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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue. DEPARTMENT

G.O. No.
B.P. No.

531

Press
Mis.

Dated 22. 4. 1876 196 .

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REVENUE DEPARTMENT,
OOTACAMUND,
22nd April 1876.

No. 531.

No. 150.

To

THE CHIEF SECRETARY TO THE GOVERNMENT OF BOMBAY.

Separate Revenue, No. 15.

Salt.

* Board's Proceedings, 23rd March 1876,
No. 824, and copies of letters to the
Collector of South Canara, dated 12th
February 1876, and from the Collector of
South Canara, to the Collector of Salt
Revenue, Bombay, 14th February 1876,
No. 362.

Proceedings of Government, 22nd April 1876,
No. 530.

(Copies enclosed.)

SIR,—I am directed to forward the
accompanying papers* relating to the
restrictions imposed by the Collector of
Salt Revenue, Bombay, on the merchants
who have contracted to supply salt to the
district of South Canara from Bombay,
and to request that the Government of
Bombay will, on consideration of the
circumstances stated below, remove the
restrictions complained of.

2. The contractors complain that,
although sufficient security for the
amount of duty on salt which they desire to export from Bombay is tendered to,
and accepted by, the Collector of South Canara, and although the fact of this having
been done is telegraphed by the Collector of South Canara to the Collector of Salt
Revenue in Bombay, this latter officer insists on further security being directly
furnished to him, and requires them to bind themselves by agreements to pay the
full duty, unless they give satisfactory proof of the delivery of the entire quantity
of salt in South Canara within the short period of two months. The necessity for
thus compelling the merchants to furnish double security is not apparent, and this
Government are unable to understand why security furnished to the responsible
officers of this Presidency should not be considered as good as any that the Bombay
officers might take.

3. From the correspondence noted in the margin, it will be seen that the
Government of Bombay had been asked
to arrange that the duty which is to be
levied at Bombay might be adjusted by
an account payment, and that Govern-
ment replied by referring to the rules
lately passed by them sanctioning the

From the Chief Secretary to the Government
of Bombay, dated 8th January 1875, No. 89.
G.O., dated 3rd March 1875, No. 342.
" " 20th May " " 775.
Board's Proceedings, 5th Jan. 1876, No. 13.
" " 7th Feb. " " 363.
(Copies enclosed.)

grant of credit to salt traders, and added that salt could be given them equally well
on the production of the necessary documents from a Madras treasury. On this it
was resolved, in communication with the Board and the Accountant-General, that,
provided the contractor deposits security sufficient to prevent all loss to Government,
credit may be afforded for the duty chargeable on salt supplied from Bombay, the
duty being credited to the Government of Bombay and a receipt for the amount
granted to the contractor by the Collector, that in case of short delivery the contrac-
tor should make good the amount of duty on the quantity deficient; and that in
view to carry out these arrangements effectually a clause should be inserted in the
contractor's agreement to the above effect, the contractor being required to produce
a certificate from the Collector of Salt Revenue, Bombay, showing the quantity of

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salt actually shipped, and credit being allowed for such quantity. On these arrangements being intimated to the Collector of Salt Revenue at Bombay by the Collector of South Canara, it would appear that Mr. Pritchard wanted the amount to be remitted to him by means of a Remittance Transfer Receipt. The Accountant-General, who has been referred to on the subject, has solicited instructions from the Comptroller-General, and the question is pending disposal for want of a reply from that officer. Meanwhile, the action of the Bombay authorities has been productive of inconvenience and hardship to the salt traders who have contracted to supply salt to the Western Coast Districts; and I am to request that His Excellency the Governor of Bombay in Council will issue instructions for the security furnished to the officers of this Government, and of which due intimation is given to the Bombay Collector of Salt Revenue, being recognised at Bombay, so as to relieve the contractors from affording any further guarantee such as is now insisted on. In making this request, this Government have fully satisfied themselves that there can be no danger to the revenue of Bombay, or evasion of any laws or rules in force there.

4. I am to add that the Madras Government is aware that as yet no final resolution has been come to as to the adjustment of the salt-duty on exports for *bona fide* consumption on the Western Coast Districts of this Presidency, and that while the Government of India, in their letter to the Bombay Government, dated 6th February 1875, No. 37, express themselves in

Paragraph 3.

favor of allowing the contractors to export

salt free of duty from Bombay under sufficient security, they state, in their letter to this Government, dated 18th May 1875, No. 799, paragraph 4, that "the duty to be refunded to the contractors with the Government of Madras will be covered by a transfer to the Government of Madras by that of Bombay of the duty already levied or hereafter to be levied there on salt exported under contract with the Government of Madras." It would seem, therefore, that it was contemplated to credit the duty to this Government, whereas under the system of transfer receipt proposed by Mr. Pritchard, the duty will be credited to the Bombay Government. The final decision on the subject will settle the question of adjustment of the duty which is now involved in uncertainty, and on this point this Government propose to address the Government of India to whom a copy of this communication will also be forwarded.

I have the honor to be,

Sir,

Your most obedient servant,

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

8/22^d April 1876

No 531

To
The Chief Sec^y to the
Gov^t of Bombay.

Sir,

I am directed to for-
ward the accompanying papers, re-
lating to the restrictions imposed
by the C.W. of Salt Revenue
Bombay on the merchants, who
have contracted to supply salt
to the Dist^l of S. Canara from
Bombay, & to request that the
Gov^t of Bombay will, on consi-
deration of the circumstances
stated below, remove the restrictions
complained of.

The Contractors complain
that, although sufficient security
for the amount of duty on salt
which they desire to export from
Bombay is tendered to, and
accepted by, the C.W. of S. Canara

* G.D. No: 23 March 76 N^o 824
respin of letter to the C.W. of S. Canara
of 12 Feb 76
& from the C.W. of S. Canara
to the C.W. of Salt Rev^l
Bombay 12 Feb 76 N^o 362
Port of Salt 22 April 1876 N^o 530
copy enclosed.

Gobt. of 118761 Mubara.

REVENUE.

To

THE CHIEF SECRETARY TO THE
GOVERNMENT OF BOMBAY.

Dated April 22nd.

Recd.

Encl.

Letter, 22nd April 1876, No. 531.

APRIL
No. 150.

Forwarding papers relating to the adjust-
ment of duty on salt exported from Bombay to
South Canara and Malabar; and requesting
that, for reasons stated, the restrictions complain-
ed of may be removed.

& although the fact of this having been done is telegraphed by the Collr of South Canara to the Collr of Salt Revenue in Bombay, this latter Offr insists on further security being directly furnished to him; & requires them to bind themselves by agreements to pay the full duty, unless they give satisfactory proof of the delivery of the entire quantity of Salt in S. Canara within the short period of 2 months. The necessity for thus compelling the merchants to furnish double security is not apparent, & this Govt are unable to understand why security furnished to the responsible Offrs of this Presd should not be considered as good as any that the Bombay Offrs might take.

From the correspondence noted in the margin, it will be seen that the Govt of Bombay had been asked to arrange that

the

From the Chief Secy to the Govt of Bombay
to Secy of State 1875. No. 89.
20. 3 March 1875. No. 342.
" 20 May " " " 775.
22 Dec. 1875. No. 13.
22 Dec. 1875. No. 263.
(Copies enclosed)

the duty which is to be levied at Bombay might be adjusted by an account payment, & that Govt replied by referring to the rules lately passed by them sanctioning the grant of credit to Salt traders, & added that Salt could be given them equally well on the production of the necessary documents from a Madras treasury. On this it was resolved, in communication with the Board & the Accountant General, that, provided the Contractor deposits security sufficient to prevent all loss to Govt, credit may be afforded for the duty chargeable on Salt supplied from Bombay, the duty being credited to the Govt of Bombay & a receipt for the amount granted to the Contractor by the Collector.

that

that in case of short delivery
the Contractor should make good
the amount of duty on the quantity
sufficient; & that in view to
carry out these arrangements
effectually a clause should be
inserted in the Contractor's agree-
ment to the above effect, the
Contractor being required to pro-
duce a Certificate from the
C.O. of Salt Revenue, Bombay
showing the quantity of salt
actually shipped, & credit being
allowed for such quantity;
on these arrangements being
intimated to the C.O. of Salt
Revenue at Bombay by
the C.O. of South Canara,
it would appear that
Mr. Pritchard wanted the
amount to be remitted
to him by means of a
Remittance transfer receipt.
The Sec^y Genl. has
been referred to on the
subject, has solicited in-
structions from the Comptroller
Genl.; & the question is pending
disposal for want of a
reply.

from that Officer. Inasmuch
the action of the Bombay
authorities has been productive
of inconvenience & hardship
to the Salt traders who
have contracted to supply
Salt to the Western Coast
Dist^{ts}, & I am to
request that His
Excellency the Governor
of Bombay will issue
instructions for the se-
curity promised to the
Officers of this Gov^t,
& of which due intima-
tion ~~will be~~ given to
the Bombay C.O. of
Salt Revenue, being
recognized.

recognized at Bombay so
as to relieve the Contract-
tors from affording any
further guarantee such
as is now insisted on.
In making this request,
this Govt have fully
satisfied themselves that
there can be no danger
to the revenues of Bombay
or evasion of any laws
or rules in force there.

I am to add
that the Madras Govt
is aware that as yet
no final resolution has
been come to as to
the

para 3.

the adjustment of the
Salt duty on exports for
bona fide consumption
on the Western Coast
Dis^{ts} of this Pres.
& that while the Govt
of India, in their letter
to the Bombay Govt dated
6 Feb'y 5- No 37, express
themselves in favor of
allowing the Contractors
to export Salt free of duty
from Bombay under
sufficient security, they
state, in their letter to
this Govt of 18 May/5- No
799, para 4, that "the
duty

duty to be refunded
to the Contractors with
the fort of Madras will
be covered by a transfer
to the fort of Madras
by that of Bombay
of the duty already
levied or hereafter to
be levied there on
salt exported under
contract with the
fort of Madras. It
seems, therefore,
that it was contempla-
ted to credit the
duty.

duty to this fort, whereas
under the system of transfer
receipt proposed by Mr.
Pritchard, the duty will be
credited to the Bombay
fort. It is, however, im-
material whether the duty
is credited to this fort,
or the Bombay fort,
but a final decision on
the subject will settle
the question of adjustment
of the duty which is now
involved in uncertainty
& on this point this fort
propose to address the
fort of India to show

a copy of this commu-
nication will also be
forwarded.

LR

Comp'd W. A. S. C. 8 April 1960 RUT