

**THE ANDHRA PRADESH EXCISE ACT, 1968**

**ACT 17 OF 1968**

**ARRANGEMENT OF SECTIONS**

**SECTIONS**

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**THE ANDHRA PRADESH EXCISE ACT, 1968**  
**ACT 17 OF 1968**

[29<sup>th</sup> August, 1968]

**AN ACT TO CONSOLIDATE AND AMEND THE LAW RELATING TO THE PRODUCTION, MANUFACTURE, POSSESSION, TRANSPORT, PURCHASE AND SALE OF INTOXICATING LIQUOR AND DRUGS, THE LEVY OF DUTIES OF EXCISE AND COUNTERVAILING, DUTIES ON ALCOHOLIC LIQUORS FOR HUMAN CONSUMPTION AND OPIUM, INDIAN HEMP AND OTHER NARCOTIC DRUGS AND NARCOTICS AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH IN THE STATE OF ANDHRA PRADESH.**

BE it enacted by the Legislature of the State of Andhra Pradesh in the Nineteenth Year of the Republic of India as follows:-

**CHAPTER 1**  
**Preliminary**

**1. Short title, extent and commencement** - (1) This Act may be called the Andhra Pradesh Excise Act, 1968.

<sup>1</sup>[(2) It extends to the whole of the State of Andhra Pradesh:

Provided that on and from the date of commencement of the Andhra Pradesh Prohibition Act, 1995 the provisions of the Act shall, in so far as they are inconsistent with the provisions of the said Act cease to operate.]

(3) It shall come into force on such date as the Government may, by notification, appoint.

**2. Definitions** - In this Act, unless the context otherwise requires,--

(1) "Arrack" includes all liquor produced or manufactured in India and supplied by the Government other than Foreign Liquor and <sup>2</sup>[Indian Made Foreign liquor];

<sup>3</sup>[(1-A) "Bar" means the privilege granted under the Act to an Establishment, where food is served, for sale of Indian Made Foreign Liquor and Foreign Liquor in loose for consumption on the licensed premises.]

(2) "Beer" includes ale, stout, porter and all other fermented liquors usually made from malt;

<sup>4</sup>[(2-A) "Bona fide purpose" means the privilege granted under the Act for the sale or use as the case may be, of any intoxicant, any material or any liquor and does not include Indian Made Foreign Liquor, Foreign Liquor and Toddy.]

<sup>5</sup>[(3) "Bottle" means to transfer liquor from one cask to another cask or from a cask or vessels to a bottle, jar, flask, pot, closed packet, basket, tin, barrel, case, receptacle, bag, sack or wrapper or any other receptacle in any form in which intoxicant is packed for the purpose of sale whether or not any process of manufacture is employed and includes re-bottling;]

(4) "Buy" or "buying" includes any receipt including gift;

<sup>1</sup> . Substituted by the Act No.17 of 1995, S. 34

<sup>2</sup> . Substituted by the Act No. 17 of 2006, S.4

<sup>3</sup> . Inserted by the Act No. 35 of 2005

<sup>4</sup> . Inserted by the Act No. 35 of 2005

<sup>5</sup> . Substituted by the Act No.4 of 1994, S. 2

(5) "Collector" means the Collector of a district and includes <sup>1</sup>[the Joint Collector] or any person appointed by the Government to exercise the powers and to perform the functions of a Collector under this Act;

(6) "Commissioner" means the officer appointed under section 3;

<sup>2</sup>[(6-A) "Corporation" means the Andhra Pradesh Beverages Corporation Limited, Hyderabad.]

(7) "Cultivation" or "cultivating" includes the tending or protecting of a plant during growth and does not necessarily imply raising it from seed;

(8) "Denatured" means subjected to a process prescribed for the purpose of rendering unfit for human consumption;

(9) "Excisable article" means <sup>3</sup>[any alcoholic liquor for human consumption; or any intoxicating drug;]

(10) "Excise duty" or "countervailing duty" means the duty of excise or countervailing duty, as the case may be, mentioned in entry 51 in List II of the Seventh Schedule to the Constitution <sup>4</sup>[and includes additional excise duty or additional countervailing duty, as the case may be;]

(11) "excise officer" means the Commissioner, the Collector or any officer or other person lawfully appointed or invested with the powers under the relevant provisions of this Act;

(12) "excise revenue" means revenue derived or derivable from any duty, fee, tax, rent, fine, penalty or confiscation levied, imposed or ordered under the provisions of this Act or any other law for the time being in force relating to intoxicating liquors or intoxicating drugs;

(13) "excise tree" includes the tree of mohwa, coconut, palm, palmyrah, date, bagani, sago, sendhi, or any tree of the species of palm or palmyrah, from the fermented or unfermented juice of which toddy or liquor can be prepared;

(14) "export" means,-

(a) to take out of any area of the State to which this Act extends to any other area of the State to which this Act does not extend;

(b) to take out of the State otherwise than from a Customs station as defined in section 2 of the Customs Act, 1962 (Central Act, 52 of 1962).

(15) "foreign liquor" includes every liquor imported into India, other than Indian liquor and arrack;

(16) "Government" means the State Government;

<sup>5</sup>[(16A) "Grama/Ward Mahila Samrakshana Karyadarshi" means the persons employed in Village/Ward Secretariat and Gram/Ward Volunteers belonging to the Department of Gram Volunteers/Ward Volunteers and Village Secretariats/Ward Secretariats.]

(17) "import" except in the phrase "import into India" means,-

(a) to bring into any area of the State to which this Act extends from any other area of the State to which this Act does not extend;

(b) to bring into the State otherwise than from a Customs station, as defined in section 2 of the Customs Act, 1962 (Central Act, 52 of 1962);

<sup>1</sup>. Substituted by the Act No.4 of 1994, S.2

<sup>2</sup>. Inserted by the Act No. 17 of 2006, S.2

<sup>3</sup>. Substituted by the Act No. 20 of 1994

<sup>4</sup>. Added by the Act No.9 of 2017, S.2

<sup>5</sup>. Inserted by the Act No.17 of 2020, S.2

<sup>1</sup>[(18) "Indian Made Foreign Liquor" means liquor produced, manufactured, or compounded in India after the manner of Gin, brandy, whisky or rum imported from foreign countries and includes Wine, Beer, Mild Punch' and other liquors consisting of or containing any such spirits, but does not include Foreign liquor;]

<sup>2</sup>[(18A) "In-house" means the privilege granted under the Act for sale of Indian Made Foreign Liquor and Foreign Liquor by Club, Guest House of A.P. Tourism Development Corporation, Military Canteen, Airport Transit lounge for International Air passengers.]

(19) "intoxicant" means any liquor as defined in clause (21) or any intoxicating drug as defined in clause (20) and includes gulmohwa (that is, mohwa flower):

(20) "intoxicating drug" means,-

(a) the leaves, small stalks and flowering or fruiting tops of the Indian hemp plant including all forms known as bhang, siddi or ganja;

(b) charas, that is, the resin obtained from the Indian hemp plant which has not been submitted to any manipulations other than those necessary for packing and transport;

(c) any mixture with or without neutral materials of any of the above forms of intoxicating drug or any drink prepared therefrom; and

(d) any other intoxicating or narcotic substance which the Government may, by notification, declare to be an intoxicating drug, such substance not being opium, coca leaf or manufactured drug as defined in section 2 of the <sup>3</sup>[Narcotic Drugs and Psychotropic Substances Act, 1985 (Central Act 61 of 1985)]

(21) "liquor" includes,-

(a) spirits of wine, denatured spirits, methylated spirits, rectified spirits, wine, beer, toddy and every liquid consisting of or containing alcohol; and

(b) any other intoxicating substance which the Government may by notification, declare to be liquor for the purposes of this Act;

(22) "manufacture" includes every process, whether natural or artificial, by which any fermented, spirituous or intoxicating liquor or intoxicating drug is produced, prepared or blended, and also re-distillation and every process for the rectification of liquor;

<sup>4</sup>[(22-A) "Material" includes molasses, wash and such other substances as the State Government may, by notification, specify;

(22-B) "Molasses" means the heavy dark coloured residual syrup drained away in the final stage of the manufacture of jiggery or sugar or Akhandasari sugar cane or gur containing solution or suspension, sugars which can be fermented and includes any product formed by the addition to such syrup of any ingredient which does not substantially alter the character of such syrup but does not include any article which the State Government may, by notification, declare not to be molasses, for the purpose of this Act;]

(23) "notification" means a notification published in the Andhra Pradesh Gazette, and the term 'notified' shall be construed accordingly;

(24) "place" includes a house, building, booth, shed, enclosure, shop, tent, vessel, raft and vehicle;

<sup>1</sup>.Substituted by the Act No.17 of 2006, S.2

<sup>2</sup>. Inserted by the Act No.35 of 2005

<sup>3</sup>. Substituted by the Act No.20 of 1994

<sup>4</sup>. Inserted by the Act No.12 of 2005, S.2

(25) "police station" includes any place which the Government may, by notification, declare to be a police station for the purposes of this Act;

(26) "prescribed" means prescribed by rules made under this Act;

(27) "rectification" includes every process whereby spirits are purified or are coloured or flavoured by mixing any material therewith;

(28) "sale" or "selling" includes any transfer otherwise than by way of gift;

<sup>1</sup>[(28-A) "Shop" means the privilege granted under the Act for exclusive sale of Indian made Foreign Liquor or Foreign Liquor in sealed or capsule bottles or packages or tins to an individual in quantities not exceeding the limits as prescribed without permitting consumption on the licensed premises;]

<sup>2</sup>[(28-B) "Special Enforcement Bureau" means the Department of Special Enforcement Bureau.

(28-C) "Special Enforcement Bureau Officers" means the Commissioner of Special Enforcement Bureau or any other officer employed/posted in Special Enforcement Bureau or invested with powers under the relevant provisions of this Act;]

(29) "spirit" means any liquor containing alcohol and obtained by distillation, whether it is denatured or not;

(30) "toddy" means fermented or unfermented juice drawn from an excise tree and containing alcohol;

(31) "Transport" means to move from one place to another within the State, whether or not the intervening area lies wholly within the State, <sup>3</sup>[ and includes, to move from one place out side the State to any other place outside in through the intervening area lying within the State.]

<sup>4</sup>[(32) "Wash" includes fermented wort or a dilute solution of sugar from which spirit is distilled.]

## **CHAPTER II**

### **ESTABLISHMENT AND CONTROL**

**3. Appointment of Commissioner** - (1) The Government may, by notification, appoint an officer as the Commissioner of Excise for the State, who subject to the general or special orders of the Government in this behalf, shall be the chief controlling authority in all matters connected with the administration of this Act.

(2) The Commissioner shall be competent to exercise all the powers of the Collector under this Act and shall have the control of the administration of the Excise Department.

**4. General control of Commissioner over Collector** - The Collector shall exercise the powers and perform the functions assigned by or under this Act, subject to the general control of the Commissioner.

<sup>5</sup>[**5. Appointment of certain Officers and staff** - <sup>6</sup>[(1) The Government may appoint such manner of Additional Commissioners, Joint Commissioners, Deputy Commissioners and Assistant Commissioners of Prohibition and Excise and District Prohibition and Excise Officers and such other officers as they think fit for the purpose of performing the functions respectively conferred on them by or under this Act.]

(2) The Government may sanction the appointment of as many prohibition and Excise Superintendents, Assistant Prohibition and Excise

1. Inserted by the Act No.35 of 2005

2. Inserted by the Act No.17 of 2020, S.2

3. Added by the Act No.10 of 1989, S.2

4. Inserted by the Act No.12 of 2005, S.2

5. Substituted by the Act No.10 of 1989, S.3

6. Substituted by the Act No.17 of 1995, S.34

Superintendents and other subordinate staff as they think fit for the purpose of performing the functions respectively conferred on them by or under this Act.

(3) The appointment to the post sanctioned in Sub-section (2) shall be made by such authority as may be prescribed.

(4) all such officers shall perform the said functions within such area or areas or in the whole of the State as the Government or the Commissioner may assign to them.]

**6. Appointment of Excise Superintendents and Assistant Excise Superintendents - <sup>1</sup>[XXXXXX]**

**7. Appoint of other Subordinate staff -<sup>1</sup>[XXXXXX]**

**8. Delegation** - The Commissioner, the Collector or the Excise Superintendent may, by order delegate to any officer subordinate to him any of the powers conferred on or functions entrusted to the Commissioner, the Collector, or the Excise Superintendent by or under this Act, subject to such restrictions and control as may be prescribed, and subject also to such limitations and conditions, if any, as may be specified in the order of delegation.

### **CHAPTER III IMPORT, EXPORT AND TRANSPORT**

**9. Import of intoxicant** - (1) No intoxicant shall be imported except under a permit issued by such officer, not below the rank of an Excise Superintendent, and on such terms as may be prescribed, and on payment of such excise duty or countervailing duty and fees, as may be levied under this Act:

Provided that the said officer may subject to such restrictions and conditions as may be prescribed to ensure the collection of the excise duty or countervailing duty, permit the import of an intoxicant without the payment of the excise duty or countervailing duty:

Provided further that no countervailing duty shall be payable on the intoxicant which, being liable to the payment of duty under the Indian Tariff Act, 1934 (Central Act 32 of 1934), or any other law for the time being in force relating to the duties of customs on goods imported into India, has been dealt with according to such law.

(2) The officer referred to under sub-section (1) may by an order, cancel any permit issued under that sub-section for breach of any of the terms subject to which it was issued or for any other reason to be recorded in writing therein.

**10. Export of intoxicant** - (1) No intoxicant shall be exported except under a permit issued by such officer, not below the rank of an Excise Superintendent, and on such terms as may be prescribed, and on payment of such fees as may be levied under this Act:

Provided that no intoxicant produced or manufactured in India shall be permitted to be exported unless the excise duty or countervailing duty to which such intoxicant is liable, has been paid.

(2) The officer referred to under sub-section (1) may, by an order, cancel any permit issued under that sub-section for breach of any of the terms subject to which it was issued or for any other reason to be recorded in writing therein.

**11. Regulations of transport of intoxicants** - <sup>2</sup>(1) The Government may, by notification, prohibit or regulate the transport of an intoxicant or any kind of intoxicants from any area into any other area within the State or from any

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<sup>1</sup>. Omitted by the Act No.10 of 1989, S.4

<sup>2</sup>. Substituted by the Act No. 10 of 1989, S.5

place outside the State to any other place outside it through the intervening area lying within the State, except under a permit issued under section 12.]

(2) No intoxicant exceeding such quantity as may be prescribed either generally or for any particular area, shall be transported, except under a permit issued under section 12.

**12. Permits for transport of intoxicants** – <sup>1</sup>[(1) Any officer not below the rank of an Assistant Prohibition and Excise Superintendent, authorized by the Commissioner may issue a permit for the transport of intoxicants.]

(2) A permit under sub-section (1) may be either general for definite periods and kinds of intoxicants or special, for specified occasions and particular consignments only:

Provided that a general permit, shall be issued only to persons licenced under this Act and may specify the maximum quantity of intoxicant that may be transported at any one time.

(3) Every permit under this section shall specify-

- (a) the name of the person authorised to transport intoxicants;
- (b) the period for and the route through which the permit shall be valid;
- (c) the quantity, strength and description of intoxicants for which it is issued; and
- (d) any other particulars and conditions which may be prescribed.

**Explanation** - The expression 'person authorised' in this sub-section shall include his servants and other persons employed by him and acting on his behalf.

## CHAPTER IV

### MANUFACTURE, POSSESSION AND SALE

**13. Manufacture, etc., of excisable article prohibited except under a licence** - (1) No person shall-

- (a) manufacture or collect an intoxicant;
- (b) cultivate hemp plant;
- (c) tap an excise tree or draw toddy from any such trees;
- (d) construct or work a distillery or brewery;
- (e) bottle liquor for sale; or
- (f) use, keep or have in his possession, any materials, stills, utensils, implements or apparatus whatsoever for the purpose of manufacturing any intoxicant other than toddy; except under the authority and subject to the terms and conditions of a licence granted by such officer, not below the rank of an Excise Superintendent, as may be prescribed.

<sup>2</sup>[Provided that the provisions of this sub-section, in so far as they relate to establishing, continuing or licensing a distillery shall apply only to those distilleries which manufacture spirits for potable purpose and regulatory provisions relating to regulation and supervision, shall be applicable to all distilleries.]

(2) A licence granted under this section shall extend to and cover servants and other persons employed by the licensee and acting on his behalf.

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<sup>1</sup>. Substituted by the Act No. 10 of 1989, S.6

<sup>2</sup>. Clause (f) of sub-section (1) added by the Act No.11 of 2000, S.2

(3) Notwithstanding anything in sub-section (1), the Government may, by notification, direct that in such area as may be specified therein it shall not be necessary to take out a licence for the manufacture of liquor for bona fide home consumption of the manufacturer.

**14. Possession of excisable articles in excess of the quantity prescribed –**

(1) The Government may, by notification, specify the maximum quantity of any intoxicant which a person may have in his possession:

Provided that different maxima may be specified for different descriptions or kinds of intoxicants.

(2) No person shall have in his possession any intoxicant in excess of the quantity specified under sub-section (1), except under the authority and in accordance with the terms and conditions of-

(a) a licence for the manufacture, cultivation, collection, sale, buying or supply of such article, or

(b) a permit;

granted by such officer, not below the rank of Excise Superintendent, as may be prescribed.

**15. Sale or buying of excisable article without licence prohibited -** (1) No person shall sell or buy any intoxicant except under the authority and in accordance with the terms and conditions of a license granted in this behalf:

Provided that a person having a licence to draw toddy from an excise tree, may sell such toddy to a person licenced to buy toddy under this Act without obtaining a licence for such sale but subject to such restrictions and conditions as the Commissioner may, by general or special order, specify.

(2) A license for sale or buying under sub-section (1), shall be granted-

(a) by the Excise Superintendent, if the sale or buying is within a district;

(b) by the Deputy Commissioner, if the sale or buying is in more than one district within his jurisdiction; and

(c) by the Commissioner, if the sale or buying is in an area within the jurisdiction of more than one Deputy Commissioner;

Provided that subject to such conditions as may be determined by the Commissioner, a licence for sale or buying granted under the excise law in force in any other part of India may be deemed to be a licence granted under this Act.

(3) Nothing in this section shall apply to the sale of any liquor lawfully procured by any person for his private use and sold by him or on his behalf or on behalf of his representative in interest upon his quitting a station or after his decease.

(4) Notwithstanding anything in sub-sections (1) and (2), no club or a hotel shall supply liquor to its members or customers on payment of a price or any fee or subscription except under the authority and in accordance with the terms and conditions of a licence granted in that behalf by the Commissioner on payment of such fees as may be fixed by him according to scale of fees prescribed therefor.

**16. Establishment of distillers and warehouses -** (1) The Commissioner may, with the previous sanction of the Government,-

- (a) establish or continue a distillery in which spirit may be manufactured <sup>1</sup>[XXXX] on such conditions as the Government may impose;
- (b) discontinue any distillery so established or continued;
- (c) licence, on such conditions as the Government may impose, the construction and working of a distillery or brewery;
- (d) establish, continue or licence a warehouse wherein intoxicants may be deposited and kept;
- (e) discontinue any warehouse so established or continued.

(2) A warehouse established under sub-section (1), shall be for general accommodation of intoxicants subject to duty, pending removal for local consumption or for export.

(3) Without the sanction of the Government, no person shall remove any intoxicant from any distillery, brewery, warehouse or other place of storage established, continued or licensed under this Act, unless the duty, if any, imposed under this Act has been paid.

<sup>2</sup>[Provided that the provisions of this section in so far as they relate to establishing, continuing or licensing a distillery shall apply only to those distilleries which manufacture spirits for potable purpose and other regulatory provisions relating to regulation and supervision, shall be applicable to all distilleries.]

<sup>3</sup>**17. Grant of exclusive privilege of manufacture, etc.,** - (1) Subject to the provisions of section 28 and may rules made in this behalf, the Government may, subject to such conditions as they may deem fit to impose, grant for a fixed period to any person, either jointly or severally, at any place, within any such area in the State as may be specified, a lease or license or both for the exclusive privilege,-

- (i) of tapping, drawing toddy from any excise tree or selling or of both; or
- (ii) of manufacturing; or
- (iii) of supplying or selling by wholesale or of both; or
- (iv) of manufacturing, of supplying and selling by wholesale; or
- (v) of selling by shop; or
- (vi) of selling Bar; or
- (vii) of selling by In-house; or
- (viii) of selling or using for bonafide purpose as may be specified any liquor or other intoxicant or material as may be specified in the said order.] **(By Bare Act of 1968 of 17 Section)**

(2) it shall be lawful for the Government to prescribe from time to time different methods of selection for grant of exclusive privilege for different purposes under sub-section (1).

(3) Notwithstanding anything contained in sub-section (1), a lease or licence or both in respect of 'Shop' may be granted <sup>4</sup>[for a period not exceeding two years at a time].

(4) No grantee of any privilege under subsection (1) or sub-section (3) shall exercise the same unless the Commissioner of Prohibition & Excise or any other officer authorised in this behalf issues a licence.

<sup>1</sup> .Omitted by the Act No.23 of 1971, S.2

<sup>2</sup> . Added by the Act No.11 of 2000, S.3

<sup>3</sup> . New section substituted by the Act No. 10 of 1984, S.2, and substituted by the Act No. 35 of 2005

<sup>4</sup> . Substituted by the Act No.39 of 2006, S.2

(5) The Government may confer on any officer all or any of the powers mentioned in sub-sections (1) and (3).

(6) The Commissioner of Prohibition and Excise, may after due enquiry as he may deem fit, permit a licence holder in respect of manufacture of any liquor or intoxicant to sub-let such a privilege and grant a licence to the person who holds the sub-lease, on collection of such fee as may be prescribed.]

**18. Duties of licensee with regard to measurement and testing** - Every person, who manufactures or sells any intoxicant under a licence granted under this Act shall be bound, -

(a) to keep such measures, weights and instruments as the Commissioner may specify on the licensed premises and to maintain them in good condition; and

(b) on the requisition of the excise officer duly empowered in that behalf, at any time to measure, weigh or test any intoxicant in his possession in such manner as that officer may require.

**19. Prohibition of employment of children and of persons suffering from contagious diseases** - (1) No person, who is licenced to sell any intoxicant for human consumption on his premises shall, during the hours in which such premises are kept open for such purpose, employ or permit to be employed, either with or without remuneration, any children under such age as may be prescribed, in any part of the premises where the intoxicant is consumed by the public.

(2) No such person as is referred to in sub-section (1) shall employ or permit to be employed either with or without remuneration, any person who is suffering from leprosy or any other contagious disease.

**20. Closing of shops for preservation of public peace** - (1) The District Magistrate may, by notice in writing to the <sup>1</sup>[licensee/license holder], require that any <sup>2</sup>[shop/bar] in which any intoxicant is sold shall be closed at such times or for such period as he may think necessary for preservation of the public peace.

**Explanation** - For the purposes of this section, the expression 'District Magistrate' includes the Additional District Magistrate or any other person empowered to exercise the powers of District Magistrate.

(2) If any riot or any unlawful assembly is apprehended or occurs in the vicinity of any such <sup>2</sup>[shop/bar] any Magistrate of the first or second class may, for reasons to be recorded in writing, require such <sup>2</sup>[shop/bar] to be kept closed for such reasonable period as he may think necessary.

<sup>3</sup>[(3) The <sup>1</sup>[licensee/license holder] shall not, on account of closure of the <sup>2</sup>[shop/bar] under this section, be entitled to any compensation or refund of licence fee or lease amount.]

## CHAPTER V

### <sup>4</sup>[**EXCISE DUTY, COUNTERVAILING DUTY, ADDITIONAL EXCISE DUTY AND ADDITIONAL COUNTERVAILING DUTY**]

**21. Excise duty or countervailing duty <sup>5</sup>[or additional excise duty or additional countervailing duty ] on excisable articles** - (1) The Government may, by notification, levy an excise duty <sup>6</sup>[including additional excise duty] on any excisable article manufactured or produced in the State <sup>7</sup>[XXXX] at such

<sup>1</sup>. Substituted by the Act No.1 of 2010, S.2

<sup>2</sup>. Substituted by the Act No.1 of 2010, S.2

<sup>3</sup>. Substituted by the Act No.1 of 2010, S.2

<sup>4</sup>. Heading of Chapter- V substituted by the Act No.9 of 2017, S.3

<sup>5</sup>. Inserted by the Act No. 9 of 2017, S.4

<sup>6</sup>. Inserted by the Act No. 9 of 2017, S.4

<sup>7</sup>.Omitted by the Act No.23 of 1971, S3

rate, not exceeding the rates mentioned in the Schedule, as may be specified in the notification.

(2) The Government may, by notification, levy a countervailing duty <sup>1</sup>[including additional countervailing duty] duty on any exercisable article manufactured or produced elsewhere in India and imported into the State <sup>2</sup>[XXXXX], at such rates as may be specified in the notification, which may not exceed the rates of excise duty <sup>3</sup>[or additional excise duty, as the case may be] on similar excisable articles levied under sub-section (1).

(3) Different rates may be specified in sub-sections (1) and (2) for different kinds of excisable articles and different modes of levying duties under section 22.

**22. Modes of levying duties** - The excise duty, <sup>4</sup>[additional excise duty] <sup>5</sup>[XXXX] the countervailing duty <sup>6</sup>[and additional countervailing duty] under section 21 shall be levied in one or more of the following modes:-

(a) rateably, on the quantity <sup>7</sup>[or ad valorem of any excisable article] produced or manufactured in or issued from a distillery, brewery or manufactory or warehouse, or imported into the State <sup>8</sup>[at such stage or stages and in such manner as may be prescribed];

(b) in the case of spirits or other liquors produced in <sup>9</sup>[any distillery established or continued or any distillery, brewery or manufactory licensed under this Act], in accordance with its quality or strength or in accordance with such scale of equivalents calculated on the quantity of materials used, or by the degree or attenuation of the wash or wort, as the case may be, prescribed.

(c) in the case of toddy, in the form of a tax on each variety of excise tree from which toddy is drawn having due regard to the period during which such tree is capable of yielding toddy;

(d) <sup>10</sup>[By different rates of fees on licenses issued for different purposes mentioned in the sub-section (1) of Section 17 as may be prescribed.]

<sup>11</sup>[(e) In the form of Retail Excise Tax, Additional Retail Excise Tax, Manufacture Excise Tax or any other levy, tax, fee or cess, as may be notified.]

<sup>12</sup>**23. Payment of exclusive privilege** - (1) Instead of or in addition to any excise duty, <sup>13</sup>[additional excise duty] or fees leviable under section 21 and 22, the Commissioner or any other <sup>14</sup>[officer authorized] may accept payment of a sum in consideration of the grant of lease or licence or both for the exclusive privilege in respect of liquor or any other intoxicant under section 17.

<sup>1</sup> . Inserted by the Act No.9 of 2017, S.4

<sup>2</sup> . Omitted by the Act No. 23 of 1971, S3

<sup>3</sup> . Inserted by the Act No.9 of 2017, S.4

<sup>4</sup> . Inserted by the Act No.9 of 2017, S.5

<sup>5</sup> . Omitted by the Act No.9 of 2017, S.5

<sup>6</sup> . Inserted by the Act No.9 of 2017, S.5

<sup>7</sup> . Substituted by the Act No. 39 of 2006, S.3

<sup>8</sup> . Added by the Act No.9 of 2017, S.5

<sup>9</sup> . Substituted by the Act No. 23 of 1971, S.4

<sup>10</sup> . Substituted by the Act No. 35 of 2005

<sup>11</sup> . Clause (e) added by the Act No.2 of 2020, S.2

<sup>12</sup> . Substituted by the Act No.10 of 1984 and numbered as sub-sections(1) & (2) Added by the Act No. 35 of 2005

<sup>13</sup> . Inserted by the Act No.9 of 2017, S.6

<sup>14</sup> . Substituted by the Act No. 35 of 2005

(2) It shall be lawful for the Government to prescribe different rates of exclusive privilege fee for different purposes mentioned in sub-section (1) of section 17].

<sup>1</sup>[**23.A- Payment by the Corporation:-XXXX**]

<sup>1</sup>[**23.B- Payment by the Corporation from dated 21.07.1993:- XXXX**]

**24. Owner or other person in possession of excise trees to give intimation of unwillingness to tap excise trees, etc.,** - (1) Where in any area, a duty under section 21 is levied, the owner or other person in possession of the excise trees in that area, who is unwilling to have his excise trees tapped or to allow the drawal of toddy there from, shall, before the date notified in this regard by the authority empowered to grant a license under section 13, intimate his unwillingness in writing to the said authority. <sup>2</sup>[Every such intimation received before the date so notified may be approved by the Commissioner subject to such rules as may be made in this behalf and shall take effect only on and from the date on which it is so approved; and the intimation so approved shall not be revoked during the period of seventeen months from the date so notified.]

(2) Where no such intimation is received by the said authority before the date so notified, the licence applied for under section 13 may be granted to the person applying therefor.

(3) <sup>3</sup>[XXXX]

**25. Recovery of duty under this Act from persons other than the licensee in certain cases** - Where the excise trees are tapped or toddy is drawn there from without any licence under section 13, the duty payable <sup>4</sup>[under this Act] shall be recoverable primarily from the person who has tapped the excise trees or caused them to be tapped and in default of payment by, or on failure of recovery from such person, the duty shall be recoverable from the occupier, if any, of the land in which the said excise trees are standing, or if the excise trees do not belong to the occupier of such land or if the land is not occupied by any person, from the owner or other person in possession of the excise trees, unless such owner or other person proves that the excise trees were tapped or toddy was drawn there from without his knowledge.

**26. Rent to which the owner or person in possession of excise trees is entitled** - Where a license is granted, the owner or other person in possession of excise trees shall be entitled to receive as rent for each excise tree from which toddy is tapped or drawn, such sum, as may be prescribed which shall not exceed fifty per cent, of the duty payable therefor, under section 23 and the said rent shall be payable by the person from whom the duty under section 23 is payable and shall be deposited by him in the Government treasury, for being paid to the owner or other person who is entitled to it, in such manner as may be prescribed, <sup>5</sup>[such sum as may be prescribed, <sup>6</sup>[XXXXX]], and the said rent shall be paid, by the person from whom the duty under this Act is payable, directly to the owner or other person who is entitled to it.]

**27. Prohibition of cutting down or destroying excise trees** - No person shall without the permission of the Collector or such officer as may be empowered by the Government in this behalf, cut down or destroy any excise tree <sup>7</sup>[XXXXX]. Such permission may be given subject to such conditions and on payment of such fees as may be prescribed.

<sup>1</sup>. Omitted by the Act No.5 of 2012, S.3

<sup>2</sup>. Substituted by the Act No. 6 of 1974, S.2

<sup>3</sup>. Omitted by the Act No. 10 of 1989, S.7

<sup>4</sup>. Substituted by the Act No.4 of 1979, S.2

<sup>5</sup>. Substituted by the Act No.4 of 1979, S.3

<sup>6</sup>. Omitted by the Act No.10 of 1989, S.8

<sup>7</sup>. Omitted by the Act No.10 of 1989, S.9

## CHAPTER VI

### LICENCES AND PERMITS

**28. Form and conditions of licence, etc.** - (1) Every permit issued or licence granted under this Act shall be issued or granted on payment of such fees, for such period, subject to such restrictions and conditions, and shall be in such form and shall contain such particulars, as may prescribed.

(2) The conditions prescribed under sub-section (1) may include provision of accommodation by the licensee to excise officers at the licenced premises on the payment of rent or other charges for such accommodation at or near the licensed premises and the payment of the costs, charges and expenses (including the salaries and allowances of the excise officers) which the Government may incur in connection with the supervision to ensure compliance with the provisions of this Act, the rules made thereunder and the licence.

**29. Power to take security and counterpart agreement** - Subject to such rules as may be prescribed, any authority granting licence under this Act may require the licensee-

- (a) to give security for the observance of the terms of his licence, and
- (b) to execute a counterpart agreement in conformity with the tenor of his licence.

**30. Technical defects, irregularities and omissions** - (1) No licence granted under this Act shall be deemed to be invalid by reason merely of any technical defect, irregularity or omission in the licence or in any proceedings taken prior to the grant thereof.

(2) The decision of the Commissioner as to what is a technical defect, irregularity or omission, shall be final.

**31. Power to cancel or suspend licence, etc.** - (1) Subject to such restrictions as may be prescribed, the authority granting any licence or permit under this Act <sup>1</sup>[irrespective of the period to which the license or permit relates],-

- (a) if any duty or fee payable by the holder thereof is not duly paid; or
- (b) in the event of any breach by the holder thereof, or by any of his servants or by any one acting on his behalf with his express or implied permission, of any of the terms and conditions thereof; or
- (c) if the holder thereof or any of his servants or any one acting on his behalf with his express or implied permission, is convicted of any offence under this Act; or
- (d) if the holder thereof is convicted of any cognizable and non-bailable offence or of any offence under <sup>2</sup>[the Narcotics Drugs and Psychotropic Substances Act, 1985] <sup>3</sup>[(Central Act 61 of 1985)] ( or under the Medicinal and Toilet Preparations (Excise Duties) Act, 1955 (Central Act 16 of 1955), or under the Trade and Merchandise Marks Act, 1958 (Central Act 43 of 1958), or under section 481, section 482, section 483, section 484, section 485, section 486, section 487, section 488, or section 489 of the Indian Penal Code or of any offence punishable under section 112 or section 114 of

<sup>1</sup> . Inserted by the Act No.10 of 1989, S.10

<sup>2</sup> . Substituted by the Act No. 10 of 1989, S.10

<sup>3</sup> . Substituted by the Act No. 10 of 1989, S.10

the <sup>1</sup>[Customs Act, 1962 (Central Act 52 of 1962) irrespective of the fact whether such conviction relates to the period earlier or subsequent to the grant of license or permit; or]

(e) if the conditions of the licence or permit provide for such cancellation or suspension at will:

Provided that no licence or permit shall be cancelled or suspended unless the holder thereof is given an opportunity of making his representation against the action proposed.

(2) Where a licence or permit held by any person is cancelled under clause (a), clause (b), clause (c) or clause (d) of sub-section (1), the authority aforesaid may cancel any other licence granted or permit issued to such persons under this Act or under the Opium Act, 1878 (Central Act I of 1878).

(3) The holder of a licence or permit shall not be entitled to any compensation for its cancellation or suspension nor to the refund of any fee paid or deposit made in respect thereof.

**32. Power to withdraw licence** - (1) Whenever the authority which granted any licence under this Act considers that such licence should be withdrawn for any cause other than those specified in section 31, it may withdraw the licence on the expiration of not less than thirty days notice in writing of its intention to do so.

(2) When a licence is withdrawn <sup>2</sup>[or clause (e) of sub-section (1) of section 31] part of the licence fee proportionate to the unexpired portion of the term of the licence and the deposit made by the licensee in respect thereof shall be refunded to him after deducting the amount if any, due from him to the Government.

**33. Surrender of licence** - (1) Any holder of a licence granted under this Act to sell an excisable article may surrender his licence on the expiration of one month's notice in writing given by him to the Excise Superintendent of his intention to surrender the same but the licence fee proportionate to the unexpired portion of the term of the licence for which it would have been current but for such surrender shall not be refunded.

(2) Sub-section (1) shall not apply in the case of any licence issued in respect of a lease granted under section 17.

## CHAPTER VII

### OFFENCES AND PENALTIES

<sup>3</sup>**34. Penalties for illegal import, etc.,** - Whoever, in contravention of this Act or of any rule, notification or order made, issued or passed thereunder or of any licence or permit granted or issued under this Act,-

- (a) imports, exports, transports, manufactures, collects or possesses or sells any intoxicant; or
- (b) taps any excise tree; or
- (c) draws toddy from any excise tree; or
- (d) constructs or works any distillery or brewery; or
- (e) uses, keeps, or has in his possession any materials, stills, utensils, implements or apparatus whatsoever for the purpose of manufacturing any intoxicant other than toddy; or
- (f) bottles any liquor for purposes of sale; or
- (g) buys any intoxicant; or

<sup>1</sup>. Substituted by the Act No. 10 of 1989, S.10

<sup>2</sup>. Inserted by the Act No.28 of 1998, S.2

<sup>3</sup>. New section substituted by the Act No. 4 of 1994, S.3

(h) possesses any material or film either with or without Government logo of any district in the State of Andhra Pradesh or any other State or wrapper or any other thing in which intoxicants can be packed or any apparatus, or implement or machine for the purpose of packing any intoxicant;

(i) removes any intoxicant from any distillery, brewery or warehouse licenced, established or continued under this Act;

shall on conviction be punished:

<sup>1</sup>[(1) in the case of an offence falling under clause (a),(d) (e) (f) (h) and (i) with imprisonment for a term which shall not be less than six months but which may extend upto <sup>2</sup>["eight years"] and with fine which shall not be less than rupees two lakhs for the first offence and which shall not be less than rupees five lakhs for the second offence; and

(2) In the case of an offence other than an offences falling under clauses (a) (b) (e) (f) (h) and (i) with imprisonment for a term which shall not be less than six months and which may extend upto one year and with fine which may extend upto rupees ten thousand.]]

**35. Penalty for rendering denatured spirit fit for human consumption -**

Whoever renders or attempts to render fit for human consumption any spirit, which has been denatured or has in his possession any spirit in respect of which he knows or has reason to believe that any such attempt has been made, shall on conviction, be punished with imprisonment for a term which shall not be less than two years but which shall not exceed five years and with fine which may extend to five thousand rupees.

**Explanation** - For the purposes of this section it shall be presumed, unless and until the contrary is proved, that any spirit, which is proved on chemical analysis to contain any quantity of any of the prescribed denaturants, is or contains or has been derived from denatured spirit.

**36. Penalty for misconduct of licensees, etc.** - (1) Whoever being the holder of a licence or permit granted or issued under this Act or being in the employ of such holder and acting on his behalf,-

(a) fails to produce such licence or permit on demand by any excise officer or any other officer duly empowered to make such demand; or

(b) wilfully does or omits to do anything in breach of any of the conditions of his licence or permit not otherwise provided in this Act; or

(c) wilfully contravenes any rule made under this Act; or

(d) permits drunkenness, disorderly conduct, riot or gaming in any place wherein any intoxicant is sold or manufactured; or

(e) permits or suffers persons whom he knows or has reason to believe to have been convicted of any non-bailable offence, or who are reputed prostitutes or habitual offenders, to resort to, or assemble or remain in or on the premises where any excisable article is sold or manufactured; or

(f) sells any intoxicant to a person who is drunk; or

(g) sells or gives any intoxicant to any <sup>3</sup>[person apparently under twenty one years of age or permits or suffers such person] to

<sup>1</sup>. Substituted by the Act No. 4 of 2020, S.2

<sup>2</sup>. Substituted by the Act No. 17 of 2020, S.3

<sup>3</sup>. Substituted by the Act No. 4 of 1994, S.4

remain in or on the premises where any excisable article is sold or manufactured; or

(h) in contravention of section 19 employs or permits to be employed on any part of his licensed premises referred to in that section any child or person suffering from leprosy or other contagious disease, shall on conviction, be punished -

(i) in the case of an offence falling under clause (a), clause (b) or clause (c), with imprisonment for a term which shall not be less than six months but which shall not exceed two years and with fine which may extend to one thousand rupees <sup>1</sup>[and in respect of holder of a bar license, the fine shall not be less than two times of license fee];

(ii) in any other case, with imprisonment which may extend to three months or with fine which may extend to five hundred rupees, or with both.

(2) Where any holder of a licence or permit under this Act or any person in his employ or acting on his behalf is charged with permitting drunkenness on the premises of such holder, and it is proved that any person was drunk on such premises, it shall lie on the person charged to prove that the holder of the licence and the persons employed by him took all reasonable steps for preventing drunkenness on such premises.

**37. Penalty for adulteration, etc. by licensed vendor or manufacturer -** Whoever being the holder of a licence for the sale or manufacture of any intoxicant under this Act, or a person in the employ of such holder,-

(a) mixes or permits to be mixed with intoxicant sold or manufactured by him any noxious drug or any foreign ingredient likely to add to its actual or apparent intoxicating quality or strength, or any article prohibited by any rule made under this Act when such admixture does not amount to the offence of adulteration under section 272 of the Indian Penal Code; or

(b) sells or keeps or exposes for sale as foreign liquor, liquor which he knows or has reason to believe to be Indian liquor; or

(c) makes any bottle or the cork of any bottle, case, package or other receptacle containing Indian liquor, or uses any bottle, case, package or other receptacle containing Indian Liquor, with any mark thereon or on the cork thereof with the intention of causing it to be believed that such bottle, case, package or other receptacle contains foreign liquor, when such act shall not amount to the offence of using a false trade mark with intention to deceive or injure any person under section 482 of the Indian Penal Code; or

(d) sells or keeps or exposes for sale any Indian liquor in a bottle, case, package or other receptacle with any mark thereon or on the mark thereof with the intention of causing it to be believed that such bottle, case, package or other receptacle contains foreign liquor, when such act shall not amount to the offence of selling goods marked with a counterfeit trade mark under section 486 of the Indian Penal Code; or

<sup>2</sup>(e) makes any block for printing counterfeit excise adhesive lable, photo copies of such lable for counterfeiting, prints any counterfeit excise adhesive lable makes counterfeit cork or capsule, to be

<sup>1</sup> . Added by the Act No.4 of 2020, S.3

<sup>2</sup> . New section inserted by the Act No.4 of 1994, S.5

used on bottles, packages or other receptacles containing Indian liquor or foreign liquor or in possession of counterfeit excise adhesive lable, cork, capsule, block or any other material to be used for printing such lable or making such cork or capsule.

Shall on conviction, be punished with imprisonment –

(i) in case of first offence for <sup>1</sup>[a term which shall not be less than three years but which may extend upto five years] and with fine which shall not be less than ten thousand but which may extend upto rupees thirty thousand <sup>2</sup>[and in respect of holder of a bar license, the fine shall not be less than two times of the license fee];

(ii) in case of a second or subsequent offence for <sup>3</sup>[a term which shall not be less than three years but which may extend upto six years] and with fine which shall not be less than rupees fifty thousand but which may extend upto rupees one lakh <sup>4</sup>[and in respect of holder of a bar license, the fine shall not be less than two times of the license fee];

<sup>5</sup>**37.A- Penalty for adulteration resulting in death etc.,** - (1) whoever mixes or permits to be mixed with any liquor or intoxicating drug any noxious substances or any substance which is likely to cause disability or grievous hurt or death to human beings, shall, on conviction, be punishable,-

(i) if, as a result of such an act, disability or grievous hurt or death is caused to any person, with imprisonment for a term which shall not be less than <sup>6</sup>[two years] but which may extend upto imprisonment for life, and with fine which extend upto rupees one lakh;

(ii) in any other case, with imprisonment for a term which shall not be less than one year, but which may extend upto ten years, and with fine which may extend upto fifty thousand rupees.

**Explanation:** For the purpose of <sup>7</sup>[this section and section 37-B] the expression “grievous hurt” shall have the same meaning as in section 320 of the Indian Penal Code, 1860 (Central Act 45 of 1860).

(2) whoever omits to take reasonable precautions to prevent the mixing of any noxious substance or any substance which is likely to cause disability or grievous hurt or death to human being, with any liquor or intoxicating drug shall, on conviction be punishable,-

(i) if as a result of such omission, disability or grievous hurt is caused to any person, with imprisonment for a term which shall not be less than <sup>6</sup>[two years] but which may extend upto imprisonment for life, and with fine which may extend upto rupees one lakh;

(ii) if as a result of such omission, death is caused to any person, with imprisonment for a term which shall not be less than three years but which may extend upto imprisonment for life, and with fine which may extend upto rupees one lakh;

(iii) in any other case, with imprisonment of a term which shall not be less than one year but which may extend upto ten years and with fine which may extend upto rupees fifty thousand.

(3) Whoever possess any liquor or intoxicating drug in which any substance referred to in sub-section (1) is mixed, knowing that such substance is mixed

<sup>1</sup>. Substituted by the Act No. 8 of 2010

<sup>2</sup>. Added by the Act No.4 of 2020, S.4

<sup>3</sup>. Substituted by the Act No. 8 of 2010

<sup>4</sup>. Added by the Act No.4 of 2020, S.4

<sup>5</sup>. New section inserted by the Act No.4 of 1994, S.6

<sup>6</sup>. Substituted by the Act No. 8 of 2010

<sup>7</sup>. Substituted by the Act No. 20 of 1994

with such liquor or intoxicating drug shall, on conviction, be punishable with imprisonment for a term which shall not be less than one year but which may extend upto ten years, and with fine which may extend upto rupees fifty thousand.]

**<sup>1</sup>[37.B Order to pay compensation-** (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1973 the court when passing the judgment in a case falling under section 37A may, if it is satisfied that the death or grievous hurt or disability has been caused to any person or persons by consumption of liquor or intoxicating drug sold in any place, order the person who sold the liquor or intoxicating drug, whether or not he is convicted of an offence under section 37A to pay, by way of compensation, such amount as it deems just to the legal representatives of the deceased or to the person or persons to whom grievous hurt or disability has been caused:

Provided that where the liquor or intoxicating drug is sold in a licenced shop the liability, to pay the compensation under this section shall be on the licensee.

(2) Any person aggrieved by an order under sub-section (1) may, within ninety days from the date of the order, prefer an appeal to the High Court:

Provided that no such appeal shall lie unless the amount ordered to be paid under sub-section (1) is deposited in the court which passed such order:

Provided further, that the High Court may entertain the appeal after the expiry of the said period of ninety days if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal in time.]

**38. Penalty for consumption in chemist's shop** - (1) A chemist, druggist, apothecary or keeper of a dispensary, who allows any intoxicant which has not been bonafide medicated for medicinal purposes to be consumed on his business premises by any person shall, on conviction, be punished with imprisonment for a term which may extend to three months and with fine which may extend to one thousand rupees.

(2) Any person who consumes any such intoxicant on such premises shall, on conviction, be punished with fine which may extend to two hundred rupees.

**39. Manufacture, sale or possession by one person on account of another** -

(1) Where any intoxicant has been manufactured or sold or is possessed by any person on account of any other person and such other person knows or has reason to believe that such manufacture or sale was or that such possession is, on his account, the intoxicant shall, for the purpose of this Act, be deemed to have been manufactured or sold by or to be in the possession of such other person.

(2) Nothing in sub-section (1) shall absolve any person, who manufacturers, sells or has possession of any intoxicant on account of another person from liability to any punishment under this Act for unlawful manufacture, sale or possession of such article.

**<sup>2</sup>[40. Penalty for cutting down or destroying excise trees** - Whoever contravenes the provisions of section 27 shall, on conviction, <sup>3</sup>[be punished with imprisonment,-

(i) in case of the first offence, for a term which shall not be less than three months and with fine which shall not be less than one thousand rupees; and

<sup>1</sup> . Inserted by the Act.No.20 of 1994

<sup>2</sup> . Substituted the Section By the Act No. 10 of 1989

<sup>3</sup> . Substituted by the Act No. 10 of 1989, S.13

(ii) in case of the second and subsequent offences for a term which shall not be less than six months and with fine which shall not be less than two thousand rupees;]

<sup>1</sup>[**40.A- Penalty for false statement made in declaration or affidavit** - Whosoever in any declaration or affidavit made to an Excise Officer makes any statement which is false or found to be false after due verification or which he believes to be false or does not believe it to be true, touching any point material to the object for which the declaration or affidavit is made or used shall be punished with imprisonment of either description for a term which shall not be less than six months but which may extend upto three years and shall also be liable to fine which may extend upto rupees ten thousand.]

**41. Penalty for offences not otherwise provided for** - Whoever does any act in contravention of any of the provisions of this Act, or of any rule, notification or order made, issued or passed thereunder and not otherwise provided for in this Act shall, on conviction, <sup>2</sup>[be punished with imprisonment which may extend upto six months and with fine which may extend upto five thousand rupees.]

**42. Presumption as to commission of offence in certain cases** - In prosecutions under section 34, <sup>3</sup>[section 37 and section 37-A] it shall be presumed, until the contrary is proved, that the accused person has committed the offence punishable under that section in respect of-

(a) any intoxicant; or

(b) any still, utensil, implement or apparatus whatsoever in the manufacture of any intoxicant other than toddy; or

(c) any materials which have undergone any process towards the manufacture of an intoxicant or from which an intoxicant has been manufactured; for the possession of which he is unable to account satisfactorily.

**43. Criminal liability of licensee for acts of servants** - Where any offence under section 34, section 35, section 37 or section 38 is committed by any person in the employ and acting on behalf of the holder of a licence or permit granted or issued under this Act, such holder shall also be punishable as if he had committed himself the said offence, unless he establishes that all due diligence was exercised by him to prevent the commission of such offence:

<sup>4</sup>[XXXXXX]

<sup>5</sup>[**43. A- Punishment for allowing premises etc., to be used for Commission of an offence**- Whoever being a licensee under this Act and having the control or use of any house, room, enclosure, space, animal, conveyance knowingly permits it to be used for the commission by any other person of an offence punishable under any provision of this Act, shall be punishable in the same manner as if he had himself committed the said offence.]

**44. Enhanced punishment after previous conviction** - If any person, after having been previously convicted of an offence punishable under section 34, section 35, section 37, section 38 or section 40 or under the corresponding provisions of any enactment repealed by this Act, subsequently commits and is convicted of an offence punishable under any of those sections, he shall be liable to twice the punishment which might be imposed on a first conviction under this Act:

<sup>1</sup> . New section inserted by the Act No.4 of 1994, S.7

<sup>2</sup>. Substituted by the Act No. 4 of 1994, S.8

<sup>3</sup>. Inserted by the Act No.20 of 1994

<sup>4</sup>. Omitted by the Act No. 10 of 1989

<sup>5</sup>. Inserted by the Act No.10 of 1989, S. 16

Provided that nothing in this section shall prevent any offence which might otherwise have been tried summarily under <sup>1</sup>[Chapter XXI of the Code of Criminal Procedure, 1973], from being so tried.

**45. Liability of certain things to confiscation** - Whenever an offence has been committed, which is punishable under this Act, following things shall be liable to confiscation namely:-

(1) any intoxicant, materials, still, utensil, implements or apparatus in respect of, or by means of, which, such offence has been committed;

(2) any intoxicant lawfully imported, transported, or manufactured, had in possession, sold or bought along with, or in addition to, any intoxicant liable to confiscation under clause (1); and

(3) any receptacle, package, or covering in which anything liable to confiscation under clause (1) or clause (2), is found, and the other contents, if any, of such receptacle, package or covering and any animal, vehicle, vessel, raft or other conveyance used for carrying the same:

<sup>2</sup>[XXXX]

**<sup>3</sup>46. Confiscation by Prohibition and Excise Officers in certain cases -**

(1) Notwithstanding anything contained in this Act or any other law for the time being in force, where anything liable for confiscation under Section 45 is seized or detained under the provisions of this Act, the officer seizing and detaining such property shall, without any unreasonable delay; produce the said seized property before the Deputy Commissioner of Prohibition and Excise <sup>4</sup>[and / or the Deputy Commissioner of Special Enforcement Bureau and / or the Superintendent of Police / or the Executive Magistrate] who has jurisdiction over the area.

(2) On production of the said seized property under sub-section (1) the Deputy Commissioner of Prohibition and Excise <sup>3</sup>[and / or the Deputy Commissioner of Special Enforcement Bureau and / or the Superintendent of Police / or the Executive Magistrate] if satisfied that an offence under this Act has been committed, may, whether or not a prosecution is instituted for the commission of such an offence, order, confiscation of such property.

(3) While making an order of confiscation under sub-section (2), the Deputy Commissioner of Prohibition and Excise <sup>3</sup>[and / or the Deputy Commissioner of Special Enforcement Bureau and / or the Superintendent of Police / or the Executive Magistrate] may also order that such of the properties to which the order of confiscation relates which in his opinion cannot be preserved or are not fit for human consumption be destroyed.

(4) Where the Deputy Commissioner of Prohibition and Excise <sup>3</sup>[and / or the Deputy Commissioner of Special Enforcement Bureau and / or the Superintendent of Police / or the Executive Magistrate] after passing an order of confiscation under Sub-section (2) is of the opinion that it is expedient in the public interest so to do, he may order the confiscated property or any part thereof to be sold by public auction or dispose departmentally.

(5) The Deputy Commissioner of Prohibition and Excise <sup>3</sup>[and / or the Deputy Commissioner of Special Enforcement Bureau and / or the Superintendent of Police / or the Executive Magistrate] shall submit a full report of all particulars of confiscation to the Commissioner of Prohibition

<sup>1</sup>. Proviso substituted by the Act No.4 of 1994, S.9

<sup>2</sup>. Omitted by the Act No. 4 of 1994, S.10

<sup>3</sup>. Section Substituted by the Act No.20 of 1994

<sup>4</sup>. Inserted by the Act No.17 of 2020, S.4

and Excise <sup>3</sup>[and / or the Deputy Commissioner, Special Enforcement Bureau and / or District Magistrate as the case may be within twenty four hours of such confiscation.

(6) The <sup>1</sup>[District Magistrate/Deputy Commissioner of Prohibition and Excise and/or the Deputy Commissioner of Special Enforcement Bureau and /or the Superintendent of Police / or the Executive Magistrate] shall for the purpose of this Act, have the same power as are vested in a Civil Court under the Code of Civil procedure, 1908 (Central Act 5 of 1908) when making enquiries under this section in respect of the following matters, namely:-

- (a) receiving evidence on affidavits,
- (b) summoning and enforcing the attendance of any person and examining him on oath; and
- (c) compelling the production of documents.

**46A. Issue of show cause notice** - No order of confiscation of any property shall be made under Section 46 unless the person from whom the said property is seized,-

- (a) is given a notice in writing informing him of the grounds on which it is proposed to confiscate such property; and
- (b) is given an opportunity of making a representation in writing within such reasonable time as may be specified in the notice.

**46B. Order of confiscation in the absence of offender** - When an offence under this Act has been committed, but the offender is not known or cannot be found, or when anything liable to confiscation under this Act, and not in the possession of any person cannot be satisfactorily accounted for, the Prohibition and Excise Superintendent <sup>2</sup>[and/ or the Assistant Commissioner, Special Enforcement Bureau and / or the Executive Magistrate] may by order confiscate such property:

Provided that no such order shall be made until the expiration of one month, from the date of seizing the goods intended to be confiscated.

**46C. Appeal** - Any person aggrieved by an order passed by Deputy Commissioner of Prohibition and Excise <sup>3</sup>[and /or the Superintendent of Police/ or of Special Enforcement Bureau and /or the Superintendent of Police/ or the Executive Magistrate] under Section 46, may within sixty days from the date of passing such order appeal to Commissioner of Prohibition and Excise, <sup>4</sup>[or the Commissioner Special Enforcement Bureau or the District Magistrate as the case may be] who may after giving reasonable opportunity to the appellant pass such order as he deems fit.

**46D. Order of confiscation not to interfere with other** -punishments. The order of confiscation under sub-section (2) of section 46 or section 46B shall not prevent from initiation of criminal proceedings against the accused under this Act. The result of criminal proceedings either acquittal or conviction or otherwise under the provisions of this Act, will have no bearing on the order of confiscation passed under this Act.

**46E. Bar of jurisdiction** - Central Act 2 of 1974. Notwithstanding anything contained in the Code of Criminal Procedure, 1973 when the Deputy Commissioner of Prohibition and Excise or the appellate authority is seized with the matter under this Act, no court shall entertain any application in respect of excisable articles, any package, covering, receptacle, any animal, vehicle or other conveyance used in carrying such articles as far

<sup>1</sup>. Substituted by the Act No.17 of 2020 , S.4

<sup>2</sup>. Inserted by the Act No.17 of 2020, S.4

<sup>3</sup>. Inserted by the Act No.17 of 2020, S.4

<sup>4</sup>. Inserted by the Act No.17 of 2020, S.4

as its release, confiscation is concerned and the jurisdiction of the Deputy Commissioner of Prohibition and Excise or the appellate authority with regard to the disposal of the same shall be exclusive.

**46F. Property confiscated when to vest in Government** - When an order of confiscation of any property has been passed under section 46 and such order has become final in respect of the whole or any portion of such property, such property or portion thereof, as the case may be, shall vest in Government free from all encumbrances.]

**47. Compounding of offences** – (1) The Collector, or any Prohibition and Excise Officer specially empowered in that behalf may accept from any person whose licence or permit is liable to be cancelled or suspended under clause (a) or clause (b) of sub-section (1) of section 31 or who is reasonably suspected of having committed an offence falling under clause (b), <sup>1</sup>[clause (b), clause (c), or clause (g) of section 34], clause (a), clause (e), clause (f), clause (g) or clause (h) of section 36, clause (b), clause (c) or clause (d) of section 37 or section 41 <sup>2</sup>[a sum of money not exceeding a sum of money subject to such minima, as may be prescribed and notified by the Government from time to time], in lieu of such cancellation or suspension or by way of compensation for the offence which may have been committed as the case may be; and in all cases in which any property has been seized is liable to confiscation under this Act, may release the same on payment of the value thereof as estimated by such officer :

Provided that where the property so seized is a liquor manufactured in contravention of this Act, such liquor shall not be released but shall be disposed of in such manner as may be prescribed.

<sup>3</sup>[Provided further that in the case of an offence committed by the holder of a bar license for the first time, such offence may be compounded for a sum equal to two times of the license fee along with a warning. In the case of an offence committed for the second time by the Bar licensee, the bar license shall be cancelled.]

(2) On the payment by the person the sum of money or the value or both, as the case may be <sup>4</sup>[in accordance with the provisions of sub-section (1) or section 47-A], such person, if in custody shall be set at liberty, and all the property seized may be released and no proceedings shall be instituted <sup>5</sup>[or continued] against such person in any criminal court. The acceptance of compensation shall be deemed to amount to an acquittal and in no case any further proceedings be taken against such person or property with reference to same act.

<sup>6</sup>**47-A. Special powers of the Commissioner in regard to compounding of offences** - (1) Any person who is reasonably suspected of having committed an offence <sup>7</sup>[falling under section 38] may apply to the Commissioner for compounding the offence before he is convicted.

(2) On receipt of such application, the Commissioner having regard to the circumstances of the case, may in his discretion order for compounding the offence on payment of a sum of money by way of compounding fee or compensation for the offence on such terms and conditions as he deems fit:

Provided that the sum of money fixed as compounding fee or compensation by the Commissioner under this section shall not be less than five times but not more than ten times the duty involved and where no duty is

<sup>1</sup> . Substituted by the Act No.4 of 1994

<sup>2</sup> . Substituted by the Act No.8 of 2017, S.2

<sup>3</sup> . Proviso added by the Act No. 4 of 2020, S.5

<sup>4</sup> . Added by the Act No.10 of 1989, S.17

<sup>5</sup> . Added by the Act No.10 of 1989, S.17

<sup>6</sup> . New section inserted by the Act No.10 of 1989, S.18

<sup>7</sup> . Substituted by the Act No. 4 of 1994, S.12

involved, not less than rupees fifteen thousand but not more than rupees one lakh;

Provided further that in all cases in which any property has been seized as liable to confiscation under this Act, may be ordered by him to be released on payment of the value thereof as estimated by him or by an officer authorized by him in this behalf;

Provided also that where the property so seized is a liquor manufactured in contravention of this Act, such liquor shall not be released but shall be disposed of in such manner as may be prescribed.]

**48. Penalty for vexatious delay** - Any officer or person exercising powers under this Act, who vexatiously and unnecessarily delays forwarding to the nearest <sup>1</sup>[Executive Magistrate or Prohibition and Excise Officer, Special Enforcement Bureau Officer] to the officer-in-charge of the nearest police station, as required by sub-section (2) of section 60 any person arrested, shall, on conviction, be punished with fine which may extend to two hundred rupees.

**49. Penalty for Prohibition and Excise Officer refusing to do duty** - Any excise officer, who, without lawful excuse shall cease or refuse to perform or withdraw himself from the duties of his office unless expressly allowed to do so in writing by the Commissioner, or unless he shall, have given to his official superior officer two months' notice in writing of his intention to do so, or who shall be guilty of cowardice, shall, on conviction, be punished with imprisonment, which shall not be less than one month but which shall not exceed three months, or with fine which shall not be less than five hundred rupees but which shall not exceed one thousand rupees, or with both.

**50. Penalty for abetment** - Any officer or person who unlawfully releases or abets the escape of any person arrested under this Act or abets the commission of any offence against this Act, or acts in any manner inconsistent with his duty for the purpose of enabling any person to do anything whereby any of the provisions of this Act may be evaded or contravened or the excise revenue may be defrauded and any officer of any other department referred to in section 53 who abets the commission of any offence against this Act in any place, shall, on conviction, for every such offence, be punished with imprisonment for a term which shall not be less than three months but <sup>2</sup>[which shall not exceed one year].

<sup>3</sup>**50.A – Penalty for assault** - Notwithstanding anything contained in the Indian Penal Code 1860 who ever assault or threatens to assault or obstructs or attempts to obstruct any <sup>4</sup>[Executive Magistrate or Prohibition and Excise Officer or Special Enforcement Bureau Officer] in the discharge of his official duties in the matters of detection, seizure, arrest, investigation, prosecution of the offences under the Act or attempts to use criminal force on <sup>4</sup>[Executive Magistrate or Prohibition and Excise Officer, Special Enforcement Bureau Officer] shall be punished with imprisonment for a term which may extend to three years and with fine which may extend to rupees fifty thousands.]

<sup>5</sup>**50.B – Penalty for Criminal Conspiracy-** When two or more persons agree,-  
 (a) to commit any offence punishable under this Act, or  
 (b) to commit breach of condition(s) of licence, permit etc., each of such persons shall on conviction be liable for the punishment in the same manner as if he had abetted such offence.]

<sup>1</sup>. Substituted by the Act No.17 of 2020, S.7

<sup>2</sup>. Substituted by the Act No.4 of 1994, S.13

<sup>3</sup>. Inserted by the Act No.20 of 1994

<sup>4</sup>. Substituted by the Act No.17 of 2020, S.8

<sup>5</sup>. Added by the Act No.17 of 2020, S.9

**CHAPTER VIII**  
**DETECTION, INVESTIGATION AND TRIAL OF OFFENCES**

**51. Landholders, officers and others to give information** - (1) Whenever any intoxicant is manufactured or collected or any excise tree is tapped or any hemp plant is cultivated, in or on any land or building, in contravention of this Act-

- (a) all owners and occupiers of such land or building or their agents;
- (b) (i) village officers or servants including members of the village police,
  - (ii) sarpanches, members and officers of the Gram Panchayat, and
  - (iii) all officers (other than excise officers), employed in the collection of revenue or rent of land on behalf of the Government, or a local authority in the locality in which such land or building is situated, <sup>1</sup>[or the Grama/Ward Mahila Samrakahana Karyadarshi employed in Village/ Ward Secretariat or Grama/ Ward Voluteers employed in Village/ Ward Secretariat] shall in the absence of reasonable excuse, be bound to give notice of the fact to a Magistrate or to an officer of the excise or police or <sup>2</sup>[Executive Magistrate or Special Enforcement Bureau] Officer as soon as the fact comes to their knowledge.

(2) Every <sup>3</sup>[Prohibition and Excise Officer and Special Enforcement Bureau Officer or Revenue Officer] shall be bound to give immediate information either to his immediate official superior or to the <sup>4</sup>[a Prohibition and Excide Inspector to Inspector of Special Enforcement Bureau or to Executive Magistrate,] of all breaches of any of the provisions of this Act, which may come to his knowledge under sub-section (1) or otherwise.

(3) All such officers, sarpanches, members or servants as are referred to in sub-section (1) shall be bound,

- (a) to take all reasonable measures in their power to prevent the commission of such breaches which they may know, or have reason to believe, are about or likely to be committed; and
- (b) to assist <sup>5</sup>[the Commissioner of Prohibition & Excise and/ or the Commissioner, Special Enforcement Bureau/ or an Executive Magistrate carrying out the provisions of this Act.

**52. Power to enter and inspect places of manufacture and sale** - The Commissioner or a Collector or any Excise Officer not below such rank as may be prescribed, or any Police Officer duly empowered in that behalf may,-

- (a) enter and inspect, at any time, by day or by night, any place in which any licensed manufacturer, manufactures or stores any intoxicant, and
- (b) enter and inspect at any time within the hours during which sale is permitted, and at any other time during which the same may be open, any place in which any intoxicant is kept for sale by any person holding a licence under this Act; and
- (c) examine the accounts and registers, and examine, test, measure or weigh any material, stills, utensils, implements, apparatus, or intoxicant found in such place.

<sup>1</sup> . Inserted by the Act No.17 of 2020, S.10

<sup>2</sup> . Substituted by the Act No.17 of 2020, S.10

<sup>3</sup> . Inserted by the Act No. 17 of 2020, S.10

<sup>4</sup> . Substituted by the Act No.17 of 2020, S.10

<sup>5</sup> . Substituted by the Act No.17 of 2020, S.10

**53. Power to arrest without warrant, to seize articles liable for confiscation and to make searches** - (1) Any officer of the Government employed in the Prohibition and Excise, Police or <sup>1</sup>[Executive Magistrate or Special Enforcement Bureau] of the State subject to such restrictions as may be prescribed and any other person duly empowered, may,-

(a) <sup>2</sup>[arrest without warrant any person for an offence punishable under <sup>3</sup>[section 27 or section 34 or], section 35 or section 36 or section 37 or Section 37-A or Section 40-A or Section 50 or Section 50A];

(b) seize and detain any excisable or other article which he has reason to believe to be liable to confiscation under this Act, or and other law for the time being in force, relating to excise revenue; and

(c) detain and search any person upon whom and any vessel, raft, vehicle, animal, package, receptacle or covering in or upon which, he may have reasonable cause to suspect any such article to be.

(2) When any person is accused or is reasonably suspected of committing an offence under this Act, other than an offence under section 34, section 35, section 36, or section 37 <sup>4</sup>[ or Section 37-A or Section 50] and on demand of any such officer as aforesaid, refuses to give his name and residence or gives a name and residence which such officer has reason to believe is false, he may be arrested by such officer in order that his name and residence may be ascertained.

<sup>5</sup>**53-A. Obligation of officers to assist each other** - The Officers of the Departments of Police and Revenue <sup>6</sup>[and Department of Gram Volunteers/Ward Volunteers and Village Secretariats/Ward Secretariats] shall, upon notice given or request made by <sup>7</sup>[an Executive Magistrate or a Prohibition and Excise Officer or a Special Enforcement Bureau Officer] be legally bound to assist him in carrying out the provisions of the Act.]

**54. Powers of Magistrate to issue a warrant** - If a Magistrate, upon information and after such inquiry, if any, as he thinks necessary, has reason to believe that an offence under section 34, section 35, section 36 or section 37 has been, is being or is likely to be, committed, he may issue a warrant,-

(a) for the search of any place in which he has reason to believe that any intoxicant, still, utensil, implement, apparatus or materials which are used for the commission of such offence or in respect of which such offence has been, is being, or is likely to be committed, are kept or concealed; and

(b) for the arrest of any person whom he has reason to believe to have been, to be, or to be likely to be, engaged in the commission of any such offence.

**55. Power to search without warrant** - Whenever the Commissioner or a Collector <sup>8</sup>[or Executive Magistrate] or any police officer not below the rank of an officer-in-charge of a police station or any excise officer not below the rank of Prohibition and Excise Sub-Inspector <sup>9</sup>[or any Special Enforcement Bureau Officer not below the rank of Sub-Inspector] has reason to believe that an

<sup>1</sup> .Substituted by the Act No.17 of 2020, S.11

<sup>2</sup> .Substituted by the Act No.20 of 1994,

<sup>3</sup> .Substituted by the Act No.10 of 1989, S.19

<sup>4</sup> .Inserted by the Act No.20 of 1994

<sup>5</sup> . New section inserted by the Act No.4 of 1994, S.14

<sup>6</sup> .Inserted by the Act No.17 of 2020. S.12

<sup>7</sup> .Substituted by the Act No.17 of 2020, S.12

<sup>8</sup> .Inserted by the Act No.17 of 2020. S.13

<sup>9</sup> .Inserted by the Act No.17 of 2020. S.13

offence under section 34, section 35, section 36, <sup>1</sup>[section 37 or section 37A] has been, is being or is likely to be, committed, and that a search warrant cannot be obtained without affording the offender an opportunity of escape or of concealing evidence of the offence, he may, after recording the grounds of his belief,-

(a) at any time by day or by night enter and search any place and seize anything found therein which he has reason to believe to be liable to confiscation under this Act; and

(b) detain and search and, if he thinks proper, arrest any person found in such place whom he has reason to believe to be guilty of such offence as aforesaid.

**56. Power to Prohibition and Excise Officer <sup>2</sup>[and Special Enforcement Bureau officer] in matters of investigation** - (1) Any excise officer not below the rank of an Excise Sub-Inspector <sup>3</sup>[or Special Enforcement Bureau Officer not below the rank of a Sub-Inspector] may, as regards offences under <sup>4</sup>[section 27, section 34], section 35, section 36, <sup>5</sup>[section 37 or section 37 A or section 40 A] exercise within such area as may be notified in this behalf, powers conferred on an officer-in-charge of a police station by the provisions of <sup>6</sup>[the Code of Criminal Procedure, 1973]:

Provided that any such power shall be subject to such restrictions and modifications, as may be prescribed.

(2) For the purposes of section 156 of the said Code, the area in regard to which a Prohibition and Excise Officer <sup>7</sup>[or a Special Enforcement Bureau Officer] is empowered under sub-section (1) shall be deemed to be a police station and such officer shall be deemed to be the officer-in-charge of such station.

<sup>8</sup>**56.A - Cognizance and trial of offence-** Notwithstanding anything contained in the Code of Criminal Procedure, 1973 (Central Act 2 of 1974), all offences under this Act shall be cognizable and the provisions of the said code with respect to cognizable offences shall apply to them:

Provided that the offences punishable with imprisonment for a term not exceeding two years under this Act shall be tried in accordance with the procedure prescribed by chapter- XXI of the Code of Criminal Procedure, 1973.]

**57. Report by investigating officer** - If, on any investigation by an excise officer, not below the rank of a Prohibition and Excise Sub-Inspector, <sup>9</sup>[or Special Enforcement Bureau Officer not below the rank of a Sub-Inspector] it appears that there is sufficient evidence to justify the prosecution of the accused, the investigating officer shall submit a report, which shall, for the purpose of <sup>10</sup>[section 190 of the Code of Criminal Procedure, 1973], be deemed to be a police report, to a Magistrate having jurisdiction to inquire into or try the case and empowered to take cognizance of offences on police reports.

**58. Report by Prohibition and Excise Officer <sup>11</sup>[or Special Enforcement Bureau Officer]** - Where any Prohibition and Excise Officer not below the rank

<sup>1</sup> . Substituted by the Act No.4 of 1994, S.15

<sup>2</sup> . Marginal Heading Inserted by the Act No. 17 of 2020, S.14

<sup>3</sup> . Inserted by the Act No. 17 of 2020, S.14

<sup>4</sup> . Substituted by the Act no. 10 of 1989, S.20

<sup>5</sup> . Substituted by the Act No.4 of 1994, S.16

<sup>6</sup> . Substituted by the Act No.4 of 1994, S.16

<sup>7</sup> . Inserted by the Act No. 17 of 2020, S.14

<sup>8</sup> . New section inserted by the Act No. 17 of 2020, S.15

<sup>9</sup> . Inserted by the Act No. 17 of 2020, S.16

<sup>10</sup> . Substituted by the Act No.4 of 1994, S.17

<sup>11</sup> . Marginal Heading Added by the Act No. 17 of 2020, S.17

of a Prohibition and Excise Sub-Inspector <sup>1</sup>[or Special Enforcement Bureau Officer, not below the rank of a Sub-Inspector] makes any arrest, seizure or search under this Act, he shall, within twenty four hours thereafter, -

(a) make a full report of all the particulars of the arrest, seizure or search to his immediate official superior, and

(b) unless bail be accepted under section 60, take or send the person arrested or the thing seized, with all convenient despatch, to the nearest Magistrate for trial or adjudication.

**59. Arrest, search etc, how to be made** - Any person arrested under this Act, shall be informed, as soon as may be, of the grounds for such arrest and save as otherwise expressly provided in this Act, the provisions of <sup>2</sup>[the Code of Criminal Procedure, 1973], relating to arrests, detention in custody, searches, summonses, warrants of arrests, search warrants, the production of persons arrested and the disposal of things seized, shall apply, as far as may be, to all actions taken in these respects under this Act.

**60. Security for appearance in case of arrest without warrant** - (1) The Government may, by notification, empower any <sup>3</sup>[Executive Magistrate or Prohibition and Excise Officer and/or Special Enforcement Bureau officer] to release on bail persons arrested under this Act otherwise than on a warrant.

(2) When a person is arrested under this Act, otherwise than on a warrant, by a person or officer who is not authorised to release arrested persons on bail, he shall be produced before or forwarded to-

(a) the nearest Prohibition and Excise Officer <sup>4</sup>[ or Special Enforcement Bureau Officer] who has authority to release the arrested persons on bail; or

(b) the nearest officer-in-charge of the police station, whoever is nearer.

(3) Whenever any person arrested under this Act otherwise than on a warrant, is prepared to give bail, and is arrested by or produced in accordance with sub-section (2) before an officer who has authority to release arrested persons on bail, he shall be released on bail or at the discretion of the officer releasing him, on his own bond.

(4) The provisions of <sup>5</sup>[Sections 441 to 446 and Section 449 of the Code of Criminal Procedure, 1973], shall apply so far as may be, in every case, in which bail is accepted or, bond taken under this section.

<sup>6</sup>[(5) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, (Central Act 2 of 1974) no court shall grant any bail to any person accused of an offence under Clause (h) of section 34 or section 40A or section 50 or section 50A of this Act, unless the prosecuting officer is given an opportunity to oppose the application and the court record reasons while granting the bail.]

<sup>7</sup>**[60.A- Non-bailable offences** - The offences punishable under sub-clause (1) of section 34 or section 37-A shall be non-bailable and the provisions of the Code of Criminal Procedure, 1973, with respect to non-bailable offences shall apply to those offences.]

<sup>1</sup>. Inserted by the Act No. 17 of 2020, S.17

<sup>2</sup>. Substituted by the Act No.4 of 1994, S.18

<sup>3</sup>. Substituted by the Act No. 17 of 2020, S.18

<sup>4</sup>. Inserted by the Act No. 17 of 2020, S.18

<sup>5</sup>. Substituted by the Act No. 20 of 1994

<sup>6</sup>. Substituted by the Act No. 4 of 2020, S.6

<sup>7</sup>. Substituted by the Act No. 4 of 2020, S.7

**61. Procedure for prosecution and credit of fines to Prohibition and Excise Department** <sup>1</sup>[or to Special Enforcement Bureau]- (1) No Magistrate shall take cognizance of an offence punishable -

(a) under section 38 or section 41 except on the complaint of the Collector or <sup>2</sup>[Executive Magistrate or]of an Excise Officer not below the rank of an Excise Superintendent, in this behalf, or

(b) under any other section of this Act other than section 48, except on his own knowledge or suspicion or on the complaint or report of a Prohibition and Excise Officer or police officer <sup>3</sup>[or Special Enforcement Bureau Officer.]

(2) Notwithstanding, anything in any other law for the time being in force in the State, all sums realised on account of fines imposed by a Magistrate on conviction of a person for any offence under this Act, shall, on such realisation be credited to the head of account to which the receipts of the Excise Department are credited, after deducting there from the expenses incurred in connection with such realisation.

**62. Magistrate's power to impose enhanced penalties** - Notwithstanding anything in <sup>4</sup>[Section 29 of the Code of Criminal Procedure, 1973], it shall be lawful for any Magistrate of the first class to pass any sentence authorised by this Act in excess of his powers under section 32 of the said Code.

## CHAPTER IX

### APPEALS AND REVISION

**63. Appeals** - (1) Any person aggrieved by an order passed by any officer, other than the Commissioner or Collector, under this Act, may within forty-five days from the date of communication of such order, appeal to the Deputy Commissioner.

(2) Any person aggrieved by an order passed by the Deputy Commissioner or Collector under this Act, may, within sixty days from the date of communication of such order, appeal to the Commissioner.

**64. Revision** - The Government may, either suo motu or on an application call for and examine the records of any officer in respect of any decision, order, or other proceedings made under this Act, including those relating to the grant, issue or refusal of a licence, or permit, for the purpose of satisfying themselves as to correctness, legality or propriety of any such decision or order or as to the regularity of such proceedings and if in any case, it appears, to them that such decision, order or proceedings should be modified, annulled, reversed or remitted for reconsideration they may pass order accordingly :

Provided that no order adversely affecting any party shall be passed under this section unless he has been given an opportunity of making his representation.

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<sup>1</sup> . Added by the Act No.17 of 2020, S19

<sup>2</sup> . Inserted by the Act No.17 of 2020, S19

<sup>3</sup> . Added by the Act No.17 of 2020, S19

<sup>4</sup> . Substituted by the Act No. 20 of 1994

## CHAPTER X

### MISCELLANEOUS

**65. Recovery of Government dues** - (1) The following moneys, namely:-

- (a) all excise revenue,
  - (b) any loss that may accrue when, in consequence of default, a lease under section 17 has been taken under management by the Collector, or has been resold by him,
  - (c) amounts due to the Government by any person on account of any contract relating to the excise revenue, and
  - (d) the costs, charges, and expenses (including the salaries and allowances of the excise officers) specified in sub-section (2) of section 28,
- may be recovered from the person primarily liable to pay the same or from his surety, as if they were arrears of land revenue.

(2) When a lease has been taken under management by the Collector, or has been re-sold by him, the Collector may recover, in the manner authorised by sub-section (1), any money due to the defaulter by any lessee or assignee.

(3) Arrears of moneys recoverable under this section shall bear interest<sup>1</sup>[at such rates as may be prescribed]

**66. Government's lien on property of defaulter** - In the event of default by any person licensed or holding a lease, under this Act, his distillery, brewery, warehouse, shop or premises and all fittings, apparatus, stocks of intoxicants or materials for the manufacture of the same, held in or upon any such distillery, brewery, warehouse, shop or premises shall be liable, to be attached in satisfaction of any claim for excise revenue or in respect of any loss incurred by the Government through such default, and to be sold to satisfy such claim which shall be a first charge upon the proceeds of such sale.

**67. Recovery of dues by lessee under section 17** - Any person to whom a lease has been granted in accordance with the provisions of section 17, may in a case where sub-letting is not forbidden by the terms of the lease, proceed against any person holding under him for the recovery of any money due in respect of such sub-lease as if it were an arrear of rent recoverable under the law for the time being in force with regard to landlord and tenant:

Provided that nothing in this section shall affect the right of any such grantee to recover any such money by a civil suit.

**68. Power of Government to exempt etc** - The Government may, by notification, and subject to such restrictions and conditions as may be specified in such notification-

- (a) exempt or reduce the excise duty levied under section 22 on any liquor sold-
  - (i) for use or consumption by the members of the Armed Forces of the Union; or
  - (ii) for use for bona fide medicinal, scientific, industrial or such like purpose;
- (b) exempt any intoxicant from any of the provisions of this Act, other than those of Chapter V, in any specified area or for any specified period or occasion.

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<sup>1</sup>. Substituted by the Act No.27 of 1981, S.2

<sup>1</sup>**68.A – Exemption of the Government from taking out license or permit for production, manufacture, etc., of any intoxicant** – Notwithstanding any thing in this Act, it shall not be necessary for the Government or any authority or officer acting on their behalf to take out a license or permit under this Act for the production, manufacture, possession, import, export, transport, sale or purchase of any intoxicant.]

<sup>2</sup>**68-B.Power of State Government to notify exemptions or grant relaxations** – The State Government may, by notification in the Andhra Pradesh Gazette and subject to such restrictions and conditions as may be specified in such notification, make exemption or grant relaxation in respect of any of the provisions of the Act.]

**69. Protection of action taken under this Act** - No suit or other legal proceeding shall lie against the Government or any Prohibition and excise officer or any other person empowered to exercise powers or to perform the functions under this Act for anything in good faith done or intended to be done under this Act.

**70. Limitation of suits** - No suit shall lie against the Government, or against an excise officer, other than a suit by the Government, in respect of anything done or alleged to have been done in pursuance of this Act, unless the suit is instituted within six months from the date of the act complained of.

**71. Offences by companies, etc** - (1) If the person committing an offence under this Act is a company, the company as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of commission of the offence, shall be deemed to be guilty of the offence, and shall be liable to be proceeded against and punished accordingly:

Provided that nothing in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything in sub-section (1) where an offence under this Act, has been committed by company, and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of any director, manager, secretary, or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

**Explanation** - For the purposes of this section:-

(a) "Company" means anybody corporate and includes a firm or other association of individuals, and

(b) "director" in relation to firm; means a partner in the firm.

**72. Power to make rules** - (1) The Government, may, by notification <sup>3</sup>[XXXX], make rules for carrying out all or any of the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing provision, the Government may make rules,-

(a) prescribing the powers and duties of excise officers;

(b) regulating the delegation of any power by the Commissioner or the Collector or the Excise Superintendent under section 8;

<sup>1</sup>. Inserted by the Act No. 23 of 1971, S.5

<sup>2</sup>. Inserted by the Act No.35 of 2005

<sup>3</sup>. Omitted by the Act No.27 of 1981, S.2

(c) prescribing the time and manner of presenting appeals and the procedure for dealing with appeals;

(d) regulating the import, export, transport, manufacture, cultivation, collection, possession, supply or storage of any intoxicant <sup>1</sup>[or material] and may, by such rules, among other matters-

(i) regulate the tapping of excise trees, the drawing of toddy from such excise trees, the marking of the same and the maintenance of such marks;

(ii) declare the process by which spirits shall be denatured and the denaturation of spirit ascertained; and

(iii) cause spirit to be denatured through the agency or under the supervision of its own officers;

(iv) regulating the drawing of neera and the sale thereof;

(e) regulating the periods and localities in which, and the persons or classes of persons to whom, licences for the wholesale or retail sale or buying of any intoxicant may be granted and regulating the number of such licences which may be granted in any area;

<sup>2</sup>[(ee) separately for shop, Bar or in-house, to regulate the localities in which and the persons or classes of persons to whom lease or licences or both may be granted and to regulate their number which may be granted in any area and the methods of selection for grant of such privilege, lease or licence;]

(f) prescribing the procedure to be followed and the matters to be ascertained before any licence for such sale or buying is granted for any locality;

(g) regulating the time, place and manner of payment of any duty or fee and the taking of security for the due payment of any duty or fee;

<sup>3</sup>[(gg) specifying the factors which should be taken into consideration for according or withholding approval under Section 24 and the period within which, and the manner in which such approval shall be accorded or withheld.]

(h) prescribing the authority by which, the form in which and the terms and conditions on and subject to which any licence or permit shall be granted or issued and may, by such rules, among other matters-

(i) fix the period of which any licence or permit shall continue in force;

(ii) prescribe the scale of fees, or the manner of fixing the fees payable in respect of any lease, licence or permit, or the storing of any excisable article;

(iii) prescribe the amount of security to be deposited by the holders of any licence or permit for the performance of the conditions of the same;

(iv) prescribe the accounts to be maintained and the returns to be submitted by licence holders;

(v) prohibit or regulate the transfer of licences; and

(vi) prescribe the ages under which it shall be unlawful to employ children and to sell or give to children excisable articles;

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<sup>1</sup>. Inserted by the Act No.33 of 2008, S.2

<sup>2</sup>. Inserted by the Act No.35 of 2005

<sup>3</sup>. Inserted by the Act No.6 of 1974, S.2

- (i) providing for the destruction or other disposal of any intoxicant deemed to be unfit for use;
- (j) regulating disposal of confiscated articles;
- (k) regulating the grant of expenses to witnesses and to persons charged with offences under this Act, and subsequently released or acquitted;
- (l) regulating the power of excise officers to summon witnesses;
- (m) prescribing the tax payable to the Government in respect of excise trees from which toddy is drawn;
- (n) constituting mobile courts of Magistrates in consultation with the High Court, for the trial of offences against any provisions of this Act or the rules or orders made thereunder;
- (o) any other matter that may be prescribed under this Act.

(3) Any rule under this Act may be made with retrospective effect and when such a rule is made the reasons for making the rule shall be specified in a statement to be laid before both Houses of the State Legislature.

(4) Every rule made under this Act, shall, immediately after it is made be laid before each House of State Legislature if it is in session and if it is not in session, in the session immediately following for a total period of fourteen days which may be comprised in one session or in two successive sessions and if, before the expiration of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or in the annulment of the rule, the rule shall, from the date on which the modification or annulment is notified, have effect only in such modified form or shall stand annulled, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

**73. Repeal and Savings** - The following enactments, namely:-

- (a) the Andhra Pradesh (Andhra Area) Abkari Act, 1886, (Act I of 1886) with all the subsequent statutory modifications thereof;
- (b) the Andhra Pradesh (Telangana Area) Abkari Act, 1316 F; (Act No. I of 1316 F)
- (c) the Andhra Pradesh (Telengana Area) Intoxicating Drugs Act, 1333 F (Act No. IV of 1333 F)

are hereby repealed :

Provided that section 8 of the Andhra Pradesh General Clauses Act, 1891, shall be applicable in respect of the repeal of the said enactments and sections 8 and 18 of the said Act, shall be applicable as if the said enactments had been repealed and re-enacted by an Andhra Pradesh Act;

Provided further that such repeal shall not affect the right of the Government to continue to levy by virtue of the provisions of Article 277 of the Constitution the gallonage fees on denatured spirits, methylated spirits and other spirits not fit for human consumption, which the Government were lawfully levying immediately before the commencement of this Act.

**<sup>1</sup>[The Schedule**  
**[See Section 21 (1)]**

SI. No.	Description of excisable articles	Mode of levying Excise duty	Maximum rate of duty	Mode of levying Additional Excise duty	Maximum rate of Additional Excise duty
(1)	(2)	(3)	(4)	(5)	(6)
1.	Beer	On the quantity issued from the distillery or warehouse	Rupees fifteen per bulk litre or 120% advalorem	On the landed cost which is the total of basic price i.e., cost price + cost of excise adhesive labels/Hologram charges of freight, handling & insurance, etc., plus Excise Duty/ Countervailing duty of Beer.	80% of landed cost
2.	Indian Made Foreign Liquor	On the quantity issued from the distillery or warehouse	Rupees one hundred and twenty per litre of the strength of proof spirit or 120% advalorem	On the landed cost which is the total of basic price i.e., cost price + cost of excise adhesive labels/Hologram charges of freight, handling & insurance, etc., plus Excise Duty/ Countervailing duty of Indian Made Foreign Liquor.	80% of landed cost
3.	Rectified Spirit	On the quantity issued from the distillery or warehouse	Rupees eighty per litre of the strength of proof spirit	-	-

<sup>1</sup> . Substituted by the Act No.9 of 2017, S.7

4.	Toddy	On each variety of the following excise trees:			
		Date of Sendhi	Rupees twenty per tree		
		Palmyra	Rupees thirty per tree	–	–
		Coconut	Rupees fifty per tree		
		Sago	Rupees sixty per tree		
		Date palm	Rupees fifty per tree]		

**Explanation I** – “Proof spirit” means that mixture of alcohol and distilled water which at the temperature of 51° F. weighs exactly 12/13<sup>th</sup> (Twelve-thirteenth) parts of an equal measure of distilled water at the same temperature.

**Explanation II** – Where in respect of any excisable article the unit of assessment for the purpose of any duty under this Act is a litre of strength of proof spirit, the duty shall be increased or reduced in such proportion as the strength of the excisable article is greater or less than that of the proof spirit.