M.R.O. 1—20,002—12-8-65.

(1) Number of Pages 20

(2) Date of repair 28.2.68

(3) Initials of the Referencer [illegible]

MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. / ~~B.P. No.~~	842	Press / ~~Mis.~~
Dated	23.6.1876	196 .

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
23rd June 1876.

No. 243. Read the following letter from the Hon. E. W. RAVENSCROFT, C.S.I., Acting Chief Secretary to the Government of Bombay, to the Honorable D. F. CARMICHAEL, Secretary to the Government of Madras, Revenue Department, dated Bombay Castle, 10th June 1876, No. 3,417 :—

With reference to your letter, No. 531, dated 22nd April last, requesting the removal of certain restrictions stated to have been imposed by the Collector of Salt Revenue at this Presidency on the export of salt by contractors from Bombay to the districts of South Canara, I am directed by His Excellency the Governor in Council to forward extract, paragraphs 1 to 4, of a report from the Acting Collector of Salt Revenue at this Presidency, No. 2,705, dated 17th ultimo, together with copies of the correspondence therein referred to, from which it will be seen that the Government of Madras have not been correctly informed of the facts of the case, and that no such restrictions as complained of really exist.

2. I am, at the same time, desired to request that you will be so good as to move the Government of Madras to direct the Collectors of South Canara and Malabar to remit the amounts due to this Government by transfer receipts at their early convenience.

Enclosure No. 1.

Extract, paragraphs 1 *to* 4, *of a Report from the Acting Collector of Salt Revenue, No.* 2,705, *dated* 17*th ultimo.*

The Madras Government have not been correctly informed as to the facts of the case.

1*st*,—The undersigned has not declined to recognise any security accepted from contractors by the Collector of South Canara; and,

2*ndly*,—The contractors employed by the Collector of South Canara have not been required to deposit additional security with the undersigned, but have been allowed throughout the season to remove salt, as suited their convenience, to the full value covered by the securities which they deposited with the Collector of South Canara.

2. The undersigned solicits reference to Mr. Pritchard's letter, No. 6,203, dated 23rd October 1875, to the address of the Collector of South Canara, copies of which and of the telegram to which it replies are annexed; copies of correspondence with the Collector of Malabar on the same subject are also annexed. These letters show plainly that the credits granted by the Madras Collectors have been duly honored by the Collector of Salt Revenue, and that their contractors have been allowed to export salt on the terms prescribed by Government which regulate all exportations from Bombay Salt Works, whether to ports within or beyond the Bombay Presidency. The undersigned does not apprehend that the Madras Collectors desire to claim for their contractors exemption from the ordinary rules which govern the export of salt in Bombay.

Collector of Malabar's telegram of 7th December 1875.
Collector of Salt Revenue's No. 7,250, dated 8th December 1875.
Collector of Malabar's No. 3,300, dated 21st December 1875.

3. The real point at issue between the Collector of South Canara and this Office has reference to the mode in which the duty paid by the contractors is to be adjusted in the accounts: the Collector of South Canara wished to adjust the duty by an account-payment; the Collector of Salt Revenue wished it to be adjusted by transfer remittance. The reasons for which the mode of adjustment last named is preferable are fully explained in the correspondence noted in the margin (copies attached), and it will be seen that the Comptroller-General has finally decided on adopting that system.

Comptroller-General's No. 1,597 of 1st March 1876.
Collector of Salt Revenue's No. 1,636 of 18th March 1876.
Comptroller-General's Nos. 57 and 58 of 10th April 1876.

4. Owing to this difference of opinion several of the contractors' accounts with this Office are unsettled, although the periods for which credit was granted have long since expired. The undersigned would, therefore, respectfully request that the Collectors of South Canara and Malabar may be instructed to remit the amounts due by transfer receipts without further delay.

Telegram from Acting Head Asst. Collector in charge, Mangalore, to C. B. PRITCHARD, Esq., Collector of Salt Revenue, Bombay.

ALLOW Britto to ship salt under orders Madras Government. Duty will be adjusted in treasury account to credit of Bombay Government. Receipt on delivery being given by me to contractors.

From C. B. PRITCHARD, Esq., Collector of Salt Revenue, to the Collector of South Canara, dated Bombay, 23rd October 1875, No. 6,203.

ADVERTING to your telegram just received, copy of which is annexed, I have the honor to inform you that I have issued the orders necessary to allow Messrs. Britto to ship salt for your Collectorate on the understanding that the duty payable thereon will be adjusted in your accounts to the credit of the Bombay Government, transfer receipts in favor of my Office being issued by you as the salt comes to hand.

2. Under the orders of the Government of India the pre-payment of full duty on all salt taken from Bombay Salt Works is compulsory; but I am allowed to grant credit under rules similar to those in force in the Madras Presidency. Messrs. Britto will accordingly open a credit account in my Office on the security of the documents which they have deposited with you as intimated in your No. 1,902, dated the 5th instant. I have the honor to request, therefore, that you will be good enough to continue to hold that security until receipt of intimation from this Office that Messrs. Britto's account with us has been cleared.

Telegram from Acting Collector of Malabar, Calicut, to Collector of Salt Revenue, Bombay, dated 7th December 1875.

PLEASE permit Dhoolal Asji to export salt to Malabar on certificate granted by me to Kanji Premchand and Tejpal Lalji, dated 24th ultimo.

From C. B. PRITCHARD, Esq., Collector of Salt Revenue, to the Collector of Malabar, dated Bombay, 8th December 1875, No. 7,250.

WITH reference to your telegram of yesterday, just received, I have the honor to inform you that credit for salt exported from Bombay can only be granted on the execution of a bond and under rules, copies of which are annexed.

2. As it appears that there is no one in Bombay authorised to execute the necessary bond on behalf of Kanji Premchand and his partner, I am unable to issue permit for salt for which Kanji Premchand has deposited security with you, as intimated in my telegram of this day's date. I beg to invite your attention to the rules under which credit will be granted in Bombay. The deposits may be made and retained in your Office, and will be duly honored in mine.

From W. LOGAN, Esq., Acting Collector of Malabar, to the Collector of Salt Revenue, Bombay, dated Calicut, 21st December 1875, No. 3,300.

IN reply to your letter of the 8th instant, No. 7,250, I have the honor to inform you that Kanji Premchand and his partners have informed my Salt Deputy Collector that they have sent a Muktiarnama to their Agent at Bombay for the execution of the bond referred to.

Proceedings of the Madras Government, Revenue Department,
23rd *June* 1876.

From E. F. HARRISON, Esq., Comptroller-General, Calcutta, to the Collector of Salt Revenue, Bombay, dated Calcutta, 1st March 1876, No. 1,597.

THE Acting Head Assistant Collector in charge South Canara, in a letter to the Acting Secretary to the Board of Revenue, Madras, No. 9,227, dated 20th November last, states that you want the amount of duty on salt supplied by you for the use of his district to be remitted to you by means of remittance transfer receipts instead of being adjusted in account to credit of your department. But as a copy of your letter containing these views has not been forwarded by the Accountant-General, Madras, with the other papers on the subject, I have the honor to request that you will furnish me with a copy thereof.

2. As regards the credit to be allowed to the contractors for the purchase of salt for the use of some of the Madras districts on deposit of Government securities at your Office or at any treasury in Madras, I would beg to inquire whether the remittance transfer receipts required by you are to be issued to the contractors by Madras Collectors after delivery of the salt contracted for, or immediately on the deposit of security for the due fulfilment of their contracts. It is presumed that the former course is intended and that the transfer receipts are to be for the entire cost of the salt and not for the amount of the duty only.

From A. D. CAREY, Esq., Acting Collector of Salt Revenue, to the Comptroller-General, Calcutta, dated Damaun, 28th March 1876, No. 1,636.

IN reply to your letter, No. 1,597, of the 1st instant, I have the honor to state that the letter referred to merely asks for transfer receipts, and contains no statement of my views on the subject. A copy is, however, transmitted as requested.

2. I wish the amount of duty on salt supplied from Bombay for districts in Madras to be remitted by means of remittance transfer receipts instead of being adjusted in account to credit of this department for the following reasons:—

Compulsory pre-payment of duty on all salt removed from works in Bombay has, after much discussion, been ordered, and no change in this respect is desirable. But under another rule credit for salt duty is allowed to all traders on deposit of securities and their accounts in my Office are cleared by cash-payments on the expiration of the credits. In ordinary cases deposit of securities in this Office is insisted on, but some of the Madras contractors are permitted, for their own convenience, to deposit the securities with the Collectors of Malabar and South Canara, who hold them on behalf of this department until the contractor's accounts with my Office are cleared. These accounts can only be cleared by cash-payments, which again may be made either into my Office or that of the Madras Collector; but in the latter case the money has to be remitted in some shape or other. A simple adjustment in accounts is not enough, because while the contractor is liable for duty on the whole amount he removes from the works here, he is only entitled to receive payment from the Madras authorities on the quantity actually delivered; some may never be shipped at all, but supposing all to be, there is certain to be some wastage. Thus a contractor may owe this department duty on 1,000 maunds of salt, but he only delivers 990 maunds (say) in Malabar. He is liable for duty on the difference, and discharges it by a cash-payment to the Collector of Malabar (whose functions are those of Agent to this department), which must be remitted to Bombay, and a transfer remittance receipt is the most convenient form in which this can be done.

3. The Madras Collectors are in exactly the same position as the Commissioner of Nagpore, the Agent Governor-General at Indore, and other officers who, under recent orders of the Government of India, receive money on behalf of the Collector of Salt Revenue, and remit them by transfer receipt. Adjustment in accounts is likely to lead to confusion and to references months after the transactions to which they refer have been completed. I am decidedly of opinion, therefore, that the best course is to have *one system*, viz., the remittance transfer receipt system, which has been sanctioned for Nagpore, &c., and works well and easily.

4. With regard to your 2nd paragraph, I have the honor to state that the transfer receipts are to be for all Government charges payable on the salt, and they should be issued by the Madras Collectors immediately after delivery of the salt removed under each credit bond.

From E. F. HARRISON, Esq., Comptroller-General, Calcutta, to the Accountant-General, Madras, dated Calcutta, 10th April 1876, No. 57.

With reference to your letter, No. 9,613, dated 11th January last, requesting to be informed whether remittance transfer receipts can be issued for duty on salt supplied from Bombay to the districts of Malabar and South Canara, I have the honor to forward copy of a communication to my address from the Acting Collector of Salt Revenue, Bombay, No. 1,636, dated 18th ultimo, explaining the reasons for which he prefers transfer receipts to adjustments in accounts of the duty in question; and to state that, under the explanation given, I see no objection to allow remittance transfer receipts to be issued agreeably to the Acting Collector's letter referred to. I have accordingly to request that you will be good enough to issue the necessary instructions on the subject to the Collectors concerned.

No. 58.

Copy forwarded to the Acting Collector of Salt Revenue, Bombay, with reference to his letter, No. 1,636, dated 18th ultimo.

(Signed) E. F. HARRISON,
Comptroller-General.

No. 244. Order thereon, 23rd June 1876, No. 842.

Separate Revenue, No. 30.
Salt.

The Government of India having, in their letter, dated 24th May 1876, No. 120, to the Government of Bombay, desired that Government to issue orders for passing free of duty the salt supplied by contractors to the western coast districts, there is no necessity any longer to issue transfer receipts as requested in the above letter. The Government of Bombay will be informed to this effect.

(True Extract.)

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

To the Board of Revenue.

Exd. F. R. Bantleman.

Govt. of Madras. 1876

REVENUE.

To

THE BOARD OF REVENUE.

Dated June, 23rd.

Recd. Encl.

G.O., 23rd June 1876, No. 842.

JUNE.

Nos. 243-244.

Duty on Salt supplied from Bombay to Malabar and South Canara Districts.—Stating that, for reason stated, there is no necessity any longer to issue transfer receipts for the payment of —; and that the Bombay Government will be informed to the effect.

Extract paras: 1 & 4 of a Report from the Acting Collector of Salt Revenue No 2705 dated 17th Octr

Para: 1 The Madras Government has not been correctly informed as to the facts of the case:—

1st The Undersigned has not declined to recognize any security accepted from Contractors by the Collector of South Kanara and

2ndly The Contractors employed by the Collector of South Kanara have not been required to deposit additional security with the undersigned, but have been allowed throughout the reason to remove Salt as suited their convenience to the full value covered by the securities which they deposited with the Collector of South Kanara.—

2. The Undersigned solicits reference to Mr. Pritchard's letter No 6203, dated 23rd October 1875, to the address of the Collector of South Kanara, copies of which and of the telegram to which it replies are annexed. Collector of Malabar's telegram of 7th Decr 1875. Collector of Salt Revenue's No 7250, dated 8th Decr 1875. Collr of Malabar's No 3300, dated 21st December 1875. copies of correspondence with the Collector of Malabar on the same subject are also annexed. These letters show plainly that the credits granted by the Madras Collectors have been

duly

duly honoured by the Collector of Salt Revenue, and that their Contractors have been allowed to export Salt on the terms prescribed by Government which regulate all exportations from Bombay Salt works whether to ports within or beyond the Bombay Presidency. The undersigned does not apprehend that the Madras Collectors desire to claim for their Contractors exemption from the ordinary rules which govern the export of Salt in Bombay.—

3 The real point at issue between the Collector of South Kanara and this office has reference to the mode in which the duty paid by the Contractors is to be adjusted in the accounts. The Collector of South Kanara wished to adjust the duty by an account payment. The Collector of Salt Revenue wished it to be adjusted by Transfer Remittance. The reasons for which the mode of adjustment last named is preferable are fully explained in the correspondence noted in the margin, (Comptroller Generals No 1597 of 1st March 1876. Copies attached) and Collector of Salt Revenues No 1636 of 18th March 1876. It will be seen that Comptroller Generals No 57 & 58 of 10th April 1876. the Comptroller Gene. has finally decided in favor adopting that system.—

Owing to this difference of opinion a general of the Contractor's accounts with this office are unsettled although the periods for

Mem. rules probably found in respect of Consignments to Contractors. If the rules require further to remit the Contractors cash as an advance by

for which credit was granted have long since expired. The Undersigned would therefore respectfully request that the Collectors of South Kanara and Malabar may be instructed to remit the amounts due by them Transfer receipts without further delay.—

Telegram.

From Mangalore

From Acting Head Assistant Collector in Charge

To Bombay

To C.P. Pritchard Esquire, Collector of Salt Revenue

Allow Brittos to ship Salt, under orders, Madras Government duty will be adjusted in treasury account to credit of Bombay Government. Receipt on delivery being given by me to contractors.—

No 6203 of 1875.

To,

The Collector of South Kanara

Bombay 23d October 1875.

Sir,

Adverting to your telegram just received, copy of which is annexed, I have the honor to inform you that I have issued the orders necessary to allow Messrs Britto to ship Salt for your Collectorate, on the understanding that the duty payable thereon will be adjusted in your accounts to the credit of the Bombay Government transfer

Receipt for

receipts in favor of my Office being issued by you as the Salt comes to hand

2. Under the orders of the Government of India the pre-payment of full duty on all Salt taken from Bombay Salt works is compulsory, but I am allowed to grant credit under rules similar to those in force in the Madras Presidency. Messrs Britto will accordingly open a credit account in my office on the security of the documents which they have deposited with you as intimated in your No 1902, dated the 5th instant. I have the honor to Request therefore that you will be good enough to continue to hold that security until receipt of intimation from this office that Messrs Brittos' account with us has been cleared

I have &c &c

Signed C. Pritchard
Collector of Salt Revenue

Telegram

From Calicut
~~From~~ Acting Collector Malabar
To Bombay
To the Collector of Salt Revenue

Please permit Dhoolal Asji to export Salt to Malabar on certificate granted by me to Kanji Vramchand and Jeypal Lalji dated 5th instant

Dated 7th December 1875

No 7250 of 1876

6

To
The Collector of Malabar

Bombay 8 December 1875

Sir,

With reference to your telegram of yesterday just received, I have the honor to inform you that credit for Salt exported from Bombay can only be granted on the execution of a Bond and under rules, copies of which are annexed.

2. As it appears that there is no one in Bombay authorised to execute the necessary bond on behalf of Kanji Vremchand and his partner, I am unable to issue permit for Salt for which Kanji Vremchand has deposited security with you, as intimated in your telegram of this day's date. I beg to invite your attention to the rules under which credit will be granted in Bombay. The deposit may be made and retained in your office, and will be duly honoured in mine.

I have &c &c

Signed C. Pritchard
Collector of Salt Revenue

No 3300.

To The Collector of Salt Revenue Bombay

Malabar Collector's Office
Calicut, 21st December 1875

Sir,

In reply to your letter of the 8th instant

instant, № 7250. I have the honor to inform you that Kanji Premchand and his partners have informed my Salt Deputy Collector that they have sent a mukhtiar nama to their Agent at Bombay for the execution of the Bond referred to.—

I have &c &c

(Signed) W. Logan
Acting Collector

(True copies)
(Sd) G. Blandford Hd Clerk
Collector of Salt Revenue's Office

№ 1597
Comptroller General's Office
Calcutta, the 1st March 1876

To
The Collector of Salt Revenue
Bombay

Sir,

The Acting Head Assistant Collector in charge South Kanara in a letter to the Acting Secretary to the Board of Revenue Madras, № 2227, dated 20th November last, states that you remit the amount of duty on salt supplied by you for the use of his district to be remitted to you by means of Remittance Transfer Receipts instead of being adjusted in account to credit of your Department. But as a copy of your letter containing these views has not been forwarded by the Accountant General, Madras, with the other papers on the subject, I have the honor to request that you will furnish me with a copy thereof.

2. As regards the credit to be allowed to the Contractors for the purchase of salt for the use of some of the Madras Districts on deposit of Government securities at your office or at the Treasury in Madras, I would beg to enquire whether the remittance Transfer Receipts required by you are to be issued to the Contractors by Madras Collectors after delivery of the salt contracted for or immediately on the deposit of security for the due fulfilment of their contracts. If it is presumed that the former course is intended and that the Transfer Receipts are to be for the entire cost of the salt and not for the amount of the duty only.

I have &c &c

(Sd) E. T. Harrison
Comptroller General

№ 1636 of 1876.

To
The Comptroller General
Calcutta

Daman, 28th March 1876.

Sir,

In reply to your letter № 1597 of the 1st instant, I have the honor to state that the letter referred to merely asks for Transfer Receipts and contains no statement of my views on the subject. A copy is however

however transmitted as requested.

2. I wish the amount of duty on salt supplied from Bombay for districts in Madras to be remitted by means of Remittance Transfer Receipts instead of being adjusted in account to credit of this Department for the following reasons:-

Compulsory prepayment of duty on all salt removed from works in Bombay has, after much discussion, been ordered and no change in this respect is desirable. But under another rule credit for salt duty is allowed to all traders on deposit of securities and their accounts in my office are cleared by cash payments on the expiration of the credits. In ordinary cases deposit of securities in this office is insisted on, but some of the Madras contractors are permitted for their own convenience to deposit the securities with the Collectors of Malabar and South Kanara who hold them on behalf of this Department until the contractor's accounts with my office are cleared. These accounts can only be cleared by cash payments which again may be made either into my office or that of the Madras Collector, but in the latter case the money has to be remitted in some shape or other. A simple adjustment in accounts is not enough because while the contractor is liable for duty on the whole amount he removes from the works here, he is only entitled to receive payment from the Madras authorities on the quantity actually delivered, some may never be shipped at all, but supposing all to be there is certain to be some wastage. Thus a contractor may owe this Department duty on 1,000 maunds of salt, but he only delivers 990 maunds (say) in Malabar. He is liable for duty on the difference and discharges it by a cash payment to the Collector of Malabar (whose functions are those of Agent to this Department) which must be remitted to Bombay and a Transfer Remittance Receipt is the most convenient form in which this can be done.

3. The Madras Collectors are in exactly the same position as the Commissioner of Nagpur, the Agent to the Governor General at Indore and other officers who under recent orders of the Government of India receive money on behalf of the Collector of Salt Revenue and remit them by Transfer Receipt. Adjustment in accounts is likely to lead to confusion and to references months after the transactions to which they refer have been completed. I am decidedly of opinion therefore that the best course is to have <u>one system</u> viz the Remittance Transfer Receipt system which has been sanctioned for Nagpur, Goa, and works well and easily.

4 With regard to your 2d para: I have

the honor to state that the Transfer Receipts to are to be for all Government charges payable on the Salt and they should be issued by the Madras Collectors immediately after delivery of the salt removed under each credit bond.—

I have &c
(Sd) A. D. Carey
Acty Collector of Salt Revenue

No 57

Comptroller General's office
Calcutta, the 10th April 1876.

From The Comptroller General
To The Accountant General
Madras

Sir,

With Reference to your letter etc. 9613, dated 11th January last, requesting to be informed whether Remittance Transfer Receipts can be issued for duty on salt supplied from Bombay to the districts of Malabar and South Kanara, I have the honor to forward copy of a Communication to my address from the Acting Collector of Salt Revenue, Bombay, No. 1636, dated 18th ultimo, explaining the reasons for which he prefers Transfer Receipts to adjustments in accounts of the duty in question, and to state that under the explanation given, I see no objection to allow Remittance Transfer Receipts to be issued agreeably to the Acting Collector's letter referred to. I have accordingly to request that you will be good enough to issue the necessary instructions on the subject to the Collectors concerned.

I have &c
(Sd) E. F. Harrison
Comptroller General

No 58

Copy forwarded to the Acting Collector of Salt Revenue, Bombay, with reference to his letter No. 1636, dated 18th ultimo.

(Sd) E. F. Harrison
Comptroller General

(True copies)
(Signed) G. Blandford Hd Clerk
Collector of Salt Revenues office

(True copies)
D Markham
Acts Under Secy to Govt
W.

No. 3417 of 1876.

Revenue Department.

Bombay Castle 10th June 1876.

From,

The Honble E. W. Ravenscroft C.S.I.
Acting Chief Secretary to the Govt
of Bombay

To,

The Secretary to the Government of
Madras.
Revenue Department.

Sir,

With reference to your letter No. 531 dated 22nd April last, requesting the removal of certain restrictions stated to have been imposed by the Collector of Salt Revenue at this Presidency, on the export of salt by contractors from Bombay to the Districts of South Kanara, I am directed by His Excellency the Governor in Council to forward extract paras: 1 to 4 of a report from the Acting Collector of Salt Revenue at this Presidency No. 2705 dated 17th ultimo together with copies of the correspondence therein referred to, from which it will be seen that the Government of Madras have not been correctly informed of the facts of the case, and that no such restrictions as complained of really exist.

2 I am at the same time desired to request that you will be so good as to move

move the Government of Madras to direct the Collectors of South Canara and Malabar to remit the amounts due to this Government by transfer Receipts at their early convenience.

I have the honor to be
Sir,
Your most Obedient Servant

J Markham
For Acting Chief Secy to Govt

No 842

The Govt of India having in their letter dated 24 May 1876 No 120 to the Govt of Bombay desired that Govt to take immediate orders for passing free of duty the salt supplied by contractors to the western coast districts, there is no necessity to issue transfer receipts as requested in the above letter. The Govt of Bombay will be informed to this effect.

23 June 1876

G.O. 22 Jan 1876 No 1554 to 1557
15 Feby " " 121 to 133
9 March " " 194 to 204

Revenue 1876 Despatches
No 24 to 27

From
H. Ct. Chief Secy
to the Govt of Bombay

No 3417 of 1876.
dated 10th June 1876
Rec'd 19th June 1876
No 1 in
Intimating that the instructions stated to have been issued on the subject of Salt by Contractors from Bombay to S. Canara do not really exist and requesting the early issue of the orders necessary to this Govt by transfer receipts.

Mackeson
Ad Sec 23 June 1876