

58. No. 1937-318-9-B/Pt.IV, dated the 19th February 1945:-

In exercise of the functions of the Central Government relating to the prescribing of regulations under the Notification, Finance Department (Central Revenues), No.23-Customs, dated the 29th January 1938, entrusted to the Provincial Government by the Notification of the said Government in the Finance Department (Central Revenues), No: 24-Customs, dated the 29th January 1938, and in exercise of the powers conferred by Sections 9, 10, 19 and clause (c) of Sub-section (2) of Section 35 of the Sind Abkari Act, 1878 (V of 1878) and in supersession of Government Notification in the Revenues Department No. 9652/24, dated the 3rd July 1931, the Governor of Sind is pleased to prescribe the following rules regulating the export in bond of Pakistan-made foreign liquors from the Province of Sind by land to other Provinces of Pakistan or States including those across a customs frontier as defined by the Central Government otherwise than through any land customs station.

1. Extent.- These rules shall apply to the Province of Sind.

60. Cancelled- (Relates to certain rules in respect of denatured spirit in force in Bombay Presidency proper).

61. In exercise of the powers conferred by sections 9, 12, 14 & 35 of the Sind Abkari Act, 1878, the Governor of Sind is pleased to make the following rules regulating the denaturation of Pakistan-made rectified spirits, the sale of denatured spirit and its use in arts and industries, the import in bond of rectified spirit, manufactured in Pakistan including States into Sind for denaturation and the importation of denatured spirit denatured in Pakistan including States, into Sind.

PRELIMINARY.

(a) Definition- "Denatured" means rendered unfit for human consumption in such manner as may be prescribed by the Provincial Government by notification in the Sind Government Gazette.

Explanation- The term "Denatured" as defined by Sind Act XII of 1912 was amended (as now given in the Act) by Sind Act II of 1919 in view of the criminal ruling dated 11th December 1913 of the Calcutta High Court in Rex Versus U.N. Biswas that no spirit can be regarded as denatured if it can, after being treated with denaturants by any means be made fit for human consumption.

(b) These rules apply to Sind.

(c) Interpretation- In these rules, "Commissioner" means the Revenue Commissioner for Sind, and "Collector" includes any Chief Revenue Officer of a District of Province.

1. Warehouse for rectified and denatured spirits.- The Commissioner shall appoint a part of a Government distillery or bonded warehouse for the receipt, storage and denaturation of Pakistan-made rectified spirit or for the receipt and storage of denatured spirit imported from any place in Pakistan outside Sind or from any state wherever it may be necessary, and such place shall be deemed to be a warehouse for the purpose of these rules.

2. Classes of denatured spirit.-

(1) Only two classes of denatured spirit shall be made, received, sold or used, namely -

(a) Ordinary denatured spirit, consisting of 97 per cent alcohol, 2 per cent wood Naptha, ½ per cent light-caoutchoucine and ½ per cent of crude pyridine, and

(b) Specially denatured spirit.

(2) Class (b) will contain two sub-classes, namely-

(i) Methylated industrial denatured spirit, consisting of nineteen-twentieths of its bulk of ethylic alcohol and one-twentieth of wood Naptha, and

✓(ii) Special industrial denatured spirit, which shall have been denatured by the addition to ethylic alcohol of an approved substance or substances other than wood Naptha, caoutchoucine or pyridine.

3. Ordinary denatured spirit may be issued by licensed retailers.- Ordinary denatured spirit may be issued to the general public by licensed

retailers.

4. Specially denatured spirit to be supplied only for use in art or manufacture.- Specially denatured spirit of either class shall be supplied only to such persons or firms as shall have been authorised by the Commissioner to use it in a specified art or manufacture.
5. Restrictions on the use of methylated industrial denatured spirit.- The use of methylated industrial denatured spirit for purposes of lighting heating or motive power shall not be allowed, nor shall such spirit be used in the preparation of any beverage or medicine if any portion of it remains in the finished article. Such spirit may be employed in the manufacture of the following :
sulphuric ether, ethyl chloride, methyl chloride, ethyl bromide, chloroform and hydrate of chloral, and it may also be used in the preparation of the following liniments :-
the aconite, belladonna, compound camphor, ammoniated camphor, iodine (B. P 1885), mustard and the soap liniment of the British Pharmacopoeia and in such other preparations as the Commissioner may, from time to time, permit in writing to be made with such spirit.
6. When substitute for wood naphtha in specially denatured spirit may be allowed.- In the manufacture of specially denatured spirit no special denaturants shall be substituted for wood naphtha, unless it is proved to the satisfaction of the Commissioner that wood naphtha is unsuitable or detrimental to the particular art or manufacture under consideration.
7. Specially denatured spirit to be rendered objectionable to taste or smell.- Whenever practicable, specially denatured spirit shall be rendered more objectionable to the taste or smell by the addition of some substance used in the particular art or manufacture in which the spirit is to be employed.
8. Denatured Spirit Makers, wholesalers, retailers and users.- The persons concerned in the manufacture, distribution and use of denatured spirit may be divided into four classes, namely.-
 - i) denatured spirit makers
 - ii) denatured spirit wholesalers,
 - iii) denatured spirit retailers, and
 - iv) denatured spirit users in arts or industries.
9. Denatured spirit makers.- Denatured spirit makers shall be required to obtain licenses from the Commissioner and to enter into bonds in the sum of one thousand rupees (Rs. 1,000) for the due carrying out of the terms of their licenses and of the regulations duly made for their guidance. They shall be allowed to supply denatured spirit only to wholesalers or retailers or users who

X - RULES FRAMED BY THE REVENUE COMMISSIONER FOR SIND.

70. Cancelled.

(Relates to manufacture in bond of spirituous, medicinal and toilet preparations in the Bombay Presidency proper).

71. In exercise of the powers conferred on him by Section 35-A(a)(i) of the Sind Abkari Act, 1878, the Revenue Commissioner for Sind is pleased to make the following rules for the manufacture in bond of spirituous, medicinal and toilet preparations in the Province of Sind.

P R E L I M I N A R Y

1. Any person desiring to use duty free spirit of Pakistan manufacture for manufacturing purposes under bond must apply in writing to the Revenue Commissioner for Sind giving the following particulars :-

- (a) Name or names and addresses of the applicants.
- (b) Name of the place and site on which the building is, or is to be, constructed.
- (c) Date from which the applicants desire to commence the use of duty free spirits.
- (d) The maximum amount of proof spirits likely to be in stock in the bonded premises at any one time.
- (e) The amount of security which the applicant is prepared to furnish as a guarantee for the performance of the conditions under which the privilege is granted.
- (f) A correct plan of the buildings to be used.

2. In the case of a Distillery or a Warehouse already established, if the Revenue Commissioner considers that increased supervision is necessary in consequence of the grant of the privilege of using duty free spirits for manufacturing purposes, the manufacturer will be required

to pay to the Excise Department the cost of the extra staff required. In other cases the manufacturer shall pay such proportion of the salary of the staff as the Revenue Commissioner may direct.

MANUFACTURE.

1. No essences or flavouring materials, which, in the opinion of the Revenue Commissioner, are not medicinal or toilet preparations, shall be made in bond.

2. The spirit to be used in medicinal or toilet preparations shall be obtained in quantities of not less than 10 gallons at a time, from a distillery or a bonded excise warehouse only whence it will be issued under a pass. It shall be removed at once to the bonded laboratory.

3. Spirits received from distillery or warehouse for manufacturing purposes shall be emptied forthwith into a locked vessel in the bonded laboratory. Each such vessel must be fixed and gauged and shall be marked with the words "Plain spirits-Store vessel" and distinctive number. Tables shall be compiled to show the contents at each inch and tenth of an inch of its depth. Excise ticket locks shall be placed on the mandoor and the discharge cock of such vessels. No plain spirit shall be taken out of the laboratory. The officer in charge must take the dip in each store vessel once every time the spirit is issued as a check on loss or abstraction. The dips thus taken must be entered in the prescribed account (in Form 'A').

4. No spirit shall be removed from any store vessel until an account of the quantity and strength shall have been taken by the officer in charge.

5. Whenever any preparation is to be manufactured, the spirit required for such preparation shall be obtained on requisition in form 'J' from the Excise Officer in charge hereinafter referred to as the Excise Officer. The spirit thus obtained shall be added without delay, in the presence of the Excise Officer, to the respective materials to be treated, and to every percolator or other vessel in which the spirit is placed, there shall be attached a label showing the description of preparation, the date, together with the quantity and strength of all spirit placed in it from time to time, and the date on which any of the finished product was removed to stock together with the quantity so removed.

6. The finished preparations shall be kept separate from those in course of preparation and be stored in a separate store room approved for the storage of finished preparations. The door of each store room must be fastened with Excise ticket lock. The words "Store No. _____ for bonded medicinal and toilet preparations" must be painted on the door of each room, respectively, in which these preparations are allowed to be stored.

Finished preparations may be stored (a) in bulk, in jars or bottles containing not less than one quart (40 fluid ounces) of the preparation, or (b) stored ready for issue in bottles of not less than two fluid ounces'

capacity, every bottle containing not less than two fluid ounces of a preparation. (c) Every preparation stored in bulk must be measured into the storage vessel to the nearest fluid ounces by the Excise Officer, who must then close and seal the vessel with his official seal. (d) The description, quantity and true strength of the preparation must then be recorded on a label by the manufacturer or his agent, and each must also bear a distinctive serial number corresponding with the number entered in the prescribed register (for C). (e) In the case preparations stored in bulk the label on every vessel must be signed and dated by the Excise Officer. (f) When any of the contents of a vessel referred to in clause (a) has been removed, the Excise Officer must enter on the label attached thereto the quantity taken out and the manner of disposal with his signature and date. Finished preparations shall only be removed from the store room for use in manufacture under rule 7, or in accordance with an application in Form F. The manufacturer must state in Form F the number of bottles or jars in which each preparation is contained and the bulk quantity to be removed. The other particulars shall then be filled in in the application (Form F) by the Excise Officer on receipt of the result of the analysis of the samples sent to the Chemical Examiner to the Government of Sind. (g) Rule (d) must be followed in respect of preparations referred to in rule (b), but the contents of the bottles are to be checked at the time of issue to the following scale :

When the number of bottles in any consignment does not exceed 100, the Excise Officer is to measure one in every 25 and fraction of 25 upto 50 and one in any remaining number upto 100. When the number exceeds 100, three bottles are to be measured in first 100 and one in every 50 and fraction of 50. A larger proportion should be measured should the Excise Officer consider it necessary. The Excise Officer must certify on Form F the number of bottles issued and how many were checked by measurement. Only standard gallon measures and graduated glass measures approved by the Revenue Commissioner are to be used in gauging preparations.

7. In cases in which it is necessary to use some quantity of a finished preparation instead of, or in addition to, plain spirits, the quantity so required shall be brought from the store room and added in the presence of the Excise Officer without delay to the materials to be treated. Such quantity shall be separately shown in columns 2 and 3 of Form C, with a reference to the number of the batch from which it was taken, and on the label attached to the percolator or other vessel. It shall also be shown in Form D, the entry in column 8 being "used in manufacture of ". It shall, however, be deducted from the monthly total of column 9 of Form C, since the spirit contained in it is replaced in stock and is not shown as issued in Form G.

8. The Excise Officer in charge of the bonded laboratory must, at the time when finished preparations are removed to the store room, take one sample from every preparation being issued and send it to the Chemical Examiner to the Government of Sind, for analysis and test of the amount of proof spirit contained therein. It is, however, to be understood that a larger proportion of samples may be taken should the Excise Officer, in his

discretion, consider this necessary. The following procedure is to be observed in sampling the preparations and checking the duty chargeable :-

- (1) A sample should not be less than 3 fluid ounces.
- (2) Every sample must be taken in duplicate personally by the Excise Officer. The cork of each bottle must be sealed by him with a revenue seal and the name of each preparation must be stated on a label affixed to each bottle. The duplicate samples should be kept under Excise lock until the results of the analysis have been reported, unless specially asked for by the Chemical Examiner to replace the original samples or to repeat an analysis. Duplicate samples to which no further reference can be needed may be returned to the manufacturer.
- (3) If any preparation sampled is dangerous to life, the word "poison" must be added on the label affixed to the bottle.
- (4) The samples must be placed in a case and securely fastened with tape or wire provided by the manufacturer, and be sealed by the Excise Officer with a revenue seal and delivered without delay at the expense of the manufacturer to the Chemical Examiner.
- (5) The form of advice letter in Form H must be despatched to the Chemical Examiner at the same time.

9. The manufacturer shall keep accounts in Forms B, C and D of the spirit received, used and wasted in manufacture and of tinctures, etc, issued from the bonded laboratory and the Excise Officer in Forms A, E, G and I.

10. (a) If the manufacturer has been authorised by Government to supply rectified spirit and spirituous medicinal preparations duty free to Charitable Hospitals and Dispensaries, in Pakistan including States, which are under the supervision of Government, Local Boards and Municipalities, Mission Authorities and other private bodies or State Authorities and Veterinary Hospitals and Dispensaries, such spirit and preparations may be issued under a pass without payment of duty to the amount specified in orders, signed or countersigned, (1) in the case of institutions in the provinces of Pakistan, by a Presidency Surgeon or a Civil Surgeon, provided that, where supply to institutions in other provinces not under Government supervision is intended, the indent or order is covered by a special authorisation from the Excise Commissioner of the province concerned; (2) in the case of institutions in State territories, by the Chief Medical Officer of the State and countersigned by the Political Agent accredited to the State. The original orders must be retained by the Excise Officer as authority for the issues and attached to the notices to which they relate. The Excise Officer will write the words "Issued" under Notice No: _____ dated the _____ with his initials and the date on each sheet of the order. Should the order for such preparations not have been signed or countersigned as required above or not be covered by an authorisation from the Excise Commissioner, the preparation may be issued on production of a copy of the order together with a certificate by the manufacturer that the preparations are urgently required. The

manufacturer must, in such case, within one month of the date of issue, produce an order (with an authorization from the Excise Commissioner where necessary) duly signed or countersigned by the Presidency Surgeon or Civil Surgeon or the Chief Medical Officer of the State and the Political Agent concerned. Should he fail to do so, he will be required to pay duty at the prescribed rate.

The manufacturer must produce to the Excise Officer a receipt signed by the proper medical officer acknowledging the receipt of each consignment of duty free preparations. If no receipt of any preparations issued duty free is produced within three months of the date of despatch, or it should appear that any such consignment or part thereof was not received by the consignee, the case must be reported to the Revenue Commissioner and no more duty free preparations shall be issued to that consignee without the written orders of the Revenue Commissioner. In such cases the Excise Officer shall immediately inform the officers in charge of other bonded laboratories of the name of the consignee concerned in order to prevent issues to the latter pending the receipt of the Revenue Commissioner's order which must subsequently be reported to all officers in charge of bonded laboratories.

NOTE: Government are pleased to direct that spirituous and other excisable articles sold by the Medical Stores Depot, Karachi, to non-Government institutions in this Province shall be exempted from the payment of excise duty, provided that the concession is restricted to the medical institutions of local authorities and to such hospitals and dispensaries controlled by States and private bodies as are admittedly conducted on charitable lines.

(b) If the manufacturer has been specially authorised by Government to obtain tinctures, etc., duty-free on a particular occasion, such preparations may be issued under a pass, free of duty, upto the quantity specified in the letter of authority. The original letter of authority must be retained by the Excise Officer and endorsed as required by the last preceding rules.

(c) Finished preparations shall only be issued from the store room either before or after the test by the Chemical Examiner on a transport pass issued by the Excise Officer. In all cases, immediately on receipt of the report of the Chemical Examiner of the samples, particulars shall be filled in in the application (Form F) by the Excise Officer who shall at once calculate the duty at the prescribed rate on the actual amount of proof spirit contained in the tinctures etc., issued from the store room. The Excise Officer shall then issue notice to the manufacturers to pay the amount of duty on the preparation removed by them on application in Form F. On receipt of such notice the manufacturers shall pay the duty at once into the Government Treasury and produce the challan to the Excise Officer. They shall be liable to pay interest at 12 per cent per annum on any duty not paid within a week from the date of demand and interest due on such duty shall be deemed to have been added to and be part of such duty.

NOTE - 1. The manufacturers of spirituous medicinal preparations in bond are authorised to supply duty-free preparations provided that the preparations conform to

Deputy Commissioner of Excise, Sind. In the former case they should be either thrown down a sewer or emptied upon the ground, and the Excise Officer shall certify the quantity destroyed and the method of destruction. In the latter case the manufacturer must make previous application through the Officer in charge to the Deputy Commissioner of Excise, Sind stating how he wishes to dispose of the spirits. At the same time the officer will take samples of the recovered spirits and send them to the Chemical Examiner with a letter requesting him to advise the Revenue Commissioner as to the propriety of allowing the spirit to be disposed of in the manner proposed by the manufacturer. Before any portion of the recovered spirit is removed from the receiver an account of the quantity and strength must first be taken by the officer in charge. All other residues from the laboratory shall remain on the bonded premises until all the spirit contained in them has been dissipated.

13. Any wastage which, in the opinion of the Deputy Commissioner of Excise, Sind, is excessive or not properly accounted for, shall be charged with duty at the full tariff rate.

14. The building in which the manufacture of medicinal and toilet preparations from duty-free spirit is allowed shall be separate from that in which spirit is manufactured or used for any other purposes. The windows of the bonded laboratory and store room shall be fitted with malleable iron bars not less than three quarters of an inch in thickness, set not more than four inches apart, and fixed in the brick work to a depth of at least two inches at each end. On the inside of each window there shall be securely fastened to the bars stout wire-netting, the apertures in which must not exceed 1 inch in diameter. There shall only be one entrance to the bonded laboratory and to each store room respectively, which must open into the distillery or warehouse enclosure, and the door of each shall be secured by Excise ticket lock. Each building must be closed from sun-set to sunrise. The premises and accounts pertaining to the manufacturer shall at all times be open to inspection by the Revenue Commissioner, the Collector, the Deputy Commissioner of Excise, Sind, or any officer deputed by any of them not lower in rank than an Assistant Inspector.

(Vide Late Commissioner-in-Sind's Memo No: 1257-X, dated 5.10.1922.
G.R., R.D.No.9196/24, dated 28.5.1928.
Revenue Commissioner for Sind's No:E-2489, Dt.8.5.1937.
G.R., R.D.No.3256-B/41, dt: 12th December, 1942.)
R. Commissioner No: 1123-B, Dt. 15.9.1941.

71-A. In exercise of the powers conferred on him by Sec:35-A(a)(i) of the Sind Abkari Act 1878, the Revenue Commissioner for Sind is pleased to make the following rules for the manufacture of spirituous medicinal and toilet preparations from spirit obtained at the reduced rate of duty on the premises of duly licensed chemists in the Town of Hyderabad-

1. The rules apply to manufactures using not more than 500 L.P. gallons of concession spirit per annum. -
2. Any chemist desiring to manufacture spirituous medicinal and toilet preparations at the concession rate on his own premises must apply in writing to the Revenue Commissioner for Sind furnishing the following particulars :-

- (a) Name or names and address of the applicants;
 - (b) Name of the place and site on which the factory, hereinafter described as the laboratory is, or is to be constructed;
 - (c) Date from which the applicants desire to utilize concession spirit;
 - (d) The maximum quantity of proof spirit likely to be in stock at the laboratory at any one time;
 - (e) The amount of security which the applicant is prepared to furnish as a guarantee for the performance of the conditions under which the privilege is granted;
 - (f) A correct plan of the buildings to be used.
3. Duty at the reduced rate sanctioned by the Provincial Government and other charges on the spirit to be used in the medicinal and toilet preparations should be pre-paid.

4. Manufacturing operations shall be carried out in an approved room set apart for that purpose only for which a strong lock and key should be provided.

5. No essences or flavouring materials which in the opinion of the Revenue Commissioner are not medicinal or toilet preparations shall be made from the concession spirit.

6. The spirit to be used in medicinal and toilet preparations shall be obtained in quantities of not less than 10 gallons at a time from a distillery or from the Liquor Bonded Warehouse Kotri, only whence it will be issued under a pass and should be removed direct to the Chemist's shop. Due intimation of the transport of the spirit to the laboratory should be given to the Inspector who will proceed to the place and have the spirit placed into the room provided for that purpose and lock & seal the door. The key of the lock should always remain in charge of the Excise Inspector. The spirit should be stored in guard vessels, for each of which a guage rod should be provided by the manufacturer.

7. Manufacturing operations should take place not more frequently than once fortnightly; due notice to be given to the Excise Officer in charge who will attend and in whose presence spirit will be removed from store and used in manufacture. Preparations which need to stand for longer intervals before being further treated, stirred or bottled for sale will be returned to the Excise store room. Finished preparations may be removed in bulk in jars or bottles; but to meet the local shop demand a portion of the finished products may be allowed to be bottled, sealed or capsuled in the presence of the Excise Officer in charge, in bottles of uniform size of not less than two fluid ounces capacity. Residues shall not be removed from the laboratory. If they are not required for the use in manufacture they should be destroyed in any manner to the satisfaction of the Excise Officer in charge who will

71-B. No. B-2547(1938-316-32), dated the 1st November 1939:-
In exercise of the powers conferred on him by Section 35-A
(a)(i) of the Sind Abkari Act, 1878, the Revenue Commissioner
for Sind is pleased to make the following rules for the
manufacture-in-bond of essences and perfumed spirits contain-
ing spirit in the Province of Sind:-

PRELIMINARY

1. Any person desiring to use duty-free spirit of Pakistan
manufacture for manufacturing purposes under bond, must
apply in writing to the Revenue Commissioner for Sind,
hereinafter referred to as the Commissioner giving the
following particulars:-

- (a) Name or names and addresses of the applicants.
- (b) Name of the place and site on which the building is,
or is to be, constructed.
- (c) Date from which the applicants desire to commence
the use of duty-free spirits.
- (d) The maximum amount of proof spirits likely to be
in stock in the bonded premises at any one time.
- (e) The amount of the security which the applicant is
prepared to furnish as a guarantee for the
performance of the conditions under which the
privilege is granted.
- (f) A correct plan of the building to be used.

2. In the case of a distillery or warehouse already
established if the Commissioner considers that increased
supervision is necessary in consequence of the grant of the
privilege of using duty-free spirit for manufacturing
purposes, the manufacturer will be required to pay to the
Excise Department the cost of the extra staff required.
In other cases the manufacturer shall pay such proportion
of the salary of the staff as the Commissioner may
direct.

71-C. No. 950-B, dated the 28th February 1940:- In exercise of the powers conferred on him under section 35-A(a)(1) of the Sind Abkari Act, 1878, the Revenue Commissioner for Sind is pleased to make the following rules for the manufacture of Vinegar by fermentation process, for sale :-

1. Any person desiring to manufacture Vinegar by fermentation process on his own premises must apply in writing to the Revenue Commissioner for Sind, Karachi, furnishing the following particulars:-

- (a) Name or names and addresses of the applicants.
- (b) Name of the place and site where fermentation process and manufacturing operations are to be carried out hereinafter described as the Manufacturing Room.
- (c) Date from which the applicants desire to start the work of fermentation process and manufacture.

2. Fermentation process and manufacturing operations shall be carried out in approved room or rooms set apart for these purposes only, for which a strong lock and key should be provided by the manufacturer. The keys of the locks shall always remain with the Excise officer-in-charge.

3. The Excise Officer-in-charge shall be called not more frequently than twice a week, to supervise fermentation process or manufacturing operations or