

TAMIL NADU DISTILLERY RULES, 1981

Distillery Licence in Form II

These Rules provide for the grant of a privilege for the manufacture of spirit and a licence to establish a Distillery for the manufacture of spirit therein by the Commissioner of Prohibition and Excise . The Commissioner of Prohibition and Excise has to grant the privilege with the prior approval of the Government. These Rules also regulate the manufacture, storage, transport, Export, Import of spirit and wastages in the movement and storage of spirit and Molasses.

1	Category of Licence	Distillery Licence in Form II (Rule 5 (a) and 5(b))
2	Name of the Rule Covered	Tamil Nadu Distillery Rules, 1981
3	No.of Licences functioning now	17
4	Purpose of Licence	For the grant of privilege and licence to establish a Distillery and manufacture spirit therein (Rule 3).
5	How to apply	To apply in Form-I, with Court Fee Label for Rs. 2/- affixed on the application. (Rule 3)
6	To Whom apply	Commissioner of Prohibition and Excise, Chepauk, Ch - 5. (Rule 3)
7	Fee Details	Privilege Fee Rs. 2,00,000/-, Licence Fee Rs. 4,000/-, Application Fee Rs.400/-, Security Deposit; Rs. 3,00,000/- in cash. (Rules 3 &10)
8	Requirements for the establishment of Licensed Premises	<ul style="list-style-type: none">a. Buildings for the distillery to be established.b. Statements specifying number, size and descriptions of the various plants and equipments such as stills and other permanent apparatus which are proposed to be used.c. Plans of buildings and plants and equipments to be provided.<ul style="list-style-type: none">i. Storage for 25% of annual requirement of molasses comprising of at least two tanks.ii. Alcohol storage for 15% of annual capacity.iii. Lorry weigh bridge of adequate capacity.iv. Recording types of weight scale for molasses taken for fermentation.v. Suitable office room,vi. Well equipped Laboratory.vii. Separate Storage rooms and fermentation tanks for each kind of (raw) material.viii. Manufactory or warehouse to be constructed with bricks or stone with cement concrete or Madras Terrace and inflammable materials. (See Rule 3)

9	Suitability of the Applicant	<p>1. Should be solvent.</p> <p>2. Should not have been convicted for any offence under TNP Act etc. are of any rule, notification or orders made thereunder or for breach of conditions of licence or permit granted under Tamil Nadu Prohibition Act, 1937 or any rule made thereunder. (Rule 4)</p>
10	Grant of privilege/Issue of Licence	<p>1. Privilege to be granted with the prior approval of the Government followed by licence in Form -II</p> <p>2. The licence granted in Form II is valid for the financial year (April to March), subject to renewal every year for the same period. The licence is not transferable. (Rule 5)</p>
11	Other Licences to be taken	ML4 Licence to store and use Molasses for the production of spirit.
12	Renewal of licence	<p>Application to be made in Form-IV 30 days prior to date of expiry of Licence</p> <p>Renewal fee as specified in col.7 (Rule 7(a)).</p>
13	Cancellation of licence	For violation of conditions of licence, provisions of TNP Act, 1937 and Tamil Nadu Distillery Rules, 1981 and if the licensee is declared insolvent. (conditions 6 & 7 of the licence)
14	Other Levies collected 1.Administrative Service Fee 2.Export Pass Fee 3.Import Permit Fee	<p>Re.0.50 per bulk litre of alcohol/Fusel Oil at the production point. (See Rule 5A)</p> <p>Rs.3/- per bulk litre of alcohol exported.</p> <p>Re.1/- per bulk litre of alcohol imported.</p>
15	Establishment	Such establishment as is necessary to cope with excise supervision should be employed at the Distillery (Rule 21)
16	Residential quarters	Licensee to provide suitable accommodation to the Distillery Officer and his staff (Rule 23)

FORM I

[(See rule 3 (a)]

Application for the grant of privilege to establish Distillery and Manufacture Spirit

To

The Commissioner of Prohibition and Excise,
Chennai – 600 005.

1. Name or names and address or addresses of the person or persons applying, if applicant is a firm the name and address of every partner of the firm and if a Company, the registered name and address thereof the names of Directors, Managers, Managing Director, name of such Director.
2. The amount of capital proposed to be invested in the venture.
3. Name of the place and the site in which the building or buildings housing the Distillery is / are situated (Description and place of the building to be furnished).
4. Production capacity of the Distillery
5. (a) Molasses or other “fermentative bases” requirements for the above capacity

(b) Sugar or other factories within 150 KMS of proposed site of distillery with molasses or other fermentative bases production capacity of each.
6. Approximate date from which applicant desires to commence the distillery.
7. Whether the treasury receipts in proof of payment of application fee, fee for the grant of privilege and licence fee are attached to the applications.
8. (a) Reference number in which plans of buildings were approved.

(b) Whether the applicant has enclosed No Objection Certificate from the Chief Inspector of Factories and from the other local authority concerned.
9. (a) (i) Solvency of the applicant:-

In the case of private individual the personal solvency of the applicant with details of property owned;

(ii) Whether a Solvency Certificate from Tahsildar or Independent Deputy Tahsildar is enclosed.

(b) Whether the applicant has contravened any of the provisions of the Tamil Nadu Prohibition Act, 1937 (Tamil Nadu Act X of 1937) or of any rule, notification or order made thereunder or has committed the breach of any of the terms and conditions of any licence or permit granted under the Tamil Nadu Prohibition Act, 1937 (Tamil Nadu Act X of 1937) or of any rule made thereunder;

(c) Whether the applicant has been convicted of any offence punishable under the Tamil Nadu Prohibition Act, 1937 (Tamil Nadu Act X of 1937) or of any cognizable and non-bailable offence or of any offence under the Dangerous Drugs Act, 1930 (Central Act II of 1930) or under the Trade and Merchandise Marks Act, 1958 Central Act 43 of 1958) or under sections 482 to 489 of the Indian Penal Code (Central Act XLV of 1860)

(a) Whether the applicant carries on any other business which is likely to prevent him from giving his due attention to the purpose for which the licence is sought for;

(b) Whether the applicant was a defaulter in payment of any amount due to the State Government under the Tamil Nadu Prohibition Act, 1937 (Tamil Nadu Act X of 1937) or the rules made thereunder or of any taxes or other amounts due to the State Government.

(c) Any other matter relevant to the purpose for which the licence is sought for.

I / We hereby declare:-

- 1) that the particulars given above are correct
- 2) that I / we have not been convicted of any offence under the Tamil Nadu Prohibition Act, 1937 or the rules made thereunder or of any other cognizable or non-bailable offence; and
- 3) that I have gone through the Tamil Nadu Distillery Rules, 1981 relating to the licence applied for by me /us herein and am / are conversant with the provisions thereon.

I / We hereby undertake to abide by the conditions of the licence and provisions of the Tamil Nadu Prohibition Act, 1937 and the rules made thereunder.

Signature of the Applicant

FORM II

[(See rule 5(a) and 5 (b))]

Form of distillery Licence granted under 17-C of the Tamil Nadu Prohibition Act, 1937

I,Commissioner of Prohibition and Excise, Chennai, under the provisions of section 17-C of the Tamil Nadu Prohibition Act, 1937, hereby grants the licence in favour of Thiru. (hereinafter called the licensee) the grantee of the privilege under section 17-C to manufacture spirits in the distillery at from to and establish a distillery for the manufacture of spirits therein subject to the following conditions to be observed by the licensee.

CONDITIONS

1. The licensee shall be bound by the provisions of the Tamil Nadu Prohibition Act, 1937, and the notification, rules and orders made or issued thereunder and the Tamil Nadu Distillery Rules, 1981.
2. The licensee shall observe such rules as may be prescribed by the State Government or such instructions and orders as may be issued by the Commissioner from time to time, in regard to the control of the manufacture, possession and sale or issue of spirits and by-products.
3. The licensee is prohibited from manufacturing spirits other than that specified in the licence.
4. The licensee shall obtain an yield of spirits from molasses or other fermentative bases at the rates specified by the Commissioner under rule 39.
5. The licensee shall supply quantity of neutral or silent spirit and to such persons as may be specified by the Commissioner from time to time under rule 42.
6. Breach of any of the conditions of the licence or rules or orders relating to the distilleries either by the licensee or by any person in his employment in the course of his employment shall entail forfeiture of the deposit and cancellation or suspension of the licence. He shall also be liable to prosecution for any infringement of the provisions of the Tamil Nadu Prohibition Act, 1937, or the rules made therunder.
7. The Commissioner reserves the right to cancel the licence without any notice, if the licensee is declared insolvent by a competent court.
8. With the sanction of the State Government, the licence shall be cancelled by the Commissioner at his discretion on giving the licensee not exceeding fourteen days notice of such cancellation, in which case a proportionate part of the fee if any paid, shall be refunded. The licensee shall not be entitled to claim compensation on account of such cancellation.

Station :
Date :

*Commissioner of Prohibition
and Excise, Chennai.*

FORM III

[See Rule 10 (b)]

FORM OF AGREEMENT TO BE EXECUTED BY THE APPLICANT

THIS INDENTURE OF agreement made on this day of One thousand nine hundred and between (name and address) (hereinafter called for obligator/s which expression shall, unless excluded by or repugnant to the subject or context, include his / their heirs, executors legal representatives and administrators of the one part and the Governor of Tamil Nadu (hereinafter called the Government), which expression shall, unless excluded by or repugnant to the subject or context, include his successors in office and assigns of the other part:

WHEREAS the obligator/s having applied to the Commissioner of Prohibition and Excise, Tamil Nadu (hereinafter called as the Commissioner) for a licence for the manufacture of spirits at his / their distillery at Village Taluk in District and to issue permits for the export and transport of spirits therefrom.

AND WHEREAS it is one of the conditions of the licence that the obligator/s shall observe all the provisions of the Tamil Nadu Distillery Rules, 1981 and in particular, shall either produce, for charge of duties and such other fees as may be prescribed, all stock of spirits manufactured at the distillery and on which duty has not been paid or deposit such goods in the warehouse or other places of storage within the distillery approved by the Commissioner or shall otherwise account to the satisfaction of the Commissioner, for such spirit and shall not remove, from the licensee's premises or from the warehouse or other places of storage before the proper duty has been paid on any stock of spirit except as provided for in the Tamil Nadu Distillery Rules, 1981. And if the obligator/s shall pay into the treasury to the account of the commissioner all dues whether excise duty or other lawful charges which shall be demandable from the obligator/s as shown in the records of the Distillery Officer, the Joint Commissioner of Prohibition and Excise or the Commissioner, as the case may be, within ten days from the date of demand thereof being made in writing by the said Officer this obligation shall be void otherwise and on breach or failure in the performances of any part of this condition the same shall be in full force;

AND WHEREAS the obligator/s is are jointly and severally bound to pay to the Government a sum of rupees three lakhs only towards security fee which payment, the obligator/s jointly and severally bind himself/themselves. The obligator/s further dposit/deposit with the Commissioner, the securities specified below as the guarantee for a total face value of rupees three lakhs only payment, the obligator/s jointly and severally bind himself/themselves. The obligator/s further deposit with the Commissioner, the securities specified below as the guarantee for a total face value of rupees three lakhs only.

WHEREAS the obligator/s at his/their own free-wil has/have furnished the above said cash securities duly endorsed in favour of the Commissioner/ Collector of the District concerned under the written direction of the Commissioner.

And the Government shall at their option be competent to make good the loss and damages from the amount of security deposit or by enforcing their rights under the above written agreement or by both.

List of each securities endorsed and deposited with the Government by the obligator/s:-

- (1)
- (2)
- (3)
- (4)

I / We declare that this agreement of Security bond is given under the order of the Government for the specific performance of an act in which the public are interested.

Signature of the Obligator.

Place :

Signed in the presence of:-

(1) Witness :
Address :
Occupation :

(2) Witness :
Address :
Occupation :

Signed by Thiru. Commissioner,
acting for and on behalf of and by the order and direction of
the Governor of Tamil Nadu.

Signed in the presence of:-

(1) Witness :
Address :
Occupation :

(2) Witness :
Address :
Occupation :

FORM IV

[See rule 7 (a)]

Application for the Renewal of the Licence granted for the privilege to establish distillery and manufacture of spirit

To

The Commissioner of Prohibition and Excise,
Chennai – 600 005.

1. Name of the Distillery :
2. Address: Office with :
Phone No.
Telex No.
Factory with
Phone No.
Telex No.
3. Licence No. and date in which :
licence was granted for the year
(licence to be enclosed in original)

Note- Original licence No. and date
of authority under which the licence
was granted should also be quoted.

4. Whether the renewal application :
under the Tamil Nadu Distillery
Rules, 1981 has been made in time
namely, thirty days before the date
of expiry of the validity of the
licence.

5. a) Whether the application has :
been affixed with Court fee label
to the value of two rupees.

b) Whether the treasury receipt in
proof of payment of application
fee, for the grant of privilege,
licence fee and additional fee for
belated application, if need be, are
attached to the application.

- c) Whether the plans with full description of the buildings of the distillery and the statement relating to plans and equipments referred to in rule 3 have been enclosed? If there are any alterations or additions to the building of the permanent apparatus used therein subsequent to the grant or renewal of the licence, a certificate from the Distillery Officer as to the correctness of the alterations or additions shall also be filed.
6. Whether the licensee has been :
convicted of any offence under the Tamil Nadu Prohibition Act, 1937 or the Rules made thereunder or of any other cognizable or non-bailable offence?
7. Whether the licensee is carrying out :
the written instructions on statutory orders issued by the Commissioner.
8. Whether the Distiller is in arrears of :
any excise duty or vend fee due to Government. If so, the full details and reasons for having not remitted the dues, have to be furnished.
9. Whether the licensee is keeping :
regular accounts in the Form specified by the Commissioner ?

I / We hereby declare

- i) that the particulars given above are correct,
- ii) that I / We have not been convicted of any offence under the Tamil Nadu Prohibition Act, 1937 or the rules made thereunder or of any other cognizable or non-bailable offence and
- iii) that I / We have gone through the Tamil Nadu Distillery Rules, 1981 relating to the licence for which renewal has been applied for by me / us herein and am / are conversant with the provisions therein.

I / We hereby undertake to abide by the conditions of the licence and provisions of the Tamil Nadu Prohibition Act, 1937 and the rules made thereunder.

Signature of the Applicant