

**PROCEDURAL RULES FOR EXPORT OF LOCALLY MANUFACTURED
FOREIGN SPIRIT**

Annexure to Council¹ Order No. 367-C of 1946 dated 29th June, 1946.— In exercise of the powers conferred by section 6 read with section 25 of the Jammu and Kashmir Excise Act, Svt. 1958, Government are pleased to make the following rules prescribing procedure to be observed for the export-in-bond of locally manufactured foreign spirit from any licensed distillery in the *[State] to any State in India and export-in-bond of medicinal and other preparations containing rectified spirit from the premises of approved manufacturer to a State in India.

Locally manufactured Foreign Liquors

1. (a) Whenever the manager of any distillery licensed in the *[State] for manufacture of liquors receives a requisition for export-in-bond of spirit to any State in India the person importing the Spirit shall obtain and send to the manager an import-in-bond permit signed by the Collector of that State or the Chief Excise Authority of that State, as the case may be, for the supply of such spirit.

(b) The manager of the distillery shall act as an Agent for the supply of such spirit to any State in India.

(c) Consignment of spirit under these rules shall be issued under export-in-bond authorities in Form L–I granted by the Deputy Commissioner of the province in which the distillery is situate.

(d) Whenever the manager of any licensed distillery in the *[State] obtains the requisite pass for the despatch of any consignment of spirit in pursuance of this rule, he will be shown in the pass as the consignor and an authorised officer of the State or District of destination as the case may be, as the consignee.

2. No authority or permit shall be granted to authorise the despatch of any consignment under these rules unless the manager of the distillery has executed and given a bond in Form L–II binding himself in respect of the consignment to be despatched to produce a certificate in Form L–III and binding himself to pay such duty in respect of any consignment despatched as may be demanded from him in accordance with the provisions of the rules given below.

3. If such certificate is not produced within a reasonable time after the expiry of the period of the currency of any pass as noted thereon, the Deputy Commissioner of the province in which the distillery is situate shall recover from the said

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* Now Union territory of Jammu and Kashmir.

manager at the rate for the time being fixed by the Government under section 16 of the Jammu and Kashmir Excise Act, Svt. 1958 the duty which would in ordinary circumstances have been levied on the spirit removed under the pass.

4. If such certificate is produced before, or within a reasonable time, after the expiry of the period of the currency of any pass, then—

- (i) if the certificate shows delivery of any consignment to have occurred in full with no greater deficiency than that allowable according to the scale in sub-paragraph (iii) below, the Deputy Commissioner shall order that the bond in respect of such consignment has been discharged ;
- (ii) if the certificate shows a deficiency greater than that allowable, according to the said scale in the consignment, then, unless the deficiency is satisfactorily explained, the Deputy Commissioner Excise shall obtain the Excise and Taxation Commissioner's orders as to the portion or the total deficiency which is to be charged with duty at a rate not less than that fixed for such spirit under section 16 of the Jammu and Kashmir Excise Act, Svt. 1958 ;
- (iii) the following shall be the scale of wastage allowance percent for spirit conveyed in (a) wooden (b) metallic vessels :—

	(a)	(b)
For a journey not more than 2 days.	2	$\frac{1}{2}$
For a journey taking more than 2, but not more than 9 days.	3	1
For a journey taking more than 9 days but not more than 18 days.	4	$1\frac{1}{2}$
For a journey taking more than 18 days.	5	2

Explanation.— In calculating the time taken by journey the day of receipt at the destination, but not the day of despatch, shall be included.

- (iv) no scale of wastage is prescribed for bottled spirit. Breakage shall be satisfactorily explained in remarks column of Form L-III :

Provided that if in any case the temperature of the spirit on arrival at its destination is found to be lower than the temperature when despatched, a further allowance shall be made (if required to cover any wastage that has occurred) of .05 per cent, for every degree Fahrenheit of difference between the two temperatures.

5. Any person exporting foreign liquors must obtain a pass from the officer

authorised to grant such passes in the province of issue :

Provided that a pass for the removal of locally made spirit from a licensed distillery or of beer from a licensed brewery issued in accordance with the rules sanctioned by the Government shall be deemed to be a pass for the purposes of this rule.

6. It shall be in the discretion of the Deputy Commissioner Excise or any other Excise Officer to refuse to grant any pass, permit, or authority which he is authorised under these rules to grant.

7. No pass or permit shall be valid after the date of expiry entered in it ; provided that the Deputy Commissioner Excise granting the permit or authority to authorise the despatch of any consignment under these rules may extend the period of the currency thereof, if extension is applied for owing to delay in transit of a consignment or for any other sufficient reason.

8. Every pass for the export of liquor shall specify the number on each vessel, the seals on it, and the quantity and strength of the liquor it contains.

All passes granted to cover the export of liquor shall be subject to the conditions :—

- (a) that bulk shall not be broken in transit ;
- (b) that all liquor shall travel in vessels securely sealed.

If the liquor is despatched from a distillery, each cask or other vessel used for the export of liquor, under these rules, shall be clearly numbered and shall show clearly the name of the issuing distillery ;

- (c) that copies of the passes shall be sent to the Excise Officer of the place of destination.

Medicinal and other preparation containing rectified spirit

9. (a) Whenever an approved manufacturer in the *[State] licenced under the Jammu and Kashmir Excise Act, Svt. 1958, receives a requisition for the export-in-bond of such preparations to a State in India the person importing such preparations shall obtain and send to the approved manufacturer an import-in-bond permit signed by the competent Excise Officer of the place of destination.

* Now Union territory of Jammu and Kashmir.

(b) Every consignment of medicinal and other preparations containing rectified spirit shall be issued under an export-in-bond authority in Form L-I *mutatis mutandis*, granted by the Deputy Commissioner Excise of the province in which the premises of the approved manufacturer are situate :

Provided that no such authority shall be granted for the despatch of any consignment unless the approved manufacturer has executed and given a bond in Form L-II binding himself in respect of the consignment to be despatched to produce a certificate in Form L-III (*mutatis mutandis*) and binding himself to pay such duty in respect of any consignment despatched as may be demanded from him in accordance with provisions of the rules given below :—

(c) If such certificate is not produced within such time after the expiry of the period of currency of the pass in Form L-IV as the Deputy Commissioner Excise of the province in which the chemical works are situated, considers to be reasonable, the Deputy Commissioner Excise shall recover from the approved manufacturer duty at the rate for the time being fixed by the Government under section 16 of the Jammu and Kashmir Excise Act, Svt. 1958.

(d) If such certificate is produced before, or within reasonable time after, the expiry of the period of the currency of any pass, then—

- (i) if the certificate shows delivery of any consignment to have occurred in full with no greater deficiency than the rate of wastage of half per cent per hundred miles, the Deputy Commissioner shall order that the bond in respect of such consignment has been discharged ;
 - (ii) but if the certificate shows a deficiency greater than that allowable according to the above scale, in any vessel in the consignment, then, unless the said deficiency is satisfactorily explained, the Deputy Commissioner Excise shall obtain the Excise and Taxation Commissioner's orders as to the portion of the total deficiency which is to be charged with duty at a rate not less than that fixed for spirit in such preparations under section 16 of the Jammu and Kashmir Excise Act, Svt. 1958.
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FORML-I**Authority for the export-in-bond of locally made foreign spirit**

.....Manager of the distillery..... is hereby authorised to export.....gallons of..... spirit-in-bond to the address of the..... who has been authorised by..... to receive these spirits on its behalf in pursuance of the agreement with the manager of the said distillery for the supply of spirit during 19..... 20..... A certificate of the arrival in full both in respect of bulk and strength of the spirit despatched under this authority should be produced on or before the.....day of19before the undersigned. If the said certificate is not produced by the date specified above, the Manager shall be liable to pay duty at such rate as is prescribed in the *[State] on such amount of spirit as has not been certified to have reached its destination.

Signature of the officer granting the authority.

FORML-II

Agreement covering removal of spirit-in-bond from a licensed distillery to the..... without pre-payment of duty.

This agreement made this.....day of..... 19.....between.....son of..... caste.....resident of..... (hereinafter called 'the contractor') of the one part and the Governor of Jammu and Kashmir (hereinafter called 'the Government') of the other part ;

Whereas the contractor has applied to the Deputy Commissioner Excise and Taxation (hereinafter called 'the Deputy Commissioner') to grant him passes from time to time for the removal of spirit from the..... to thewithout pre-payment of the duty leviable thereon ;

And whereas the Government is willing that the Deputy Commissioner may grant such passes from time to time under rules admitting of the recovery of duty, by.....and not by the Deputy Commissioner subject to certain terms and conditions hereinafter contained and set-forth ;

* Now Union territory of Jammu and Kashmir.

Now, therefore, this Agreement witnesseth that in consideration of the grant to the contractor of passes from time to time for the removal of spirit fromwithout pre-payment of the duty leviable thereon, the contractor hereby covenants with the Government in the manner following :—

The contractor will produce to the Deputy Commissioner on or before such date as may be in the said pass specified therefor a certificate signed by the proper authority of the.....showing that the whole quantity of spirit in the pass has been delivered to such authority less such allowance for loss on account of wastage and dryage as may be provided for by the rules for the time being in force regarding such removals :

Provided that in the event of the whole quantity of spirit after deducting the due amount of the said allowance, not being acknowledged as delivered to him by the said authority, the contractor will, on demand by the Deputy Commissioner, pay a sum of money equal to the amount of the duty which would be payable under the Jammu and Kashmir Excise Act, Svt. 1958 for the time being in force, in respect of the balance of the spirit so undelivered, and the contractor hereby covenants and agrees with the Government that, in the event of his failure to perform any of the covenants hereinbefore set forth and to be performed by him, he will, on demand of the Deputy Commissioner, pay unto the Government treasury the sum of rupees five thousand (Rs. 5,000) only as damages.

In witness whereof the agreement has been signed by the parties named above.

Signature of the contractor.....

Signature for and on behalf of the Governor.

1. Witness.....

1. Witness.....

2. Witness.....

2. Witness.....

FORML-III

Certificate to be granted by.....on receipt of a consignment of spirit-in-bond from a State Distillery.

I hereby certify that the consignment of spirit despatched by the Manager of the.....Distillery under pass No.....dated was received by me on the.....of.....19 and was found to be in the following conditions in respect to bulk and strength :—

				Loss in Transit		
				Allowed	Excess	
No. of cask.	Quantity of spirit contained in the cask.	Strength of spirit contained in the cask.	Quantity in London proof gallons.			Increase in Transit.
1	2	3	4	5	6	7

I further certify that this consignment of spirit has been deposited in the bonded warehouse thereto to be excised before it is issued to licensed vendors.

Place:

Date:

Signature of the Officer
receiving the consignment
of Spirit

FORM L-IV.**PASS FOR THE EXPORT-IN-BOND OF MEDICINAL OR OTHER
PREPARATIONS CONTAINING RECTIFIED SPIRIT.**

Counterfoil.

To be retained in the office of issue.

Pass No.....dated.....for the export-in-bond of medicinal and other preparations from the premises of.....to the premises of.....on the.....authority of permit No.....dated..... signed by the Deputy Commissioner Excise and Taxation.

Serial No.	Batch No.	Name of Preparation.	No of containers.	Quantity.	Strength.	Proof gallon contents.	Rate of duty.	Amount of duty paid.	Remarks.

This pass is valid up to.....

Deputy Commissioner Excise and Taxation.

Note.—In the case of medicinal preparations issued duty-free from the premises of approved manufactures to Government or charitable hospitals and dispensaries including veterinary hospitals and dispensaries, the reverse of the pass shall be filled by the officer-in-charge of the hospital or dispensary and in the case of veterinary hospital or dispensary by the Deputy Superintendent of the Veterinary Department and returned to the officer of the Jammu and Kashmir Chemical Works within six weeks of the receipt of the consignment.

If such preparations are issued in bond to any other State in India the certificate in Form L-III shall be produced.

FORM L-IV**PASS FOR THE EXPORT-IN-BOND OF MEDICINAL OR OTHER PREPARATIONS CONTAINING RECTIFIED SPIRIT.**

To be given to the applicant to accompany the consignment which is to be exported.

Pass No.....dated.....for the export-in-bond of medicinal and other preparations from the premises ofto the premises of.....on the.....authority of permit No.....dated..... signed by the Deputy Commissioner Excise and Taxation.

Serial No.	Batch No.	Name of Preparation.	No of containers.	Quantity.	Strength.	Proof gallon contents.	Rate of duty.	Amount of duty paid.	Remarks.

This pass is valid up to.....

Deputy Commissioner Excise and Taxation.

Note.—In the case of medicinal preparations issued duty-free from the premises of approved manufactures to Government or charitable hospitals and dispensaries including veterinary hospitals and dispensaries, the reverse of the pass shall be filed by the officer-in-charge of the hospital or dispensary and in the case of veterinary hospital or dispensary by the Deputy Superintendent of the Veterinary Department and returned to the officer of the Jammu and Kashmir Chemical Works within six weeks of the receipt of the consignment.

If such preparations are issued in bond to any other State in India the certificate in Form L-III shall be produced.

FORM L-IV.**PASS FOR THE EXPORT-IN-BOND OF MEDICINAL OR OTHER
PREPARATIONS CONTAINING RECTIFIED SPIRIT.**

Duplicate.

To be sent to the Excise Inspector of the district of destination.

Pass No.....dated.....for the export-in-bond of medicinal and other preparations from the premises of.....to the premises of.....on the.....authority of permit No.....dated..... signed by the Deputy Commissioner Excise and Taxation.

Serial No.	Batch No.	Name of Preparation.	No of containers.	Quantity.	Strength.	Proof gallon contents.	Rate of duty.	Amount of duty paid.	Remarks.

This pass is valid up to.....

Deputy Commissioner Excise and Taxation.

Note.—In the case of medicinal preparations issued duty-free from the premises of approved manufactures to Government or charitable hospitals and dispensaries including veterinary hospitals and dispensaries, the reverse of the pass shall be filed by the officer-in-charge of the hospital or dispensary and in the case of veterinary hospital or dispensary by the Deputy Superintendent of the Veterinary Department and returned to the officer of the Jammu and Kashmir Chemical Works within six weeks of the receipt of the consignment.

If such preparations are issued in bond to any other State in India the certificate in Form L-III shall be produced.

RECEIVED

Name of preparation	Number of containers	Quantity
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Officer-in-Charge Hospital.
