

*Proceedings of the Madras Government, Revenue Department,
24th March 1871.*

No. 387. Read the following Proceedings of the Board of Revenue, dated 12th December 1870, No. 7,075:—

Read the following letter from the Collector of Malabar, to the Acting Secretary to the Board of Revenue, dated Vytry, 17th November 1870, No. 385-A.

I HAVE the honour to submit copy of a report * from the Assistant Collector in charge of the Salt Department on the subject of Government Order, dated 22nd October 1870, No. 1,613.

* Dated 5th November 1870, No. 3,073.

2. It appears that the days occupied in clearing are included in column 5, but that when space was available, only one day was necessary for landing the cargo.

3. As regards the mode in which it was ascertained that the salt was lost after the vessels arrived in Calicut, this is, of course, a point not susceptible of absolute proof. All that can be said is, that the inspection report made on arrival showed nothing from which a deficiency from loss during the voyage might be anticipated, and as the delay in landing was caused by Government, it would appear that on them lay the burden of proving that the deficiency was caused otherwise than by such delay. Mr. Glenney, who was in charge of the salt that season and signed the certificates, lived close to the landing place, and I have no doubt satisfied himself as to the correctness of the certificates, though, as he has left the district, I have no means of ascertaining whether any special inquiries were made. In paragraph 3, the Board say that, strictly speaking, ten per cent. should be deducted as wastage, but I would remark that this is taken as an average, and merchants might fairly object to its being assumed that the full average loss was sustained in vessels that arrived sound and tight, and without having had to overthrow.

4. It must also be observed that the merchants are merely demanding a refund of the duty paid, and not the price, freight, and loading charges of the missing salt.

5. The result of harsh enforcement of the rule of the Bombay Government to confiscate duty deposited on salt shipped from Bombay, but not landed in Malabar, is necessarily to enhance our contract prices, and this was alleged as the reason why the rates at the last auction were so much increased.

ENCLOSURE No. 1.

From the Assistant Collector, to the Collector of Malabar, dated Calicut, 5th November 1870, No. 3,073.

WITH reference to the Government Proceedings, dated 22nd October 1870, No. 1,613, forwarded to me for report, I have the honour to submit the required information.

Query No. 1. The column 5, paragraph 6 of your letter, dated 16th August 1870, No. 298, embodied in the Government Proceedings, shows the total number of days during which the salt in each vessel had to be detained owing to want of space for storage in the Government gollahs.

*Proceedings of the Madras Government, Revenue Department,
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The days required for landing the cargo of each vessel were as noted below, and during all the remaining days the contractor was unable to land the salt for the reason abovementioned.

Nos. 60, 67, 68, 69, and 70. It took from two to five days to clear each of these vessels, as the salt had to be landed as space became available in the Calicut gollah.

Nos. 65, 44, 57, and 62. Each of these vessels was cleared in one day only.

Query No. 2. All these vessels, on arrival, were personally inspected by the Salt Superintendents, and the reports then made by them regarding the state of the salt in the vessels show no causes whereby any wastage might be supposed to have occurred during the voyage. Such causes, if there be any, are, as a rule, stated in the reports made on the first personal inspection of vessels by the Superintendents.

The tabular reports, received from them on the weighing of the salt, state that the deficiencies in the first nine cases alluded to in the Government Proceedings above quoted are attributable to certain leaks found to have sprung in these native crafts while at sea, with full cargo, for several days together.

Further, the salt in the vessels Nos. 67 to 70, after storage in the yard of the Calicut gollah, but before being weighed and moved into the rooms, was exposed to the sun and air for about two months.

Under these circumstances, it can be ascertained that a considerable portion of the wastage in question must have occurred after the arrival of the vessels, though it cannot be stated with certainty that no wastage occurred during the voyage.

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

No. 388.

ORDER THEREON, 24th March 1871, No. 545.

Separate Revenue, No. 16.

Salt.

THE Government note that, in the case of the four vessels which discharged at Ponany and Tellicherry between 9th April and 13th May 1869, there was

an average delay of only four days in clearing the cargo out of the vessel, and that on an average cargo of 3,293 Indian Maunds, there was an average deficiency of 542 Indian Maunds, being 16.46 per cent.

2. In these cases when there was no unusual delay, the deficiency is attributed to bad weather encountered on the voyage; but this is no ground for claiming either compensation or refund of duty, the risk being clearly one that must have been considered in making the tender, especially as the former allowance of ten per cent. to cover wastage has, for some years, been discontinued.

3. In the remaining nine cases of vessels which discharged at Calicut, Beypore, and Ponany, between 2nd December 1868 and 18th January 1869, there was an average delay of twenty-one days in clearing out the cargo, and on an average cargo of 2,408 Indian Maunds, there was an average deficiency of 386 Indian Maunds, being 16.03 per cent, or almost precisely the same loss as in the former set of cases.

4. As there can be no doubt that the contract rate was intended to cover an average wastage of ten per cent., the Government are not prepared to entertain the claim for compensation without having before them a complete statement

*Proceedings of the Madras Government, Revenue Department,
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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.

5. It may certainly be assumed that in the contract rate the Government have already compensated the contractor for an average wastage of ten per cent. the whole quantity he contracted to supply.

(True Extract.)

(Signed)

W. HUDLESTON,

Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.



Rev. Sept
Memo for orders on Rs. 39,42

Question. — Whether a proposal of Rs. 32,09 is to be made to a West-Coast salt supply Contractor either by this Govt or by the Govt of Bombay on account of loss of salt through leakage.

Before entering upon the merits of this question it is necessary to notice briefly the system by which the West-Coast districts are supplied with salt. This will be found detailed in G.O. dated 1st May 1865, to wit: The districts of Malabar & South Canara are almost entirely dependent on importation for their salt supply, very little being

being manufactured
on the spot. So small
is the difference between
the Govt monopoly price
& the import duty that
sufficient inducement
is not held out to
private speculators to
embark on the salt
trade. Consequently the
Govt are obliged them-
selves to import salt
from Bombay into
Malabar or rather
to pay contractors for
so doing. These contractors
pay duty on the salt
exported by them to
the extent of Rs. 100
per

78
per maund which duty
is collected at Bombay.
It was formerly
the custom to allow
ten per cent for
wastage in calculating
the duty at Bombay
that is to say duty
was charged on
only nine tenths of
the salt manifested
from there. It is
more than an objection
to this practice. In
the first place it
was found that
the importers sold
salt

Talk to fishermen
along the coast,
and then in order
to exemplify the neces-
sity of granting wastage
represented that they
had lost it in storms.

Again, it was felt
that if it was uni-
versally understood
that no wastage would
be granted, the importer
need not be to a cor-
responding extent a
loser, for he would be
able to protect himself by
charging

charging an increased
price to the consumer or
consignee. But what ulti-
mately led to the abolition of
wastage allowance was the
then existing fact that the
quantity of salt exported was
estimated on its exportation
at Bombay by measurement and
on its receipt on the Western coast
by weighing. It was found
that the latter process invariably
turned out more salt than the
theoretical equivalent by measure-
ment, so that the salt contractors
who paid duty at Bombay on
say 1000 garces, received credit
with the Madras Govt for 1100. As
a counterpoise to this advantage, and
fervently for the other reasons mentioned
about the wastage allowance was
abolished.

3. It is a fact material to the
determination of the present issue
that subsequently the practice of
estimating

estimating salt by weight
was introduced at Bombay.
Thus the two standards being
assimilated, one of the reasons for
the stoppage of the wastage allowance
disappeared, but this concession was
never re-granted.

4. As the Govt are aware the
conditions incidental to the salt
supply of Malabar and South Canara
will become entirely altered when
the "Madras Salt Excise bill" shall
~~and be in force~~
have become law. The enactment
is designed to abolish the salt
monopoly, to substitute for it in
the case of locally manufactured
salt an excise duty, and in the case
of foreign salt such an import
duty, as will not shackle private
competition. But the question
whether wastage allowance is to
be granted in cases such as
that now before the Govt will lose
none of its importance.

Now as to the case in point.
One Nanji Mahaiya contracted in 1868-69
to

to supply 3000 garces of salt
from Bombay. He fulfilled
his contract according to the
terms stipulated and brought
altogether thirteen shiploads
of salt. There was, however,
a discrepancy between the
quantity exported as per the
certificates granted at Bombay
and that actually received
at Calicut. The former
amount was 34,815 Indian
maunds. The latter 29,202
Indian maunds. The contractor
requests that the duty paid
by him on the difference,
viz 5,613 Indian maunds, may
be refunded to him, which
duty would amount to Rs.
845. It is clear, however, that

the

the Govt. are in any case
 only responsible for his loss
 or loss shiploads, which
 could not be landed owing
 to want of room in the
 Govt salt godowns. These
 cargoes were detained at
 sea for periods ranging from
 29 to 168 days and Mr. Glenney
 the Assistant Collector testified
 in writing that the loss
 of salt was due to this
 cause. The remaining four
 shiploads were only detained
 from three to five days and
 Mr. Glenney attributed the
 deficiency to storms and
 leakage. The Collector and
 the Board therefore recom-
 mend that refund should
 only

Discharge
 of the salt
 cargo
 is
 complete
 and
 the
 balance
 is
 correct
 J. C. Glenney
 Collector

only be made on account
 of wastage in the first
 nine vessels, which would
 amount to Rs. 5,107.
 b. It is clear from
 Board's Proceedings dated 12th
 December 1870, No. 7075, that
 the statement that in the
 case of the first nine vessels
 the salt was lost after the
 vessels arrived at Calicut
 merely represents a surmise.
 On reference to the statement
 embodied in para. 6 of the
 Collector's letter printed with
 G. O. dated 22nd October 1870
 No. 1613, it will be seen
 that the average wastage
 in the four vessels which

were only detained by Govt.
from three to five days it
higher than the average rate
of wastage in the nine which
were detained from sixteen to
twenty nine days. Under these
circumstances it is highly pro-
bable that the wastage is
really due to discrepancy in
weights, or possibly to fraud
on the part of the contractors,
not to the detention of the
vessels at Calicut.

It is therefore sub-
mitted that the proposed re-
fund should not be grant-
ed. If, however, the Govt.
decides to grant it, it is
doubtful

In this case wastage
is not ascribable to delay
but to bad weather &
voyage.

The Bombay Govt.
have clearly nothing
to do with it.

The only ground for
the request is on the
score of delay &
consequent addl. wastage
caused by the act
of the Govt. servants
at the ports of
Candling - L.B.

doubtful whether, as the Board
recommend, the Bombay Govt.
can be asked to make it,
for the Bombay Govt. is not
responsible for the loss.

W. H. D.

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Memorandum.

Salt imp. into
into Mulhara
Dist. from Bom
bay by C. & A.
for 1865 - C. & A.

Expenditure
on Salt imp. into
Mulhara Dist.
from Bom. by C. & A.
for 1865 - C. & A.

Expenditure on an average
corps

Memorandum.
 Salt imported
 into Malabar
 Dist. from Bom-
 bay by Contract
 for 1868-69.

For the purpose of
 collecting information
 from the Collector
 of Malabar Dist.

90
 1/2

Revenue Department.
 No. 545
 1868-69

PROCEEDINGS of the MADRAS GOVERNMENT.
 Under date the 24th March 1869

Read the following letter
 of the Board of Revenue

Subm. Letter from Col^l
 furnishing certain information
 called for with reference to
 proposed refund to Contractor
 of customs duty collected from
 him on portion of salt imported
 into Malabar Dist. from
 Bombay by Contractor for
 1868-69.

18th Dec: 1868

I.O.S.

M.A.

We put note
 that in the case of the
 vessels which discharged
 at Poram & Tellicherry
 between 9th April & 13th
 May 1869, there was an
 average delay of only
 10 days in clearing the
 cargo out of the vessel,
 & that on an average
 cargo

12
cargo of 3293 S. Mounds
there was an average
deficiency of 572 S. Mounds
being 16.46%.

2. In these cases when
there was no unusual delay,
the deficiency is attributed
to bad weather encountered
on the voyage, but this
is no ground for claiming
either compensation or
refund of duty, the pilot
being clearly one that
must have been considered
in making the tender,
especially as the former
allowance of 10% to cover
wastage has for some
years been discontinued.

3. In the remaining
9 cases of vessels which
discharged at Calicut,
Beyrout & Perim
between

between Dec. 1888 & Jan
1889, there was an average
delay of 21 days in clearing
out the cargo, and an
average cargo of 2508 S.
Mounds, there was an
average deficiency of
386 S. Mounds being 15.03%
almost precisely the
same loss as in the
former set of cases.

4. As there can be
no doubt that the em-
ployer's ^{rate} ~~rate~~ was intended
to cover an average wage
of 10% the fact are
not prepared to enter-
tain this claim for
compensation without
having before them a
complete statement of
the outcome of the whole
210 cargoes under the
contract.

Dear Mother
 I have just received
 your letter of the 10th
 and was glad to hear
 from you. I am well
 and hope this finds
 you the same. I have
 not much news to write
 at present. I am
 very affectionately
 yours
 L. A. H.

The image is a very low-contrast scan of a document. It appears to be a letter or a report. There is a faint signature at the top right, possibly reading "John F. Kennedy". Below the signature, there is a block of text that is mostly illegible due to the poor quality of the scan. The text seems to be organized into paragraphs. At the bottom of the page, there is a date stamp that reads "JAN 1961".

contract as compared
with the quantity for
which duty was paid
at Bombay & the
percentage of wastage
on the whole quantity
is. It may certainly
be assumed that in
the contract with the
Govt. have already com-
pensated the Contractor
for an average wastage
of 10% on the whole
quantity he contracted
to supply.

[Faint, mostly illegible handwritten text]

11. 6002
11. 6002 Dec 27.

70
Salt imported into
Malacca Dist. from
Bombay by sea
1868-69 -

