduced duty of 5 per cent. *ad valorem*. In this case the use of the spirit will be under the supervision of the same Excise establishment as the manufacturing operations of the distillery.

4. The Collector on sanctioning the removal of spirit under rule 2 shall issue a license in Form No. 34 (old No. 11) in Appendix A, authorising a person to remove spirit rendered effectually and permanently unfit for human consumption under the following rules from a distillery, or from the Custom House on payment of the reduced duty of 5 per cent. *ad valorem*.

5. Whenever country-spirit is to be rendered effectually and permanently unfit for human consumption, it shall be so rendered by an Excise Officer, and the ingredient to be used for admixture with the spirit shall be caoutchoucine, which 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. overproof.

6. The ingredient to be used for admixture with the spirit must be tested by the Chemical Examiner to Government, who must certify to the Collector that it will effectually and permanently render unpalatable and unfit for human consumption the spirit with which it is mixed.

7. For the purpose of fixing the amount of duty to be levied on such spirit, its market value is fixed by the Collector of Excise Revenue, subject to the revision of the Commissioner of Excise.

8. Any expense which may be incurred by the Collector in rendering spirit unfit for human consumption, or for ascertaining, by chemical or other process, that it has been effectually and permanently so rendered, must be paid by the person wishing to remove the spirit before its removal is allowed.

9. Spirit imported by sea rendered effectually and permanently unfit for human consumption will be dealt with by the Collector of Sea Customs. Spirit manufactured in any other province and imported into Bengal shall pay full duty, unless the Chemical Examiner to Government shall have certified on a sample sent to him that the spirit has been rendered effectually and permanently unfit for human consumption, in accordance with rule 5 above, or in some other equally efficacious manner.

10. A license in Form No. 34-A is required for the sale of spirit, rendered effectually and permanently unfit for human consumption. Such license shall be granted free of cost by the Collector of the district or of Excise Revenue.

11. The unauthorised use or possession or sale of spirit rendered effectually and permanently unfit for human consumption shall subject the offender to the penalties provided in the Excise Act.

E. H. WALSH,

Offg. Secy. to the Board of Revenue, L.P.

FORM NO. 34 (OLD NO. 11).

(SEE SECTION XII, CLAUSE 4.)

License for the use, or for sale to licensed vendors, of spirits which have been rendered effectually and permanently unfit for human consumption.

District.

No. in Register No. 7-B. (No. 49, "Board's Rules, 1888.")

Note.—Counterfoil of this to be signed by the licensee and filed in the Collector's office.

Name of person licensed.

Premises on which use or sale is licensed.

Be it known that A B, resident of—, is hereby authorised by the undersigned, Collector of— (or Excise Superintendent of Calcutta), to use or sell to vendors holding licenses in Form No. 34-A, spirits which have been rendered effectually and permanently unfit for human consumption, as provided in the Excise Rules of the Board of Revenue, section XII, and which have been removed from any licensed distillery or from the Custom House, after payment of reduced duty at 5 per cent. *ad valorem*.

I. That no spirits rendered effectually and permanently unfit for human consumption shall be brought for use or sale under this license, except from a distillery or from the Custom House on payment of the reduced duty at 5 per cent. *ad valorem*.

II. That he do not, without taking out a separate license, sell any spirituous or fermented liquors of any kind, except spirits rendered effectually and permanently unfit for human consumption.

III. That he constantly exhibit a signboard, at his place of vend, bearing his name, and the words "Licensed to sell spirits rendered effectually and permanently unfit for human consumption." That he keep a correct account daily in the following form. The account is to be kept in a printed form to be purchased at the Collector's office:—
Deputy Commissioner's

[illegible]

IV. That he produce for inspection, on demand of any Excise Officer above the rank of jamadar, his license and accounts, and that he do not prevent any Excise Officer of whatever grade from entering his shop at any hour of the day or night.

V. Infraction of any of the above conditions will subject the holder of this license to forfeiture of the license and to the penalties prescribed by law for the specific offence.

FORM No. 34-A.

(SEE SECTION XII, CLAUSE 10.)

License for the sale of spirits rendered effectually and permanently unfit for human consumption.

District.

Note.—Counterpart of this will be signed by the licensee and deposited in the Collector's office.

No. of license in Register No. 7-B. (No. 49, "Board's Rules, 1888.")

Name of vendor.

Locality of vend.

Be it known to all concerned that A B, resident of _____, is hereby authorised by the undersigned, Collector of _____ (or Excise Superintendent of Calcutta), to sell spirits which have been rendered effectually and permanently unfit for human consumption, as provided in the Excise Rules of the Board of Revenue, section XII, and which have been removed from any licensed distillery or Custom House after payment of reduced duty at 5 per cent. *ad valorem*.

I. That no spirits rendered effectually and permanently unfit for human consumption shall be brought for sale under this license, except under a license in Form No. 34 (old No. 11) granted by the Collector of the District from which the spirits are brought, and that such license shall be returned to the officer who granted it on the expiry of its currency, or unless bought from a man holding a license in Form No. 34.

II. That he do not possess or sell any spirituous or fermented liquor, unless the following particulars are indelibly and conspicuously marked on the label, capsule, or cork of the bottle or other vessel in which the liquor is sold:—

Name and style of the firm or shop by which, and the place at which, the liquor has been bottled, and the country of manufacture.

Provided that where literal compliance with this condition causes hardship, the licensee may apply to the Collector to register any seal, label, or capsule which shall virtually comply with the rule, and on such registration, such licensee shall be held to have complied with the condition.

III. That he do not, without taking out a separate license, sell any spirituous or fermented liquors of any kind, except spirits rendered effectually and permanently unfit for human consumption.

IV. That he constantly exhibit a signboard at his place of vend, bearing his name and the words "licensed to sell spirits rendered effectually and permanently unfit for human consumption." That he keep a correct account daily in the following form. The account is to be kept in a printed form to be purchased at the Collector's office:—
Deputy Commissioner's

[illegible]

V. That he produce for inspection, on demand of any Excise Officer above the rank of jamadar, his license and accounts, and that he do not prevent any Excise Officer of whatever grade from entering his shop at any hour of the day or night.

VI. Infraction of any of the above conditions will subject the holder of this license to forfeiture of the license and to the penalties prescribed by law for the specific offence.

E. H. WALSH,

E. H. WALSH,

Offg. Secy. to the Board of Revenue, L. P.

No. 1851-S.R., dated 24th April 1897.

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

To—The Secretary to the Government of Bengal, Financial Department.

To—The Secretary to the Government of Bengal, Financial Department.

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.

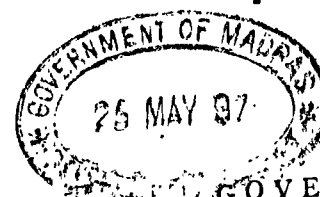
I say that the Government of India approve the revised draft rules under the Sea Customs Act, and to

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 caoutchoucine 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.



No. 2112-EX.

GOVERNMENT OF INDIA.
FINANCE AND COMMERCE DEPARTMENT.

SEPARATE REVENUE.
Excise.

To

*The Secretary to the Govt. of Madras.
Revenue Deptt.-*

Simla, the 15th May 1897.

SIR,

WITH reference to the correspondence ending with your letter No. 1652. *India, dated the 30th April 1896.* I am directed to forward for *the information of His Excellency the Governor in Council*

* 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.

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.

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 be issued with the permission of *His Excellency the Governor in Council* to District and Excise 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* 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 caoutchoucination as the only method of rendering spirit really non-potable, should, in the opinion of the Government of India, be resorted to.

I have the honour to be,

SIR,

Your most obedient Servant,

W. Meyer

Offg. Depy. Secy. to the Govt. of India.

GOVERNMENT OF INDIA.
FINANCE AND COMMERCE
DEPARTMENT.

SEPARATE REVENUE.
Excise.

To

ALL LOCAL GOVERNMENTS AND
ADMINISTRATIONS
(EXCEPT BENGAL AND BOMBAY).

No. 2112-EX.

Dated Simla, the 15th May 1897.

Measures for regulating the importation, pre-
paration, and sale of methylated spirits.

G. C. Press, Simla.--No. 216 C. F.--15-5-97.

When given for copying _____
When copied _____
When examined _____
When signed _____

189

READ AGAIN G.O., No
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ENCLOSURES TO C. No.

ORDER OF GOVERNMENT

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

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