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Revenue (1897) Department.

MISCELLANEOUS SERIES.

G.O., No. 1499

DATED 22nd April 97

[Despatch Abstract.]

Addressing the Govt of India about
the correct classification in the Accounts of the duty
levied on rum supplied to ~~Butter~~ troops by the
Commissariat Dept.

BACK PAPERS.

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

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
c.no. 893 of 99							
7c 3114/99							
c.no. 3298 of 99							

Revenue (1899) Department.

CURRENT No. 254

From

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

Order ~~and~~

Mis. No. 61.

Dated 2nd January 1899.

Received //

Registered /2

Enclosures

Spare copies

SUBJECT.

Reporting to Government, with remarks,
that liquor is generally issued from
the canteens in the Presidency to none
but soldiers and that the Controller
of the Military Accounts, Madras Com-
mand, is not aware of any order under
which recoveries of account of Excise
duty on rum supplied to troops by the
Commissariat Department should be cre-
dited to the Civil Department.

BACK PAPERS.

G.O.	No.	Department.	Date.
Mis	4032	Rev.	8.10.98
Mis	46	Rev	5.1.99

FURTHER PAPERS.

G.O.	No.	Department.	Date.
	C. no. 893999		
	C. no. 3298999		



Proceedings of the Board of Revenue (Separate Revenue),

Dated 4th January

1899.

Mis.No. 61.

Read again Government Order Mis.No.4032, Revenue, dated 8th October 1898.
Read again also Board's Proceedings Mis.No.4705, dated 29th November 1898.
Read again also Board's Proceedings Mis.No.4906, dated 10th December 1898.
Read again also Board's Proceedings Mis.No.4984, dated 14th December 1898.
Read again also Board's Proceedings Mis.No.4991, dated 14th December 1898.
Read again also Board's Proceedings Mis.No.5051, dated 23rd December 1898.
Read again also Board's Proceedings Mis.No.5052, dated 23rd December 1898.
Read again also Board's Proceedings Mis.No.5053, dated 23rd December 1898.
Read again also Board's Proceedings Mis.No.5131, dated 26th December 1898.

Read also letter from the Controller of Military Accounts, Madras Command, No.G/984, dated 16th December 1898.

Resolution.

In para 2 of its order read again above, Government requested the Board to obtain and submit information on the following points:-

(i) why the Excise duty on the rum issued to troops by the Commissariat Department is not being credited to "V Excise," and

(ii) whether liquor is issued from the canteens in the Presidency to any one except soldiers.

The officers concerned were called upon to furnish the Board with the information-Board's Proceedings Mis.No.4279, dated 27th October 1898. The papers read above contain the information furnished by them.

C. No. 254

2. The Controller of Military Accounts, Madras Command, reports that, in accordance with Government of India Military Department letter No. 408-D, dated 23rd January 1897, recoveries on account of Excise duty on rum supplied to troops on payment by the Commissariat Department are being credited to the head "V Excise" in the Military Accounts submitted to the Comptroller-General and to the Accountant-General, Military Department. He further states that his office is not aware of any order under which such recoveries should be credited to the Civil Department.

3. With reference to the second point, viz, the issue of liquor from canteens to any one except soldiers, the officers concerned, except the Collector of the Nilgiris and the Deputy Commissioner, Central Division, report that liquor is issued from the canteens to none but soldiers. The Collector of the Nilgiris states that liquor from the canteen at Wellington is issued to their families also. The Deputy Commissioner, Central Division, brings to the notice that a case of selling liquor to outsiders from the canteen at St. Thomas' Mount has recently been detected, and informs the Board that the commanding officer of the 14th Madras Native Infantry has been addressed in the matter. There have been other cases of the same kind in previous years.

(True extract.)

G. A. L. M. S.
Acting Secretary.

9.1.99.

To the Secretary to Government, Revenue Department, Madras.

From The Board of Revenue (Sep. Rev.)
Mis. No. 61 Dated 4.1.99

—189—

FOR ORDERS.

To Secy.

In the notes under G.O. No. 4032 of 8.10.98 (pages 6 to 7), the following questions were raised in connection with Regimental canteens:—

(i) Whether the canteens instituted under the Provincial Commander-in-Chief's circular of 26.5.93 contravene the provisions of articles 811 & 813 of the Army Regulations. The Dy. Adjutant General has explained that these canteens are not supplied with their ordinary requirements of liquor by the Commissariat Dept., and that the Articles quoted apply only when they are so supplied. The question was raised by the Board of Revenue, to which the Dy. Adjutant-General's letter has been communicated. This disposes of this point. As observed by the Secretary, they

2-4 pages of the notes under
G.O. 4032
8.10.98

pages 16-17 Ibid.

Under pages 16-17 Letter
under G.O. 46
5.1.99

G.O. 46
5.1.99Page 13 of the notes under G.O. 4032
8.10.98

should pay full duty.

(ii) Whether the cantonments

should not take out licenses for the sale of liquor. — The Dy. Adjutant General has no objection; and this was communicated to the Board. Its views on this point have not yet been reported.

(iii) Whether the duty

paid for commissariat supplies has been credited to "V Excise."

The Board now states that this has been done, but the credit appears only in the Military Accounts.

The ^{Controller} ~~Commissioner~~ of Military Accounts states that he is not aware of any order under which the duty should be credited to the Civil Department. The Board offers no remarks on this point. But as a portion of the duty should be credited to Provincial, it appears necessary that the Govt. of India should be addressed. Perhaps the Accountant-General may be able to advise in the matter.

(iv) Whether the cantonments

supply liquor only to soldiers.

The Board replies in the affirmative;

Para 4 of his letter under G.O. $\frac{46}{5-1-99}$.

G.O. India

Para 2 of current.

yes
SA

Para 3 of current.

but there have been cases of sale to others. The Dy. Commissioner has addressed the Commanding officer of the 14th Madras Native Infantry on the ^{Subject} ~~subject~~. The Board will probably report on the result.

(v) Whether as suggested

by the H. M. (Sir Henry Bliss) the Govt. of India should be asked to make good to Provincial the ^{established proportion of the difference between} ~~portion of the~~ full excise duty on Commissariat supplies ^{and the} ~~amount actually levied.~~ A duty of 12 annas a gallon was levied in 1897-98; but the full duty was to be worked up in time.

The H. M. also proposed that, as the selling price of the local liquor shops must be affected by the Native cantonments, and therefore the vend rents, compensation to Provincial should be obtained; but it is not known how it is to be calculated.

Orders are requested as to whether the Govt. of India may be addressed on these points.

Please draft
27-1-99

KD
25-1-99

Page 9 of the notes under G.O. $\frac{4032}{8-10-98}$.

Govt. of India letter $\frac{407D}{23-1-99}$ (page 15)
of papers under G.O. $\frac{4032}{8-10-98}$.

Page 9 of the notes under G.O. $\frac{4032}{8-10-98}$.

To Secy

Please see drafts below.

2. As the letter to the Govt of India deals with a subject within the cognizance of the Financial Department, it is submitted that it may be asked whether it accepts the draft?

3. The question of claiming compensation for sales in Native Cantons has not been embodied in the draft letter, as the principle on which it should be calculated is not known in this office. Is it worth while to ask the Govt. of India about this?

Please see draft.

K9
7-2-99

Has Fin Dpt any remarks

to offer

Fin Dpt

J.B. 18/4/8



Finl Dept

Note

Under a circular of the Provincial Commander-in-Chief of 26 May 1893 regimental cantons within the limits of Native Regiments were established in this Presidency, but the liquor appears to have been issued duty free until 1897, when the Govt. of India in its letter No. 407 D (Military) of 23rd January 1897, decided that the issue of duty-free rum to soldiers whether British or Native should be discontinued as soon as this could conveniently be arranged. It was however considered desirable that the change in system should be effected gradually, the rate of duty to be ultimately imposed being the rate of excise duty in force in the province in which the troops purchasing the rum are located. Accordingly a rate by which the

was introduced which raised the price of a reported quart bottle of rum ~~was raised~~ by 2 annas ~~was introduced~~ with effect from the 1st April 1897.

In a letter of the same date, No. 4082, the Govt. of India, Military Dept., further directed that the receipts which represented the newly imposed ⁺ duty should be shown by the Commissioner and Military Accounts Dept. separately as revenue receipts under V Exercise. It now appears that the credit has been taken in the Military Accounts and the Controller of Mdy Accts. states that he is not aware of any order under which the duty should be credited to the Civil Dept.

2. The result is that Provincial appears ~~that~~ ^{deprived of} the one-fourth share of Excise receipts from this source as well as of the ^(same) proportion of the difference between the full excise duty on Commis-
sion.

i.e. the 2 annas per quart.

in view of the correct classification of the revenue.

Commissioner supplies and the lower ^{2nd} rate actually levied. It is on these points, so far as Financial is concerned, ^{that} it is proposed in the Revenue Dept. note below to address the Govt. of India.

3. There is no objection to the matter being brought to the notice of the Govt. of India; but it cannot properly be said that Provincial has been deprived of its fair share of this source of revenue, since the ^{Excise} receipts from these regiments ^{did not} enter into the calculations on which the present contract settlement was based. Had these receipts been taken into account the fixed assignment made through the Land Revenue head would have been correspondingly reduced. If the Govt. of India sanctions the proposals made in the

Myself

except letter before Provincial will be compensated by it. No claim can however be made on ground above on equitable grounds.

4. The point raised by Sir Henry White on page 9 of the notes in G.O. N. 4022 Revenue D. 8th Oct 98, is referred to, viz. that as the selling price of the local liquor shops cannot be affected by the native representative canteens, and therefore the road rents, compensation to Provincial should be obtained. As it is not known how the loss is to be calculated the point has been abandoned. In any case no equitable claim can be made even here, as the canteens have been in existence since 1893 and whatever loss of revenue Provincial had been sustaining entered into the calculations of the Contract settlement and

and is made up in the final assignment under Sand Revenue

21/3/99
Cms.
22/3/99

N^o 828, d/23-3-99

Rev. Dept. Secy.

7/3/99

Revenue Department

To Secretary

The F.D.

observes that the Govt of India may be addressed "in view of the correct classification of the Revenue" but that as the liquor supplied to the European canteens was not paying full duty at the time of the Provincial contract, no revenue has been lost to 'Provincial' and that no claim for contribution can be made.

3. If this view be accepted, para 2

para 3 on page 7
Supra.

of the draft letter to the Govt of India has to be omitted.

From para 3 of the draft letter, the word "and that a fourth" of it should be credited "to Provincial" may, it is thought, be omitted as the credit would follow from the exhibition of the duty in the civil accounts.

May the Financial Dept be asked whether with these modifications the draft is accepted?

KD

27-3-99

8/28/99

For Dy. Secy. to Govt. of India

From



Tom

Note for the CB

There is no objection to the draft letter to the Govt. of India before being accepted with the modifications now suggested by the Revenue Dept.

14/4/99

CMS.

14/4/99

14/4/99

R.V. u.s.

14/4/99

Revenue Department

To Secy.

For orders as to whether this paper has to be circulated to H.E. before issue.

14/4/99

after
the

Not return file intact to
me here
29/4/99.

Read B.P. (S.D.) No.

61 d/ 4.1.99 (C. no. 254)

G.O. no. 1499 d/ 22nd April 99

The results of the enquiry referred ^{to} in the penultimate sentence of para 3 of the B.P. read above should be reported for the information of Govt.

2. The Govt. awaits an expression of the views of the Board on the question of the issue of licences to the canteens. (para 4 of the Dy. Adjutant General's letter communicated in G.O. No. 46 d/ 5.1.99)

3. The Govt. of India will be addressed.

To
{ The Board of Revenue (S.D.)
3 in. Dept. with draft letter
to the Govt. of India.
(Please see letter to India below)

24/4/99

Letter No.

Issued in the Rev. Dept.

To

The Secy. to the Govt of India,
Fin. & Com. Department.

~~W. B. The President~~

Sir,

I am directed to refer you to ^{the} letters of the Govt of India, ^{in the} Military Department, Nos. 407 D and 408 D dated 23rd January 1897, prescribing a duty of twelve annas ~~as per~~ ^{on sum} gallon of ~~proof~~ ^{on sum} strength ~~as per~~ supplied to troops by the Commissariat Department, and stating that the portion of ^{the} receipts representing the duty should be credited in the Commissariat and military accounts under "V-Excise".

2. His Excellency the Governor in Council has no objection to the issue by the Military Department of cheques for liquor to soldiers; but until the full duty is worked up to

pages 14-16 of the papers under
G.O. 4032
8.10.98.

His remarks on page 9 of office note
under G.O. 4032
8.10.98.

ed, the Provincial Revenue
appears to be fairly entitled
to a contribution equivalent
to the established ^{pro}portion of
the difference between the full
excise duty at the rate in
force for the time being in
the district in which the rum
is consumed and the amount
actually levied.

It is understood
that the duty paid is credited
to "V-Excise" in the Military
Accounts and the Controller
of Military Accounts has
stated that he is not aware
of any order under which the
Civil Dept. should take credit
for the revenue. His Excellency
the Governor in Council is of
opinion that this duty should
appear in the Civil Accounts also,
and that a fourth of it should
be credited to 'Provincial'.

para 2 of current.

I am to ^{suggest} ~~advise~~
that orders may be issued by
~~expression of the wishes of~~
Govt of India on the
~~entire raised~~ ^{amount}

8/2 1879

When given for copying _____
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When examined _____
When signed _____

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

CURRENT No.

ENCLOSURES TO C. No.

DEPT OF GOVERNMENT

A A A A A A A

LETTER OF GOVERNMENT

STATEMENT WITH DITTO.

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