No. 187. Read the following Proceedings of the Board of Revenue, dated 4th July 1871 :—

Read the following letter from the Officiating Collector of Madras, to the Acting Secretary to the Board of Revenue, dated Madras, 3rd July 1871, No. 104.

SARAVANAMUTTU PILLAY, the late contractor of Puttai Arrack, claims to be paid for 41,000 gallons not received from him during the two years* of his contract, and which he states that Government were bound to receive by the terms of the contract deed. Doubtful of the correctness of his claim I consulted the Government Law Officers, who were of opinion that he had no claim up to the 17th December last, the date on which he first insisted on our taking the minimum quantity of 300 gallons a-day. From the 17th December to the 30th June last, there were 196 days ; deducting from these the number of days on which 300 and more gallons were received (103), there remains a balance of 93 days on which less than 300 gallons were received from him. The accompanying statement shows what Government were bound to receive, and what they actually received. For the non-receipt of the difference (15,240 gallons), the contractor appears to be entitled to compensation. Taking the profit to be 2 Annas a gallon the amount due to him is Rs 1,905.

* Fuslies 1279 and 1280.

2. In his letter of the 28th ultimo he contends that he is not bound to sell to Government the 2,900 gallons at 10 Annas a gallon, which the Deputy-Collector indented on him for on the 30th idem. I think his contention is bad, and if he had insisted on its correctness, I would have been under the necessity of referring the same to the Law Officers of the Crown.

3. On my offering him (subject to Board's approval) a sum of Rupees two thousand in full satisfaction of all his claims against Government in the matter of Puttai Arrack, he, with great reluctance, agreed to receive it.

4. Under these circumstances I have the honour to request that the Board will be pleased to inform me whether they approve of my proposal to the contractor, and sanction the payment of the amount to him.

SUBMITTED for the sanction of Government.

2. The payment is not greater than might be claimed at law, and it will at once put an end to a great deal of the anxiety and trouble which has been experienced in carrying out the order of Government, transferring the Madras Distillery to Mr. Pritchard.

3. The Board gather from the letter that Saravana has made over the liquor in store on the 1st instant to the Collector at 10 Annas a gallon.

No. 188. ORDER THEREON, 15th July 1871, No. 1,231.

Separate Revenue, No. 12.
Abkarry.

G. O., 21st June 1871, No. 254.

IN their Proceedings of 16th May last, paragraph 8, clause (3,) the Board remark that Saravanamuttu Pillay, the then contractor for the manufacture of Puttai Arrack, " urges, with some

"reason, that under his contract the Collector is bound to take 300 gallons of "Puttai from him daily, and he exaggerates the amount of the claim he might "make on this account. If the contract is extended he will understand that the "Collector is bound to take no more Arrack than he can dispose of to the shop-"keepers. The articles of agreement, which are badly drawn in this respect, will "be amended."

2. The Board now propose the payment to him on this account of Rs. 2,000, as "not greater than might be claimed at law;" and this, they add, "will at "once put an end to a great deal of the anxiety and trouble which has been "experienced in carrying out the orders of Government, transferring the Madras "Distillery to Mr. Pritchard."

3. The Governor in Council is unable to see any justification for this concluding remark. Whether the contract was continued to the Board's nominee or transferred to Mr. Pritchard did not affect the question of any settlement remaining to be made between the Collector and the late contractor on the terms of the contract which has just expired. The agreement, it has been seen, was loosely drawn up, and may be construed as binding the Collector to take 300 gallons daily, whether he wanted so much or not. It is not altogether clear from the Collector's letter whether the whole of the case has been formally laid before the Law Officers, and a written opinion obtained. If this has been done the Board will of course be guided by the reply; no payment, however, being made until Saravanamuttu Pillay has cleared himself of having defrauded the revenue in selling Colombo Arrack to Messrs. Abraham of Bellary at 1 Rupee 8 Annas the gallon—(paragraph 20, G. O., 21st June last, No. 1,093).

(True Extract.)

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

To the Board of Revenue.

Exd. F. R. Bandleman.

No 1231 15th July 1871

Bd; Pro. 4th July 71.

No 254
G.O. 21st June/71

In their Proc. of 16th May last, Para 8, Claus (3), the Bd remark that Saravanamuttu Pillay, the then Contractor for the manufacture of Puttai arrack, "urges with some "reason that under his contract "the Coltr is bound to take 300 "Galls of Puttai from him daily, "and he exaggerates the amount "of the claim he might make on his "account. If the contract is ex "-tended, he will understand that "the Coltr is bound to take no more "Arrack than he can dispose of to "Shopkeepers. The articles of agreement "which are badly drawn in this "respect, will be amended."

2nd The Bd now propose the payment to him on this account of 2000 Rs, as "not greater than might be "claimed at Law"; and this, they add "will at once put an end "to a great deal of the anxiety & trouble "which has been experienced in carry- "-ing out the orders of Govt, transferring "the Madras Distillery to the Putlam Dr.

3. The G. in C. is unable to see any justification for his concluding remark. Whether the contract was continued to be held nominally or transferred to Mr Pitchard, did not affect the question of any settlement remaining to be made between the Collector & the late Contractor on the terms of the contract w^h has just expired. The agreement, it has been seen, was legally drawn up, and may be construed as binding the Collector to take 300 Gallons daily, whether he wanted so much or not. It is not altogether clear from the Collr's letter whether the whole of the case has been formally laid before the Law Officers, and their opinion obtained. If this has been done, the Bd will of course be guided by the reply; but pending such opinion being made until Savaranamuttoo Pillay has cleared himself of having

Respected the revenue in selling Colombo arrack to Messrs Abrahams of Bellary at 1/3. & 2/3 the Gallon. (Para 20 G.O. 21st June last, No 1093).

D.G.T.
6/9/

To Collector of Revenue Dept 17

Govt. of 1871 Madras

REVENUE.

THE BOARD OF REVENUE.

Dated July 1871

Read

G. Os. Nos. 1266 & 1267, dated 1st July 1871.

JULY.
Nos. 1267-1274.

B5

July/71/B10