

ACT No. XVI OF 1934.

[PASSED BY THE INDIAN LEGISLATURE.]

(Received the assent of the Governor General on the 1st May, 1934.)

An Act to provide for the imposition and collection of an excise duty on matches.

WHEREAS it is expedient to impose an excise duty on matches, to provide for the collection thereof, and to alter the duty of customs leviable on matches under the Indian Tariff Act, 1894; It is hereby enacted as follows:—

VIII of 1894.

1. (1) This Act may be called the Matches (Excise Duty) Act, 1934. Short title and extent.

(2) It extends to the whole of British India, including British Baluchistan and the Sonthal Parganas.

2. In this Act, unless there is anything repugnant in the subject or context,— Definitions.

- (a) "manufactory" means any premises wherein matches are manufactured;
- (b) "match" includes a firework in the form of a match; and, where a matchstick contains more heads than one capable of being ignited by striking, each such head shall be deemed to be a match;
- (c) "owner" includes any person expressly or impliedly authorized by an owner of a manufactory to be his agent in respect of the manufactory;
- (d) "splints" means undipped splints such as are ordinarily used for making matches; and
- (e) "veneers" means veneers such as are ordinarily used for making match-boxes.

3. A duty of excise at the rates specified in section 4 shall be levied on all matches manufactured in any manufactory in British India, and issued out of such manufactory on or after the 1st day of April, 1934, and shall be payable by the owner of the manufactory. Imposition of duty on matches.

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Price anna 1 or 1½d.

Rates of duty.

4. The duty payable under section 3 shall be levied at the following rates, namely:—

- (a) on matches in boxes or booklets containing on an average not more than eighty—
 - (i) if the average number is forty or less, at the rate of one rupee per gross of boxes or booklets,
 - (ii) if the average number is more than forty, but not more than sixty, at the rate of one rupee and eight annas per gross of boxes or booklets, and
 - (iii) if the average number is more than sixty, at the rate of two rupees per gross of boxes or booklets, and
- (b) on all other matches, at such rate as the Governor General in Council may prescribe.

Recovery of duty with penalty.

5. (1) If any duty payable under section 3 is not paid within the time fixed by rules made in that behalf under this Act, it shall be deemed to be an arrear, and the authority to which such duty is payable may, in lieu thereof, recover any sum not exceeding four times the amount of duty unpaid which such authority may in its discretion think it reasonable to require.

(2) An arrear of duty, or any sum recoverable in lieu thereof under this section, shall be recoverable as an arrear of land revenue and shall be recoverable in addition to, and not in substitution for, any other penalty incurred under this Act.

Issue of matches from manufactory.

6. No person shall issue any matches out of a manufactory, except in accordance with the provisions of rules made in that behalf under this Act, or, until such rules are made, in accordance with the general or special orders of the Local Government.

Power of Governor General in Council to prohibit import of matches.

7. The Governor General in Council may, by notification in the Gazette of India, prohibit absolutely, or with such exceptions as he thinks fit, the bringing of matches into British India from the territory of any specified Prince or Chief in India.

Power of Governor General in Council to direct use of banderols.

8. (1) The Governor General in Council may, by notification in the Gazette of India, direct that after a date to be specified in the notification no matches manufactured after the date of the issue of the notification shall be issued from a manufactory in British India except in packets, boxes or booklets bearing a banderol or stamp of such nature and affixed in such manner as may be prescribed by rules made under this Act.

(2) The

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(2) The Governor General in Council may, by a like notification, direct that, after a date to be specified in the notification, no matches shall be sold or offered or kept for sale in British India except in packets, boxes or booklets bearing such a banderol or stamp so affixed.

(3) The Governor General in Council may exempt from the operation of any notification made under sub-section (1) matches intended for export from India.

(4) The Governor General in Council may exempt from the operation of any notification made under sub-section (2) matches of a particular kind or packed in a particular manner.

9. From such date as may be fixed by the Governor General in Council by notification in the Gazette of India in this behalf—

Prohibition of manufacture of matches and manufacture and import of splints and veneers.

(a) no person shall manufacture matches or splints or veneers in British India except under and in accordance with a licence to manufacture issued under this Act;

(b) no person shall import splints or veneers into British India except under and in accordance with a licence to import; and

(c) no person shall supply splints or veneers to any person who does not possess a licence to manufacture matches issued under this Act nor otherwise than in such manner as may be prescribed by rules made under this Act.

10. Whoever contravenes the provisions of section 6 shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

Penalty for issue of matches from manufactory in contravention of section 6.

11. (1) Whoever, in contravention of any notification made under section 7, imports, or attempts to import, matches into British India shall be punishable with imprisonment which may extend to six months, or with fine which may extend to four times the amount of the duty which would be payable on the matches if they were liable to duty in British India or to one thousand rupees, whichever is greater, or with both imprisonment and fine.

Penalty for import of matches in contravention of Act.

(2) Whoever abets an offence punishable under sub-section (1) shall, whether such offence is or is not committed in consequence of such abetment, and notwithstanding anything contained in section 116 of the Indian Penal Code, be punishable with the punishment provided for the offence.

XLV of 1860.

12. (1) Whoever

Penalty for
issue or sale
of matches
without
banderol.

12. (1) Whoever, in contravention of any direction made under sub-section (1) of section 8, issues any matches from any manufactory, shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees or to one rupee for every packet, box or booklet of matches in respect of which an offence has been committed, whichever is greater, or with both imprisonment and fine.

(2) Whoever, in contravention of any direction made under sub-section (2) of section 8, sells or offers or keeps for sale any matches shall be punishable with fine which may extend to one thousand rupees or to one rupee for every packet, box or booklet of matches in respect of which an offence has been committed, whichever is greater.

Penalty for
manufacture
of matches and
import of
splints and
veneers
without
licence.

13. Whoever in contravention of the provisions of section 9 manufactures matches or splints or veneers or imports splints or veneers into British India or supplies splints or veneers to any person shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

Penalty for
evasion of
duty or failure
to supply
information.

14. Whoever evades, or attempts to evade, the payment of any duty payable by him under this Act, or fails to supply any information which he is required under this Act or the rules to supply, or knowingly supplies false information, shall be punishable with imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

Power of
Courts to order
forfeiture of
matches,
splints or
veneers.

15. Any Court trying an offence under this Act may order that any matches, splints or veneers, together with the boxes, packing or wrappings thereof, in respect of which the Court is satisfied that an offence under this Act has been committed, shall be forfeited to His Majesty.

Application
of Act VIII
of 1878 to the
importation
of matches,
splints or
veneers.

16. The law for the time being in force relating to Sea Customs and to goods the importation of which is prohibited by section 18 of the Sea Customs Act, 1878, shall apply in respect of matches, splints or veneers, the importation of which is prohibited by or under this Act, and the officers of Customs and the officers empowered under the Sea Customs Act, 1878, to perform the duties imposed by that Act on a Customs-Collector and other officers of Customs shall have the same powers in respect of such matches, splints or veneers as they have for the time being in respect of goods the importation of which is prohibited by section 18 of the Sea Customs Act, 1878:

VIII of 1878.

VIII of 1878.

VIII of 1878.

Provided

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VIII of 1878. Provided that the penalty for the offence specified in section 167, No. 8, of the Sea Customs Act, 1878, shall, where the offence is committed in relation to matches, splints or veneers the importation of which is prohibited by or under this Act, be a penalty of confiscation only, and such penalty of confiscation shall not be inflicted under section 167, No. 8, of the Sea Customs Act, 1878, in any case where the person concerned in the offence is sent for trial under section 11 or section 13 of this Act.

VIII of 1878. 17. The Governor General in Council may, by notification in the Gazette of India, declare that any of the provisions of the Sea Customs Act, 1878, relating to the levy of and exemption from customs duties, drawback of duty, warehousing, offences and penalties, confiscation, and procedure relating to offences and appeals shall, with such modifications and alterations as he may consider necessary or desirable to adapt them to the circumstances, be applicable in regard to like matters in respect of the duty on matches imposed by section 3.

Application of the provisions of Act VIII of 1878 to the duty on matches.

18. (1) The Governor General in Council may, by notification in the Gazette of India, make rules to carry into effect the purposes and objects of this Act.

Power of Governor General in Council to make rules.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may—

- (a) prescribe the rate of duty referred to in clause (b) of section 4;
- (b) provide for the assessment and collection of the duty and the authorities by whom functions under this Act are to be discharged, the issue of notices requiring payment, the manner in which the duty shall be payable, and the recovery of arrears;
- (c) provide for the distinguishing of matches, splints or veneers which have been manufactured under licence, of splints or veneers which have been imported under licence and of matches on which duty has been paid, or which are exempt from duty under this Act;
- (d) regulate the issue of matches out of any manufactory and limit the number of matches which may be contained in a box or booklet;
- (e) impose on the owners of manufactories and on persons engaged in the sale of matches the duty of furnishing information, keeping records and making returns, and prescribe the nature of such information and the form of such records and returns,

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the particulars to be contained therein, and the manner in which they shall be verified;

- (f) provide for the issuing of licences, the form and the conditions of licences, and the fees to be charged therefor;
- (g) regulate the sale of splints and veneers;
- (h) provide for the detention of matches for the purpose of exacting the duty, the confiscation, otherwise than under section 15, of matches, splints and veneers in respect of which breaches of the Act or rules have been committed, and the disposal of matches, splints and veneers so detained or confiscated;
- (i) authorize and regulate the inspection or search of any place or conveyance used for the manufacture, storage or carriage of matches, splints or veneers;
- (j) authorize and regulate the composition of offences against, or liabilities incurred under, the Act and rules including composite payments in lieu of duty; and
- (k) prescribe the nature of and the manner of affixing banderols or stamps.

(3) In making any rule under this section the Governor General in Council may provide that a breach of the rule shall, where no other penalty is provided by this Act, be punishable with imprisonment for any term not exceeding six months, or with fine not exceeding one thousand rupees, or with both imprisonment and fine.

(4) The Governor General in Council may delegate all or any of his powers under this section to a Local Government.

Power of Governor General in Council to provide for rebate of duty.

19. The Governor General in Council may, by notification in the Gazette of India, make rules to provide for the grant of a rebate of the duty payable under section 3 on matches manufactured in any manufactory whose daily output does not exceed one hundred gross of boxes to the following extent, namely:

- (i) where the average number of matches in a box or booklet is forty or less, a rebate of ten pies per gross of boxes or booklets;
- (ii) where the average number of matches in a box or booklet is more than forty but not more than sixty, a rebate of one anna and three pies per gross of boxes or booklets; and

(iii) where

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(iii) where the average number of matches in a box or booklet is more than sixty, a rebate of one anna and eight pies per gross of boxes or booklets.

20. (1) In the Second Schedule to the Indian Tariff Act, 1894, for sub-head (a) of Item No. 159 and the entries in the third and fourth columns relating thereto the following sub-head and entries shall be substituted, namely:—

Amendment of the Second Schedule, Act VIII of 1894.

“(a) MATCHES—

(1) In boxes or booklets containing on an average not more than 40 matches.	Per gross of boxes or booklets.	The rate at which excise duty is for the time being leviable on such matches manufactured in British India <i>plus</i> ten annas.
(2) In boxes or booklets containing on an average more than 40 but not more than 60 matches.	Do.	The rate at which excise duty is for the time being leviable on such matches manufactured in British India <i>plus</i> fifteen annas.
(3) In boxes or booklets containing on an average more than 60 but not more than 80 matches.	Do.	The rate at which excise duty is for the time being leviable on such matches manufactured in British India <i>plus</i> one rupee and four annas.
(4) All other matches	For every 48 matches or fraction thereof.	The rate at which excise duty is for the time being leviable on such matches manufactured in British India <i>plus</i> one pie.”

(2) Notwithstanding anything contained in section 4 of the Indian Finance (Supplementary and Extending) Act, 1931, the additional duty imposed by that section of that Act shall not be levied or collected on any article chargeable with duty under sub-head (a), Item No. 159 of the Second Schedule to the Indian Tariff Act, 1894, as amended by this section.

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21. The Burma (Excise) Duty on Matches Act, 1932, is hereby repealed with effect from the 31st day of March, 1934, but all the provisions of that Act and of the rules made thereunder shall, notwithstanding such repeal, continue to apply to any matches liable on the 31st day of March, 1934, to duty under section 3 of that Act, and to any proceedings commenced in relation to any such matches.