

(1) Number of Pages.....8
(2) Date of repair.....3. 6.64
(3) Initials of the Referencer.....

MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No.	139	Press
B.P. No.		Mis.
Dated	30.1	1961974

Not to be folded or roughly handled

1 B

*Proceedings of the Madras Government, Revenue Department,
30th January 1874.*

No. 270. Read the following Proceedings of the Board of Revenue, dated 16th January 1874, No. 66, Forest No. 3 :—

Read the following letter from J. HOPE, Esq., Acting Collector of Kurnool, to J. GROSE, Esq., Secretary to the Board of Revenue, dated 1st December 1873, No. 408 :—

I HAVE the honour to request the instructions of the Board as to the amount of seigniorage to be levied on charcoal burnt for smelting iron in and near the Nallamalla Forests.

2. At present, a charge of 3 Rupees, per mensem, is levied on each forge during the time the manufacture is carried on. In 1865, Mr. Minchin recommended a consolidated monthly rate of 2 Rupees, a forge, which the Board and Government declined to sanction, (G. O., No. 227, dated 21st September 1865), but owing to the difficulty of collecting the usual seigniorage of 1 Anna on every cavity load of charcoal consumed, Mr. Sheffield, the then Assistant Conservator of Forests, imposed a tax of 3 Rupees on all the furnaces, apparently without the sanction of his superiors (*Vide* Major Biddome's letter, No. 1,988, dated 10th October 1873, copy of which is enclosed). I beg to submit copy of his letter, as also that of Mr. Boileau, the present Acting Deputy Conservator, for the consideration and orders of the Board.

ENCLOSURE No. 1.

From E. BOILEAU, Esq., Acting Deputy Conservator
Collector of Kurnool, dated Nandial, 30th September 1873, No. 242.

In answering your docket, No. 943, again, I have the honour to state that, in the latter portion of your docket abovementioned, I notice a slip, the charge is Rupees 3, per mensem, not per annum. If the consolidated charge of 3 Rupees is to be done away with, and be substituted by a rate of 1 Anna per cavity load, I am afraid our revenue from charcoal will be *nil*, or something extremely small. For the smiths in the hot weather (with hardly an exception) proceed into the jungles and there smelt the iron ore when there, how is it possible to tell whether they use ten or two hundred cavity loads of charcoal per mensem? Even now, with a consolidated charge, we are unable to tell the exact quantity they use, but I know the amount is greatly in excess to what they are entitled to, viz., forty-eight loads the month. Even taking those forges on the plains, it will be very hard to collect a seigniorage of 1 Anna, for the forges are always outside the villages, and they are constructed on that side of the village nearest the

• *Alias* Batchpully, the two villages are one.

hills with one exception, Chinna* Hobalum; and the charcoal burners will, without a doubt,

bring in their charcoal at night so as to escape the payment of a tax. But by the present system we are sure of a portion of our revenue due for charcoal. The only way I can see of reconciling this nuisance (*Vide* latter portion of letter No. 201, commencing from "in July last, etc.") is to

† Monthly.

make a charge of Rupees 10† on smelting forges, and Rupees 7† on those forges which

fashion the iron (or whatever sum you may think proper, that will give a fair remuneration to our department for the charcoal which is now taken free) and allow them to burn as much charcoal as they can (as there must be a certain limit to the number of cavity loads burnt per diem).

(True Copy.)

(Signed) J. HOPE,
Acting Collector.

Proceedings of the Madras Government, Revenue Department,
30th January 1874.

4. This sum represents the authorized tax of 1 Anna per load of two baskets on a smaller amount of charcoal than is really used, and the Board are of opinion that it can be collected in no other way. There are no means of observing and taxing charcoal on its way to the furnaces which are in the midst of the forest where the charcoal is prepared.
5. The Board accordingly resolve to recommend Government to sanction the existing practice.

No. 271. ORDER THEREON, 30th January 1874, No. 139.

Forest, No. 8.

SANCTIONED accordingly.

(True Extract.)

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

To the Board of Revenue.
.. the Inspector of Forests.

Ed. G. A. Terton.

Proceedings of the Madras Government, Revenue Department,
30th January 1874.

Revenue No. 2

From Mr. A. H. Dalrymple, Inspector of Forests, to the Secretary to Government, Madras, dated 1st July 1873. Subject: Charcoal tax. The enclosed report contains a statement of the existing practice of taxing charcoal, and a proposal for its amendment. It is suggested that the tax should be levied on the weight of the charcoal, instead of on the number of baskets. This would be more equitable, and would also be more convenient for collection.

(True Copy)

Ordered J. H. P. A. C. M. S.

Revenue No. 3

From Mr. A. H. Dalrymple, Inspector of Forests, to the Secretary to Government, Madras, dated 1st July 1873. Subject: Charcoal tax. The enclosed report contains a statement of the existing practice of taxing charcoal, and a proposal for its amendment. It is suggested that the tax should be levied on the weight of the charcoal, instead of on the number of baskets. This would be more equitable, and would also be more convenient for collection.

(True Copy)

Ordered J. H. P. A. C. M. S.

2. The instructions in the way of taxing charcoal used for smelting iron in the Madras District were brought to the notice of Government in the papers of Mr. G. H. Dalrymple, dated 1st July 1873, and 21st September 1873. In the latter of these papers, commencing with the Board, referred to above, the tax is levied as a monthly charge on each smelting charge. It appears from the correspondence now submitted that in spite of the orders in force the charcoal tax has been and is being collected as a monthly charge of Rs. 2 on each smelting furnace, for the time during which it is at work.

FOREST No. 3.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 16th January 1874, No. 66.
Read the following letter from J. HOPE, Esq., Acting Collector of Kurnool, to
J. GROSS, Esq., Secretary to the Board of Revenue, dated 1st December
1873, No. 43:—

I HAVE the honour to request the instructions of the Board as to the amount of seigniorage to be levied on charcoal burnt for smelting iron in and near the Nallamalla Forests.

2. At present, a charge of 3 Rupees, per mensem, is levied on each forge during the time the manufacture is carried on. In 1865, Mr. Minchin recommended a consolidated monthly rate of 2 Rupees, a forge, which the Board and Government declined to sanction, (G. O., No. 227, dated 21st September 1865), but owing to the difficulty of collecting the usual seigniorage of 1 Anna on every cavity load of charcoal consumed, Mr. Sheffield, the then Assistant Conservator of Forests, imposed a tax of 3 Rupees on all the furnaces, apparently without the sanction of his superiors (Vide Major Beddome's letter, No. 1,288, dated 10th October 1873, copy of which is enclosed). I beg to submit copy of his letter, as also that of Mr. Boileau, the present Acting Deputy Conservator, for the consideration and orders of the Board.

ENCLOSURE No. 1.

From E. H. BOILEAU, Esq., Acting Deputy Conservator of Forests, to J. HOPE, Esq., Acting Collector of Kurnool, dated Nandial, 30th September 1873, No. 212.

In answering your docket, No. 913, again, I have the honour to state that, in the latter portion of your docket above-mentioned, I notice a slip, the charge is Rupees 3, per mensem, not per annum. If the consolidated charge of 3 Rupees is to be done away with, and be substituted by a rate of 1 Anna per cavity load, I am afraid our revenue from charcoal will be nil, or something extremely small. For the smiths in the hot weather (with hardly an exception) proceed into the jungles and there smelt the iron ore when there, how is it possible to tell whether they use ten or two hundred cavity loads of charcoal per mensem? Even now, with a consolidated charge, we are unable to tell the exact quantity they use, but I know the amount is greatly in excess to what they are entitled to, viz., forty-eight loads the month. Even taking these forges on the plains, it will be very hard to collect a seigniorage of 1 Anna, for the forges are always outside the villages, and they are constructed on that side of the village nearest the hills with one exception, Chinna* Hobalum:

*And Hampally, the two villages are one.

and the charcoal burners will, without a doubt, bring in their charcoal at night so as to escape the payment of a tax. But by the present system we are sure of a portion of our revenue due for charcoal. The only way I can see of reconciling this nuisance (Vide latter portion of letter No. 201, commencing from "in July last, etc.") is to make a charge of Rupees 10† on smelting

† Monthly

forges, and Rupees 7† on those forges which

fashion the iron (or whatever sum you may think proper, that will give a fair remuneration to our department for the charcoal which is now taken free) and allow them to burn as much charcoal as they can (as there must be a certain limit to the number of cavity loads burnt per diem).

(True Copy.)

(Signed) J. HOPE,
Acting Collector.

ENCLOSURE No. 2.

From Major R. H. Beddome, Inspector of Forests, to J. HOPE, Esq., Acting Collector of Kurnool, dated Ootacamund, 10th October 1873, No. 1,955.

In reply to your letter, No. 1,061, of the 4th Instant, I have the honour to inform you that I cannot find any orders in my Office about the 3 Rupees tax on the forges. I think that you should refer to Mr. Sheffield, the former Assistant Conservator of your district, who is now in North Arcot.

(True Copy.)

(Signed) J. HOPE,
Acting Collector.

ENCLOSURE No. 3.

From T. SHEFFIELD, Esq., Deputy Conservator of Forests, North Arcot, to J. HOPE, Esq., Acting Collector of Kurnool, dated Vellore, 27th October 1873, No. 325.

In reply to your letter, dated 22nd Instant, No. 1,152, and its enclosures, I have the honour to inform you that each forge is supposed to consume about forty-eight cavity loads of charcoal monthly, and this, at 1 Anna per cavity of two piled parabs, amounts to Rupees 3, per forge, per month, while in full work. I believe the Reddies were directed to issue tickets in this manner and to enter the number of cavity loads to be taken, and that it was not a consolidated charge as supposed by Mr. Boileau, in his letter, No. 242, dated 30th September 1873, but a charge on the number of cavity loads supposed to be consumed. I say supposed, because there is, as pointed out by Mr. Boileau, no possible means of knowing the quantity consumed or even manufactured while the forges are at work in the forest, unless a peon was appointed to each forge; and this supposed quantity is the estimate given by the ironsmiths themselves and accepted, because there are no means of checking it, although I am sure that double this quantity is used monthly by a forge in full work.

2. While the forges are at work in the forests, the charcoal is manufactured near the forges, and brought to the forges for use without measuring; peons cannot be kept there to check or measure the quantity manufactured, and the Reddies would not do it for a percentage of 1 Anna, per rupee, so there remains no alternative, but to trust to the word of the smelters as to the quantity consumed or to charge a fixed sum, and this the Government have refused to adopt, although it is the only fair way of settling the matter, for to prohibit the manufacture of iron in the forests would most likely cause the entire stoppage of what is now an important local industry.

(True Copy.)

(Signed) J. HOPE,
Acting Collector.

SUBMITTED for the orders of Government.

2. The difficulties in the way of taxing charcoal used for smelting iron in the Kurnool Forests were brought to the notice of Government in the papers disposed of in G. O., 31st July 1865, No. 1,767, and 21st September 1865, No. 2,278. In the latter order Government, concurring with the Board, refused to allow the tax to be levied as a monthly charge on each smelting office.

3. It appears from the correspondence now submitted that in spite of the orders in force the charcoal tax has been and is being collected as a monthly charge of Rupees 3 on each smelting furnace for the time during which it is at work.

4. This sum represents the authorized tax of 1 Anna per load of two baskets on a smaller amount of charcoal than is really used, and the Board are of opinion that it can be collected in no other way. There are no means of observing and taxing charcoal on its way to the furnaces which are in the midst of the forest where the charcoal is prepared.

5. The Board accordingly resolve to recommend Government to sanction the existing practice.

(True Copies and Extract.)

Secretary.

To the Secretary to Government, Revenue Department.

Copy to the Acting Collector of Kurnool.

Per G. A. Tanna.

31 July / 1874 No 5355
21 July / 1874 No 5355

I have to inform you that the
in the Pro^o of 1865 the
mode of buying the tea is continued
apparently as far as possible. It was
recommended that it should be the
the meeting held. Should the tea be
maintained at all?

270-271
234 Jan 1874. 1865

Seigniorage on Charcoal—used for smelting
iron in Kurnool Forests.—Letter from Collector
requesting instructions regarding levy of —
submitted to Government, with recommendation
that existing practice of collecting a monthly
charge of Rupees 3 on each smelting furnace
for time during which it is at work may be
continued. *1874*
Sanctioned accordingly.

Received 23rd
JANUARY.
Forest No. 3.

Resumed 1874. a.d. 1874
Board of Revenue,
MADRAS.
1874

PROCEEDINGS, 16TH JANUARY 1874, No. 66

14 to R. of Revenue 1874
3 to R. of Revenue 1874

270-271
234 Jan 1874. 1865