

# SC curtails Centre's authority on industrial alcohol; overturns 1990 ruling

Chief Justice DY Chandrachud, writing for himself and seven other judges, declared that the central government does not possess regulatory authority over industrial alcohol



Chief Justice DY Chandrachud Declared That The Central Government Does Not Possess Regulatory Authority Over Industrial Alcohol. | File Photo

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central government does not possess regulatory authority over industrial alcohol. He mentioned that industrial alcohol falls under Entry 8 of List II of the Constitution, which pertains to intoxicating liquors, and cannot be taken over by Parliament under Entry 52 of List I. According to the ruling, states retain the power to legislate on intoxicating liquor, which includes industrial alcohol.

Justice BV Nagarathna provided the sole dissenting opinion, arguing that the states lack the authority to regulate industrial alcohol.

Under the Constitution's 7th Schedule, Entry 8 of the State List grants states the authority to legislate on the manufacture, transport, and sale of intoxicating liquors. Conversely, Entry 52 of the Union List and Entry 33 of the Concurrent List allow Parliament to regulate industries in the public interest. However, this ruling affirms that industrial alcohol, which is not intended for human consumption, remains within the jurisdiction of the states.

### Previous legal interpretations

The issue of industrial alcohol regulation has long been debated. In 1990, the Supreme Court, in *Synthetics & Chemicals Ltd. v State of Uttar Pradesh* case, held that 'intoxicating liquors' referred only to potable alcohol, excluding industrial alcohol from state control. During the verdict, the court also noted that Parliament could regulate industrial alcohol through a declaration under Entry 33 of the Concurrent List.

Despite both Parliament and state legislatures having the power to make laws on subjects in the Concurrent List, central laws take precedence over state legislation. Nevertheless, the latest ruling marks a pivotal moment in clarifying the extent of state versus central control over industrial alcohol, with Chief Justice Chandrachud highlighting that substances like alcohol, opium, and drugs, even if not traditionally intoxicating, fall under the umbrella of 'intoxicating liquors'. Justice Nagarathna, however, maintained her view that state legislatures lack the necessary competence in this area.