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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

DEPARTMENT

G.O. No.	643	Press
~~B.P. No.~~		~~Mis.~~
Dated	27-5-1874	196 .

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Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
27th May 1874.*

Read the following:—

No. 254. Proceedings of the Board of Revenue, dated 24th March 1874,
No. 659:—

Read the following letter from A. McC. WEBSTER, Esq., Acting Collector of Madras, to
J. GROSE, Esq., Secretary to the Board of Revenue, dated 9th March 1874, No. 34.

I HAVE the honour to forward, for the Board's orders, applications from Mr. Pritchard and
Saravanamuthu Pillai for the Arrack contracts for the ensuing three faslis.

2. Mr. Pritchard applies for the Puttai Arrack contract at 10 Annas per gallon.
Saravanamuthu Pillai tenders at 9 Annas.

3. For the Colombo Arrack contract Saravanamuthu tenders at Rupees 156.12-0 per
leaguer of 150 common gallons 25° below p.

4. With reference to the Puttai Arrack contract I beg to recommend that Mr. Pritchard's
offer be accepted. Saravanamuthu Pillai has
believe, been generally allowed that the rate
any profit. Mr. Pritchard has carried out
would be advisable to change him.

5. I enclose a draft contract to be entered by him, showing the changes in the present
contract which have been sanctioned* by the
Board. Next year's contract should run in the
same terms.

6. I also submit a draft contract for the Colombo Arrack, the terms of which have been
agreed to by Saravanamuthu Pillai, and I recommend that his offer be accepted. Several changes
have been made in the provisions of the current contract, the chief of which are given in
Enclosure 1.

7. I beg to inform the Board that Mr. Pritchard has expressed his readiness to supply
20,000 gallons of country-made Colombo Arrack from 1st July 1874 to 30th June 1875. A copy
of his letter† is enclosed. If the Board decide
to accept this quantity of arrack from Mr.

Pritchard the quantity entered in Saravanamuthu's contract must be altered accordingly, or
we shall find ourselves with more arrack on hand than we require. Mr. Pritchard also applies

Triplicane, 5 Bazaars, on a dowie of about 30 gallons a day.	for shops in Triplicane, St. Thomé, and Royapetta to be given to him at the marginally
Royapetta, 1 Bazaar, do. do. 9 gallons daily.	noted dowles. As he has not specified the actual
St. Thomé, 1 do. do. do. 9 do. do.	shops he requires I am unable to state whether
Total about 49 gallons.	

his proposed dowles are in excess of the present quantities. The Board in their Proceedings of
16th May 1871, No. 2,050, paragraph 8, expressed their opinion that it was dangerous to allow
the contractor to have shops because it would be easier for him than for any one else to get
arrack without its passing through the Government godowns, and if they are still of the same
opinion Mr. Pritchard's application must be refused. I think, however, that we must have a few
shops in different localities in which his arrack would be retailed. Otherwise we shall probably
experience considerable difficulty in getting the country-made spirit into general consumption.

8. If the Board are averse to giving Mr. Pritchard any shops we must try the effect of
supplying a few existing shops with his liquor. The shopkeepers would in such a case be required
to sell his liquor only and at the present retail price of Colombo Arrack, and if they failed to do
so we could then give the shops to some of Mr. Pritchard's men.

9. I must, however, observe that if Mr. Pritchard manufactures his Colombo Arrack from
trees in the limits of the Madras Abkari farm our toddy revenue will suffer considerably, as he
is at present allowed to draw toddy from trees without payment—*Vide* Collector's letter of
26th October 1871, No. 188, and Board's Proceedings of 14th November 1871, No. 4,080. If,
therefore, his offer to supply 20,000 gallons is accepted he should, if possible, be required to pay
the usual tax paid by toddy-drawers on each tree.

*Proceedings of the Madras Government, Revenue Department,
27th May 1874.*

10. Even if he does pay a tax on the trees he uses the number of trees now used by the toddy shopkeepers will be very materially reduced, for it is needless to point out that Mr. Pritchard will be obliged to take up every available tree, and to offer a higher rent for trees now used by toddy-drawers in order to be able to supply about 60 gallons a day, his present offer. I estimate that he will require at least 10,000 trees for the purpose, and as his Malabar experiment is not, I believe, a success he will have to look elsewhere, probably in Madras and Chingleput, for that number of trees; while if he supplies the whole quantity of Colombo Arrack (120,000 gallons per annum) the number of good trees he will require will be at least 60,000.

11. There is another point to which I

11. There is another point to which I beg to draw the Board's attention. In his letter to the Collector of 21st November 1870, embodied in G. O., 21st June 1871, Mr. Pritchard in paragraph 8 states that he could probably sell his country-made Colombo Arrack at 13 or 14 Annas per gallon (*vide* his estimate of gain, while in paragraph 4 of Mr. Blair's letter to the Board, dated 3rd November 1873, No. 242, (Board's Proceedings, dated 21st November 1873, No. 2,332,) the price is estimated at Rupees 1-1-7, or the present price of Colombo Arrack 20° under proof. He now offers to supply the arrack at Rupees 1-0-9 per gallon, the price for which the contractor offers to supply Colombo Arrack 25° under proof. I have spoken to him on this subject of this discrepancy, and he states that in his letter to the Collector of November 1870 he only expressed what would be the gain to Government if he could sell his country-made arrack at certain rates. He now finds that he cannot make it at that low rate, and is of opinion that even at the price he now offers it he will not be a gainer.

12. Should the Board accept Saravanamuthu's contract I beg that their decision be conveyed to me as soon as possible, in order that he may make arrangements for the supply of arrack from the beginning of July.

ENCLOSURES Nos. 1 and 2.—Applications from Mr. Pritchard and Saravanamuthu Pillai.

ENCLOSURE No. 3.—Draft Contract to be executed by Mr. Pritchard.

ENCLOSURE No. 4.—Draft Contract for Colombo Arrack.

ENCLOSURE No. 5.—Statement showing changes made in the provisions of the Contract.

ENCLOSURE No. 6.—Copy of letter from Mr. Pritchard, dated 25th February 1874, No. 74.

SUBMITTED for the orders of Government.

2. In this letter the Acting Collector of Madras submits proposals for supplying Colombo Arrack and Country Arrack to the Town Abkari for a period beginning with the 1st July 1874.
3. Mr. Pritchard, the present contractor, and Sarayanaiah Pillai.

3. Mr. Pritchard, the present contractor, and Saravanamuthu Pillai, a former contractor, offer to rent the Government Distillery for five years and supply Country Arrack (Puttai). Mr. Pritchard asks for 10 Annas a common gallon (12 Annas an imperial gallon), and Saravanamuthu for 9 Annas a common gallon (10 Annas 9½ Pies an imperial gallon).

4. Mr. Webster recommends that Mr. Pritchard's offer should be accepted for three years, and the Board agree with him. As remarked by Government in G. O., dated 21st June 1871, No. 1,093, paragraph 22, there is really no room for competition as to the price, because the undoubted cost of the liquor is 9 Annas (a common gallon), so that Saravnamuthu's offer must be prompted more by a wish to oust Mr. Pritchard than by legitimate considerations. Mr. Pritchard has now had charge of the distillery for three years, and has carried out his contract satisfactorily. He has

Proceedings of the Mayors
27th

incurred considerable expense in introducing a stills and machinery, and has supplied a really consumption has increased and with it the Pritchard Abkari Contractor for Chingleput for 30th June 1875, and the Chingleput Abkari re possession of the Town Distillery is necessary difficulties which the Board encountered in another, when Government ordered that this station, and lead them to deprecate any unnecessary

5. The Board think the Colombo Arrack present contractor Saravanamuthu Pillai. If that he is the only man who will take the contract to agree to new Articles, which will relieve Government of the inconveniences and dangers which have attended this part of the supply of the Town Abkari.

6. Mr. Pritchard has long been endeavored to take the place of Colombo Arrack, and Government has great advantage to the people if he can be encouraged. During the past year Mr. Pritchard visited Saint Thomé, and is reported to have been

Board's Proceedings, 21st November 1873, No. 2,5

Colombo Arrack (with other arracks) to the
whether it was as good as real Colombo Arrack

Board's Proceedings, 23rd January 1874, No. 11

Mr. Pritchard now offers to supply 20,000 galls if he is allowed seven specified shops to sell to the Colombo Arrack contractor for his light of Madras that in order to manufacture so large number of toddy trees, and that this last point the Board have ascertained from on the trees he uses, but that he will not Madras, and that if necessary he can carry getting trees in Malabar.

7. The Board are not quite sure of the
this country to establish a manufacture in
smaller cost in Ceylon, nor are they satisfied
imitation spirit can be substituted for Co
think Mr. Pritchard may be authorized to
five or six shops dispersed about the town.

be sold. His application names *all* the shops in Colombo, and he is prepared to accept other shops instead of the present ones. He should monopolize the sale of Colombo and prevent the town from getting the real article instead of the cheap spirit-drinkers will be ascertained with more accuracy.

8. Mr. Pritchard's "Colombo" must of course pass from the distillery to the draw-out godown and be issued thence under the same regulations as his "Puttai," and he must execute an agreement with regard to it similar in terms to the "Puttai" agreement. The condition in the Colombo Arrack contract, which enables the Collector to reduce the quantity taken from the contractor by giving six months' notice, will probably have to be acted on in the second half of the fasli.

ment, Revenue Department,
374.

oved system of manufacture with European
le, so that for this reason (amongst many,
Moreover, Government have made Mr.
s of years, which does not expire until the
improving under his administration; but the
able him to carry on this contract. The
ing the distillery from one contractor to
one in 1871, are fresh within their recollec-
re now.

It should be continued for three years to the very moderate, and experience has shown can be relied upon. Moreover, he is ready at from some expense, and from most of the attention up to date in the management of

to manufacture in Madras a spirit that will have expressed an opinion that it will be a good thing to have directed that the undertaking should be kept a shop for the sale of this liquor in Madras in selling it to ordinary purchasers at the same price as Colombo Arrack is sold at. In November the Board sent some of this imitation spirit to the Chemical Examiner, with the view of ascertaining its quality. The Chemical Examiner had the arrack tasted by some native "lovers of the spirit," and the result so far as it went was very favourable. The Board then sent the imitation spirit to Government next month. It is now ascertained that he requires the same price for it as is paid for the real spirit. Moreover, it appears from the Acting Collector that the amount of liquor Mr. Pritchard will require is not so great as the toddy revenue. With reference to this Mr. Pritchard that he cannot afford to pay any tax on the spirit with any trees required by toddy-sellers in Madras, and that the imitations which are at present in abeyance for

ess of the view that it will be advantageous to
is more easily carried on and (possibly) at a
to large an amount as 20,000 gallons of the
rack without danger to the revenue, but they
000 or 10,000 imperial gallons, and to have
it is calculated that that amount of spirit can
replicanc, but the Board have ascertained that
me of them. It is obviously not desirable that
and prevent the inhabitants of any quarter of
the imitation if they prefer it. The opinion of
nity if the two spirits are sold near each other.

Proceedings of the Madras Government, Revenue Department,
27th May 1874.

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27th May 1874.

9. It remains for the Board to notice the 1873, No. 1,186, directs that the imperial gallon all the accounts connected with the Town term made in the contracts, though, if the contraction well as the imperial gallon.

THE PUTTAI ARRACK CONTRACT—Clause should be substituted. This is of course a should be stated in round numbers.

Clause 16.—Rupees 125 should be altered. Schedule.—For "250 common gallons" "10 Annas a common gallon" 12 Annas an

Mr. Pritchard must be given to understand license shops for the sale of country beer with

THE COLOMBO ARRACK CONTRACT—Clar imperial gallons should be substituted. The should be removed. After "arrack" in the

proof." It must be distinctly understood that liquor to 25° below proof must be effected before

and it may be of use to point out that the am 25° below proof should be ascertained by the

Sykes' hydrometers. Thus there is the same as there is in 100 gallons at 20° under proof,

under proof 7 gallons of water must be added. The words 25° below proof should be in

Clause 4 should come before Clause 3. In Clause 4 (which will be Clause 3) the

should be entered before "liquor." The rate "Rupees 1-0-0 for every

Saravanamuttu Pillai has received for many 20° below proof, and the Board gather from

to allow for the reduction of strength to 25° reduction by deducting 5 per cent. from Rupees

150 common gallons, but this is not quite correct is Rupees 165 the price of the same amount a

difference seems small, but it amounts to Rupee price per common gallon should therefore be

1-3-9½. The Board will accept a rate of Rupee Rupees 154-15-2 for 125 imperial gallons, th

entered in this clause should therefore be "Ru Clause 3, (which will be Clause 4).—The

tested" should be substituted for "all arrack e The words "and at the sole risk" should be inserted after custody, though the same provision

occurs in Clause 10. Clause 5.—The words "or other godown as directed by the Collector or his Deputy" should be

added after "for the time being." Clause 6.—The part of the clause beginning with "the contractor" is not clear. It should

run thus—"The contractor shall be liable to pay upon the excess duty calculated at the rate of Rupees 3 per imperial gallon at proof.

Clause 8.—The words "or other" should be inserted before "godown." Clause 9.—A similar alteration should be made.

Clause 11.—The words "contained in the sample bottles referred to" should be substituted for "contracted for."

of the two contracts. G. O., dated 27th October should be substituted for the common gallon in and it is desirable that the substitution should be sh it, the common gallon may be mentioned as

for 250 common gallons 210 imperial gallons that larger quantity, but it is desirable that it

to Rupees 130. imperial gallons should be entered, and for

that the Board reserve the power in future to limits of the Town Abkari.

For "360,000 common gallons" 300,000 "or 2,100 leaguers" being useless surplusage

ence should be entered the words "25° below tion which is necessary to reduce the imported

quor is finally accepted by the Deputy Collector, f dilution necessary to reduce the liquor to

r "Comparative Rule" which is supplied with of alcohol in 107 gallons at 25° under proof

reduce 100 gallons at 20° under proof to 25° per cent.)

tween "arrack" and "contained." tasks shall be numbered consecutively, the"

requires some alteration. The price which as been Rupees 165 for 150 common gallons

rs that this price is not to be altered (except proof). The Collector has calculated this

and getting Rupees 156-12-0 as the price of the price of 150 gallons at 20° below proof.

low proof, should be Rupees 154-11-0. This on the whole quantity contracted for. The

-0-6, and that per imperial gallon Rupees 10 per imperial gallon, which amounts to

10 per imperial gallon. The rate 1-10 per imperial gallon."

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Proceedings of the Madras Government, Revenue Department,
27th May 1874.

Clause 20.—The words "reported on the same day and" should be inserted before "proved."

Clause 22.—The words "except by permission of the Board of Revenue" should be added.

Schedule.—The description should be "Arrack not weaker than 25° below London p imperial gallons (vide remarks in Clause 4), as than 300,000 imperial gallons of Colombo and the price "at Rupees 154-15-2 for 125

No. 154A. Proceedings of the Board of Revenue, dated 11th May 1874, No. 98.

Read the following letter from J. E. ER-BLAIR, Esq., Collector of Madras, to J. GROSE, Esq., Secy. to the Board of Revenue, dated 9th May 1874, No. 80.

In forwarding a letter (to be re date, I have the honour to refer the March last, and to request that they early orders on the subject of the A between this and the commencement of a telegram being despatched will observe that after the orders c Colombo Arrack contract in which have to be referred again to the Co would have to be called for under t

) from Saravanamuttu Pillai of to-days' to their Proceedings, No. 659, of 24th e good enough to move Government for ontract for next year. As the interval at fasli is only six weeks, I would recom-vernment on the subject. The Board ernment are received, the terms of the ard have made some material alterations r, and, should he object to them, tenders sed contract.

ENCLOSURE No. 1.—Letter from Saravanamuttu Pillai.

SUBMITTED to Government with reference to Board's Proceedings, dated 24th March 1874, No. 659, and with the request that when orders are passed they may be communicated by telegram.

2. It is observed that the Colombo Arrack contract requires that a large quantity of spirit obtained in Ceylon shall be delivered in Madras in July.

No. 255. ORDER THEREON, 27th May 1874, No. 643.

Separate Revenue, No. 23.

Abkari.

His Excellency the Governor in Council has come to the conclusion that with special reference to Mr. Pritchard's position as Abkari Contractor for Chin-

gleput, the lease of which expires on 30th June 1875, it will be convenient that he should be allowed to rent the Government distillery and supply country Arrack to the town Abkari for one year from 1st July 1874. In due time before the expiration of that period, the Board will call for tenders for the future supply of Puttai Arrack.

2. The price to be paid to Mr. Pritchard for the year in question will be 10 Annas a common gallon (12 Annas an imperial gallon).

4

*Proceedings of the Madras Government, Revenue Department,
27th May 1874.*

3. The Colombo Arrack contract will be continued, as proposed, for three years to Saravanamuthu Pillai.

4. Mr. Pritchard may supply, under the conditions mentioned in paragraph 8 of the Board's Proceedings, up to 8,000 imperial gallons of his home-made "Colombo" Arrack, but it must be under no distinct understanding that he has nothing whatever to do with the shops at which it is sold. The Collector should be instructed to license a few shops in various parts of the town for the sale of this liquor. The Agreement under which it is supplied must provide that, if the demand for it does not exhaust the quantity to be supplied at stated intervals, the Government will take no more.

5. The alterations in the terms of the Board's Proceedings are approved.

(True

act.)

ed)

C. G. MASTER,
Acting Secretary to Government.

To the Board of Revenue.

Ed. F. R. Bantleman.

for supply of Puttai Arrack, being continued to Mr. Pritchard for one year and that for Colombo Arrack to Saravanamuthu Pillai for three years; and that Mr. Pritchard supplying house-made Colombo Arrack to certain shops under certain conditions; and approves proposed alterations in the contracts.



V B de Pro 22 May 1874 No 1306

Recd May 27th

The Board of Revenue

20

REVENUE.

Colt. of 1874

Pritchard

No. 659.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 24th March 1874.

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5. I enclose a draft contract to be executed by him, showing the changes in the present contract which have been sanctioned* by the Board. Next year's contract should run in the same terms.

6. I also submit a draft contract for the Colombo Arrack, the terms of which have been agreed to by Saravanamuthu Pillai, and recommend that his offer be accepted. Several changes have been made in the provisions of the current contract, the chief of which are given in Enclosure 1.

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† No. 74 of 25th February 1874.

Triplicane, 5 Bazaars, on a dowie of about 30 gallons a day.	
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Total about 43 gallons.

his proposed dowles are in excess of the present quantities. The Board in their Proceedings of 16th May 1871, No. 2,050, paragraph 8, expressed their opinion that it was dangerous to allow the contractor to have shops because it would be easier for him than for any one else to get arrack without its passing through the Government godowns, and if they are still of the same opinion Mr. Pritchard's application must be refused. I think, however, that we must have a few shops in different localities in which his arrack would be retailed. Otherwise we shall probably experience considerable difficulty in getting the country-made spirit into general consumption.

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10. Even if he does pay a tax on the trees he uses the number of trees now used by the toddy shopkeepers will be very materially reduced, for it is needless to point out that Mr. Pritchard will be obliged to take up every available tree, and to offer a higher rent for trees now used by toddy-drawers in order to be able to supply about 60 gallons a day, his present offer. I estimate that he will require at least 10,000 trees for the purpose, and as his Malabar experiment is not, I believe, a success he will have to look elsewhere, probably in Madras and Chingleput, for that number of trees; while if he supplies the whole quantity of Colombo Arrack (120,000 gallons per annum) the number of good trees he will require will be at least 60,000.

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consumption has increased and with it the revenue. Moreover, Government have made Mr. Pritchard Abkari Contractor for Chingleput for a series of years, which does not expire until the 30th June 1875, and the Chingleput Abkari revenue is improving under his administration; but the possession of the Town Distillery is necessary to enable him to carry on this contract. The difficulties which the Board encountered in transferring the distillery from one contractor to another, when Government ordered that this should be done in 1871, are fresh within their recollection, and lead them to deprecate any unnecessary change now.

5. The Board think the Colombo Arrack contract should be continued for three years to the present contractor Saravanamuthu Pillai. His rates are very moderate, and experience has shown that he is the only man who will take the contract that can be relied upon. Moreover, he is ready to agree to new Articles, which will relieve Government from some expense, and from most of the inconveniences and dangers which have attracted attention up to date in the management of this part of the supply of the Town Abkari.

6. Mr. Pritchard has long been endeavouring to manufacture in Madras a spirit that will take the place of Colombo Arrack, and Government have expressed an opinion that it will be a great advantage to the people if he can do so, and directed that the undertaking should be encouraged. During the past year Mr. Pritchard has kept a shop for the sale of this liquor in Saint Thomé, and is reported to have been successful in selling it to ordinary purchasers at the same price as Colombo Arrack is sold at. In

Board's Proceedings, 21st November 1873, No. 2,392. November the Board sent some of this imitation Colombo Arrack (with other arracks) to the Chemical Examiner, with the view of ascertaining whether it was as good as real Colombo Arrack or not. The Chemical Examiner had the arracks tasted by some native "lovers of the spirit," and the result so far as it went was very favourable.

Board's Proceedings, 23rd January 1874, No. 114. Mr. Pritchard now offers to supply 20,000 gallons of the imitation spirit to Government next fasli if he is allowed seven specified shops to sell it in, but he requires the same price for it as is paid to the Colombo Arrack contractor for his liquor. Moreover, it appears from the Acting Collector of Madras that in order to manufacture so large an amount of liquor Mr. Pritchard will require a large number of toddy trees, and that this may affect the toddy revenue. With reference to this last point the Board have ascertained from Mr. Pritchard that he cannot afford to pay any tax on the trees he uses, but that he will not interfere with any trees required by toddy-sellers in Madras, and that if necessary he can carry out negotiations which are at present in abeyance for getting trees in Malabar.

7. The Board are not quite sure of the soundness of the view that it will be advantageous to this country to establish a manufacture in it which is more easily carried on and (possibly) at a smaller cost in Ceylon, nor are they satisfied that so large an amount as 20,000 gallons of the imitation spirit can be substituted for Colombo Arrack without danger to the revenue, but they think Mr. Pritchard may be authorized to supply 8,000 or 10,000 imperial gallons, and to have five or six shops dispersed about the town at which it is calculated that that amount of spirit can be sold. His application names all the shops in Triplicane, but the Board have ascertained that he is prepared to accept other shops instead of some of them. It is obviously not desirable that he should monopolize the sale of Colombo Arrack and prevent the inhabitants of any quarter of the town from getting the real article instead of the imitation if they prefer it. The opinion of spirit-drinkers will be ascertained with more certainty if the two spirits are sold near each other.

8. Mr. Pritchard's "Colombo" must of course pass from the distillery to the draw-out godown and be issued thence under the same regulations as his "Puttai," and he must execute an agreement with regard to it similar in terms to the "Puttai" agreement. The condition in the Colombo Arrack contract, which enables the Collector to reduce the quantity taken from the contractor by giving six months' notice, will probably have to be acted on in the second half of the fasli.

9. It remains for the Board to notice the terms of the two contracts. G. O., dated 27th October 1873, No. 1,186, directs that the imperial gallon should be substituted for the common gallon in all the accounts connected with the Town Abkari, and it is desirable that the substitution should be made in the contracts, though, if the contractors wish it, the common gallon may be mentioned as well as the imperial gallon.

THE PUTTAL ARRACK CONTRACT—Clause 1.—For 250 common gallons 210 imperial gallons should be substituted. This is of course a somewhat larger quantity, but it is desirable that it should be stated in round numbers.

Clause 16.—Rupees 125 should be altered into Rupees 130.

Schedule.—For "250 common gallons" 210 imperial gallons should be entered, and for "10 Annas a common gallon" 12 Annas an imperial gallon.

Mr. Pritchard must be given to understand that the Board reserve the power in future to license shops for the sale of country beer within the limits of the Town Abkari.

THE COLOMBO ARRACK CONTRACT—Clause 1.—For "360,000 common gallons" 300,000 imperial gallons should be substituted. The words "or 2,400 leaguers" being useless surplusage should be removed. After "arrack" in the last sentence should be entered the words "25° below proof." It must be distinctly understood that all dilution which is necessary to reduce the imported liquor to 25° below proof must be effected before the liquor is finally accepted by the Deputy Collector, and it may be of use to point out that the amount of dilution necessary to reduce the liquor to 25° below proof should be ascertained by the scale or "Comparative Rule" which is supplied with Sykes' hydrometers. Thus there is the same amount of alcohol in 107 gallons at 25° under proof as there is in 100 gallons at 20° under proof, and to reduce 100 gallons at 20° under proof to 25° under proof 7 gallons of water must be added (not 5 per cent.)

The words 25° below proof should be inserted between "arrack" and "contained."

Clause 4 should come before Clause 3.

In Clause 4 (which will be Clause 3) the words "casks shall be numbered consecutively, the" should be entered before "liquor."

The rate "Rupees 1-0-9 for every gallon" requires some alteration. The price which Saravanamuthu Pillai has received for many years has been Rupees 165 for 150 common gallons 20° below proof, and the Board gather from the papers that this price is not to be altered (except to allow for the reduction of strength to 25° below proof.) The Collector has calculated this reduction by deducting 5 per cent. from Rupees 165, and getting Rupees 156-12-0 as the price of 150 common gallons, but this is not quite correct. If the price of 150 gallons at 20° below proof is Rupees 165 the price of the same amount at 25° below proof should be Rupees 154-11-0. This difference seems small, but it amounts to Rupees 4,950 on the whole quantity contracted for. The price per common gallon should therefore be Rupees 1-0-6, and that per imperial gallon Rupees 1-3-9½. The Board will accept a rate of Rupees 1-3-10 per imperial gallon, which amounts to Rupees 154-15-2 for 125 imperial gallons, the equivalent of 150 common gallons. The rate entered in this clause should therefore be "Rupees 1-3-10 per imperial gallon."

Clause 3, (which will be Clause 4).—The words "after the arrack has been gauged and tested" should be substituted for "all arrack casks when landed shall be numbered consecutively."

The words "and at the sole risk" should be inserted after custody, though the same provision occurs in Clause 10.

Clause 5.—The words "or other godown as directed by the Collector or his Deputy" should be added after "for the time being."

Clause 6.—The part of the clause beginning with "the contractor" is not clear. It should run thus—"The contractor shall be liable to pay upon the excess duty calculated at the rate of Rupees 3 per imperial gallon at proof."

Clause 8.—The words "or other" should be inserted before "godown."

Clause 9.—A similar alteration should be made.

Clause 11.—The words "contained in the sample bottles referred to" should be substituted for "contracted for."

Clause 20.—The words "reported on the same day and" should be inserted before "proved."

Clause 22.—The words "except by permission of the Board of Revenue" should be added.

Schedule.—The description should be "not less than 300,000 imperial gallons of Colombo Arrack not weaker than 25° below London proof," and the price "at Rupees 154-15-2 for 125 imperial gallons (vide remarks in Clause 4)."

(A true Copy and Extract.)

Secretary.

To the Acting Secretary to Government, Revenue Department,
"the Collector of Madras,
with six original enclosures to be returned.

Edw. J. Talloch.

6/43
8

No. 1031

From The Board of Revenue
Dated 24th March 1874.

Recd by Mr
23/4!! Mr

FOR ORDERS.

See Mr. P. S. M. 25th
Mr. P. S. M.

I think that the reasons stated by Mr. P. S. M. are conclusive in favor of our accepting, not Mr. Pritchard's, but the lower tender -

The proposed construction complicated arrangements into Mr. Pritchard's plan being a supply of 10,000 lbs of iron and in ^{any} case (as appears to be) wrong in principle and unworkable in practice.

W. P. S. M.
23/4

21 June 1874 257/56.

Received 1874. 257/56
BOARD OF REVENUE,
MADRAS.

257/56

PROCEEDINGS, 24th MARCH 1874, No. 659.

257/56

Encl.

Received 28

257/56

MARCH.

No. 659.

MADRAS Town Abkari.—Contract for supply of Puttal Arack recommended to be continued to present contractor, Mr. Pritchard, for three years, and that for Colombo Arack, to present contractor, Saravananth Pillai, for the same period. Government also recommended to authorize Mr. Pritchard to supply 8,000 or 10,000 imperial gallons of his country-made Colombo Arack, and to have five or six shops dispersed about the town for its sale.

257/56
For orders
C. S. M.

FOR ORDERS.

cnc.

10
Board's Proceedings of 24 March 1874

The Board of
Revenue submit two
offers for the Government
Distilleries and the
Supply of the Lower
Abkany with Country
arrange for 5 years -
- that of the present
Contractor Mr. Pritchard
and that of Saravama
Muttu Pillai - the late
Contractor (Mr. Pritchard's
predecessor) The first
offers to supply at 10 as; the
latter at 7 as a reputed
Gain.

Submit that the
latter offer must be
accepted in the interest
of the State and Mr.
Pritchard be rejected

I have no doubt
that the observations
of the Board in respects
to the price of manufactures
are erroneous and
improper. Under the
circumstances, we
have nothing to do
with the motives of
Rival Contractors
and I see no reason
for imputing bad ones
to the Native tenderers.
There is sort of reason
whatever for assuming
- as the Board wish
the Government to do -
that good arrack cannot
be made at 9s. a gallon
with fair profit to the
manufacturer. This
was more unless the
price at which the
Government worked
their own stills - or
as

a costly system applied
dishonest Establishment
prior to the change of the
plan of management,
and I have no doubt
whatever that although
Mr. Pritchard, who has
passed his life as a
Veterinary Surgeon in
the Public Service of
and is without Capital
or Experience as a trader
or manufacturer (largely
that acquired during the
last 3 years), cannot
make the thing yield
a sufficient profit
for his purposes at 9s.
a gallon. A successful
distiller and able
and experienced supplier
of fuzer and liquor to
the Government and
enterprising merchant
like Saravanaswami
Pillai - backed by
Capitalists

Capitalists like Messrs
Arthur & Co - and
in extensive mercantile
relations with the foreign
market of Ceylon they
can make the thing
pay at 9 or 10 per cent
and is himself the
best judge of what
he is able to undertake.
That he may well do
so is best proved
by the large share (Rs 2000)
of profits of the contract,
which he helped 1871
at 10 annas the gallon,
for which Mr. Pritchard
sued him in the High
Court in connection
with an alleged clandestine
partnership, whereby
Mr. Pritchard sought
to establish against
Sarasamma Muttu Pillai
during the last year
of

of his (Sarasamma Muttu
Pillai's) Contract &c

Of the two men
Sarasamma Muttu Pillai
is, I am satisfied, the
safer and more
reliable. He has been
equally successful
both in regularity and
excellence of supply
while he held the
distilleries. There
can therefore be no
public grounds for
foregoing 10 per cent
of the rights of the State
in the interests of
Mr. Pritchard in
preference to accepting
the lower but thorough
satisfactory tenders
of Sarasamma Muttu Pillai.
As regards the
alleged improvement
of

of the Alkari Revenue
of the Town through
Mr. Pritchard's intervention
- nothing whatever
has occurred which
did not necessarily
result from the change
of system inaugurated
by the Board in 1871.
The fact is that work
and prosperity have
thrown up the Revenue
from Alkari everywhere
and the Town of Madras
has formed no exception
in that advance without
any special virtue
on the part of the
Supplier of arrack.
Demanders there
unrebutted assertions
of Mr. Pritchard and
his quasi claim to be
pensioned or rewarded
by reiterated hints at

at favourable rates
on the Alkari farms,
are wholly preposterous.
No difficulty can
occur about the transfer
of the Distilleries at
the end of the Faisli to the
new Contractor. The facts
attended to by the Board
are simply these: - the
Government Mr. Pritchard
the distilleries in 1871
on the eve of the close
of the Faisli. He had
neither money nor
supply of materials and
could not readily in
command either and
great difficulty was
experienced by the
Master in getting liquor
from him. Concessions
unparalleled by any
thing I have met with
in my official life
were

were necessarily made
to enable him to carry
on at all. This he at
length (at) did with
difficulty at a
considerable loss to the
State. Had it been
any other person but
Mr. Pritchard, his
Contract would have
lapsed without fail.
No doubt Sarawana
Muttu Pillai will
guarantee the supply
of liquor from the
day he receives charge
of the Distillery.

As regards the
Supply of the Chingleput
District, the Contract
for which has also
been conferred on
Mr. Pritchard on unusually
favourable terms, the
Madras Chingleput
Farm

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Farms are and
always have hitherto
been separate and
should be worked
apart. Further Mr. Pritchard's
Farm of the Chingleput
District will close
within the first year
of the proposed renewal
of the Madras Farm
for 8 years. Its claims
should be admitted
on these grounds.

But I submit
that the gravest objection
to continuing State
Contract dealing
with Mr. Pritchard
lies in his position
as a Public Servant
on the effective Establish-
ment and on His
Excellency the Governor's
Staff as Veterinary
Surgeon.

Surgeon to the Body
Guard.

I am assured
that such Contracts
are not specifically
forbidden in the
Military Department
but I believe that
they entirely contravene
the spirit of all rules
and ordinary practice
in these matters and
I feel sure that they
are not in accordance
with sound adminis-
tration.

I have understood
that when the Contract
for the Distilleries was
given to Mr. Portchard
by Lord Napier
Government was
opposed to the
recommendations of the

the Board of Revenue
3 years ago, it was ¹⁵
on the understanding
that Mr. Portchard
was to retire from
the Public Service
at once and devote
himself to his new
profession: he has
failed to do so, though
3 years have since
passed and he has
been admitted to extend
Alkany Contract operations
with Government on I
believe similar ^{unlawful} ~~unlawful~~
similarly disappointed.
That Mr. Portchard's
Case forms no exception
to the sound policy
that discourages
Contracts of this kind
with public servants
is shown by the
discreditable case
that was tried before
the

High Court last year
- when Mr. Portchard
endeavoured to prove
a clandestine
partnership with
the Contractor who
preceeded him (his
competitor now) and
was nonsuited. The
Judge who tried the
case, Mr. Justice James
told me that there
could be little doubt
that Mr. Portchard
had used his supposed
influence in high
quarters to obtain
a large douceur from
one whom he shortly
afterwards supplanted
in the Town. The
Honble. Mr. Arthur
told me, while he was
Acting Master, that
the Native Servants
of his office hesitated
in

in regard to their duty
towards an Abkany
farmer, who besides
his official position
on the Governor's Staff
had transactions
connected with horses
and his profession
as Veterinary Surgeon
and livery stable
- keeper with gentlemen
in influential positions
at the Presidency. And
lengthened observations
of these transactions
as a member of the
Board of Revenue has
satisfied me that
the position of Mr. Portchard
is neither for the advantage
nor credit (so far as
hostile remarks of the
public go) of the Public
Service. The

The Board propose
that Mr Portchard
should be allowed
to supply 8000 or 10000
gallons of imitation
Columbo arrack at
the same price as
real Columbo and
further that he be
his own Salesman of
this spirit for which
he should open several
shops in different
parts of the town.

The Government
desires no doubt
to encourage the
Home manufacture
of a spirit to take
the place of Columbo
arrack because
it should be - and
no doubt can be made
much cheaper than
the

the imported article.
But surely the Board
succeed all reason,
when they favour
Mr Portchard's proposal
to change Government
Columbo prices for
this indigenous
imitation manufacture
and to become his own
Salesman setting
up a number of shops
to be used by his
dependants as they
may please.

Whether the lease
of the Distilleries and
Contract for the
manufacture of the
supply of Arrack be
renewed with Mr
Portchard or not,
he clearly should not
be allowed to meddle
with

with a superintendent
on the Columbus Arrack
Department, now
should Government
be pledged to bring
any of his cheap
arrack at prices
which command
genuine Columbus
arrack. And finally
the party in charge
of the distilling
should not be
permitted on any
plan whatsoever
to hold retail shops
and to become his
own Salesman of
either Country arrack
or imitation Columbus.

28/4 ~~W. H. H. H.~~
W. H.

16
The existing con-
tracts for the
supply of Columbus
Country Arrack
for the term of
Madras & Java
on the 30th of June
and the Board
in their tender
made to them
for the further
supply of both
for China &
arrack there is
but one tender
Sarasano & Co. Ltd.
This tender is
declined by the

Board of Trust
to be very moderate
and he has ful-
filled similar
contracts in past
years extremely
well. Under such
circumstances
the Vtds recom-
mendation should
if possible be ac-
ceded to.

As regards the
Contract. The acquisition
of Country around
the Vtd. house 2
others one from
Mr. Pitcher and
the present Com-

Section at the 19
date of 10 am. The
Commissioner follows
and we from
Lawrence North
(the ten days for
Chambers' account)
at nine o'clock
the fallen - Vtd.
in the standing
the difference is
in the rate, the
of Mr. W. A. W.C.
Webster & the Vtd.
of Mr. C. recommended
the acceptance
of the former. The
reasons assigned
are. That the un-

Dr. that sort of
the liquor is 9 an.
has been fallen. That
Mr. Pritchard has
carried out his
present contract
satisfactorily - that
he has incurred
considerable expense
in introducing
and improved by the
of manufacturing
in the European Mills
L machinery - that
he has supplied a
really good article
and that his
lease of the Colliery
of the Clonmel
District (the lease
of

of which is ²⁰
- proving an ~~ad~~ lin
a ~~Drum~~ ~~to~~ ~~the~~ /
has ~~been~~ ~~his~~ ~~business~~
of the ~~Madras~~ ~~Drum~~
tilling ~~we~~ ~~can~~ ~~say~~
There seems to be
fidelity ~~to~~ ~~the~~ ~~contract~~ - I
should mention another
3. that if he is
driven out of the
business we should
fall entirely into
the hands of a
single individual
I would therefore
in this case also
accept the ~~reim~~
- mendation of the
as ~~the~~ ~~the~~ ~~best~~ of

Revenue.

My friend Collyer

has the business dis-
sent from the view
and had a cer-

tainly the dis-
Saravanantho.

has the son dis-
credit to the calculation
on which it is said
that the pattern or
country article can
be made under
of an as the can
more fallow. Of course
it is not easy to
determine what
the main feature
of an article is
costs and some
have been

cheaply than others.
there the 18th line
the actual cost
when the business
picture was in our
own hands and
they know the price
of every ingredient
of the cost of labor -
they are therefore in
a very good position
to be able to say
what must be
within a sufficient
for all practical
purposes the cost
of a really good
description of liquor.
They was none of an
as this was in
but it will be
served the at in 1871

when they decided
that Sarawana
Horton should have
the contract - in pre-
ference to Mr. Mitchell
then a candidate -
they declared it to
be "the conviction of
all who are most
conversant with the
matter that good
arracks cannot be
made & sold to fit
for less than 10 annas
a pilla" - In now
recommending that
Mr. Mitchell's present
offer of 10 annas be
accepted they can-
not be charged with
partiality towards
him: they are only

vide. page 7. M. J. P. 1871
16 May 71 - recorded
in pt. J. P. 21 June 71.

2

recommending that
they have all along
been ~~to~~ to
be a fair & proper
rate - & what they
recommending for
his rival - I see
no reason to discredit
the B's calculations -
certainly I have known
of my own to be better
for them - and I can-
not deem it right or
politic for me to
accept a tender
which are informed
by competent advisers
does not leave a
heavy weight of honest
suspicion - If our con-
tracts are to be made

to the lowest bidder
it should be so
-tified - In saying
that the Board wish
the fact to assume
that of course is the
lowest fair price.
I think the very Hon.
Commissioner is in part
to the Board and has
overlooked the fact
that in these orders
of the 21 June 71 the
fact said "There really
is no room for com-
petition, where an
article is sold to
fact for American
the follow, the undoubted
cost being American
I find the same with
my Hon. Commissioner

that we have nothing to do
with the activities of
Contractors - but
when a man can
tender at a rate
which we have
will not honestly
yield a fair profit
report for our own
interests, at least,
should we allow
him to do so
when the other
part or firms at
which he really
does not
be something (Ex: Gr.
the destruction
of can be taken
that we are
in any
and additional
likely counterbalancing

from to him. In
this case if Mr.
Witchard is driven
out of the field
S. M. will have to
do to himself -
I do not suppose there
are any long term
business - but looking
at the new iron in town
prospectus as well
as present - and
the Long Bay Health
club opened describes
Mr. Witchard as
a first class or
superior as a trader
or manufacturer,
and that acquired
during the last 3 years.
As to capital &
power that he has

from a 1000 hrs.

24
most other contractors
in the country, he
at first
had to work to a
certain extent
on borrowed money
& was in a state
of bankruptcy
caused him to prefer
bankruptcy at
night in town - to
in the long run
the price of them
Mr. Witchard has
carried at his
contract satisfaction
and he had then
very great difficulties
to contend with
as he had not
only to "start" his
business but to res.
- come the objection

of his rival in
business. Who
of course thinks of
spending so much
money to be known
by his name. Some
times I have been
driving him 3 years
tenancy on the 12.
But look to see
his land on the
same terms of the
old law. He can't
and if he doesn't
the republican law
I don't see what
there he needs define
his rival. Saravani
Hester. I have heard

is in the art capital.
it can be said that
he had to execute
a Trust deed to
his creditors - and
that all his debt
times are affected
in borrowed capital.
He thinks as it may.
I would not let
aside his land
any more than
Mr. Vitchand's
on this account
alone. As to the
revenue law Vitchand
has the advantage
as he has held
the De Willam for
3 years and has
been undoubtedly

for S. M. only
held it for two
years only - this
man can take re-
-lations with Congress
may wish him un-
-triacally as regards
Chamby Carrack -
his country arrack
is not made from
Crown brandy.

I am quite willing
to acknowledge S. M.'s
merits but demand
for the implied
depreciation of
an equally suc-
cessful & meritorious
individual.

As regards in-

26
-problem put in the
before the York
trial by the ten-
the excellent quality
of Mr. Pitchard's
liquor, as one "among
many" can be of
increased confidence.
This seems to
be a long & small
Subscription - The
price has continued
unchanged & I
doubt the water,
like the European,
is tempted to drink
more of a port than
be tempted of an in-
ferior liquor.

I am unaware

of any unparalleled
concessions having
been made to Mr.
Pritchard and
if he received any
thing beyond a
first consideration
for the difficulties
connected with the ac-
-ceptance of his
tender only 9 days
before he had to
commence work,
it was never in-
tended by Lord
Napier's part.

I am equally
unaware of the
charge but I am

having been given the
"unusually fa-
-vorable terms" &c.

The question whether
if he gets a renewal
of his contract
for Pritchard shall
be called upon to
re-sign his Victoria
award a further time
is a question for
his Lordship's con-
-sideration. Rather
than over. I remember
the question being raised
by H. R. the Chief
last year - and
we then took that
the result would
be that the body
present would have

no Veter in army
Surgeon at all
and it would be
necessary to bring
some Vet: to modern
in every occasion
of the Government
Agent buying Aus-
tralian horses -
and that case -
presently the matter
was left in abey-
ance. I cannot
but think however
that any time the
Colony will be
in some measure
to the influence
which the position
of a Vet: Surgeon
on the part of the State.

I believe the best
Lesson if a Dis-
-tillery is no longer
to administer with
the hands of Mon-
kies - and it can
hardly be a Dis-
-tillery for the time
what less of im-
position of Vet: Surg.
to the part of the
The person in
I shall look for
the "dis-
case" of the
by long
differs from the
one he has received.
It is thus that Sara
can and the other
break a partnership

on the basis of
receiving
Mr. Pritchard a
certain share of
the profits of the Farm.
An agreement was
accordingly executed
that in another agree-
ment also executed
by them both, a
certain sum was
named as what
Mr. P. was to receive.
The latter main-
tained that the
latter agreement
did not alter the
former, and paid
Saravana Mestoo
for his share, as it
might be gathered
from his accounts.

The judge who I visited
him, holding that
the later document
was binding - and
fixed the amount
of his ~~share~~ as
if what he was to
receive - for there
was no sub
stantially. I said again
in getting the
record of the case
and I think
that this should
be done in justice
to Mr. Pritchard,
the acceptance of which
if his tender is
to be influenced
by it -
My Hon. Colleague
says that Mr. P.
after impleading

"dear Sir" to obtain
 a large house for
 S. M. "shortly after
 wards he planted"
 him in the farm.
 But I by a letter
 to S. M. his letter to
 the Col. enclosing
 a letter from him
 self to W. P. pro-
 posing that he (S. M.)
 should take the Co-
 lon to Arrack Co-
 tract - and W.
 P. the Country Arrack
 one - paying S. M.
 Rs 2000 monthly while
 he continued in the
 service of S. M. never.
 - the help tendered for
 the farm on the week
 after words!
 Arrangements

and a letter
 from W. P. as
 enclosing the proposal

2. Para 6 W. P. pro:
 20 Dec. 70. in
 Pro: of p. 21 June 71.

of this nature are
 virtually "C. H."
 - nations against
 the p. and all
 - better in the family.
 but I am unable
 to see that better
 flame in the hands
 to W. P. than to
 S. M. - ~~as~~

I have under-
 stand long they re-
 -hear the on my
 from the College his
 letter in the much
 reluctance but
 I feel it to be due
 to Lord Macdonald
 of which I am the
 only

My representative.
for I claim to be
feel that our con-
duct is most freely
impaired by im-
plication. These
matters seem to
be foreign to the
subject actually
submitted for our
decision - and I
could gladly have
limited my self -
not for the considera-
tion now mentioned -
to discussing the
subject on its merits.
I trust I am not
unduly sensitive -
~~but~~ I think it will

31
be advised that
any one reading
my former colleagues
remarks & being
the will make
granted in the
the matter could
come from other
conclusions than
that Lord Nelson
felt had previously
disregarded their
duty & intentions -
Their virtues are
plain in laws 21/22
& 23 of S.O. 21 June
1871. and from 4 of
the 14th pros: under
consideration shows
that the result of them

Measure has been
satisfactory.

Respecting now
to the case before
us, I raise no
objection to S. M.
on the grounds of
solvency. but I
concur with the
rest of the Board in giving
the preference to
Mr. Pittelmeier
for the reasons they
were urged - for
the first time
that I adhere to
the opinion expressed
by the Bd. in 1869
& 1871 that the
Chambers & Putnam

32
Contractors should
not be in the
same hands &
that I deem it
imprudent to de-
stroy the only com-
petition that exists
in the matter -

I attach great
importance to this
~~matter~~ ~~consideration~~
last - believing
that the interests
of the State & the
public alike require
it. I do not quite
see why we need
compete an issue
to a single concern

- tractor - and
have these periodi-
cally recurring
disturbances. The
Clerk now settles
with the seller
or retailers the
quantity each
is to receive - and
the price. Contractor
now has the liquor
and issues it.
Receiving the con-
tract price - The
first arrangement
should continue
it in the end of
every lot and
the liquor - instead
of letting them
be

be
licensed - and ^{price} 23
a man in
being fixed the
retailer being let
patronize as usual
even in case of
he chose - All
existing lots of
liquor - strong
quality he would
be retained &
only men of prob-
ability would be
licensed - If the
retailer could be
refused to buy the
lot as they become
the liquor - instead
of letting them
as I believe they

So, there would be
~~unwillingness~~
~~unwillingness~~
freedom from risk
even greater than
now exists. A maxi-
mum price would
be needed, & as
opposed against
lack of real com-
petition - & con-
tinuation. This is
one of many matters
connected with the
our library system
which we may
expect valuable
information from

34
the Am. Lib. style
The report is now
before the Board
of Trust and I think
I suggest as an al-
ternative arrange-
ment that Mr. Mitchell
contract be ex-
tended for a year
and the Bgt de-
vised to continue
Libbit as the
practicality of
the plan can be
made a bit more
I have sketched
it. If you decide
on accepting it.

tender. it will
be necessary to
allow Mr P. to
retain so much
of the Distillery as
may be requisite
for the working of
his own stills &
apparatus. For
the supply of the
Ching he must Distill
the Alekary of which
he has told me the
understanding that
he should make
the liquor here. As
his health has been
one year to him
& its continuation
to him is uncer-

tain, he cannot³⁵
of course be the
exponent of erecting
a Distillery there -
~~As Mr P.~~
endeavors to ma-
nufacture a li-
-quor to take the
place of Ching
Aleale should
think he is engaged
in every legitimate
way. Ching is
made from Crocin
jaggy - the large
number of
these trees here &
in the other than
enumerated by - If

Mr P or any body
else can make
a paper to help
plant Corn to
Arrack, the people
now going into the
pockets of Cingalese
will go into the
pockets of our own
people. The fact will
not pass directly -
but indirectly -
they will be bene-
fited - for there will
be a greater demand
for Coconuts & trees
and for land -
If such a paper
can be made

at equal prices

have a paper like them
Colon to Arrack
costs much
the latter for the
fact but at even
prices it is worth
while to encourage
local man -
-facture - Mr P.
believed that he
could make it
for 14 annas per full
while we are buying
1.0.6 for Chamber
spirit. it now
appears that he
can make
it for less than
the latter price -

but if the people
will buy it from
us ^{at} the same
price as they buy
the foreign article
why should we not
encourage the pub-
-lication - No. 1.
has I hope, no
for the sale of the
liquor. and I can
not see what possi-
-ble objection there can
be to the arrange-
-ment - it is the
way
can the article
be introduced to
the public. I would
therefore encourage

him. & the result
produced by the
Board. For their
Experience or Com-
petition in any look
to cheapening of
the article.

It appears true that
this question mainly
turns upon another,
- viz. can the article
required - that is, a small
as good as has been
hitherto made as
in any reasonably
expect, ~~the~~ ^{with a fair profit}
be manufactured at
a cost of 1/2 of an hour the

gallon? If it can, we
are I think bound to accept
the lower tender in the
case: for in all other
respects the candidates
seem to be about on an
equality for the purposes
of the question -
The Board answer the
question - that of cost -
in the negative: and there is
no source of great authority.
But Mr Robinson is of
a different opinion: and
the reason which he gives
for his opinion appears
very (I am very) extremely
coherent. It is that when
the Govt worked its own
stills, the cost at which
it turned out the liquor
was just this, 1/4 of a penny
per gallon. Now when

the revenue ~~is~~ from all kinds
the immense ~~expense~~
waste & extravagance
attending all trades
& manufactures
directly carried on
by Govt, as compared
with those carried on
by private persons, is
considered, this seems
a more sufficient
conclusion in favor of
the proposition that
the liquor may be made
(as offered by one of
the candidates) with
a fair profit at 1/4 of a
penny gallon; - and this
being so, I think we must
accept the lower tender.
I cannot think it
desirable (in any case) to
enter into the proposed
arrangement for procuring
the manufacture of Arrack.
There things should be left
very much to themselves, & to
private enterprise. J. M. 1844.

Revenue Department.
3d

Proceedings of the Board of Revenue
Dated 11th May 1844.

Read the following -
No. 80.

From J. Hunter Blair Esquire
Collector of Madras.

To J. Groves Esquire
Secretary to the Board of Revenue
Madras.

Sir,
In forwarding a letter -
to be returned from Saravanamuttu Pillai of
to-day's date, I have the honor to refer
the Board to their Proceedings No. 659 of
24th March last, and to request that they
will be good enough to procure Govern-
ment for early orders on the subject
of the Arrack Contract for next year. As
the interval between this and the
commencement

commencement of next Ashi is only 6 weeks, I would recommend a telegram being despatched to Government on the subject. The Board will observe that after the orders of Government are received, the terms of the Colombo Arrack Contract in which the Board have made some material alterations have to be referred again to the Contractor, and, should he object to them, tenders would have to be called for under the revised contract.

Madras }
 Collector's Office }
 9 May 1874 }
 I have the
 Hon. J. Hunter Blair
 Collector of Madras.

Submitted to Government with reference to Board's Proceedings 21 March 1874 No 659, and with the request that when orders are passed they

they may be communicated by tele-gram.

It is observed that the Colombo Arrack Contract requires that a large quantity of Spirit obtained in Ceylon shall be delivered in Madras in July.

1. True Copy & Extract 1

J. Grose
 Secretary.

To The Secy. Secretary to Government
 Revenue Department
 with copy of Enclosure to be returned.

The de cium of 1/20
 as to his the
 We have a letter
 of Arrack
 10/5-
 C. W. H. H. H.
 C. W. H. H. H.

No 643.

Proceedings of the Madras Government
Under date the 27th May 1874

Read the following Pro-
ceedings of the B^d of Rev.

Relating to the Madras
Town Alkari Contract for
supply of Puttai & Colombo
Arrack

MC 24th March & 11th May 1874
No 659 &

His Excellency the
Governor in Council has
come to the conclusion that
with special reference to
Mr. Ditchard's position
as Alkari Contractor
for Chingleput the term
of which expires on 30th June
1875 it will be convenient
that he should be allow-
ed to rent the Government
Distillery

20/5

No 1504
Dec: 1874: Dept
Proceedings of the
Board of Revenue

Placed in
October 11 } May 1874.
Remond 12 }

the

Subject

Alkari Contract for
next year. Only order
of Government suggested
on subject of —
SD 27 May 74 No 643

Saravanananthan's letter is
the only one - it is very long.
desert. If it were not
for the order of 1871 - he would
be long the contract for supply
& foreign arrack. being held
by the same in British rule.
he might be told that
he could not sell his arrack
here at once - as it is the
the market is very low.

Distillery and supply
country arrack to the Town
Al-Kari for one year, from
1st July 1874. In due time
before the expiration of
that period the Board
will call for tenders for
the future supply of Puttan
arrack.

2. The price to be
paid to Mr. Pritchard
for the year in question
will be 10 annas a com-
mon gallon (12 annas
an imperial gallon).

3. The Colombo ar-
rack contract will be
continued, as proposed,
for three years to Sara-
vanamuthu Pillai.

4. Mr. Pritchard
may supply, under the
conditions mentioned in
paragraph

Home-made

141
paragraph 8 of the Board
Proceedings, up to 8000 Im-
perial gallons of his [in-
ter] "Colombo" arrack,
but it must be under the
distinct understanding
that he has nothing what-
ever to do with the shops
at which it is sold. The
Collector should be in-
structed to ^{license} ~~sub-lease~~ a
few shops in various parts
of the Town ^(for the sale of) ~~(at which)~~
this liquor. ~~(any but a~~
~~able for sale)~~ The agree-
ment under which it is
supplied must provide
that if the demand for
it does not exhaust the
quantity to be supplied
at stated intervals the
Government will take
no more.

The

5. The alterations
in the terms of the con-
tracts adverted to in
paragraph 9 of the
Board's Proceedings are
approved.

W. C.

To Mr. B. J. Green { 2/6 June
with 7 Cents }

Deposited in N. S. to
B. J. Green. 27. 5. 74.

66

E

254-255.

C 25th May 194 R 27th