

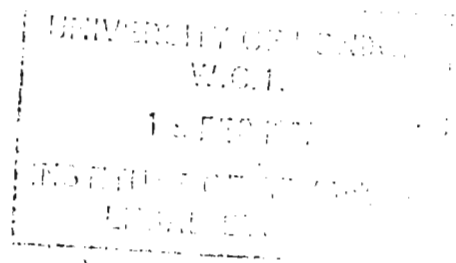
PC 64-67-2

38

1959

4, 1961

No.



Supreme Court of Ceylon
No. 820 (Final) of 1956

District Court, Colombo
No. 37090/M

63628

IN HER MAJESTY'S PRIVY COUNCIL
ON AN APPEAL FROM
THE SUPREME COURT OF CEYLON

BETWEEN

THE ATTORNEY-GENERAL of Ceylon

..... Defendant-Appellant-Appellant

AND

(1) H. R. FONSEKA, and (2) K. SELVADURAI, both of No. 105,

5th Cross Street, Pettah, Colombo.....Plaintiffs-Respondents-Respondents

RECORD
OF PROCEEDINGS

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RECORD OF PROCEEDINGS

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No. 1.

No. 1.
Journal
Entries
5.12.55 to
11.8.58

Journal Entries

IN THE DISTRICT COURT OF COLOMBO

No. 37,090. Class : IV. Amount : Rs. 7,882.03 Nature : Money. Procedure : Regular.	H. R. FONSEKA and ANOTHER <i>Plaintiffs.</i> <i>vs.</i> THE ATTORNEY GENERAL <i>Defendant.</i>
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10

JOURNAL

The 5th day of December 1955.

Messrs. Moonesinghe and Jayamaha, Proctors, file appointment and Plaint.

Plaint accepted and summons ordered for 10th February 1956.

It'd. _____,
D. J.

4.1.1956

Mr. B. K. Billimoria, Proctor, files his appointment as Proctor for Deft.

20

File.

It'd. _____,
A. D. J.

No. 1.
Journal
Entries
5.12.55 to
11.8.58

10.2.56

Messrs. Moonesinghe and Jayamaha for Pltff.
Mr. B. K. Billimoria for Deft. (Crown).
Summons served on defts.
Proxy filed—vide 4.1.1956.
Answer on 9.3.56.

It'd. _____,
D. J.

9.3.56

Answer filed.

10

Trial on 18.7.56.

It'd. _____,
D. J.

14.6.1956

Proctor for defendant files list of witnesses and documents and moves to issue summons.

He also files registered Postal receipt in proof of posting list to Proctors for Pltffs.

Allowed.

It'd. _____,
D. J.

20

27.6.1956

Proctors for Pltffs. file list of witnesses and documents and move to issue summons.

Proctor for deft. recieved notice.

Allowed.

Sgd. K. HERATH,
D. J.

5.7.1956

Summons on 4 witnesses issued by deft.

Summons on 4 witnesses issued by plttf.

No. 1.
Journal
Entries
5.12.55 to
11.8.58

18.7.1956

Trial (1)

Messrs. Moonesinghe & Jayamaha for Plttf.

Mr. B. K. Billimoria for Deft. (Crown),

Vide proceedings filed.

Trial postponed for 26.9.1956.

Itd. _____,
D. J.

10

24.7.1956

Proctors for Plttfs file additional list of witnesses and documents
and move to issue summons.

Proctor for deft. received notice.

Allowed.

Itd. _____,
D. J.

29.8.1956

20 6 subpoenas issued by plttf. W. P.

10.9.1956

Proctors for Plttfs. file additional list of witnesses and documents
and move to issue summons.

Proctor for Deft. received notice.

Allowed.

Itd. _____,
D.J.

No. 1.
Journal
Entries
5.12.55 to
11.8.58

14.9.1956

4 Subpoenas issued by Pltff. W. P.

26.9.1956

Trial (2)

Messrs. Moonesinghe & Jayamaha for Pltff.
Mr. B. K. Billimoria for Deft. (Crown).

Vide proceedings filed.
Judgment 25.10.1956.
(Submit 3.10.1956).

Itd. _____, 10
D. J.

P 1-P 5 filed.

D 1-D 3 filed.

25.10.1956

Judgment delivered in open Court.

Vide judgment.

Itd. _____,
D. J.

Decree entered.

6.11.1956

20

Mr. B. K. Billimoria, Proctor, for Deft.-appellant files Petition of Appeal against the Judgment and decree of this Court dated 25.10.1956 and moves that the same be accepted.

He further moves Court to allow the notice of appeal on the pltff-respdts. to be issued for service on their Proctors. Notice of Appeal tendered.

Proctors for Pltffs.-respdts. received notice.

1. Accept.

2. Allowed for 21.12.

Itd. _____, 30
D. J.

Notice of appeal issued to W. P. returnable 19.12.56.

No. 1.
Journal
Entries
5.12.55 to
11.8.58

Itd. _____,

7.11.1956

Proctor for Deft.-appellant files application for typewritten copies under civil appellate rules and moves for copies as per particulars.

Issue.

Itd. _____,
D. J.

10 28.11.1956

Appeal branch calls for additional fees as the brief consists of 95 pages.

Mr. B. K. Billimoria Rs. 75.

Messrs. Moonesingho & Jayamaha Rs. 37.50.

Call for them by registered post.

Itd. _____,
D. J.

30.11.1956

Fees called for from Proctors by registered post.

20 3.12.1956

Proctors for Respdts. file application for typewritten copies of record as per particulars in motion. They also move for a paying in voucher for Rs. 30.

Fees called for.

Itd. _____,
D. J.

No. 1.
Journal
Entries
5.12.55 to
11.8.58

15.12.1956

K. R. X/13 No. 548/008417 of 5.12.1956 for Rs. 75 only.

Itd. _____,

21.12.56

Notice of appeal served on Proctor for Pltff.-Respdt.

Forward record to Supreme Court.

Itd. _____,
D. J.

16.1.57

K. R. X/13 No. 013612 of 11th Jany. 1957 for Rs. 37.50.

10

30.1.1957

Record forwarded to Registrar Supreme Court with 2 briefs for the Judges.

Itd. _____,
Asst. Secretary.

11.8.1958

Registrar S. C. returns record with S. C. Judgment Appeal dismissed. Defendant appellant to pay Plaintiffs Respondents the taxed costs of appeal.

Proctors to Note.

Itd. _____,
D. J.

20

No. 2

No. 2.
Plaint of the
Plaintiff.
5.12.55.

Plaint of the Plaintiff

IN THE DISTRICT COURT OF COLOMBO

No. 37,090/M. (1) H. R. FONSEKA, (2) K. SELVA-
 Amount : Rs. 7,882.03. DURAI, both of No. 105, 5th Cross
 Nature : Money. Street, Pettah, Colombo *Plaintiffs.*
 Proc. : Regular.
 Class : IV. *vs.*

10

THE ATTORNEY-GENERAL of
 Ceylon *Defendant.*

On this 5th day of December, 1955.

The plaintiff of the plaintiff abovenamed appearing by Don Hector Nicholas Jayamaha and Senarath Lakshman Moonesinghe their Proctors practising in partnership under the name, style and firm of MOONESINGHE AND JAYAMAHA states as follows:—

1. The defendant abovenamed resides and the cause of action hereinafter set forth arose at Colombo within the jurisdiction of this Court.

20 2. The Government of Ceylon acting by its agent the Government Agent W. P. by a notice dated 2nd August 1952 published in the Government Gazette bearing No. 10432 dated 8th August 1952 called for tenders for the purchase of the exclusive privilege of selling arrack within the local areas of the taverns at No. 7, St. John's Road, No. 8, Chekku Street, and No. 9, Sea Beach Road, all situated at Colombo during the period 1st October 1952 to 30th September 1953 subject to the arrack sale conditions published by the Excise Commissioner in Government Gazette No. 10428 dated 25th July 1952.

30 3. In response to the said notice the plaintiffs offered at the rate of Rs. 4.30 per gallon of arrack to be sold by them during the said period as rent for the said exclusive privilege of selling arrack and the said Government Agent acting as aforesaid accepted the said offer and granted the said privilege to the plaintiffs for the period 1st October 1952 to 30th September 1953.

4. On the termination of the said period, viz: On 30th September 1953, there was in the hands of the plaintiffs at the said taverns a total quantity of 1832 gallons 32 drams of arrack left unsold for which the plaintiffs had paid the Government a sum of Rs. 7,882.03 at the above-mentioned rate of Rs. 4.30 per gallon.

40 5. By a notice dated 3rd July 1953 published in Government Gazette No. 11,549 of 10th July 1953, the Government of Ceylon acting by its agent the said Government Agent W. P. called for

tenders for the purchase of the exclusive privilege of selling arrack within the said local areas set out in paragraph 2 above for the period commencing 1st October 1953 to 30th September 1954, subject to the said arrack sale conditions published in Government Gazette No. 10,539 dated 19th June 1953.

6. In response to the said notice the plaintiffs offered at the rate of Rs. 4.91 per gallon of arrack to be sold by them during the said period as rent for the said exclusive privilege of selling arrack and the said Government Agent acting as aforesaid accepted the said offer and granted the said privilege to the said plaintiffs for the period 1st October 1953 to 30th September 1954. 10

7. In terms of condition 9 of the said arrack sale conditions published in the said Gazette No. 10,428 the plaintiffs deposited with the said Government Agent W. P., a sum of Rs. 66,800 as security for the due performance of the said arrack sale conditions.

8. On the 1st October 1953, the plaintiffs commenced business with the said 1832 gallons 32 drams left over from the previous year referred to in paragraph 4 above for which the plaintiffs had paid a sum of Rs. 7,882.03 at the rate of Rs. 4.30 per gallon and for which the plaintiffs had to pay the Government a further sum of Rs. 1,117.97 at 61 cents per gallon so as to bring it to the amount of Rs. 4.91 payable during the year 1953-54. 20

9. On the termination of the said period of sale, viz. : On 30th September 1954, the said Government Agent became liable to refund to the plaintiffs the said security deposit of Rs. 66,800 less the said sum of Rs. 1,117.97 but the said Government Agent wrongfully and unlawfully withheld a further sum of Rs. 7,882.03 less the said sum of Rs. 1,117.97 and has returned the balance of the said security deposit.

10. A cause of action has arisen to the plaintiffs to sue the defendant as representing the Crown for the recovery of the said sum of Rs. 7,882.03 together with legal interest thereon. 30

11. Notice of this action has been duly given to the defendant as required by section 461 of the Civil Procedure Code.

Wherefore the plaintiff prays :—

(a) for judgment against the defendant as representing the Crown a sum of Rs. 7,882.03 together with legal interest thereon from date hereof till date of decree and thereafter on the aggregate amount of the decree till payment in full.

(b) for costs of suit,

(c) and for such other and further relief as to this Court shall seem meet. 40

Settled by
Mr. N. SAMARAKONE,
Advocate.

(Sgd.) MOONESINGHE & JAYAMAHA,
Proctors for Plaintiffs.

Answer of the Defendant

IN THE DISTRICT COURT OF COLOMBO

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pottah, Colombo *Plaintiffs.*

No. 37,090/M vs.

THE ATTORNEY-GENERAL of Ceylon *Defendant.*

On this 9th day of March, 1956.

10 The answer of the defendant above named appearing by B. K. Billimoria and his assistants A. H. M. Sulaiman and S. C. O. de Livera his Proctors states as follows :—

1. Answering paragraph 1 of the plaint the defendant denies that any cause of action has accrued to the plaintiffs as against the defendant.

20 2. The defendant admits the averments (except certain of the references to the Government Gazette) in paragraphs 2, 3, 4, 5, 6, 7 and 11 of the plaint. The defendant admits also the averments in paragraph 8 of the plaint save and except the allegation that plaintiffs were liable to pay a further sum calculated at only 61 cents per gallon.

3. The defendant denies the allegations in paragraphs 9 and 10 of the plaint.

4. Answering further the defendant states that—(a) the plaintiffs who were the outgoing grantees of the privilege for the period 1st October, 1952, to 30th September, 1953, became also the incoming grantees for the period 1st October, 1953, to 30th September, 1954.

30 (b) the plaintiffs did not in their capacity of outgoing grantees at the termination of the contract for 1952/53 on 30th September, 1953, deliver to the warehouse officer in charge of the nearest warehouse the balance quantity of arrack referred to in paragraph 4 of the plaint, but instead in their capacity of incoming grantees took over the said balance quantity remaining in the taverns from themselves in their capacity of outgoing grantees.

(c) by reason of the averments contained in sub-paragraphs (a) and/or (b) of this paragraph the plaintiffs became liable under condition 15 (2) of the Arrack Rent Sale Conditions for 1953/54

No. 3.
Answer of the
Defendant.
9.3.56—*contd.*

to pay to the Government in respect of every gallon so taken over and remaining in their hands in their taverns at the termination of the contract for 1952/53 an amount equivalent to the rent per gallon payable by the plaintiffs for the privilege of selling arrack for the period 1953/54.

(d) the rent payable under the contract for the said privilege in the period 1st October, 1953, to 30th September, 1954, was Rs. 4.91 per gallon at which rate the plaintiffs became liable to pay to the Government under the said condition 15 (2) referred to above the total sum payable by the plaintiffs being in consequence Rs. 8,998.40. 10

5. The plaintiffs having failed or refused to pay to the Government the said sum of Rs. 8,998.40 the Government Agent as he lawfully might withheld the said sum of Rs. 8,998.40 from the sum of Rs. 66,800 deposited by the plaintiffs as security for the performance of the contract in respect of the period 1st October, 1953, to 30th September, 1954.

Wherefore the Defendant prays :—

- (a) for a declaration that the Government Agent on behalf of the Crown is entitled to withhold the said sum of Rs. 8,998.40 payable by the plaintiffs, 20
- (b) that the plaintiffs' action be dismissed,
- (c) for costs, and
- (d) for such other and further relief as to this Court shall seem meet.

(Sgd.) B. K. BILLIMORIA,
Proctor for Defendant.

Settled by
Sgd. L. JAYARATNE,
Crown Counsel.

Proceedings before the District Court

No. 4.
Proceedings
before the
District Court.
18.7.56.

18th July, 1956.

Mr. N. K. Choksy, Q.C., with Mr. N. Samarakoon and Miss Maureen Seneviratne instructed by Mr. Jayawardene for plaintiff.

Mr. Crown Counsel Tennekoon instructed by Mr. Livera for defendant.

No time.

Trial postponed for 26th September, 1956.

(Sgd.) K. HERAT,
D. J.
18.7.56.

Proceedings and Issues framed

26th September, 1956.

Mr. N. K. Choksy, Q.C., with Mr. Neville Samarakoon instructed by Messrs. Moonesinghe and Jayamaha for plaintiff.

Mr. B. C. F. Jayaratne, Crown Counsel, instructed by Mr. Livera for defendant.

It is admitted that the plaintiff was the grantee for the sale of arrack for the period 1.10.52 to 30.9.53.

It is also agreed that the plaintiff was the grantee for the period 1st October, 1953, to 30th September, 1954. 10

It is admitted that at the termination of the period 30th September, 1953, there were in the taverns 1,832 gallons and 32 drams of arrack left unsold.

It is also admitted that for the arrack stocked by the plaintiff in the taverns for the period ending 30th September, 1953, he had paid the Government Rs. 4.30 per gallon as rent.

It is also admitted that the Crown had with it a security deposit of Rs. 66,800 out of which the Crown has returned to the plaintiff the entire sum less a sum of Rs. 8,998.40. 20

The plaintiff admits that out of Rs. 8,998.40 the Crown was entitled to retain a sum of Rs. 1,117.97 which was the difference between the two rates of Rs. 4.91 and Rs. 4.30, i.e., at 61 cents per gallon for the 1,832 gallons and 32 drams. The plaintiff therefore claims the balance sum of Rs. 7,882.03 as being wrongfully withheld by the Crown.

Mr. Jayaratne suggests the following issues :—

1. Are the plaintiffs liable under condition 15 (2) of the Arrack Rent Sale Conditions for 1953/54 to pay to the Government in respect of the 1,832 gallons 32 drams at the rate of Rs. 4.91 per gallon being an amount equivalent to the rent agreed upon ? 30

Mr. Choksy does not suggest any issues.

Mr. Chosky marks the following documents :—

P1—Arrack Rent Sale Conditions relating to the year 1952/53; Original handed by the Crown.

P2—Arrack Rent Sale Conditions relating to the year October, 1953, to September, 1954; Original handed by the Crown.

P3—Extract from Gazette No. 10,428 of 25.7.52 relating to the year 1952/53.

P4—Extract from Government Gazette No. 10,539 of 19.6.53 for the year 1953/54.

P5—Letter dated 30th June, 1954, addressed by the plaintiffs to the Govt. Agent, Western Province, original handed by the Crown.

10 It is admitted that notice under section 461 of the Civil Procedure Code has been given by the plaintiff to the defendant.

Mr. Jayaratne marks the following documents:—

D1—Extract from Govt. Gazette No. 10,432 of 8.8.52.

D2—Extract from Govt. Gazette No. 10,500 of 27.2.53.

D3—Extract from Govt. Gazette No. 10,591 of 25.9.53.

Addresses to Court

Mr. Choksy addresses Court:—Refers to P3 and P4. Counsel emphasizes the word “privilege”. Privilege is for selling and not for storing. Under the conditions the plaintiff cannot remove that arrack except that he removes it to a Government warehouse or some other licensed warehouse, or sell it to the incoming grantee or surrender it to the Excise Department and get paid for it there; If it is not sold by midnight of 30th September, 1953, the plaintiff cannot sell it. Therefore any money which the plaintiff paid by way of rent for the privilege of selling has not become lawfully payable because after the 30th September midnight the plaintiff is prohibited from selling it. Therefore whilst it is true that plaintiff paid the Excise Department the issue price, he paid and bought the arrack in the hope of selling it before 30th September midnight. That hope or expectation is not what plaintiff pays for by way of rent. Plaintiff paid rent for the privilege of selling not for the privilege of buying and stocking it in the hope of being able to sell. 10

The old system was where you had a lump sum paid by way of rent at the auction. It was called the lump-sum system; The present one is the contract system. Under the lump-sum system it did not matter whether the plaintiff sold one gallon or a million gallons because the agreement was to pay a lump sum for the quantity he would sell. Whether he sold anything at all or nothing at all that jump sum had to be paid. 20

Under the contract system, tenders are called for and one has to tender at so much per gallon. For every gallon actually sold you have got to pay a rent of Rs. 4·30 or Rs. 4·91 for the privilege of being allowed to sell the arrack. If the grantee sold nothing, the Crown cannot by taking the money in advance hang on to the money, or go on his security. The change in the system was brought about in order that it be more equitably operated on the Contractor. 30

Counsel refers to condition 15 (1) in P4—Taking over of balance arrack by incoming grantee by mutual agreement. That condition is condition No. 13 in P3. Also refers to condition 15 (2) in P4. The question is what is the cost to the outgoing grantee. Rent is one thing, issue price is another and cost and value are another. What the incoming grantee is liable to do is to pay the outgoing grantee the cost of the balance of arrack. When the incoming grantee and the outgoing grantee are one and the same person in a case like that there is nothing mentioned in the conditions. The question of the incoming grantee and the outgoing grantee being the same person has not been contemplated, and there is nothing about it in the contract. 40

Counsel refers to conditions 16 and 18 of P4. These other conditions like 19 make provision for time and place of payment of the rent and those conditions do not determine the Crown's right to retain the money paid.

No. 6.
Addresses to
Court.
26.9.56.
—contd.

10 Mr. Jayaratno addresses Court :—Refers to clause 9 of P2, which is clause 8A of P1. The price referred to in clause 9 of P2 are the prices which are fixed in D1, D2 and D3. Clause 15 (1) refers to the taking over of balance arrack by incoming grantee by mutual agreement. Position taken up by the plaintiff in P5 paragraph 4. The fact that the party is the same does not make any difference because there are two different contracts. In law there is a man for 1952/53 and in law there is a man for 1953/54 although he may happen to be the same man. The fact that he is the same man is only an accident. There is no legal cast on the incoming man to reimburse the outgoing man and pay to him the cost being issue price, plus rent etc. If the outgoing renter has 1,000 gallons of arrack left over he cannot claim anything from Government in respect of that ; that is a business risk like any other venture. What condition 15 (2) says is that the grantee shall pay to the Government in respect of every gallon taken over by him from the outgoing grantee an amount equivalent to the rent payable by him for the privileges. If the outgoing grantee in this case happens to be the same person, that should not weigh with the Court. A new man would be placed in the same position. Under what clause or condition are they offering to pay the difference? That cannot be read into the plain words of Condition 15 (2).

30 In the case of grantees who do not agree, there is no obligation under Clause 15 for this transaction to take place between those parties, in view of clause 16 in P2. Vide also clause 16 (2). D1, D2 and D3 refer to the rates of purchase of the arrack. Clause 16 does not refer to rent. The Excise Commissioner is not obliged to refund rent. Vide Clause 31 of P2. Also clause 31 (2). Clause 16 sets out a case where a renter can go to the Crown for a refund of the value of the arrack.

40 Taking a strictly legal view of the matter, the law contemplates that the Government does not ask for double rent, and double rent is not paid to Government. The rent paid is for every gallon removed, not for ever every gallon sold. Rent is never refunded under any condition. Vide Clause 31. On no account can the plaintiffs ask for remission of rent.

Mr. Choksy replies :—Refers to clauses 19 and 9. Asking for a remission is not equivalent to asking the Court for a declaration that somebody is keeping another's money. Remission is where something is legally due, and the Court is asked to make a reduction,

No. 6.
Addresses to
Court.
26.9.56.
—contd.

such as remission of rent or damages. That is, to waive something to which one is legally entitled. Refers to condition 31 (2). Whether it is a case of over-estimating the value or under-estimating the value the submission is that the Crown is not entitled to keep the money. Also Condition 31 (3).

Condition 16 (2) is in marked contrast with Condition 15 (1). 15 (1) is not worded in the same way as 16 (2). According to 15 (1), the incoming grantee is not obliged to pay the outgoing grantee the full cost but only an amount which may be agreed upon. Condition 16 (2) is in favour of the plaintiffs. The Grantee has to pay to the Government an amount equivalent to the rent, and if the outgoing grantee has paid a part of it, there is only the difference that has to be paid ; which means Rs. 4·91 minus Rs. 4·30, namely 61 cents. 10

Under the law the plaintiffs are required to keep a minimum quantity of arrack in stock. On the arrack the plaintiffs are obliged to keep also the Government keeps the rent.

Mr. Jayaratne says that where the last three days are concerned, the minimum is not insisted upon.

Mr. Choksy says that there is no such law. and there is no proof.

Mr. Jayaratne says that it is the practice. 20

Mr. Choksy says that practice is not the law.

Judgment on 25.10.56.

(Sgd.) W. THALGODAPITIYA,

D. J.

26.9.56.

Judgment of the District Court

JUDGMENT

By a Gazette notification P3 of 22nd July, 1952, the Excise Commissioner called for tenders for the exclusive privilege of selling arrack by retail within certain specified local areas during the period 1st October, 1952, to 30th September, 1953. It was indicated in this notification that the privilege would be exclusive.

10 The plaintiffs bid for this privilege of selling arrack at No. 7, St. John's Road, No. 8, Chekku Street, and No. 9, Sea Beach Road, Colombo, at Rs. 4.30 per gallon of arrack sold at those taverns, and their bid was accepted. Under the old system it appears that a lump sum was paid for this privilege. Now the amount is calculated on the number of gallons of arrack sold. Accordingly the agreement P1 was entered into by the plaintiffs, who deposited with the Government Agent, Western Province, security in a sum of Rs. 66,800.

20 The procedure for the purchase of arrack was as follows:—the plaintiffs had to deposit at the Colombo Kachcheri the value of the arrack they intended to purchase as fixed by Excise Commissioner in notification D1. In addition to the value of this arrack, they had to deposit a sum of Rs. 4.30 per gallon they intended to purchase. When the Kachcheri Receipts for the above sums were produced at the warehouse, the arrack was delivered and conveyed to the various taverns controlled by the plaintiffs.

30 By a Gazette notification P4, tenders were called again for the same privilege of selling arrack for the year 1st October, 1953, to 30th September, 1954. This time the plaintiffs offered Rs. 4.91 per gallon for the same taverns. The offer was accepted, and the necessary security was deposited.

The plaintiffs thus became the outgoing renters on 30th September, 1953, and the incoming renters on 1st October, 1953. On 30th September, 1953, they had in stock at the three taverns 1,832 gallons and 32 drams of arrack unsold for which the plaintiffs had already paid the Government at the rate of Rs. 4.30 per gallon. The plaintiffs took over this stock for the year commencing 1st October, 1953, for which period they had agreed to pay to Government Rs. 4.91 per gallon.

No. 7.
Judgment of the
District Court.
25.10.56.
—contd.

For this quantity of arrack the plaintiffs offered to pay to Government 61 cents per gallon, which was the difference between Rs. 4·91 and Rs. 4·30 in all amounting to Rs. 1,117·97, but the Government refused to accept this amount and demanded Rs. 4·91 per gallon for the arrack they took over, although the plaintiffs had already paid for it at the rate of Rs. 4·30 per gallon. In fact at the end of the year 1953/54 the Government deducted from the security deposited a sum of Rs. 8,998·40 being the rent it considered payable by the plaintiffs for the above quantity of arrack at Rs. 4·91 per gallon, and returned the balance. The plaintiffs admit liability in only Rs. 1,117·97, and in this case claim from the Government the balance Rs. 7,882·03.

10

The position of the Crown is that under condition 15 (2) of P4, the plaintiffs are liable to pay Rs. 4·91 per gallon for the arrack they had for sale during the year 1st October, 1953, to 30th September, 1954, in spite of the fact that they had paid already Rs. 4·30 for it. This attitude of the Crown appears to me, even if legally justifiable, an unjust and unconscionable one, and it must be remembered that our courts are courts of law as well as equity.

20

Condition 15 in P4 is as follows :—

“(1) Taking over of Balance Arrack by Incoming Grantee by Mutual Agreement. The grantee shall take over from the outgoing grantee and pay to him an amount, which may be agreed on, in respect of the cost of—

- (a) the balance of arrack, in bulk and in bottles, remaining in a tavern, after the closing hour of the date of expiry of the privilege of the outgoing grantee, and
- (b) transport, wastage, and other miscellaneous charges.

(2) The grantees shall pay to the Government in respect of every gallon taken over by him from the outgoing grantee an amount equivalent to the rent payable by him for the privilege.”

30

Now it often happens that at the expiry of one year there must necessarily be some balance arrack left over at each tavern. The Excise Department makes it obligatory for renters to keep in their taverns in stock a minimum quantity of arrack every day. Condition 15 provides for such a contingency. The outgoing grantee is at liberty to sell to the incoming grantee the arrack which he holds in stock at a price agreed upon by them. The incoming grantee has to pay to the Government in respect of every gallon

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taken over by him from the outgoing grantee an amount equivalent to the rent payable by him for the privilege. The conditions do not set out in specific terms what the position of the outgoing grantee is as regards the rent already paid by him to the Government for the arrack held by him in stock on the last day of the year. According to the contention of the Crown he must bear that loss and cannot claim it from the Crown.

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25.10.50.
—contd.

10 Now the rent payable for the privilege is the sum for which the renter has purchased the exclusive privilege to sell. The privilege is for selling, and not for removing or storing. No doubt the payment is made in advance for the sake of convenience and for the protection of the Government from fraud or from default in payment ; but still the payment is for the privilege to sell as set out in P1, P2, P3, and P4, and the rent becomes payable only for every gallon sold.

20 Therefore the renter who has a stock in hand and who sells that stock to the incoming grantee will, in my view, be entitled to claim a refund of the money he has already paid to the Government for the privilege to sell that stock, because he has not sold that stock. In this case the outgoing grantee and the incoming grantee were the same ; but that does not alter the situation. The incoming grantee could have either claimed a refund of the Rs. 4·30 per gallon he had already paid to Government and paid Rs. 4·91 per gallon for the stock he took over, or he could pay the difference between Rs. 4·91 and Rs. 4·30, which comes to the same thing. That is exactly what the plaintiffs offered to do, as disclosed in their letter P5.

30 The Crown further depended on clause 31 of the conditions of sale in P4 by which the renter is precluded from claim in any compensation or remission of rent for loss or damage. Sub-section (2) in condition 31 states that no remission of the rent payable in respect of the privilege will be granted on any plea of the grantee's having over-estimated the value of any tavern or on any other ground. The answer to this contention is that the plaintiffs are not asking for a remission. A remission implies a waiver of something that is lawfully due. In this case, so long as the arrack was not sold by the grantee, the rent was not lawfully due, and it seems to me that on the principle of *conductio in debiti* the plaintiffs will be entitled to ask for a refund of the money already paid by them for the arrack which they had not sold. I do not agree with the Crown
40 that the plaintiffs are claiming in this case a remission.

The plaintiffs are claiming a refund of the money already paid by them for the arrack which they had not sold. According to the contention of the Crown, the plaintiffs will have to pay for the

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25.10.56.
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1,832 gallons and 32 drams of arrack at Rs. 4·30 per gallon plus another Rs. 4·91 per gallon. This demand of the Crown, as I said earlier, is an utterly unconscionable one, and I see no justification for it even according to the conditions set out in P4.

I answer issue 1 as follows :—

Yes, but only the difference between Rs. 4·91 and Rs. 4·30 per gallon.

I accordingly enter judgment for plaintiffs as prayed for with costs.

(Sgd.) W. THALGODAPITIYA, 10
District Judge.
25th October 1956.

Judgment delivered in open Court.

(Int. W. T.
D. J.

Decree of the District Court

DECREE

IN THE DISTRICT COURT OF COLOMBO

No. 37,090/M

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs.*

against

THE ATTORNEY-GENERAL of Ceylon *Defendant.*

10 This action coming on for final disposal before Walter Thalgodapitiya, Esquire, District Judge, Colombo, on the 25th day of October, 1956, in the presence of Proctor, on the part of the plaintiff and of Proctor, on the part of the defendant, it is ordered and decreed that the defendant do pay to the plaintiff the sum of Rs. 7,882·03 together with legal interest thereon from 5.12.55 to date and hereafter on the aggregate amount of the decree till payment in full and costs of suit.

(Sgd.) W. THALGODAPITTIYA,
District Judge, Colombo.

20 The 25th day of October, 1956.

Petition of Appeal to the Supreme Court

IN THE SUPREME COURT OF THE ISLAND OF CEYLON

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiff.*

D. C. Colombo

Case No. 37,090/M *vs.*

THE ATTORNEY-GENERAL of Ceylon *Defendant.*

THE ATTORNEY-GENERAL of Ceylon .. *Defendant-Appellant.*

vs.

10

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents.*

To : THE HONOURABLE THE CHIEF JUSTICE AND THE OTHER
JUDGES OF THE SUPREME COURT.

On this 6th day of November, 1956.

The Petition of Appeal of the Defendant-Appellant above named appearing by Behram Kaikhushroo Billimoria and his assistants Abdul Hameed Mohamed Sulaiman and Solomon Christoffel Obeyasekara de Livera his Proctors states as follows :—

1. The plaintiffs respondents sued the defendant appellant in the District Court of Colombo for the recovery of a sum of Rs. 7,882·03 out of a total sum of Rs. 8,998·40 which the plaintiffs alleged the Government Agent, Western Province, had wrongfully and unlawfully withheld from them on account of payment which was alleged by the Government Agent to be due from the plaintiffs to the Crown under the conditions of a contract for the exclusive privilege of selling arrack at certain taverns in Colombo. The plaintiffs respondents however admitted liability in a sum of Rs. 1,117·97 of the Crown's claim. 20

2. The *plaintiffs*-respondents were the renters of a certain arrack taverns for the year September 1952 to October 1953, paying a rent of Rs. 4·30 per gallon of arrack. At the end of the contract they had left in their hands a total quantity of 1,832 gallons 32 drams of arrack. The plaintiff respondents were the renters for the year 30

September 1953 to October 1954 too paying a rent of Rs. 4.91 per gallon of arrack. The plaintiffs respondents utilised the said 1,832 gallons 32 drams of arrack for the purpose of this latter contract. The contention of the Crown was that under Condition 15 (2) of the Arrack Rent Sale Conditions for 1953/1954, the plaintiffs respondents were liable to pay to the Crown at a rate equivalent to the rent for the year 1953/1954, namely at the rate of Rs. 4.91 per gallon for the said total quantity of 1,832 gallons 32 drams. The plaintiff respondents however were prepared to pay at the rate of only 61 cents per gallon (being the difference between Rs. 4.91 and Rs. 4.30).

10 3. The case went to trial on documents which were produced by both parties but without other evidence being led.

4. The learned District Judge on the 25th day October, 1956, gave judgment for the plaintiffs respondents as prayed for by them.

5. The defendant appellant appeals from the said judgment of the District Court of Colombo on the following among other grounds which will be urged by Counsel at the hearing of the appeal.

(1) The said judgment is contrary to the weight of the evidence contained in the documents led in evidence in the case.

20 (ii) The learned Judge has misdirected himself as to the interpretation to be put on certain conditions of the contract particularly conditions 15 (2) and 31 of the conditions.

(iii) The learned Judge erred in holding that the plaintiffs respondents could have claimed a refund of the rent already paid to Government on the privilege for the year 1952/1953, which had expired when they took over the balance arrack remaining for the purpose of the privilege for the year 1953-1954.

30 (iv) The learned Judge erred in holding that the plaintiffs respondents were liable to pay only for such quantity of arrack as was in fact sold and not for the privilege of selling arrack.

Wherefore the Defendant-Appellant prays :—

(a) that Your Lordships' Court be pleased to set aside the Order of the learned District Judge,

(b) for judgement in favour of the defendant appellant as prayed for by the defendant appellant in the District Court of Colombo,

(c) for costs of this appeal and of the proceedings in the lower Court, and

40 (d) for such other and further relief as to this Court shall seem meet.

Settled by
L. JAYARATNE,
Crown Counsel

(Sgd.) B. K. BILLIMORIA,
Proctor for Defendant Appellant.

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Order of the
Supreme Court
referring the
Appeal to a
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24

No. 10

**Order of the Supreme Court referring the Appeal to a Bench
of Three Judges**

List of Cases for Friday the 14th March, 1958

The Honourable

HEMA HENRY BASNAYAKE, Q.C.,
Chief Justice

The Honourable

KALUDURA DHAMMIKASIRI DE SILVA,
Puisne Justice

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For argument

D. C. Finals—1956
Colombo

37090/M

(To be resumed)

B. C. F. Jayaratne, Crown Counsel with W. Laduwahetty, Crown
Counsel for Defendant-Appellant.

N. K. Choksy, Q.C. with N. D. M. Samarakoon for Plaintiffs-
Respondents.

To be listed before a Bench of three Judges.

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Judgment of the Supreme Court

S. C. No. 820

D. C. Colombo No. 37090/M

THE ATTORNEY-GENERAL *v.* FONSEKA AND ANOTHER*Present* : Basnayake, C.J., Pulle, J., and Sansoni, J.*Counsel* : V. Tennakoon, Deputy Solicitor-General, with B. C. F. Jayaratne, Acting Senior Crown Counsel for Defendant-Appellant. N. K. Choksy, Q.C., with N. D. N. Samarakoon and Miss Maureen Seneviratne for Plaintiffs-Respondents10 *Argued on* : July 1, 2 and 3, 1958*Decided on* : July 31, 1958

Basnayake, C.J.

The plaintiffs-respondents (hereinafter referred to as the plaintiffs) were the holders of the exclusive privilege of selling arrack by retail for the year commencing on 1st October, 1952, and ending on 30th September, 1953, at taverns No. 7, St John's Road, No. 8, Chekku Street, and No. 9, Sea Beach Road, all premises in Colombo. They were also the holders of the same privilege in respect of the same premises for the succeeding year commencing on 1st October, 1953, and ending on 30th September, 1954. At the closing hour on 30th September, 1953 (hereinafter referred to as the relevant date), there was a total quantity of 1,832 gallons and 32 drams of arrack remaining unsold in the taverns of the plaintiffs.

The dispute between the plaintiffs and the defendant centres round the question whether the plaintiffs are liable to pay to the Crown a sum computed at the rate of Rs. 4.91 in respect of each gallon of arrack in their taverns at the closing hour on the relevant date.

The plaintiffs admit that they are liable to pay a sum of Rs. 1,117.97 computed at the rate of 61 cts. on every gallon of arrack in their taverns at the relevant date. In this action they seek to recover a sum of Rs. 7,882.03 which, they allege, the Government has unlawfully deducted from their security deposit of Rs. 66,800.

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—contd.

It will be convenient at this stage to refer to the material provisions of the agreement for the year 1st October, 1952, to 30th September, 1953 (P 1). It is a printed document running into thirteen pages inartistically drafted though prepared by the Crown. It bears the heading "Arrack Rent Sale Conditions" in large type and underneath it the sub-heading "Agreement" in smaller type. The opening paragraph reads:—

"THE SPECIAL CONDITIONS on which the exclusive privilege of selling Arrack by Retail within the local area of Arrack Tavern Group No. II, Colombo Municipality, comprising of arrack taverns Nos. 7, 8 and 9 for a term of one year from October 1, 1952, to September 30, 1953, inclusive, subject to clause 29 hereof is granted, are in addition to the General Conditions for the time being in force and applicable to all Excise Licences as follows:—

10

SPECIAL CONDITIONS"

Thirty Special Conditions are set out in the agreement. It was executed by the plaintiffs and the Government Agent, Western Province, acting on behalf of the Government on 22nd August, 1952. The Special Conditions embody not only the terms which the holder of the privilege has to observe after he is granted it; but also the conditions on which tenders may be made and will be accepted. Conditions 8A and 16 of the Special Conditions provide as follows:—

20

"8A. *Grant of Privilege*:—The privilege will be granted to the person who offers the highest price for every gallon of arrack removed from the appropriate Warehouse referred to in schedule B hereto for sale in the tavern or taverns to which the privilege relates. Such price (herein after referred to as the 'rent') shall not include the price at which arrack is issued from the Warehouse as fixed by the Excise Commissioner under condition-16.

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"16. *Issue Price Payable. Issue Strengths*:—In addition to the rent the grantee shall pay to the Government Agent in respect of every gallon of arrack issued and removed from a Government Warehouse an amount calculated at rates to be determined from time to time by the Excise Commissioner by notification published in the Gazette. The difference between the price so determined and the selling price at the grantee's tavern or taverns shall in the case of every quality of arrack be Rs. 3.80 per gallon where arrack is sold in bottle and Rs. 6 per gallon where arrack is sold in bulk.

"Provided, however, that if the issue price is increased during the period of this privilege, the grantee shall pay to the Government Agent in respect of the entire quantity of arrack remaining unsold

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in a tavern after the closing hour on the day immediately preceeding the day on which the increased price comes into force an amount equivalent to the increase in issue price.

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“The Excise Commissioner shall by notification published in the Gazette prescribe from time to time the strength of each quality of arrack issued from a Government warehouse.”

10 For the year commencing on 1st October 1952 and ending on 30th September, 1953, the plaintiffs offered the price of Rs. 4·30 for every gallon of arrack removed from the appropriate warehouse of the Crown for sale at their taverns. That being the highest price offered they were granted the privilege for that year. For the privilege of selling arrack at the same taverns in the year commencing on 1st October, 1953, and ending on 30th September, 1954, the plaintiffs offered the price of Rs. 4·91 for every gallon of arrack removed from the appropriate warehouse. That being the highest price offered the plaintiffs were granted the exclusive privilege for that year also and the agreement P 2 was signed by the plaintiffs and the Government Agent on 30th July, 1953, while the agreement P 1 for the previous year was current.

20 The Crown maintains that under condition 15 of the agreement P 2 the plaintiffs are bound to pay Rs. 4·91 per gallon in respect of the 1,832 gallons and 32 drams remaining in the taverns at the close of business on the relevant date.

The plaintiffs admit that they are liable to pay at the rate of Rs. 4·91 per gallon but they claim credit for the stocks in their taverns at the rate of Rs. 4·30 per gallon which sum they paid when they removed the arrack from the warehouse in the previous year and have offered to pay the difference between Rs. 4·91 and Rs. 4·30 per gallon.

30 The Crown disputes the claim of the plaintiffs that they are entitled to a refund of Rs. 4·30 per gallon.

The conditions of the agreement P 2 which are relevant to the determination of the issue between the parties are conditions 15 and 16 which read as follows :—

“15. (1) *Taking over of Balance Arrack by Incoming Grantee by Mutual Agreement* :—

40 The grantee shall take over from the outgoing grantee and pay to him an amount, which may be agreed on, in respect of the cost of (a) the balance of arrack, in bulk and in bottles, remaining in a tavern, after the closing hour of the date of expiry of the privilege of the outgoing grantee ; and

(b) transport, wastage, and other miscellaneous charges,

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(2) The grantee shall pay to the Government in respect of every gallon taken over by him from the outgoing grantee an amount equivalent to the rent payable by him for the privilege ”

“ 16. *In default of agreement, Outgoing Grantee to deliver Balance Arrack at nearest warehouse .—*

(1) Where the incoming and outgoing grantees cannot agree with regard to the sum to be paid as aforesaid, the outgoing grantee shall forthwith remove the balance of arrack on a permit, to the nearest Excise Warehouse, and deliver it to the Warehouse Officer in charge thereof, and obtain a receipt. Such arrack shall be of the strength prescribed by Notification for the time being in force in that behalf under condition 18. 10

(2) The outgoing grantee shall present such receipt to the Excise Commissioner, who shall pay to such grantee the value of the arrack so delivered at the rates at which such grantee purchased such arrack.

(3) If the sum payable by the incoming grantee at the time the arrack is so taken over by him, is higher than the sum actually paid for the said arrack by the outgoing grantee, the incoming grantee shall, within fourteen days of the commencement of his privilege pay the difference to the nearest Kachcheri.”

Condition 15 contemplates the case where the grantee for the year that has expired and the grantee for the year that has begun are different persons and not the case where one and the same person is the grantee for both years. The agreement makes no provision for the case where the same person is the grantee in two successive years. The language of condition 15 is wholly inappropriate to such a case. In law a person cannot agree with himself or negotiate with himself or take over from himself. To maintain that in the instant case the plaintiffs took over from themselves the arrack in their taverns at the closing hour at the relevant date after having agreed with themselves on the amount to be paid by the plaintiffs to themselves in respect of the cost of the balance of arrack in the taverns and transport, wastage and other miscellaneous charges, would be doing violence not only to elementary concepts of law but also to the language in which the agreement is cast. 20 30

It is trite law that a person cannot contract with himself and that for the formation of a contract or agreement at least two persons natural or juristic are essential. There can be in the instant case no such agreement or taking over as is contemplated in condition 15 (1) and the plaintiffs are under no legal obligation to make the payment provided for in condition 15 (2). The author of agreement—the Crown—must suffer for its failure to provide for the case of the same person being the grantee in two successive years especially as it was signed at a time when it was well aware of the situation that 40

would arise on the grant of the privilege to the plaintiffs for the succeeding year. The omission to make special provision for the case of the plaintiffs must in the circumstances be presumed to be deliberate.

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10 It is not clear why the plaintiffs have conceded that under agreement P 2 they are liable to pay 61 cents per gallon. In making that concession they seem to have proceeded on the basis of a notional delivery of the arrack in the taverns at the nearest Excise Warehouse under condition 16 for which no payment has been made as provided therein. The Crown contended that a privilege-holder delivering arrack at an Excise Warehouse is not entitled to a refund of the price paid per gallon for the privilege, as that price was a rent for the privilege. With that contention I am unable to agree.

20 It is apparent from the agreement that the word rent is used in it merely as a drafting device for convenience and for shortening the language of the document. The use of such an expression in such circumstances does not alter the character of the payment. What is referred to as rent in the conditions succeeding 8A is the price offered for every gallon of arrack removed from the warehouse by the holder of the privilege. Conditions 8A and 16 of P 1 read together undoubtedly provide that the plaintiffs are bound to pay Rs. 4·30 per gallon of arrack removed from the Excise Warehouse in addition to the issue price. Now condition 16 of P 2 (condition 14 is the corresponding condition of P 1) makes it obligatory on the Excise Commissioner to pay the *value* of the arrack delivered at the rates at which the grantee purchased such arrack. If condition 16 applies to the instant case, and in my opinion it does not, the Crown would have been bound to refund Rs. 4·30 per gallon of arrack delivered at the Excise Warehouse in addition to the issue price.

30 It should be noted that the word used is “value” and not “the issue price” which is the expression used in the contract to denote the amount charged in addition to the “rent” or privilege price. If the author of the document meant to confine the scope of the word “value” to “the issue price” we must presume that he would not have failed to make use of that expression the content of which is clear in the agreement. When a word of such wide import as “value” is used it would be wrong except in so far as its meaning is limited by the context to give it a meaning other than its ordinary meaning. The word “value” according to the Dictionary
40 (S. O. E. D.) has several meanings, but none of those meanings supports the contention of the Crown. They are as follows:—

“That amount of some commodity, medium of exchange, etc., which is considered to be an equivalent for something else; a fair or adequate equivalent or return. The material or monetary

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worth of a thing ; the amount at which it may be estimated in terms of some medium of exchange or other standard of a like nature. ”

Now what are the words which limit the meaning of the word “value ” in its context “ the value of the arrack so delivered at the rates at which such grantee purchased such arrack ” ? In the instant case the “ rates at which the grantee purchased the arrack ” is the rent or privilege price plus the issue price. The total of those two prices is the “ value ” of the arrack.

Learned counsel for the Crown also contended that the privilege price is not a rate and is not caught up by the word “ rates ”. He submitted that the word refers to the different issue prices at which the arrack was purchased. I am unable to agree. The use of the plural suggests that different kinds of payment were meant, and not a number of payments of the same kind, as in the case of “ rates ” levied by a local authority where the word includes a number of levies of different kinds. Even if the use of the word “ rates ” creates a doubt as to the true meaning of the clause, the rule is that a written agreement is construed against its author, and in any case the Court will lean to that interpretation which will put an equitable construction upon the agreement ; and if the Crown has failed to express its intention clearly the Court will not construe the agreement so as to give it an unfair or unreasonable advantage over the plaintiffs. 10 20

Apart from the above considerations based on the interpretation of the agreement the Crown in the instant case is seeking to enrich itself at the expense of the plaintiffs by charging twice over for the arrack in their taverns on 30th September, 1953. The Courts will not permit any person to unjustly enrich himself at the expense of another and in the instant case it will not permit the Crown to do so.

The appeal is accordingly dismissed with costs. 30

(Sig.) HEMA H. BASNAYAKE
Chief Justice.

S. C. No. 820/D. C. Colombo No. 37090M.

PULLE, J.

The plaintiffs purchased the exclusive privilege of selling arrack by retail at three taverns during the year commencing on 1st October, 1952, and ending on 30th September, 1953. The claim of the plaintiffs is in respect of 1832 gallons and 32 drams of arrack unsold

at the taverns on 30th September, 1953. At the time of the issue of this arrack to the plaintiffs from the Government Warehouse the plaintiffs had, in terms of the conditions under which the privilege was purchased, to pay to Government for each gallon a price (which varied from time to time) together with a fixed sum which is referred to as the "rent". The rent per gallon for 1952-53 was Rs. 4.30. Because the quantity of 1832 gallons and 32 drams has been left unsold, the plaintiffs alleged that in a settlement of the accounts between them and the Government they were entitled to credit in a sum of Rs. 7,882.03 which represented the "rent" paid for the arrack unsold. The Government resisted their claim and the appeal is from a decree awarding the plaintiffs the sum of Rs. 7,882.03.

The plaintiffs also purchased the privilege for the year 1st October, 1953, to 30th September, 1954. The "rent" for this year was Rs. 4.91 per gallon. Apparently the quantity of arrack unsold on 30th September, 1953, was sold thereafter and the plaintiffs have paid to Government rent for it at the rate of Rs. 4.91 per gallon and have admitted their liability to pay at that rate. The question that has to be determined is not whether in the year 1953-54, the plaintiffs were under a liability to pay Rs. 4.91 per gallon as "rent" for what was unsold on 30th September, 1953, but whether on that date they had acquired the right to a refund of Rs. 4.30 per gallon on 1832 gallons and 32 drams. The learned trial judge held that under the contract with Government the plaintiffs were under a liability to pay Rs. 4.30 per gallon in respect of only arrack sold by retail at the taverns in 1952-53 and that no rent was payable in respect of any arrack unsold on 30th September, 1953.

He says,

"The privilege is for selling and not for removing or storing. No doubt the payment is made in advance for the sake of convenience and for the protection of the Government from fraud or from default in payment. But still the payment is for the privilege to sell as set out in P 1, P 2, P 3 and P 4 (P 1 and P 2 are the conditions of sale together with the agreements respectively for the two years and P 3 and P 4 are two statutory notifications that the exclusive privilege is subject to the special conditions in P 1 and P 2 and to certain general conditions applicable to all excise licences) and the rent becomes payable only for every gallon sold." Later he says,

"In this case so long as the arrack was not sold by the grantee, the rent was not lawfully due and it seems to me that on the principle of *conditio indebiti* the plaintiffs will be entitled to ask for a refund of the money already paid by them for the arrack which they had not sold."

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With all respect I am unable to agree with the construction which the learned Judge has placed on the documents referred to by him.

The plaintiffs obtained the exclusive "privilege" of selling arrack at the three taverns numbered 7, 8 and 9 within the Colombo Municipality. They had to pay for this privilege. It was open to Government, if it so desired, to ask the purchaser of the privilege to pay a lump sum in advance. If paid the purchaser could not possibly claim a partial refund on the ground that sales of arrack fell below his expectations. Government, however, adopted the basis set out in condition 8A of P 1 which is in the following terms : 10

"Grant of Privilege.—The privilege will be granted to the person who offers the highest price for every gallon of arrack removed from the appropriate Warehouse referred to in Schedule B hereto for sale in the tavern or taverns to which the privilege relates. Such price (hereinafter referred to as the "rent") shall not include the price at which arrack is issued from the Warehouse as fixed by the Excise Commissioner under condition 16."

Condition 16 refers to the amount (over and above the "rent") payable to Government for the arrack issued at the Warehouse and how it is to be ascertained. Condition 16 A reads, 20

"Payment of Rent.—The grantee shall pay to the Government Agent rent at the same rate at which he has purchased the privilege on every gallon of arrack in bulk or in sealed bottles to be removed from the Warehouse." In my opinion once a payment is made on account of rent it is not subject to the condition that the purchaser of the "privilege", which as was submitted was in the nature of an incorporeal right, would become entitled to a refund if the arrack in respect of which the rent was paid was unsold, any more than the purchaser would have become entitled to a refund had the arrack which passed into his possession been lost through the negligence of his servants or been stolen. 30

I agree that, in resisting the claim for the refund, Government cannot rely on conditions 15 and 16 in P 2 which relate to an incoming grantee taking over the balance arrack by mutual agreement from an outgoing grantee. The idea of an "agreement" between an incoming grantee and an outgoing grantee who is the same person is excluded and, therefore, conditions 15 and 16 are not applicable. Paragraph (2) of condition 16 has, however, some relevance to one aspect of the case. The learned trial Judge says that the attitude of the Government towards the plaintiffs is unconscionable. 40
Condition 16 provides that in default of agreement between the incoming and outgoing grantees, the outgoing grantee must deliver

the unsold arrack at the nearest Warehouse and obtain a receipt therefor. Paragraph (2) of condition 16 is in the following terms :—

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10 “ The outgoing grantee shall present such receipt to the Excise Commissioner, who shall pay to such grantee the value of the arrack so delivered at the rates at which such grantee purchased such arrack.” My interpretation of paragraph (2) is that by its very terms the outgoing grantee is disentitled to a refund of any sum paid by way of “rent”. A refusal to refund in those circumstances to an outgoing grantee can hardly be described as unconscionable.

I have dealt with this appeal solely on the merits of the ground urged by the plaintiffs that because a certain quantity of arrack was unsold on 30th September, 1953, they became immediately vested with the right to claim a refund of the sum paid as “rent” for that quantity. That was the basis on which the case for the plaintiffs was fought in the court below and that was also the basis on which the trial Judge gave judgment for the plaintiffs. In my opinion the plaintiffs’ position is untenable and I would allow this appeal, with costs here and below.

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(Sgd.) M. F. S. PULLE,
Puisne Justice.

S. C. No. 820/D. C. Colombo 37090 M.

SANSONI, J.—

The facts have been set out in the judgments of my Lord the Chief Justice and my brother Palle which I have had the advantage of reading, and I need not set them out again.

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The only issue framed was suggested by Crown Counsel in the following terms: “ Are the plaintiffs liable under condition 15 (2) of the arrack Rent Sale Conditions for 1953/54 to pay to the Government in respect of the 1832 gallons 32 drams at the rate of Rs. 4.91 per gallon being an amount equivalent to the rent agreed upon ” ? The issue is based on paragraphs 4 (c) and 4 (d) of the answer filed by the Attorney General, wherein it was pleaded that condition 15 (2) rendered the plaintiffs liable to pay rent at the rate of Rs. 4.91 per gallon for the year 1953/54. It is quite clear that condition 15 (2) cannot apply to such a case as this where the privilege

No. 11.
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31.7.58.
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is granted for two successive years to the same person. But even if the defendant is not bound by the terms of the issue or the answer, and the dispute is judged on a wider basis, I think the plaintiffs must succeed.

What then is the position if condition 15 (2) has no application? It seems to me that if the Crown seeks to retain the security deposit made by the plaintiffs, it is for the Crown to establish its right to retain the deposit. And I think it is necessary at this point to say that the plaintiffs are not claiming a return of the payment made by them in respect of the issue price and the rent of this quantity of arrack. They are claiming (as paragraph 9 of the plaint shows) a refund of the security deposit of Rs. 66,800 less Rs. 1,117.97.

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This quantity of 1832 gallons 32 drams left unsold in the plaintiffs' hands on 30th September, 1953, would have been paid for by the plaintiffs, who would have paid the issue price plus the rent at the rate of Rs. 4.30 per gallon at the time the arrack was removed from Warehouse. The Crown does not seek to recover over again the issue price paid in respect of this quantity. It does seek, however, to recover rent at the rate of Rs. 4.91, and it also claims that the rent of Rs. 4.30 already paid cannot be taken into account.

20

Now the circumstance that has actually occurred has not been contemplated by the parties; the contract does not provide for the situation that has resulted; and, therefore, if the Crown seeks to impose a liability on the plaintiffs to pay the rent again, it is a liability that must be looked for outside the contract. I think it would be unsafe to decide the question by asking ourselves what the parties might have stipulated in the contract if they had given any thought to the matter, for that would be only to guess what might have been their intention. I think the Court has only to decide whether there is any ground which justifies the retention by the Crown of any part of the security deposit. The question may also be put in this form: Is there any legal justification for the demand of the Crown that the plaintiffs should pay rent twice over in respect of the same quantity of arrack?

30

I understood the argument for the Crown to be that upon a reading of the terms of the contract one could imply a liability such as is sought to be imposed on the plaintiffs, even if it is not expressly set out. Two rules laid down by Vander Linden (Bk. 1. Ch. 14. Sect. 4.) appear to be against such a contention. Paragraph 8 reads: "However general the expressions in a contract may be, they are restricted, in interpretation, to those matters only which the parties appear to have contemplated as their objects in contracting, and are not extended to others of which they do not appear to have thought."

40

Paragraph 7 reads : " In cases of doubt, the words of the covenant must be taken most strongly against the obligee, and in favor of the obligor." The same rules are set out by Pothier in the Law of Obligations (Evans Translation) PP 58 and 59.

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—contd.

10 Now the contract sets out the conditions upon which the plaintiffs are granted the exclusive privilege of selling arrack by retail. The plaintiffs did not exercise that privilege in respect of this quantity of arrack which was left unsold. But it is important to remember that, as condition 8 A is worded, the rent is payable on every gallon of arrack *removed* from the Warehouse. There is no provision for the payment of rent twice over where there is only one removal, and if under any circumstances rent was to be payable twice in respect of one removal, the absence of express provision to that effect is significant. I cannot see on what basis the Crown seeks to make the plaintiffs liable to pay a second rent on this quantity of arrack at the rate of Rs. 4·91. They were only liable to pay, and they had in fact paid rent, at the rate prevailing at the time of removal. Since, however, they have accepted liability to pay the difference between 20 Rs. 4·30 and Rs. 4·91 per gallon, the Crown benefits to that extent, but such an acceptance of liability does not decide the question in issue.

30 There is the further consideration that it was the privilege of *selling* arrack that the plaintiff purchased. The plaintiff received no benefit from merely storing the 1832 gallons 32 drams until 30th September, 1953. It is not necessary to decide the hypothetical question whether the plaintiffs would have been entitled to claim a repayment of the issue price and rent paid for this quantity of arrack left unsold on 30th September, 1953, if they did not become the renters for the following year. They did, in fact, become the renters again, and the contract contains no prohibition against such a quantity of arrack being sold in the following year.

The amount claimed out of the security deposit is therefore payable to the plaintiffs. I would therefore dismiss the appeal with costs.

(Sgd.) M. C. SANSONI,
Puisne Justice.

Decree of the Supreme Court

D. C. (F) 820M
1956

ELIZABETH THE SECOND, QUEEN OF CEYLON AND
OF HER OTHER REALMS AND TERRITORIES,
HEAD OF THE COMMONWEALTH

IN THE SUPREME COURT OF THE ISLAND OF CEYLON

(1) H. R. FONSEKA, and (2) K. SELVADURAI, both of
No. 105, 5th Cross Street, Pettah, Colombo *Plaintiffs.* 10

vs.

THE ATTORNEY-GENERAL of Ceylon *Defendant.*

THE ATTORNEY-GENERAL of Ceylon.... *Defendant-Appellant.*

against

(1) H. R. FONSEKA, and (2) K. SELVADURAI, both of
No. 105, 5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents.*

Action No. 37,090/M.

DISTRICT COURT OF COLOMBO

This cause coming on for hearing and determination on the 1st,
2nd, 3rd and 31st days of July, 1958, and on this day, upon an appeal 20
preferred by the Defendant-Appellant before the Hon. H. H.
Basnayake, Q.C., Chief Justice, the Hon. M. F. S. Pulle, Q.C.,
Puisne Justice, and the Hon. M. C. Sansoni, Puisne Justice of this
Court, in the presence of Counsel for the Defendant-Appellant, and
Plaintiffs-Respondents.

It is considered and adjudged that this appeal be and the same is
hereby dismissed.

And it is further decreed that the defendant-appellant do pay to the plaintiffs-respondents the taxed costs of this appeal.

Witness the Hon. Hema Henry Basnayake, Q.C., Chief Justice at Colombo, the 6th day of August, in the year One thousand Nine hundred and fifty-eight and of Our Reign the Seventh.

No. 12.
Decree of the
Supreme Court.
31.7.58
—*contd.*

(Sgd.) B. F. PERERA,
Dy. Registrar, S. C.

Affidavit

IN THE SUPREME COURT OF THE ISLAND OF CEYLON

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs.*

S. C. No. 820 of 1956 (F)

vs.

THE ATTORNEY-GENERAL of Ceylon..... *Defendant.*

D. C. Colombo, Case No. 37,090/M.

THE ATTORNEY-GENERAL of Ceylon..... *Defendant-Appellant.* 10

vs.

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents.*

In the matter of application for leave to appeal to Her Majesty
the Queen in Council.

THE ATTORNEY-GENERAL of Ceylon *Defendant-Appellant-
Appellant.*

vs.

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents-
Respondents.* 20

I, Sheriff Deen Fallil of Colombo being a Muslim do hereby make
oath and say as follows :—

1. I am the Acting Superintendent of Excise, City, Colombo.

2. On the 6th day of August, 1958, I served personally on H. R.
Fonseka at No. 329, Galle Road, Colpetty, and on K. Selvadurai at
No. 67, 5th Cross Street, Pettah, Colombo, the 1st and 2nd Plaintiffs-
Respondents-Respondents above named, notices of the intention of
the Attorney-General of Ceylon, the Defendant-Appellant-Appellant

above named to apply to this Honourable Court for leave to appeal to Her Majesty the Queen in Council against the Order and Judgment of this Honourable Court delivered on the 31st day of July, 1958, in the above proceedings.

No. 13.
Affidavit.
13.8.58
—contd.

3. The 1st and 2nd Plaintiffs-Respondents-Respondents having been served with the aforesaid notices acknowledged in writing on the reverse of a duplicate of the said notices, the receipt of the said notices.

10 4. That the said notices were served as aforesaid in the presence of Arthur Malcolm Mervyn Perera Gunawardene, Excise Clerk, Kachcheri, Colombo, who knows the said 1st and 2nd Plaintiffs-Respondents-Respondents, above named.

5. I annex hereto marked "A" the aforesaid duplicate of the said notices served on the 1st and 2nd Plaintiffs-Respondents-Respondents above named on the reverse whereof service of notice has been acknowledged by the said 1st and 2nd Plaintiffs-Respondents-Respondents above named.

Signed and Sworn to at Colombo, on } (Sgd.) S. D. FALLIL,
this 13th day of August 1958. } 13.8.58.

20 Before me, (Sgd.) L. B. T. PREMARATNE,
Justice of the Peace.

No. 14.
Application for
Leave to
Appeal to the
Privy Council.
14.8.58.

No. 14

Application for Leave to Appeal to the Privy Council

IN THE SUPREME COURT OF THE ISLAND OF CEYLON

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs.*

S. C. No. 820 of 1956 (F).

vs.

THE ATTORNEY-GENERAL of Ceylon.....*Defendant.*

D. C. Colombo Case No. 37,090/M.

THE ATTORNEY-GENERAL of Ceylon.... *Defendant-Appellant.* 10

vs.

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents.*

In the matter of an application for leave to appeal to Her Majesty
the Queen in Council.

THE ATTORNEY-GENERAL of Ceylon *Defendant-Appellant*
Appellant.

vs.

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents- 20*
Respondents.

To: THE HONOURABLE THE CHIEF JUSTICE AND THE OTHER
JUDGES OF THE SUPREME COURT OF THE ISLAND OF CEYLON.

On this 14th day of August, 1958.

The humble Petition of the Attorney-General of Ceylon, the
Defendant-Appellant-Appellant above named, appearing by Abdul
Hameed Mohamed Sulaiman, his proctor, states as follows :—

1. Upon an appeal preferred to the Supreme Court by the
Defendant-Appellant-Appellant above named, the Supreme Court
delivered judgment thereon of the 31st day of July, 1958, dismissing 30
the said appeal with costs. The said appeal bears No. 820 of 1956
(F)—D. C. Colombo Case No. 37,090/M.

2. That feeling aggrieved by the said judgment of this Honourable Court, the above-named Defendant-Appellant-Appellant is desirous of appealing to Her Majesty the Queen in Council.

No. 14.
Application
for Leave to
Appeal to the
Privy Council.
14.8.58.
—contd.

3. That—

(a) the said judgment is a final judgment of Your Lordships' Court in a civil action,

(b) the matter in dispute on the appeal is of the value of Rs. 7,882.03.

10 4. That notice of the intended application for leave to appeal was given to the 1st and 2nd Plaintiffs-Respondents-Respondents on the 6th day of August, 1958, in terms of Rule 2 of the Rules in the Schedule to the Appeals (Privy Council) Ordinance, Chapter 85. Affidavit in proof of the said fact is annexed hereto marked "A".

Wherefore the Defendant-Appellant-Appellant prays for leave to appeal to Her Majesty the Queen in Council against the said judgment of this Court dated the 31st day of July, 1958.

(Sgd.) A. H. M. SULAIMAN,
Proctor for Defendant-Appellant-Appellant.

Settled by

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(Sgd.) V. TENNEKOON,
Senior Crown Counsel.

No. 15.
Decree of the
Supreme Court
granting
Leave to
Appeal to the
Privy Council.
3.9.58.

No. 15

**Decree of the Supreme Court Granting Leave to Appeal
to the Privy Council**

S. C. Application No. 315.

**ELIZABETH THE SECOND, QUEEN OF CEYLON AND
OF HER OTHER REALMS AND TERRITORIES,
HEAD OF THE COMMONWEALTH**

IN THE SUPREME COURT OF THE ISLAND OF CEYLON

In the matter of an application dated 14th August, 1958, for
Conditional Leave to Appeal to Her Majesty the Queen in Council 10
by Defendant-Appellant against the decree dated 31st July, 1958.

THE ATTORNEY-GENERAL of Ceylon..... *Defendant-Appellant*
Appellant.

against

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents*
Respondents.

Actin No. 37,090/M. (S. C. 820—Final).

DISTRICT COURT OF COLOMBO

This cause coming on for hearing and determination on the 3rd 20
day of September, 1958, before the Hon. H. H. Basnayake, Q.C.,
Chief Justice, and the Hon. N. Sinnetamby, Puisne Justice of this
Court, in the presence of Counsel for the Appellant and Respondents.

It is considered and adjudged that this application be and the
same is hereby allowed upon the condition that the applicant do
within one month from this date :—

(1) Deposit with the Registrar of the Supreme Court a sum of
Rs. 3,000 and hypothecate the same by bond or such
other security as the Court in terms of Section 7 (1) of the
Appellate Procedure (Privy Council) Order, 1921, shall on 30
application made after due notice to the other side
approve.

- (2) Deposit in terms of provisions of Section 8 (a) of the Appellate Procedure (Privy Council), Order 1921, with the Registrar a sum of Rs. 300 in respect of fees mentioned in Section 4 (b) and (c) of the Appeals (Privy Council) Ordinance (Chapter 85).

No. 15.
Decree of the
Supreme Court
granting
Leave to
Appeal to the
Privy Council,
3.9.58.
—*contd.*

Provided that the applicant may apply in writing to the said Registrar stating whether he intends to print the record or any part thereof in Ceylon, for an estimate of such amounts and fees and thereafter deposit the estimated sum with the said Registrar.

- 10 Witness the Hon. Hema Henry Basnayake, Q.C., Chief Justice at Colombo, the 9th day of September, in the year One thousand Nine hundred and fifty-eight and of Our Reign the Seventh.

(Sgd.) B. F. PERERA,
Deputy Registrar, S.C.

No. 16.
Application
for Final
Leave to
Appeal to the
Privy Council.
1.10.58.

Application for Final Leave to Appeal to the Privy Council

IN THE SUPREME COURT OF THE ISLAND OF CEYLON

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs.*

D. C. Colombo Case No. 37,090/M.

vs.

S. C. No. 820 of 1956 (F).

THE ATTORNEY-GENERAL of Ceylon *Defendant.*

S. C. Application No. 315 of 1958.

10

THE ATTORNEY-GENERAL of Ceylon .. *Defendant-Appellant.*

vs.

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents.*

In the matter of an application for leave to appeal to Her Majesty
the Queen in Council.

THE ATTORNEY-GENERAL of Ceylon .. *Defendant-Appellant-Appellant.*

vs.

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs Respondents-Respondents.*

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To : THE HONOURABLE THE CHIEF JUSTICE AND THE OTHER
JUSTICES OF THE SUPREME COURT OF THE ISLAND OF CEYLON.

On this 1st day of October, 1958.

The humble Petition of the Defendant Appellant-Appellant
above named appearing by Abdul Hameed Mohamed Sulaiman,
his Proctor, sheweth as follows :—

1. That the Defendant-Appellant-Appellant on the 3rd day of
September, 1958, obtained conditional leave from this Honourable
Court to appeal to Her Majesty the Queen in Her Privy Council

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against the judgment of this Court pronounced on the 31st day of July, 1958. The conditions subject to which leave was so granted were :—

No. 16.
Application
For Final
Leave to
Appeal to the
Privy Council.
1.10.58.

- (a) Deposit with the Registrar of the Supreme Court a sum of Rs. 3,000 and hypothecate the same by bond or such other security as the Court in terms of Section 7 (1) of the Appellate Procedure (Privy Council) Order, 1921, shall on application made after due notice to the other side approve,
- 10 (b) Deposit in terms of provisions of Section 8 (a) of the Appellate Procedure (Privy Council) Order, 1921, with the Registrar a sum of Rs. 300 in respect of fees mentioned in Section 4 (b) and (c) of the Appeals (Privy Council) Ordinance (Chapter 85).

2. That the Defendant-Appellant-Appellant has :

- 20 (a) on the 30th September, 1958, deposited with the Registrar of this Court the sum of Rs. 3,000 being the security for costs of appeal under Rule 3 (a) of the Schedule Rules and hypothecated the said sum of Rs. 3,000 by Bond dated 1st October, 1958, for the due prosecution of the appeal and that the payment of all costs that may become payable to the Plaintiffs Respondents-Respondents in the event of the Defendant Appellant-Appellant not obtaining an order granting him final leave to appeal or of the appeal being dismissed for non prosecution or of Her Majesty the Queen in Council ordering the Defendant Appellant-Appellant to pay Plaintiffs Respondents-Respondents costs of appeal, and
- 30 (b) on the 30th September, 1958, deposited the sum of Rs. 300 in respect of the amounts and fees as required by paragraph 8 (a) of the Appellate Procedure (Privy Council) Order made under Section 4 (b) and (c) of the Appeals (Privy Council) Ordinance (Chapter 85).

Wherefore the Defendant Appellant-Appellant Prays that he be granted Final leave to appeal against the said judgment of this Court dated the 31st day of July, 1958, to Her Majesty the Queen in Her Privy Council.

(Sgd.) A. H. M. SULAIMAN,
Proctor for Defendant-Appellant-Appellant.

40 Settled by

(Sgd.) V. TENNEKOON,
Senior Crown Counsel.

No. 17.
Decree of the
Supreme Court
granting
Final Leave
to Appeal to the
Privy Council.
10.10.58.

No. 17

**Decree of the Supreme Court Granting Final Leave to
Appeal to the Privy Council**

S. C. Application No. 405.

**ELIZABETH THE SECOND, QUEEN OF CEYLON AND
OF HER OTHER REALMS AND TERRITORIES,
HEAD OF THE COMMONWEALTH**

IN THE SUPREME COURT OF THE ISLAND OF CEYLON

In the matter of an application dated 1st October, 1958, for
Final Leave to Appeal to Her Majesty the Queen in Council by the 10
Defendant-Appellant against the decree dated 31st July, 1958.

THE ATTORNEY-GENERAL of Ceylon *Defendant-Appellant-
Appellant.*

against

(1) H. R. FONSEKA, (2) K. SELVADURAI, both of No. 105,
5th Cross Street, Pettah, Colombo *Plaintiffs-Respondents-
Respondents.*

Action No. 37,090/M. (S. C. 820—Final).

DISTRICT COURT OF COLOMBO

This cause coming on for hearing and determination on the 10th 20
day of October, 1958 before the Hon. M. C. Sansoni, and the Hon.
T. S. Fernando, Q.C., Puisne Justices of this Court, in the presence
of Counsel for the Appellant, and Respondents.

It is considered and adjudged that the application for Final
Leave to Appeal to Her Majesty the Queen in Council be and the
same is hereby allowed.

Witness the Hon. Edwin Herbert Theodore Gunasekara, Acting
Chief Justice at Colombo, the 13th day of October, in the year
One thousand Nine hundred and fifty-eight and of Our Reign the
Seventh. 30

(Sgd.) B. F. PERERA,
Deputy Registrar, S.C.

(Extract from the *Ceylon Government Gazette* No. 10,428 of July 25, 1952.)

P 3.
Extract from
the *Ceylon
Government
Gazette*
No. 10,428.
25.7.52.

1952-53 අළුත් අරක්කු රේඛා කොන්දේසි

D—B. 27

C—LA/A/1

Arrack Rent Sale Conditions for 1952-53 and Subsequent Periods

10 By virtue of the powers vested in me by section 18 of the Excise Ordinance (Chapter 42), as modified by the Proclamation published in *Gazette Extraordinary* No. 9,773 of September 24, 1947, I, Wilfred Henry Moore, Excise Commissioner, do hereby direct, with the approval of the Minister of Home Affairs, that the grant of the exclusive privilege of selling arrack by retail within any local area, during the period commencing on October 1, 1952, and ending on September 30, 1953, and subsequent periods, shall until further notice be subject—

- (1) to the General Conditions for the time being in force and applicable to all Excise licences ; and
20 (2) to the Special Conditions set out hereunder.

Office of the Excise Commissioner,
Colombo, July 22, 1952.

W. H. MOORE,
Excise Commissioner.

SPECIAL CONDITIONS

30 1. **Granting of Exclusive Privilege, subject to Sale by any other person (whether a Holder of Foreign Liquor Licence or otherwise)** (see also condition 23).—The privilege will be exclusive, subject to the right of any other person (whether a holder of a Foreign Liquor licence or otherwise) who is duly authorised by licence in that behalf to sell, on the premises licensed for the sale of foreign liquor or on other specified premises in the same local area, arrack, bought exclusively from the grantee of the privilege in bulk or in sealed bottles, as the case may be.

2. (1) **Period of Privilege.**—The privilege will be granted for the period commencing on October 1 of any one year and ending on September 30 of the next succeeding year on application by way of tender in the form, or by auction in the manner prescribed in these conditions.

P 3.
Extract from
the Ceylon
Government
Gazette
No. 10,428.
25.7.52—contd.

(2) **Areas for which Privilege granted.**—The privilege may be granted for the local area of an individual tavern, or for the respective local areas of each tavern in a group of taverns, as the Government Agent may decide.

3. **Tender Form.**—Every tender shall be made in the form set out hereunder. Forms may be obtained from the offices indicated in the sale notice.

4. **Tender Deposit.**—(1) The Government Agent, may, if he considers it necessary, require the deposit of a sum not exceeding One Thousand Rupees (Rs. 1,000/-) by the tenderer in respect of each tender.

(2) Every tender shall be accompanied by a Kachcheri receipt, acknowledging the deposit of the sum required by the Government Agent under the foregoing paragraph of this condition, and the number and date of the receipt shall be entered on the face of the tender form. 10

5. **Prohibition of Tenders by Agents or of more than one Tender by any Person.**—

(1) Every tender or bid shall be made by the tenderer or bidder in his own name. No tender or bid, made through an agent, will be accepted.

(2) No person shall send in more than one tender for any one tavern or group of taverns.

6. **Disqualifications against Acceptance of Tenders : Acceptance null and void.**—(1) No tender will be accepted from any person—

- (a) whose name appears on the list of defaulting contractors, or on the list of defaulters in respect of any kind of Excise licences or of toll rents, or on the list of persons precluded for other reasons from having any concern in any Government rent or contract ; or 20
- (b) whose name is on the list of persons who are debarred from holding Excise licences or from being employed by Excise licensees ; or
- (c) who is a registered criminal within the meaning of the Prevention of Crimes Ordinance ; or who has been convicted of any grave crime ; or
- (d) who at any time held a licence which has been cancelled under section 26 of the Excise Ordinance ; or
- (e) who holds a contract with Government for the bottling of arrack. 30

(2) If any tender of any such person has been accepted, the Government Agent may in his sole discretion cancel the acceptance and shall communicate his order of cancellation to the grantee. On the making of any such order of cancellation, the original acceptance shall become null and void.

7. **Delivery of Tenders.**—(1) Every tender shall be placed in a sealed envelope on the top left-hand corner of which shall be clearly marked the name of the tavern in respect of which the tender is made and its number on the list of sanctioned taverns, or the designation of the group of taverns in respect of which the tender is made as given in the notice calling for tenders, as the case may be.

(2) Every sealed envelope containing a tender shall— 40

- (a) be deposited in the Kachcheri Tender Box ; or
- (b) be handed to the Government Agent or to his Assistant ; or
- (c) be sent by registered post addressed to the Government Agent so as to reach the Kachcheri, before the time fixed for closing the tenders.

8. (1) **Power of Rejection of Tender.**—The Government Agent may, in his discretion, reject any or all of the tenders received ; and in the event of his so rejecting all tenders he may call for tenders again or put up the privilege either at once or after further notice for sale by auction.

(2) **Restriction of Bidding at Auction.**—At such auction no person shall be allowed to bid, unless he shall have either—

- (a) submitted a tender accompanied by the Kacheheri receipt prescribed in condition 4, whether such tender be for the particular privilege to be auctioned or for any other privilege ; or
- (b) produced the receipt prescribed in condition 4, notwithstanding his failure to submit a tender for the particular privilege to be auctioned or for any other privilege.

10 Provided that no person, who is duly declared the purchaser of any privilege, whether by way of tender or of auction, shall use or be permitted to use the same receipt for the purpose of a tender or a bid for any other privilege, until he has completed in respect of the privilege already granted to him the steps prescribed hereinafter in condition 9 (1) (a).

(3) **Power of Rejection of Bid.**—The privilege shall be granted to the highest bidder at such auction: Provided that the Government Agent may, in his discretion, reject any or all of the bids made at such auction.

(4) **Procedure after Rejection of all Bids.**—In the event of the rejection of all bids as aforesaid, the Government Agent may, in his discretion—

- 20 (a) call for further tenders for the privilege for any single tavern or for sub-groups of two or more taverns included in any group of taverns, or for any combination of parts of groups or of whole groups of taverns either at once or after further notice, and accept or reject all or any tenders so received, and thereafter put up for sale by auction the privilege for any single tavern or sub-groups or combinations as aforesaid for which the further tenders were rejected, either at once or after further notice, and accept or reject all or any bids so received ; or
- 30 (b) put up for sale by auction the privilege for any single tavern or for sub-groups of two or more taverns included in any group of taverns, or for any combination of parts of groups or of whole groups of taverns either at once or after further notice, and accept or reject all or any bids so received ; or
- (c) grant the privilege for the tavern or group, or any single tavern or sub-group of two or more taverns included in a group or for any combination of parts of groups or of whole groups of taverns to any person, who is approved by the Government Agent, and who agrees to pay by way of rent such amounts as the Government Agent may fix.

(5) **Procedure after Rejection of further Bids.**—In the event of the rejection of the bids received under paragraphs 4 (a) and 4 (b) of this condition, the Government Agent may, in his discretion, take action under paragraph 4 (c).

40 8A. **Grant of Privilege.**—The privilege will be granted to the person who offers the highest price for every gallon of arrack removed from the appropriate Warehouse referred to in Schedule B hereto for sale in the tavern or taverns to which the privilege relates. Such price (hereinafter referred to as the "rent") shall not include the price at which arrack is issued from the Warehouse as fixed by the Excise Commissioner under condition 16.

9. (1) (a) **Security Deposit.**—Every grantee shall, immediately on being declared to be the purchaser of the privilege—

- (i) sign these conditions ; and
- 50 (ii) pay to the Government Agent as security for the due performance of these conditions such sum as may be specified in the Schedule D hereto in respect of the tavern or taverns to which the privilege relates.

P 3.
Extract from
the Ceylon
Government
Gazette
No. 10,428,
25. 7. 52.
—contd.

P 3.
 Extract from
 the *Ceylon*
Government
Gazette
 No. 10,428.
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 —contd.

(b) **Signing of Bond.**—The grantee shall within 14 days of his being declared to be the purchaser of the privilege, together with two persons acceptable to the Government Agent as sureties, enter into a bond on form 112 with the Government Agent for an amount equivalent to six times the amount payable by him as security under sub-paragraph (1) and the grantee shall specially hypothecate by such bond the said security deposit.

(c) **Consequences of Breach of Condition of Bond.**—The said security deposit shall be liable to be confiscated either in whole or in part by the Government Agent, at his sole discretion and without any process of law, for breach of any of these conditions or of any of the conditions of the licence or licences referred to in condition 12 (2) below, and such confiscation shall be in addition to any other penalty prescribed by these conditions for such breach or non-payment, and to any other amount which the Crown may have the right to claim and recover by due process of law. 10

(2) **Banking of Security Deposit.**—Security money so paid will be deposited in a bank only on the grantee's application and only at his risk and when such deposit is made, no withdrawal will be allowed until the satisfactory discharge of these conditions.

(3) **Warrant or Power of Attorney to Confess Judgment.**—The grantee and the sureties shall at the time of the execution of the bond as aforesaid execute, if so required by the Government Agent, a warrant or power of attorney in the form sanctioned by law to confess judgment in any action which may be instituted against him or them for the recovery of any moneys due in respect of the privilege, and shall also furnish to the Government Agent within fifteen days of the date of the execution of such warrant or power of attorney a duly certified copy thereof for filing in the District Court under section 32 of the Civil Procedure Code. 20

(4) **Postal Address.**—The grantee shall, on signing these conditions, elect and signify under his hand a post office or postal address to which all notices and processes whatever in connection with the privilege may be addressed, and all such notices or processes, so addressed to such post office or to such postal address, and posted in due course, shall be deemed to have been duly served and be as effectual for all purposes, as if they had been served upon the grantee in person upon the day on which any such notice or process was so posted. 30

10. **Failure to complete purchase of privilege.**—If any tenderer or bidder, on being declared to be the purchaser of the privilege, declines or fails to sign these conditions of sale, or fails to furnish the security prescribed in condition 9 (1) (a) when called upon to do so, the deposit made under condition 4 will be declared forfeited, and the defaulter will render himself liable to have his name entered in the list of defaulters in respect of all Excise Licences. Subject to this exception, the deposits of all tenderers or bidders will be returned after the conditions of sale have been signed and the aforesaid security given by the successful tenderer or bidder. 40

11. **Grantee to have no interests in certain Toddy and Foreign Liquor Sales, Arrack Estate Canteens and Bottling Contracts.**—The grantee shall not acquire or hold any share or any interest, whether direct or indirect—

(a) within the local area to which the privilege of selling arrack relates—

- (i) in the sale of toddy ;
- (ii) in the purchase of any privilege of selling toddy ;
- (iii) in the sale of foreign liquor ;
- (iv) in the purchase of any privilege of selling foreign liquor ; or

(b) in any arrack estate canteen within the revenue district to which the privilege of selling arrack relates ; or

(c) in any contract with Government for the bottling of arrack. 50

11A. **Additional Security Deposit for Bottles : Issues against Return of Empty Bottles, &c.**—(1) The bottles in which arrack is issued at any Government Warehouse to any grantee shall be deemed to be the property of Government, and the grantee shall be liable to replace at the time of the next issue such number of empty bottles as represents wholly or partly the gallonage of bottled arrack issued to him. White bottles shall be replaceable only by white bottles, of the same size or shape as the bottles issued. Bottles other than white shall be replaceable by bottles of any colour, other than white and such bottles shall be of the same size and shape as the bottles issued to the grantee. Bottles having a capacity of less than $3\frac{3}{7}$ drams will not be accepted as replacements.

For the purposes of calculating the number of empty bottles which represent any gallonage of bottled arrack—

- (a) a bottle capable of holding more than 8 drams neck capacity shall be reckoned as an eight-dram bottle (i.e., 6 bottles to a gallon); and
- (b) a bottle holding less than 6 drams, but more than $3\frac{3}{7}$ drams neck capacity shall be reckoned as a four-dram bottle (i.e., 12 bottles to a gallon).

Provided that the Warehouse Officer in charge of the warehouse of issue may in his discretion reject any bottle—

- 20 (a) which bears a registered trade mark, e.g., Sun Flower brand, the proprietor of which has not given his consent in writing for the use of such bottles for filling with arrack; or
- (b) which is cracked or broken; or
- (c) which is for any reason not suitable for filling it with arrack, e.g., if in the opinion of the said officer the bottle has been used for keeping tar, varnish, oil or any other substance which may make it difficult to clean the bottle adequately by the usual methods employed at the warehouse concerned.

30 but the grantee shall have the right of appeal to the Superintendent in charge of the warehouse, whose order on such appeal shall be final and conclusive, and binding on the grantee.

40 (2) To provide against failure at the termination of the privilege to replace white and other bottles equivalent to the full gallonage of bottled arrack issued during the period of the privilege, the grantee shall, before the licence referred to in condition 12 (2) below is issued to him, pay to the Government Agent as an additional security deposit the sum set out in column 3 of Schedule A against the name of the tavern or group of taverns in column 2 of the said Schedule, the privilege in respect of which tavern or group has been granted to him. Such additional security deposit will represent the value of the bottles outstanding at all times in the hands of the grantee at the fixed rates of Rs. 5 per gallon capacity of bottles, irrespective of their colour, size, or shape, and the value of any deficit in the return of bottles at the end of the period of privilege shall be liable to be set off at the Excise Commissioner's discretion at the rate above mentioned against the said additional security deposit, and shall be liable to be recovered from it as a pre-estimate of the damage caused by the loss of bottles, to Government without any process of law, on a certificate from the Superintendent of Excise in charge of the warehouse of issue that specified numbers of white and other bottles are outstanding, such certificate being final and conclusive, and binding on the grantee.

50 (3) A separate Kachcheri receipt for the said additional security deposit shall be produced at the warehouse of issue at the same time as the Kachcheri receipt for the payment of the value of the arrack in the first consignment to be issued, and both receipts will be left in the custody of the said Warehouse Officer. No arrack will be issued for such first consignment, if both the receipts are not so produced.

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(4) The number, date, amount and the name of the Kachcheri, on the receipt will be noted in a Register to be kept at the warehouse of issue, and shall be signed by the grantee or his agent as an acknowledgment of the correctness of the entries. The gallonages of bottled arrack in (a) white, and (b) other bottles, issued from time to time against the said additional security deposit, the gallonages of the respective kinds of empty bottles (calculated as in paragraph (1) above) returned on the dates of all subsequent issues, and the balance gallonages (calculated as in paragraph (1) above) of the respective kinds of bottles left in the hands of the grantee at every issue will also be entered in the said Register, and shall also be signed by the grantee or his agent for the like purpose.

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(5) If, as a consequence of shortage of bottles owing to present conditions, it is not possible to supply in full a grantee's demand for arrack in sealed bottles, the stock of arrack in sealed bottles available from time to time at the warehouse of issue will be rationed at a variable percentage, to be fixed from time to time, of the total issues from the warehouse in the rent year of 1940-1941. The proportion of the percentage as between one tavern and another will be based, save in exceptional circumstances and in the discretion of the Superintendent in charge of the warehouse approximately on the issues of arrack in sealed bottles to each tavern during the said year of 1940-1941 for the Ordinary, and the Extra Special Qualities.

(6) The second and subsequent issues of arrack in sealed bottles will be conditional on the grantee bringing back, in entirety or in part, the balance gallonages (as calculated in paragraph (1) above) of white and other bottles, outstanding in his hands.

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(7) If, however, the ration of bottled arrack due to him is more than the gallonage of empty bottles (as calculated in paragraph (1) above) returned, the Warehouse Officer may, in his discretion issue only so much of the ration due as is equivalent to the said gallonage, and may also in his discretion reserve the unissued balances of the ration for subsequent issue against return of empty bottles, or he may decide to issue the full ration.

(8) In the event of the gallonage of bottles (as calculated in paragraph (1) above) returned being less than the ration due, and of the Warehouse Officer deciding in the exercise of his discretion to issue nevertheless the full ration due if such issue is likely to increase the balance gallonage of bottles (as calculated in paragraph (1) above) in the hands of the grantee to such an extent that its value at the rate set out in paragraph (2) above will not be covered by the additional security deposit already made, the Warehouse Officer may in his discretion call upon the grantee either to pay a further sum to increase the sum already paid as additional security deposit (and such further sum shall be held on the same terms and conditions as the additional security deposit), or in the alternative to supply such number of empty bottles as represents the gallonage of bottles, to the extent required before issuing the full ration.

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If such further sum is not paid or empty bottles not supplied within 24 hours of the demand having been made, the Warehouse Officer shall be entitled to issue to the grantee any arrack, whether in bottles or in bulk or in both.

(9) The exercise of the discretion of the Warehouse Officer in pursuance of the powers vested in him under paragraphs (7) and (8) of this condition will be liable to appeal to the Superintendent of Excise in charge of the warehouse and the Superintendent's decision shall be final and conclusive and binding on the grantee.

(10) At the end of the period of the privilege the said additional security deposit together with the further sum deposited, if any, will be refunded in full, or in part after the deduction of the value at the rate set out in paragraph (2) above of the balance gallonages of the respective kinds of bottles shown in the register referred to in paragraph (4) above as left in the hands of the grantee.

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(11) The additional security and the further sum, if any, so paid by the grantee as deposit will be dealt with as in condition 9 (2) above, and the grantee shall also enter into a bond with the Government Agent, hypothecating it as security for deficit in or loss of bottles.

12. (1) **Opening of Tavern on due Date, and Approval of Site.**—(a) The grantee shall open the tavern or taverns on the day on which the privilege commences to run.

(b) The Government Agent shall not be bound to find a site for any tavern in the event of the grantee not being able to procure a site.

10 (c) The grantee shall not open a tavern on any site otherwise than with the approval of the Government Agent, such approval being obtained from the Government Agent at least fourteen days before the privilege commences to run.

(2) **Obtaining of Licences for Sale of Arrack.**—The grantee shall, not less than five days before the date on which the privilege commences to run, obtain from the Government Agent a licence or licences for the sale by retail of arrack at the tavern or taverns within the local area covered by this privilege.

13. (1) **Taking over of Balance Arrack by Incoming Grantee by Mutual Agreement.**—The grantee shall take over from the outgoing grantee and pay to him an amount, which may be agreed on, in respect of the cost of—

20 (a) the balance of arrack, in bulk and in bottles, remaining in a tavern, after the closing hour of the date of expiry of the privilege of the outgoing grantee; and

(b) transport, wastage, and other miscellaneous charges.

(2) The grantee shall pay to the Government in respect of every gallon taken over by him from the outgoing grantee an amount equivalent to the rent payable by him for the privilege.

14. **In default of agreement, Outgoing Grantee to deliver Balance Arrack at nearest Warehouse.**—(1) Where the incoming and outgoing grantees cannot agree with regard to the sum to be paid as aforesaid, the outgoing grantee shall forthwith remove the balance of arrack on a permit, to the nearest Excise Warehouse, and deliver it to the Warehouse Officer in charge thereof, and obtain a receipt. Such arrack shall be of the strength prescribed by Notification for the time being in force in that behalf under condition 16.

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(2) The outgoing grantee shall present such receipt to the Excise Commissioner, who shall pay to such grantee the value of the arrack so delivered at the rates at which such grantee purchased such arrack.

(3) If the sum payable by the incoming grantee at the time the arrack is so taken over by him, is higher than the sum actually paid for the said arrack by the outgoing grantee, the incoming grantee shall, within fourteen days of the commencement of his privilege, pay the difference to the nearest Kachcheri.

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15. **Employment of Labour.**—(1) The grantee shall not, except with the prior approval in writing of the Excise Commissioner, employ any person other than a Ceylonese to do any work connected with or incidental to the privilege.

(2) For the purposes of this condition the expression "Ceylonese" means—

(a) a Citizen of Ceylon by descent or by registration;

(b) a British subject born in Ceylon; and one of whose parents was also born in Ceylon; or

(c) a British subject who is a descendant of any person referred to in paragraph (b).

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16. **Issue Price Payable. Issue Strengths.**—In addition to the rent the grantee shall pay to the Government Agent in respect of every gallon of arrack issued and removed from a Government Warehouse an amount calculated at rates to be determined from time to time by the Excise Commissioner by notification published in

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the *Gazette*. The difference between the price so determined and the selling price at the grantee's tavern or taverns shall in the case of every quality of arrack be Rs. 3.80 per gallon where arrack is sold in bottle and Rs. 6 per gallon where arrack is sold in bulk.

Provided, however, that if the issue price is increased during the period of this privilege, the grantee shall pay to the Government Agent in respect of the entire quantity of arrack remaining unsold in a tavern after the closing hour on the day immediately preceding the day on which the increased price comes into force an amount equivalent to the increase in issue price.

The Excise Commissioner shall by notification published in the *Gazette* prescribed from time to time the strength of each quality of arrack issued from a Government Warehouse. 10

16A. **Payment of Rent.**—The grantee shall pay to the Government Agent, rent at the same rate at which he has purchased the privilege, on every gallon of arrack in bulk or in sealed bottles to be removed from the Warehouse.

17 (1) **Payments not valid without Kachcheri Receipt.**—No payment of any sum due by the grantee to the Crown shall be deemed to have been duly made, unless the grantee produces a Kachcheri receipt in respect thereof.

(2) **Money left with Officers not reckoned as Money Paid.**—No money which, for his own convenience, the grantee may think fit to leave in the hands of any Shroff or any other officer of any Kachcheri shall be deemed to be money paid under this contract. 20

18. (1) **Purchase of Arrack from Warehouse.**—The grantee shall purchase arrack only from the Government Warehouse, specified in Schedule B hereto in respect of the province or district within which the tavern is situated.

(2) **No issue on Sundays and Holidays.**—No arrack will be issued from a warehouse on Sundays or Public Holidays without the prior approval of the Superintendent of Excise.

(3) **Issues from Warehouses.**—Arrack will be issued from the warehouses at Negombo, Badulla and Jaffna, only between 8.30 a.m. and 12 noon. In the case of all other warehouses arrack will be issued between 9.00 a.m. and 3.00 p.m. on all days other than Saturdays, or between 9.00 a.m. and 1 p.m. on Saturdays. 30

(4) **Transport Passes.**—Where arrack is transported by road from a warehouse to a tavern, the Warehouse Officer will not issue a transport pass available for use at a later hour than 6.30 p.m. on the date of issue, save in exceptional circumstances.

19. **Grantee to accept such Arrack as offered.**—(1) In order to regulate the distribution of arrack till such time as the quantity available for issue becomes adequate, the Excise Commissioner may, in his discretion—

(a) refuse to issue any arrack to the grantee ;

(b) determine the quantity of arrack in bulk or in sealed bottles to be issued in each month to the grantee. 40

(2) The grantee shall be bound to pay for and accept within 24 hours of being noticed to do so by the Warehouse Officer, all such quantities of arrack whether in bulk or in sealed bottles, and in such strengths and in such sizes and shapes of bottles as may be determined by the Excise Commissioner to be issued to the grantee.

(3) In the event of the grantee failing to keep his tavern replenished with stocks of sealed bottles and/or bulk arrack and to carry on the sale of sealed bottles and/or bulk arrack uninterruptedly in any one month till the quantities determined by the Excise Commissioner under paragraph (1) above are exhausted, the grantee shall forfeit the undrawn balances of sealed bottles and/or bulk arrack from the time the sales have been so interrupted in respect of any particular month. 50

20. **Loose Capsules or Broken Seals on Bottles.**—The grantee shall take steps to ensure that the capsule on each bottle issued to him is firmly fixed, or that the seal on the cork of such bottle is intact and bears a clear impression of the seal of the Excise Department. If any capsule is not firmly fixed, or if any seal is not intact or does not bear a clear impression of such seal, he shall refuse to accept such bottles.

21. **Proportion of Sealed Bottles to Bulk.**—The grantee shall draw such proportion of each consignment drawn by him, as the Warehouse Officer in charge of the warehouse may require, in sealed bottles of each description.

10 22. **Limit of Sale and Transport.**—The limit of sale by retail with respect to the whole Island and as regards purchasers generally shall be one-sixth of an imperial gallon, and no arrack in excess of that quantity shall be removed by the grantee or sold at any one time to any person except on a valid permit or pass.

20 23. **Exclusive right to supply arrack for sale at Foreign Liquor premises or other premises specially authorised by the Excise Commissioner : Allocation of such premises to grantee.**—(1) The grantee of every tavern or group of taverns specified in column 1 of Schedule C hereto shall have the exclusive right of supplying arrack (in bulk only or in sealed bottles only, as the case may be) in quantities not less than those prescribed from time to time by the Excise Commissioner, on payment at rates at which he is authorised by law to sell arrack and on production of a valid transport pass issued by the Superintendent of Excise in that behalf for sale, in each of the foreign liquor premises specified against such tavern or group in column 2 of that Schedule or in such other premises within the same area (whether or not such premises are licensed for the sale of foreign liquor or otherwise) as may be licensed at any time after the publication of these conditions for the sale of arrack.

(2) Where the grantee so supplies arrack to any foreign liquor premises or other premises authorised by the licence he will for the protection of his exclusive privilege, have the supervisory rights provided for in the conditions of the special licence to sell arrack issued to such foreign liquor or other authorised premises.

30 (3) Special licences to sell arrack in sealed (or unopened) bottles only will be issued by the Excise Commissioner in his discretion to the foreign liquor retail (off) and resthouse licensees mentioned in Schedule C below or to persons who have been granted foreign liquor retail (off) and resthouse licences after the publication of these conditions or to any other person and such licensees shall buy the arrack only from the grantee and only in bottles. Special licences to sell arrack in bulk only will be issued to all foreign liquor licensees (mentioned in Schedule C below and persons to whom licences have been granted after the publication of these conditions) other than foreign liquor retail (off) and resthouse licensees, and such licensees shall buy the arrack only from the grantee and only in bulk.

40 (4) The grantee shall supply arrack of both qualities, in bulk or in sealed bottles as the case may be, to such Foreign Liquor Licensees or other persons and where the grantee does not have in stock at his tavern any particular quality of arrack required by any such licensee, he shall obtain from the Government Warehouse the quality required by such licensee.

24. **Grantee to account for Arrack : Wastage Allowance.**—The grantee shall account for all arrack purchased by him from time to time. The allowance made on account of wastage will in no circumstances exceed two per centum of the total quantity purchased since the last date of stock taking.

25. **Grantee responsible for Agent's Acts.**—The grantee shall be responsible for all acts of his agents and employees in relation to the privilege.

50 26. **Non-transferability of Privilege.**—The privilege shall not be transferable otherwise than with the sanction of the Excise Commissioner first had and obtained.

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27. (1) (a) **Cancellation of Licence and Privilege for non-payment of sums due to the Government, &c.**—If the sum demanded as additional security for bottles or as additional issue price under Conditions 14 (3) and 16 or any other sum due to the Crown from the grantee, in respect of the grant or of the licence issued to him, remains unpaid after the date on which it becomes due and payable, or if the grantee fails to maintain at all times such minimum quantities in sealed bottles of different descriptions or in bulk of the kind or kinds of arrack saleable under the tavern licence as the Superintendent of Excise may consider sufficient to meet the local requirements, the grantee shall be deemed to have committed a breach of these conditions and of the conditions of the licence issued to him, and the Government Agent shall accordingly have power, without further process of law, either (i) to suspend or cancel the licence or licences issued to the grantee in pursuance of the provisions of section 26 of the Excise Ordinance, or (ii) to take the licence or grant under management at the risk of the grantee, or to declare the licence or grant forfeited and reissue or resell it at the risk and loss of the grantee in pursuance of the provision of section 30 of the said Ordinance. This condition does not in any way affect the Government Agent's powers to confiscate the security deposit in pursuance of the provisions of condition 9 above.

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(b) **Short Measures**—The grantee shall not sell or cause or permit any of his employees to sell, arrack in short measures to customers,

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(c) **Consequences of selling in short measure**—If the Excise Commissioner is satisfied that the grantee or any of his employees has contravened the provisions of condition 27 (1) (b), he may, in pursuance of section 26 of the Excise Ordinance cancel the licence issued to the grantee and may further, forfeit the whole or part of the deposit given under condition 9 (1).

(d) **Intimation or Notice of Cancellation, &c.**—Intimation of any order of suspension or cancellation, under the said section 26, or the statutory notice or order under the said section 30 may be served personally on the grantee, or addressed to the post office or postal address elected and signified under condition 9 (4), and duly posted, as the Government Agent thinks fit.

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(2) **Regrant of Privilege between Cancellation and Resale.**—In the event of the cancellation of a licence, the Government Agent shall have the power to grant the privilege to any person approved by him for any period intervening between such cancellation and the resale of the privilege, and for this purpose may issue to such approved person a temporary licence upon such terms as he may think fit.

28. **No compensation or Remission of Rent for loss or damage.**—(1) No action or other legal proceeding shall be instituted or maintained in any court of law, against the Government of Ceylon or the Excise Commissioner, in respect of anything *bona fide* done or omitted to be done in pursuance of the powers conferred on the Excise Commissioner by these conditions or in respect of any loss or damage incurred or suffered in consequence of *anything* so done or omitted to be done.

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(2) No remission of the rent payable in respect of the privilege will be granted on any plea of the grantee's having over-estimated the value of any tavern or on any other ground.

(3) The grantee shall not have or make any claim to any reduction, or to the remission of any sum due and owing by him to the Crown by reason of any loss alleged to have been sustained by him—

(a) whether on account of any closing of the tavern or taverns during the passage of troops, or during the encampment of troops in the vicinity of the tavern or taverns, or during any riot or civil disobedience or breach of the peace, or during the apprehension of any riot or civil disobedience or breach of the peace, or during the holding of any poll, or on account

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of the tavern or taverns being situated within or in the vicinity of any area for the time being declared to be a diseased locality under the provisions of any written law ; or

(b) whether on account of the opening of any new toddy or foreign liquor tavern or estate canteen for arrack or toddy or foreign liquor, or any new foreign or country liquor premises of any other description and licensed after the sale of the privilege under these conditions ; or

10 (c) whether on account of the manufacture and drawing of fermented toddy on special licences issued by the Assistant Commissioner for *bona fide* domestic consumption on medical grounds, and not for sale ; or

(d) whether on account of the manufacture and drawing of fermented toddy within the area or areas of the privilege hereby granted for supply to licensed manufactories in which toddy is used in the process of manufacture ; or

(e) whether on account of the issue of licences for the bottling and wholesale sale of bottled toddy and of the retail sale of such bottled toddy at toddy taverns ; or

(f) whether on account of the unrestricted tapping, manufacture and drawing of sweet toddy without any licence or permit ; or

20 (g) whether on account of the refusal of the Excise Commissioner to issue special arrack licences in terms of condition 23 above ; or

(h) whether on account of the introduction of the Tree Tax System for Toddy within the local area or areas for which the privilege is granted ; or

(i) whether on account of the issue of licences for manufacture and/or sale of other liquors within the local area or areas for which the privilege is granted ; or

(j) through any other cause whatsoever.

30 29. **Termination of Privilege.**—The privilege shall terminate on (a) the expiry of the term for which it is granted, (b) the death of the grantee, or (c) a breach of any of the conditions governing it : Provided that in the event of the death of the grantee, the Government Agent may, in his discretion, permit the legal heirs or the Administrator of the estate of the grantee, to continue the privilege till the expiry of the term for which it is granted.

30 30. **No surrender of Licence.**—The licence or licences referred to in condition 12 (2) above, being issued free of charge in pursuance of section 18 (2) of the Excise Ordinance, to implement the contract between the Crown and the grantee shall not be surrendered by the grantee under section 28 of the said Ordinance, except with the approval of the Government Agent previously obtained in writing.

GOVERNMENT OF CEYLON

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Arrack Rent Tender Form

(Condition 3)

Tender for the purchase of the exclusive privilege of selling arrack by retail within the local area/areas of _____ in the _____ District.

To : The Government Agent, _____.

I/We, the undersigned in accordance with your advertisement dated _____ hereby tender for the purchase of the exclusive privilege of selling arrack by retail within the above mentioned local area/areas.

Rupees _____ and cents _____ (Rs. cts.) per gallon for one year from October 1, _____, to September 30, _____.

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I/We have deposited the sum of Rs. _____ only in the _____ Kachcheri, and subjoin hereto receipt No. _____ dated _____ in respect thereof.

I/We hereby declare that I/we am/are not disqualified under any of the provisions of Arrack Rent Sale Special Condition 6 (1).

Witnesses :

- 1. _____
- 2. _____

Signature : _____

Address : _____

REVERSE SIDE OF TENDER FORM

Notes

1. A deposit receipt for Rs. _____ is to be annexed to this tender. No tender unaccompanied by a deposit receipt will be accepted. The deposit of Rs. _____ will, subject to the provisions of Arrack Rent Sale Condition No. 10 be refunded. 10

2. This form must be enclosed in a sealed envelope bearing on its left-hand top corner the name and number of the arrack tavern concerned, and must be deposited in the Kachcheri tender box or handed to the Government Agent, or to the Office Assistant or posted by registered post in time for delivery at the Kachcheri before the time fixed for closing tenders.

3. A separate form must be used in respect of each tavern or when taverns are sold in groups for each such group.

Agreement 20

(Condition 9 (1) (a))

I/We _____ of _____ and _____ do hereby acknowledge that I/we have this day been granted the hereinbefore mentioned exclusive privilege for the sum of Rupees _____ on the conditions set forth above, and I/we do hereby bind myself/ourselves to perform the said conditions.

Witnesses : _____

Grantee(s) : _____

I hereby acknowledge receipt of the sum of Rs. _____ paid by _____ and _____ as security deposit under condition 9 (1) (a) of these conditions.

Government Agent. 30

Address for Notices

(Condition 9 (4))

I/We, the undersigned, do hereby as required by Condition 9 (4) appoint the under-mentioned Post Office/Postal address as the Post Office/Postal address to which all notices and processes whatever in connection with the hereinbefore-mentioned privilege may be addressed and posted to me/us.

Witnesses : _____

Grantee(s) : _____

Schedule A

(Vide Condition 11 A (2))

Serial No.	Name of Tavern	Amount payable as Additional Security Deposit for bottles		Serial No.	Name of Tavern	Amount Payable as Additional Security Deposit for bottles	
		Rs.	c.			Rs.	c.
	<i>Colombo Municipality</i>			5	Mutur	170	0
2	Kollupitiya	3,375	0	6	Kiliveddi	170	0
7	St. John's Road	3,750	0		<i>Kurunegala District</i>		
8	Chekku Street	3,750	0	5	Kattimahana	2,500	0
9	Sea Beach Road	1,095	0	6	Dunukadeniya	170	0
10	Kotahona	2,850	0	7	Yakwila	835	0
11	Korteboam	1,695	0		<i>Puttalam District</i>		
12	Mutwal	1,695	0	1	Chenaikudiruppu	1,095	0
13	Madampitiya	2,820	0	2	Kuruvikulam	145	0
14	Ferguson Road	1,070	0	3	Tetapolai	150	0
	<i>Colombo District (Outside Municipality)</i>			4	Kandatoduwa	70	0
15	Digarolla	3,750	0	5	Madurankuli	95	0
16	Timbirigasyaya	570	0	6	Mangalaweli	45	0
17	Uswotakeiyawa	120	0	7	Kattaikadu	70	0
18	Bopitiya	195	0	8	Ottapanai	45	0
19	Dandugama	225	0	9	Mundel	150	0
20	Koragahapokuna	420	0	10	Andimunai	120	0
21	Sceduwa	150	0	11	Sottupitiyawadi	45	0
22	Katunayako	195	0	12	Etalai	245	0
23	Pitipana	170	0	13	Narakkali	45	0
24	Kopungoda	70	0	14	Ihala Mandalana	45	0
25	Honnulla	75	0		<i>Nuwara Eliya District</i>		
26	Etgala	70	0	1	Ramboda	950	0
27	Kandowala	325	0	2	Padiyapelella	1,220	0
28	Daluwakotuwa	170	0	3	Holbrook	3,750	0
29	Koragahamuno	325	0	4	Bambarakelle	3,750	0
30	Kanuwana	1,020	0	5	Ragala	3,345	0
31	Weligampitiya	495	0		<i>Galle District</i>		
32	Kandana	1,050	0	1	Katugoda	3,750	0
33	Kochchikado	270	0	2	Heonatigala	2,545	0
34	Kudapaduwa	120	0		<i>Hambantota District</i>		
35	Periyamulla	200	0	1	Hambantota	3,320	0
36	Kurana	195	0		<i>Jaffna District</i>		
37	Udayartoppu	750	0	1	Grand Bazaar	3,095	0
38	Bolawalana	420	0	2	Karaiyur	575	0
39	Degonne	445	0	3	Nallur	675	0
	<i>Kalutara District</i>			4	Chavakachcheri	770	0
1	Kalamulla	2,295	0	5	Vannankerni	620	0
2	Diyalagoda	1,650	0	6	Point Pedro	1,620	0
3	Nalluruwa	1,650	0	7	Valvedditurai	675	0
4	Walapolapattiya	2,625	0	8	Kayts	975	0
5	Beruwala	1,650	0	9	Chanakanai	2,375	0
	<i>Kandy District</i>				<i>Mannar District</i>		
1	Colombo Street	4,870	0	1	Periyakadai	1,145	0
2	Katukollo	1,095	0				
3	Huluganga	2,420	0				
4	Wahugapitiya	750	0				
5	Pussellawa	1,350	0				
6	Hatton	5,250	0				
7	Kotiyagala	2,895	0				
8	Hardenhuish	1,470	0				
9	Maskeliya	3,270	0				

Serial No.	Name of Tavern	Amount Payable as Additional Security Deposit for bottles	Serial No.	Name of Tavern	Amount Payable as Additional Security Deposit for bottles
(1)	(2)	(3)	(1)	(2)	(3)
		Rs. c.			Rs. c.
<i>Vavuniya District</i>					
1	Mullaittivu	345 0	24	Jotty Street	525 0
2	Mankulam	320 0	25	Dhobies Quarters	545 0
3	Vavuniya	350 0	26	Toduwawa	70 0
			27	Mahawowa	190 0
			28	Kudawewa	150 0
			29	Pahala Talgasgara	45 0
			31	Talwila	70 0
			32	Mudukatuwa	170 0
			33	Dematapitiya	45 0
			34	Morakele	45 0
<i>Batticaloa District</i>					
1	Valaichenai	845 0	35	Katuneriya	170 0
2	Eravur	1,095 0	36	Ulhitiyawa	45 0
3	Koddaimunai	975 0	37	Dummaladeniya	70 0
4	Eruvil	645 0	38	Boralessa	45 0
5	Periyanilavannai	745 0	39	Waikkal	45 0
			40	Nanjundankarai	45 0
			41	Toputota	220 0
			42	Tambarawila	195 0
			43	Lunuwila	120 0
			44	Wennappuwa	270 0
<i>Trincomalee District</i>					
1	Dhoby Street	1,545 0			
2	Oilmonger Street	1,845 0			
3	Uppuveli	195 0			
4	Puthukudyiruppu	270 0			
<i>Anuradhapura District</i>					
			1	Anuradhapura	2,170 0
<i>Chilaw District</i>					
15	Udappu	195 0			
16	Wellawela	120 0			
17	Rajakadaluwa	220 0			
18	Karukkuponai	95 0			
19	Dematapitiya	95 0			
20	Bandarawatta	95 0			
21	Pambala	145 0			
22	Ambakandawila	45 0			
23	Udalawela	70 0			
<i>Badulla District</i>					
1	Badulla	2,520 0			
2	Madulsima	1,410 0			
5	Haputale	3,750 0			
<i>Ratnapura District</i>					
1	Balangoda	3,375 0			
2	Pinnawala	900 0			

Schedule B

(Condition 18)

Situation of Warehouse	Province, District or Tavern served
Kalutara town or Mirishena as may be directed	(1) Colombo Municipality (2) Colombo District outside Municipality and south of the Kelaniya river (3) Kalutara District (4) Galle District (5) Hambantota District (6) Ratnapura District
Negombo*	(1) Colombo District outside Municipality and north of the Kelaniya river (2) Puttalam District (3) Chilaw District (4) Kurunegala District
Kandy	Central Province
Batticaloa	Batticaloa District

<i>Situation of Warehouse</i>	<i>Province, District or Tavern served</i>
Badulla * ..	.. Province of Uva
Jaffna* ..	.. Jaffna District
Vavuniya ..	.. { (1) Anuradhapura District (2) Vavuniya District (3) Mullaitivu District (4) Mannar District
Trincomalee ..	.. Trincomalee District

* Will be open only between 8.30 a.m. and 12 noon.

Schedule C

(Vide Condition 23)

(1) <i>Number of Arrack Tavern or Group of Taverns</i>	(2) <i>Foreign Liquor Premises Assigned</i>
<i>Western Division— Colombo Municipality</i>	
Group II—Arrack Taverns	{ J. M. S. Miranda, Retail Off Shop, Chokku Street A. E. J. Casiochitty, Retail Off Shop, Jampettah Street
Tavern No. 7 ..	.. F. L. Tavern No. 6, Jampettah Street
Do. 8 ..	.. F. L. Tavern No. 4, Main Street
Do. 9 ..	.. { F. L. Tavern No. 5, Wolfendhal Street Imperial Restaurant, St. John's Road City Restaurant, Jampettah Street
Group III—Arrack Taverns	
Tavern No. 10 ..	.. { Dockland Hotel and Bar, Mutwal F. L. Tavern No. 7, Mutwal Street, Mutwal
Do. 11 ..	.. Mrs. A. Suppiah, Retail Off Shop, Skinner's Road North
Do. 12 ..	.. { M. G. Fernando and Mrs. J. Britto, Retail Off Shop, Skinner's Road North
Group IV—Arrack Taverns	
Tavern No. 13 ..	.. National Restaurant, Grandpass
Do. 14 ..	.. F. L. Tavern No. 8, Grandpass
<i>Colombo District (outside Municipality)</i>	
Group VI—Arrack Taverns	
Tavern No. 34, Kudapaduwa ..	.. { Coronation Hotel and Bar, Negombo Messrs. Fernando and Fernando, Restaurant, Negombo
Do. 35, Periyamulla ..	.. F. L. Tavern, Green Road, Negombo
Do. 37, Udayartoppu ..	.. { Messrs. Fernando and Fernando, Retail Off Shop, Negombo Messrs. A. G. Gomez & Co., Retail Off Shop, Main Street, Negombo Resthouse, Negombo (New)
Group VII—Arrack Taverns	
Tavern No. 22, Katunayake {
Do. 23, Pitipana ..	.. Resthouse, Negombo (Old)
Do. 36, Kurana }
Do. 38, Bolawalana }
Group IX—Arrack Taverns	
Tavern No. 18, Bopitiya {
Do. 19, Dandugama ..	.. Mr. A. P. Casie Chitty, F. L. Restaurant, Ja-ela
Do. 21, Seeduwa ..	.. Mr. A. P. Casie Chitty, Retail Off Shop, Ja-ela
Do. 24, Kepungoda ..	.. Resthouse, Ja-ela
Do. 30, Kanuwana }
Do. 31, Weligampitiya }
Tavern No. 15, Digarolla ..	.. { F. L. Tavern, Moratuwa Mr. T. T. Fernando, Retail Off Shop, Moratuwa

(1)	(2)
<i>Number of Arrack Tavern or Group of Taverns</i>	<i>Foreign Liquor Premises Assigned</i>
<i>Chilaw District</i>	
Group II—Arrack Taverns	
Tavern No. 20. Bandarawatta . .	F. L. Tavern 1, Chilaw
Do. 21. Pambala	A. L. Morais, Retail Off Shop, Chilaw
Do. 22. Ambadandawila	F. L. Tavern 2, Chilaw
Do. 24. Jetty Street	L. Gomez, Retail Off Shop, Chilaw
Do. 25. Dhobies Quarters	Resthouse, Chilaw

(1)	(2)
<i>Number of Arrack Tavern or Group of Taverns</i>	<i>Foreign Liquor Premises Assigned</i>
CENTRAL DIVISION	
<i>Kandy District</i>	
Group I—Arrack Taverns	
Tavern No. 1, Colombo Street	Queen's Hotel and Bar, Kandy
Do. 2, Katukelle	Suisse Hotel and Bar, Kandy
	Castle Hotel and Bar, Kandy
	Royal Hotel and Bar, Kandy
	King's Hotel and Bar, Kandy
	Empire Hotel and Bar, Kandy
	Victory Hotel and Bar, Kandy
	F. L. Tavern, Ward No. 7, Kandy
	F. L. Tavern, Ward No. 5, Kandy
	A. X. Fernando and J. P. de Mel, Retail Shop, Trincomalee Street, Kandy
	S. Costa and A. P. Cassie Chitty, Retail Off Shop, Ward Street, Kandy
	Messrs. Miller & Co., Ltd., Retail Off Shop, Kandy
	Messrs. Cargills, Ltd., Retail Off Shop, Kandy
	The Green Cafe, F. L. Restaurant, Castle Street, Kandy
Group II—Arrack Taverns	
Tavern No. 4, Wahugepitiya . .	Resthouse, Pussellawa
Do. 5, Pussellawa	F. L. Tavern, Pussellawa
	O. Don Wilfred, Retail Off Shop, Pussellawa
Tavern No. 6, Hatton	Castro Hotel and Bar, Hatton
	Arms Hotel and Bar, Hatton
	F. L. Tavern No. 6, Dickoya
	F. L. Tavern No. 7, Dickoya
	Messrs. Brown & Co., Retail Off Shop, Hatton
	O. Don Peter, Retail Off Shop, Dickoya
	Messrs. Miller & Co., Retail Off Shop, Dickoya
	Crown Hotel, Hatton
	Frankland Hotel, Hatton
	Peak Hotel, Hatton
Tavern No. 9, Maskeliya	Maskeliya Hotel and Bar, Maskeliya
	S. Costa and A. P. Cassie Chitty, Retail Off Shop, Maskeliya
Tavern No. 7, Kotiyagala	R. A. Fernando, Retail Off Shop, Bogawantalawa
	Resthouse, Kotiyagala

<i>Nuwara Eliya District</i>	
Tavern No. 4, Bambarakelle	King's Hotel, Nuwara Eliya
	Priory Hotel, Nuwara Eliya
	F. L. Restaurant, Nuwara Eliya
	F. L. Tavern, Nuwara Eliya
	Pedro Hotel and Bar, Nuwara Eliya
	Grand Hotel and Bar, Nuwara Eliya
	Windsor Hotel and Bar, Nuwara Eliya
	Grosvenor Hotel and Bar, Nuwara Eliya
	St. Andrew's Hotel, Nuwara Eliya
	Messrs. Cargills, Ltd, Retail Off Shop, Nuwara Eliya
	Messrs. Miller & Co., Ltd., Retail Off Shop, Nuwara Eliya
	J. L. Pimanda, Retail Off Shop, Nuwara Eliya
	Ponniiah Peeris, Retail Off Shop, Nuwara Eliya

(1)	(2)
<i>Number of Arrack Tavern or Group of Taverns</i>	<i>Foreign Liquor Premises Assigned</i>
Tavern No. 2, Padiyapellella ..	T. L. Jusey Perera and K. T. T. do Silva, Retail Off Shop, Padiyapellella
Tavern No. 5, Ragala ..	M. J. Caravolho, Retail Off Shop, Ragala
Tavern No. 3, Holbrook ..	Messrs. Mel Mendis, Retail Off Shop, Agrapatana

Badulla District

Tavern No. 1, Badulla ..	{ Rosthouse, Badulla Costa & Sons, Hotel and Bar, Badulla J. Soris & Co., Hotel and Bar, Badulla F. L. Tavern No. 2, Ward Street, Central Ward No. 5, Badulla F. L. Tavern No. 3, Bazaar Street, Central Ward No. 5, Badulla S. M. S. Poopalarayar, Retail Off Shop, Bazaar Street, Badulla Messrs. Don & Millers Co., Ltd., Retail Off Shop, Bazaar Street, Badulla J. Soris, Retail Off Shop, 50, Lower Street, Badulla
Tavern No. 5, Haputale ..	{ C. R. Pioris and Miller & Co., Ltd., Retail Off Shop, Haputale Resthouse, Haputale

Ratnapura District

Tavern No. 1, Balangoda ..	{ F. L. Gomez and Mrs. T. Gomez, Retail Off Shop, Balangoda Resthouse, Balangoda
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Batticaloa District

Tavern No. 3, Koddaimunai ..	{ Messrs. J. M. S. Miranda, J. T. Miranda, S. F. Fernando and S. E. Fernando, King's Hotel, Koddaimunai K. Santiapillai, Central Hotel, Puliyanativu Mrs. S. Nadarasa, Great Eastern Hotel, Koddaimunai C. Kurunoru, Lake View Hotel, Batticaloa F. L. Tavern, Batticaloa A. B. Mathias do Silva, Amarasuriya and Sivalingam Chettiya, Retail Off Shop, Main Street, Puliyanativu Messrs. J. M. S. Miranda, J. T. Miranda, S. F. Fernando, and S. E. Fernando, Retail Off Shop, Central Road, Puli- yanativu Resthouse, Batticaloa
Tavern No. 5, Periyaniavanai ..	{ Excelsior Hotel and Bar, Kalmunai Resthouse, Kalmunai K. Santiapillai, Retail Off Shop, Kalmunai

Trincomalee District

Group I—Arrack Taverns

Tavern No. 1 ..	.. { J. B. Miranda, Retail Off Shop, Dockyard Street, Trincomalee
Tavern No. 3 ..	.. { T. A. M. Fernando, Mayaland Hotel, Trincomalee
Tavern No. 4 ..	.. { Resthouse, Trincomalee (town)

Group II—Arrack Taverns

Tavern No. 2 ..	.. { Resthouse, Muttur
Tavern No. 5 ..	.. { Mrs. S. Pakiam, Retail Off Shop
Tavern No. 6 ..	.. { Division No. 7, Trincomalee

Anuradhapura District

Tavern No. 1, Anuradhapura ..	{ Grand Hotel and Bar, Anuradhapura J. D. Victor, Central Hotel, Anuradhapura J. M. S. Miranda & Sons, Ltd., Retail Off Shop, Anuradhapura J. Don Victor, Retail Off Shop, Anuradhapura Railway Refreshment Room, Anuradhapura
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(1) <i>No. of Arrack Tavern or Group of Taverns</i>	(2) <i>Foreign Liquor Premises Assigned</i>
NORTHERN DIVISION	
<i>Jaffna District</i>	
Group of Arrack Taverns Nos. 1 to 3	{ S. F. Annasampillai, Retail Off Shop, 31, Main Street, Jaffna S. P. Nadarajah, The Jaffna Apothecaries Co., Retail Off Shop, Jaffna Mrs. A. Suppiah, Retail F. L. Shop, Chemma Street, Jaffna A. Velupillai, Retail F. L. Shop, Jaffna V. Thuraiappah, Grand Hotel and Bar, Jaffna S. Rasiah, Colombo Restaurant, Chemma Street, Jaffna Resthouse, Jaffna Yalta Hotel, Jaffna T. Sabaratnam, F. L. Shop, Hospital Road, Jaffna Mrs. A. Suppiah, Retail F. L. Shop, Main Street, Jaffna
<i>Mannar District</i>	
Tavern No. 1, Mannar	{ F. L. Tavern, Mannar Mrs. W. P. Perera and K. Alex Perera, Retail Off Shop, Mannar Resthouse, Mannar
<i>Vavuniya District</i>	
Tavern No. 1, Mullaittivu	{ H. Thathesu, Retail Off Shop, Mullaittivu Resthouse, Mullaittivu
Tavern No. 2, Mankulam	{ Resthouse, Mankulam
Tavern No. 3, Vavuniya	{ Empire Hotel, Vavuniya Resthouse, Vavuniya T. Sabaratnam, Retail Off Shop, Vavuniya
SOUTHERN PROVINCE	
<i>Hambantota District</i>	
Tavern No. 1, Hambantota	{ Mrs. S. H. Ranaweera, Retail Off Shop, Hambantota Resthouse, Hambantota

Schedule D

(Vide Condition 9)

<i>No. of Arrack Tavern or Group of Taverns</i>	<i>Name of Tavern</i>	<i>Amount Payable as Security</i>
(1)	(2)	(3) Rs. c.
<i>Colombo Municipality</i>		
Group II	{ 2 .. Kollupitiya .. 7 .. St. John's Road .. 8 .. Chekku Street .. 9 .. Sea Beach Road ..	{ .. 59,500 0 .. 66,800 0
Group III	{ 10 .. Kotahena .. 11 .. Korteboam .. 12 .. Mutwal ..	{ .. 31,600 0
Group IV	{ 13 .. Madampitiya .. 14 .. Ferguson Road ..	{ .. 24,600 0

<i>No. of Arrack Tavern or Group of Taverns</i>	<i>Name of Tavern</i>	<i>Amount Payable as Security</i>
(1)	(2)	(3)
<i>Colombo District (outside Municipality)</i>		
Group XI	15 .. Digorolla.. ..	26,300 0
	16 .. Timbirigasynaya ..	3,800 0
	17 .. Uswotakeiyawa ..	
Group IX	18 .. Bopitiya ..	15,600 0
	19 .. Dandugama ..	
	21 .. Seeduwa ..	
	24 .. Kepunagoda ..	
	30 .. Kanuwana ..	
Group VII	31 .. Woligampitiya ..	19,700 0
	22 .. Katunayako ..	
	23 .. Pitipano ..	
	30 .. Kurana ..	
Group VIII	39 .. Dagonna ..	7,600 0
	38 .. Bolawalana ..	
	25 .. Henmulla ..	
	26 .. Etgala ..	
	27 .. Kandowala ..	
Group X	28 .. Dluwakotuwa ..	10,000 0
	33 .. Kochchikadde ..	
Group VI	20 .. Keragahapokuna ..	8,300 0
	32 .. Kandana.. ..	
Group VI	34 .. Kudapaduwa ..	5,500 0
	35 .. Puliya mulla ..	
	37 .. Udayarthoppu ..	
29 .. Keragahamuna ..		
<i>Kalutara District</i>		
Group I	3 .. Nalluruwa ..	35,200 0
	4 .. Walapolapattiya ..	
Group II	1 .. Kalamulla ..	42,200 0
	2 .. Diyalagoda ..	
	5 .. Beruwala ..	
<i>Kandy District</i>		
Group I	1 .. Colombo Street ..	85,200 0
	2 .. Katudelle ..	
Group II	3 .. Huluganga ..	6,500 0
	4 .. Wahugepitiya ..	8,900 0
	5 .. Pussellawa ..	
	6 .. Hatton ..	37,100 0
	7 .. Kotiyagala ..	9,400 0
	8 .. Hardenhuish ..	7,000 0
	9 .. Maskeliya ..	14,400 0
<i>Nuwara Eliya District</i>		
1 .. Ramboda ..	4,000 0	
2 .. Pandiynapelella ..	5,200 0	
3 .. Holbrook ..	17,400 0	
4 .. Bambarakelle ..	19,700 0	
5 .. Ragala ..	13,600 0	
<i>Galle District</i>		
Group I	1 .. Katugoda ..	56,300 0
	2 .. Heentigala ..	

<i>No. of Arrack Tavern or Group of Taverns</i>	<i>Name of Tavern</i>	<i>Amount Payable as Security</i>
(1)	(2)	Rs. c. (3)
<i>Hambantota District</i>		
1 ..	Hambantota ..	16,900 0
<i>Jaffna District</i>		
Group I	1 .. Grand Bazaar ..	} 28,300 0
	2 .. Karaiyur ..	
	3 .. Nallur ..	
	4 .. Chavakachcheri ..	} 8,500 0
	5 .. Vanankerni ..	
	6 .. Point Pedro ..	} 11,600 0
	7 .. Valvettiturai ..	
	8 .. Kayts ..	
	9 .. Chankanai ..	
<i>Mannar District</i>		
1 ..	Periyakadai ..	9,400 0
<i>Vavuniya District</i>		
1 ..	Mullaitivu ..	3,100 0
2 ..	Mankulam ..	1,800 0
3 ..	Vavuniya ..	6,000 0
<i>Batticaloa District</i>		
1 ..	Valaichenai ..	8,900 0
2 ..	Eravur ..	6,500 0
3 ..	Koddaimunai ..	13,500 0
4 ..	Eruvil ..	4,500 0
5 ..	Periyanilavannai ..	17,700 0
<i>Trincomalee District</i>		
Group I	1 .. Dhoby Street ..	} 14,400 0
	3 .. Uppuveli ..	
	4 .. Puthukudirippu ..	} 14,000 0
	2 .. Oilmonger Street ..	
<i>Kurunegala District</i>		
5 ..	Kathimahana ..	9,300 0
6 ..	Dunakadeniya ..	2,800 0
7 ..	Yakwila ..	10,500 0

<i>No. of Arrack Tavern or Group of Taverns</i>	<i>Name of Tavern</i>	<i>Amount Payable as Security Rs. c.</i>
(1)	(2)	(3)
<i>Puttalam and Chilaw Districts</i>		
Group I	1 .. Chennikudiruppu	} 17,800 0
	2 .. Kuruvikulam	
	3 .. Tetapolai	
	4 .. Kandatoduwa	
	5 .. Madurankuli	
	6 .. Mangalaweli	
	7 .. Kattaikadu	
	8 .. Ottapanai	
	9 .. Mundel	
	10 .. Andimunai	
	11 .. Sottupitiyawadi	
	12 .. Etalai	
	13 .. Narakkali	
	14 .. Ihala Mandalana	
	15 .. Udappu	
	16 .. Wellawela	
	17 .. Rajakadalawa	
	18 .. Karukkuponai	
	19 .. Dematapitiya	
Group II	20 .. Bandarawatta	} 27,000 0
	21 .. Pambala	
	22 .. Ambakandawila	
	23 .. Udawwela	
	24 .. Jetty Street	
	25 .. Dhobies Quarters	
	26 .. Toduwawa	
	27 .. Mahawewa	
	28 .. Kudawewa	
	29 .. Pahala Talgasgara	
	30 .. Talwila ..	
	31 .. Mudukatuwa	
	32 .. Dematapitiya	
	33 .. Morakele	
	34 .. Katuneriya	
35 .. Ulhitiyawa		
36 .. Dummaladeniya		
37 .. Borelessa		
38 .. Waikkal		
39 .. Nanjundankarai		
40 .. Toputota		
41 .. Tambarawila		
42 .. Lunuwila		
43 .. Wennappuwa		
<i>Anuradhapura District</i>		
1 .. Anuradhapura	20,800 0
<i>Badulla District</i>		
1 .. Badulla	27,600 0
2 .. Madulsima	7,700 0
5 .. Haputale	23,500 0
<i>Ratnapura District</i>		
1 .. Balangoda	20,800 0
2 .. Pinnawala	2,200 0

D 1.
Extract
from the
Ceylon
Government
Gazette
No. 10,432.
8.8.52.

D 1

**Extract from the Ceylon Government Gazette No. 10,432
of August 8, 1952**

L. D.—B. 27/38, E. C—L A/A/I.

ARRACK RENT SALE CONDITIONS, 1952-53

Notification No. 1

By virtue of the powers vested in me by Condition 16 of the Arrack Rent Sale Conditions for 1952-53 and subsequent periods, published in *Gazette* No. 10,428 of July 25, 1952, and Condition I (b) of the Arrack Tavern Licences specified in Excise Notification No. 413 published in *Gazette* No. 10,103 of May 19, 1950, I, Wilfred Henry Moore, Excise Commissioner, do hereby notify that I have determined that, with effect from October 1, 1952—

- (1) arrack of the qualities described in the First Schedule hereto shall be sold by Government to the grantees of the exclusive privilege at the rates specified in the corresponding entries of that Schedule ;
- (2) the prices set out in the Second Schedule are the prices at which such arrack shall be sold by grantees of the exclusive privilege ; and
- (3) Notification No. 3 published in *Gazette Extraordinary* No. 10,320 of November 12, 1951, is rescinded with effect from October 1, 1952.

Colombo, August 7, 1952.

(Sgd.) W. H. MOORE,
Excise Commissioner.

FIRST SCHEDULE

Prices at which arrack shall be sold by Government to grantees of exclusive privilege :—

Quality	Per Gallon	
	Rs.	c.
Ordinary in bulk ..	66	0
Ordinary in bottle ..	68	20
Extra Special in bottle ..	92	20

10

20

30

SECOND SCHEDULE

I—In sealed bottles :—

Quality	Kinds of Bottles			
	Reputed Quarts (6 to a Gallon) Equivalent		Reputed Pints (12 to a Gallon) Equivalent	
	Per Bottle	Per Gallon	Per Bottle	Per Gallon
	Rs. c.	Rs. c.	Rs. c.	Rs. c.
Ordinary	.. 12 0	.. 72 0	.. 6 0	.. 72 0
Extra Special	.. 16 0	.. 96 0	.. 8 0	.. 96 0

D. 1.
Extract
from the
Ceylon
Government
Gazette
No. 10,432
S. 8. 52.—contd.

II—By the dram :—

(1) Quality	(2) Per Dram	(3) Equivalent Per Gallon
	Rs. c.	Rs. c.
(a) Minimum rate—ordinary	.. 1 30	.. 62 40
(b) Maximum rate—ordinary	.. 1 50	.. 72 0

P 1

Arrack Rent Sale Conditions Agreement

ARRACK RENT SALE CONDITIONS

Govt. Agent C 4
(31 F) 7/52

AGREEMENT

(Condition 9 (1) (a))

P 1.
Arrack
Rent Sale
Conditions
Agreement.
22. 8. 52.

10 THE Special Conditions on which the exclusive privilege of selling Arrack by Retail within the local area of Arrack Tavern Group No. II Colombo Municipality comprising of Arrack Taverns Nos. 7, 8 and 9 for a term of one year from October 1, 1952, to September 30, 1953, inclusive, subject to clause 29 hereof is granted, are in addition to the General Conditions for the time being in force and applicable to all Excise Licences as follows :—

SPECIAL CONDITIONS

20 1. Granting of Exclusive Privilege, subject to Sale by any other person (whether a Holder of Foreign Liquor Licence or otherwise) (see also condition 23.)—The privilege will be exclusive, subject to the right of any other person (whether a holder of a Foreign Liquor licence or otherwise) who is duly authorised by licence in that behalf, to sell, on the premises licensed for the sale of foreign liquor or on other specified premises in the same local area, arrack, bought exclusively from the grantee of the privilege in bulk or in sealed bottles, as the case may be.

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2. (1) **Period of Privilege.**—The privilege will be granted for the period commencing on October 1 of any one year and ending on September 30 of the next succeeding year on application by way of tender in the form, or by auction in the manner prescribed in these conditions.

(2) **Areas for which Privilege granted.**—The privilege may be granted for the local area of an individual tavern, or for the respective local areas of each tavern in a group of taverns, as the Government Agent may decide.

3. **Tender Form.**—Every tender shall be made in the form set out hereunder. Forms may be obtained from the offices indicated in the sale notice.

4. **Tender Deposit.**—(1) The Government Agent may, if he considers it necessary, require the deposit of a sum not exceeding Rupees One Thousand (Rs. 1,000) by the tenderer in respect of each tender. 10

(2) Every tender shall be accompanied by a Kachcheri receipt, acknowledging the deposit of the sum required by the Government Agent under the foregoing paragraph of this condition, and the number and date of the receipt shall be entered on the face of the tender form.

5. **Prohibition of Tenders by Agents or of more than one Tender by any Person.**—(1) Every tender or bid shall be made by the tenderer or bidder in his own name. No tender or bid, made through an agent, will be accepted. 20

(2) No person shall send in more than one tender for any one tavern or group of taverns.

6. **Disqualifications against Acceptance of Tenders ; Acceptance null and void.**—(1) No tender will be accepted from any person—

(a) whose name appears on the list of defaulting contractors, or on the list of defaulters in respect of any kind of Excise licences or of toll rents, or on the list of persons precluded for other reasons from having any concern in any Government rent or contract ; or

(b) whose name is on the list of persons who are debarred from holding Excise licences or from being employed by Excise licensees ; or

(c) who is a registered criminal within the meaning of the Prevention of Crimes Ordinance, or who has been convicted of any grave crime ; or 30

(d) who at any time held a licence which has been cancelled under section 26 of the Excise Ordinance ; or

(e) who holds a contract with Government for the bottling of arrack.

(2) If any tender of any such person has been accepted, the Government Agent may in his sole discretion cancel the acceptance and shall communicate his order of cancellation to the grantee. On the making of any such order of cancellation, the original acceptance shall become null and void.

7. **Delivery of Tenders.**—(1) Every tender shall be placed in a sealed envelope on the top left-hand corner of which shall be clearly marked the name of the tavern in respect of which the tender is made and its number on the list of sanctioned taverns, or the designation of the group of taverns in respect of which the tender is made as given in the notice calling for tenders, as the case may be. 40

(2) Every sealed envelope containing a tender shall—

(a) be deposited in the Kachcheri Tender Box ; or

(b) be handed to the Government Agent or to his Assistant ; or

(c) be sent by registered post addressed to the Government Agent so as to reach the Kachcheri, before the time fixed for closing the tenders.

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8. (1) **Power of Rejection of Tender.**—The Government Agent may, in his discretion, reject any or all of the tenders received ; and in the event of his so rejecting all tenders he may call for tenders again or put up the privilege either at once or after further notice for sale by auction.

(2) **Restriction of Bidding at Auction.**—At such auction no person shall be allowed to bid, unless he shall have either—

- 10 (a) submitted a tender accompanied by the Kachcheri receipt prescribed in condition 4, whether such tender be for the particular privilege to be auctioned or for any other privilege ; or
- (b) produced the receipt prescribed in condition 4, notwithstanding his failure to submit a tender for the particular privilege to be auctioned or for any other privilege.

Provided that no person, who is duly declared the purchaser of any privilege, whether by way of tender or of auction, shall use or be permitted to use the same receipt for the purpose of a tender or a bid for any other privilege, until he has completed in respect of the privilege already granted to him the steps prescribed hereinafter in condition 9 (1) (a).

20 (3) **Power of Rejection of Bid.**—The privilege shall be granted to the highest bidder at such auction : Provided that the Government Agent may, in his discretion, reject any or all of the bids made at such auction.

(4) **Procedure after Rejection of all Bids.**—In the event of the rejection of all bids as aforesaid, the Government Agent may, in his discretion—

- 30 (a) call for further tenders for the privilege for any single tavern or for sub-groups of two or more taverns included in any group of taverns, or for any combination of parts of groups or of whole groups of taverns either at once or after further notice, and accept or reject all or any tenders so received, and thereafter put up for sale by auction the privilege for any single tavern or sub-groups or combinations as aforesaid for which the further tenders were rejected, either at once or after further notice, and accept or reject all or any bids so received ; or
- (b) put up for sale by auction the privilege for any single tavern or for sub-groups of two or more taverns included in any group of taverns, or for any combination of parts of groups or of whole groups of taverns either at once or after further notice, and accept or reject all or any bids so received ; or
- 40 (c) grant the privilege for the tavern or group, or any single tavern or sub-group of two or more taverns included in a group or for any combination of parts of groups or of whole groups of taverns to any person, who is approved by the Government Agent, and who agrees to pay by way of rent such amounts as the Government Agent may fix.

(5) **Procedure after Rejection of further Bids.**—In the event of the rejection of the bids received under paragraphs 4 (a) and 4 (b) of this condition, the Government Agent may, in his discretion, take action under paragraph 4 (c).

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8A. Grant of Privilege.—The privilege will be granted to the person who offers the highest price for every gallon of arrack removed from the appropriate warehouse referred to in schedule B hereto for sale in the tavern or taverns to which the privilege relates. Such price (hereinafter referred to as the "rent") shall not include the price at which arrack is issued from the warehouse as fixed by the Excise Commissioner under condition 16.

9. (1) (a) Security deposit.—Every grantee shall, immediately on being declared to be the purchaser of the privilege—(1) sign these conditions; and (2) pay to the Government Agent as security for the due performance of these conditions such sum as may be specified in Schedule D hereto in respect of the tavern or taverns to which the privilege relates. 10

(b) Signing of Bond.—The grantee shall within fourteen (14) days of his being declared to be the purchaser of the privilege enter into a bond on Form 112 with the Government Agent for an amount equivalent to six times the amount payable by him as security under sub-paragraph (1) and the grantee shall specially hypothecate by such Bond the said security deposit.

(c) Consequences of Breach of Condition of Bond.—The said security shall be liable to be confiscated either in whole or in part by the Government Agent, at his sole discretion and without any process of law, for breach of any of these conditions or of any of the conditions of the licence or licences referred to in condition 12 (2) below, and such confiscation shall be in addition to any other penalty prescribed by these conditions for such breach or non-payment, and to any other amount which the Crown may have the right to claim and recover by due process of law. 20

(2) Banking of Security Deposit.—Security money so paid will be deposited in a bank only on the grantee's application and only at his risk and when such deposit is made, no withdrawal will be allowed until the satisfactory discharge of these conditions.

(3) Warrant or Power of Attorney to Confess Judgment.—The grantee and the sureties shall at the time of the execution of the bond as aforesaid execute, if so required by the Government Agent, a warrant or power of attorney in the form sanctioned by law, to confess judgment in any action which may be instituted against him or them for the recovery of any moneys due in respect of the privilege, and shall also furnish to the Government Agent within fifteen days of the date of the execution of such warrant or power of attorney a duly certified copy thereof for filling in the District Court under Section 32 of the Civil Procedure Code. 30

(4) Postal Address.—The grantee shall, on signing these conditions, elect and signify under his hand a post office or postal address to which all notices and processes whatever in connection with the privilege may be addressed, and all such notices or processes, so addressed to such post office or to such postal address, and posted in due course shall be deemed to have been duly served and be as effectual for all purposes, as if they had been served upon the grantee in person upon the day on which any such notice or process was so posted. 40

10. Failure to complete Purchase of Privilege.—If any tenderer or bidder, on being declared to be the purchaser of the privilege, declines or fails to sign these conditions of sale or fails to furnish the security prescribed in condition 9 (1) (a) when called upon to do so, the deposit made under condition 4 will be declared forfeited, and the defaulter will render himself liable to have his name entered in the list of defaulters in respect of all excise licences. Subject to this exception, the deposits of all tenderers or bidders will be returned, after the conditions of sale have been signed and the aforesaid security given by the successful tenderer or bidder. 50

11. **Grantee to have no interests in certain Toddy and Foreign Liquor Sales. Arrack Estate Canteens and Bottling Contracts.**—The grantee shall not acquire or hold any share or any interest, whether direct or indirect—

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(a) within the local area to which the privilege of selling arrack relates—

- (i) in the sale of toddy ;
- (ii) in the purchase of any privilege of selling toddy ;
- (iii) in the sale of foreign liquor ;
- (iv) in the purchase of any privilege of selling foreign liquor ; or

10 (b) in any arrack estate canteen within the revenue district to which the privilege of selling arrack relates ; or

(c) in any contract with Government for the bottling of arrack.

11A. **Additional Security Deposit for Bottles ; Issues against Return of Empty Bottles, &c.**—(1) The bottles in which arrack is issued at any Government Warehouse to any grantee shall be deemed to be the property of Government, the grantee shall be liable to replace at the time of the next issue such number of empty bottles as represents wholly or partly the gallonage of bottled arrack issued to him. White bottles shall be replaceable only by white bottles of the same size or shape as the bottles issued. Bottles other than white shall be replaceable by bottles of any colour, other than white and such bottles shall be of the same size and shape as the bottles

20 issued to the grantee. Bottles having a capacity of less than $3\frac{3}{4}$ drams will not be accepted as replacements.

For the purposes of calculating the number of empty bottles which represent any gallonage of bottled arrack—

- (a) a bottle capable of holding more than 8 drams neck capacity shall be reckoned as an eight-dram bottle (i.e., 6 bottles to a gallon).
- (b) a bottle holding less than 6 drams, but more than $3\frac{3}{4}$ drams neck capacity shall be reckoned as a four-dram bottle (i.e., 12 bottles to a gallon).

Provided that the Warehouse Officer in charge of the warehouse of issue may, in his discretion, reject any bottle—

- 30
- (a) which bears a registered trade mark, e.g., Sun Flower brand, the proprietor of which has not given his consent in writing for the use of such bottles for filling with arrack ; or
 - (b) which is cracked or broken ; or
 - (c) which is for any reason not suitable for filling it with arrack, e.g., if in the opinion of the said Officer the bottle has been used for keeping tar, varnish, oil or any other substance which may make it difficult to clean the bottle adequately by the usual methods employed at the warehouse concerned,

40 but the grantee shall have the right to appeal to the Superintendent in charge of the warehouse, whose order on such appeal shall be final and conclusive, and binding on the grantee.

(2) To provide against failure at the termination of the privilege to replace white and other bottles equivalent to the full gallonage of bottled arrack issued during the period of the privilege, the grantee shall, before the licence referred to in Condition 12 (2) below is issued to him, pay to the Government Agent as an additional security deposit the sum set out in column 3 of Schedule A against the name of the tavern or group of taverns in column 2 of the said Schedule, the privilege in respect of which

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tavern or group has been granted to him. Such additional security deposit will represent the value of the bottles outstanding at all times in the hands of the grantee at the fixed rates of Rs. 5 per gallon capacity of bottles, irrespective of their colour, size, or shape, and the value of any deficit in the return of bottles at the end of the period of privilege shall be liable to be set off at the Excise Commissioner's discretion at the rate above mentioned against the said additional security deposit, and shall be liable to be recovered from it as a pre-estimate of the damage caused by the loss of bottles to Government, without any process of law, on a certificate from the Superintendent of Excise in charge of the warehouse of issue that specified numbers of white and other bottles are outstanding, such certificate being final and conclusive, and binding on the grantee. 10

(3) A separate Kachcheri receipt for the said additional security deposit shall be produced at the warehouse of issue at the same time as the Kachcheri receipt for the payment of the value of the arrack in the first consignment to be issued, and both receipts will be left in the custody of the said Warehouse Officer. No arrack will be issued for such first consignment, if both the receipts are not so produced.

(4) The number, date, amount and the name of the Kachcheri, on the receipts will be noted in a Register to be kept at the warehouse of issue, and shall be signed by the grantee or his agent as an acknowledgment of the correctness of the entries. The gallonages of bottled arrack in (a) white, and (b) other bottles, issued from time to time against the said additional security deposit, the gallonages of the respective kinds of empty bottles (calculated as in paragraph (1) above) returned on the dates of all subsequent issues, and the balance gallonages (calculated as in paragraph (1) above) of the respective kinds of bottles left in the hands of the grantee at every issue will also be entered in the said Register, and shall also be signed by the grantee or his agent for the like purpose. 20

(5) If, as a consequence of shortage of bottles owing to present conditions, it is not possible to supply in full a grantee's demand for arrack in sealed bottles, the stock of arrack in sealed bottles available from time to time at the warehouse of issue will be rationed at a variable percentage, to be fixed from time to time, of the total issues from the warehouse in the rent year of 1940-1941. The proportion of the percentage as between one tavern and another will be based, save in exceptional circumstances and in the discretion of the Superintendent in charge of the warehouse approximately on the issues of arrack in sealed bottles to each tavern during the said year of 1940-1941 for the Ordinary and the Extra Special Qualities. 30

(6) The second and subsequent issues of arrack in sealed bottles will be conditional on the grantee bringing back, in entirety or in part, the balance gallonages (as calculated in paragraph (1) above) of white and other bottles, outstanding in his hands.

(7) If, however, the ration of bottled arrack due to him is more than the gallonage of empty bottles (as calculated in paragraph (1) above) returned, the Warehouse Officer may in his discretion issue only so much of the ration due as is equivalent to the said gallonage, and may also in his discretion reserve the unissued balances of the ration for subsequent issue against return of empty bottles, or he may decide to issue the full ration. 40

(8) In the event of the gallonage of bottles (as calculated in paragraph (1) above) returned being less than the ration due, and of the Warehouse Officer deciding in the exercise of his discretion to issue nevertheless the full ration due if such issue is likely to increase the balance gallonage of bottles (as calculated in paragraph (1) above) in the hands of the grantee to such an extent that its value at the rate set out in paragraph (2) above will not be covered by the additional security deposit already made, the Warehouse Officer may, in his discretion, call upon the grantee 50

either to pay a further sum to increase the sum already paid as additional security deposit (and such further sum shall be held on the same terms and conditions as the additional security deposit), or in the alternative to supply such number of empty bottles as represents the gallonage of bottles, to the extent required before issuing the full ration.

If such further sum is not paid or empty bottles not supplied within 24 hours of the demand having been made, the Warehouse Officer shall be entitled to refuse to issue to the grantee any arrack, whether in bottles or in bulk or in both.

10 (9) The exercise of the discretion of the Warehouse Officer in pursuance of the powers vested in him under paragraphs (7) and (8) of this condition will be liable to appeal to the Superintendent of Excise in charge of the warehouse and the Superintendent's decision shall be final and conclusive and binding on the grantee.

(10) At the end of the period of the privilege the said additional security deposit together with the further sum deposited, if any, will be refunded in full, or in part after the deduction of the value at the rate set out in paragraph (2) above of the balance gallonages of the respective kinds of bottles shown in the Register referred to in paragraph (4) above as left in the hands of the grantee.

20 (11) The additional security and the further sum, if any, so paid by the grantee as deposit will be dealt with as in condition 9 (2) above, and the grantee shall also enter into a bond with the Government Agent, hypothecating it as security for deficit or loss of bottles.

12. (1) **Opening of Tavern on due Date, and Approval of Site.**—(a) The grantee shall open the tavern or taverns on the day on which the privilege commences to run.

(b) The Government Agent shall not be bound to find a site for any tavern in the event of the grantee not being able to procure a site.

(c) The grantee shall not open a tavern on any site otherwise than with the approval of the Government Agent, such approval being obtained from the Government Agent at least fourteen days before the privilege commences to run.

30 (2) **Obtaining of Licences for Sale of Arrack.**—The grantee shall, not less than five days before the date on which the privilege commences to run, obtain from the Government Agent a licence or licences for the sale by retail of arrack at the tavern or taverns within the local area covered by this privilege.

13. (1) **Taking over of Balance Arrack by Incoming Grantee by Mutual Agreement.**—The grantee shall take over from the outgoing grantee and pay to him an amount, which may be agreed on, in respect of the cost of—

(a) the balance of arrack, in bulk and in bottles, remaining in a tavern, after the closing hour of the date of expiry of the privilege of the outgoing grantee; and

(b) transport, wastage, and other miscellaneous charges.

40 (2) The grantee shall pay to the Government in respect of every gallon taken over by him from the outgoing grantee an amount equivalent to the rent payable by him for the privilege.

14. **In default of agreement, Outgoing Grantee to deliver Balance Arrack at nearest Warehouse.**—(1) Where the incoming and outgoing grantees cannot agree with regard to the sum to be paid as aforesaid, the outgoing grantee shall forthwith remove the balance of arrack on a permit, to the nearest Excise Warehouse, and deliver it to the Warehouse Officer in charge thereof, and obtain a receipt. Such arrack shall be of the strength prescribed by Notification for the time being in force in that behalf under condition 16.

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(2) The outgoing grantee shall present such receipt to the Excise Commissioner, who shall pay to such grantee the value of the arrack so delivered at the rates at which such grantee purchased such arrack.

(3) If the sum payable by the incoming grantee at the time the arrack is so taken over by him, is higher than the sum actually paid for the said arrack by the outgoing grantee, the incoming grantee shall, within fourteen days of the commencement of his privilege, pay the difference to the nearest Kachcheri.

15. Employment of Labour.—(1) The grantee shall not, except with the prior approval in writing of the Excise Commissioner employ any person other than a Ceylonese to do any work connected with or incidental to the privilege. 10

(2) For the purposes of this condition the expression "Ceylonese" means (a) a Citizen of Ceylon by descent or by registration. (b) a British subject born in Ceylon and one of whose parents was also born in Ceylon, or (c) a British subject who is a descendant referred to in paragraph (b).

16. Issue Price Payable. Issue Strengths.—In addition to the rent the grantee shall pay to the Government Agent in respect of every gallon of arrack issued and removed from a Government Warehouse an amount calculated at rates to be determined from time to time by the Excise Commissioner by notification published in the *Gazette*. The difference between the price so determined and the selling price at the grantee's tavern or taverns shall in the case of every quality of arrack be Rs. 3·80 per gallon where arrack is sold in bottle and Rs. 6 per gallon where arrack is sold in bulk. 20

Provided, however, that if the issue price is increased during the period of this privilege, the grantee shall pay to the Government Agent in respect of the entire quantity of arrack remaining unsold in a tavern after the closing hour on the day immediately preceding the day on which the increased price comes into force an amount equivalent to the increase in issue price.

The Excise Commissioner shall, by notification published in the *Gazette* prescribed from time to time the strength of each quality of arrack issued from a Government Warehouse. 30

16A. Payment of Rent.—The grantee shall pay to the Government Agent rent at the same rate at which he has purchased the privilege, on every gallon of arrack in bulk or in sealed bottles to be removed from the warehouse.

17. (1) Payments not valid without Kachcheri Receipt.—No payment of any sum due by the grantee to the Crown shall be deemed to have been duly made, unless the grantee produces a Kachcheri receipt in respect thereof.

(2) **Money left with Officers not reckoned as Money Paid.**—No money which, for his own convenience, the grantee may think fit to leave in the hands of any Shroff or any other officer of any Kachcheri shall be deemed to be money paid under this contract. 40

18. (1) Purchase of Arrack from Warehouse.—The grantee shall purchase arrack only from the Government Warehouse, specified in Schedule B hereto in respect of the province or district within which the tavern is situated.

(2) **No issue on Sundays and Holidays.**—No arrack will be issued from a warehouse on Sundays or Public Holidays without the prior approval of the Superintendent of Excise.

(3) **Issues from Warehouses.**—Arrack will be issued from the warehouses at Negombo, Badulla and Jaffna only between 8.30 A.M. and 12 noon. In the case of all other warehouses arrack will be issued between 9 A.M. and 3.00 P.M. on all days other than Saturdays, or between 9.00 A.M. and 1 P.M. on Saturdays. 50

(4) **Transport Passes.**—Where arrack is transported by road from a warehouse to a tavern, the Warehouse Officer will not issue a transport pass available for use at a later hour than 6.30 P.M. on the date of issue, save in exceptional circumstances.

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19. **Grantee to accept such Arrack as offered.**—(1) In order to regulate the distribution of arrack till such time as the quantity available for issue becomes adequate, the Excise Commissioner may, in his discretion—

- (a) refuse to issue any arrack to the grantee,
- (b) determine the quantity of arrack in bulk or in sealed bottles to be issued in each month to the grantee.

10 (2) The grantee shall be bound to pay for and accept within 24 hours of being noticed to do so by the Warehouse Officer, all such quantities of arrack whether in bulk or in sealed bottles, and in such strengths and in such sizes and shapes of bottles as may be determined by the Excise Commissioner to be issued to the grantee.

(3) In the event of the grantee failing to keep his tavern replenished with stocks of sealed bottles and/or bulk arrack and to carry on the sale of sealed bottles and/or bulk arrack uninterruptedly in any one month till the quantities determined by the Excise Commissioner under paragraph (1) above are exhausted, the grantee shall forfeit the undrawn balances of sealed bottles and/or bulk arrack from the time the sales have been so interrupted in respect of any particular month.

20. **Loose Capsules or Broken Seals on Bottles.**—The grantee shall take steps to ensure that the capsule on each bottle issued to him is firmly fixed, or that the seal on the cork of such bottle is intact and bears a clear impression of the seal of the Excise Department. If any capsule is not firmly fixed, or if any seal is not intact or does not bear a clear impression of such seal, he shall refuse to accept such bottles.

21. **Proportion of Sealed Bottles to Bulk.**—The grantee shall draw such proportion of each consignment drawn by him, as the Warehouse Officer in charge of the warehouse may require, in sealed bottles of each description.

30 22. **Limit of Sale and Transport.**—The limit of sale by retail with respect to the whole Island and as regards purchasers generally shall be one-sixth of an imperial gallon, and no arrack in excess of that quantity shall be removed by the grantee or sold at any one time to any person except on a valid permit or pass.

40 23. **Exclusive right to supply arrack for sale at Foreign Liquor premises or other premises specially authorised by the Excise Commissioner ; Allocation of such premises to grantee.**—(1) The grantee of every tavern or group of taverns specified in column 1 of Schedule C hereto shall have the exclusive right of supplying arrack (in bulk only or in sealed bottles only, as the case may be) in quantities not less than those prescribed from time to time by the Excise Commissioner, on payment at rates at which he is authorised by law to sell arrack and on production of a valid transport pass issued by the Superintendent of Excise in that behalf for sale, in each of the foreign liquor premises specified against such tavern or group in column 2 of that Schedule, or in such other premises within the same area (whether or not such premises are licensed for the sale of foreign liquor or otherwise) as may be licensed at any time after the publication of these conditions for the sale of arrack.

(2) Where the grantee so supplies arrack to any foreign liquor premises or other premises authorised by the licence he will, for the protection of his exclusive privilege, have the supervisory rights provided for in the conditions of the special licence to sell arrack issued to such foreign liquor or other authorised premises.

50 (3) Special licences to sell arrack in sealed (or unopened) bottles only will be issued by the Excise Commissioner at his discretion to the foreign liquor retail (off) and resthouse licensees mentioned in Schedule C below to persons who have been granted foreign liquor retail (off) and resthouse licences after the publication of these

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conditions or to any other person and such licensees shall buy the arrack only from the grantee and only in bottles. Special licences to sell arrack in bulk only will be issued to all foreign liquor licensees (mentioned in Schedule C below and persons to whom licences have been granted after the publication of these conditions) other than foreign liquor retail (off) and resthouse licensees, and such licensees shall buy the arrack only from the grantee and only in bulk.

(4) The grantee shall supply arrack of both qualities, in bulk or in sealed bottles as the case may be, to such Foreign Liquor Licensees or other persons and where the grantee does not have in stock at his tavern any particular quality of arrack required by any such licensee, he shall obtain from the Government Warehouse the quality required by such licensee. 10

24. Grantee to account for Arrack : Wastage Allowance.—The grantee shall account for all arrack purchased by him from time to time. The allowance made on account of wastage will in no circumstances exceed two per centum of the total quantity purchased since the last date of stock taking.

25. Grantee responsible for Agent's Acts.—The grantee shall be responsible for all acts of his agents and employees in relation to the privilege.

26. Non-transferability of Privilege.—The privilege shall not be transferable otherwise than with the sanction of the Excise Commissioner first had and obtained.

27. (1) (a) Cancellation of Licence and Privilege for non-payment of sums due to the Government, &c.—If the sum demanded as additional security for bottles or as additional issue price under Conditions 14 (3) and 16 or any other sum due to the Crown from the grantee, in respect of the grant or of the licence issued to him, remains unpaid after the date on which it becomes due and payable, or if the grantee fails to maintain at all times such minimum quantities in sealed bottles of different descriptions or in bulk of the kind or kinds of arrack salcable under the tavern licence as the Superintendent of Excise may consider sufficient to meet the local requirements, the grantee shall be deemed to have committed a breach of these conditions and of the conditions of the licence issued to him, and the Government Agent shall accordingly have power, without further process of law, either (i) to suspend or cancel the licence or licences issued to the grantee in pursuance of the provisions of section 26 of the Excise Ordinance, or (ii) to take the licence or grant under management at the risk of the grantee, or to declare the licence or grant forfeited and re-issue or re-sell it at the risk and loss of the grantee in pursuance of the provision of section 30 of the said Ordinance. This condition does not in any way affect the Government Agent's powers to confiscate the security deposit in pursuance of the provisions of condition 9 above. 20

(b) Intimation or Notice of Cancellation, &c.—Intimation of any order of suspension or cancellation, under the said section 26, or the statutory notice or order under the said section 30 may be served personally on the grantee, or addressed to the post office or postal address elected and signified under condition 9 (4), and duly posted, as the Government Agent thinks fit. 30 40

(2) Regrant of Privilege between Cancellation and Re-sale.—In the event of the cancellation of a licence, the Government Agent shall have the power to grant the privilege to any person approved by him for any period intervening between such cancellation and the re-sale of the privilege, and for this purpose may issue to such approved person a temporary licence upon such terms as he may think fit.

28. No compensation or Remission of Rent for loss or damage.—(1) No action or other legal proceeding shall be instituted or maintained in any court of law, against the Government of Ceylon or the Excise Commissioner, in respect of anything *bona fide* done or omitted to be done in pursuance of the powers conferred on the Excise Commissioner by these conditions or in respect of any loss or damage incurred or suffered in consequence of *anything* so done or omitted to be done. 50

(2) No remission of the rent payable in respect of the privilege will be granted on any plea of the grantee's having over-estimated the value of any tavern or on any other ground.

(3) The grantee shall not have or make any claims to any reduction, or to the remission of any sum due and owing by him to the Crown by reason of any loss alleged to have been sustained by him—

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- 10 (a) whether on account of any closing of the tavern or taverns during the passage of troops, or during the encampment of troops in the vicinity of the tavern or taverns, or during any riot or civil disobedience or breach of the peace, or during the apprehension of any riot or civil disobedience, or breach of the peace, or during the holding of any poll, or on account of the tavern or taverns being situated within or in the vicinity of any area for the time being declared to be a diseased locality under the provisions of any written law ; or
- (b) whether on account of the opening of any new toddy or foreign liquor tavern or estate canteen for arrack or toddy or foreign liquor, or any new foreign or country liquor premises of any other description and licensed after the sale of the privilege under these conditions ; or
- 20 (c) whether on account of the manufacture and drawing of fermented toddy on special licences issued by the Assistant Commissioner for *bona fide* domestic consumption on medical grounds, and not for sale ; or
- (d) whether on account of the manufacture and drawing of fermented toddy within the area or areas of the privilege hereby granted for supply to licensed manufactories in which toddy is used in the process of manufacture ; or
- (e) whether on account of the issue of licences for the bottling and wholesale of bottled toddy and of the retail sale of such bottled toddy at toddy taverns ; or
- 30 (f) whether on account of the unrestricted tapping, manufacture and drawing of sweet toddy without any licence or permit ; or
- (g) whether on account of the refusal of the Excise Commissioner to issue special arrack licences in terms of condition 23 above ; or
- (h) whether on account of the introduction of the Tree Tax System for Toddy within the local area or areas for which the privilege is granted ; or
- (i) whether on account of the issue of licences for manufacture and/or sale of other liquors within the local area or areas for which the privilege is granted ; or
- (j) through any other cause whatsoever.

40 29. **Termination of Privilege.**—The privilege shall terminate on (a) the expiry of the term for which it is granted, (b) the death of the grantee, or (c) a breach of any of the conditions governing it : Provided that in the event of the death of the grantee, the Government Agent may, in his discretion, permit the legal heirs or the Administrator of the estate of the grantee, to continue the privilege till the expiry of the term for which it is granted.

30. **No surrender of Licence.**—The licence or licences referred to in condition 12 (2) above, being issued free of charge in pursuance of section 18 (2) of the Excise Ordinance, to implement the contract between the Crown and the grantee shall not be surrendered by the grantee under section 28 of the said Ordinance, except with the approval of the Government Agent previously obtained in writing.

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Schedule A

(VIDE CONDITION 11A (2))

Serial No.	Name of Tavern	Amount Payable as Additional Security Deposit for bottles	Serial No.	Name of Tavern	Amount Payable as Additional Security Deposit for bottles
(1)	(2)	(3)	(1)	(2)	(3)
<i>Colombo Municipality</i>					
		Rs. c.			
2 ..	Kollupitiya	3,375 0	7 ..	Kotiyagala	2,895 0
7 ..	St. John's Road	3,750 0	8 ..	Hardenhuish	1,470 0
8 ..	Chekku Street	3,750 0	9 ..	Maskeliya	3,270 0
9 ..	Sea Beach Road	1,695 0	<i>Kurunegala District</i>		
10 ..	Kotahena	2,850 0	5 ..	Kattimahana	2,500 0
11 ..	Korteboam	1,695 0	6 ..	Dunukadeniya	170 0
12 ..	Mutwal	1,695 0	7 ..	Yakwila	835 0
13 ..	Madampitiya	2,820 0	<i>Puttalam District</i>		
14 ..	Ferguson Road	1,070 0	1 ..	Chenaikudiruppu	1,095 0
<i>Colombo District (Outside Municipality)</i>					
15 ..	Digarolla	3,750 0	2 ..	Kuruvikulam	145 0
16 ..	Timbirigasyaya	570 0	3 ..	Tetapolai	150 0
17 ..	Uswetakeiyawa	120 0	4 ..	Kandatoduwa	70 0
18 ..	Bopitiya	195 0	5 ..	Madurankuli	95 0
19 ..	Dandugama	225 0	6 ..	Mangalaweli	45 0
20 ..	Keragahapokuna	420 0	7 ..	Kattaikadu	70 0
21 ..	Seeduwa	150 0	8 ..	Ottapanai	45 0
22 ..	Katunayake	195 0	9 ..	Mundel	150 0
23 ..	Pitipana	170 0	10 ..	Andimunai	120 0
24 ..	Kepungoda	70 0	11 ..	Sottupitiyawadi	45 0
25 ..	Henmulla	75 0	12 ..	Etalai	245 0
26 ..	Etgala	70 0	13 ..	Narakkali	45 0
27 ..	Kandewala	325 0	14 ..	Ihala Mandalana	45 0
28 ..	Daluwakituwa	170 0	<i>Nuwara Eliya District</i>		
29 ..	Keragahamune	325 0	1 ..	Ramboda	950 0
30 ..	Kanuwana	1,020 0	2 ..	Padiyapelella	1,220 0
31 ..	Weligampitiya	495 0	3 ..	Holbrook	3,750 0
32 ..	Kandana	1,050 0	4 ..	Bambarakelle	3,750 0
33 ..	Kocheikade	270 0	5 ..	Ragala	3,345 0
34 ..	Kudapaduwa	120 0	<i>Galle District</i>		
35 ..	Periyamulla	200 0	1 ..	Katugoda	3,750 0
36 ..	Kurana	195 0	2 ..	Heenatigala	2,545 0
37 ..	Udayartoppu	750 0	<i>Hambantota District</i>		
38 ..	Bolawalana	420 0	1 ..	Hambantota	3,320 0
39 ..	Degonne	445 0	<i>Jaffna District</i>		
<i>Kalutara District</i>					
1 ..	Kalamulla	2,295 0	1 ..	Grand Bazaar	3,095 0
2 ..	Diyalagoda	1,650 0	2 ..	Kariyur	575 0
3 ..	Nalluruwa	1,650 0	3 ..	Nallur	675 0
4 ..	Walapolapattiya	2,625 0	4 ..	Chavakachcheri	770 0
5 ..	Beruwala	1,650 0	5 ..	Vannankerni	620 0
<i>Kandy District</i>					
1 ..	Colombo Street	4,870 0	6 ..	Point Pedro	1,620 0
2 ..	Katukelle	1,095 0	7 ..	Valvedditurai	675 0
3 ..	Huluganga	2,420 0	8 ..	Kayts	975 0
4 ..	Wahugepitiya	750 0	9 ..	Chankanai	2,375 0
5 ..	Pussellawa	1,350 0			
6 ..	Hatton	5,250 0			

Serial No.	Name of Tavern	Amount payable as Additional Security Deposit for bottles	Serial No.	Name of Tavern	Amount payable as Additional Security Deposit for bottles	P 1. Arrack Rent Sale Conditions Agreement. 22.8.52. —contd.
(1)	(2)	(3)	(1)	(2)	(3)	
		Rs. c.			Rs. c.	
<i>Mannar District</i>						
1	Periyakadai	1,145 0	23	Udalawela	70 0	
			24	Jetty Street	525 0	
			25	Dhobies Quarters	545 0	
			26	Toduwawa	70 0	
<i>Vavuniya District</i>						
1	Mullaittivu	345 0	27	Mahawowa	190 0	
2	Mankulam	320 0	28	Kudawowa	150 0	
3	Vavuniya	350 0	29	Pahala Talgagara	45 0	
			31	Talwila	70 0	
			32	Mudukatuwa	170 0	
<i>Batticaloa District</i>						
1	Valaichenai	845 0	33	Dematapitiya	45 0	
2	Eravur	1,095 0	34	Morakele	45 0	
3	Koddaimunai	975 0	35	Katuneriya	170 0	
4	Eruvil	645 0	36	Ulhitiyawa	45 0	
5	Periyamilavannai	745 0	37	Dummaladeniya	70 0	
			38	Boralessa	45 0	
			39	Waikkal	45 0	
			40	Nanjundankarai	45 0	
			41	Toputota	220 0	
<i>Trincomalee District</i>						
1	Dhoby Street	1,545 0	42	Tambarawila	195 0	
2	Oilmonger Street	1,845 0	43	Lunuwila	120 0	
3	Uppuveli	195 0	44	Wennappuwa	270 0	
4	Puthikudyirippu	270 0				
5	Mutur	170 0	<i>Anuradhapura District</i>			
6	Kiliveddi	170 0	1	Anuradhapura	2,170 0	
<i>Chilaw District</i>						
15	Udappu	195 0	<i>Badulla District</i>			
16	Wollawela	120 0	1	Badulla	2,520 0	
17	Rajakadalawa	220 0	2	Madulsima	1,410 0	
18	Karukkuponai	95 0	5	Haputale	3,750 0	
19	Dematapitiya	95 0	<i>Ratnapura District</i>			
20	Bandarawatta	95 0	1	Balangoda	3,375 0	
21	Pambala	145 0	2	Pinnawala	900 0	
22	Ambakandawila	45 0				

Schedule B

(CONDITION 18)

Situation of Warehouse	Province, District or Tavern served
Kalutara Town or Mirishena may be directed	(1) Colombo Municipality
	(2) Colombo District outside Municipality and south of the Kelaniya river
	(3) Kalutara District
	(4) Galle District
	(5) Hambantota District
	(6) Ratnapura District
Negombo*	(1) Colombo District outside Municipality and north of the Kelaniya river
	(2) Puttalam District
	(3) Chilaw District
	(4) Kurunegala District
Kandy	Central Province
Batticaloa	Batticaloa District

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<i>Situation of Warehouse</i>	<i>Province, District or Tavern served</i>
Badulla*	Province of Uva
Jaffna*	Jaffna District
Vavuniya	{ (1) Anuradhapura District (2) Vavuniya District (3) Mullaitivu District (4) Mannar District
Trincomalee	Trincomalee District

*Will be open only between 8.30 a.m. and 12 noon.

Schedule C

(VIDE CONDITION 23)

(1)	(2)
<i>Number of Arrack Tavern or Group of Taverns</i>	<i>Foreign Liquor Premises assigned</i>

WESTERN DIVISION

Colombo Municipality

Group II—Arrack Taverns

Tavern No. 7	{ J. M. S. Miranda, Retail Off Shop, Chekku Street A. E. J. Casie Chetty, Retail Off Shop, Jampottah Street
Do. 8	{ F. L. Tavern No. 6, Jampettah Street F. L. Tavern No. 4, Main Street
Do. 9	{ F. L. Tavern No. 5, Wolfendhal Street Imperial Restaurant, St. John's Road City Restaurant, Jampettah Street

Group III—Arrack Taverns

Tavern No. 10	{ Dockland Hotel and Bar, Mutwal F. L. Tavern No. 7, Mutwal Street, Mutwal
Do. 11	{ Mrs. A. Suppiah, Retail Off Shop, Skinner's Road North M. G. Fernando and Mrs. J. Britto, Retail Off Shop, Skinner's Road North
Do. 12	

Group IV—Arrack Taverns

Tavern No. 13	{ National Restuarant, Grandpass F. L. Tavern No. 8, Grandpass
Do. 14	

Colombo District (Outside Municipality)

Group VI—Arrack Taverns

Tavern No. 34, Kudapaduwa	{ Coronation Hotel and Bar, Negombo Messrs. Fernando and Fernando, Restaurant, Negombo
Do. 35, Periyamulla	{ F. L. Tavern, Green Road, Negombo Messrs. Fernando & Fernando, Retail off Shop, Negombo
Do. 37, Udayartoppu	{ Messrs. A. G. Gomez & Co., Retail Off Shop, Main Street, Negombo Resthouse, Negombo (New)

Group VII—Arrack Taverns

Tavern No. 22, Katunayake	{ Resthouse, Negombo (Old)
Do. 23, Pitipana	
Do. 36, Kurana	
Do. 38, Bolawalana	

Group IX—Arrack Taverns

Tavern No. 18, Bopitiya	{ Mr. A. P. Casie Chitty, F. L. Restaurant, Jaela Mr. A. P. Casie Chitty, Retail Off Shop, Jaela Resthouse, Jaela
Do. 19, Dandugama	
Do. 21, Seeduwa	
Do. 24, Kepungoda	
Do. 30, Kanuwana	
Do. 31, Weligampitiya	
Tavern No. 15, Digarolla	{ F. L. Tavern, Moratuwa Mr. T. T. Fernando, Retail Off Shop, Moratuwa

(1)
Number of Arrack Tavern
or Group of Taverns

(2)
Foreign Liquor Premises assigned

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Group II—Arrack Taverns

Chilaw District

Tavern No. 20, Bandarawatta	{ F. L. Tavern I, Chilaw
Do. 21, Pambala ..	{ A. L. Morais, Retail Off Shop, Chilaw
Do. 22, Ambadandawila ..	{ F. L. Tavern 2, Chilaw
Do. 24, Jetty Street ..	{ L. Gomez, Retail Off Shop, Chilaw
Do. 25, Dhobies Quarters	{ Resthouse, Chilaw

CENTRAL DIVISION

Kandy District

Group I—Arrack Taverns

	{ Queen's Hotel and Bar, Kandy
	{ Suisso Hotel and Bar, Kandy
	{ Castle Hotel and Bar, Kandy
	{ Royal Hotel and Bar, Kandy
	{ King's Hotel and Bar, Kandy
	{ Empiro Hotel and Bar, Kandy
	{ Victory Hotel and Bar, Kandy
Tavern No. 1, Colombo Street	{ F. L. Tavern, Ward No. 7, Kandy
Do. 2, Katukello ..	{ F. L. Tavern, Ward No. 5, Kandy
	{ A. X. Fernando and J. P. de Mel, Retail Shop, Trincomalee Street, Kandy
	{ S. Costa, and A. P. Cassie Chitty, Retail Off Shop, Ward Street, Kandy
	{ Messrs. Miller & Co., Ltd., Retail Off Shop, Kandy
	{ Messrs. Cargills, Ltd., Retail Off Shop, Kandy
	{ The Green Cafe, F. L. Restaurant, Castle Street, Kandy

Group II—Arrack Taverns

Tavern No. 4, Wahugapitiya ..	{ Resthouse, Pussellawa
Do. 5, Pussellawa ..	{ F. L. Tavern, Pussellawa
	{ O. Don Wilfred, Retail Off Shop, Pussellawa
	{ Castro Hotel and Bar, Hatton
	{ Arms Hotel and Bar, Hatton
	{ F. L. Tavern No. 6, Dickoya
	{ F. L. Tavern No. 7, Dickoya
Tavern No. 6, Hatton ..	{ Messrs. Brown & Co., Retail Off Shop, Hatton
	{ O. Don Peter, Retail Off Shop, Dickoya
	{ Messrs. Miller & Co., Retail Off Shop, Dickoya
	{ Crown Hotel, Hatton
	{ Frankland Hotel, Hatton
	{ Peak Hotel, Hatton
Tavern No. 9, Maskeliya ..	{ Maskeliya Hotel and Bar, Maskeliya
	{ S. Costa and A. P. Cassie Chitty, Retail Off Shop, Maskeliya
Tavern No. 7, Kotiyagala ..	{ R. A. Fernando, Retail Off Shop, Bogawantalawa
	{ Resthouse, Kotiyagala

Nuwara Eliya District

	{ King's Hotel, Nuwara Eliya
	{ Priory Hotel, Nuwara Eliya
	{ F. L. Restaurant, Nuwara Eliya
	{ F. L. Tavern, Nuwara Eliya
	{ Pedro Hotel and Bar, Nuwara Eliya
	{ Grand Hotel and Bar, Nuwara Eliya
Tavern No. 4, Bambarakello ..	{ Windsor Hotel and Bar, Nuwara Eliya
	{ Grosvenor Hotel and Bar, Nuwara Eliya
	{ St. Andrew's Hotel, Nuwara Eliya
	{ Messrs. Cargills, Ltd., Retail Off Shop, Nuwara Eliya
	{ Messrs. Miller & Co., Ltd., Retail Off Shop, Nuwara Eliya
	{ J. L. Pimanda, Retail Off Shop, Nuwara Eliya
	{ Ponniah Peoris, Retail Off Shop, Nuwara Eliya

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(1)	(2)
<i>Number of Arrack Tavern or Group of Taverns</i>	<i>Foreign Liquor Premises assigned</i>
Tavern No. 2, Padiyapelolla ..	{ T. L. Jusey Perera and K. T. T. de Silva, Retail Off Shop, Padiyapelolla
Tavern No. 5, Ragala ..	M. J. Caravelho, Retail Off Shop, Ragala
Tavern No. 3, Holbrook ..	Messrs. Mel Mondis, Retail Off Shop, Agrapatana

Badulla District

Tavern No. 1, Badulla ..	{ Resthouse, Badulla Costa & Sons, Hotel and Bar, Badulla J. Soris & Co., Hotel and Bar, Badulla F. L. Tavern No. 2, Ward Street, Central Ward No. 5, Badulla F. L. Tavern No. 3, Bazaar Street, Central Ward No. 5, Badulla S. M. S. Poopalarayar, Retail Off Shop, Bazaar Street, Badulla Messrs. Don & Millers Co., Ltd., Retail Off Shop, Bazaar Street, Badulla J. Soris, Retail Off Shop, 50, Lower Street, Badulla
Tavern No. 5, Haputale ..	{ C. R. Pieris and Miller & Co., Ltd., Retail Shop, Haputale Resthouse, Haputale

Ratnapura District

Tavern No. 1, Balangoda ..	{ F. L. Gomez and Mrs. T. Gomez, Retail Off Shop, Balangoda Resthouse, Balangoda
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Batticaloa District

Tavern No. 3, Koddaimunai ..	{ Messrs. J. M. S. Miranda, J. T. Miranda, S. F. Fernando and S. E. Fernando, King's Hotel, Koddaimunai K. Santiyapillai, Central Hotel, Puliyantivu Mrs. S. Nadarasa, Great Eastern Hotel, Koddaimunai C. Kuruneru, Lake View Hotel, Batticaloa F. L. Tavern, Batticaloa A. B. Mathias de Silva Amarasuriya and Sivalingam Chettiar, Retail Off Shop, Main Street, Puliyantivu Messrs. J. M. S. Miranda, J. T. Miranda, S. F. Fernando and S. E. Fernando, Retail off Shop, Central Road, Puliyantivu Resthouse, Batticaloa
Tavern No. 5, Periyaniavanai ..	{ Excelsior Hotel and Bar, Kalmunai Resthouse, Kalmunai K. Santiapillai, Retail Off Shop, Kalmunai

Trincomalee District

Group 1—Arrack Taverns	
Tavern No. 1 ..	{ J. B. Miranda, Retail Off Shop, Dockyard Street, Trincomalee
Do. 3 ..	{ T. A. M. Fernando, Maysland Hotel, Trincomalee
Do. 4 ..	{ Resthouse, Trincomalee (Town)
Group 2—Arrack Taverns	
Tavern No. 2 ..	{ Resthouse, Muttur
Do. 5 ..	{ Mrs. S. Pakiam, Retail Off Shop, Division No. 7, Trincomalee
Do. 6 ..	{

Anuradhapura District

Tavern No. 1, Anuradhapura ..	{ Grand Hotel and Bar, Anuradhapura J. D. Victor, Central Hotel, Anuradhapura J. M. S. Miranda & Sons, Ltd., Retail Off Shop, Anuradhapura J. Don Victor, Retail Off Shop, Anuradhapura Railway Refreshment Room, Anuradhapura
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(1) <i>Number of Arrack Taverns or Group of Taverns</i>	(2) <i>Foreign Liquor Premises assigned</i>	P 1. Arrack Rent Sale Conditions Agreement. 22.8.52. —contd
NORTHERN DIVISION		
<i>Jaffna District</i>		
Group of Arrack Taverns, Nos. 1 to 3	{ S. F. Annasamypillai, Retail Off Shop, 31, Main Street, Jaffna S. P. Nadarajah, The Jaffna Apothecaries Co., Retail Off Shop, Jaffna Mrs. A. Suppiah, Retail F. L. Shop, Main Street, Jaffna Mrs. A. Suppiah, Retail F. L. Shop, Chemma Street, Jaffna A. Velupillai, Retail F. L. Shop, Jaffna V. Thuraiappah, Grand Hotel and Bar, Jaffna S. Rasiah, Colombo Restaurant, Chemma Street, Jaffna Resthouse, Jaffna Yalta Hotel, Jaffna T. Sabaratnam, F. L. Shop, Hospital Road, Jaffna	
<i>Mannar District</i>		
Tavern No. 1, Mannar	{ F. L. Tavern, Mannar Mrs. W. P. Perera and K. Alex Perera, Retail Off Shop, Mannar Resthouse, Mannar	
<i>Vavuniya District</i>		
Tavern No. 1, Mullaitivu	.. { H. Thathesu, Retail Off Shop, Mullaitivu Resthouse, Mullaitivu	
Tavern No. 2, Mankulam	.. Resthouse, Mankulam	
Tavern No. 3, Vavuniya	.. { Empire Hotel, Vavuniya Resthouse, Vavuniya T. Sabaratnam, Retail Off Shop, Vavuniya	
SOUTHERN PROVINCE		
<i>Hambantota District</i>		
Tavern No. 1, Hambantota	.. } Mrs. S. H. Ranaweera, Retail Off Shop, Hambantota Resthouse, Hambantota	

Schedule D

(VIDE CONDITION 9)

<i>Number of Arrack Tavern of Group of Taverns</i>	<i>Name of Tavern</i>	<i>Amount Payable as Security</i>
(1)	(2)	(3)
		Rs. c.
<i>Colombo Municipality</i>		
2 ..	Kollupitiya	.. 59,500 0
Group II {	7 .. St. Johns's Road	}
	8 .. Chekku Street	}
	9 .. Sea Beach Road	} 33,400 0
Group III {	10 .. Kotahona	}
	11 .. Korteboam	}
	12 .. Mutwal	} 31,600 0
Group IV {	13 .. Madampitiya	}
	14 .. Ferguson Road	} 24,600 0

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Number of Arrack Tavern of Group of Taverns (1)	Name of Tavern (2)	Amount Payable as Security (3) Rs. c.
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Colombo District (Outside Municipality)

Group XI	{	15 .. Digorolla..	26,300 0
		16 .. Timbirigasyaya	3,800 0
		17 .. Uswetakeiyawa	
Group IX	{	18 .. Bopitiya	} 15,600 0
		19 .. Dandugama	
		21 .. Seeduwa	
		24 .. Kepungoda	
		30 .. Kanuwana	
Group VII	{	31 .. Weligampitiya	} 19,700 0
		22 .. Katunayake	
		23 .. Pitipane	
		36 .. Kurana	
Group VIII	{	39 .. Dagonna	} 7,600 0
		38 .. Bolawalana	
		25 .. Henmulla	
		26 .. Etagala	
		27 .. Kandewala	
Group X	{	28 .. Daluwakotuwa	} 10,000 0
		33 .. Kochchikade	
Group VI	{	20 .. Keragahapokuna	} 8,300 0
		32 .. Kandana	
		34 .. Kudapaduwa	
		35 .. Periyamulla	
		37 .. Udayarthoppu	
		29 .. Keragahamuna	5,500 0

Kalutara District

Group I	{	3 .. Nalluruwa	} 35,200 0
		4 .. Walapolapattiya	
Group II	{	1 .. Kalamulla	} 42,200 0
		2 .. Diyalagoda	
		5 .. Beruwala	

Kandy District

Group I	{	1 .. Colombo Street	} 85,200 0
		2 .. Katukelle	
		3 .. Huluganga .. ..		6,500 0

Number of Arrack Tavern of Group of Taverns (1)	Name of Tavern (2)	Amount Payable as Security (3)	
		Rs.	c.
Group II	4 .. Wahugcpiyiya ..	8,900	0
	5 .. Pussellawa ..	37,100	0
	6 .. Hatton ..	9,400	0
	7 .. Kotiyagala ..	7,000	0
	8 .. Hardenhuish ..	14,400	0
9 .. Maskeliya ..			
<i>Nuwara Eliya District</i>			
	1 .. Ramboda ..	4,000	0
	2 .. Padiyapcclla ..	5,200	0
	3 .. Holbrook ..	17,400	0
	4 .. Bambarakello ..	19,700	0
	5 .. Ragala ..	13,600	0
<i>Galle District</i>			
Group I	1 .. Katugoda ..	50,300	0
	2 .. Heentigala ..		
<i>Hambantota District</i>			
	1 .. Hambantota ..	16,900	0
<i>Jaffna District</i>			
Group I	1 .. Grand Bazaar ..	28,300	0
	2 .. Karaiyur ..		
	3 .. Nallur ..		
Group II	4 .. Chavakachecheri ..	8,500	0
	5 .. Vanankarni ..		
Group III	6 .. Point Pedro ..	11,000	0
7 .. Valvettiturai ..			
Group IV	8 .. Kayts ..	14,400	0
	9 .. Chankanai ..		
<i>Mannar District</i>			
	6 .. Periyakadai ..	9,400	0
<i>Vavuniya District</i>			
	1 .. Mullaitivu ..	3,100	0
	2 .. Mankulam ..	1,800	0
	3 .. Vavuniya ..	6,000	0
<i>Batticaloa District</i>			
	1 .. Valaichenai ..	8,900	0
	2 .. Eravur ..	6,500	0
	3 .. Koddaimunai ..	13,500	0
	4 .. Eruvil ..	4,500	0
	5 .. Periyamilavannai ..	17,700	0
<i>Trincomalee District</i>			
Group I	1 .. Dhoby Street ..	14,400	0
	3 .. Uppuveli ..		
	4 .. Puthukudirippu ..		
	2 .. Oilmonger Street ..		

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Number of Arrack
Tavern of Group of
Taverns
(1)

Name of Tavern
(2)

Amount
Payable as
Security
(3)
Rs. c.

Kurunegala District

5 ..	Kathimahana ..	..	9,300 0
6 ..	Dunakadeniya ..	..	2,800 0
7 ..	Yakwila ..	..	10,500 0

Puttalam and Chilaw Districts

Group I	}	1 ..	Chenaikudiruppu ..	}	17,800 0
		2 ..	Kuruvikulam ..		
		3 ..	Tetapolai ..		
		4 ..	Kandatoduwa ..		
		5 ..	Madurankuli ..		
		6 ..	Mangalaweli ..		
		7 ..	Kattaikadu ..		
		8 ..	Ottapanai ..		
		9 ..	Mundel ..		
		10 ..	Andimunai ..		
		11 ..	Sottupitiyawadi ..		
		12 ..	Etalai ..		
		13 ..	Narakkali ..		
		14 ..	Ihala Mandalana ..		
		15 ..	Udappu ..		
		16 ..	Wellawela ..		
		17 ..	Rajakadaluwa ..		
		18 ..	Karukkuponai ..		
		19 ..	Dematapitiya ..		
Group II	}	20 ..	Bandarawatta ..	}	27,000 0
		21 ..	Pambala ..		
		22 ..	Ambakandawila ..		
		23 ..	Udalawela ..		
		24 ..	Jetty Street ..		
		25 ..	Dhobies Quarters ..		
		26 ..	Toduwawa ..		
		27 ..	Mahawewa ..		
		28 ..	Kudawewa ..		
		29 ..	Pahala Talgasgara ..		
		30 ..	Talwila ..		
		31 ..	Mudukatuwa ..		
		32 ..	Dematapitiya ..		
		33 ..	Morakele ..		
		34 ..	Katuneriya ..		
35 ..	Ulhitiyawa ..				
36 ..	Dummaladeniya ..				
37 ..	Borelessa ..				
38 ..	Waikkal ..				
39 ..	Nanjundankarai ..				
40 ..	Toputota ..				
41 ..	Tambarawila ..				
42 ..	Lunuwila ..				
43 ..	Wennappuwa ..				

Anuradhapura District

1 ..	Anuradhapura	20,800 0
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Badulla District

1 ..	Badulla	27,600 0
2 ..	Madulsima	7,700 0
5 ..	Haputale	23,500 0

Ratnapura District

1 ..	Balangoda ..	..	20,800 0
2 ..	Pinnawala ..	..	2,200 0

AGREEMENT

(Condition 9 (1) (a))

WE, KATHEGESU SELVADURAI and HEWAFONSEKAGE RUBAN FONSEKA of 105, 5th Cross Street, Colombo, do hereby acknowledge that we have this day been granted the hereinbefore-mentioned exclusive privilege for the sum of Rupees four and cents thirty per gallon on the conditions set forth above, and we do hereby bind myself/ourselves to perform the said conditions.

P. 1.
Arrack
Rent Sale
Conditions
Agreement.
22.8.52.
—contd.

(Sgd.) K. SELVADURAI,

(Sgd.) H. R. FONSEKA,
Grantee (s).

10 22.8.52

Witnesses :

1. (Sgd.) (Illegible)

2. —

I hereby acknowledge receipt of the sum of Rupees thirty-three thousand and four hundred only paid by KATHIGESU SELVADURAI and HEWAFONSEKAGE RUBEN FONSEKA as security deposit under condition 9 (1) (a) of these conditions.

(Sgd.) ———WIJERATNE,
for R. H. D. MANDERS,
Government Agent, W. P.

20

ADDRESS FOR NOTICES

(Condition 9 (4))

WE the undersigned, do hereby as required by condition 9 (4), appoint the under-mentioned postal address as the postal address to which all notices and processes whatever in connection with the hereinbefore-mentioned privilege may be addressed and posted to us.

No. 105, 5th Cross Street, Colombo.

(Sgd.) K. SELVADURAI,

(Sgd.) H. R. FONSEKA,
Grantee(s).

30 22.8.52

Witnesses :

1. (Sgd.) (Illegible)

2. —

D 2.
Extract
from the
*Ceylon
Government
Gazette*
No. 10,500
27.2.53.

D 2

**Extract from the Ceylon Government Gazette, No. 10,500
27.2.53**

(Extract from the *Ceylon Government Gazette*, No. 10,500
of February 27, 1953)

L. D.—B. 27/38, E. C—L A/A/I.

ARRACK RENT SALE CONDITIONS, 1952-53

Notification No. 3

By virtue of the powers vested in me by Condition 16 of the Arrack Rent Sale Conditions for 1952-53 and subsequent periods, published in *Gazette* No. 10,428 of July 25, 1952, and Condition I (b) of the Arrack Tavern Licences specified in Excise Notification No. 413 published in *Gazette* No. 10,103 of May 19, 1950, I, Douglas Vincent Atapattu, Acting Excise Commissioner, do hereby notify that I have determined that, with effect from March 1, 1953—

- (1) arrack of the qualities described in the First Schedule hereto shall be sold by Government to the grantees of the exclusive privilege at the rates specified in the corresponding entries of that Schedule ;
- (2) that prices set out in the Second Schedule are the prices at which such arrack shall be sold by grantees of the exclusive privilege ; and
- (3) Notification No. 1, published in *Gazette* No. 10,432 of August 8, 1952, is hereby rescinded.

Colombo, 26th February, 1953.

(Sgd.) D. V. ATAPATTU,
Acting Excise Commissioner.

FIRST SCHEDULE

Prices at which arrack shall be sold by Government to grantees of exclusive privilege :—

Quality			Per Gallon	
			Rs. c.	
Ordinary in bulk ..	..	..	30	0
Ordinary in bottle ..	..	..	32	20
Extra Special in bottle ..	..	..	44	20

D. 2
Extract from
the Ceylon
Government
Gazette
No. 10,500
27.2.53.

SECOND SCHEDULE

I—In sealed bottles :—

Quality	Kinds of Bottles			
	Reputed Quarts (6 to a Gallon) Equivalent		Reputed Pints (12 to a Gallon) Equivalent	
	Per Bottle	Per Gallon	Per Bottle	Per Gallon
	Rs. c.	Rs. c.	Rs. c.	Rs. c.
Ordinary ..	6 0	36 0	3 0	36 0
Extra Special ..	8 0	48 0	—	—

II—By the dram :—

Quality	(1)	(2)	(3)
		Per Dram	Equivalent Per Gallon
		Rs. c.	Rs. c.
(a) Minimum rate—ordinary	0 65	.. 31 20
(b) Maximum rate—ordinary	0 75	.. 36 0

P 4

Extract from the Ceylon Government Gazette No. 10,539
19.6.53

(Extract from the Ceylon Government Gazette No. 10,539 of
June 19, 1953).

P 4.
Extract
from the
Ceylon
Government
Gazette
No. 10,539.
19.6.53.

D—B. 27
C—LA/A/1

**ARRACK RENT SALE CONDITIONS FOR 1952-53
AND SUBSEQUENT PERIODS**

10 By virtue of the powers vested in me by section 18 of the Excise Ordinance (Chapter 42), as modified by the Proclamation published in *Gazette Extraordinary* No. 9,773 of September 24, 1947, I, Douglas

P. 4.
Extract
from the
*Ceylon
Government
Gazette*
No. 10,539.
19.6.53
—contd.

Vincent Atapattu, Acting Excise Commissioner, do hereby direct, with the approval of the Minister of Home Affairs, that the grant of the exclusive privilege of selling arrack by retail within any local area, during the period commencing on October 1, 1953, and ending on September 30, 1954, and subsequent periods, shall until further notice be subject—

- (1) to the General Conditions for the time being in force and applicable to all Excise licences ; and
- (2) to the Special Conditions set out hereunder.

Office of the Excise Commissioner,
Colombo, June 13, 1953.

D. V. ATAPATTU,
Actg. Excise Commissioner.

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SPECIAL CONDITIONS

1. **Granting of Exclusive Privilege, subject to Sale by any other person (whether a Holder of Foreign Liquor Licence or otherwise)** (see also condition 26).—The privilege will be exclusive, subject to the right of any other person (whether a holder of a Foreign Liquor licence or otherwise) who is duly authorised by licence in that behalf, to sell, on the premises licensed for the sale of foreign liquor or on other specified premises in the same local area, arrack, bought exclusively from the grantee of the privilege in bulk or in sealed bottles, as the case may be.

2. (1) **Period of Privilege.**—The privilege will be granted for the period commencing on October 1 of any one year and ending on September 30 of the next succeeding year on application by way of tender in the form, or by auction in the manner prescribed in these conditions.

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(2) **Areas for which Privilege granted.**—The privilege may be granted for the local area of an individual tavern, or for the respective local areas of each tavern in a group of taverns, as the Government Agent may decide.

3. **Tender Form.**—Every tender shall be made in the form set out hereunder. Forms may be obtained from the offices indicated in the sale notice.

4. **Tender Deposit.**—(1) The Government Agent may, if he considers it necessary, require the deposit of a sum not exceeding Rupees one Thousand (Rs. 1,000) by the tenderer in respect of each tender.

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(2) Every tender shall be accompanied by a Kachcheri receipt, acknowledging the deposit of the sum required by the Government Agent under the foregoing paragraph of this condition, and the number and date of the receipt shall be entered on the face of the tender form.

5. **Prohibition of Tenders by Agents or of more than one Tender by any Person.**—(1) Every tender or bid shall be made by the tenderer or bidder in his own name. No tender or bid, made through an agent, will be accepted.

(2) No person shall send in more than one tender for any one tavern or group of taverns.

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(3) Not more than five persons shall tender or bid for any one tavern or group of taverns.

6. Disqualifications against Acceptance of Tenders ; Acceptance null and void.—

(1) No tender will be accepted from any person—

- (a) whose name appears on the list of defaulting contractors, or on the list of defaulters in respect of any kind of Excise licences or of toll rents, or on the list of persons precluded for other reasons from having any concern in any Government rent or contract ; or
- (b) whose name is on the list of persons who are debarred from holding Excise licences or from being employed by Excise licensees ; or
- (c) who is a registered criminal within the meaning of the Prevention of Crimes Ordinance ; or who has been convicted of any grave crime, or ;
- (d) who is at any time held a licence which has been cancelled under section 26 of the Excise Ordinance ; or
- (e) who holds a contract with Government for the bottling of arrack.

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(2) If any tender of any such person has been accepted, the Government Agent may in his sole discretion cancel the acceptance and shall communicate his order of cancellation to the grantee. On the making of any such order of cancellation, the original acceptance shall become null and void. The tenderer shall not be entitled to claim any compensation from the Crown as a result of such cancellation.

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7. Delivery of Tenders.—(1) Every tender shall be placed in a sealed envelope on the top left-hand corner of which shall be clearly marked the name of the tavern in respect of which the tender is made and its number on the list of sanctioned taverns, or the designation of the group of taverns in respect of which the tender is made as given in the notice calling for tenders, as the case may be.

(2) Every sealed envelope containing a tender shall—

- (a) be deposited in the Kacheheri Tender Box ; or
- (b) be handed to the Government Agent or to his Assistant ; or
- (c) be sent by registered post addressed to the Government Agent so as to reach the Kacheheri, before the time fixed for closing the tenders.

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8. (1) Power of Rejection of Tender.—The Government Agent may, in his discretion, reject any or all of the tenders received ; and in the event of his so rejecting all tenders he may call for tenders again or put up the privilege either at once or after further notice for sale by auction.

(2) **Restriction of Bidding at Auction.—**At such auction no person shall be allowed to bid, unless he shall have either—

- (a) submitted a tender accompanied by the Kacheheri receipt prescribed in condition 4, whether such tender be for the particular privilege to be auctioned or for any other privilege ; or
- (b) produced the receipt prescribed in condition 4, notwithstanding his failure to submit a tender for the particular privilege to be auctioned or for any other Privilege.

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Provided that no person, who is duly declared the purchaser of any privilege, whether by way of tender or of auction, shall use or be permitted to use the same receipt for the purpose of a tender or a bid for any other privilege, until he has completed in respect of the privilege already granted to him the steps prescribed hereinafter in conditions 10 (1) (a).

P. 4.
Extract
from the
Ceylon
Government
Gazette
No. 10,579.
19.6.53.
—contd.

P. 4.
Extract
from the
Ceylon
Government
Gazette
No. 10,539.
19.6.53
—contd.

(3) **Power of Rejection of Bid.**—The privilege shall be granted to the highest bidder at such auction : Provided that the Government Agent may, in his discretion, reject any or all of the bids made at such auction.

(4) **Procedure after Rejection of all Bids.**—In the event of the rejection of all bids as aforesaid, the Government Agent may, in his discretion—

- (a) call for further tenders for the privilege for any single tavern or for sub-groups of two or more taverns included in any group of taverns, or for any combination of parts of groups or of whole groups of taverns either at once or after further notice, and accept or reject all or any tenders so received, and thereafter put up for sale by auction the privilege for any single tavern or sub-groups or combinations as aforesaid for which the further tenders were rejected, either at once or after further notice, and accept or reject all or any bids so received ; or 10
- (b) put up for sale by auction the privilege for any single tavern or for sub-groups of two or more taverns included in any group of taverns, or for any combination of parts of groups or of whole groups of taverns either at once or after further notice, and accept or reject all or any bids so received ; or
- (c) grant the privilege for the tavern or group, or any single tavern or sub-group of two or more taverns included in a group or for any combination of parts of groups or of whole groups of taverns to any person, who is approved by the Government Agent, and who agrees to pay by way of rent such amounts as the Government Agent may fix. 20

(5) **Procedure after Rejection of further Bids.**—In the event of the rejection of the bids received under paragraphs 4 (a) and 4 (b) of this condition, the Government Agent may, in his discretion, take action under paragraph 4 (c).

9. **Grant of Privilege.**—The privilege will be granted to the person who offers the highest price for every gallon of arrack removed from the appropriate Warehouse referred to in schedule B hereto for sale in the tavern or taverns to which the privilege relates such price (hereinafter referred to as the "rent") shall not include the price at which arrack is issued from the Warehouse as fixed by the Excise Commissioner under condition 18. 30

10. (1) (a) **Security Deposit.**—Every grantee shall, immediately on being declared to be the purchaser of the privilege—

- (i) sign these conditions ; and
- (ii) pay to the Government Agent as security for the due performance of these conditions such sum as may be specified in schedule D hereto in respect of the tavern or taverns to which the privilege relates. Where security deposit exceeds Rs. 10,000 the grantee may if he so desires furnish a bank guarantee for such security in lieu of cash. 40

(b) **Signing of Bond.**—The grantee shall within fourteen (14) days of his being declared to be the purchaser of the privilege enter into a bond on Form 112 with the Government for an amount equivalent to six times the amount payable by him as security under sub-paragraph (1) and the grantee shall specially hypothecate by such bond the said security deposit. Any stamp duty payable in respect of such bond shall be paid by the successful tenderer.

(c) **Consequences of Breach of Condition of Bond.**—The said security shall be liable to be confiscated either in whole or in part by the Government Agent, at his sole discretion and without any process of law, for breach of any of these conditions

or of any of the conditions of the licence or licences referred to in condition 14 (2) below, and such confiscation shall be in addition to any other penalty prescribed by these conditions for such breach or non-payment, and to any other amount which the Crown may have the right to claim and recover by due process of law.

P. 4.
Extract
from the
Ceylon
Government
Gazette
No. 10,539.
19. 6. 53
—contd.

(2) **Banking of Security Deposit.**—Security money so paid will be deposited in a bank only on the grantee's application and only at his risk and when such deposit is made, no withdrawal will be allowed until the satisfactory discharge of these conditions.

10 (3) **Warrant or Power of Attorney to Confess Judgment.**—The grantee shall at the time of the execution of the bond as aforesaid execute, if so required by the Government Agent, a warrant or power of attorney in the form sanctioned by law, to confess judgment in any action which may be instituted against him for the recovery of any moneys due in respect of the privilege, and shall also furnish to the Government Agent within fifteen days of the date of the execution of such warrant or power of attorney a duly certified copy thereof for filing in the District Court under section 32 of the Civil Procedure Code.

20 (4) **Postal Address.**—The grantee shall, on signing these conditions, elect and signify under his hand a post office or postal address to which all notices and processes, whatever in connection with the privilege may be addressed, and such notices or processes so addressed to such post office or to such postal address, and posted in due course, shall be deemed to have been duly served and be as effectual for all purposes, as if they had been served upon the grantee in person upon the day on which any such notice or process was so posted.

30 11. **Failure to complete Purchase of Privilege.**—If any tenderer or bidder, on being declared to be the purchaser of the privilege, declines or fails to sign these conditions of sale, or fails to furnish the security prescribed in condition 10 (1) (a) when called upon to do so, the deposit made under condition 4 will be declared forfeited, and the defaulter will render himself liable to have his name entered in the list of defaulters in respect of all Excise licences. Subject to this exception, the deposits of all tenderers or bidders will be returned after the conditions of sale have been signed and the aforesaid security given by the successful tenderer or bidder.

12. **Grantee to have no interests in certain Toddy and Foreign Liquor Sales, Arrack Estate Canteens and Bottling Contracts.**—The grantee shall not acquire or hold any share or any interest, whether direct or indirect—

(a) within the local area to which the privilege of selling arrack relates—

- (i) in the sale of toddy ;
- (ii) in the purchase of any privilege of selling toddy ;
- (iii) in the sale of foreign liquor ;
- (iv) in the purchase of any privilege of selling foreign liquor ; or

40 (b) in any arrack estate canteen within the revenue district to which the privilege of selling arrack relates ; or

(c) in any contract with Government for the bottling of arrack.

13. **Additional Security Deposit for Bottles : Issues against Return of Empty Bottles, &c.**—(1) The bottles in which arrack is issued at any Government Warehouse to any grantee shall be deemed to be the property of the Government, and the grantee shall be liable to replace at the time of the next issue such number of empty bottles as represents wholly or partly the gallonage of bottled arrack issued to him. White bottles shall be replaceable only by white bottles, of the same size or shape as the bottles issued.

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Extract from
the *Ceylon
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19.6.53.
—contd.

Bottles other than white shall be replaceable by bottles of any colour, other than white and such bottles shall be of the same size and shape as the bottles issued to the grantee. Bottles having a capacity of less than $3 \frac{3}{7}$ drams will not be accepted as replacements.

For the purposes of calculating the number of empty bottles which represent any gallonage of bottled arrack—

- (a) a bottle capable of holding more than 8 drams neck capacity shall be reckoned as an eight-dram bottle (i.e., 6 bottles to a gallon) ;
- (b) a bottle holding less than 6 drams, but more than $3 \frac{3}{7}$ drams neck capacity shall be reckoned as a four-dram bottle (i.e., 12 bottles to a gallon).

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Provided that the Warehouse Officer in charge of the warehouse of issue may in his discretion reject any bottle—

- (a) which bears a registered trade mark, e.g., Sun Flower brand, the proprietor of which has not given his consent in writing for the use of such bottles for filling with arrack ; or
- (b) which is cracked or broken ; or
- (c) which is for any reason not suitable for filling it with arrack, e.g., if in the opinion of the said Officer the bottle has been used for keeping tar, varnish, oil or any other substance which may make it difficult to clean the bottle adequately by the usual methods employed at the warehouse concerned,

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but the grantee shall have the right of appeal to the Superintendent in charge of the warehouse, whose order on such appeal shall be final and conclusive, and binding on the grantee.

(2) To provide against failure at the termination of the privilege to replace white and other bottles equivalent to the full gallonage of bottled arrack issued during the period of the privilege, the grantee shall, before the licence referred to in condition 14 (2) below is issued to him pay to the Government Agent as an additional security deposit the sum set out in column 3 of Schedule A against the name of the tavern or group of taverns in column 2 of the said Schedule, the privilege in respect of which tavern or group has been granted to him. Such additional security deposit will represent the value of the bottles outstanding at all times in the hands of the grantee at the fixed rates of Rs. 5 per gallon capacity of bottles, irrespective of their colour, size or shape, and the value of any deficit in the return of bottles at the end of the period of privilege shall be liable to be set off at the Excise Commissioner's discretion at the rates above mentioned against the said additional security deposit, and shall be liable to be recovered from it as a pre-estimate of the damage caused by the loss of bottles to Government, without any process of law, on a certificate from the Superintendent of Excise in charge of the warehouse of issue that specified numbers of white and other bottles are outstanding, such certificate being final and conclusive, and binding on the grantee.

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(3) A separate Kachcheri receipt for the said additional security deposit shall be produced at the warehouse of issue at the same time as the Kachcheri receipt for the payment of the value of the arrack in the first consignment to be issued, and both receipts will be left in the custody of the said Warehouse Officer. No arrack will be issued for such first consignment, if both the receipts are not so produced.

(4) The number, date, amount and the name of the Kachcheri, on the receipt will be noted in a Register to be kept at the warehouse of issue, and shall be signed by the grantee or his agent as an acknowledgement of the correctness of the entries. The gallonages of bottled arrack in (a) white, and (b) other bottles, issued from time to time against the said additional security deposit, the gallonages of the respective

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kinds of empty bottles (calculated as in paragraph (1) above) returned on the dates of all subsequent issues, and the balance gallonages (calculated as in paragraph above) of the respective kinds of bottles left in the hands of the grantee at every issue will also be entered in the said Register, and shall also be signed by the grantee or his agent for the like purpose.

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from the
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19.6.53.
—contd.

10 (5) If, as a consequence of shortage of bottles owing to present conditions, it is not possible to supply in full a grantee's demand for arrack in sealed bottles, the stock of arrack in sealed bottles available from time to time at the warehouse of issue will be rationed at a variable percentage, to be fixed from time to time, of the total issues from the warehouse in the rent year of 1940-1941. The proportion of the percentage as between one tavern and another will be based, save in exceptional circumstances and in the discretion of the Superintendent in charge of the warehouse approximately on the issues of arrack in sealed bottles to each tavern during the said year of 1940-1941 for the Ordinary, and the Extra Special Qualities.

(6) The second and subsequent issues of arrack in sealed bottles will be conditional on the grantee bringing back, in entirety or in part, the balance gallonages (as calculated in paragraph (1) above) of white and other bottles, outstanding in his hands.

20 (7) If, however, the ration of bottled arrack due to him is more than the gallonage of empty bottles (as calculated in paragraph (1) above) returned, the Warehouse Officer may, in his discretion, issue only so much of the ration due as is equivalent to the said gallonage, and may also in his discretion reserve the unissued balances of the ration for subsequent issue against return of empty bottles, or he may decide to issue the full ration.

30 (8) In the event of the gallonage of bottles (as calculated in paragraph (1) above) returned being less than the ration due, and of the Warehouse Officer deciding in the exercise of his discretion to issue nevertheless the full ration due if such issue is likely to increase the balance gallonage of bottles (as calculated in paragraph (1) above) in the hands of the grantee to such an extent that its value at the rate set out in paragraph (2) above will not be covered by the additional security deposit already made, the Warehouse Officer may in his discretion, call upon the grantee either to pay a further sum to increase the sum already paid as additional security deposit (and such further sum shall be held on the same terms and conditions as the additional security deposit), or in the alternative to supply such number of empty bottles as represents the gallonage of bottles, to the extent required before issuing the full ration.

If such further sum is not paid or empty bottles not supplied within 24 hours of the demand having been made, the Warehouse Officer shall be entitled to refuse to issue to the grantee any arrack, whether in bottles or in bulk or in both.

40 (9) The exercise of the discretion of the Warehouse Officer in pursuance of the powers vested in him under paragraphs (7) and (8) of this condition will be liable to appeal to the Superintendent of Excise in charge of the warehouse and the Superintendent's decision shall be final and conclusive and binding on the grantee.

(10) At the end of the period of the privilege the said additional security deposit together with the further sum deposited, if any, will be refunded in full, or in part after the deduction of the value at the rate set out in paragraph (2) above of the balance gallonages of the respective kinds of bottles shown in the register referred to in paragraph (4) above as left in the hands of the grantee.

50 (11) The additional security and the further sum, if any, so paid by the grantee as deposit will be dealt with as in condition 10 (2) above, and the grantee shall also enter into a bond with the Government Agent, hypothecating it as security for deficit in or loss of bottles.

P. 4.
Extract
from the
Ceylon
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19.6.53
—contd.

14. (1) **Opening of Tavern on due Date, and Approval of Site.**—(a) The grantee shall open the tavern or taverns on the day on which the privilege commences to run.

(b) The Government Agent shall not be bound to find a site for any tavern in the event of the grantee not being able to procure a site.

(c) The grantee shall not open a tavern on any site otherwise than with the approval of the Government Agent, such approval being obtained from the Government Agent at least fourteen days before the privilege commences to run.

(2) **Obtaining of Licences for Sale of Arrack.**—The grantee shall, not less than five days before the date on which the privilege commences to run, obtain from the Government Agent a licence or licences for the sale by retail of arrack at the tavern or taverns within the local area covered by this privilege. 10

15. (1) **Taking over of Balance Arrack by Incoming Grantee by Mutual Agreement.**—The grantee shall take over from the outgoing grantee and pay to him an amount, which may be agreed on, in respect of the cost of—

(a) The balance of arrack, in bulk and in bottles, remaining in a tavern, after the closing hour of the date of expiry of the privilege of the outgoing grantee; and

(b) transport, wastage, and other miscellaneous charges.

(2) The grantee shall pay to the Government in respect of every gallon taken over by him from the outgoing grantee an amount equivalent to the rent payable by him for the privilege. 20

16. **In default of agreement, Outgoing Grantee to deliver Balance Arrack at nearest Warehouse.**—(1) Where the incoming and outgoing grantees cannot agree with regard to the sum to be paid as aforesaid, the outgoing grantee shall forthwith remove the balance of arrack on a permit, to the nearest Excise Warehouse, and deliver it to the Warehouse Officer in charge thereof, and obtain a receipt. Such arrack shall be of the strength prescribed by Notification for the time being in force in that behalf under condition 18.

(2) The outgoing grantee shall present such receipt to the Excise Commissioner, who shall pay to such grantee the value of the arrack so delivered at the rates at which such grantee purchased such arrack. 30

(3) If the sum payable by the incoming grantee at the time the arrack is so taken over by him, is higher than the sum actually paid for the said arrack by the outgoing grantee, the incoming grantee shall, within fourteen days of the commencement of his privilege, pay the difference to the nearest Kachcheri.

17. **Employment of Labour.**—(1) The grantee shall not, except with the prior approval in writing of the Excise Commissioner given with the concurrence of the Permanent Secretary to the Ministry of Home Affairs, employ any person other than a Ceylonese to do any work connected with or incidental to the privilege.

(2) For the purposes of this condition the expression "Ceylonese" means—(a) a Citizen of Ceylon by descent or registration (b) a British subject born in Ceylon; and one of whose parents was also born in Ceylon, or (c) a British subject who is a descendant of any person referred to in paragraph (b). 40

18. **Issue of Price Payable. Issue Strengths.**—In addition to the rent the grantee shall pay to the Government Agent in respect of every gallon of arrack issued and removed from a Government Warehouse an amount calculated at rates to be determined from time to time by the Excise Commissioner by notification published in the *Gazette*. The difference between the price so determined and the selling price at the grantee's tavern or taverns shall in the case of every quality of arrack be Rs. 3.80 per gallon where arrack is sold in bottle and Rs. 6 per gallon where arrack is sold in bulk. 50

Provided, however, that if the issue price is increased during the period of this privilege, the grantee shall pay to the Government Agent in respect of the entire quantity of arrack remaining unsold in a tavern after the closing hour on the day immediately preceding the day on which the increased price comes into force an amount equivalent to the increase in issue price.

The Excise Commissioner shall by notification published in the *Gazette* prescribed from time to time the strength of each quality of arrack issued from a Government Warehouse.

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10 19. **Payment of Rent.**—The grantee shall pay to the Government Agent at the same rate at which he has purchased the privilege on every gallon of arrack in bulk or in sealed bottles to be removed from the Warehouse.

20. (1) **Payments not valid without Kachcheri Receipt.**—No payment of any sum due by the grantee to the Crown shall be deemed to have been duly made, unless the grantee produces a Kachcheri receipt in respect thereof.

(2) **Money left with Officers not reckoned as Money Paid.**—No money which, for his own convenience, the grantee may think fit to leave in the hands of any Shroff or any other officer of any Kachcheri shall be deemed to be money paid under this contract.

20 21. (1) **Purchase of Arrack from Warehouse.**—The grantee shall purchase arrack only from the Government Warehouse, specified in Schedule B hereto in respect of the province or district within which the tavern is situated.

(2) **No issue on Sundays and Holidays.**—No arrack will be issued from a warehouse on Sundays or Public Holidays without the prior approval of the Superintendent of Excise.

(3) **Issues from Warehouses.**—Arrack will be issued from the warehouses at Trincomalee, Badulla and Jaffna, only between 8.30 A.M. and 12 noon. In the case of all other warehouses arrack will be issued between 8.30 A.M. and 2.30 P.M. on all days other than Saturdays, or between 8.30 A.M. and 12 noon on Saturdays.

30 (4) **Transport Passes.**—Where arrack is transported by road from a warehouse to a tavern, the Warehouse Officer will not issue a transport pass available for use at a later hour than 6.30 P.M. on the date of issue, save in exceptional circumstances.

22. **Grantee to accept such Arrack as offered.**—(1) In order to regulate the distribution of arrack till such time as the quantity available for issue becomes adequate, the Excise Commissioner may in his discretion—

(a) refuse to issue any arrack to the grantee,

(b) determine the quantity of arrack in bulk or in sealed bottles to be issued in each month to the grantee.

40 (2) The grantee shall be bound to pay for and accept within 24 hours of being noticed to do so by the Warehouse Officer, all such quantities of arrack whether in bulk or in sealed bottles, and in such strengths and in such sizes and shapes of bottles as may be determined by the Excise Commissioner to be issued to the grantee.

(3) In the event of the grantee failing to keep his tavern replenished with stocks of sealed bottles and/or bulk arrack and to carry on the sale of sealed bottles and/or bulk arrack uninterruptedly in any one month till the quantities determined by the Excise Commissioner under paragraph (1) above are exhausted, the grantee shall forfeit the undrawn balances of sealed bottles and/or bulk arrack from the time the sales have been so interrupted in respect of any particular month.

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23. **Loose Capsules or Broken Seals on Bottles.**—The grantee shall take steps to ensure that the capsule on each bottle issued to him is firmly fixed, or that the seal on the cork of such bottle is intact and bears a clear impression of the seal of the Excise Department. If any capsule is not firmly fixed, or if any seal is not intact or does not bear a clear impression of such seal, he shall refuse to accept such bottles.

24. **Proportion of Sealed Bottles to Bulk.**—The grantee shall draw such proportion of each consignment drawn by him, as the Warehouse Officer in charge of the warehouse may require, in sealed bottles of each description.

25. **Limit of Sale and Transport.**—The limit of sale by retail with respect to the whole Island and as regards purchasers generally shall be one-sixth of an imperial gallon, and no arrack in excess of that quantity shall be removed by the grantee or sold at any one time to any person except on a valid permit or pass. 10

26. **Exclusive right to supply arrack for sale at Foreign Liquor premises or other premises specially authorised by the Excise Commissioner ; Allocation of such premises to grantee.**—(1) The grantee of every tavern or group of taverns specified in column 1 of Schedule C hereto shall have the exclusive right of supplying arrack (in bulk only or in sealed bottles only, as the case may be), in quantities not less than those prescribed from time to time by the Excise Commissioner, on payment at rates at which he is authorised by law to sell arrack and on production of a valid transport pass issued by the Superintendent of Excise in that behalf for sale, in each of the foreign liquor premises specified against such tavern or group in column 2 of that Schedule, or in such other premises within the same area (whether or not such premises are licensed for the sale of foreign liquor or otherwise) as may be licensed, at any time after the publication of these conditions for the sale of arrack. 20

(2) Where the grantee so supplies arrack to any foreign liquor premises or other premises authorised by the licence he will, for the protection of his exclusive privilege, have the supervisory rights provided for in the conditions of the special licence to sell arrack issued to such foreign liquor or other authorised premises.

(3) Special licences to sell arrack in sealed (or unopened) bottles only will be issued by the Excise Commissioner in his discretion to the foreign liquor retail (off) and resthouse licensees mentioned in Schedule C below or to persons who have been granted foreign liquor retail (off) and resthouse licences after the publication of these conditions or to any other person and such licensees shall buy the arrack only from the grantee and only in bottles. Special licences to sell arrack in bulk only will be issued to all foreign liquor licensees (mentioned in Schedule C below and persons to whom licences have been granted after the publication of these conditions) other than foreign liquor retail (off) and resthouse licensees, and such licensees shall buy the arrack only from the grantee and only in bulk. 30

(4) The grantee shall supply arrack of both qualities, in bulk or in sealed bottles as the case may be, to such Foreign Liquor Licensees or other persons and where the grantee does not have in stock at his tavern any particular quality of arrack required by any such licensee, he shall obtain from the Government Warehouse the quality required by such licensee. 40

27. **Grantee to account for Arrack : Wastage Allowance.**—The grantee shall account for all arrack purchased by him from time to time. The allowance made on account of wastage will in no circumstances exceed two per centum of the total quantity purchased since the last date of stock taking.

28. **Grantee responsible for Agent's Acts.**—The grantee shall be responsible for all acts of his agents and employees in relation to the privilege.

29. **Non-transferability of Privilege.**—The privilege shall not be transferable otherwise than with the sanction of the Excise Commissioner first had and obtained. 50

10 30. (1) (a) **Cancellation of Licence and Privilege for non-payment of sums due to the Government, &c.**—If the sum demanded as additional security for bottles or as additional issue price under Conditions 16 (3) and 18, or any other sum due to the Crown from the grantee, in respect of the grant or of the licence issued to him, remains unpaid after the date on which it becomes due and payable, or if the grantee fails to maintain at all times such minimum quantities in sealed bottles of different descriptions or in bulk of the kind or kinds of arrack saleable under the tavern licence as the Superintendent of Excise may consider sufficient to meet the local requirements, the grantee shall be deemed to have committed a breach of these conditions and of the conditions of the licence issued to him, and the Government Agent shall accordingly have power, without further process of law, either (i) to suspend or cancel the licence or licences issued to the grantee in pursuance of the provisions of section 26 of the Excise Ordinance, or (ii) to take the licence or grant under management at the risk of the grantee, or to declare the licence or grant forfeited and reissue or resell it at the risk and loss of the grantee in pursuance of the provision of section 30 of the said Ordinance. This condition does not in any way affect the Government Agent's powers to confiscate the security deposit in pursuance of the provisions of condition 10 above.

20 (b) **Intimation or Notice of Cancellation, &c.**—Intimation of any order of suspension or cancellation, under the said section 26, or the statutory notice or order under the said section 30 may be served personally on the grantee, or addressed to the post office or postal address elected and signified under condition 10 (4), and duly posted, as the Government Agent thinks fit.

(2) **Regrant of Privilege between Cancellation and Resale.**—In the event of the cancellation of a licence, the Government Agent shall have the power to grant the privilege to any person approved by him for any period intervening between such cancellation and the resale of the privilege, and for this purpose may issue to such approved person a temporary licence upon such terms as he may think fit.

30 31. **No compensation or Remission of Rent for loss or damage.**—(1) No action or other legal proceeding shall be instituted or maintained in any court of law, against the Government of Ceylon or the Excise Commissioner, in respect of anything *bona fide* done or omitted to be done in pursuance of the powers conferred on the Excise Commissioner by these conditions or in respect of any loss or damage incurred or suffered in consequence of *anything* so done or omitted to be done.

(2) No remission of the rent payable in respect of the privilege will be granted on any plea of the grantee's having over-estimated the value of any tavern or on any other ground.

40 (3) The grantee shall not have or make any claim to any reduction, or to the remission of any sum due and owing by him to the Crown by reason of any loss alleged to have been sustained by him—

(a) whether on account of any closing of the tavern or taverns during the passage of troops, or during the encampment of troops in the vicinity of the tavern or taverns, or during any riot or civil disobedience or breach of the peace, or during the apprehension of any riot or civil disobedience or breach of the peace, or during the holding of any poll, or on account of the tavern or taverns being situated within or in the vicinity of any area for the time being declared to be a diseased locality under the provisions of any written law ; or

50 (b) whether on account of the opening of any new toddy or foreign liquor tavern or estate canteen for arrack or toddy or foreign liquor, or any new foreign or country liquor premises of any other description and licensed after the sale of the privilege under these conditions ; or

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- (c) whether on account of the manufacture and drawing of fermented toddy on special licences issued by the Assistant Commissioner for *bona fide* domestic consumption on medical grounds, and not for sale ; or
- (d) whether on account of the manufacture and drawing of fermented toddy within the area or areas of the privilege hereby granted for supply to licensed manufactories in which toddy is used in the process of manufacture ; or
- (e) whether on account of the issue of licences for the bottling and wholesale of bottled toddy and of the retail sale of such bottled toddy at toddy taverns ; or
- (f) whether on account of the unrestricted tapping, manufacture and drawing of sweet toddy without any licence or permit ; or
- (g) whether on account of the refusal of the Excise Commissioner to issue special arrack licences in terms of condition 26 above ; or
- (h) whether on account of the introduction of the Tree Tax System for Toddy within the local area or areas for which the privilege is granted ; or
- (i) whether on account of the issue of licences for manufacture and/or sale of other liquors within the local area or areas for which the privilege is granted ; or
- (j) through any other cause whatsoever.

10

20

32. **Termination of Privilege.**—The privilege shall terminate on (a) the expiry of the term for which it is granted, (b) the death of the grantee, or (c) a breach of any of the conditions governing it : Provided that in the event of the death of the grantee, the Government Agent may, in his discretion, permit the legal heirs or the Administrator of the estate of the grantee, to continue the privilege till the expiry of the term for which it is granted.

33. **No surrender of Licence.**—The licence or licences referred to in condition 14 (2) above, being issued free of charge in pursuance of section 18 (2) of the Excise Ordinance, to implement the contract between the Crown and the grantee shall not be surrendered by the grantee under section 28 of the said Ordinance, except with the approval of the Government Agent previously obtained in writing.

30

GOVERNMENT OF CEYLON

Arrack Rent Tender Form

(Condition 3)

Tender for the purchase of the exclusive privilege of selling arrack by retail within the local area/areas of _____ in the _____ District.

To : The Government Agent, _____

I/We, the undersigned in accordance with your advertisement dated _____ hereby tender for the purchase of the exclusive privilege of selling arrack by retail within the above-mentioned local area/areas.

40

Rupees _____ and cents _____ (Rs. cts.) per gallon for one year from October 1, _____, to September 30, _____.

I/We have deposited the sum of Rs. _____ only in the _____ Kacheheri, and subjoin hereto receipt No. _____ dated _____ in respect thereof.

I/We hereby declare that I/We am/are not disqualified under any of the provisions of Arrack Rent Sale Special Condition 6 (1).

Witnesses :

- 1. _____
- 2. _____

Signature : _____

Address : _____

REVERSE SIDE OF TENDER FORM

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1. A deposit receipt for Rs. _____ is to be annexed to this tender. No tender unaccompanied by a deposit receipt will be accepted. The deposit of Rs. _____ will, subject to the provisions of Arrack Rent Sale Condition No. 11 be refunded.

10 2. This form must be enclosed in a sealed envelope bearing on its left-hand top corner the name and number of the arrack tavern concerned, and must be deposited in the Kachcheri tender box or handed to the Government Agent, or to the Office Assistant or posted by registered post in time for delivery at the Kachcheri before the time fixed for closing tenders.

3. A separate form must be used in respect of each tavern or when taverns are sold in groups for each such group.

AGREEMENT

(Condition 10 (1) (a))

I/We _____ of _____ and _____ do hereby acknowledge that I/We have this day been granted the hereinbefore mentioned exclusive privilege for the sum of Rupees _____ on the conditions set forth above, and I/we do hereby bind myself/ourselves to perform the said conditions.

Witnesses : _____.

Grantee (s) : _____.

20 I hereby acknowledge receipt of the sum of Rs. _____ paid by _____ and _____ as Security deposit under condition 10 (1) (a) of these conditions.

Government Agent.

ADDRESS FOR NOTICES

(Condition 10 (4))

I/We, the undersigned, do hereby as required by Condition 10(4) appoint the under-mentioned Post Office/Postal address as the Post Office/Postal address to which all notices and processes whatever in connection with the herein before mentioned privilege may be addressed and posted to me/us.

30 Witnesses : _____.

Grantee(s) _____.

Schedule A

(Vide Condition 13 (2))

Serial No.	Name of Tavern (2)	Amount payable as additional security deposit for bottles (3)		Serial No.	Name of Tavern (2)	Amount payable as additional security deposit for bottles (3)	
		Rs.	c.			Rs.	c.
<i>Colombo Municipality</i>				<i>Kurunegala District</i>			
2 ..	Kollupitiya	3,375	0	5 ..	Kattimahana	2,500	0
7 ..	St. John's Road	3,750	0	6 ..	Dunukadeniya	170	0
8 ..	Chekku Street	3,750	0	7 ..	Yakwila	835	0
9 ..	Sea Beach Road	1,695	0				
10 ..	Kotahena	2,850	0	<i>Puttalam District</i>			
11 ..	Kortoboam	1,695	0	1 ..	Chenaikudiruppu	1,095	0
12 ..	Mutwal	1,695	0	2 ..	Kuruvikulam	145	0
13 ..	Madampitiya	2,820	0	3 ..	Tetapalai	150	0
14 ..	Ferguson Road	1,070	0	4 ..	Kandatoduwa	70	0
<i>Colombo District (outside Municipality)</i>				5 ..	Madurankuli	95	0
15 ..	Digarolla	3,750	0	6 ..	Mangalaweli	45	0
16 ..	Timbirigasyaya	570	0	7 ..	Kattaikadu	70	0
17 ..	Uswetakeiyawa	120	0	8 ..	Ottapanai	45	0
18 ..	Bopitiya	195	0	9 ..	Mundel	150	0
19 ..	Dandugama	225	0	10 ..	Andimunai	120	0
20 ..	Keragahapokuna	420	0	11 ..	Sottupitiyawadi	45	0
21 ..	Seeduwa	150	0	12 ..	Etalai	245	0
22 ..	Katunayake	195	0	13 ..	Narakkali	45	0
23 ..	Pitipana	170	0	14 ..	Ihala Mandalana	45	0
24 ..	Kepungoda	70	0	<i>Nuwara Eliya District</i>			
25 ..	Henmulla	75	0	1 ..	Ramboda	950	0
26 ..	Etgala	70	0	2 ..	Padiyapelella	1,220	0
27 ..	Kandewala	325	0	3 ..	Holbrook	3,750	0
28 ..	Daluwakotuwa	170	0	4 ..	Bambarakelle	3,750	0
29 ..	Keragahamune	325	0	5 ..	Ragala	3,345	0
30 ..	Kanuwana	1,020	0	<i>Galle District</i>			
31 ..	Weligampitiya	495	0	1 ..	Katugoda	3,750	0
32 ..	Kandana	1,050	0	2 ..	Heenatigala	2,545	0
33 ..	Kochchikade	270	0	<i>Hambantota District</i>			
34 ..	Kudapaduwa	120	0	1 ..	Hambantota	2,320	0
35 ..	Periyamulla	200	0	<i>Jaffna District</i>			
36 ..	Kurana	195	0	1 ..	Grand Bazaar	3,095	0
37 ..	Udayartoppu	750	0	2 ..	Karaiyur	575	0
38 ..	Bolawalana	420	0	3 ..	Nallur	675	0
39 ..	Degonne	445	0	7 ..	Valvettiturai	2,000	0
<i>Kalutara District</i>				<i>Mannar District</i>			
1 ..	Kalamulla	2,295	0	1 ..	Periyakadai	1,145	0
2 ..	Diyalagoda	1,650	0	<i>Vavuniya District</i>			
3 ..	Nalluruwa	1,650	0	1 ..	Mullaitivu	345	0
4 ..	Walapolapattiya	2,625	0	2 ..	Mankulam	320	0
5 ..	Beruwala	1,650	0	3 ..	Vavuniya	350	0
<i>Kandy District</i>							
1 ..	Colombo Street	4,870	0				
2 ..	Katukelle	1,095	0				
3 ..	Huluganga	2,420	0				
4 ..	Wahugepitiya	750	0				
5 ..	Pussellawa	1,350	0				
6 ..	Hatton	5,250	0				
7 ..	Kotiyagala	2,895	0				
8 ..	Hardenhuish	1,470	0				
9 ..	Maskeliya	3,270	0				

Serial No.	Name of Tavern	Amount payable as additional security deposit for bottles		Serial No.	Name of Tavern	Amount payable as additional security deposit for bottles	
		(3)	(3)			(1)	(2)	(3)	(3)
(1)	(2)	Rs. c.		(1)	(2)	Rs. c.	
<i>Batticaloa District</i>							
1	Valaichennai	845	0	29	Pahala Talgasgara	45	0
2	Eravur	1,095	0	30	Talwila	70	0
3	Koddaimunai	975	0	31	Mudukatuwa	170	0
4	Eruvil	645	0	32	Dematapitiya	45	0
5	Periyanilavannai	745	0	33	Morakelo	45	0
				34	Katunceriya	170	0
				35	Ulhitiyawa	45	0
				36	Dummaladeniya	70	0
<i>Trincomalee District</i>							
1	Dhoby Street	1,545	0	37	Boralesa	45	0
2	Oilmonger Street	1,845	0	38	Waikkal	45	0
3	Uppuveli	195	0	39	Nanjundankarai	45	0
4	Puthukudyirippu	270	0	40	Toputota	220	0
				41	Tambarawila	195	0
				42	Lunuwila	120	0
				43	Wennappuwa	270	0
<i>Chilaw District</i>							
15	Udappu	195	0				
16	Wellawela	120	0				
17	Rajakadaluwa	220	0				
18	Karukkuponai	95	0	1	Anuradhapura	2,170	0
19	Dematapitiya	95	0				
20	Bandarawatta	95	0				
21	Pambala	145	0				
22	Ambakandawila	45	0	1	Badulla	2,520	0
23	Udalawela	70	0	2	Madulima	1,410	0
24	Jetty Street	525	0	5	Haputale	3,750	0
25	Dhobies Quarters	545	0				
26	Toduwawa	70	0				
27	Mahawewa	190	0	1	Balangoda	3,375	0
28	Kudawewa	150	0	2	Pinnawala	900	0
<i>Anuradhapura District</i>							
<i>Badulla District</i>							
<i>Ratnapura District</i>							

Schedule B

(Condition 21)

Situation of Warehouse	Province, District or Tavern served
Kalutara Town or Mirishena as may be directed	(1) Colombo Municipality
	(2) Colombo District outside Municipality and south of the Kelaniya river
	(3) Kalutara District
	(4) Galle District
	(5) Hambantota District
	(6) Ratnapura District
Negombo*	(1) Colombo District outside Municipality and north of the Kelaniya river
	(2) Puttalam District
	(3) Chilaw District
	(4) Kurunegala District
Kandy	Central Province
Batticaloa	Batticaloa District
Badulla*	Province of Uva
Jaffna*	Jaffna District
Vavuniya	(1) Anuradhapura District
	(2) Vavuniya District
	(3) Mullaitivu District
	(4) Mannar District
Trincomalee	Trincomalee District

* Will be open only between 8.30 a.m. and 12 noon,

Schedule C

(Vide Condition 26)

WESTERN DIVISION

Colombo Municipality

(1)	(2)
<i>Number of Arrack Tavern or Group of Taverns</i>	<i>Foreign Liquor Premises Assigned</i>
Group II—Arrack Taverns	
Tavern No. 7..	.. { J. M. S. Miranda, Retail Off Shop, Chekku Street
Do. 8..	.. { A. E. J. Casiechetty, Retail Off Shop, Jampettah Street
Do. 9..	.. { F. L. Tavern No. 4, St. John's Road
	.. { F. L. Tavern No. 5, Wolfendhal Street
	.. { Imperial Restaurant, St. John's Road
	.. { City Restaurant, Jampettah Street
Group III—Arrack Taverns	
Tavern No. 10..	.. { Dockland Hotel and Bar, Mutwal
Do. 11..	.. { F. L. Tavern No. 7, Aluthmawatta, Mutwal
Do. 12..	.. { Mrs. A. Suppiah, Retail Off Shop, Skinner's Road, North
	.. { M. G. Fernando and Mrs. J. Britto, Retail Off Shop, Skinner's
	.. { Road North
Group IV—Arrack Taverns	
Tavern No. 13..	.. { National Restaurant, Grandpass
Do. 14..	.. { F. L. Tavern No. 8, Grandpass

Colombo District (Outside Municipality)

Group VI—Arrack Taverns	
Tavern No. 34, Kudapaduwa ..	.. { Coronation Hotel and Bar, Negombo
Do. 35, Periyamulla ..	.. { Messrs. Fernando and Fernando, Restaurant, Negombo
Do. 37, Udayartoppu ..	.. { F. L. Tavern, Green Road, Negombo
	.. { Messrs. Fernando and Fernando, Retail off Shop, Negombo
	.. { Messrs. A. G. Gomez & Co., Retail Off Shop, Main Street,
	.. { Negombo
	.. { Resthouse, Negombo (New)
Group VII—Arrack Taverns	
Tavern No. 22, Katunayake {
Do. 23, Pitipana ..	.. { Resthouse, Negombo (Old)
Do. 36, Kurana {
Do. 38, Bolawalana {
Group IX—Arrack Taverns	
Tavern No. 18, Bopitiya {
Do. 19, Dandugama ..	.. { Mr. A. P. Casie Chetty, F. L. Restaurant, Jaela
Do. 21, Seeduwa ..	.. { Mr. A. P. Casie Chetty, Retail Off Shop, Jaela
Do. 24, Kepungoda ..	.. { Restouse, Jaela
Do. 30, Kanuwana {
Do. 31, Weligampitiya..	.. {
Tavern No. 15, Digarolla ..	.. { F. L. Tavern, Moratuwa
	.. { Mr. T. T. Fernando, Retail Off Shop, Moratuwa

Chilaw District

Group II—Arrack Taverns	
Tavern No. 20, Bandarawatta ..	.. { F. L. Tavern I, Chilaw
Do. 21, Pambala ..	.. { A. L. Morais, Retail Off Shop, Chilaw
Do. 22, Ambadandawila ..	.. { F. L. Tavern 2, Chilaw
Do. 24, Jetty Street ..	.. { L. Gomez, Retail Off Shop, Chilaw
Do. 25, Dhobies Qtrs. ..	.. { Resthouse, Chilaw

CENTRAL DIVISION

(1)
Number of Arrack Tavern or
Group of Taverns

(2)
Foreign Liquor Premises Assigned

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Group I—Arrack Taverns

Kandy District

Tavern No. 1, Colombo Street	}	Queen's Hotel and Bar, Kandy
Do. 2, Katukello		Suisse Hotel and Bar, Kandy
		Castle Hotel and Bar, Kandy
		Royal Hotel and Bar, Kandy
		King's Hotel and Bar, Kandy
		Empire Hotel and Bar, Kandy
		Victory Hotel and Bar, Kandy
		F. L. Tavern, Ward No. 7, Kandy
		F. L. Tavern, Ward No. 5, Kandy
		A. X. Fernando and J. P. de Mel, Retail off Shop, Trincomalee Street, Kandy
		S. Costa and A. P. Casie Chetty, Retail Off Shop, Ward Street, Kandy
		Messrs. Miller & Co., Ltd., Retail Off Shop, Kandy
		Messrs. Cargills, Ltd., Retail Off Shop, Kandy
	The Green Cafe, F. L. Restaurant, Castle Street, Kandy	

Group II—Arrack Taverns

Tavern No. 4, Wahugepitiya	}	Resthouse, Pussellawa
Do. 5, Pussellawa		F. L. Tavern, Pussellawa
		O. Don Wilfred, Retail Off Shop, Pussellawa
		Castro Hotel and Bar, Hatton
		Arms Hotel and Bar, Hatton
		F. L. Tavern No. 6, Dickoya
		F. L. Tavern No. 7, Dickoya
Do. 6, Hatton		Messrs. Brown & Co., Retail Off Shop, Hatton
		O. Don Peter, Retail Off Shop, Dickoya
		Messrs. Miller & Co., Retail Off Shop, Dickoya
		Crown Hotel, Hatton
		Frankland Hotel, Hatton
		Peak Hotel, Hatton
Tavern No. 9, Maskeliya		Maskeliya Hotel and Bar, Maskeliya
		S. Costa and A. P. Cassie Chitty, Retail Off Shop, Maskeliya
Tavern No. 7, Kotiyagala		R. A. Fernando, Retail Off Shop, Bogawantalawa
		Resthouse, Kotiyagala

Nuwara Eliya District

Tavern No. 4, Bambarakelle	}	King's Hotel, Nuwara Eliya
		Priory Hotel, Nuwara Eliya
		F. L. Restaurant, Nuwara Eliya
		F. L. Tavern, Nuwara Eliya
		Pedro Hotel and Bar, Nuwara Eliya
		Grand Hotel and Bar, Nuwara Eliya
		Windsor Hotel and Bar, Nuwara Eliya
		Grosvenor Hotel and Bar, Nuwara Eliya
		St. Andrew's Hotel, Nuwara Eliya
		Messrs. Cargills Ltd., Retail Off Shop, Nuwara Eliya
		Messrs. Miller & Co., Ltd., Retail Off Shop, Nuwara Eliya
		J. L. Pimanda, Retail Off Shop, Nuwara Eliya
		Ponniiah Peeris, Retail Off Shop, Nuwara Eliya
		T. L. Jusey Perera and K. T. T. de Silva, Retail Off Shop, Padiyapelella
Tavern No. 2, Padiyapelella		
Tavern No. 5, Ragala	M. J. Caravelho, Retail Off Shop, Ragala	
Tavern No. 3, Holbrook	Messrs. Mel Mendis, Retail Off Shop, Agrapatna	

Badulla District

Tavern No. 1, Badulla	}	Resthouse, Badulla
		Costa & Sons, Hotel and Bar, Badulla
		J. Soris & Co., Hotel and Bar, Badulla
		F. L. Tavern No. 2, Ward Street, Central Ward No. 5, Badulla
		F. L. Tavern No. 3, Bazaar Street, Central Ward No. 5, Badulla
		S. M. S. Poopalarnayar, Retail Off Shop, Bazaar Street, Badulla
		Messrs. Don & Millers Co., Ltd., Retail Off Shop, Bazaar Street, Badulla
		J. Soris, Retail Off Shop, 50, Lower Street, Badulla

F. 4. Extract from the Ceylon Government Gazette No. 10,539. 19.6.53. —contd.	(1) Number of Arrack Tavern or Group of Taverns	(2) Foreign Liquor Premises Assigned
	Tavern No. 5, Haputale	.. { C. R. Pieris and Miller & Co., Ltd., Retail off Shop, Haputale Resthouse, Haputale
		<i>Ratnapura District</i>
	Tavern No. 1, Balangoda	.. { F. L. Gomez and Mrs. T. Gomez, Retail Off Shop, Balangoda Resthouse, Balangoda
		<i>Batticaloa District</i>
	Tavern No. 3, Koddaimunai	.. { Messrs. J. M. S. Miranda, J. T. Miranda, S. F. Fernando and S. E. Fernando, King's Hotel, Koddaimunai K. Santiyapillai, Central Hotel, Puliyantivu Mrs. S. Nadarasa, Great Eastern Hotel, Koddaimunai C. Kuruneru, Lake View Hotel, Batticaloa F. L. Tavern, Batticaloa A. B. Mathias de Silva Amarasuriya and Sivalingam Chettiya Retail Off Shop, Main Street, Puliyantivu Messrs. J. M. S. Miranda, J. T. Miranda, S. F. Fernando and S. E. Fernando, Retail Off Shop, Central Road, Puliyantivu Resthouse, Batticaloa
	Tavern No. 5, Periyaniavanai.	.. { Excelsior Hotel and Bar, Kalmunai Resthouse, Kalmunai K. Santiyapillai, Retail Off Shop, Kalmunai
		<i>Trincomalee District</i>
	Group I—Arrack Taverns	
	Tavern No. 1	.. { J. B. Miranda, Retail Off Shop, Dockyard Street, Trincomalee
	Tavern No. 3	.. { T. A. M. Fernando, Maysland Hotel, Trincomalee
	Tavern No. 4	.. { Resthouse, Trincomalee (town)
	Tavern No. 2	.. Mrs. S. Pakiam, Retail Off Shop, Division No. 7, Trincomalee
		<i>Anuradhapura District</i>
	Tavern No. 1, Anuradhapura	.. { Grand Hotel and Bar, Anuradhapura J. D. Victor, Central Hotel, Anuradhapura J.M.S. Miranda & Sons, Ltd., Retail Off Shop, Anuradhapura J. Don Victor, Retail Off Shop, Anuradhapura Railway Refreshment Room, Anuradhapura
		NORTHERN DIVISION
		<i>Jaffna District</i>
	Group of Arrack Taverns Nos. 1 to 3	.. { S. F. Annasampillai, Retail Off Shop, 31, Main Street, Jaffna S. P. Nadarajah, The Jaffna Apothecaries Co., Retail Off Shop, Jaffna Mr. A. Suppiah, Retail Off Shop, Main Street, Jaffna Mrs. A. Suppiah, Retail F. L. Shop, Chemma Street, Jaffna A. Velupillai, Retail F. L. Shop, Jaffna V. Thuraiappah, Grand Hotel and Bar, Jaffna S. Rasiah, Colombo Restaurant, Chemma Street, Jaffna Resthouse, Jaffna Yalta Hotel, Jaffna
		<i>Mannar District</i>
	Tavern No. 1, Mannar	.. { F. L. Tavern, Mannar Mrs. W. P. Perera and K. Alex Perera, Retail Off Shop, Mannar Resthouse, Mannar

<i>No. of Arrack Tavern or Group of Taverns (1)</i>	<i>Name of Tavern (2)</i>	<i>Amount Payable as Security (3) Rs. c.</i>	<i>P. 4. Extract from the Ceylon Government Gazette No. 10,539 19.6.53. —contd.</i>
<i>Vavuniya District</i>			
Tavern No. 1, Mullaitivu	.. { H. Thathesu, Retail Off Shop, Mullaitivu		
Tavern No. 2, Mankulam	.. { Resthouse, Mullaitivu		
	.. { Resthouse, Mankulam		
Tavern No. 3, Vavuniya	.. { Empiro Hotel, Vavuniya		
	.. { Resthouse, Vavuniya		
<i>SOUTHERN DIVISION</i>			
<i>Hambantota District</i>			
Tavern No. 1, Hambantota	.. { Mrs. S. H. Ranawoora, Retail Off Shop, Hambantota		
	.. { Resthouse, Hambantota		

Schedule D

(Vide Condition 10)

<i>No. of Arrack Tavern or Group of Taverns (1)</i>	<i>Name of Tavern (2)</i>	<i>Amount Payable as Security (3) Rs. c.</i>
<i>Colombo Municipality</i>		
Group II	2 .. Kollupitiya	.. 59,500 0
	7 .. St. John's Road	
	8 .. Chekku Street	.. 66,800 0
	9 .. Sea Beach Road	
Group III	10 .. Kotahena	
	11 .. Korteboam	.. 31,600 0
	12 .. Mutwal	
Group IV	13 .. Madampitiya	
	14 .. Ferguson Road	.. 24,600 0
<i>Colombo District (Outside Municipality)</i>		
Group XI	15 .. Digorolla	.. 26,300 0
	16 .. Timbirigasyaya	
	17 .. Uswetakeiyawa	.. 3,800 0
Group IX	18 .. Bopitiya	
	19 .. Dandugama	
	21 .. Seeduwa	
	24 .. Kepunagoda	.. 15,600 0
	30 .. Kanuwana	
	31 .. Weligampitiya	
Group VII	22 .. Katunayake	
	23 .. Pitipane	
	36 .. Kurana	.. 19,700 0
	39 .. Dagonna	
	38 .. Bolawalana	
Group VIII	25 .. Henmulla	
	26 .. Etgala	
	27 .. Kandewala	.. 7,600 0
	28 .. Daluwakotuwa	
	33 .. Kochchikade	
Group X	20 .. Keragahapokuna	
	32 .. Kandana	.. 10,000 0

P. 4. Extract from the Ceylon Government Gazette No. 10,530 of 19.6.53. —contd.	No. of Arrack Tavern or Group of Taverns (1)	Name of Tavern (2)	Amount Payable as Security (3) Rs. c.
	Group VI ..	{ 34 .. Kudapaduwa } ..	.. 8,300 0
		{ 35 .. Periyamulla } ..	
		{ 37 .. Udayarthoppu } ..	
		29 .. Keraghamuna ..	.. 5,500 0
<i>Kalutara District</i>			
	Group I ..	{ 3 .. Nalluruwa } ..	.. 35,200 0
		{ 4 .. Walapolapattiya } ..	
	Group II ..	{ 1 .. Kalamulla } ..	.. 42,200 0
		{ 2 .. Diyalagoda } ..	
		{ 5 .. Beruwala } ..	
<i>Kandy District</i>			
	Group I ..	{ 1 .. Colombo Street } ..	.. 85,200 0
		{ 2 .. Katukelle } ..	
		3 .. Huluganga ..	.. 6,500 0
	Group II ..	{ 4 .. Wahugepitiya } ..	.. 8,900 0
		{ 5 .. Pussellawa } ..	
		6 .. Hatton.. ..	.. 37,100 0
		7 .. Kotiyagala ..	.. 9,400 0
		8 .. Hardenhuish ..	.. 7,000 0
		9 .. Maskeliya ..	.. 14,400 0
<i>Nuwara Eliya District</i>			
		1 .. Ramboda ..	.. 4,000 0
		2 .. Padiyapelella ..	.. 5,200 0
		3 .. Holbrook ..	.. 17,400 0
		5 .. Ragala ..	.. 13,600 0
		Bambarakelle ..	.. 19,700 0
<i>Galle District</i>			
	Group I ..	{ 1 .. Katugoda } ..	.. 56,300 0
		{ 2 .. Heenatigala } ..	
<i>Hambantota District</i>			
		1 .. Hambantota ..	.. 16,900 0
<i>Jaffna District</i>			
	Group I ..	{ 1 .. Grand Bazaar } ..	.. 28,300 0
		{ 2 .. Karaiyur } ..	
		{ 3 .. Nallur } ..	
		7 .. Valvettiturai ..	.. 10,000 0
<i>Mannar District</i>			
		1 .. Periyakadai ..	.. 9,400 0
<i>Vavuniya District</i>			
		1 .. Mullaitivu ..	.. 3,100 0
		2 .. Mankulam ..	.. 1,800 0
		3 .. Vovuniya ..	.. 6,000 0

No. of Arrack Tavern or Group of Taverns (1)	Name of Tavern (2)	Amount Payable as Security (3)	P. 4. Extract from the Ceylon Government Gazette No. 10,539 of 19.6.53. —contd.
		Rs. c.	
<i>Batticaloa District</i>			
	1 .. Valaichenai ..	.. 8,900 0	
	2 .. Eravur ..	.. 6,500 0	
	3 .. Koddaimunai ..	.. 13,500 0	
	4 .. Eruvil ..	.. 4,500 0	
	5 .. Periyanilavuvvai ..	.. 17,700 0	
<i>Trincomalee District</i>			
Group I ..	{ 1 .. Dhoby Street } { 3 .. Uppuveli } { 4 .. Puthukudirippu } { 2 .. Oilmongor Street }	.. 14,400 0 .. 14,000 0	
<i>Kurunegala District</i>			
	5 .. Kathimahana ..	.. 9,300 0	
	6 .. Dunakadeniya ..	.. 2,800 0	
	7 .. Yakwila ..	.. 10,500 0	
<i>Puttalam and Chilaw Districts</i>			
Group I ..	{ 1 .. Chenaikudirippu } { 2 .. Kurivikulam } { 3 .. Totapolai } { 4 .. Kandatoduwa } { 5 .. Kaduranduli } { 6 .. Mangalaweli } { 7 .. Kattaikadu } { 8 .. Ottapanai } { 9 .. Mundel } { 10 .. Andimunai } { 11 .. Sottupitiyawadi } { 12 .. Etalai } { 13 .. Narakkali } { 14 .. Ihala Mandalana } { 15 .. Udappu } { 16 .. Wellawela } { 17 .. Rajakadalawa } { 18 .. Karukkuponai } { 19 .. Dematapitiya }	.. 17,800 0	
Group II ..	{ 20 .. Bandarawatta } { 21 .. Pambala } { 22 .. Ambakandawila } { 23 .. Udawela } { 24 .. Jetty Street } { 25 .. Dhobies Quarters } { 26 .. Toduwawa } { 27 .. Mahawewa } { 29 .. Pahala Talgasgara } { 30 .. Talwila } { 31 .. Mudukatuwa } { 32 .. Dematapitiya } { 33 .. Morakele } { 34 .. Katuneriya } { 35 .. Ulhitiyawa } { 36 .. Dummaladeniya } { 37 .. Boralessa } { 38 .. Waikkal } { 39 .. Nanjundankarai } { 40 .. Toputota } { 41 .. Tambarawila } { 42 .. Lunuwila } { 43 .. Wennappuwa }	.. 27,000 0	

P. 4. Extract from the Ceylon Government Gazette No. 10,539 of 19.6.53. —contd.	<i>No. of Arrack Tavern or Group of Taverns</i> (1)	<i>Name of Tavern</i> (2)	<i>Amount Payable as Security</i> (3) Rs. c.
		<i>Anuradhapura District</i>	
	1 ..	Anuradhapura ..	.. 20,800 0
		<i>Badulla District</i>	
	1 ..	Badulla ..	.. 27,600 0
	2 ..	Madulsima ..	.. 7,700 0
	5 ..	Haputalo 23,500 0
		<i>Ratnapura District</i>	
	1 ..	Balangodu 20,800 0
	2 ..	Pinnawala 2,200 0

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Arrack Rent Sale Conditions Agreement

ARRACK RENT SALE CONDITIONS

AGREEMENT

(Condition 10 (1) (a))

THE Special Conditions on which the exclusive privilege of selling Arrack by Retail within the local area of Arrack Taverns Group No. II, Colombo Municipality, comprising of Arrack Taverns Nos. 7, 8 and 9 for a term of one year from October 1, 1953, to September 30, 1954, inclusive, subject to clause 29 hereof is granted are in addition to the General Conditions for the time being in force and applicable to all Excise Licences as follows :—

SPECIAL CONDITIONS

1. **Granting of Exclusive Privilege, subject to Sale by any other person (whether a Holder of Foreign Liquor Licence or otherwise) (see also condition 26).**—The privilege will be exclusive, subject to the right of any other person (whether a holder of a Foreign Liquor licence or otherwise) who is duly authorised by licence in that behalf, to sell, on the premises licensed for the sale of foreign liquor or on other specified premises in the same local area, arrack, bought exclusively from the grantee of the privilege in bulk or in sealed bottles, as the case may be.

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2. (1) **Period of Privilege.**—The privilege will be granted for the period commencing on *October 1 of any one year and ending on September 30 of the next succeeding year* on application by way of tender in the form, or by auction in the manner prescribed in these conditions.

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(2) **Areas for which Privilege granted.**—The privilege may be granted for the local area of an individual tavern, or for the respective local areas of each tavern in a group of taverns, as the Government Agent may decide.

3. **Tender Form.**—Every tender shall be made in the form set out hereunder. Forms may be obtained from the offices indicated in the sale notice.

10 4. **Tender Deposit.**—(1) The Government Agent may, if he considers it necessary require the deposit of a sum not exceeding Rupees One Thousand (Rs. 1,000) by the tenderer in respect of each tender.

(2) Every tender shall be accompanied by a Kachchori receipt, acknowledging the deposit of the sum required by the Government Agent under the foregoing paragraph of this condition, and the number and date of the receipt shall be entered on the face of the tender form.

5. **Prohibition of Tenders by Agents or of more than one Tender by any Person.**—(1) Every tender or bid shall be made by the tenderer or bidder in his own name. No tender or bid, made through an agent, will be accepted.

20 (2) No person shall send in more than one tender for any one tavern or group of taverns.

(3) Not more than five persons shall tender or bid for any one tavern or group of taverns.

6. **Disqualifications against Acceptance of Tenders : Acceptance null and void.**—(1) No tender will be accepted from any person—

(a) whose name appears on the list of defaulting contractors, or on the list of defaulters in respect of any kind of Excise licences or of toll rents, or on the list of persons precluded for other reasons from having any concern in any Government rent or contract ; or

30 (b) whose name is on the list of persons who are debarred from holding Excise licences or from being employed by Excise licensees ; or

(c) who is a registered criminal within the meaning of the Prevention of Crimes Ordinance ; or who has been convicted of any grave crime ; or

(d) who at any time held a licence which has been cancelled under section 26 of the Excise Ordinance ; or

(e) who holds a contract with Government for the bottling of arrack.

40 (2) If any tender of any such person has been accepted, the Government Agent may in his sole discretion cancel the acceptance and shall communicate his order of cancellation to the grantee. On the making of any such order of cancellation, the original acceptance shall become null and void. The tenderer shall not be entitled, to claim any compensation from the Crown as a result of such cancellation.

7. **Delivery of Tenders.**—(1) Every tender shall be placed in a sealed envelope on the top left-hand corner of which shall be clearly marked the name of the tavern in respect of which the tender is made and its number on the list of sanctioned taverns, or the designation of the group of taverns in respect of which the tender is made as given in the notice calling for tenders, as the case may be.

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(2) Every sealed envelope containing a tender shall—

- (a) be deposited in the Kachcheri Tender Box ; or
- (b) be handed to the Government Agent or to his Assistant ; or
- (c) be sent by registered post addressed to the Government Agent so as to reach the Kachcheri, before the time fixed for closing the tenders.

8. (1) **Power of Rejection of Tender.**—The Government Agent may, in his discretion, reject any or all of the tenders received ; and in the event of his so rejecting all tenders he may call for tenders again or put up the privilege either at once or after further notice for sale by auction.

(2) **Restriction of Bidding at Auction.**—At such auction no person shall be allowed to bid, unless he shall have either— 10

- (a) submitted a tender accompanied by the Kachcheri receipt prescribed in condition 4, whether such tender be for the particular privilege to be auctioned or for any other privilege ; or
- (b) produced the receipt prescribed in condition 4, notwithstanding his failure to submit a tender for the particular privilege to be auctioned or for any other Privilege.

Provided that no person, who is duly declared the purchaser of any privilege whether by way of tender or of auction, shall use or be permitted to use the same receipt for the purpose of a tender or a bid for any other privilege, until he has completed in respect of the privilege already granted to him the steps prescribed hereinafter in condition 10 (1) (a). 20

(3) **Power of Rejection of Bid.**—The privilege shall be granted to the highest bidder at such auction : Provided that the Government Agent may in his discretion reject any or all of the bids made at such auction.

(4) **Procedure after Rejection of all Bids.**—In the event of the rejection of all bids as aforesaid, the Government Agent may, in his discretion—

- (a) call for further tenders for the privilege for any single tavern or for sub-groups of two or more taverns included in any group of taverns, or for any combination of parts of groups or of whole groups of taverns either at once or after further notice, and accept or reject all or any tenders so received, and thereafter put up for sale by auction, the privilege for any single tavern or sub-groups or combinations as aforesaid for which the further tenders were rejected, either at once or after further notice, and accept or reject all or any bids so received ; or 30
- (b) put up for sale by auction the privilege for any single tavern or for sub-groups of two or more taverns included in any group of taverns, or for any combination of parts of groups or of whole groups of taverns either at once or after further notice, and accept or reject all or any bids so received ; or
- (c) grant the privilege for the tavern or group, or any single tavern or sub-group of two or more taverns included in a group or for any combination of parts of groups or of whole groups of taverns to any person, who is approved by the Government Agent, and who agrees to pay by way of rent such amounts as the Government Agent may fix. 40

(5) **Procedure after rejection of further Bids.**—In the event of the rejection of the bids received under paragraphs 4(a) and 4(b) of this condition, the Government Agent may in his discretion take action under paragraph 4(c).

9. **Grant of Privilege.**—The privilege will be granted to the person who offers the highest price for every gallon of arrack removed from the appropriate Warehouse referred to in Schedule B hereto for sale in the tavern or taverns to which the privilege relates. Such price (hereinafter referred to as the "rent", shall not include the price at which arrack is issued from the Warehouse as fixed by the Excise Commissioner under condition 18.

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10. (1) (a) **Security deposit.**—Every grantee shall, immediately on being declared to be the purchaser of the privilege—

(i) sign these conditions; and

10 (ii) pay to the Government Agent as security for the due performance of these conditions such sum as may be specified in Schedule D hereto in respect of the tavern or taverns to which the privilege relates. Wherever security deposit exceeds Rs. 10,000 the grantee may if he so desires furnish a bank guarantee for such security in lieu of cash.

20 (b) **Signing of Bond.**—The grantee shall within 14 days of his being declared to be the purchaser of the privilege, enter into a Bond on Form 112 with the Government for an amount equivalent to six times the amount payable by him as security under sub-paragraph (1) and the grantee shall specially hypothecate by such bond the said security deposit. Any stamp duty payable in respect of such bond shall be paid by the successful tenderer.

(c) **Consequences of Breach of Condition of Bond.**—The said security deposit shall be liable to be confiscated either in whole or in part by the Government Agent, at his sole discretion and without any process of law, for breach of any of these conditions or of any of the conditions of the licence or licences referred to in condition 14 (2) below, and such confiscation shall be in addition to any other penalty prescribed by these conditions for such breach or non-payment, and to any other amount which the Crown may have the right to claim and-recover by due process of law.

30 (2) **Banking of Security Deposit.**—Security money so paid will be deposited in a bank only on the grantee's application and only at his risk and when such deposit is made, no withdrawal will be allowed until the satisfactory discharge of these conditions.

40 (3) **Warrant or Power of Attorney to Confess Judgment.**—The grantee shall at the time of the execution of the bond as aforesaid execute, if so required by the Government Agent, a warrant or power of attorney in the form sanctioned by law, to confess judgment in any action which may be instituted against him for the recovery of any moneys due in respect of the privilege, and shall also furnish to the Government Agent within fifteen days of the date of the execution of such warrant or power of attorney a duly certified copy thereof for filing in the District Court under section 32 of the Civil Procedure Code.

(4) **Postal Address.**—The grantee shall, on signing these conditions, elect and signify under his hand a post office or postal address to which all notices and processes whatever in connection with the privilege may be addressed, and all such notices or processes, so addressed to such post office or to such postal address, and posted in due course shall be deemed to have been duly served and be as effectual for all purposes, as if they had been served upon the grantee in person upon the day on which any such notice or process was so posted.

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11. Failure to complete Purchase of Privilege.—If any tenderer or bidder, on being declared to be the purchaser of the privilege, declines or fails to sign these conditions of sale or fails to furnish the security prescribed in condition (1) (a) when called upon to do so, the deposit made under condition 4 will be declared forfeited, and the defaulter will render himself liable to have his name entered in the list of defaulters in respect of all excise licences. Subject to this exception, the deposits of all tenderers or bidders will be returned, after the conditions of sale have been signed and the aforesaid security given by the successful tenderer or bidder.

12. Grantee to have no interests in certain Toddy and Foreign Liquor Sales, Arrack Estate Canteens and Bottling Contracts.—The grantee shall not acquire or hold any share or any interest, whether direct or indirect— 10

(a) within the local area to which the privilege of selling arrack relates—

- (i) in the sale of toddy ;
- (ii) in the purchase of any privilege of selling toddy ;
- (iii) in the sale of foreign liquor ;
- (iv) in the purchase of any privilege of selling foreign liquor ; or

(b) in any arrack estate canteen within the revenue district to which the privilege of selling arrack relates ; or

(c) in any contract with Government for the bottling of arrack.

13. Additional Security deposit for Bottles : Issues against Return of Empty Bottles, &c.—(1) The bottles in which arrack is issued at any Government Warehouse to any grantee shall be deemed to be the property of Government and the grantee shall be liable to replace at the time of the next issue such number of empty bottles as represents wholly or partly the gallonage of bottled arrack issued to him. White bottles shall be replaceable only by white bottles, of the same size or shape as the bottles issued. Bottles other than white shall be replaceable by bottles of any colour, other than white and such bottles shall be of the same size and shape as the bottles issued to the grantee. Bottles having a capacity of less than 3, 3/7 drams will not be accepted as replacements. 20

For the purposes of calculating the number of empty bottles which represent any gallonage of bottled arrack— 30

- (a) a bottle capable of holding more than 8 drams neck capacity shall be reckoned as an eight-dram bottle (i.e., 6 bottles to a gallon) ;
- (b) a bottle holding less than 6 drams, but more than 3, 3/7 drams neck capacity shall be reckoned as four-dram bottle (i.e., 12 bottles to a gallon).

Provided that the Warehouse Officer in charge of the warehouse of issue may, in his discretion, reject any bottle—

- (a) which bears a registered trade mark, e.g., Sun Flower Brand, the proprietor of which has not given his consent in writing for the use of such bottles for filling with arrack ; or 40
- (b) which is cracked or broken ; or
- (c) which is for any reason not suitable for filling it with arrack, e.g., if in the opinion of the said Officer the bottle has been used for keeping tar, varnish, oil or any other substance which may make it difficult to clean the bottle adequately by the usual methods employed at the warehouse concerned,

but the grantee shall have the right of appeal to the Superintendent in charge of the warehouse, whose order on such appeal shall be final and conclusive, and binding on the grantee.

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10 (2) To provide against failure at the termination of the privilege to replace white and other bottles equivalent to the full gallonage of bottled arrack issued during the period of the privilege, the grantee shall, before the licence referred to in Condition 14 (2) below is issued to him pay to the Government Agent as an additional security deposit the sum set out in Column 3 of Schedule A against the name of the tavern or group of taverns in column 2 of the said Schedule, the privilege in respect of which tavern or group has been granted to him. Such additional security deposit will represent the value of the bottles outstanding at all times in the hands of the grantee at the fixed rates of Rs. 5 per gallon capacity of bottles, irrespective of their size, colour, or shape, and the value of any deficit in the return of bottles at the end of the period of privilege shall be liable to be set off at the Excise Commissioner's discretion at the rate above mentioned against the said additional security deposit, and shall be liable to be recovered from it as a pre-estimate of the damage caused by the loss of bottles to Government, without any process of law, on a certificate from the Superintendent of Excise in charge of the warehouse of issue that specified numbers of white and other bottles are outstanding, such certificate being final and conclusive, and binding on the grantee.

20 (3) A separate Kacheheri receipt for the said additional security deposit shall be produced at the warehouse of issue at the same time as the Kacheheri receipt for the payment of the value of the arrack in the first consignment to be issued, and both receipts will be left in the custody of the said Warehouse Officer. No arrack will be issued for such first consignment, if both the receipts are not so produced.

30 (4) The number, date, amount and the name of the Kacheheri on the receipt will be noted in a Register to be kept at the warehouse of issue, and shall be signed by the grantee or his agent as an acknowledgment of the correctness of the entries. The gallonages of bottled arrack in (a) white, and (b) other bottles, issued from time to time against the said additional security deposit, the gallonages of the respective kinds of empty bottles (calculated as in paragraph (1) above) returned on the dates of all subsequent issues, and the balance gallonages (calculated as in paragraph (1) above) of the respective kinds of bottles left in the hands of the grantee at every issue will also be entered in the said Register, and shall also be signed by the grantee or his agent for the like purpose.

40 (5) If, as a consequence of shortage of bottles owing to present conditions, it is not possible to supply in full a grantee's demand for arrack in sealed bottles, the stock of arrack in sealed bottles available from time to time at the warehouse of issue will be rationed at a variable percentage, to be fixed from time to time, of the total issues from the warehouse in the rent year of 1940-1941. The proportion of the percentage as between one tavern and another will be based, save in exceptional circumstances and in the discretion of the Superintendent in charge of the warehouse approximately on the issues of arrack in sealed bottles to each tavern during the said year of 1940-1941 for the Ordinary, and the Extra Special Qualities.

(6) The second and subsequent issues of arrack in sealed bottles will be conditional on the grantee bringing back in entirety or in part, the balance gallonages (as calculated in paragraph (1) above) of white and other bottles, outstanding in his hands.

50 (7) If, however, the ration of bottled arrack due to him is more than the gallonage of empty bottles (as calculated in paragraph (1) above) returned, the Warehouse Officer may, in his discretion, issue only so much of the ration due as is equivalent to the said gallonage, and may also in his discretion reserve the unissued balances of the ration for subsequent issue against return of empty bottles, or he may decide to issue the full ration.

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(8) In the event of the gallonage of bottles (as calculated in paragraph (1) above) returned being less than the ration due, and of the Warehouse Officer deciding in the exercise of his discretion to issue nevertheless the full ration due if such issue is likely to increase the balance gallonage of bottles (as calculated in paragraph (1) above) in the hands of the grantee to such an extent that its value at the rate set out in paragraph (2) above will not be covered by the additional security deposit already made, the Warehouse Officer may, in his discretion, call upon the grantee either to pay a further sum to increase the sum already paid as additional security deposit (and such further sum shall be held on the same terms and conditions as the additional security deposit), or in the alternative to supply such number of empty bottles as represents the gallonage of bottles, to the extent required before issuing the full ration. 10

If such further sum is not paid or empty bottles not supplied within 24 hours of the demand having been made, the Warehouse Officer shall be entitled to refuse to issue to the grantee any arrack, whether in bottles or in bulk or in both.

(9) The exercise of the discretion of the Warehouse Officer in pursuance of the powers vested in him under paragraphs (7) and (8) of this condition will be liable to appeal to the Superintendent of Excise in charge of the warehouse and the Superintendent's decision shall be final and conclusive and binding on the grantee.

(10) At the end of the period of the privilege the said additional security deposit together with the further sum deposited, if any, will be refunded in full, or in part after the deduction of the value at the rate set out in paragraph (2) above of the balance gallonages of the respective kinds of bottles shown in the register referred to in paragraph (4) above as left in the hands of the grantee. 20

(11) The additional security and the further sum, if any, so paid by the grantee as deposit will be dealt with as in conditions 10 (2) above, and the grantee shall also enter into a bond with the Government Agent, hypothecating it as security for deficit in or loss of bottles.

14. (1) Opening of Tavern on due Date, and Approval of Site.—(a) the grantee shall open the tavern or taverns on the day on which the privilege commences to run. 30

(b) The Government Agent shall not be bound to find a site for any tavern in the event of the grantee not being able to procure a site.

(c) The grantee shall not open a tavern on any site otherwise than with the approval of the Government Agent, such approval being obtained from the Government Agent at least fourteen days before the privilege commences to run.

(2) **Obtaining of Licences for Sale of Arrack.**—The grantee shall, not less than five days before the date on which the privilege commences to run, obtain from the Government Agent a licence or licences for the sale by retail of arrack at the tavern or taverns within the local area covered by this privilege. 40

15. (1) Taking over of Balance Arrack by Incoming Grantee by Mutual Agreement.—The grantee shall take over from the outgoing grantee and pay to him an amount, which may be agreed on, in respect of the cost of—

(a) the balance of arrack, in bulk and in bottles, remaining in a tavern, after the closing hour of the date of expiry of the privilege of the outgoing grantee; and

(b) transport, wastage, and other miscellaneous charges.

(2) The grantee shall pay to the Government in respect of every gallon taken over by him from the outgoing grantee an amount equivalent to the rent payable by him for the privilege. 50

16. In default of agreement, Outgoing Grantee to deliver Balance Arrack at nearest Warehouse.—(1) Where the incoming and outgoing grantees cannot agree with regard to the sum to be paid as aforesaid, the outgoing grantee shall forthwith remove the balance of arrack on a permit, to the nearest Excise Warehouse, and deliver it to the Warehouse Officer in charge thereof, and obtain a receipt. Such arrack shall be of the strength prescribed by Notification for the time being in force in that behalf under condition 18.

10 (2) The outgoing grantee shall present such receipt to the Excise Commissioner, who shall pay to such grantee the value of the arrack so delivered at the rates at which such grantee purchased such arrack.

(3) If the sum payable by the incoming grantee at the time the arrack is so taken over by him, is higher than the sum actually paid for the said arrack by the outgoing grantee, the incoming grantee shall, within fourteen days of the commencement of his privilege, pay the difference to the nearest Kachcheri.

17. Employment of Labour.—(1) The grantee shall not, except with the prior approval in writing of the Excise Commissioner given with the concurrence of the Permanent Secretary to the Ministry of Home Affairs, employ any person other than a Ceylonese to do any work connected with or incidental to the privilege.

20 (2) For the purposes of this condition the expression "Ceylonese" means, (a) a Citizen of Ceylon by Descent or Registration, (b) a British subject born in Ceylon and one of whose parents who also born in Ceylon; or (c) a British subject who is a descendant of any person referred to in paragraph (b).

30 **18. Issue Price Payable. Issue Strengths.**—In addition to the rent the grantee shall pay to the Government Agent in respect of every gallon of a rack issued and removed from a Government Warehouse an amount calculated at rates to be determined from time to time by the Excise Commissioner by notification published in the *Gazette*. The difference between the price so determined and the selling price at the grantee's tavern or taverns shall in the case of every quality of arrack be Rs. 3.80 per gallon where arrack is sold in bottle and Rs. 6 per gallon where arrack is sold in bulk.

Provided, however, that if the issue price is increased during the period of this privilege, the grantee shall pay to the Government Agent in respect of the entire quantity of arrack remaining unsold in a tavern after the closing hour on the day immediately preceding the day on which the increased price comes into force an amount equivalent to the increase in issue price.

The Excise Commissioner shall by notification published in the *Gazette* prescribe from time to time the strength of each quality of arrack issued from a Government Warehouse.

40 **19. Payment of Rent.**—The grantee shall pay to the Government Agent rent at the same rate at which he has purchased the privilege, on every gallon of arrack in bulk or in sealed bottles to be removed from the warehouse.

20. (1) **Payments not valid without Kachcheri Receipt.**—No payment of any sum due by the grantee to the Crown shall be deemed to have been duly made, unless the grantee produces a Kachcheri receipt in respect thereof.

(2) **Money left with Officers not reckoned as Money Paid.**—No money which, for his own convenience, the grantee may think fit to leave in the hands of any Shroff or any other officer of any Kachcheri shall be deemed to be money paid under this contract.

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21. (1) **Purchase of Arrack from Warehouse.**—The grantee shall purchase arrack only from the Government Warehouse, specified in Schedule B hereto in respect of the province or district within which the tavern is situated.

(2) **No Issue on Sundays and Holidays.**—No arrack will be issued from a warehouse on Sundays or Public Holidays without the prior approval of the Superintendent of Excise.

(3) **Issue from Warehouses.**—Arrack will be issued from the warehouse at Trincomalee, Badulla and Jaffna only between 8.30 a.m., and 12 noon. In the case of all other warehouses arrack will be issued between 8.30 a.m. and 2.30 p.m. on all days other than Saturdays or between 8.30 a.m. and 12 noon on Saturdays. 10

(4) **Transport Passes.**—Where arrack is transported by road from a warehouse to a tavern, the Warehouse Officer will not issue a transport pass available for use at a later hour than 6.30 p.m. on the date of issue, save in exceptional circumstances.

22. **Grantee to accept such Arrack as Offered.**—(1) In order to regulate the distribution of arrack till such time as the quantity available for issue becomes adequate, the Excise Commissioner may, in his discretion—

(a) refuse to issue any arrack to the grantee ;

(b) determine the quantity of arrack in bulk or in sealed bottles to be issued in each month to the grantee.

(2) The grantee shall be bound to pay for and accept within 24 hours of being noticed to do so by the Warehouse Officer, all such quantities of arrack whether in bulk or in sealed bottles, and in such strengths and in such sizes and shapes of bottles as may be determined by the Excise Commissioner to be issued to the grantee. 20

(3) In the event of the grantee failing to keep his tavern replenished with stocks of sealed bottles and/or bulk arrack and to carry on the sale of sealed bottles and/or bulk arrack uninterruptedly in any one month till the quantities determined by the Excise Commissioner under paragraph (1) above are exhausted, the grantee shall forfeit the undrawn balances of sealed bottles and/or bulk arrack from the time the sales have been so interrupted in respect of any particular month.

23. **Loose Capsules or Broken Seals on Bottles.**—The grantee shall take steps to ensure that the capsule on each bottle issued to him is firmly fixed, or that the seal on the cork of such bottle is intact and bears a clear impression of the seal of the Excise Department. If any capsule is not firmly fixed, or if any seal is not intact or does not bear a clear impression of such seal, he shall refuse to accept such bottles. 30

24. **Proportion of Sealed Bottles to Bulk.**—The grantee shall draw such proportion of each consignment drawn by him, as the Warehouse Officer in charge of the warehouse may require, in sealed bottles of each description.

25. **Limit of Sale and Transport.**—The limit of sale by retail with respect to the whole Island and as regards purchasers generally shall be one-sixth of an imperial gallon, and no arrack in excess of that quantity shall be removed by the grantee or sold at any one time to any person except on a valid permit or pass. 40

26. **Exclusive right to supply arrack for sale at Foreign Liquor premises or other premises specially authorised by the Excise Commissioner : Allocation of such premises to grantee.**—(1) The grantee of every tavern or group of taverns specified in column 1 of Schedule C hereto shall have the exclusive right of supplying arrack (in bulk only or in sealed bottles only, as the case may be) in quantities not less than those prescribed from time to time by the Excise Commissioner, on payment at rate at which he is authorised by law to sell arrack and on production of a valid

transport pass issued by the Superintendent of Excise in that behalf for sale, in each of the foreign liquor premises specified against such tavern or group in column 2 of that Schedule, or in such other premises within the same area (whether or not such premises are licensed for the sale of foreign liquor or otherwise) as may be licensed at any time after the publication of these conditions for the sale of arrack.

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(2) Where the grantee so supplies arrack to any foreign liquor premises or other premises authorised by the licence he will, for the protection of his exclusive privilege have the supervisory rights provided for in the conditions of the special licence to sell arrack issued to such foreign liquor or other authorised premises.

10 (3) Special licences to sell arrack in sealed (or unopened) bottles only will be issued by the Excise Commissioner in his discretion to the foreign liquor retail (off) and resthouse licensees mentioned in Schedule C below or to persons who have been granted foreign liquor retail (off) and resthouse licences after the publication of these conditions or to any other person and such licensees shall buy the arrack only from the grantee and only in bottles. Special licences to sell arrack in bulk only will be issued to all foreign liquor licensees (mentioned in Schedule C below and persons to whom licences have been granted after the publication of these conditions) other than foreign liquor retail (off) and resthouse licensees, and such licensees shall buy the arrack only from the grantee and only in bulk.

20 (4) The grantee shall supply arrack of both qualities, in bulk or in sealed bottles as the case may be, to such Foreign Liquor Licensees or other persons and where the grantee does not have in stock at his tavern and particular quality of arrack required by any such licensee, he shall obtain from the Government Warehouse the quality required by such licensee.

27. **Grantee to Account for Arrack : Wastage Allowance.**—The grantee shall account for all arrack purchased by him from time to time. The allowance made on account of wastage will in no circumstances exceed two per centum of the total quantity purchased since the last date of stock taking.

30 28. **Grantee responsible for Agents' Acts.**—The grantee shall be responsible for all acts of his agents and employees in relation to the privilege.

29. **Non-transferability of Privilege.**—The privilege shall not be transferable otherwise than with the sanction of the Excise Commissioner first had and obtained.

40 30. (1) (a) **Cancellation of Licence and Privilege for non-payment of sums due to the Government, &c.**—If sum demanded as additional security for bottles or as additional issue price under Conditions 16 (3) and 18, or any other sum due to the Crown from the grantee, in respect of the grant or of the licence issued to him, remained unpaid after the date on which it becomes due and payable, or if the grantee fails to maintain at all times such minimum quantities in sealed bottles of different descriptions or in bulk of the kind or kinds of arrack saleable under the tavern licence as the Superintendent of Excise may consider sufficient to meet the local requirements, the grantee shall be deemed to have committed a breach of these conditions and of the conditions of the licence issued to him, and the Government Agent shall accordingly have power, without further process of law, either (i) to suspend or cancel the licence or licences issued to the grantee in pursuance of the provisions of section 26 of the Excise Ordinance, or (ii) to take the licence or grant under management at the risk of the grantee, or to declare the licence or grant forfeited and reissue or resell it at the risk and loss of the grantee in pursuance of the provision of section 30 of the said Ordinance. This condition does not in any way effect the Government Agent's power to confiscate the security deposit in pur-
50 suance of the provisions of condition 10 above.

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(b) **Intimation or Notice of Cancellation, &c.**—Intimation of any order of suspension or cancellation, under the said section 26, or the statutory notice or order under the said section 30 may be served personally on the grantee, or addressed to the post office or postal addressed elected and signified under condition 10 (4), and duly posted, as the Government Agent thinks fit.

(2) **Regrant of Privilege between Cancellation and Resale.**—In the event of the cancellation of a licence, the Government Agent shall have the power to grant the privilege to any person approved by him for any period intervening between such cancellation and the resale of the privilege, and for this purpose may issue to such approved person a temporary licence upon such terms as he may think fit. 10

31. **No Compensation or Remission of Rent for loss or damage.**—(1) No action or other legal proceeding shall be instituted or maintained in any court of law, against the Government of Ceylon or the Excise Commissioner, in respect of anything *bona fide* done or omitted to be done in pursuance of the powers conferred on the Excise Commissioner by these conditions or in respect of any loss or damage incurred or suffered in consequence of *anything* so done or omitted to be done.

(2) No remission of the rent payable in respect of the privilege will be granted on any plea of the grantee's having over-estimated the value of any tavern or on any other ground.

(3) The grantee shall not have or make any claim to any reduction, or to the remission of any sum due and owing by him to the Crown by reason of any loss alleged to have been sustained by him— 20

(a) whether on account of any closing of the tavern or taverns during the passage of troops, or during the encampment of troops in the vicinity of the tavern or taverns, or during any riot or civil disobedience or breach of the peace, or during the apprehension of any riot or civil disobedience or breach of the peace, or during the holding of any poll or on account of the tavern or taverns being situated within or in the vicinity of any area for the time being declared to be a diseased locality under the provisions of any written law ; or 30

(b) whether on account of the opening of any new toddy or foreign liquor tavern or estate canteen for arrack or toddy or foreign liquor, or any new foreign or country liquor premises of any other description and licensed after the sale of the privilege under these conditions ; or

(c) whether on account of the manufacture and drawing of fermented toddy on special licences issued by the Assistant Commissioner for *bona fide* domestic consumption on medical grounds, and not for sale ; or

(d) whether on account of the manufacture and drawing of fermented toddy within the area or areas of the privilege hereby granted for supply to licensed manufactories in which toddy is used in the process of manufacture ; or 40

(e) whether on account of the issue of licences for the bottling and wholesale sale of bottled toddy and of the retail sale of such bottled toddy at toddy taverns ; or

(f) whether on account of the unrestricted tapping, manufacture and drawing of sweet toddy without any licence or permit ; or

(g) whether on account of the refusal of the Excise Commissioner to issue special arrack licences in terms of condition 26 above ; or

(h) whether on account of the introduction of the Tree Tax System for Toddy within the local area or areas for which the privilege is granted ; or 50

- (i) whether on account of the issue of licences for manufacture and/or sale of other liquors within the local area or areas for which the privilege is granted ; or
- (j) through any other cause whatsoever.

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30.7.53 —contd.

10 **32. Termination of Privilege.**—The privilege shall terminate on (a) the expiry of the term for which it is granted, (b) the death of the grantee, or (c) a breach of any of the conditions governing it. Provided that in the event of the death of the grantee, the Government Agent may, in his discretion, permit the legal heirs or the Administrator of the estate of the grantee, to continue the privilege till the expiry of the term for which it is granted.

33. No surrender of Licence.—The licence or licences referred to in condition 14 (2) above, being issued free of charge in pursuance of section 18 (2) of the Excise Ordinance, to implement the contract between the Crown and the grantee shall not be surrendered by the grantee under section 28 of the said Ordinance, except with the approval of the Government Agent previously obtained in writing.

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Schedule A

(Vide Condition 13 (2))

Serial No.	Name of Tavern	Amount payable as Additional Security Deposit for Bottles	Serial No.	Name of Tavern	Amount payable as Additional Security Deposit for Bottles
(1)	(2)	(3)	(1)	(2)	(3)
		Rs. c.			Rs. c.
<i>Colombo Municipality</i>					
2	Kollupitiya	3,375 0	6	Hutton	5,250 0
7	St. John's Road	3,750 0	7	Kotiyagala	2,895 0
8	Chekku Street	3,750 0	8	Hardenhuish	1,470 0
9	Soa Beach Road	1,695 0	9	Muskeliya	3,270 0
10	Kotahena	2,850 0			
11	Korteboam	1,695 0	<i>Nuwara Eliya District</i>		
12	Mutwal	1,695 0	1	Ramboda	950 0
13	Madampitiya	2,820 0	2	Padiyapololla	1,220 0
14	Forguson Road	1,070 0	3	Holbrook	3,750 0
			4	Bambarakelle	3,750 0
			5	Ragala	3,345 0
<i>Colombo District</i>					
(outside Municipality)					
			<i>Galle District</i>		
15	Digarolla	3,750 0	1	Katugoda	3,750 0
16	Timbirigasyaya	570 0	2	Hoematigala	2,545 0
17	Uswetakoiyawa	120 0			
18	Bopitiya	195 0	<i>Hambantota District</i>		
19	Dandugama	225 0	1	Hambantota	3,320 0
20	Keragahapokuna	420 0			
21	Seeduwa	150 0	<i>Jaffna District</i>		
22	Katunayake	195 0	1	Grand Bazaar	3,095 0
23	Pitipana	170 0	2	Kariyar	575 0
24	Kepungoda	70 0	3	Nallur	675 0
25	Henmulla	75 0	7	Valvodditurai	2,000 0
26	Etgala	70 0			
27	Kandewala	325 0	<i>Mannar District</i>		
28	Daluwakotuwa	170 0	1	Periyakadai	—
29	Keragahamuno	325 0			
30	Kanuwana	1,020 0	<i>Vavuniya District</i>		
31	Weligampitiya	495 0	1	Mullaitivu	345 0
32	Kandana	1,050 0	2	Mankulam	320 0
33	Kochchikado	270 0	3	Vavuniya	350 0
34	Kudapaduwa	120 0			
35	Petiyamulla	200 0	<i>Batticaloa District</i>		
36	Kurana	195 0	1	Valaichenai	845 0
37	Udayartoppu	750 0	2	Eravur	1,095 0
38	Bolawalana	420 0	3	Koddaimunai	975 0
39	Degonne	445 0	4	Eruvil	645 0
			5	Periyanilavannai	745 0
<i>Kalutara District</i>					
1	Kalamulla	2,295 0			
2	Diyalagoda	1,650 0	<i>Trincomalee District</i>		
3	Nalluruwa	1,650 0	1	Dhoby Street	1,545 0
4	Walapolapattiya	2,625 0	2	Oilmonger Street	1,845 0
5	Beruwala	1,650 0	3	Uppuveli	195 0
			4	Puthikudyirippu	270 0
<i>Kandy District</i>					
1	Colombo Street	4,870 0			
2	Katukelle	1,095 0			
3	Huluganga	2,420 0			
4	Wahugepitiya	750 0			
5	Pussollawa	1,350 0			

Serial No.	Name of Tavern	Amount payable as Additional Security Deposit for Bottles	Serial No.	Name of Tavern	Amount payable as Additional Security Deposit for Bottles	P 3. Arrack Rent Sale Condition Agreements. 30.7.53. —contd.
(1)	(2)	(3)	(1)	(2)	(3)	
		Rs. c.			Rs. c.	
<i>Kurunegala District</i>						
5	Kattimahana	2,500 0	25	Dhobies Quarters	545 0	
6	Dunukadeniya	170 0	26	Toduwawa	70 0	
7	Yakwila	835 0	27	Mahawewa	190 0	
			28	Kudawewa	150 0	
			29	Pahala Talgasgara	45 0	
			30	Talwila	70 0	
			31	Mudukatuwa	170 0	
<i>Puttalam District</i>						
1	Chenaikudiruppu	1,095 0	32	Dematapitiya	45 0	
2	Kuruvikulam	145 0	33	Morakelo	45 0	
3	Totapalai	150 0	34	Katuneriya	170 0	
4	Kandatoduwa	70 0	35	Ulhitiyawa	45 0	
5	Madurankuli	95 0	36	Dummaladeniya	70 0	
6	Mangalaweli	45 0	37	Boralessa	45 0	
7	Kattaikadu	70 0	38	Waikkal	45 0	
8	Ottapanai	45 0	39	Nanjundankarai	45 0	
9	Mundel	150 0	40	Toputota	220 0	
10	Andimunai	120 0	41	Tambarawila	195 0	
11	Sottupitiyawadi	45 0	42	Lunuwila	120 0	
12	Etalai	245 0	43	Wennappuwa	270 0	
13	Narakkali	45 0				
14	Ihala Mandalana	45 0				
<i>Anuradhapura District</i>						
			1	Anuradhapura	2,170 0	
<i>Chilaw District</i>						
15	Udappu	195 0				
16	Wellawela	120 0				
17	Rajakadalawa	220 0				
18	Karukkuponai	95 0				
19	Kematapitiya	95 0				
20	Bandarawatta	95 0				
21	Pambala	145 0				
22	Ambakandawila	45 0				
23	Udalawela	70 0				
24	Jetty Street	525 0				
<i>Badulla District</i>						
			1	Badulla	2,520 0	
			2	Madulsima	1,410 0	
			5	Haputale	3,750 0	
<i>Ratnapura District</i>						
			1	Balangoda	3,375 0	
			2	Pinnawala	900 0	

Schedule B

(Condition 21)

Situation of Warehouse	Province, District or Tavern served
Kalutara Town or Mirishena as may be directed	(1) Colombo Municipality
	(2) Colombo District outside Municipality and south of the Kelaniya river
	(3) Kalutara District
	(4) Galle District
	(5) Hambantota District
	(6) Ratnapura District
Negombo	(1) Colombo District outside Municipality and north of the Kelaniya River
	(2) Puttalam District
	(3) Chilaw District
	(4) Kurunegala District
Kandy	Central Province
Batticaloa	Batticaloa District
Badulla*	Province of Uva
Jaffna*	Jaffna District

* Will be open only between 8.30 a.m. and 12 noon.

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—contd.

	<i>Situation of Warehouse</i>	<i>Province, District or Tavern served</i>
Vavuniya	{ (1) Anuradhapura District (2) Vavuniya District (3) Mullaitivu District (4) Mannar District
Trincomalce*	Trincomalce District

* Will be open only between 8.30 a.m. and 12 noon.

Schedule C

(Vide Condition 26)

(1)	(2)
<i>Number of Arrack Tavern or Group of Taverns</i>	<i>Foreign Liquor Premises assigned</i>

WESTERN DIVISION

Colombo Municipality

Group II—Arrack Taverns

• Tavern No. 7..	..	{ J. M. S. Mirando, Retail Off Shop, Chekku Street A. E. J. Casie Chetty, Retail Off Shop, Jampettah Street
Do. 8..	..	{ F. L. Tavern No. 4, St. John's Road F. L. Tavern No. 5, Wolfendhal Street
Do. 9..	..	{ Imperial Restaurant, St. John's Road City Restaurant, Jampettah Street

Group III—Arrack Taverns

Tavern No. 10..	..	{ Dockland Hotel and Bar, Mutwal F. L. Tavern No. 7, Alutmavatta, Mutwal
Do. 11..	..	{ Mrs. A. Suppiah, Retail Off Shop, Skinner's Road North M. G. Fernando and Mrs. J. Britto, Retail Off Shop, Skinner's Road North
Do. 12..	..	

Colombo District (outside Municipality)

Group IV—Arrack Taverns

Tavern No. 13..	..	National Restaurant, Grandpass
Do. 14..	..	F. L. Tavern No. 8, Grandpass

Group VI—Arrack Taverns

Tavern No. 34, Kudapaduwa ..	..	{ Coronation Hotel and Bar, Negombo Messrs. Fernando and Fernando, Restaurant, Negombo
Do. 35, Periyamulla ..	..	{ F. L. Tavern, Green Road, Negombo Messrs. Fernando and Fernando, Retail Off Shop, Negombo
Do. 37, Udayartoppu ..	..	{ Messrs. A. G. Gomez & Co., Retail Off Shop, Main Street, Negombo Resthouse, Negombo (New)

Group VII—Arrack Taverns

Tavern No. 22, Katunayake	} Resthouse, Negombo (Old)
Do. 23, Pitipana ..	..
Do. 36, Kurana ..	..
Do. 38, Bolawalana ..	..

Group IX—Arrack Taverns

Tavern No. 18, Bopitiya	} Mr. A. P. Casie Chitty, F. L. Restaurant, Jaela Mr. A. P. Casie Chitty, Retail Off Shop, Jaela Resthouse, Jaela
Do. 19, Dandugama ..	..
Do. 21, Seeduwa ..	..
Do. 24, Kepungoda ..	..
Do. 30, Kanuwana ..	..
Do. 31, Weligampitiya	
Tavern No. 15, Digarolla	{ F. L. Tavern, Moratuwa Messrs. T. T. Fernando, Retail Off Shop, Moratuwa

(1)
Number of Arrack Tavern or
Group of Taverns

(2)
Foreign Liquor Premises assigned

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—contd.

Chilaw District

Group II—Arrack Taverns

Tavern No. 20, Bandarawatta	}	F. L. Tavern I, Chilaw
Do. 21, Pambala		A. L. Morais, Retail Off Shop, Chilaw
Do. 22, Ambakaundawila		F. L. Tavern 2, Chilaw
Do. 24, Jetty Street		L. Gomez, Retail Off Shop, Chilaw
Do. 25, Dhobies Qrs.		Resthouse, Chilaw

CENTRAL DIVISION

Group I—Arrack Taverns

Kandy District

	}	Queen's Hotel and Bar, Kandy
		Suisse Hotel and Bar, Kandy
		Castle Hotel and Bar, Kandy
		Royal Hotel and Bar, Kandy
		King's Hotel and Bar, Kandy
		Empire Hotel and Bar, Kandy
		Victory Hotel and Bar, Kandy
Tavern No. 1, Colombo Street		F. L. Tavern, Ward No. 7, Kandy
Do. 2, Katukelle		F. L. Tavern, Ward No. 5, Kandy
		J. P. de Mel, Retail Off Shop, Trincomalee Street, Kandy
		S. Costa, A. X. Fernando & A. P. Casiechetty, Retail Off Shop, Ward Street, Kandy
		Messrs. Miller & Co., Ltd., Retail Off Shop, Kandy
		Messrs. Cargills Ltd., Retail Off Shop, Kandy
		The Green Cafe, F. L. Restaurant, Castle Street, Kandy

Group II—Arrack Taverns

Tavern No. 4, Wahugopitya	}	Resthouse, Pussellawa
Do. 5, Pussellawa		F. L. Tavern, Pussellawa
		O. Don Wilfred, Retail Off Shop, Pussellawa
	}	Castro Hotel and Bar, Hatton
		Arms Hotel and Bar, Hatton
		F. L. Tavern No. 6, Dickoya
		F. L. Tavern No. 7, Dickoya
Tavern No. 6, Hatton		Messrs. Brwon & Co., Retail Off Shop, Hatton
		O. Don Peter, Retail Off Shop, Dickoya
		Messrs. Millers Ltd., Retail Off Shop, Dickoya
		Crown Hotel, Hatton
	}	Frankland Hotel, Hatton
		Peak Hotel, Hatton
Tavern No. 9, Maskeliya	}	Maskeliya Hotel and Bar, Maskeliya
		S. Costa, & A. P. Casiechetty, Retail Off Shop, Maskeliya
Tavern No. 7, Kotiyagala	}	R. A. Fernando, Retail Off Shop, Bogawantalawa
		Resthouse, Kotiyagala

Nuwara Eliya District

	}	King's Hotel, Nuwara Eliya
		Priory Hotel, Nuwara Eliya
		F. L. Restaurant, Nuwara Eliya
		F. L. Tavern, Nuwara Eliya
		Pedro Hotel and Bar, Nuwara Eliya
		Grand Hotel and Bar, Nuwara Eliya
Tavern No. 4, Bambarakelle		Windsor Hotel and Bar, Nuwara Eliya
		Grosvenor Hotel and Bar, Nuwara Eliya
		St. Andrew's Hotel, Nuwara Eliya
		Messrs. Cargills Ltd., Retail Off Shop, Nuwara Eliya
		Messrs. Miller & Co., Ltd., Retail Off Shop, Nuwara Eliya
		J. L. Pimanda, Retail Off Shop, Nuwara Eliya
		Ponniiah Pieris, Retail Off Shop, Nuwara Eliya

P 3.
Arrack Rent
Sale Condition
Agreements.
30.7.53.
—*contd.*

(1)	(2)
<i>Number of Arrack Tavern or Group of Taverns</i>	<i>Foreign Liquor Premises Assigned</i>
Tavern No. 2, Padiyapelolla ..	T. L. Jusey Perera and K. T. T. de Silva, Retail Off shop, Padiyapelolla
Tavern No. 5, Ragala ..	M. J. Caravelho, Retail Off shop, Ragala
Tavern No. 3, Holbrook ..	Messrs. Mel Mondis, Retail Off shop, Agrapatna

Badulla District

Tavern No. 1, Badulla ..	{	Resthouse, Badulla
		Costa & Sons, Hotel and Bar, Badulla
		J. Soris & Co., Hotel and Bar, Badulla
		F. L. Tavern No. 2, Ward Street, Central Ward No. 5, Badulla
		F. L. Tavern No. 3, Bazaar Street, Central Ward No. 5, Badulla
Tavern No. 5, Haputale ..	{	S. M. S. Poopalarayar, Retail Off Shop, Bazaar Street, Badulla
		Messrs. Don & Millers Co., Ltd., Retail Off shop, Bazaar Street, Badulla
		J. Soris, Retail Off shop, 50, Lower Street, Badulla
Tavern No. 5, Haputale ..	{	C. R. Peiris and Miller & Co., Ltd., Retail Shop, Haputale
		Resthouse, Haputale

Ratnapura District

Tavern No. 1, Balangoda ..	{	F. L. Gomez and Mrs. T. Gomez, Retail Off Shop, Balangoda
	}	Resthouse, Balangoda

Batticaloa District

Tavern No. 3, Koddaimunai ..	{	Messrs. J. M. S. Miranda, J. T. Miranda, S. F. Fernando and S. F. Fernando and S. E. Fernando, King's Hotel, Koddaimunai
		K. Santiyapillai, Central Hotel, Puliyantivu
		Mrs. S. Nadarasa, Great Eastern Hotel, Koddaimunai
		C. Kuruneru, Lake View Hotel, Batticaloa
		F. L. Tavern, Batticaloa
Tavern No. 5, Periyaniavanai ..	{	A. B. Nathias de Silva Amarasuriya and Sivalingam Chettiya, Retail Off shop, Main Street, Puliyantivu
		Messrs. J. M. S. Miranda, J. T. Miranda, S. F. Fernando and S. E. Fernando, Retail Off shop, Central Road, Puliyantivu Resthouse, Batticaloa
		Excelsior Hotel and Bar, Kalmunai Resthouse, Kalmunai
	}	K. Santiyapillai, Retail Off shop, Kalmunai

Trincomalee District

Group 1—Arrack Taverns

Tavern No. 1 ..	..	{	J. B. Miranda, Retail Off shop, Dockyard Street, Trincomalee
Tavern No. 3 ..	..	{	T. A. M. Fernando, Mayaland Hotel, Trincomalee
Tavern No. 4 ..	..	{	Resthouse, Trincomalee (Town)
Tavern No. 2 ..	..	{	Mrs. S. Pakiam, Retail Off shop, Division, No. 7, Trincomalee

Anuradhapura District

Tavern No. 1, Anuradhapura ..	{	Grand Hotel and Bar, Anuradhapura
		J. D. Victor, Central Hotel, Anuradhapura
		J. M. S. Miranda & Sons, Ltd., Retail Off shop, Anuradhapura
		J. Don Victor, Retail Off shop, Anuradhapura
		Railway Refreshment Room, Anuradhapura

NORTHERN DIVISION

Jaffna District

Foreign Liquor Premises Assigned

P 3.
Arrack Rent
Sale Condition
Agreements.
30.7.53.
—contd.

Number of Arrack Tavern or
Group of Taverns

Group of Arrack Taverns 1 to 3	{	S. F. X. Annasampillai, Retail Off Shop, 31 Main Street, Jaffna
		S. P. Nadarajah, The Jaffna Apothecaries Co., Retail Off shop, Jaffna
		Mrs. A. Suppiah, F. L. Shop, Main Street, Jaffna
		Mrs. A. Suppiah, Retail F. L. Shop, Chemma Street, Jaffna
		A. Velupillai, Retail F. L. Shop, Jaffna
		V. Thuraiappah, Grand Hotel and Bar, Jaffna
		S. Rasiiah, Colombo Resturant, Chemma Street, Jaffna Resthouse, Jaffna
Yalta Hotel, Jaffna		

Mannar District

Tavern No. 1, Mannar	..	{	F. L. Tavern, Mannar
			Mrs. W. P. Perera and K. Alex Perera, Retail Off shop, Mannar
			Resthouse, Mannar

Vavuniya District

Tavern No. 1, Mullaittivu	..	Resthouse, Mullaittivu
Tavern No. 2, Mankulam	..	Resthouse, Mankulam
Tavern No. 3, Vavuniya	..	{
		Empire Hotel, Vavuniya
		Resthouse, Vavuniya
		T. Sabaratnam, Retail Off shop, Vavuniya

SOUTHERN DIVISION

Hambantota District

Tavern No. 1, Hambantota	..	{	Mrs. S. H. Ranawceera, Retail Off shop, Hambantota
			Resthouse, Hambantota

Schedule D

(Vide Condition 10)

No. of Arrack Tavern or Group of Taverns (1)	Name of Tavern (2)	Amount Payable as Security (3)
		Rs. c.
<i>Colombo Municipality</i>		
2	.. Kollupitya ..	.. 59,500 0
Group II	.. { 7 .. St. John's Road	.. 66,800 0
	.. { 8 .. Chekku Street	
	.. { 9 .. Sea Beach Road	
Group III	.. { 10 .. Kotahena	.. 31,600 0
	.. { 11 .. Korteboam ..	
	.. { 12 .. Mutwal	
Group IV	.. { 13 .. Madampitiya	.. 24,600 0
	.. { 14 .. Ferguson Road	
<i>Colombo District (Outside Municipality)</i>		
Group XI	.. { 15 .. Digorolla ..	.. 26,300 0
	.. { 16 .. Timbirigasyaya	
	.. { 17 .. Uswetakeiyawa	

P 3.
Arrack Rent
Sale Condition
Agreements.
30.7.53.
—contd.

	No. of Arrack Tavern or Group of Taverns (1)	Name of Tavern (2)	Amount Payable as Security (3)		
			Rs.	c.	
Group IX	18 ..	Bopitiya	15,600	0
	19 ..	Dandugama ..			
	21 ..	Seeduwa ..			
	24 ..	Kepungoda ..			
	30 ..	Kanuwana ..			
	31 ..	Weligampitiya ..			
Group VII	22 ..	Katunayake	19,700	0
	23 ..	Pitipane ..			
	36 ..	Kurana ..			
	39 ..	Dagonna ..			
	38 ..	Bolawalana ..			
Group VIII	25 ..	Henmulla	7,600	0
	26 ..	Etgala ..			
	27 ..	Kandewala ..			
	28 ..	Daluwakotuwa ..			
	33 ..	Kochchikade ..			
Group X	20 ..	Keragahapokuna	10,000	0
	32 ..	Kandana ..			
Group VI	34 ..	Kudapaduwa	8,300	0
	35 ..	Periyamulla ..			
	37 ..	Udayarthoppu ..			
	29 ..	Koragahamuna ..				5,500	0
<i>Kalutara District</i>					
Group I	3 ..	Nalluruwa	35,200	0
	4 ..	Walapolapattiya ..			
Group II	1 ..	Kalamulla	42,200	0
	2 ..	Diyalagoda ..			
	5 ..	Boruwala ..			
<i>Kandy District</i>					
Group I	1 ..	Colombo Stroet	85,200	0
	2 ..	Katukelle ..			
Group II	3 ..	Huluganga	37,100	0
	4 ..	Wahugepitiya ..			
	5 ..	Pussellawa ..			
	6 ..	Hatton ..			
	7 ..	Kotiyagala ..			
	8 ..	Hardenhuish ..			
9 ..	Maskeliya ..	14,400	0		
<i>Nuwara Eliya District</i>					
	1 ..	Ramboda	4,000	0
	2 ..	Padiyapelella	5,200	0
	3 ..	Holbrook	17,400	0
	4 ..	Bambarakelle	19,700	0
	5 ..	Ragala	13,600	0

No. of Arrack Tavern or Group of Taverns (1)	Name of Tavern (2)	Amount Payable as Security (3) Rs. c.	P 3. Arrack Rent Sale Condition Agreements. 30.7.53. —contd.
<i>Galle District</i>			
Group I	.. { 1 .. Katugoda .. } .. { 2 .. Heenatigala .. }	.. 50,300 0	
<i>Hambantota District</i>			
	1 .. Hambantota ..	.. 16,900 0	
<i>Jaffna District</i>			
Group	.. { 1 .. Grand Bazaar .. } .. { 2 .. Karaiyur .. } .. { 3 .. Nallur .. } .. { 7 .. Valvettiturai .. }	.. 28,300 0 .. 10,000 0	
<i>Mannar District</i>			
	1 .. Periyakadai ..	.. 9,400 0	
<i>Varuniya District</i>			
	1 .. Mullaitivu ..	.. 3,100 0	
	3 .. Mankulam ..	.. 1,800 0	
	3 .. Vavuniya ..	.. 6,000 0	
<i>Batticaloa District</i>			
	1 .. Valaichenai ..	.. 8,900 0	
	2 .. Eravur ..	.. 6,500 0	
	3 .. Koddaimunai ..	.. 13,500 0	
	4 .. Eruvil ..	.. 4,500 0	
	5 .. Periyamilavannai ..	.. 17,700 0	
<i>Trincomalee District</i>			
Group I	.. { 1 .. Dhoby Street .. } .. { 3 .. Uppuveli .. } .. { 4 .. Puthukudirippu .. } .. { 2 .. Oilmonger Street .. }	.. 14,400 0 .. 14,000 0	
<i>Kurunegala District</i>			
	5 .. Kathimahana ..	.. 9,300 0	
	6 .. Dunakadeniya ..	.. 2,800 0	
	7 .. Yakwila ..	.. 10,500 0	

P 3. Arrack Rent Sale Condition Agreements. 30.7.53. —contd.	No. of Arrack Tavern or Group of Taverns (1)	Name of Tavern (2)	Amount Payable as Security (3) Rs. c.
<i>Puttalam and Chilwa Districts</i>			
Group I	1	Chenaikudiruppu	.. 17,800 0
	2	Kurivikulam	
	3	Tetapolai	
	4	Kandatoduwa	
	5	Maduranduli	
	6	Mangalaweli	
	7	Kattaidadu	
	8	Ottapanai	
	9	Mundel	
	10	Audimunai	
	11	Sottupitiyawadi	
	12	Etalai	
	13	Narakkali	
	14	Iahla Mandalana	
	15	Udappu	
	16	Wollawela	
	17	Rajakadalawa	
	18	Karukkuponai	
	19	Dematapitiya	
Group II	20	Bandarawatta	.. 27,000 0
	21	Pambala	
	22	Ambakandawila	
	23	Udalawela	
	24	Jetty Street	
	25	Dhobies Quarters	
	26	Toduwawa	
	27	Mahawewa	
	28	Kudawowa	
	29	Pahala Talgasgara	
	31	Talwila	
	32	Mudukatuwa	
	33	Dematapitiya	
	34	Morakole	
	35	Katuneriya	
	36	Ulhitiyawa	
	37	Dummaladeniya	
	38	Boralessa	
	39	Waikkal	
	40	Nanjundankarai	
	41	Toputota	
	42	Tambarawila	
	43	Lunuwila	
	44	Wennappuwa	
	<i>Anuradhapura District</i>		
	1	Anuradhapura	.. 28,800 0
<i>Badulla District</i>			
	1	Badulla	.. 27,600 0
	2	Madulsima	.. 7,700 0
	5	Haputale	.. 23,500 0
<i>Ratnapura District</i>			
	1	Balangoda	.. 20,800 0
	2	Pinnawala	.. 2,200 0

Agreement*(Condition 10 (1) (a))*

P 3.
 Arrack Rent
 Sale Condition
 Agreements.
 30.7.53.
 —contd.

We Karthigesu Selvadurai and Hewafonsegaga Ruban Fonseka do hereby acknowledge that We have this day been granted the hereinbefore mentioned exclusive privilege for the sum of Rupees four and cents ninety-one on the conditions set forth above, and We do hereby bind ourselves to perform the said conditions.

1. (Sgd.) K. SELVADURAI
 2. (Sgd.) H. R. FONSEKA
 30.7.53

10 *Witnesses :*

1. (Sgd.) Illegibly.
 2. —

Grantee(s).

I hereby acknowledge receipt of the sum of Rupees Sixty Six thousand and Eight hundred only (Rs. 66,800) paid by Karthigesu Selvadurai and Hewafonsekage Ruban Fonseka as security deposit under condition 10 (1) (a) of these conditions.

(Sgd.).....

for G. P. TAMBYAH,
 Government Agent. W. P.

Address for Notices*(Condition 10 (4))*

20

We, the undersigned, do hereby as required by Condition 10 (4) appoint the under mentioned Postal address as the Post Office/Postal Address to which all notices and processes whatever in connection with the hereinbefore mentioned privilege may be addressed and posted to us.

105, 5th Cross Street,
 Colombo.

(Sgd.) K. SELVADURAI,
 H. R. FONSEKA.

Witnesses :

1. (Sgd.) Illegibly.
 2. —

Grantee(s)

30.7.53.

30

Extract from the "Ceylon Government Gazette", No. 10,591
 25.9.53

L. D.—B. 27/38, E. C.—L A/A/4.

ARRACK RENT SALE CONDITIONS, 1953-54

Notification No. 1

By virtue of the powers vested in me by Condition 18 of the Arrack Rent Sale Conditions for 1953-54 and subsequent periods, published in *Gazette* No. 10,539 of June 19, 1953, and Condition, I, (b) of the Arrack Tavern Licences specified in Excise Notification No. 421, published in *Gazette* No. 10,539 of June 19, 1953, I, Arthur Lorenz, Loos, Acting Excise Commissioner, do hereby notify that I have determined that, with effect from October 1, 1953—

- (1) arrack of the qualities described in the First Schedule hereto shall be sold by Government to the grantees of the exclusive privilege at the rates specified in the corresponding entries of that Schedule.
- (2) the prices set out in the Second Schedule are the prices at which such arrack shall be sold by grantees of the exclusive privilege ; and
- (3) Notification No. 3, published in *Gazette* No. 10,500 of February 27, 1953, is hereby rescinded with effect from October 1, 1953.

Colombo, September 17, 1953. A. L. LOOS,
Acting Excise Commissioner.

FIRST SCHEDULE

Prices at which arrack shall be sold by Government to grantees of exclusive privilege :—

Quality	Per Gallon	
	Rs.	c.
Ordinary in bulk ..	30	0
Ordinary in bottle ..	32	20
Extra Special in bottle ..	44	20

D. 3
Extract
from the
Ceylon
Government
Gazette
No. 10,951
25.9.53.

SECOND SCHEDULE

I—In sealed bottles :—

Quality	Kinds of Bottles			
	Reputed Quarts (6 to a Gallon) Equivalent		Reputed Pints (12 to a Gallon) Equivalent	
	Per Bottle	Per Gallon	Per Bottle	Per Gallon
	Rs. c.	Rs. c.	Rs. c.	Rs. c.
Ordinary ..	6 0	36 0	3 0	36 0
Extra Special ..	8 0	48 0	—	—

II—By the dram :—

Quality	(1)	(2)	(3)
		Per Dram	Equivalent Per Gallon
		Rs. c.	Rs. c.
(a) Minimum rate—ordinary	0 65	31 20
(b) Maximum rate—ordinary	0 75	36 0

P. 5.
Letter from K.
Selvadurai and
H. R. Fonseka
30.6.54.

P 5

Letter from K. Selvadurai and H. R. Fonseka, 30.6.54

No. 105, Fifth Cross Street,
Colombo 11,
30th June, 1954.

The Government Agent, W.P.,
The Katchcheri,
Colombo.

Sir,

BALANCE ARRACK 30.9.53

10

We thank you for your letter No. AX. 3287 of the 21st inst. from paragraph 1 of which we are glad to note that we have been absolved from the liability of paying rent on the various quantities of Extra Special arrack purchased by us against the 1953-54 rental, in respect of A. T. Nos. 7, 8 & 9.

Please allow us, however, further to elucidate the position as regards the following quantities of balance arrack found at these taverns at the close of business on 30.9.53 and taken over by ourselves for stock against the 1953-54 rent period.

We were the holders of these self-same rents for the previous period, 1952/53. Under the requirement in our rent sale and Licence conditions, we were obliged to keep in stock quantities of arrack of the various kinds to conform to the prescribed minima, in each case, at the respective taverns, right up to the last moment of business in that rental. The balance stocks held by us in this manner on 30.9.53 were :

20

No. 7, St. John's Road ..	963 Gln.	40 Dr.
No. 8, Chekku Street ..	580 "	08 "
No. 9, Sea Beach Road ..	288 "	32 "

1832 Gln. 32 Dr.

30

We had paid for these quantities, at the then prevailing rate of Rs. 4.30 per gallon. We submit that, had we been outgoing renters for the 1953/54, period, we would have had recourse to one of two procedures for the disposal of this arrack ; Either We would have handed over these stocks, after verification, to the incoming renter, at the purchased rate of Rs. 4/30 per gallon ; or, alternatively, if the incoming renter was not agreeable to the taking over of these stocks, we would have surrendered the same to Government, and claimed a refund of the sum paid by us for the total quantity so

surrendered as rental on the then prevailing rate: Viz. Rs. 4.30. In either case, a sum of Rs. $(1832\text{-}2/3 \times 4.30)$ is, as you will perceive, Sir, recoverable by us legitimately, either from the incoming renter or from Government. In the present case this amounts to Rs. 7,880.47.

P. 5.
Letter from K.
Selvadurai and
H. R. Fonseka
30.6.54—contd.

Our position is that we were the incoming renters for 1953/54 as well as the outgoing renters for 1952/53. The balance stocks, as at 30.9.53 were duly carried over by us against the 1953/54 period, in respect of each tavern.

10 If, therefore, it is contended that we, as incoming renters, are liable to the payment of rent at the new rate of Rs. 4.91 per gallon on the stocks taken over by us on 1.10.53. We have no doubt that it will equally be conceded that we are entitled to the re-imbusement, at the rate of Rs. 4/30 per gallon, on the stock remaining over at close of business on 30.9.53. These figures respectively work out as follows:—

1832—2/3 Gls. at Rs. 4.91 : Rs. 8,998.73 (payable by us)
1832—2/3 Gls. at Rs. 4.30 : „ 7,880.47 (payable to us)

Difference Rs. 1,118.26 payable by us to the

Government, on the nett transaction.

20 We hasten to assure you, Sir, that we would be only too ready to remit, on our part, the sum of Rs. 8,998.73, represented as being due from us to Government, provided we are assured of a refund being effected to us of the amount of Rs. 7,880.47, legitimately due to us on the same gallonage, for which we had paid rental at the rental payable in respect of the prior rent period. This is why we offered to remit the difference at Cts. -/61 per gallon, on the total quantity of 1832-2/3 gallons taken over for 1953/54, in order to close the transaction by the briefest possible arithmetical process possible.

Trusting to hear from you, Sir, favourably in this regard,

30

We remain, Sir,
Your obedient servants,

Sgd.....
(K. SELVADURAI & H. R. FONSEKA.)

Ag. EC.

My No. A X 3287.

Your No. LA/B.

Forwarded for favour of report.

Sgd.....
for G. A., W. P.

Colombo, 6/7/54.