

United Provinces Excise Act, 1910

Statement of Objects and Reasons :

In 1905 an Excise Committee was appointed by the Government of India to investigate the various systems of Excise administration obtaining each province of British India, and to report how far they were calculated to give the fullest practical effect to the general policy of the Government of India in excise matter as declared in resolution no 5001. Exc. of the Finance Department date 7th September 1905.

In connection with investigation the committee was instructed to consider whether the various defects in the Excise Act, 1896 (XII of 1896) which had been brought to notice rendered it desirable the Act in question should be completely repealed , and if so, to indicate the main lines on which fresh legislation was required.

The Committee after a careful scrutiny of the Act decided in favour of repeal. They pointed out that the Act was unsuited to modern conditions and that it was an obstacle in the way of improving methods of excise administration.

Among other defects the following were special brought to notice:-

- (a) That the Act provides only for the distillery system in the crudest form;
- (b) That it ignores the subject of the wholesale vend of liquor;
- (c) That it gives wholly inadequate powers for the regulation of the traffic in *Tari*.
- (d) That the Procedure laid down does not provide sufficiently for the detection of offences and the arrest of offenders;;
- (e) That the power of inspection is unnecessarily restricted; and
- (f) That the provisions, for the making of statutory rules are imperfect,

The Committee expressed the opinion that a fresh enactment of general application ought to be framed, and that the new law should proceed on lines followed in the Madras Abkari Act of 1886. The enactment is permissive in character and while it requires that the manufacture, possession and sale of Excisable articles shall be covered by license granted by the due authority, in other respects it merely indicates the broad lines on which the Abkari system to be conducted and the nature of control which may be exercised, leaving points of details to be determined by rules framed under the Act and having force of law.

As contrasted with the Madras Act, the Excise Act, 1896 is not enabling but restrictive , and , in common with other Acts drafted on the same rigid model. It is open to the objection that by providing only for specific system, it either checks or renders, impossible the adoption of improved methods suggested by further experience. Every new development, which appears has to be met by recourse to fresh legislation.

The Government of India have accepted the conclusion of the Excise Committee as to be necessity for a new enactment and have approved of the lines on which, as suggested by the Committee, the new Act should be framed. They have, however decided that instead of an Act of general application being passed, each province should legislate for itself.

The Excise Committee prepared a draft bill, which has been adopted as the model on which the present bill has been fashioned. The object of this bill is to provide for the development and improvement of excise administration in the united provinces in a manner, which will obviate the necessity of appealing to the legislature in order to deal with every new situation that may arise.