

Revenue (1897) Department.

MISCELLANEOUS SERIES.

G.O., No. 503

DATED 27th Jan 1897

[Despatch Abstract.]

Ref to the B^d of Rev, for remarks; letter from Govt. of India, making certain suggestions for an equitable distribution of the establishment charges between Excise & Salt in the Madras Presidency.

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Rev. 1877. Report
 GOVERNMENT OF INDIA.
 Finance and Commerce Department.

Current No. 463

To
 THE SECY. TO THE GOVT. OF MADRAS,
 REVENUE DEPARTMENT.

The Hon. Mr. Osler C. I. E. 27th Jan 1897
 G.O. Min No. 503 d 27th Jan 1897

Referred to the Secy and of Secy

for remarks.

No. 190 S. R.

Dated Calcutta, the 13th January 1897.

To the Board (S.R.) d 29-1-97

Note

"Patty construction as for licences" is already Provincial, and "Salt purchase and freight" will become Imperial as already intimated to the Gov. The only new suggestion is whether the combined Salt and Excise charges should be distributed in the ratio of three to two instead of three to one.

K.D. 21/1/97
 That Excise is undercharged can not be disputed. It makes no difference to Provincial by what authority Excise the charges are distributed as long as the Govt is treated as a unit and the ratio division is unaltered. If there were any object in it which does not present itself when it is possible to distribute the charges according to the work. For example in Calcutta there is no salt work at all. In only many of the salt factories etc. perform well, but as for what duties at all. 11/2/97.

Making certain suggestions for an equitable distribution of the establishment charges between "Excise" and "Salt" in the Madras Presidency.

G. I. C. P. O. - No. 625 F. & C. D. - 13-1-97. - 40. - R. N. D.

18-1-97
 11/2/97

MEMORANDUM.

[NOTE.—The figures in this memorandum when not expressed in Rs. are in Rs. omitting 000.]

The existing method of division of the expenditure of the Madras Salt and Abkari Department is thus shewn on page 49 of the Madras Civil Estimates. Figures of 1896-97:—

As originally charged.	As Distributed.	
	Salt.	Excise.
SALT.		
<i>Combined Establishment.</i>		
1. Madras 25,03	$\frac{3}{4}$ 18,76 A	$\frac{1}{4}$ 6,27 A
2. Petty Construction for Licensees . . . 78	1 78 B	
3. Orissa 1,44	1 1,44 A	
<i>Salt Purchase and Freight.</i>		
4. Madras 6,05	$\frac{3}{4}$ 4,54 A	$\frac{1}{4}$ 1,51 A
5. Orissa 53	1 53 A	
TOTAL 33,83	26,05	7,78
Imperial share being $\frac{3}{4}$ of items marked A . . .	18,96	5,84
Provincial share being $\frac{1}{4}$ of items marked A and whole of item marked B	7,09	1,94

The Orissa items which are admittedly wholly Salt may be excluded from the calculation.

The expenditure on Salt Purchase and freight has apparently nothing to do with Excise. It appears to be an entirely separate item, and shewn separately in the accounts, and it should be wholly shewn under Salt, and, moreover, should be treated as entirely Imperial.

There remains the question of the establishment (excluding the special provincial charge of petty construction and repairs, which is included in the accounts, under the head of the Combined Establishment).

The Combined Establishment is shewn as having cost, excluding the Orissa portion—

1893-94	22,62	—55(a) =	22,07
1894-95	22,33	—76(a) =	21,57
1895-96 Revised	23,71	—80(a) =	22,91
1896-97 Budget	25,81	—78(a) =	25,03

(a) Petty Construction items.

Administratively, the whole of this establishment must be worked as a combined establishment; but it is important for correctness of accounts, that some proper division should be made of the charges, as between the two heads Salt and Excise.

The last years in which the Departments of Salt and Excise were separate, the charges were—

	Purchase of salt.	SALT.		Excise Establishment.
		Establishments.		
1883-84	5,63	10,41 — 1,48(a) =	8,93	1,99
1894-95	5,30	11,02 — 93(a) =	10,04	2,32

(a) Petty construction items.

Governor in Council, the question may be considered, and that the Government of India may be favoured with a full expression of the opinion of the Government of Madras upon the possibility of improving the existing distribution. The principles upon which the Government of India think that the distribution should in future be made may be thus stated:—

- (1) that all expenditure on salt purchase and freight shall be charged to Salt and be taken as Imperial;
- (2) that the charges for the combined Salt and Excise Establishment (excluding the item 'Petty Construction for Licensees') shall be distributed, on the basis of the revenue realised from each, in the proportion of three-fifths to Salt and two-fifths to Excise; and be taken in both cases three-fourths to Imperial and one-fourth to Provincial.

A memorandum, prepared in this Department, showing the present distribution of the charges as made in the Madras Civil Estimates, the distribution which should, in the opinion of the Government of India, be adopted in accordance with the above principles and the manner in which the proposed distribution has been arrived at, is appended to this letter.

5. Should the above principles not commend themselves to the Government of Madras, I am to enquire whether any other method of division can be suggested, which will, while avoiding the necessity for intricate calculations, effect a fairer distribution of the charges of the Department, the principles to be kept in view being:—

- (a) that the Department must be worked as a combined one;
- (b) that the rule of distribution of common charges should be as simple in its working as possible;
- (c) that the result should shew, with a fair approximation to accuracy, the charges which are, on a general view, fairly assignable to Salt and Excise, respectively, in respect of the amount of the duties of the combined Department which is assignable to each.

I have the honour to be,

SIR,

Your most obedient Servant,

R. D. D. A. L.

Deputy Secretary to the Government of India.

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189.

READ AGAIN G.O., No.
189

DATED

CURRENT No.

ENCLOSURES TO G. No.

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A A A A A A A

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STATEMENT WITH DITTO

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H.B.—

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