Proceedings of the Madras Government, Revenue Department, 14th June 1871.

Read again Board's Proceedings, dated 21st September 1870, No. 5,820, recorded in the Proceedings of Government, dated 22nd October 1870, No. 1,613.

Read again Board's Proceedings, dated 12th December 1870, No. 7,705, recorded in the Proceedings of Government, dated 24th March 1871, No. 545.

No. 177. Read also the following Proceedings of the Board of Revenue, dated 15th May 1871, No. 2,018.

Read the following letter from A. MACGREGOR Esq., Collector of Malabar, to the Acting Secretary to the Board of Revenue, dated Calicut, 17th April 1871, No. 100.

I HAVE the honour to submit the statement called for in paragraph 4 of the Government Proceedings quoted in the Proceedings of the Board of Revenue, Miscellaneous No. 1,052, dated 31st March 1871. It will be seen that the percentage of wastage on the whole quantity of salt imported from Bombay, under the contract, for Fusly 1278 is 5¼ per cent. approximately.

2. The duty payable on this amounts to Rs. 31,870, and the value, according to the average contract-price, is about Rs. 9,915.

3. I do not think that Government can assume that the contractor anticipated a wastage of ten per cent. He doubtless knew from experience what it was likely to be, and allowing for that, made the lowest bid which he thought would secure the contract. If the margin of profit he left himself is trenched on by circumstances due to the neglect of Government in taking delivery, he seems to me to have a claim which is very moderately estimated at merely the duty on the salt thus lost.

ENCLOSURE No. 1.—Statement.

SUBMITTED to Government with reference to their order quoted by the Collector.

2. It appears from this letter that the percentage of wastage in the cases under reference was very largely in excess of the average, and that in the nine first cases a good deal of it was due to delay on the part of Government.

No. 178. ORDER THEREON, 14th June 1871, No. 1,056.

Separate Revenue, No. 6.

Custom.

THESE papers relate to the claim of one Nanjee Makanjee, the contractor who undertook to supply salt for Malabar in 1868-69, to a refund of Rs. 8,465, the amount of duty collected at Bombay on 5,643 Indian Maunds, the quantity of deficiency found on delivery in thirteen vessels, and stated to have been caused partly by the detention of salt in the vessels for several days for want of space in the Government salt gollahs in the district, and partly by some of the vessels having fallen in with heavy seas during the voyage.

2. The Collector and the Board admit the validity of the claim in the case of the nine vessels, the loss in which, amounting to Rs. 5,209 on 3,473 Indian

Maunds, is attributable to the act of Government; and in regard to the remaining four, they remark that the contractor may be regarded as having undertaken all risks of weather.

3. The Government, in their order, dated 24th March 1871, No. 545, remarked that as there can be no doubt that the contract-rate was intended to cover an average wastage of ten per cent.—an allowance which was discontinued subsequent to July 1865—they are not prepared to entertain this claim for compensation without having before them a complete statement of the outturn of the whole 200 cargoes under the contract as compared with the quantity on which duty was paid at Bombay and the percentage of wastage on the whole quantity.

4. This statement the Board now submit, and the wastage on the entire quantity of 384,292 Indian Maunds exported from Bombay is shown to have been 20,680 Indian Maunds, or little more than 5½ per cent.

5. The Government have, in a similar case, declined to admit claims for wastage which occurred "on the voyage, or while at anchor or in landing;" no compensation therefore can be allowed for loss sustained during the voyage; but there are circumstances connected with the nine vessels, which were detained at anchor, which require special consideration.

Order, dated 26th May 1871, No. 928.

6. These vessels, which were in a leaky state, were detained for several days for want of room in the gollahs to receive salt, and, admitting the force of Mr. Macgregor's argument that it cannot be assumed that the contractor anticipated a wastage of ten per cent., Government are answerable (only) for the wastage which *actually* occurred during such detention, and no more; and this, too, not according to the strict letter of the contract, but on equitable considerations. There is no satisfactory testimony to show that the entire wastage occurred *after* the arrival of the vessels at the ports, nor is this credible; and the Collector states that the point is not susceptible of absolute proof. The Collector reports that the days occupied in clearing are included in the periods of detention; but it is not practicable to ascertain the wastage which occurred only during the days of actual detention.

7. These difficulties can, however, be easily overcome. The average wastage in the vessels, on account of which no refund is sought, was $4\frac{3}{16}$ per cent., and this can fairly be assumed to be the wastage which would have occurred in the nine vessels alluded to, independent of the detention complained of. Deducting this, therefore, from the wastage, 16·03 per cent. stated to have occurred, the difference, for which the contractor is properly entitled to a refund, is 11·73, or $11\frac{3}{4}$ per cent. on the total exportation of 21,671 Indian Maunds, or 2,546 Indian Maunds. Sanction is accordingly granted for the refund of Rs. 3,819 at Rs. 1½ per Maund.

8. The Board, in their first Proceedings on the subject, recommend that the Government of Bombay be requested to make the refund, but that Government have nothing to do with it. The delay and consequent additional wastage were caused by the act of the Government servants at the ports of landing in this Presidency, and the charge should therefore be debited to the latter.

9. The Board will, in communication with the Collector, take steps to avoid such unnecessary loss to the State in future. The accommodation in the gollahs

should either be extended, or arrangements should be made with the contractors for the delivery of certain instalments of the entire supply at stated periods when space is likely to be available in the gollahs.

(True Extract.)

(Signed) D. F. CARMICHAEL,
Acting Secretary to Government.

To the Board of Revenue.
,, the Accountant-General.

Exd. F. R. Bantleman.

Revenue Department.

No. 1056.

Proceedings of the Madras Government under date the 16th June 1871.

Read again Board's Proceedings dated 21st September 1870 No. 5820 recorded in the Proceedings of Jost dated 22d October 1870 No. 1613.

Read again Board's Proceedings dated 12th December 1870 No. 7705 recorded in the Proceedings of Jost dated 24th March 1871 No. 545.

Read also Board's Proceedings.

Submitting letter from Collector forwarding a statement showing wastage in salt imported into Malabar from Bombay by Contractor for Fasly 1278.

H. E. 15th May 1871 No. 2018

These papers relate to

to the claim of one Nanjee Makanjee, the contractor who undertook to supply salt for Malabar in 1868-69, to a refund of Rs. 8465, the amount of duty collected at Bombay on 5643 Indian Maunds, the quantity of deficiency found on delivery in 13 Vessels and stated to have been caused partly by the detention of salt in the Vessels for several days for want of space in the Government salt Gollahs in the District, and partly by some of the vessels having fallen in with heavy seas during the voyage.

2 The Collector and the Board admit the validity of the claim in the case of the nine vessels the loss in which amounting to Rupees 5,209 on 3,173

Indian

Indian Maunds is attributable to the act of Government, and in regard to the remaining four they remark that the Contractor may be regarded as having undertaken all risks of weather.

3 The Govt. in their order dated 24 March 1871 No. 545 remarked that as there can be no doubt that the contract rate was intended to cover an average wastage of ten per cent, an allowance which was discontinued subsequent to July 1865, they are not prepared to entertain this claim for compensation without having before them a complete statement of the outturn of the whole 200 Cargoes under the contract as compared with the quantity on which duty was paid at Bombay and the

percentage

several days for want of room in the Gallahs to receive salt, & admitting the force of Mr. MacGregor's argument that it cannot be assumed that the Contractor anticipated a wastage of 10 per cent Government

are

I hold by "in equity & at" but according to the strict letter of the Contract, but on equitable considerations.

are answerable only for the wastage which actually occurred during such detention and this too and no more. There is no satisfactory testimony to show that the entire wastage occurred after the arrival of the vessels at the ports, and the Collector states that this point is not susceptible of absolute proof. The Collector reports that the days occupied in clearing are included in the periods of detention, but this not practicable to ascertain the wastage which occurred only during the days of actual detention.

Nor is this credible;

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of the detention complained
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from the wastage 16.03 per
cent stated to have occurred
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2546. Sanction is accordingly
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available in the Gallahs.

11 Board of Revs
6 Acctt General

Ch. 1C

Return by sect
duty in Amer.
Vessels

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