**Essentials of a bonded manufactory.** - (1) A bonded manufactory shall make provision for the following.

i. one plain spirit store unless the manufactory is attached to a distillery or a rectified spirit warehouse from which rectified spirit is made available as and when necessary.

ii. at least one large room for manufacturing medicinal preparations.

iii. one or more rooms for storing finished medicinal preparations.

iv. separate arrangement for manufacture of toilet preparations.

v. the storage of finished toilet preparations.

vi. accommodation with necessary furniture near the bonded premises for the officer-in-charge.

vii. malleable iron rods not less than 19 mm. in thickness, set not more than 102 mm. apart, embodied in brick work up to a depth of at least 51 mm. and covered on the inside with strong wire netting or expanded metal of a mesh not exceeding 25 mm. in diameter of length in every window of the bonded premises.

viii. a board on which the name of the room and a serial number, if any, are legibly painted in oil colour on the outside of every such room in the manufactory.

ix. all pipes from sinks or wash-basins inside manufactory premises discharging into drains forming part of the general drainage system of the premises.

x. all gas and electric connections with the licensed premises so fixed as to admit of the supply of gas or electricity being cut off and all the regulators or switches being securely locked at the end of the day's work.

(2) The Central Government may in special cases relax any of the provisions of Cls. (i) to (x) of sub-rule (1).

**24. No additions or alterations to be made without orders.** - No addition or alteration shall be made in the bonded premises or in respect of the permanent fixtures therein without the previous orders of the Excise Commissioner. Plans, in triplicate showing each addition or alteration shall be submitted with the application for the necessary permission and copies disposed of in the same manner as copies of the original plans of the bonded manufactory as provided in rule 95.

**25. Arrangements of receptacles in a bonded manufactory.** - (1) The permanent vessels for the storage of alcohol, opium, Indian hemp and other narcotic drugs and narcotics received under bond and all the finished preparation on which duty has not been paid shall be secured with excise ticket locks.

(2) All vessels intended to hold alcohol and liquid preparations shall be gauged by the officer-in-charge. They shall each bear a distinctive serial number and their full capacities distinctly and indelibly marked on them. A record of these details shall be kept in Form R.G.-I

(3) Table shall be computed to show contents at an inch and tenth of an inch of the depth of each such vessel.

**26. Indent for rectified spirit.** - Rectified spirit required for manufacturing medicinal and toilet preparations shall be obtained on an indent in Form I.D.-1 countersigned by the officer-in-charge, from any distillery or spirit warehouse approved by the Excise Commissioner, the original being sent by the licensee of the bonded manufactory to the distiller the duplicate sent through the officer-in-charge to the distillery or spirit warehouse officer and the triplicate retained as office copy. The cost price of such rectified spirit shall be paid by the licensee of the bonded manufactory to the distiller, if the distillery or warehouse officer has received from the officer-in-charge of the bonded manufactory the duplicate of the indent, he shall issue the spirit required under bond, under the appropriate permit in the Form in vogue in the State for transport of rectified Spirit and send the advice portion of such permit to the officer-in-charge.

**27. Verification of rectified Spirit received.** - Consignments of rectified spirit received under bond shall be verified in volume and strength and the receipt of such supply shall be entered in register in Form R.G.-2 subject to the provision of rule 19 duty at the rate levied by the State Government on alcoholic liquors on all wastages shall be paid by the licensee of the bonded manufactory into a Government treasury on receipt of a demand from the officer-in-charge and a copy of the treasury receipt shall be sent to the distillery officer who shall thereupon make the necessary adjustment in his register.

**28. Storage of rectified spirit.** - (1) After the rectified spirit received has been verified, it shall be stored in one or more vessels in the spirit store.

(2) If, in any particular case, it is proved to the satisfaction of the Excise Commissioner that the loss is bona fide and not due to negligence or connivance on the part of the manufacturer, the duty payable in respect of such loss may be waived in full in part according to the merits of the case.

**29. Issues of rectified spirit from the spirit store.** - (1) Rectified spirit shall be issued from the spirit store to the laboratory of the manufactory on a requisition of the licensee, which shall be made in Form R.Q-I, but only in such quantities as are in conformity with the formulae laid down in the relevant pharmacopoeia or the formula of the patent and proprietary medicines displayed on the label of the container in the manner prescribe in the Drugs Rules, 1945, for the time being in force, for the particular preparation for which the alcohol is required. In the case of medicinal preparation manufactured from concentrated tinctures the exact quantity of spirit to be added to them shall be calculated after ascertaining the proof-spirit content of the concentrated tinctures by analysis by the Chemical Examiner. For this purpose two samples of not less than 142 ml. each shall be taken from each concentrated tincture, one of which shall be sent to the said Chemical Examiner for ascertaining the proof-spirit content while the other shall be retained by the officer-in-charge of the bonded manufactory until the result of analysis is known, after which it may be added to the concentrated tincture from which it was originally taken. All rectified spirit so issued shall, in the presence of the officer-incharge, be added without delay to the other materials for the preparation specified in the application. Rectified Spirit shall not be issued for any purpose other than the manufacture of medicinal and toilet preparations in the laboratory.

(2) Finished medicinal or toilet preparations may be transferred from the finished store to the laboratory of the manufactory, for addition to raw materials for the preparation of the same or any other kind of preparation on written requisition from the licensee. Such transfers shall be shown in the respective registers maintained and the alcohol contents shall be adjusted correctly.

**Issue from a bonded manufactory.** - (1) Issues of alcoholic preparations and preparations containing opium, Indian hemp or other narcotic drugs and narcotics shall be made from a bonded manufactory on payment of duty. The licensee shall present before the officer-in-charge an application in From A. R-2 signed by him or by his authorized representative. The officer-in-charge shall, after checking the entries and realizing the duty payable, allow the required quantities to be removed after issuing a permit:

Provided that issues to another bonded warehouse shall be made without payment of duty under proper security governed by the rules in Chapters VII and VIII.

(2) If the licensee is also an account-holder as provided for in rule 9, duty leviable on alcohol preparations and preparations containing opium, Indian hemp or other narcotic drugs and narcotics to be issued from a bonded manufactory shall be debited in the account-current before the preparations are removed from the bonded premises.

**41. The licensee to maintain proper account, etc.** - (1) The licensee shall maintain accounts in proper forms and registers as prescribed in the Appendix to these rules.

(2) The licensee shall deliver to the officer-in-charge, by the 5th of each month. a return of transactions of business in respect of the preceding month in Form R.T. 1

**42. Size of establishment.** - It shall to the Excise Commissioner to determine the size of the supervisory staff in consultation with the licensee.

**43. Accounts.**-- The officer-in-charge shall maintain accounts in the prescribed form and shall take steps to ensure that the licensee also maintains accounts. Separate account shall be written up daily by the officer-in-charge and the licensee or by any person authorized by him and shall be compared and reconciled before the manufactory is closed at the end of the day's transactions.

**44. Collection of duty.** - The officer-in-charge shall be responsible for correct collection of duty and penalty, if any, at the prescribed rate before any medicinal or toilet preparation containing alcohol are allowed to be removed from the premises except in the case of exports or removal under bond or under such conditions as may be permitted by the Excise Commissioner.

**45. Scope of duties.** - The Officer-in-charge shall exercise such supervision as is required to ensure that alcohol issued for a certain preparation added to the materials which to make that preparation and that no portion of such alcohol is diverted to the other purposes.

(2) Agents, clerks, compounders and other person, who have been duty authorized in this behalf by the licensee, and approved by the officer-in-charge, may enter into and carry out their work in connection with the manufacture during the working hours of the manufactory.

(3) Any person duly authorized in this behalf by the licensee may sign all applications and indents for the issue of rectified spirit or finalized preparations.

(4) Excise Officer specially empowered in this behalf by the Excise Commissioner, shall inspect the manufactory in accordance with the instructions prescribed herein and shall submit the notes of their inspection to the officer specified by the Excise Commissioner. They shall also be responsible for the correct maintenance of accounts and collection of duty by the office -in-charge.

**Manufacture, storage and sale to be carried on only in the licensed premises of the non-bonded manufactory.** - (1) The manufacture and storage of all preparations shall be carried on in the licensed premises only.

(2) Each preparation manufactured shall be registered and shall bear a distinctive serial number, which shall be known as its batch number in the register in Form R.G. 3. This register shall also show the receipt and disposal of all rectified spirit, opium Indian hemp and other narcotic drugs and narcotics drawn from the spirit store and the quantity of finished preparation manufactured therefrom.

(3) All finished preparations shall be transferred from the "laboratory" to the "finished store" and shall be so arranged that the checking of stock of every batch of preparation from the accounts register in Form R.G. 4 is facilitated.

(4) Finished preparations made from rectified spirit obtained at different rates of duty shall be kept separately in the finished store.

(5) Every preparation stored in bulk shall be measured into the storage vessel to the nearest fluid ounce by the manufacturer and sealed.

(6) When any of the contents of a vessel, in which the preparations are stored in bulk are removed, the manufacturer shall enter on the stock card attached thereto the quantity taken out and the manner of disposal with his signature and date.

**53. Samples to be taken by the Excise Officer at least once a month for analysis.** - (1) The Excise Officer, in which jurisdiction the manufactory is situated, shall, without previous notice to the manufacturer, take samples of not less than 13 per cent and not more than 15 per cent ( save in exceptional circumstances) of the total number of the medicinal and toilet preparations containing alcohol from the finished stocks at least once every month and forward them to the Chemical Examiner for analysis and report whether the alcoholic contents thereof tally with the percentage of alcohol shown on the labels affixed to the bottles.

(ii) If the proof strength reported by the Chemical Examiner is more than 3 per cent proof spirit than the strength declared by the manufacturer on the labels pasted on such bottles, the manufacturer is liable to a penalty at the rate of 10 items the difference in duty in the quantity so manufactured but not exceeding Rs. 2,000.

(iii) If such differences are found to occur frequently, the Excise Commissioner may order the cancellation of the licence held by the manufacturer.

(iv) Samples of finished products may also be taken at any time by the Excise Commissioner, and such other Excise Officer authorized by the Excise Commissioner in this behalf.

(v) All such samples shall be taken by the officer personally and in the presence of the manufacturer or his authorized agent.

**54. Procedure to be followed in taking samples.** -(i) A sample shall be of 227 ml. or such quantity as may be fixed by the Excise Commissioner.

(ii) Every sample shall be taken in duplicate.

(iii) The cork of every bottle in which sample is kept shall be fixed with the officer's personal seal or the official seal and the name of the preparations and batch number shall be stated on label axed to each such bottle.

(iv) The label of the bottle shall be signed by the officer taking the sample

(v) The manufacturer, if he so desires, shall be allowed to affix his own seal and sign the labels.

(vi) The duplicate samples shall be kept securely under lock and key in an almirah ( to be provided by the manufacturer) until the result of the analysis has been reported, save in the case in which the Chemical Examiner has asked for another sample wither to replace the previous sample dispatched to him or to repeat the analysis. Duplicate samples, to which no further reference is needed, shall be promptly returned to the manufacturer.

(vii) The samples to be sent for examination shall be carefully place in a case and securely fastened with tape or wire to be supplied by the manufacturer and shall be sealed by the officer taking the samples, with the personal seal or the official seal, and dispatched without delay, at the expense of the manufacturer, to the Chemical Examiner.

(viii) A letter advising the dispatch of the sample shall be sent to the Chemical Examiner in duplicate. The letter shall contain besides other information a facsimile of the seal used. The Chemical Examiner shall acknowledge the receipt of the sample in the duplicate copy to the dispatching officer.

**55. No compensation to manufacturer of samples taken for analysis.** - The manufacturer shall not be entitled to any compensation for the samples taken for the purpose of analysis under these rules.

**56. Correct and up-to-date accounts in prescribed printed registers to be maintained.** - (i) The manufacturer shall maintain up-to date, correct and proper accounts in the relevant register and deliver to the proper officer, by the 5th of each month, a monthly return of transactions of business.

(ii) The manufacturer shall also furnish such statements as may be required by the Excise Commissioner or by any officer empowered by him in this behalf.

(iii) All the account registers shall be obtained by the manufacturer at his cost from the respective Taluk office or Excise Office or such other office authorized to sell such registers.

**57. Employees.** - (i) The manufacturer shall furnish to the Excise Commissioner and the proper officer a list containing the names of the manager or assistant manager employed by him and of all other employees whose duties require them to another non-bonded manufactory.

(ii) He shall promptly inform the Excise Commissioner and the proper officer of any changes which he may choose to make in the list from time to time.

(iii) No person other than the person whose name is contained in the list shall enter the manufactory without the special permission of the proper officer.

**58. Inspection.** - (1) The non-bonded manufactory shall at all reasonable times be open a inspection by the Excise Commissioner and other Excise Officer having jurisdiction over the area in which the manufactory is situated.

(2) The proper officer shall inspect the non-bonded manufactory at least once every month.

(3) The State Government may authorize any officer of the prohibition, land revenue, medical and public health department to inspect the non-bonded manufactory.