

The Tamil Nadu Liquor (Refund of Fee and Disposal of Stocks) Rules, 1981

In exercise of the powers conferred by sub-section (3) of Section 23-A and Section 54 of the Tamil Nadu Prohibition Act, 1937 (Tamil Nadu Act X of 1937), the Governor of Tamil Nadu hereby makes the following rules, namely:-

1. **Short Title** – These rules may be called the Tamil Nadu Liquor (Refund of Fee and Disposal of Stocks) Rules, 1981
2. **Definitions** – In these rules, unless the context otherwise requires –
 - (a) ‘Act’ means the Tamil Nadu Prohibition Act, 1937 (Tamil Nadu Act X of 1937);
 - (b) ‘Licence’ means the licence issued under the Tamil Nadu Liquor (Licence and Permit) Rules, 1960 and the word ‘licensee’ shall be construed accordingly;
 - (c) ‘Collector’ means the Collector of the district;
 - (d) ‘licensing year’ means the period commencing from the 1st April 1981 and ending with the 31st March 1982;
 - (e) ‘liquor’ means foreign liquor and Indian-Made foreign spirits.
3. **Refund of proportionate fee.** – (a) Every licensee whose licence has ceased to be in force under sub-section (1) of Section 23-A of the Act, shall be entitled to get refund of the proportionate licence fee paid by him for the licensing year.
 - (b) In calculating the proportionate fee, part of a month for which the licence has been in force shall be treated as a full month and if the licence had been issued in the middle of the licensing year, the proportionate fee shall be calculated on the ratio between the number of full months for which the licence ceases to be in force during the licensing year and a period of 12 months.
 - (c) Every holder of licence whose licence has ceased to be in force shall apply to the Collector for refund of the proportionate licence fee as calculated in sub-rule (b) above. The collector shall order refund of the proportionate licence fee accordingly.
4. **Verification of stock.** – (a) The Collector shall authorise the Excise Officer in the district to verify the stock of liquor held by the licensee who has not been issued a licence either under the Tamil Nadu Indian-Made Foreign Spirits (Supply by Wholesale) Rules, 1981 or the Tamil Nadu Liquor (Licence and Permit) Rules, 1981 on the close of the day on which the licence ceases to be in force.
 - (b) The Excise Officer authorized to verify the stocks under sub-rule (a), shall obtain an undertaking from the licensee in writing to the effect that he will not sell, use or dispose of the stock of liquor held by him and will abide by the orders of the Collector regarding the manner of disposal of such stocks, duly mentioning the details of the stock of liquor therein.
5. **Disposal of stock of Liquor.** – on an application made by the licensee, whose licence has ceased to be in force, the Collector shall permit him to transfer the stock of liquor held by him to any licensee in the State who has been granted a licence either under the Tamil Nadu Indian made Foreign Spirits (Supply by Wholesale) Rules, 1981 or the Tamil Nadu Liquor (Licence and Permit) Rules, 1981 on recovery of cost. No Excise Duty or vend fee shall be payable on such transfer of stock of liquor.
6. **Time limit for disposal of stock of liquor.** – (a) The licensee shall dispose of his stock of liquor within a period of three months from the date on which the licence has ceased to be in force or within such extended period of time as may be granted by the Collector.

- (b) if the stock of liquor is not disposed of within the period specified in sub-rule (a), the Collector may direct the licence to dispose of the stock of liquor in such manner as he deems fit and the licensee shall be bound to carry out such directions.

7. **Disposal of stock of liquor found unfit for human consumption.** – if any stock of liquor with the licensee is found unfit for human consumption, the Collector may order destruction of such stock in the presence of an Excise Officer authorised by him and the licensee shall not be entitled for any compensation for the stock of liquor so destroyed.
8. **Appeal.** – An appeal against any order passed by the Collector under these rules shall lie to the Commissioner, whose orders shall be final. The appeal shall be preferred within a period of one month from the date of receipt of Collector's orders.

