

Revenue (1899) Department.

MISCELLANEOUS SERIES.

G.O., No. 1121

DATED 16th March 99

[Despatch Abstract.]

Regretting the inability of Govt to
entertain Memo. Holmes & Co's application for the
refund of duty on ganja supplied by them to
the Govt Medical Stores and communicating to the
Medical Storekeeper to Govt, Madras Command
Board's remark on the 1st letter of Messrs Holmes
& Co.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

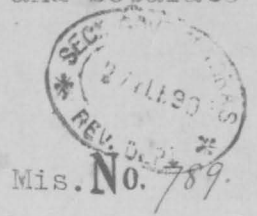
Revenue (1899) Department.

CURRENT No. 1447

16/3/99

From

The Secretary to the Commissioner
of Salt, Abkari and Separate Revenue,
Madras.



Order mis. No. 1121 d/16th March '99.

The Government
regrets to be unable to entertain
Messrs. Holmes & Company's applica-
tion for the refund of duty on ganja
supplied by them to the Govt
Medical Stores.

Dated 24th February 1899.

Received 27

Registered 28

Enclosures 4

2. ~~The attention of~~
~~the Medical Storekeeper for Govt. Madras~~
~~the Public Department will be~~
submitted to the Board's remark in
the last sentence of the B.P. read
above will be communicated to the
Messrs. Storekeeper's Dept. (and forward
1073)

SUBJECT.

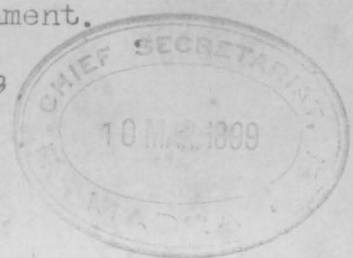
Submitting to Government, with remarks,
petition of Messrs Holmes and Co. Che-
mists and Druggists, Madras, praying for
a refund of Excise duty paid by them on
certain ganja supplied to the Medical
Storekeeper to Government.

Does Pub Dept accept the
to draft 8/1073 Pub Dept No. 497/10th March 1899

The Board of Revenue (S.R.)
Medical Storekeeper to Govt. Madras
" Public Dept (with copy of B.P.)

Messrs. Holmes & Co. (para 1 only)

(From Orders) 10.9.99



16/3/99

BACK PAPERS.

G.O.	No.	Department.	Date.
40	142	Rev.	6-3-97
B.P.	158	923R	6-6-98
	22-4	3754	4074
C no. 6337 & connected papers			

G.O. 1151 8-3-98. FURTHER PAPERS.

G.O.	No.	Department.	Date.
90	1151	16-9-98	22-4-97

PRICE 1 pie $\frac{2,000}{1-9-98}$



Proceedings of the Board of Revenue

(Separate Revenue).

Dated 24th February 1899.

Mis. No. 789.

Read letter from Bryce Mc.Master, Esquire, Acting Deputy Commissioner, Central Division, No. 6838, dated 6th December 1898, submitting with remarks the petition of Messrs Holmes and Co, Madras, appealing against the order of the Board that duty should be collected on ganja required by them for supply to the Government Medical Stores, and

Board's reference thereon No. 1120, dated 16th December 1898, requesting the Deputy Commissioner, Central Division, to ascertain and report at what rates Messrs Holmes and Co. tendered to supply ganja to the Medical Storekeeper to Government and how those rates compare with the market rates.

Read again also Board's reference No. 103, dated 1st February 1899, requesting the Deputy Commissioner, Central Division to call upon Messrs Holmes and Co, ~~Chemists and~~ ~~Druggists, Madras,~~ to produce the vouchers for their purchase of the 150 lbs of ganja supplied to the Medical Store

Storekeeper to Government and to forward the same to the Board at an early date.

Read again also Board's reference No. 173, dated 17th February 1899, informing Messrs Holmes and Co. that the Board is waiting for the vouchers for the purchase by them of 150 lbs of ganja for supply to the Medical Storekeeper to Government which the Deputy Commissioner, Central Division, has been directed to obtain from them.

Read also petition from Messrs Holmes and Co. dated 18th February 1899.

Resolution.

Messrs Holmes and Co's petition is submitted to Government.

2. At the time they made the contract there was no duty on ganja, but Notification No. 154, dated 6th March 1897, directed *under G.O. 142/6.3.97* the levy of the same from 1st July of that year. It is true that the levy was postponed, but it was certainly rash on their part to undertake the contract without full enquiry as to the likelihood of duty being imposed.

3. They tendered at Rs. 3-8-0 a pound, the cost price at the time being annas 12, pies 10. At the time they supplied the cost price including duty was Rs. 3-9-8 a pound. The Board has called on them to produce their vouchers- to show what price they actually paid for the supply they made- but they say they have none and take the ground of being "justly entitled" to refund on the grounds

pages of the current set forth in ^{their} ~~the~~ petition. ^A ~~The~~ copy of this letter is enclosed. This action of theirs prevents the Board from saying what their actual loss has been, and it is not prepared to recommend any refund to them without knowing this, though no doubt the bargain was not a profitable one. A comparison of the cost price at the time of the tender with the tendered rate shows that but for the levy of the duty it would have yielded a profit of over 200 per cent to petitioners, a matter which seems to need investigation by the Medical Stores.

(True extract.)

G. S. D. Hunt
Acting Secretary.
27.2.98.

To the Secretary to Government, Revenue Department,
with two enclosures.

C.H.
27/2/99

164, Broadway,

Madras, 18th February 1899.

To the Assistant Secretary,

Board of Revenue (Separate Revenue),

M a d r a s.

Sir,

In reply to your letter No.173, dated 17th instant, we beg to enclose herewith a copy of our letter to the Inspector of Salt, Abkari and Customs Department, Madras Town Circle, which speaks for itself.

We beg to remain,

Sir,

Your most obedient servants,

(Signed) J. Holmes & Co.

(True Copy)

G. J. Holmes & Co.
Acting Secretary.

27.2.99

27/2/99

PETITION

0131

REVENUE DEPT.

Madras, 3rd December 1898.

FROM

J. HOLMES & CO.,

Pharmaceutical Chemists, Druggists, &c.,

Popham's Broadway, MADRAS.

TO

The Secretary to Government,

Revenue Department,

Madras.

Thro'

The Deputy Commissioner,

Salt, Abkari and Customs Revenue,

AND

The Board of Revenue,

MADRAS.

SIR,

We beg respectfully to bring to your notice the following facts, and request that you will be kindly pleased to pass orders as prayed for:—

November 1897

In November last year, we tendered to supply to the Government Medical Stores several drugs, among which Ganja (Cannabis Indica) was one. At that time no excise duty was levied on Ganja. We understand that, by a notification (No. 154, dated March 6, 1897) published at page 393 of the *Fort St. George Gazette* of 30th March 1897, excise duty at Rs. 4 per seer was to be levied from 1st July 1897, but as a matter of fact no such duty was levied from the latter date. So far as we know, there appears to have been no subsequent notification in the Gazette fixing the date from which the Government meant to levy the excise duty. Even if we had known that any duty would be levied, there was no necessity for our taking any notice of such duty, as we were aware of a precedent in the fact that 5,000 or more gallons of Rectified Spirit have been supplied year after year to the Medical Stores, free of duty, although a duty of about Rs. 10 per gallon is ordinarily leviable on that article.

under G.O. 142
62-97

In June last we applied to the Deputy Commissioner of Salt, Abkari and Customs Revenue for a permit free of duty to supply 75 seers (=150 lbs.) of Ganja to the Medical

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Stores, and at the same time fully explained the circumstances of our case, enclosing a certificate from the Medical Storekeeper to Government to say that the Ganja was for *bona fide* Government purposes. The Deputy Commissioner, after a reference to the Board of Revenue, and under instructions from the Board, refused to grant us our request on the ground that the rules did not permit it. We were then informed by the Deputy Commissioner that, under Board's Proceedings, No. 158, dated 22nd April 1898, the rules relative to the levy of duty were given effect to only from 1st April 1898. After some correspondence with the Medical Storekeeper to Government, we paid Rs. 300 on account of duty and also Rs. 5 for a special license. The Medical Storekeeper now asks us in his letter which we enclose, to apply to the Madras Government for a refund of the duty.

We beg respectfully to submit that it is very hard that we should have been made to pay excise duty, amounting to Rs. 300, considering that at the time we tendered to supply Ganja to the Government Medical Stores no duty was levied, and that there was no notice as to the date from which duty would be levied. It is harder still, seeing that the supply free of duty to the Medical Stores of a very large quantity of another dutiable article, *viz.*, Rectified Spirit, led us to infer that no excise duty would be levied on any dutiable article supplied to the Government Medical Stores.

In conclusion, we beg you will be pleased to lay this letter before His Excellency the Governor in Council and to order that the duty paid may be refunded to us.

We are submitting this letter through the Deputy Commissioner and the Board of Revenue and request you will kindly pass early orders.

We beg to remain,

Sir,

Your Most Obedient Servants,

Holmes & Co.

H. AND CO., MADRAS.

No. 55

2834

1,000-11-12-97.

GOVERNMENT MEDICAL STORES,

Madras, 4th November 1898.

ENCL.

From

Lt. Col.
SURGEON MAJOR H. ST. CLARE CARRUTHERS, *I.M.S.*

MEDICAL STOREKEEPER TO GOVERNMENT,

MADRAS COMMAND,

To

Meerut, Holmes & Co.

Madras.

Reference:— *Your letter of the 2nd Instant.*

SIR, S.

In reply, I have the honor to request that you will apply to the Government of Madras for a refund of the amount as ordered by the Director-General, I. M. S. India.

I have the honor to be,

Sirs

Your most obedient servant.

H. St. Clare Carruthers

Lt. Col. I. M. S.

Medical Storekeeper to Govt.

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Ans 9047 9047 9047

Ans 9047 9047 9047



Supplied ganja to the Medical
Storekeeper to Government,
and now apply for the refund
of excise duty paid by them
amounting to Rs 300. They urge
that when they tendered to supply
the article in November 1894, no
duty was levied, that they did
not know that it would be
levied, and that rectified spirit
is supplied to Government
Medical Stores duty-free.

From the Board of Revenue
(S.R.), No. 789 of 24.2.99 (C.No. 14)

To Secy.

Messrs. Holmes & Co.
supplied ganja to the Medical
Storekeeper to Government,
and now apply for the refund
of excise duty paid by them
amounting to Rs 300. They urge
that when they tendered to supply
the article in November 1894, no
duty was levied, that they did
not know that it would be
levied, and that rectified spirit
is supplied to Government
Medical Stores duty-free.

2. A notification
imposing duty was published
in the Fort St. George Gazette
of 30th March 1894, and though
the rules came in to force on
1st July 1894, duty was levied
only from 1st April 1898. Messrs.
Holmes & Co. must be presumed
to have been aware of the noti-
fication. As observed by the

Route on page 9 of G.O. 142
6-3-97.
para 3 of B.P. under G.O. 2594
21-5-97.

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Board of Revenue "it was rash on their part to undertake the contract without full inquiry." They must therefore take the consequences. If at least they can show that they have really lost by the transaction, some ground for Govt interference may exist. But they decline to supply the information. Without knowing this, the Board is unable to recommend any refund.

Why shd Govt pay for a bad bargain

3. In this connection, the Board points out that "a comparison of the cost price at the time of the tender with the tendered rate shows that but for the levy of the duty it would have yielded a profit of over 200 per cent to the petitioners," and that it seems to need investigation by the Medical Stores. May the attention of the Public Dept. be drawn to this statement? After the disposal

of the H.M.

The application should be rejected. They don't show they lost, tho' probably their profit was not quite so large as they anticipated.

To Secy. 3-2-99. Please see draft below. 8/2/99

NOTE FOR THE C.S.

With ref^c to para 2 of the
Rev. Dept. draft
below it is submitted
that Public has now
nothing to do with the
Medical Stores. A Stockkeeper
The letter is directly
under the Medical General,
i.e. the Secy of India,
and it would therefore
be best for Rev. to
ask to send a copy of
the last para. of the
B.P. to the Secy of India,
or to the Med. Stockkeeper
himself.

APR 11/3/99 N^o 733, dy 13-3-99
R. D. S.

Revenue Department

To Secretary

Instead of
addressing the Govt of
India, ^{as suggested by the Public Dept.} may the Board's
remark be communicated

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to the medical storekeeper
himself? Please see
alterations in pencil
in the draft below.

K.O.
15-3-99

8/7/99

When given for copying _____
When copied _____ } 189
When examined _____
When signed _____

READ AGAIN G.O., No. _____, DATED
189 .

CURRENT No.

ENCLOSURES TO G. No.

ORDER OF GOVERNMENT A A A A A A A

LETTER OF GOVERNMENT

STATEMENT WITH DITTO.

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH
IN ORIGINAL.

N.B.—
A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
Q = Copy heading only.