

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
CIVIL APPEAL NO. 151 OF 2007

IN THE MATTER OF:

STATE OF UTTAR PRADESH AND ORS.

...APPELLANTS

Versus

M/S LALTA PRASAD VAISH

...RESPONDENTS

WRITTEN SUBMISSION

ON BEHALF OF THE ATTORNEY-GENERAL FOR INDIA

THREE PROPOSITIONS

PROPOSITION 1 - CONSTRUCTION OF ENTRY 52 LIST I VIS-A VIS 24 LIST II

1. Entry 52 LIST I has a special significance. Its scope is not controlled by any other entries.
2. Entry 24 LIST II contemplates state control or regulation of industries within the geographical frontiers of a state.
3. Entry 52 provides for control aspect from a national perspective. Such a federal control will be based on principles uniformly applicable to all states as far as control of an industry and to serve a national interest.
4. Several national and public interests are perceived to be served by federal control; namely subserving the common good, equitable distribution, fair prices, utility of products of industry for serving the interests of all the states etc. The common control element under Entry 52 List I is an independent subject and is not a matter carved out of the subset of Industries under Entry 24 List II.
5. Entry 24, on the other hand, stands on a lesser pedestal, viz., the geographical area. Regulation of industries that may be dealt with under Entry 24 is distinct.
6. Entry 24 contemplates the competence of the states to enact and to provide all matters in respect of industries. Entry 52, on the other hand, is primarily about what Parliament can do as regards the control of Union of any or all industries. This distinction is important because the competence under entry 52 is not grounded on entry 24 per se.

PROPOSITION 2 - ENTRY 52 LIST I AND ENTRY 33 LIST III

1. Certain entries in Schedule VII constitute a family of entries in as much as an element of inter-connectedness between them exists. Entries falling within such a family cannot be seen in isolation and in a sense, they are complementary. Entry 52, List I and Entry 33 List II is such a family of special class.
2. The principle of control enunciated in Entry 52 of List I can also include and touch upon all matters relating to an industry that is brought under Union's control. These matters can be production, trade, commerce, supply distribution etc. Depending upon the nature of the industry to be controlled and the public purpose such control of the industry will serve, Parliament can deal with any one or more or all of the above-mentioned aspects of the industry.
3. To the extent that the Parliament may deal with these matters the competence of States to legislate under Entries 26 and 27 of List II will be excluded or denuded.
4. Entry 33 of List III, however, is a coordinating branch of the principle of control. Trade, commerce, production, supply, and distribution of commodities or products are inter-connected aspects of an industry. Entry 33 contemplates that Parliament will have the primary competence of legislating in relation to any one or more or all of the above matters as may be deemed necessary towards the control of an industry. The primary competence dimension flows from the control aspect, the foundation for any further legislative exercise. Depending on the scope and extent of Parliamentary legislation providing for control, the subjects which are not occupied by Parliamentary law will be available to be dealt with by the States.
5. The view taken in paragraphs 14 and 15 of *SIEL Ltd. v. Union of India* (1998) 7 SCC 26 suggesting a division between Entry 52 List I and Entry 33 List III does not offer a

correct view on the reading of the above said entries. The aforesaid paragraphs are extracted hereunder:

“14. If we apply the same principle of harmonious construction to Entries 24, 26 and 27 of List II, the term “industry” in Entry 24 would not take within its ambit trade and commerce or production, supply and distribution of goods which are the express province of Entries 26 and 27 of List II. Similarly, Entry 52 in List I which deals with industry also would not cover trade and commerce in or production, supply and distribution of the products of those industries which fall under Entry 52 of List I. For the industries falling in Entry 52 of List I, these subjects are carved out and expressly put in Entry 33 of List III.

15. In the Calcutta Gas Co. case [AIR 1962 SC 1044 : 1962 Supp (3) SCR 1] the decision of this Court in Ch. Tika Ramji v. State of U.P. [AIR 1956 SC 676 : 1956 SCR 393] was relied upon. In Ch. Tika Ramji case this Court, inter alia, considered the interrelationship between Entry 52 List I, Entry 24 List II, Entry 27 List II and Entry 33 of List III as it stood prior to its amendment, and as amended. This Court examined the contention that the term “industry” should be widely construed to include all activities including activities preceding production such as acquisition of raw material and activities subsequent to production such as disposal of the finished products of that industry. Negating this contention in the light of the legislative entries, this Court held that what would fall under Entry 24 of List II would be the process of manufacture or production except where the industry was a controlled industry when it would fall within Entry 52 of List I. The products of the industry would be comprised in Entry 27 List II except where these were products of a controlled industry, when they would fall within Entry 33 of List III. Therefore, the subject-matter falling within Entry 26 and

Entry 27 of List II would not be covered by Entry 24 of List II; and similarly the subject-matter falling under Entry 33 of List III would not fall under Entry 52 of List I.”

As submitted above, it does not matter that one branch of the control principle is allotted to the Concurrent List. The unoccupied subjects are the residue of matters not legislated upon by Parliament will be the field available for States.

6. The reliance in the above judgment on *Ch. Tika Ramji* for its conclusion does not seem to be correct. As stated above Entry 52 List I and Entry 33 List III are two branches of one tree, and they reinforce each other. On this understanding, the further conclusion that can be drawn is that it is open to the Parliament to enact in respect of matters relating to trade and commerce, production, supply, distribution and also deal with the necessary elements of control and regulation touching upon the above subjects. The Industries (Development and Regulation) Act, 1951 has enacted in respect of and provided for aspects of control and regulation touching upon trade, commerce, production, supply and distribution.
7. For the purposes of exclusion of competence of states from entering into any one of the above matters, it is sufficient that the 1951 Act has touched upon the areas and nature of control and regulation vis-à-vis the schedules industry.
8. A law is said to be complete and made in so far as it contains all the essential features of a legislation including provisions in relation to delegated legislation. The mere fact that the details of the working of the legislation may be dealt with by way of rules, regulations, notifications and/or orders cannot be the reason for assertion that the law is incomplete or that the field is unoccupied.
9. The enforceability or otherwise of a law, by reason of non emanation of the subordinate legislations can have no relevance to the actual occupation of the field in question. It is

the occupation and not its enforceability that matters. Not speaking at all or silence on a subject is different from absence of measures towards enforceability of the Statute.

10. *Ch. Tika Ramji v. State of U.P.* was a case dealing with raw materials not falling within the scope of the scheduled industry. It was in that context that the Court noticed that no order was issued by the Central Government in exercise of the powers vested in it under Section 18G. Because sugarcane as a raw material did not fall under the scheduled industry the Court felt that the possibility of an order under Section 18G being issued by the Central Government would not be enough. The case on hand is no parallel to *Tika Ramji*. The entire fermentation industry became a scheduled industry. After the amendment in 2016, one part of the fermentation industry, namely non-potable alcohol, continues to be a scheduled industry. As a result, the subject matter of the fermentation industry as a whole or otherwise stands within the scope of the 1951 Act and within the details of Section 18G. It is submitted that the *Tika Ramji* principle cannot be said to be a principle of universal application i.e. in the absence of an order under Section 18G of the IDR Act, 1951, will be a dormant law and that States will derive their competence to deal with all or any matters otherwise exhaustively dealt with by Section 18G.

11. In other words, since the 1951 Act has enacted in respect of the entire spectrum of control and regulation and also the details of their working, for instance, as spelt out in Section 18G of the said Act, there is no unoccupied field at all available to the States.

PROPOSITION 3 - WHY ENTRY 8 OF LIST II CAN NOT BE OF ANY AVAIL TO THE STATES

1. The litmus test of Entry 8 is from the point of view of human factors, namely human consumption. The word “*intoxicating*” must be seen only with reference to the impact owing to human consumption. That which is not consumable by humans will not fall within the meaning of “*intoxicating*”.

2. Notwithstanding the long history of definitions of “*liquor*” to include liquids with alcohol content, it cannot be canvassed that the human consumption part can be kept aside. All uses of liquids containing alcohol, other than meant for human consumption, would all fall under one heading of non-potable alcohol. Even Entry 51 of List II talks about alcoholic liquors for human consumption.
3. It is immaterial that there is no entry in the VII Schedule specifically designated as “industrial alcohol”. The 2016 amendment by way of substitution of entry 26 of the First Schedule to the IDR Act, 1951, must be taken to clarify this position.
4. The reason for focus on intoxication and human consumption is not far to seek. The manifold increase in the uses of alcohol-based products was neither known nor contemplated while legislating with reference to liquor save prior to and at the time of enactment of the Constitution. The focus was on temperance, regulation of trade and commerce in humanly consumable alcohol preparations, and to raise revenues as also an incidental part of regulation.

JUDICIAL TREATMENT OF LIQUOR, DENATURED SPIRIT RECTIFIED SPIRIT

S.No.	JUDGMENT AND CITATION	JUDICIAL TREATMENT
LIQUOR/ ALCOHOLIC LIQUOR FOR HUMAN CONSUMPTION		
1.	<p><i>State of Bombay v FN Balsara</i>, 1951 1 SCR 682: 1951 INSC 31</p> <p>See Page 705-706</p>	<p>(i) After examining various definitions in various provincial Acts concluded that framers of the Government of India Act, 1935 could not have been entirely ignorant of the accepted sense in which the word ‘liquor’ has been used in various excise Acts of the country and, accordingly, it was concluded that word “liquor” covers not only those alcoholic drinks which are generally used for beverage purposes and produce intoxication but also all liquids containing alcohol.</p>
2.	<p><i>Synthetics and Chemicals Ltd. & ors. v. State of UP & Ors.</i> (1990) 1 SCC 109</p> <p>See Para 74</p>	<p>(i) By common standards ethyl alcohol (which has 95 per cent) is an industrial alcohol and is not fit for human consumption.</p> <p>(ii) Beverage and industrial alcohols are clearly and differently treated. Rectified spirit for industrial purposes is defined as “spirit purified by</p>

		<p>distillation having a strength not less than 95 per cent of volume by ethyl alcohol”. Dictionaries and technical books would show that rectified spirit (95 per cent) is an industrial alcohol and is not potable as such.</p> <p>It appears, therefore, that industrial alcohol which is ethyl alcohol (95 per cent) by itself is not only non-potable but is highly toxic. The range of spirits of potable alcohol is from country spirit to whisky and the ethyl alcohol content varies between 19 to about 43 per cent. These standards are according to the ISI specifications. In other words, ethyl alcohol (95 per cent) is not alcoholic liquor for human consumption but can be used as raw material input after processing and substantial dilution in the production of whisky, gin, country liquor, etc.</p> <p>(iii) Court also observed that <i>Balsara</i> needs to be reconsidered and held, “<i>It appears that in the light of the new experience and development, it is necessary to state that “intoxicating liquor” must mean liquor which is consumable by human being as it is and as such when the word “liquor” was used by Fazl Ali, J., they did not have the awareness of full use of</i></p>
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		<i>alcohol as industrial alcohol. It is true that alcohol was used for industrial purposes then also, but the full potentiality of that user was not then comprehended or understood. With the passage of time, meanings do not change but new experiences give new colour to the meaning.”</i>
3.	<i>State of UP v Modi Distillery (1995) 5 SCC 753</i> See Para 9	(i) Judgment relies on <i>Synthetics</i> understanding of liquor and industrial alcohol and observed, “ <i>In the light of experience and development, it was necessary to state that “intoxicating liquor” meant only that liquor which was consumable by human beings as it was.”</i>
	<i>Khoday Distilleries Ltd. v State of Karnataka & Ors. (1995) 1 SCC 574</i> Para 7	(i) The Court was called to determine where there exists a fundamental right to carry on trade in liquor. (ii) It was laid down that “ Liquor is classified broadly into three classes, viz. (i) potable liquor which is used a beverage, (ii) liquor used in medicinal and toilet preparations and (iii) industrial liquor used for industrial purposes”
DENATURED SPIRIT		

1.	<p><i>Vam Organic Chemicals Ltd. & Anr. v State of UP & Ors.</i> (1997) 2 SCC 715</p> <p>See Para 4</p>	<p>(i) The Bench explains difference between industrial alcohol, denatured spirit and potable liquor.</p> <p>(ii) “Ethyl alcohol is rectified spirit of 95% v/v/ in strength, Rectified spirit is highly toxic and unfit for human consumption. However, rectified spirit diluted with water is country liquor. Rectified spirit, as it is, can be used for manufacture of various other products like chemicals etc...Rectified spirit is denatured by adding denaturants which make the spirit unpalatable and nauseating. As such rectified spirit can be converted to potable liquor but once denatured it can be used only as industrial alcohol”</p>
	<p><i>Bihar Distillery & Anr v Union of India & Ors.</i> (1997) 2 SCC 727</p> <p>See Para 23</p>	<p>(i) While explaining further development of rectified spirit, Court held, “Denatured rectified spirit, of course, is wholly and exclusively industrial alcohol.”</p>
<p>RECTIFIED SPIRIT</p>		

1.	<p><i>Bihar Distillery & Anr v Union of India & Ors.</i> (1997) 2 SCC 727</p> <p>See Para 23</p>	(i) Rectified spirit is both industrial alcohol as well as liquor which can be converted into country liquor just by adding water. It is also basic substance from which IMFLs are made. Denatured rectified spirit, of course, is wholly and exclusively industrial alcohol.
2.	<p><i>Maharashtra Distilleries v. Municipal Corporation of Aurangabad & Anr.</i>, (2002) 4 SCC 506</p> <p>See Para 1 & Para 10</p>	<p>(i) Court while deciding controversy regarding rate of octroi to be imposed on appellant company engaged in manufacturing of various kinds of “IMFL/potable liquor” examined different raw materials that were used in the process of manufacturing, including rectified spirit.</p> <p>(ii) Court held, “...<i>there cannot be any doubt that the rectified spirit imported by the appellant into the octroi limits of the respondent was not fit for human consumption as it was directly at the point. It was only raw material at that stage. No doubt, it is subsequently used in the manufacture of potable liquor ...The rectified spirit undergoes numerous processes in the distillery of the appellant after importing it on payment of octroi duty before being converted into potable</i>”</p>

		<p><i>liquor...The High Court was also not right in saying that rectified spirit is purified or refined liquor as it has to undergo certain processes including treatment with chemicals and redistillation to remove impurities before it can be treated as pure spirit. <u>It may be stated that even the pure spirit has strength or about 90% v/v and int this form also it is not fit for human consumption...Rectified spirit is an input in the industrial use of making potable alcohol</u>”</i></p>
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5. Entry 8 of List II cannot be taken to be the point of anchor for determining the scope of entry 52, List I or entry 33, List III. Entry 8 does not cast any shadow on the above-said entries.
6. The *ITC* ruling [*ITC Ltd. v. Agricultural Produce Market Committee*, (2002) 9 SCC 232] was in the context of overlapping entries or in the context of the doctrine of pith and substance for the purposes of comparison of two legislations and locating the dominant purpose, etc. In the instant case, there is no room for suggesting that the State Legislation, or the rules made by it, are within their competence and that the field in relation to “Fermenting Industries” was unoccupied. As stated above, the 1951 Act is a complete code by itself and has dealt with all matters referred to in Entry 33 of List III and relating to the fermenting industry. It is submitted that the *ITC* judgement cannot be any parallel or of any assistance to the instant case.

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CIVIL APPEAL NO. 151 OF 2007**

IN THE MATTER OF:

STATE OF UP

...APPELLANTS

versus

LALTA PRASAD VAISH

...RESPONDENTS

ADDDITIONAL SUBMISSIONS BY THE ATTORNEY GENERAL FOR INDIA

**PART I: WRITTEN SUBMISSIONS ON LIQUOR DOES NOT INCLUDE ALL
KINDS OF ALCOHOL**

1. The use and recognition of use of alcohol liquids for other than potable purposes has been a subject matter of discussion during the colonial period.
2. The literature available on this subject gives an insight as to the distinction between classes of alcohol with reference to their uses. It is submitted that entry 8 is based on the said distinction. The literature placed along with this note show that there is nothing in support of the proposition that intoxicating liquor was understood to include all classes of alcohol liquids.
3. Matters of trade and commerce, supply and distribution etc. referred to in entry 33 are in relation to the products of an industry under the control of the Union. The nature and extent of trade and commerce etc. will differ from product to product.
4. Clause (a) of Entry 33 of List III came in by third Constitutional Amendment Act, 1954. Enacting such a field of legislation in the concurrent list can be understood from the need

for flexible distribution of legislative scope between Union and the States. Entry 33 is, therefore, a classic example of Article 254 proposition.

5. Once it is understood that neither Entry 8 List II, whichever way it is construed, and keeping in mind Entries 26 & 27 of List II, which are subject to provisions of the entry 33, laws made by Parliament under the authority of the two branches namely entry 52 of List I and Entry 33 of List III, will occupy the declared field.
6. The use of the phrase “that is to say” occurring in entry 8 only refers to the range of activities concerning one class of alcohol, namely intoxicating liquors and is not referable to other classes of liquor.
7. The approach adopted in *Calcutta Gas Company*¹ based on resolving conflicts between entries in the same list, does not appeal to logic. The mere fact that entry 25 “Gas and Gas Works” is treated a distinct entry does not mean that any part of dealing with gas and gas works cannot, even conceptually, fall under entries 24, 26 of 27 of List II. The emergence of use of gas and processes and industries relating to such use, can be the only reason for a special attention to be paid to gas and gas works. The logic applied in *Calcutta Gas* cannot be extended to entry 8, List II.

PART II - INTOXICATING LIQUORS HAS BEEN CONSIDERED DIFFERENT FROM INDUSTRIAL ALCOHOL – A HISTORICAL PERSPECTIVE

1. The products of fermentation industry range from industrial alcohol like ethanol, methanol, 1-Butanol, Glycerol, propanol, isopropyl alcohol etc.; and alcoholic beverages such as wine, beer, vodka, tequila, gin, rum etc.

¹ 1962 Supp (3) SCR 1 @ Vol-V Pdf 2149

2. Admittedly many industrial uses of products of alcohol industry were not known to the framers of the constitution. However, it cannot be said that they were entirely unaware of the fact that all alcohol is neither consumable by humans nor intoxicating in nature. For instance, glycerine has been known to be used in cosmetics, medicines, and ammunition during World War -II.
3. It is submitted that in India the use of alcohol for industrial purposes and its regulation were both subsequent to use and regulation of alcohol for the purposes of intoxication. To understand the regulation of “liquor” in India it needs to be understood that colonial laws of the 19th century were guided by twin objects of generating revenue on one hand and checking intemperance among people towards safeguarding their morality.²
4. The said purpose of the Abkari Acts, for instance the Bombay Abkari Act, 1878, can be evinced from the contents of the Reports on administration of the Abkari Department of the Bombay Presidency, Sind and Aden. For instance, at para 6 the Report of 1880-81 notes “Progressive increase in Abkari Revenue” which was “Accompanied by decrease in drunkenness”.³ Notably, the details of revenue collection notes four “branches” of Abkari revenue, viz. Foreign Liquor, Country Liquor, Intoxicating Liquor and Miscellaneous.⁴ Thus, it is submitted that even though all categories of liquor were considered consumable, intoxicating liquor was considered a separate class of liquor that was ordinarily and regularly consumed, which was administered and monitored separately.
5. In the Report on the Administration of the Abkari Department of the Bombay Presidency, Sind and Aden, published in 1894, the sources of revenue are listed as
“6. *The principal sources of abkari revenues on this Presidency are: -*

² Indra Munshi Saldanha. “On Drinking and ‘Drunkenness’: History of Liquor in Colonial India.” *Economic and Political Weekly*, vol. 30, no. 37, 1995, pp. 2323–31. *JSTOR*, <http://www.jstor.org/stable/4403218>. Accessed 8 Apr. 2024.

³ See Bombay (Presidency). Abkari Department. “Reports on the Administration of the Abkari Department of the Bombay Presidency, Sind and Aden.” *Reports on the Administration of the Abkari Department of the Bombay Presidency, Sind and Aden.*, Bombay: [publisher not identified], 1882-1903., 1880. *JSTOR*, <https://jstor.org/stable/saoa.crl.28232896>. Accessed 8 Apr. 2024.

⁴ *Ibid.*

- a. *Manufacture and sale of country liquor, which term is for the present purposes to be understood as exclusive of malt liquors brewed in India, and the special descriptions of liquors referred to under clause (b) below;*
- b. *The manufacture and sale of malt liquors and of certain special descriptions of country liquors excised at rates leviable under the Indian tariff Act, on liquors imported from foreign liquors;*
- c. *The sale of foreign liquors;*
- d. *The manufacture and sale of intoxicating drugs other than opium or preparation of opium.*

7. *The country liquor taxed and consumed is of two kinds, viz.:-*

- (i) *Distilled spirit, and*
- (ii) *Toddy, or the sap of palm tree.*⁵

6. Thus, the liquor in question during the first century of colonial rule was only the liquor that was ordinarily being consumed. It is also worth stating here that the alcohol proof prescribed was never as high as 90 proof as is being discussed today. Even as late as 1919, the Report on the administration of Excise Department (Abkari and Opium) in the Bombay Presidency, Sind and Aden notes at para 4,

*“There was no change in the prescribed sale strengths of country spirit sold, viz. 25o U.O., 30o U.P., 40o U.P., 45o U.P. and 60o U.P. (Imperial Return IV, columns 2-4). The policy of discouraging the consumption of stronger spirit was further pursued by the restriction, where feasible, of additional shops to the exclusive sale of 60o U.P. spirit as will be seen from details given in Appendix N.”*⁶

⁵ Bombay (Presidency). Abkari Department. “Reports on the Administration of the Abkari Department of the Bombay Presidency, Sind and Aden.” *Reports on the Administration of the Abkari Department of the Bombay Presidency, Sind and Aden.*, Bombay: [publisher not identified], 1882-1903., 1894. *JSTOR*, <https://jstor.org/stable/saoa.crl.28232998>. Accessed 8 Apr. 2024.

⁶ Bombay (Presidency). Excise Department. “Reports on the Administration of the Excise Department (Abkari and Opium) in the Bombay Presidency, Sind and Aden.” *Reports on the Administration of the Excise Department (Abkari and Opium) in the Bombay Presidency, Sind and Aden.*, Bombay: [publisher not identified], 1904-37., 1919. *JSTOR*, <https://jstor.org/stable/saoa.crl.28233040>. Accessed 8 Apr. 2024.

7. It was at the turn of the century that alcohol achieved a different dimension.⁷ Alcohol emerged as a key component of pharmaceutical and chemical industry and also as manufacturing of ammunitions and in motoring industry.⁸
8. With the increases use of alcohol emerged the issue of liberal taxation for industrial alcohol⁹ and the conundrum that is being faced by this Hon'ble Court viz. as to what constitutes "industrial alcohol". This issue was considered by the Industrial Alcohol Committee in its Report of 1920, where it observed,

"5. We have some difficulty in finding a satisfactory definition of the term "industrial alcohol" and in avoiding the purely subjective definition of "alcohol intended for industrial purposes." At first sight this would appear to be the only possible description, as there is no intrinsic difference between alcohol intended for potable and for non-potable purposes.

Possibly the best definition of "alcohol which is exempted from the excise duty leviable on potable spirit on the ground that it is intended for non-potable purposes." This will cover both pure alcohol and alcohol which has been denatured, that is rendered unfit (more or less completely) for human consumption. It will also cover the use of alcohol in experiment and research as distinct from purely commercial uses, where the object is to place the finished product on the market by will exclude the use of alcohol in hospitals and in the preparation of medicines and tinctures. Industrial alcohol, as defined above, is alone dealt with by this Committee.

7 The British Inter-Departmental Committee on Alcohol Motor-Fuel suggest in paragraph 5 of their report that all alcohol for power on traction purposes should be described as "power alcohol". This is satisfactory so far as it goes, and we have made suggestions for the definition and regulation of such power alcohol. At the same time they suggest that the term "industrial alcohol" is unsatisfactory, on the ground that some sections of community believe it to be alcohol for the working man. Such a

⁷ Bhattacharya, N. (2017). The Problem of Alcohol in Colonial India (c. 1907–1942). *Studies in History*, 33(2), 187-212. <https://doi.org/10.1177/0257643017711603>

⁸ *Ibid.*

⁹ Report of the Indian Industrial Commission 1916-18, Superintendent Government Printing Press, Calcutta, as available at <https://nvli.in/report-indian-industrial-commission-1916-18>

*misapprehension is not likely to arise in India. Power alcohol is a sub-division of industrial alcohol, and we see no reason to abandon a logical classification.”*¹⁰

9. The Report also made certain recommendations for preparation, transport and taxation of “power alcohol” i.e. industrial alcohol used as fuel for motor vehicles.
10. Most notably, the report after examining “denatured spirit” “methylated alcohol” and other industrial alcohol reached a finding at para 144,

“One possible obstacle to the manufacture of industrial alcohol is the seeming confusion of the rules about it. In the first place, the uses of alcohol for industrial and for potable purposes are not clearly distinguished. The regulations concerning these uses should be entirely separate, and we have framed proposals accordingly. There also appears to be a certain confusion running through the rules of Provincial Governments between methylated spirit and ordinary denatured spirit. Methylated spirit is the description of alcohol denatured according to the British methods, that is to say, ethyl alcohol mixed with methyl alcohol usually in the form of wood naphtha and must in India be classed as specially denatured spirit. This confusion has given rise to a certain amount of misapprehension on the part of outside applicants. If our suggestions about the drafting of the rules are adopted, there should be no cause for mis-apprehension on the part of the public, and manufacturers would be in a position to realize more fully the facilities which are offered even under the existing regulations.”

11. Finally, the Report recommended at para 156,

“156. All local Governments should be requested to revise their rules regarding other forms of industrial alcohol, so as clearly to discriminate it from alcohol intended from potable purposes, and to provide for grant of special licences –

- (a) For experiments in the production and new use of alcohol,*
- (b) For the use of rectified or specially denature spirit in industries.*

¹⁰ Report of the Industrial Alcohol Committee, 1920, as available at <https://nvli.in/report-industrial-alcohol-committee-1920>

157. They should also bring their rules into conformity in various minor matters, especially as regards denaturation tests, the permissible quantities for private possession, and the retail strength of ordinary denatures spirit.”¹¹

12. It is submitted, therefore, that issue of inappropriate and dated definition of liquor is of some vintage and the definition of liquor across state legislations have continued in spite of recommendations to amend the same.

¹¹ *Ibid.*